

Mr. Darbee
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process to pursue PG&E's self interests and avoid engaging your partners in the AB 117 agreement, calls into question your company's integrity.

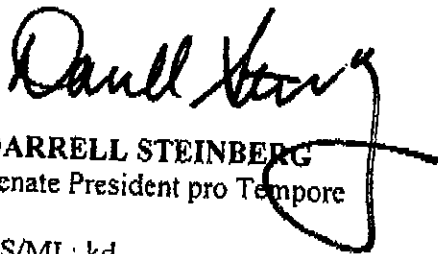
Second, PG&E's putative reason for pursuing this initiative is to protect ratepayers with the mandate for an election and the two-thirds vote requirement. But this initiative attempts to conflate "taxpayer" with "ratepayer," even though it has nothing to do with the general fund of a municipality nor the taxpayers within it. In fact, the existing statute provides far greater protection for ratepayers because (1) it provides that every customer has the right to opt out of a CCA program; (2) it provides a detailed scheme for the review and approval of the CCA program by the California Public Utilities Commission, a constitutional body whose prerogatives are impaired by this proposed initiative; and (3) it ensures, through reporting requirements, the Legislature's oversight of public policy in this area.

Finally, we believe a crucial element of the Legislature's overwhelming support for AB 117 was the premise that CCA would provide another means for California to maintain its leadership in the development of preferred and renewable energy resources. CCA encourages willing jurisdictions to go beyond the renewable portfolio standard thresholds to provide clean energy to their citizens.

We note that PG&E, while it has taken many positive steps to advance the cause of renewable energy, today provides less renewable power as a percentage of total sales than it did when this legislation was enacted in 2002. It is unacceptable for a company that is falling behind in meeting state adopted goals for clean energy to impede the efforts of others who would attain those goals through innovative means.


We strongly urge PG&E to carefully consider our concerns and refrain from pursuing this initiative.

Sincerely,



DARRELL STEINBERG
Senate President pro Tempore

DS/ML: kd



MARK LENO
State Senator, 3rd District

Jenny Oropeza
Jenny Oropeza, 28th Senate District

Lois Wolf
Lois Wolf, 5th Senate District

Christine Kehoe
Christine Kehoe, 39th Senate District

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Alan Lowenthal, 27th Senate District

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Gilbert Cedillo, 22nd Senate District

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Dean Florez, 16th Senate District

