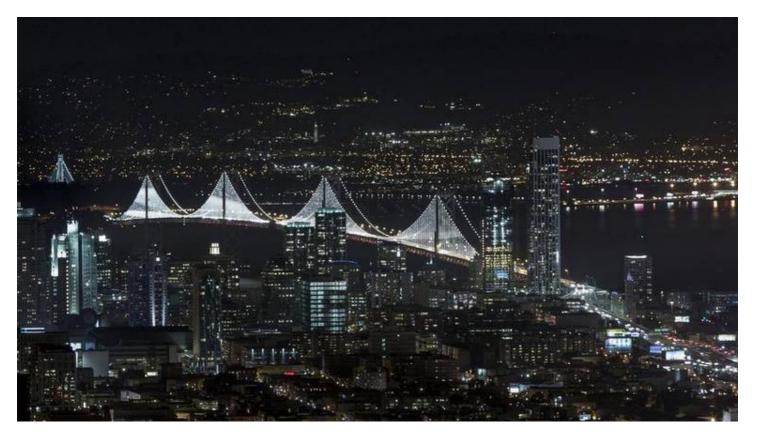
As PG&E wobbles, we can't let the utility stop the growth of public power in California

BY SCOTT WIENER AND SUSAN TALAMANTES EGGMAN *SPECIAL TO THE SACRAMENTO BEE*UPDATED MARCH 09, 2022 11:07 AM





PG&E has actively worked to undermine San Francisco's power operations. JAMES EWING AP



After emerging from bankruptcy for the second time in two decades, PG&E is <u>defending</u> <u>itself in court</u> over recent wildfires, <u>fending off growing dissatisfaction</u> with its service and <u>trying to raise its already sky-high rates</u> to stay afloat.

PG&E is no longer the only option for electric service, and momentum is growing among diverse California communities, including our distinctly urban and rural districts, eager to ditch the utility's for-profit model — and shift, once and for all, to locally controlled, public power.

There's only one problem: PG&E, as it does on so many issues, appears to be doing everything it can to stop them.

The city of San Francisco began its recent push for public power two years ago, offering \$2.5 billion to purchase the utility's local electric equipment as part of its exit from bankruptcy. San Francisco has a public power operation that started more than 100 years ago, has grown over time, and now, through procurement and generation, supplies more than 70% of the electricity used in the city. What the city proposed is a relatively straightforward transaction that would allow it to take over the final piece of its electric system, while retaining local utility workers and shifting to a greener energy supply.

"We know we can do this job more safely, more reliably and more cost effectively than PG&E," San Francisco Mayor London Breed said, noting that 70% of San Franciscans support a shift to public power.

Still, PG&E dismissed the city's offer out of hand. Since then, PG&E has actively worked to undermine San Francisco's power operations. In the last year, the city has had to take PG&E to court over the utility's efforts to impose more than \$1 billion in unnecessary service charges on city customers. At the same time, PG&E is delaying basic power hookups on a range of public buildings, from community centers and water facilities to new public transit projects. In January, a federal appeals court sided with San Francisco in the suit, urging federal agencies to consider the troubling "anti-competitive effects" of PG&E's actions in the city.

San Francisco has now turned to PG&E's state regulator, the California Public Utilities Commission (CPUC), to <u>provide a neutral assessment of the value of PG&E assets within the city's borders</u>. California is home to 45 not-for-profit public power utilities serving customers with low-cost, highly reliable electric service. This isn't a new concept or even a controversial one. But PG&E is trying to convince the CPUC to not even consider the idea.

There are some signs that it is possible to overcome PG&E's delaying tactics. The South San Joaquin Irrigation District won a key court battle in December in its effort to provide power service to its customers — an effort begun in 2004. PG&E stalled for years, rejecting a \$116 million offer to take over the local grid and filing lawsuits to delay the transaction. A recent federal appeals court ruling is putting an end to that, validating the irrigation district's authority to provide its own electric service.

There's no shortage of reasons for the state to let communities like San Francisco and South San Joaquin go their own way on public power. They have offered real money for PG&E's assets — cash that can help PG&E compensate wildfire victims and focus resources on the many other upgrades needed throughout its service area.

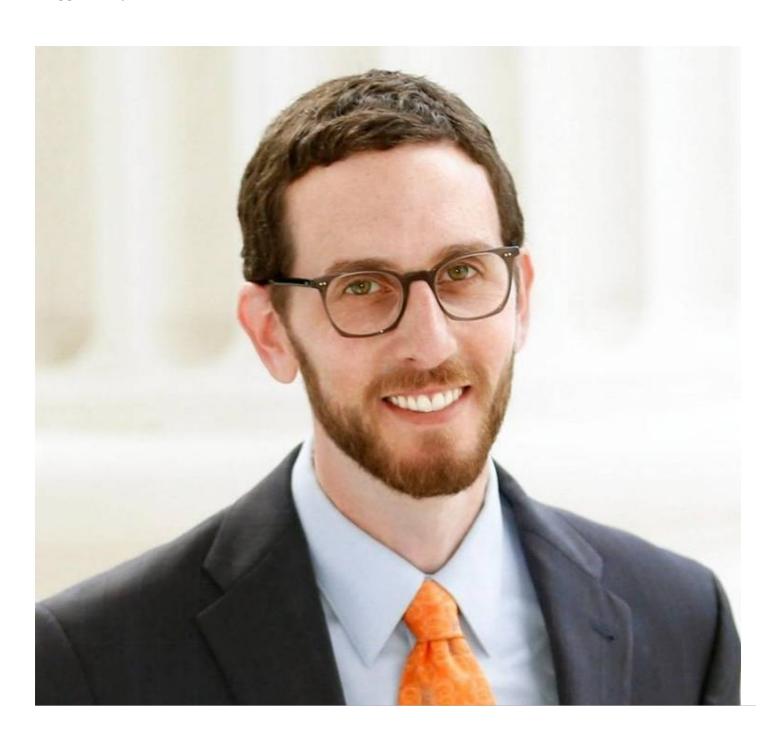
These communities, like every other local power provider, will continue to be PG&E transmission customers, fully contributing their share of the costs of maintaining PG&E's transmission system and hardening it against wildfire threats. San Francisco and South San

Joaquin can also remain home for PG&E's utility workers: Both utilities have a decades-long track record of supporting union jobs, hiring locally, and providing competitive salaries and benefits.

PG&E doesn't have any good argument for stopping these transactions. It has a mountain of debt and its problems are only growing, with <u>liabilities for this summer's Dixie Fire</u> alone expected to climb into the billions.

Local leaders in San Francisco and the San Joaquin Valley have one goal: to deliver power safely and reliably to their own customers. They have the experience and the resources they need to manage their own grids. The time has come for PG&E to let them go.

State Senator Scott Wiener represents the 11th senate district and State Senator Susan Talamantes Eggman represents the 5th senate district.





n. Scott Wiener CREDIT: LORIE LEILANI SHELLEY





ate Senator Susan Talamantes Eggman (D-Stockton) represents the 5th Senate District, which includes all of n Joaquin County and parts of Stanislaus and Sacramento Counties.

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