

PG&E initiative on power suppliers on ballot

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A ballot measure, backed by Pacific Gas and Electric Co., that would limit the ability of California cities to go into the public power business has qualified for the June election, according to the secretary of state.

The measure would force local governments that want to compete with PG&E to win the approval of two-thirds of their voters first. The utility, California's largest, is fighting efforts by San Francisco and Marin County to start buying electricity on behalf of their residents, taking over a role long held by PG&E.

The initiative needed 694,354 valid signatures in order to be placed on the June ballot. Secretary of State Debra Bowen certified the measure on Tuesday after her office verified a random sample of the 1,121,944 signatures submitted.

"We're encouraged by the support this initiative received throughout the state," said PG&E spokesman Andrew Souvall. The company, based in San Francisco, has provided all of the initiative campaign's \$3.5 million funding, according to the secretary of state's Web site.

Public power has a long, contentious history in California, and the fight over the ballot measure promises to be fierce.

Officials in San Francisco and Marin County already are sparring with PG&E over their efforts to enter the electricity business. Under a system called community choice aggregation, they would buy electricity for their residents and businesses, while PG&E would continue to own and operate the local electrical grid. Marin's effort includes the county and all of its cities, except for Corte Madera, Larkspur, Novato and Ross.

Supporters say the system would allow San Francisco and Marin County to dramatically increase their use of renewable power and have more control over electricity rates. PG&E argues that residents would end up paying more for power.

On Monday, San Francisco City Attorney Dennis Herrera complained to state energy regulators that PG&E was violating California regulations that require utilities to cooperate with community choice aggregation projects. He cited a pamphlet, from a PG&E-backed group, that reads: "Tell the Politicians, San Francisco Should Opt Out of a Costly Energy Scheme."

"We cannot let Californians be denied the benefits of cleaner, cost-effective energy alternatives - consumer choice is simply too important to ratepayers and the environment," said Herrera. He asked the California Public Utilities Commission to block PG&E marketing campaigns against the community



choice program.

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<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/01/14/BUND1BHQ7S.DTL>

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