

PG&E's new rates could help Marin green power

By Dick Spotswood

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JUST WHEN some might be thinking of opting out of the new Marin Energy Authority, Pacific Gas and Electric does something so dumb that the quandary for consumers is more difficult than ever. When logically PG&E should be doing everything it can to convince Marin County customers that MEA isn't in their interest, the San Francisco-based utility plans to quietly jack up Marin rates to placate unhappy consumers in California's Central Valley

PG&E enjoys a gas and electricity monopoly in territory running from the Oregon border to the Tehachapi Mountains.

Some of its consumers in the Central Valley are steamed up over their high juice bills. They have asked, and PG&E is agreeing, to revamp its entire rate structure and shift the Valley consumer's burden to coastal Californians.

If this wealth-shift is approved by the state Public Utility Commission, rates will decrease for residents of the torrid Sacramento and San Joaquin valleys. The slack will be picked up by those who live on the coast.

The Golden State's interior valleys endure the hottest summers this side of the Sahara. The place is only habitable thanks to the miracle of air conditioning. That AC consumes enormous amounts of electricity. Summertime monthly PG&E bills in Bakersfield, Visalia and Redding are staggering.

PG&E's current five-tiered rate structure penalizes ratepayers who use the most electricity. It's a prudent concept discouraging excessive power consumption. Lifeline rates for small homes enjoy the lowest rate. Charges gradually increase through the five tiers causing those who consume the most to pay a substantially higher price per kilowatt.

Central Valleyians and those with very large homes pay much of their monthly charges at the most expensive Stage Five. The Board of Supervisors in conservative Kern County, which includes Bakersfield, has threatened to dump PG&E unless they lower rates. Fair enough, but PG&E's response is to shift its generation and distribution costs to coastal areas. That's not fair.

The utility is making a gamble to keep Bakersfield folks happy while hoping Marinites don't notice.

Unlike Marin, where PG&E blew off green power proponents, PG&E

succumbed to Kern County and agribusiness pressures. It now seeks PUC approval to dump the conservation-oriented five tiers and replace them with three tiers, plus a flat fee to cover fixed costs.

Besides lowering rates in the Valley and raising them along the coast, the change will encourage wasteful energy consumption while penalizing those who consume the least.

With its temperate climate, coastal residents pay through the nose to buy their homes; but relatively reasonable utility costs provide a bit of mitigation. PG&E's move means coastal residents will suffer a double whammy.

One of the benefits promised by the new Marin Energy Authority is that as consumers move from PG&E to a green alternative, they will enjoy price stability. With the five-year contract just signed with a Shell Oil subsidiary, MEA customers are guaranteed power at a rate slightly lower than PG&E charges.

If PG&E alters its rate structure, penny-wise Marin consumers will logically shift to MEA. For locals dubious about MEA, PG&E's ill-timed maneuver might be enough to cause them to have second thoughts about opting out of MEA.

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