

5/28/20



Governor Gavin Newsom
Senate pro Tempore Toni G. Atkins
Assembly Speaker Anthony Rendon
Senator Jerry Hill, Author SB 350
Assemblymember Chris Holden, Chair, Assembly Utilities and Energy Committee

Re: SB 350 The Golden State Energy Act - Support Concept If Amended

We write to you as the Reclaim Our Power: Utility Justice Campaign, the largest coalition of frontline communities and workers, fire survivors, low income customers, disability justice groups, climate and environmental justice formations, youth, and local clean energy advocates in California who envision a restructured energy system beyond the disastrous PG&E. We have experienced how PG&E has repeatedly failed to serve the public good by not investing in wildfire safety, by prioritizing paying out shareholder dividends over public health and safety, and by moving too slowly to transition to a 100% renewable energy future to meet our state's climate goals.

The speed with which you are moving to pass SB 350 seems to preclude our ability to participate in a transparent process to share our ideas and concerns about this bill. The Reclaim Our Power campaign is working with teams of researchers on various energy models involving decentralized systems, democratic control and accountability, and community energy that would serve Californians better than PG&E now or under its current Plan of Reorganization. Our campaign would like to work in partnership with the legislature to share solutions and bring awareness to pitfalls of certain designs so the public doesn't suffer the same consequences.

SB 350's goals for a Plan B entity when PG&E fails are generally aligned with our vision of a safe, reliable, and publicly accountable energy system that works for all Californians. But how the new utility, Golden State Energy, should be run to serve the broadest public good for Californians deserves much more vetting in the legislative process and that is a great concern to us.

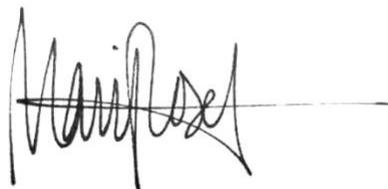
We also cannot wait for PG&E to fail again for corrective action to be taken. Unfortunately, that is how PG&E's Plan of Reorganization is structured. We are extremely concerned that it will take far too long for Plan B to be triggered, further endangering the people of California.

Should you forge ahead with fast-tracking SB 350, we see 5 areas that need to be initially addressed in order for us to consider our support for moving the bill forward.

1. Triggers for receivership. Include a concrete trigger for appointment of a receiver and transition into Golden State Energy. The plan cannot allow low-income communities of color, immigrant and medically vulnerable households to be sacrificed if PG&E fails again to prevent its equipment from setting our state on fire, or to protect public health under power shutoffs. The potential cost to Californian's lives is too high and has already been gravely paid.
2. Governance. Integrate a process for frontline communities and workers to have an advisory and decision-making role in ushering in Golden State Energy. As expressed to the California Public Utilities Commission (CPUC), our campaign calls for the Disadvantaged Community Advisory Group (DACAG) to be authorized to work with other representatives of disadvantaged communities in reorganizing PG&E to ensure that such transitions be swift, transparent, and equitable. In our campaign's November 2019 letter to Governor Newsom, our 10-point utility justice principles emphasize giving frontline communities and utility workers the power to make decisions about our energy systems.
3. Accountability. Institutionalize utility oversight by mandating public accountability. For too long, we have seen the CPUC favor the interests of private companies instead of regulating the utilities in the interest of the public, including low-income residential customers and environmental justice communities in harm's way of dirty power plants. California needs to create a new institutional form of utility oversight directly accountable to serving the public interest and to meeting the state's climate goals, including the phase out of gas-fired power plants to make way for a rapid increase in renewable energy.
4. Ratepayer neutrality. Ratepayers need to be protected, and not forced to pay for the failures of PG&E, even through its successor Golden State Energy. No additional charges should be added to ratepayer bills to pay utility-caused damage claims, fines, or penalties, as allowed for in the current bill language.
5. Appeals process. Provide access to trial, appellate and Supreme Court review of PUC rate decisions for Golden State Energy. Rate decisions are of vital interest to the public and all utility customers, and the legislature has historically found that limiting review exclusively to the Supreme Court essentially denies judicial review. Allow the public to access courts for review of PUC decisions. At a minimum, match the existing judicial review process for PUC decisions.

We know that replacing the collapsing PG&E company is of great importance to the future of California's energy system and to the health and resilience of our communities. We want to offer our expertise in community-led solutions and energy equity as partners to the legislature. This is an important transition that touches the lives of every Californian in PG&E territory and will set a statewide and even nation-wide precedent for how we transition to a democratized energy system with leadership from frontline communities.

Energetically,

A handwritten signature in black ink, appearing to read 'Mari Rose', with a horizontal line extending to the right from the end of the signature.

Mari Rose Taruc, Coordinator
Reclaim Our Power: Utility Justice Campaign
marirose@localcleanenergy.org
510-258-1878

Campaign Leadership Team:

Asian Pacific Environmental Network
California Environmental Justice Alliance
Communities for a Better Environment
Local Clean Energy Alliance
Movement Generation - Justice & Ecology Project
North Bay Organizing Project
People Organizing to Demand Environmental & Economic Rights (PODER)
Plus 75 Endorsing Organizations

CC:

Governor's Office: Alice Reynolds, Rachel Wagoner, Ann Patterson
Senate pro Tem's Office: Kip Lipper, Nick Hardeman
Assembly Speaker's Office: Gabrielle Zeps, Marie Liu, Carrie Cornwell
Assembly Utilities and Energy Committee: Vanessa Nancarrow, Kellie Smith, Mary McDonald
Senate Energy, Utilities and Communications Committee: Nidia Bautista, Sarah Smith