

PULL THE PLUG ON THE PG&E POWER GRAB

What is Proposition 16: the PG&E Power Grab?

PG&E plans to spend at least \$30 million on Prop 16, named the “New Two-Thirds Requirement for Local Public Electricity Providers.” Prop 16 would amend the California Constitution to require local governments to obtain 2/3 majority voter approval before issuing public financing for a Community Choice energy program or for extending a public power utility. In other words, Prop 16 seeks to write PG&E’s monopoly into law.

What’s Behind the PG&E Power Grab?

Californians are *not* required to purchase energy from an investor-owned utility like PG&E. In 2002, the state legislature approved AB117 (Community Choice energy), which allows cities and counties to purchase electricity or develop it locally through an energy provider of their choice. San Francisco and Marin County, for example, are in the process of developing Community Choice programs.

In a Community Choice program, a local government buys electrical power while a utility (PG&E) maintains the power lines and does the billing. These programs are generally designed to provide a high percentage of clean, renewable energy (such as solar and wind) as well as to match or beat utility prices; furthermore, any ratepayer may still choose to opt-out of the program and buy power from the utility.

PG&E currently gets only about 14% of its electricity from renewable energy and will fail to reach the state mandated minimum of 20% by this year. Instead, PG&E is investing mostly in dirty fossil-fuel plants that are powered by natural gas, and which emit large amounts of greenhouse gases. The PG&E power grab is meant to lock us into PG&E’s dirty power and escalating rates.

Why You Should Oppose Proposition 16

- **It subverts the California Constitution and initiative process.**
It manipulates the legal and electoral process to enshrine PG&E’s electric power monopoly in the Constitution.
- **It distorts our democratic system.**
A 2/3 majority approval is not a one person, one vote system. It gives opponents twice as much voting power as those who vote Yes, making it nearly impossible to achieve public approval. We’ve seen how the 2/3 majority has crippled the California state budget process by putting the fate of the majority in the hands of the minority.
- **It eliminates your community’s choice to opt out of PG&E’s high rates.**
Prop 16 stifles competition for electric power. PG&E has the highest rates in California. In addition, PG&E has already begun 2010 with one rate increase and plans *nine* others that would hurt both residential and commercial customers.
- **It violates state law by thwarting local control of energy.**
Prop 16 is specifically meant to undermine California’s Community Choice law (AB 117), which gives cities and counties the option of buying cheaper, cleaner power than that provided by PG&E. AB 117 *requires electric utilities to cooperate* with Community Choice programs.
- **It threatens the future of clean energy and green jobs.**
Prop 16 undermines local renewable energy development and the business growth associated with it.
- **It endangers our health.**
Prop 16 imposes PG&E’s dirty power and the pollutants that accompany fossil fuel energy on Bay Area communities.
- **It stalls greenhouse gas reductions.**
Prop 16 undercuts efforts to provide sustainable, clean energy options to PG&E’s dependence on fossil fuels.

WHO WANTS TO PAY MORE FOR DIRTY ENERGY?? VOTE NO ON PROP. 16, JUNE 8!

Questions? Email the Local Clean Energy Alliance at stoppowergrab@gmail.com.

Resources

Prop. 16 analysis and text

California Legislative Analyst's Office: nonpartisan fiscal and policy analysis of PG&E initiative (7/7/09)
<http://www.lao.ca.gov/ballot/2009/090395.pdf>

Actual text of Prop. 16 Initiative filed by PG&E's representative with the Attorney General's office (5/28/09)
<http://www.powergrab.info/PG&Epowergrab.pdf>

Articles and editorials on Prop. 16

"Palo Alto Votes to Fight PG&E 'Power Grab'," *Palo Alto Online News*, Gennady Sheyner (2/2/10)
http://www.paloaltoonline.com/news/show_story.php?id=15574

"PG&E Spending Millions to Block Local Utilities," *San Jose Mercury News*, Dana Hull (1/31/10)
http://www.mercurynews.com/breaking_news/ci_14296650?nclick_check=1

"PG&E Ballot Initiative Factsheet" blog by John Geesman, former CA Energy Commissioner (2002-08)
<http://pgandeballotinitiativefactsheet.blogspot.com/>

"Editorial: PG&E Makes a New Power Grab," *Sacramento Bee* (1/20/10)
<http://www.sacbee.com/opinion/story/2471258.html>

"Editorial: Measure Would Protect PG&E, Not Taxpayers," *Redding Record-Searchlight* (1/16/10)
<http://www.redding.com/news/2010/jan/16/measure-would-protect-pge-not-taxpayers/>

"PG&E initiative on Power Suppliers on Ballot," *SF Chronicle*, David R. Baker (1/14/10)
<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/01/13/BUND1BHQ7S.DTL&type=business>

"Community Bids to Bypass Utilities Facing Hurdles in CA," *NY Times*, Debra Kahn (1/7/10)
<http://www.nytimes.com/gwire/2010/01/07/07greenwire-community-bids-to-bypass-utilities-facing-hurdle-1763.html?pagewanted=1>

"Opinion: PG&E Ballot Measure is a Stealthy Power Play," *LA Times*, Michael Hiltzik (12/28/09)
http://www.latimes.com/business/la-fi-hiltzik28-2009dec28_0,3633154.column?track=rss

Letter from CA Senate President Pro Tem Darrell Steinberg & legislators to PG&E's Peter Darbee (12/22/09)
<http://www.powergrab.info/letter.pdf>

"Monopoly Money - Can One Utility Block Marin's Climate Protection Efforts?," *Metroactive*, Juliane Poirier (10/21/09), <http://www.metroactive.com/bohemian/10.21.09/greenzone-0942.html>

"The PG&E Plan: Trick the Voters and Make them Cry," *The Santa Lucian*, Sierra Club California, San Luis Obispo (Oct. 2009), <http://www.santalucia.sierraclub.org/lucian/2009/10%20Oct.pdf>

Organizations Opposing Prop. 16

Taxpayers to Stop the PG&E Power Grab www.powergrab.info

California Sierra Club <http://sanfranciscobay.sierraclub.org/yodeler/html/2005/05/feature3.htm>

The Utility Reform Network <http://www.turn.org/article.php?id=933>

Local Clean Energy Alliance <http://www.localcleanenergy.org/>

CleanPowerSF <http://communitychoiceenergy.org/>

Marin Clean Energy <http://marincleanenergy.info/>

Local Power blog by CCA author Paul Fenn <http://www.localpowerrevolution.blogspot.com/>

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