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Short-circuit S.F.'s costly bid for public power

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It takes a supreme leap of faith to throw billions of dollars of public money at a problem without a firm plan, and trust that it won't blow up in taxpayers' faces.

That was a valid question about the federal financial bailout. It's even more germane to San Francisco's latest tilt at public power.

At least the bailout was arguably necessary. Public power, on the other hand, is an entirely avoidable folly. Voters have been smart enough to say "no deal" every time public-power diehards have asked them to approve various versions of a fundamentally flawed idea over the years. And they've asked repeatedly: Nov. 4 marks the fourth time this decade that public power has come before city voters, and by some calculations the 12th since the question was posed nearly a century ago.

The main difference from previous versions is that this one comes dressed up in a lot of attractive greenery. Unfortunately, the pleasant foliage of Proposition H starts to fall apart on closer examination. While public-power proponents promise a San Francisco nirvana powered by renewable resources — 51 percent in a few years and 100 percent within three decades — there's no indication that this is achievable. Consider that PG&E and other big utilities are struggling to meet a state mandate to generate a mere 20 percent of their power renewably by 2010, and almost surely will fall short.

Contrary to the imaginings of public power backers, it isn't the dreaded profit motive that's getting in their way. It's that too few large-scale renewable power production facilities are up and running, nor distribution networks to serve them. More renewable power sources will come on line in future years, of course — but at a pace and quantity determined by larger economic realities and technological advances, not by the fiat of city voters. In other words, wishing for more renewable power doesn't make it so.

The economics of public power don't look any better. San Francisco would have to buy PG&E's existing distribution facilities. Proponents downplay that bill, but the nonpartisan

city controller puts at "likely in the billions." The city would have to issue bonds to cover that cost. Paid from utility bills, such debt service would at the very least eat deeply, and more probably erase, any supposed savings.

Those bills would no longer be subject to state approval. They would be set locally, meaning essentially at the whim of San Francisco supervisors. Given their track record, it is not unreasonable to suspect business rates might be jacked up so that residents could be ensured a continuing flow of cheap power. Meanwhile, taxpayers would now be responsible for maintenance and upgrading of the system. And San Francisco would either have to operate the network itself, or pay somebody else to do it. In comparison, these things are now handled by PG&E, which pays the city \$25 million in annual taxes.

Perhaps worst of all is that public power proponents just aren't playing straight with voters. Technically, all voters are authorizing is a "study," which doesn't require a charter amendment. Giving San Francisco supervisors the power to push the button on public power and issue bonds without further approval does — and that's what voters would be giving them. What's worse, it's broadly worded enough that municipal madness could be extended to gas, cable, telephone or broadband services should supervisors choose.

Mainly, they are not being honest about what's driving this proposal, like it's predecessors: It's that public-power people hate PG&E. They really, really hate it, for sins both real and imagined. That's their privilege, of course — but it hardly makes a sound basis for pledging public billions. Vote no — again — on Proposition H.

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