

[Marin considers new power source](#)

By Keri Brenner, IJ reporter

Wednesday, April 06, 2005 - County would buy its own electricity

Marin officials inched a step closer yesterday toward a new county-run electricity-buying plan, but said they need to proceed with caution.

"We have our fiduciary responsibilities, and we need to do our due diligence," Supervisor Hal Brown said. "There's tens of thousands of people out there who have no idea what we're talking about."

The board voted 3-0 yesterday, with two absences, to send a letter to the California Public Utilities Commission signaling Marin's intent to look at creating a joint electricity buying plan - dubbed "Community Choice Aggregation." The letter is to be sent by June 1, the date the PUC begins hearings on new electricity procurement contracts.

The letter is not a commitment to set up the CCA, which still would require adoption of a county ordinance and a sign-on by all Marin's towns and cities. Brown said the next step was for county staff to come up with a proposed plan to administer the program, which could be put in place by next year.

"I have a strong interest and excitement about this," said Supervisor Charles McGlashan in voting in favor of the action along with Brown and Supervisor Susan Adams. "It's not every day that doing the right thing comes with such an extraordinary savings in dollars."

Supervisors Steve Kinsey and Cynthia Murray were absent for the vote.

A CCA plan would allow Marin and its cities and towns to join in buying their own electricity. According to a new feasibility study by Chicago-based Navigant Consulting Inc., a CCA could potentially save the county as much as \$6.8 million annually over Pacific Gas & Electric Co. costs and allow more use of renewable energies like solar and wind power.

Most of the two dozen or so people at yesterday's meeting cheered the board's action.

"This is where the future economy of this nation is going - in rebuilding our energy infrastructure," said Bruce Ackerman of Fairfax.

"There is unbelievable potential here; it's a great day for Marin County and for California."

However, some were not so sure.

"Although I have not decided on whether or not I favor the CCA, I am concerned about the many risks that the CCA raises for my community," said energy consultant

Lawrence Kirsch of Point Reyes Station. "What skills does Marin County have, or can Marin County buy, that will make it a competitive provider of electricity?"

Navigant Consulting Principal John Dalessi said the savings would come primarily from the fact that a county CCA would be a nonprofit, and thus qualify for lower-cost financing than PG&E, a for-profit company.

Individual residents could save up to 5 percent on their electric bills, but also would have a 60-day period to opt-out of the CCA program if they choose to stay with PG&E, Dalessi said. PG&E would maintain control of the transmission lines and customer services, he said.

"You're not necessarily setting yourself up against PG&E," he told supervisors. "I see it more as a partnership."

PG&E Director for Northern California John Newman told the board the company supported the CCA concept and would continue to work with Marin officials on exploring the idea.

"I think it's very positive, and I think they understand the risks and challenges going forward," Newman said after the county board's vote. "And I think (Brown) is correct - that the great number of people don't know that the county could become their energy purchaser."

But some at the meeting warned that PG&E could try to recoup lost revenues by increasing fees on use of its transmission lines and customer services. Other risks of the plan include mandatory "exit fees" to be paid to PG&E to get out of long-term contracts, and the chance that other energy suppliers will not stay at a lower cost than PG&E rates, officials said.

If the plan moves ahead, the county is likely to form a "joint powers authority" specifically to manage the CCA, and would hire experts to monitor the energy buying process.

Kinsey said he wanted the county to "be very clear in its goals" for the CCA to promote renewable energies, rather than just to lower costs.

"We would be taking on an enormous increase in liability," Kinsey said. "We have to be very clear at looking at the downside in risks."

The CCA plan is enabled under state Assembly Bill 117, which was "conceived and passed during the state's energy crisis," said state Sen. Carole Migden, D-San Francisco, who introduced the bill when she was in the Assembly. The Legislature adopted the bill in September 2002.

"I'm excited that Marin County, which is in my district, is taking the next step," Migden said in a statement read at yesterday's meeting by her aide, Judy Arnold.

Rebekah Collins of Marin Clean Alternative Energy Now said she would prefer the county board adopt an ordinance in favor of the CCA instead of just sending a letter "so we'll have more legal legs to stand on" in case the plan were stalled.

"But otherwise, I think this is just fantastic," said Collins, also a member of Sustainable Fairfax, a renewable energy advocacy group.

McGlashan and Adams said they were excited about opportunities for using more renewable energy, including possible "tidal power."

"I think energy is going to produce the next dot-com," Adams said. "What could be better for the Bay Area than using tidal power?"

TO LEARN MORE

A summary of Marin's proposed electricity buying plan is on the county Web site, www.co.marin.ca.us. Click on "supervisors," then "agendas," and then the CCA item from yesterday's meeting.

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