MEMORANDUM

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TO: UTILITIES ADVISORY COMMISSION

FROM: UTILITIES DEPARTMENT

DATE: JANUARY 6, 2010

SUBJECT: THE "NEW TWO-THIRDS REQUIREMENT FOR LOCAL PUBLIC

ELECTRICITY PROVIDERS" BALLOT INITIATIVE

RECOMMENDATION

Staff recommends that the Utilities Advisory Commission (UAC) recommend that the City Council oppose the "New Two-Thirds Requirement for Local Public Electricity Providers" Ballot Initiative.

DISCUSSION

The "New Two-Thirds Requirement for Local Public Electricity Providers" constitutional amendment initiative was proposed by a law firm representing the Pacific Gas and Electric Company (PG&E) and was originally titled the "Taxpayers Right to Vote Act". The San Francisco Local Agency Formation Commission (LAFCo) argued that this title was misleading, and as a result, the Attorney General renamed the initiative to its current title. Almost 700,000 signatures needed to be collected by December 21st in order to put the initiative on the June 2010 ballot. The initiative is currently pending signature verification and staff anticipates that the initiative will meet the requirements and will be placed on the June 2010 statewide ballot.

Under existing laws, most cities can annex new areas that include the expansion of electric service by the approval of a simple majority of the voters in the area to be annexed. The proposed ballot initiative would change existing laws by requiring approval by two-thirds of the voters before any expansion of municipal electric service could occur. This vote must be obtained from both the existing service area and the new area to be annexed. In addition, any city or county pursuing Community Choice Aggregation¹ or the formation of a new publicly owned electric utility would need to obtain a two-thirds voter approval within the local jurisdiction before proceeding. There are exemptions to the two-thirds voter requirement outlined in the proposed initiative. Voter approval would not be required for electricity expansions within the city's local jurisdiction when the local government is the sole electric delivery service provider within those boundaries. Also, a two-thirds vote would not apply to the purchase of renewable electricity or to service for the city's own use.

¹ Community Choice Aggregation (CCA) enables California cities and counties – or groups of cities and counties – to supply electricity to the customers within their borders.

These new voting requirements would be the predominant impact to existing publicly owned electric utilities. However, the initiative language is ambiguous, and it is unclear if a two-thirds vote would also be required for the development of non-renewable generation facilities or transmission lines located outside of the city's jurisdiction. Further questions raised as a result of the ambiguities of the initiative language are described in Attachment C, "PG&E Initiative educational piece", prepared by the Northern California Power Agency (NCPA). The Legislative Analyst's Office concluded that the proposed initiative would create an unknown impact to state and local government costs and revenues, due to the potential impacts on electricity rates and publicly owned electric utility operations.

It is important to note that employees and elected officials of public agencies, such as the City of Palo Alto, are restricted from using public funds or resources to oppose or support a ballot initiative. However, public agency employees are allowed to educate the public on an initiative – while remaining neutral on the issues. A public agency may also officially take a support or oppose position on an initiative through their local governing board during an open meeting, such as a Utilities Advisory Commission or Council meeting.

ATTACHMENTS

- A. Letter requesting California Attorney General prepare title and summary for proposed ballot initiative
- B. California Attorney General title and summary
- C. PG&E Initiative educational piece prepared by NCPA
- D. Los Angeles Times, December 28, 2009, Editorial PG&E ballot measure is a stealthy power play

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Director of Utilities

May 28, 2009

09-0015

VIA PERSONAL DELIVERY

The Honorable Edmund G. Brown, Jr. Attorney General 1300 I Street Sacramento, CA 95814



INITIATIVE COORDINATOR ATTORNEY GENERAL'S OFFICE

Attention:

Krystal Paris, Initiative Coordinator

Re:

Request for Title and Summary-Initiative Constitutional Amendment

Dear Mr. Brown:

Pursuant to Article II, Section 10(d) of the California Constitution and Section 9002 of the Elections Code, I hereby request that a title and summary be prepared for the attached initiative entitled "The Taxpayers Right to Vote Act" as provided by law. Included with this submission is the required proponent affidavit signed by myself as proponent of this measure pursuant to section 9608 of the California Elections Code. My address as a registered voter is provided and attached to this letter, along with a check for \$200.00.

All inquires or correspondence relative to this initiative should be directed to Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP, 1415 L Street, Suite 1200, Sacramento, CA 95814, (916) 446-6752, Attention: Steve Lucas (telephone: 415/389-6800).

Thank you for your assistance.

Sincerely

Robert Lee Pence, Proponent

Enclosure: Proposed Initiative

The People do find and declare:

- A. This initiative shall be known as "The Taxpayers Right to Vote Act."
- B. California law requires two-thirds voter approval for tax increases for specific purposes.
- C. The politicians in local governments should be held to the same standard before using public funds, borrowing, issuing bonds guaranteed by ratepayers or taxpayers, or obtaining other debt or financing to start or expand electric delivery service, or to implement a plan to become an aggregate electricity provider.
- D. Local governments often start or expand electric delivery service, or implement a plan to become an aggregate electricity provider, without approval by a vote of the people.
- E. Frequently the start-up, expansion, or implementation plan requires either construction or acquisition of facilities or other services necessary to deliver the electric service, to be paid for with public funds, borrowing, bonds guaranteed by ratepayers or taxpayers, or other debt or financing.
- F. The source of the public funds, borrowing, debt, and bond financing is generally the electricity rates charged to ratepayers as well as surcharges or taxes imposed on taxpayers.
- G. Such use of public funds and many forms of borrowing, debt or financing do not presently require approval by a vote of the people, and where a vote is required, only a majority vote may be required.

Section 2. STATEMENT OF PURPOSE

A. The purpose of this initiative is to guarantee to ratepayers and taxpayers the right to vote any time a local government seeks to use public funds, public debt, bonds or liability, or taxes or other financing to start or

expand electric delivery service to a new territory or new customers, or to implement a plan to become an aggregate electricity provider.

B. If the start-up or expansion requires the construction or acquisition of facilities or services that will be paid for with public funds, or financed through bonds to be paid for or guaranteed by ratepayers or taxpayers, or to be paid for by other forms of public expenditure, borrowing, liability or debt, then two-thirds of the voters in the territory being served and two-thirds of the voters in the territory to be served, voting at an election, must approve the expenditure, borrowing, liability or debt. Also, if the implementation of a plan to become an aggregate electricity provider requires the use of public funds, or financing through bonds guaranteed by ratepayers or taxpayers, or other forms of public expenditure, borrowing, liability or debt, then two-thirds of the voters in the jurisdiction, voting at an election, must approve the expenditure, borrowing, liability or debt.

Section 3. Section 9.5 is added to Article XI of the California Constitution to read:

Sec. 9.5.

- (a) Except as provided in subdivision (h), no local government shall, at any time, incur any bonded or other indebtedness or liability in any manner or use any public funds for the construction or acquisition of facilities, works, goods, commodities, products or services to establish or expand electric delivery service, or to implement a plan to become an aggregate electricity provider, without the assent of two-thirds of the voters within the jurisdiction of the local government and two-thirds of the voters within the territory to be served, if any, voting at an election to be held for the purpose of approving the use of any public funds, or incurring any liability, or incurring any bonded or other borrowing or indebtedness.
- (b) "Local government" means a municipality or municipal corporation, a municipal utility district, a public utility district, an irrigation district, a city, including a charter city, a county, a city and county, a district, a special district, an agency, or a joint powers authority that includes one or more of these entities.

- (c) "Electric delivery service" means (1) transmission of electric power directly to retail end-use customers, (2) distribution of electric power to customers for resale or directly to retail end-use customers, or (3) sale of electric power to retail end-use customers.
- (d) "Expand electric delivery service" does not include (1) electric delivery service within the existing jurisdictional boundaries of a local government that is the sole electric delivery service provider within those boundaries, or (2) continuing to provide electric delivery service to customers already receiving electric delivery service from the local government prior to the enactment of this section.
- (e) "A plan to become an aggregate electricity provider" means a plan by a local government to provide community choice aggregation services or to replace the authorized local public utility in whole or in part for electric delivery service to any retail electricity customers within its jurisdiction.
- (f) "Public funds" means, without limitation, any taxes, funds, cash, income, equity, assets, proceeds of bonds or other financing or borrowing, or rates paid by ratepayers. "Public funds" do not include federal funds.
- (g) "Bonded or other indebtedness or liability" means, without limitation, any borrowing, bond, note, guarantee or other indebtedness, liability or obligation, direct or indirect, of any kind, contingent or otherwise, or use of any indebtedness, liability or obligation for reimbursement of any moneys expended from taxes, cash, income, equity, assets, contributions by ratepayers, the treasury of the local government or other sources.
- (h) This section shall not apply to any bonded or other indebtedness or liability or use of public funds that (1) has been approved by the voters within the jurisdiction of the local government and within the territory to be served, if any, prior to the enactment of this section; or (2) is solely for the purpose of purchasing, providing or supplying renewable electricity from biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation of 30 megawatts or less, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal

current, or providing electric delivery service for the local government's own end use and not for electric delivery service to others.

Section 4. Conflicting Measures

A. This initiative is intended to be comprehensive. It is the intent of the People that in the event that this initiative and another initiative relating to the same subject appear on the same statewide election ballot, the provisions of the other initiative or initiatives are deemed to be in conflict with this initiative. In the event this initiative shall receive the greater number of affirmative votes, the provisions of this initiative shall prevail in their entirety, and all provisions of the other initiative or initiatives shall be null and void.

B. If this initiative is approved by voters but superseded by law or by any other conflicting ballot initiative approved by the voters at the same election, and the conflicting law or ballot initiative is later held invalid, this initiative shall be self-executing and given full force of law.

Section 5. Severability

The provisions of this initiative are severable. If any provision of this initiative or its application is held to be invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

Date: July 23, 2009 Initiative No.: 09-0015

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

NEW TWO-THIRDS VOTE REQUIREMENT FOR LOCAL PUBLIC ELECTRICITY PROVIDERS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Requires local governments to obtain the approval of two-thirds of the voters before providing electricity to new customers or expanding such service to new territories if any public funds or bonds are involved. Requires same two-thirds vote to provide electricity through a community choice program if any public funds or bonds are involved. Requires the vote to be in the jurisdiction of the local government and any new territory to be served. Provides exceptions to the voting requirements for a limited number of identified projects. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: Unknown impact on state and local government costs and revenues, depending on future voter decisions, due to the measure's potential effects on electricity rates and publicly owned utility operations. (09-0015.)

The "New Two-Thirds Requirement for Local Public Electricity Providers" Initiative

Supported by: Pacific Gas and Electric Company

Stated Intent:

"The purpose of this initiative is to guarantee to ratepayers and taxpayers the right to vote any time a local government seeks to use public funds, public debt, bonds or liability, or taxes or other financing to start or expand electric delivery service to a new territory or new customers, or to implement a plan to become an aggregate electricity provider." (Initiative sec. 2A)

Operative Provision of Initiative: Section 9.5 is added to Article XI of the California Constitution

- (a) "Except as provided in subdivision (h), no local government shall, at any time, incur any bonded or other indebtedness or liability in any manner or use any public funds for the construction or acquisition of facilities, works, good, commodities, products or services, to establish or expand electric delivery service, or to implement a plan to become an aggregate electricity provider without the assent of two-thirds of the voters within the jurisdiction of the local government and two-thirds of the voters within the territory to be served, if any voting at an election to be held for the purpose of approving the use of any public funds, or incurring any liability, or incurring any bonded or other borrowing or indebtedness.
- (b) "Local government" means a municipality or municipal corporation, a municipal utility district, a public utility district, an irrigation district, a city, including a charter city, a county, a city and county, a district, a special district, an agency, or a joint powers authority that includes one or more of these entities.
- (c) "Electric delivery service" means (1) transmission of electric power directly to retail enduse customers, (2) distribution of electric power to customers for resale or directly to retail end-use customers, or (3) sale of electric power to retail end-use customers.
- (d) "Expand electric delivery service" does not include (1) electric delivery service within the existing jurisdictional boundaries of a local government that is the sole electric delivery service provider within those boundaries, or (2) continuing to provide electric delivery service to customers already receiving electric delivery service from the local government prior to the enactment of this section.
- (e) "A plan to become an aggregate electricity provider" means a plan by a local government to provide community choice aggregation services or to replace the authorized local public in whole or in part for electric delivery service to any retail electricity customers within its jurisdiction.
- (f) "Public funds means, without limitation, any taxes, funds, cash, income, equity, assets, proceeds of bonds or other financing or borrowing, or rates paid by ratepayers. "Public funds" do not include federal funds.
- (g) "Bonded or other indebtedness or liability" means, without limitation, any borrowing, bond, note, guarantee or other indebtedness, liability or obligation, direct or indirect, of any kind, contingent or otherwise, or use of any indebtedness, liability or obligation for imbursement

- of any moneys expended from taxes, cash, income, equity, assets, contributions by ratepayers, the treasury if the local government or other sources.
- (h) "This section shall not apply to any bonded indebtedness or liability or use of public funds that (1) has been approved by the voters within the jurisdiction of the local government and within the territory to be served, if any, prior to the enactment of this section; or ...(2) is solely for the purpose of purchasing, providing, or supplying renewable electricity from biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation of 30 megawatts or less, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal or tidal current or providing electric delivery service for the local government's own end use and not for electric delivery service to others."

Ambiguities make it difficult to assess the impact

Uses non-standard terms Is the effect retroactive?

Subdivision (h) indicates an exemption if the indebtedness or use of funds was approved by the voters "...prior to the enactment of this section..." (Sec. 9.5(h))

Municipally Owned Utilities are very unlikely to have ever sought such approval in the past as it was not required. If the use of indebtedness/use of funds began **prior to enactment**, but was not approved by the voters, does this forbid continued use?

What does it mean to "Expand electric delivery service"—what does "sole" mean?

"Expand electric delivery service' does not include (1) electric delivery service within the existing jurisdictional boundaries of a local government that is the **sole** electric service provider within those boundaries..."

Does this apply where an Investor Owned Utility serves just a couple of customers, by agreement with the Municipal Utility? Lodi example of 23 IOU accounts left from past annexations.

Does this apply to "distributed power" generated by the customers themselves, such as solar?

....what does "boundaries" mean?

'Expand electric delivery service' does not include (1) electric delivery service within the existing jurisdictional boundaries of a local government that is the sole electric service provider within those **boundaries**..."

Does this mean current corporate limits, or might it mean the sphere of influence or other service area?

What does it mean for a Joint Powers Agency that has no "existing jurisdictional boundaries"?

....may current customers be served?

'Expand electric delivery service' does not include (1) electric delivery service within the **existing jurisdictional boundaries** of a local government that is the sole electric service provider within those boundaries ..."

May an MOU that is not the sole provider continue to serve current customers without a 2/3 vote?

.... are new customers inside city ok?

"Expand electric delivery service does not include ...or (2) continuing to provide electric delivery service to **customers** already receiving electric delivery service ...prior to the enactment of this section."

May a Municipal Utility that is not the sole provider sign up new **customers** even within its city limits without a 2/3 vote?

....may increased load be served?

"Expand electric delivery service' does not include...or (2) continuing to provide electric delivery service to customers already receiving electric delivery service from the local government prior to the enactment of this section."

May a Municipal Utility already serving a customer outside its boundaries serve the increased load of that customer without a vote?

....may new property owners with old load be served?

Expand electric delivery service' does not include...or (2) continuing to provide electric delivery service to customers already receiving electric delivery service from the local government prior to the enactment of this section."

Is a **new property owner** a "customer already receiving electric delivery service" even when the load is the same?

What does it mean to "purchase, provide or supply"?

Section does not apply to funds used "... solely for the purpose of purchasing, providing, or supplying renewable electricity..." (sec. 9(h))

Strongly implies it does apply to use of funds for the purchase of any other type of electricity.

Is the **purchase** of property or the construction of generation, even for renewable electricity, exempt?

What does "renewable electricity" mean?

The exemption in (h) applies to the "purchasing, providing or supplying renewable electricity from...small hydroelectric generation of 30 megawatts or less..."

If a Central Valley Project customer purchases less than 30 MW from Shasta dam, is that included in the exemption, or must the dam itself be less than 30 MW?

What does it mean?

"(c) 'A plan to become an aggregate electricity provider' means a plan ... to provide community choice aggregation services or to replace the authorized local public utility either in whole or part for electric delivery service to any retail customer within **its** jurisdiction."

Is any replacement of an Investor Owned Utility customer by an Municipal Utility subject to a vote?

Is any annexation subject to a 2/3 vote, despite LAFCO approval?

What do the "transmission" provisions mean?

"...no local government shall ...use any public funds...for the construction or acquisition of facilities...to expand electric delivery service..."

"Electric delivery service means (1) **transmission** of electric power to retail end-use customers, (2) distribution of electric power to customers for resale or directly to retail end-use customers, or (3) sale of electric power to retail end use customers..."

Electric delivery service does not seem to include "generation", but how is such generation "transmitted"?.

Who is a "retail end use customer"?

"Transmission" to **end use customers** is considered "distribution" rather than "transmission." Would distribution facility improvements require a 2/3 vote?

Clear Impacts to Existing Municipally Owned Utilities

Annexation of new territory requires 2/3 vote to serve, even after LAFCO required approval? (seems a certainty)

New facilities, especially transmission and distribution, outside the municipal jurisdiction as 'expand electric delivery service' requiring 2/3 vote (arguably)

Legislative Analyst's Office Analysis:

The legislative Analyst's Office reviewed the proposed constitutional amendment (A.G. File No. 09-0015). Fiscal effects of the initiative include: Local Administrative Costs for Elections and Potential Impact on State and Local Government Costs and Revenues.

"Local Administrative Costs for Elections. Because this measure requires voter approval for specified local government actions, it would result in additional costs to local governments each time a proposal requiring voter approval was placed on the ballot. These costs would primarily be related to preparing and mailing election-related materials. In most cases, the balloting could be consolidated with already scheduled elections. The increased election-related costs due to this measure would probably be minor.

Potential Impact on State and Local Government Costs and Revenues. This measure could affect local government costs and revenues due to its potential effects on the operation of publicly owned utilities and CCAs. It could also affect the finances of state and local government agencies in California because of its potential impact on electricity rates. These effects would largely depend upon future actions of voters and local governments. We discuss these potential effects in more detail below.

First, the new public voter approval requirements for the start-up or expansion of publicly owned utilities or the formation of CCAs could, in some cases, result in public disapproval of such changes. Also, the existence of these new voter approval requirements could deter some local government agencies from proceeding with such plans. To the extent that this occurred, local government agencies could collect lower revenues from electricity customers, and incur lower costs for the operation and coordination of electricity services, than would otherwise be the case.

Second, the enactment of this measure could also affect the finances of state and local government agencies in California due to its potential impact on electricity rates. As noted above, some local government agencies might not start up or expand a publicly owned utility into a new territory or create a CCA as a result of the measure's new voter approval requirements. In this event, the rates paid by electricity customers in that and neighboring jurisdictions could be higher or lower than would otherwise have been the case. This could affect state and local government costs, since many public agencies are themselves large consumers of electricity. To the extent that changes in electricity rates affect business profits, sales, and taxable income, these factors could affect state and local tax revenues.

The net fiscal effect of all of these factors on the finances of state and local government agencies is unknown."

latimes.com/business/la-fi-hiltzik28-2009dec28,0,3633154.column

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MICHAEL HILTZIK

PG&E ballot measure is a stealthy power play

The proposed Taxpayers Right to Vote Act illustrates what California's initiative process has come to. It's a plaything of powerful interests using deception to line their pockets.

Michael Hiltzik

December 28, 2009

On the face of it, nobody should find anything objectionable to the <u>Taxpayers Right to Vote Act</u>, a proposed initiative now awaiting certification to go on the state ballot.

The measure would require a two-thirds vote by residents of a municipality to approve certain public expenditures or borrowings. It's cast as the most virtuous of goodgovernment propositions. Or as Greg Larsen, head of the initiative's campaign committee, puts it, "Why shouldn't the people who are going to pay the bill have the right to vote on that?"

But let's shine a light on this initiative from another angle. First, the only expenditures it applies to are those devoted to setting up or expanding a municipal electrical utility.

And its sole sponsor, according to state campaign finance records -- is <u>Pacific Gas and Electric Co.</u>, one of the biggest electrical utilities in the state. So far, <u>PG&E has spent \$3 million</u> of ratepayers' money to advance the Taxpayers Right to Vote Act.

What are the chances that PG&E ginned up this innocuous-sounding initiative, shrouding its own involvement behind a scrim of public relations and law firms, largely to preserve its monopoly against competition from public power agencies? I'd say 100%.

Thanks to state campaign finance laws, PG&E can't entirely hide its financial links to the initiative campaign. But it's not exactly proclaiming them from the rooftops, either. When I asked to speak to someone at PG&E overseeing the campaign, the company steered me to Larsen, a Sacramento P.R. man. But he wouldn't tell me how PG&E got the ball rolling, either. God forbid that the PG&E executives who cooked this thing up come out of hiding.

Such is what California's initiative process has come to. It's a plaything of powerful interests using deception and misdirection to line their pockets.

We're about to enter another silly season of California initiatives. At this moment, 51 have been cleared by the state attorney general and secretary of state to collect petition signatures, preparatory to claiming a spot on an upcoming ballot. Two are undergoing signature verification, the last step before being scheduled for a vote -- PG&E's and a measure to undermine state auto insurance regulations, promoted by Mercury Insurance. (I wrote about the latter back in July.)

Almost every one illustrates the flaws in our state government. Some promote extremist or just loopy goals across the political spectrum. There are a pair forbidding the use of taxes to fund schools or schools to set curricula. Another outlaws divorce in California.

One proposes a 55% wealth tax on big estates, the money to be spent on buying up stock of defense and environmentally unsound companies and shutting down the offending operations.

Several propose a constitutional convention. A convention is needed, their <u>supporters argue</u>, to overturn the budgetary roadblocks, the term limits and other rules that doom us to an inexperienced and extremist Legislature, and laws favoring special interests. Chief among the latter is the initiative process itself.

The real danger in the initiative process lies in its domination by rich corporations.

This is exactly the opposite of the intentions of the system's creator, Gov. Hiram Johnson, when he was fighting the Southern Pacific Railroad and Harry Chandler, proprietor of the Los Angeles Times, a century ago.

Which brings us back to PG&E and its stealth initiative. The Taxpayers Right to Vote Act is a dagger aimed directly at a movement to enable municipalities to offer renewable green power to their residents in competition with private utilities. Such <u>Community Choice Aggregation</u> programs, which are enabled under a 2002 state law, have drawn particular interest in Northern California, which PG&E considers its diocese.

One reason for the interest may be the utilities' poor record in meeting their renewable power goals, such as a legal deadline from the state requiring them to get 20% of their power from renewable sources by next year. As of 2008, PG&E was only up to 11.9%. Southern California Edison hit 15% but isn't expected to meet next year's deadline either.

PG&E's fight against CCAs continues an assault by private utilities against public power dating to the 1920s and 1930s. In those days, they bribed politicians and paid off schoolteachers and textbook publishers to fight public projects like Hoover Dam and the Tennessee Valley Authority. Nowadays, they use the ballot box and the power of TV advertising to achieve similar ends.

Their fear today is that municipal utilities will undercut them on pricing and recruit their customers. That's not an unrealistic fear, as municipal utilities have consistently beaten the private utilities on rates.

Larsen, PG&E's front man in the initiative campaign, says its goal is merely to protect taxpayers from being drawn unwittingly into unwise and costly power investments. This gives new meaning to the word "disingenuous."

The giveaway is the two-thirds vote requirement, which is poison to any attempt to enact public policy in this state. Rather than backers persuading a majority of voters to favor a policy, it means that opponents merely have to muster a tiny minority to kill it. The two-thirds vote requirement for passing a budget or enacting taxes in Sacramento has bequeathed us permanent fiscal gridlock and a \$20-billion

deficit, so PG&E knows exactly how mortal a weapon it can be.

And it's not as though CCAs are so easy to set up -- not one has yet gone into operation in the state in the seven years since the enabling legislation was passed. But PG&E may wish to make sure there's no breath in the body.

"PG&E has infinite sums of money to manufacture their own story," says <u>Ross Mirkarimi</u>, a San Francisco supervisor involved in setting up that city's CCA, which hopes to start delivering green power sometime next year. "But its clear goal is to kill all competition. That's reprehensible."

Is there any way to wrest the initiative process out of the claws of corporate interests? Here's a suggestion: Any time a corporation contributes more than 50% of the original funding for an initiative campaign, the campaign's TV advertising should be limited to shots of its CEO explaining directly to the camera exactly what his company expects to gain from it. At least then the voters will be able to judge the sincerity of its commitment to civic virtue.

Of course, it would probably take a ballot initiative to enact such a rule. We could call it the Taxpayers Right to See the Wolf in Sheep's Clothing Act. I may start gathering signatures today.

Michael Hiltzik's column appears Mondays and Thursdays. Reach him at michael.hiltzik@latimes.com, read previous columns at www.latimes.com/hiltzik, and follow @latimeshiltzik on Twitter.

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