

## News

### DISTRICT TARGETS PG&E ELECTRIC RIGHTS

By **David Siders**

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MANTECA - The South San Joaquin Irrigation District decided Thursday to try again after its failed bid to oust Pacific Gas and Electric Co. and to take over the electricity market in and around Manteca, Escalon and Ripon, re-opening a public relations and legal battle that left off with a district loss in court last year.

At a public hearing in an open-air garage behind the district's offices, Jeff Shields, the agency's general manager, said a takeover and infrastructure improvements could cost some \$129 million but that the district would reduce rates by 15 percent and save ratepayers \$11.6 million annually. He appealed for local control of the lucrative electricity market - turf PG&E has successfully defended in the south county and, recently, in Stockton - saying residents would be better served by irrigation district officials, not people "on the 53rd floor of a corporate high rise" in San Francisco.

PG&E's Emily Barnett said the district's estimate understated the cost of acquiring the utility giant's assets by eminent domain, which she said would exceed \$400 million. She told the district's governing board to "learn from your past mistakes" and to forgo a campaign it already has spent millions of dollars waging.

A takeover could affect some 40,000 customers, the district said.

The Local Agency Formation Commission, which governs how agencies grow, rejected the district's original takeover application in 2006, and the district last year abandoned its subsequent, failed legal claim that a takeover could be done without agency approval. On Thursday, it formalized its intent to resubmit its bid, believing it would benefit from a commission makeup that has changed since it last considered the matter.

A Sacramento organization opposed to eminent domain and a local group, Citizens to Stop the Power Grab - a group financed in part by PG&E - opposed the measure Thursday. So did some PG&E employees. The promise of lower rates does not justify taking private property, said Marko Mlikotin, president of California Alliance to Protest Private Property Rights.

Among supporters of a takeover was Ripon farmer Matt Visser, who said his family has been with the district for 90 years and that "I just have full confidence in this board."

LAFCO could consider the application early next year. In denying the district's first application, it cited inadequate evidence that the district could well serve the south county. The 100-year-old irrigation district said Thursday that it could serve customers more reliably and at less cost than PG&E. The utility said that claim is unfounded and that a takeover would put service at risk.

In Stockton last year, then-Mayor Ed Chavez proposed a takeover similar to that proposed by the irrigation district. The measure lacked political support and the City Council in January abandoned the effort.

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