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CPUC Emergency Hearing on Utility Shut-offs

Prepared Remarks of the Greenlining Institute

First of all, on behalf of Greenlining's statewide, multi-ethnic coalition of community groups, businesses and churches, I want to thank President Mike Peevey and the Commission for hearing the pleas of hundreds of thousands of ratepayers and calling this hearing today. Your leadership will be absolutely critical in solving this problem.

I am here to address one specific issue. To comprehensively and genuinely attack this problem, it must have the full attention of the utilities and minimize distractions.

Almost exactly one year ago, I was before you at this very podium, pleading for you to freeze any further rate increases. One year later, we have documented proof that rate increases are now breaking the backs of hard-working families.

Sadly, the problem is getting worse, and perhaps far worse as we head into winter.

We're gathered here because of the emergency situation of shutoffs. But at the same time we must deal with the distraction of major rate increases on the horizon, and by the very utility that needs to focus most on the shutoff issue.

So as the problem gets worse, and more families have their heat and light turned off, PG&E is expected to file a rate increase next week a few days before Christmas. This rate increase could pile billions of dollars more onto the bills of PG&E customers over the next several years. This is a basic problem. How can the utility that has been worst on the shutoff be expected to focus on solving this problem by having its attention divided by a major rate increase? It is an inherent contradiction of commitment.

The question that we pose to you and the utilities in the most objective way possible is this: What do we hope to gain by examining rate increases while trying to solve the shutoff issue, a monumental in of itself, at the same time?

It is clear that when people pay their utility bills, everybody wins. Families keep warm at

night, businesses keep their lights on, PG&E profits.

But when people can't pay their bills it is the opposite result. Families go cold, businesses shut down, employees are laid off and PG&E gets nothing. In other words, when people can't pay their bills, everybody loses, including PG&E.

So my question to you is a simple one: What good will more rate increases achieve right now? Will the anticipated rate increase make it easier or harder for everyone to win?

Let me be clear. Greenlining wants all utilities to be healthy and profitable. And we also want California's homes and businesses to be able to afford to pay their bills. But the key word here is afford. If ratepayers cannot afford to pay their bills, it is not just ratepayers who lose. It is also the utility that loses.

Utilities must be able to demonstrate how all of us will win together, because clearly, as the shutoff spike demonstrates, what is being done now is not working.

If PG&E needs more time to answer these questions before filing its anticipated rate increase, I would hope that this Commission would encourage PG&E to take that time, and Greenlining would be happy to help figure out those answers together, after we've dealt with the issue we are facing today. This rate increase is too important to rush. Too much is at stake.

At the very least, I urge PG&E, at least for the short-term, to help California's families achieve a very modest goal: To be able to light their Christmas tree and keep their homes warm when they wake up on Christmas morning without the distraction of rate increases.

Allow me to conclude by saying this.

I believe that there is reason to hope that we can do this together.

As our state grows increasingly mired in severe challenges, Californians have grown weary and skeptical of government. I am not skeptical of this Commission.

Due to your leadership, President Peevey, I am very optimistic that we can turn the corner. Last month, I heard you give a stirring speech about the role of government in our civil society and its ability to actively change the lives of people for the better. You said that it was the impetus of an activist government that makes it possible for us to make progress in our society. President Peevey, I fully agree with and believe you.

Now is the time to put those words into action in a way that demonstrates government's awareness of the fierce urgency of now. Californians need to believe, like I believe, that

government is on our side. There is no reason that that belief cannot be recaptured, starting right here with this Commission.

Several years ago, Assemblywoman Gwen Moore, a visionary in California, partnered with the PUC to say let's make sure that this government agency is one that is truly of and for the diverse people of this great state. **Twenty years later**, under the stewardship of President Peevey, this Commission has become the national model for diversity even in the face of Proposition 209. This achievement is no short of remarkable and cannot be under-emphasized.

President Peevey, I believe that when we look back, **twenty years from now**, we will have identified a moment in history when California turned the corner, when California government started to believe it was the source of change and Californians began to renew their dreams. I believe that it will start with the PUC here and today. That will start by taking the distractions of rate increases off the table, and focusing genuinely and assiduously on keeping the lights on.

TURN, Greenlining and California's diverse communities are ready to attack this problem. We're all in. We hope that the Commission and the utilities show us that we're all in this together.

Thank you.