

Marin Voice: Misplaced fears about power agency

By Charles McGlashan, 08/09/2009 Marin IJ

SOME RECENT WRITERS suggest that implementing Marin Clean Energy is too risky. I suggest we risk far more if we don't do everything we can to confront the threat of climate change.

Very high costs of climate disruption approach: sea level rise, flooding, fires, wetland loss and hillside erosion. Peer-reviewed analyses for MCE reveal that we can reduce greenhouse gas emissions by over 300,000 tons annually with no revenue at all from any government coffers.

The risk of MCE is less than the risk of inaction.

The Marin Energy Authority could bring local control, cleaner energy, and rate stability to Marin ratepayers. MEA will work on three things:

- energy-efficiency programs;
- help homeowners finance investments in energy efficiency, water conservation, and solar- or wind-power equipment;
- use purchases, direct investment, and tax-exempt capital to obtain electricity from renewable sources. The local economy will benefit as local firms are hired to implement energy efficiency measures and install solar and wind equipment.

The conclusions from five years of analysis are clear: We can deliver 25 percent of the electricity used by our customers from renewable sources (double that of PG&E) at or below PG&E rates.

Those who would like 100 percent of their electricity from renewable sources can choose that option by paying up to a 10 percent premium.

MEA just received 12 responses to our request for proposals, many of which meet all these criteria.

Our potential maximum staff of 20 pales in comparison to the salaries of PG&E's 20,000 employees that ratepayers currently support.

The three cities that didn't join MEA cite the risk of costs to their general funds.

This is an unfounded concern. MEA is designed to be self-funding; a firewall exists between the agency and our towns, protecting all general funds from liability. Even the nonmember cities can participate in some programs if they choose.

The IJ's editorial says we should stand down from MCE and instead consider "helping build large green-power producers." With what money? The whole point of MCE is to finance green energy efforts without tapping the general funds of any jurisdiction.

The PG&E monopoly is fiercely fighting this effort and is using former politicians and the newspaper to protect its monopolistic advantages.

By contrast, MEA brings competition to the marketplace, both on the "sell side" with rate and energy content choice for ratepayers, and on the "buy-side" for producers fed up with onerous contracting requirements and poor rates.

The IJ points to the "opt out" issue as if there is no choice for residents. That's not true. Any billpayer can choose to remain with PG&E if they prefer the nuclear and fossil fuel power it uses. The final say will reside with every business and homeowner, whereas now we have no choice but to buy what is

given at rates set in San Francisco.

The IJ and PG&E used the decision by the San Joaquin Valley Power Authority to temporarily suspend the implementation of a program similar to MCE as rationale for us to stand down as well. But the SJVPA requires rates to be at least 5 percent below the cost of the utilities. Two years ago this looked like a winning strategy, but PG&E tied them up in frivolous lawsuits and hearings so long that energy markets changed.

San Joaquin now must wait for nuclear and fossil fuels to resume their inevitable cost increases. While we brace ourselves for this same sort of onslaught, we know that San Joaquin will be back.

The idea that local jurisdictions shouldn't be in the power procurement business belies the hundreds of local public power authorities all over the country and the dozens in California, including Palo Alto, Sacramento and Truckee. As with these, one of the benefits of MEA is local policy- and rate setting in our own boardroom.

MEA offers leadership that can make a difference. We must keep going, carefully and analytically, as we have from the beginning.

Saying that we should not consider working on energy at the local level ignores the problem and the opportunity of climate change. This is our job as stewards of the public trust.

Marin Supervisor Charles McGlashan of Mill Valley is chairman of the nine-member Marin Energy Authority board.

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