

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**WOMEN'S ENERGY MATTERS AND COMMUNITY COMMENTS ON
PG&E AND CITY & COUNTY OF SAN FRANCISCO
PROGRAM IMPLEMENTATION PLAN FOR THE
"SAN FRANCISCO PEAK ENERGY PILOT PROGRAM"**

Dated: June 20, 2003

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**BEFORE THE PUBLIC UTILITIES COMMISSION
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| Order Instituting Rulemaking to Examine the Commission's Future Energy Efficiency Policies, Administration and Programs | Rulemaking 01-08-028 Filed August 23, 2001 |
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**WOMEN'S ENERGY MATTERS COMMENTS ON
PG&E AND CITY & COUNTY OF SAN FRANCISCO
PROGRAM IMPLEMENTATION PLAN FOR THE
"SAN FRANCISCO PEAK ENERGY PILOT PROGRAM"**

Women's Energy Matters (WEM) is grateful to Administrative Law Judge Kim Malcolm for granting the opportunity for parties in this proceeding and the public to make comments to the California Public Utilities Commission (CPUC) on the Program Implementation Plan for the "San Francisco Peak Energy Pilot Program," jointly filed by Pacific Gas & Electric (PG&E) and the City & County of San Francisco (CCSF) on June 10, 2002 and revised June 12th.

This filing incorporates the comments of several Bayview Hunters Point community groups and residents who wanted to make sure their comments are entered into the official record of this proceeding. They are in Appendix A.

A letter from Matthew Hirsch of the San Francisco Bay Guardian, with links to SFBG news articles about the issue is Appendix B.

WEM also incorporates as Appendix C our June 4, 2003 letter to ALJ Malcolm, which was written before the opportunity for official comment was available.

Appendix D is an email exchange between PG&E's Manho Yeung and Cal Broomhead of SFE. Appendix E is maps and schematics of SF Transmission system. These supporting documents are explained in the text, below.

WEM also requests permission to include as Expert Testimony the videos of the June 4th and June 10th workshops on the Pilot and the June 11th Rally at Hunters Point Power Plant which have been circulated to the ALJ and Commissioners by Don Paul of From the Ground Up, on behalf of community groups which are represented in comments. If the videos cannot be accepted in the present form (CD-ROM), we can arrange to have them transcribed.

WEM's involvement in the Energy Efficiency Pilot issue

Women's Energy Matters works closely on energy issues with residents of Bayview Hunters Point (BVHP) and organizations active in the community, including the Community First Coalition (CFC), of which WEM is a member. WEM's membership includes Bayview Hunters Point community residents as well as representatives of organizations in the Community First Coalition.

The Community First Coalition is an organization comprised of several environmental and community organizations active in San Francisco, but it is known worldwide. CFC has hosted delegations from the China, Japan, Puerto Rico, the Republic

of Georgia and others. In 2000, Community First Coalition put Proposition P on the San Francisco Ballot, and over 272,000 San Franciscans voted to clean up the Hunters Point Shipyard to residential standards.

WEM has made several filings in this proceeding relating to the Pilot program, including:

WEM Comment on the Proposed San Francisco "Pilot" 12/23/02,
WEM Reply Comments on the March 4, 2003 Draft Interim Opinion 4/9/03
WEM Application for Rehearing and Motion to Stay, 5/19/03. The Application for Rehearing is still outstanding. Today's comments, including the attached community comments and June 4 WEM letter to the ALJ, provide further evidence to support the Application and Motion to Stay and our request for the Commission to Schedule Oral Arguments.

WEM participated in two City Hall workshops sponsored by PG&E and CCSF to discuss the Energy Efficiency Pilot and its relationship to the closure of Hunters Point Power Plant. We have also participated in meetings sponsored by the California Independent System Operator (ISO), the Governor's Office, PG&E, CCSF, and other meetings sponsored by the San Francisco Human Rights Commission and community groups related to these issues. WEM filed comments June 16, 2003 to ISO on their San Francisco Peninsula Transmission Study which relates to the closure of HPPP, and WEM is one of the complainants in June 11, 2003 Environment Justice complaints filed before the U.S. Department of Energy against the ISO and PG&E for years of discriminatory practices against the Bayview Hunters Point community, including their failure to close Hunters Point Power Plant.

Strong community proposals were met with evasions, false promises and a budget cut
A dozen Bayview Hunters Point community members and organizational representatives attended the City Hall workshops to give input on the draft Pilot Implementation Plan (PIP). Their participation, as revealed on the videotapes, was knowledgeable and thoughtful, the result of a great deal of study and preparation. Many offered specific proposals, some of them in writing. They also sent letters, emails and videos to the ALJ and Commissioners.

Unfortunately, the final response by PG&E and CCSF was terribly disappointing. While the final PIP was heavily larded with references to Bayview Hunters Point, what was offered was mostly just talk. The PIP made vague references to issues community asked to be addressed, but made no specific commitment to use Pilot funds in the community. Instead, PG&E made an astonishingly brutal move to REDUCE funds previously allocated to multifamily housing from \$1,800,000 (in the May "preview PIP") to \$1,375,000 in the final!

Community members (and WEM) had asked that at least half the funds, or preferably all, be spent in the Southeast sector of San Francisco, allocated half to residential and half to commercial/industrial customers. Most importantly, they asked that the funds be devoted to residents of public housing (all multifamily units) and subsidized housing, including Section 8. This would target low-income and "hard-to-reach" (nearly low-income, having language barriers etc.) residential customers. They proposed that the Pilot begin by serving the Hunters Point and Potrero communities which have suffered

health damage and economic blight from having the power plants in their midst. Once those were fully covered, the Pilot should go into areas served by the Mission substation, which receives most of the power from HPPP.

There were many specific proposals for measures that would maximize energy savings, as well as marketing and outreach proposals which these groups had tested over time.

A few of the community-proposed measures are tacked on as the last page of the PIP, but it overlooks community proposals regarding geographical distribution, equitable allocation to residential customers, or jobs and contracts for community members.

PG&E says it will direct some LIEE (Low Income Energy Efficiency) funds to the BVHP community. But LIEE is a separate program, not part of the pilot.

PIP cuts back multifamily services and adds single family homes

WEM has described PG&E's continual diversion of multifamily EE funds to more affluent or rural single family homes in earlier comments in this proceeding and the related "Annual Earnings Assessment" proceeding (the review of past utility EE programs).

The PIP states that there is a high level of ownership of single family houses in BVHP, which is true, and some are owned by low-income seniors. The implication is that these residents (or some of them) will be served — but it doesn't say how much of the funds will be spent in the community or whether lower-income people will be targeted:

In the Bayview/Hunters Point neighborhood, which has the highest percentage of single-family home ownership in the City, there will also be a residential program directed toward single-family home owners. (C1-2)

No targets, no budget. And this is the closest the document gets to directing any of the Pilot program to Hunters Point.

The Interim Opinion asked for specifics; they're not here

The Commission asked for a specific program proposal, budget and a needs assessment. But poring through the long, complex document, it still lack specifics. *Also, there is still no indication of how much money San Francisco will get for its participation.* The whole program has the air of being disembodied, the where, who and what are invisible. They might do this and they might do that.

PIP seeks unlimited authority to shift funds anywhere within the Pilot

Since its December filing, PG&E has already ripped out a third of the multifamily budget and given it to single family homes and an expensive Evaluation Measurement & Verification (see p. A-3). Now PG&E claims that the Pilot is one program and therefore it should be able to fund-shift any element within the Pilot, and to spend 2003 money in 2004 or vice versa. The Commission should disallow this and limit fund shifting.

Codes & Standards went from \$80,000 to \$360,000 — to finance a PG&E lobbyist and information gatherer in San Francisco’s Planning Dept. whose job it would be to review and draft City ordinances!

The CPUC must forbid this blatant misuse of Public Goods funds. This would give PG&E advance information and a position of influence on all development issues in the City. There is no reason to assume PG&E would maximize environmental benefits in new ordinances; quite the opposite, since its corporate interests are threatened by energy efficiency, renewable energy, community choice and public power, all of which could come up for review in the Planning Dept.

In its General Rate Case PG&E asked for the CPUC to approve its expenditure of millions of ratepayer dollars for its Municipalization Opposition Program (MOP) explicitly to fund community organizing and even political campaigns against public power.

This goes a step further — the corporation wants to use Energy Efficiency funds to finance its increased influence over City government, department by department. In addition to funding the SF Departments of Environment and Planning, the Pilot gives PG&E access to databases in several other departments, and a free ride for corporate advertising in City mailings to all residents.

CPUC should require PG&E to open its bills for mailings by public interest advocates WEM demands equal time for WEM and the Bayview Hunters Point community to communicate with all San Francisco residents through inserts in PG&E bills about the need to close Hunters Point Power Plant and the real potential of energy efficiency, renewable energy and public power to provide for San Francisco’s future energy needs.

The closure of HPPP is variously stated as the goal and not the goal of the Pilot PG&E’s cover letter to the PIP states:

The Plan calls for a reduction in peak demand by a minimum of 16 MW through energy efficiency by January, 2005. This effort, combined with other actions by CCSF, contributes to reliability criteria that would enable the Independent System Operator (ISO) to order the closure of the Hunters Point Power Plant. (p. 4)

WEM’s Application for Rehearing accused PG&E of acting in bad faith by claiming that the Pilot would lead the ISO to recommend closure of HPPP, because (among other reasons), PG&E knows that ISO does not currently consider Energy Efficiency in its reliability criteria. This was revealed in a community meeting April 10, 2003¹ In its June 3rd Response to WEM’s Application for Rehearing, PG&E denied that it acted in bad faith, suggesting that closure of the plant was not really the goal of the Pilot. Instead:

“The clearly stated purpose of the Pilot Program is as follows:
‘Achieve a minimum of 16 MW demand reduction by 2004 through energy efficiency for both the daytime summer peak and winter evening peak. In

¹ ISO does not include Energy Efficiency in its “load serving capability” studies and PG&E does not include Energy Efficiency in load forecasts.

addition to its demand reduction goals, SFE seeks to ensure that non-English speaking and otherwise hard-to-reach customers are equitably served through the Pilot Program.’ (p. 7)

The Commission approved the Pilot in response to the community’s need to close HPPP
References to the closure of HPPP appear throughout PG&E’s filings on the Pilot. PG&E and SFE pulled at the heartstrings and the money flowed.

For six months PG&E claimed that EE is needed downtown, in order to close HPPP, but that was thoroughly discredited

The final PIP admits that the rationale no longer stands up:

“In order to target customers who contribute most to the summer and winter peak periods, PG&E and ... SFE ... conducted an assessment of the energy savings potential in San Francisco for both the commercial and residential sectors...²

“...The analysis is ongoing and is being adjusted as new information is obtained. For example, early information regarding ISO reliability criteria indicated that the network distribution in the downtown corridor was a priority... It is now known that any kW savings anywhere in the City will help to meet the 16 MW (gross) goal... (p. C1-2) [emphasis added]

The “new information” came from Community First Coalition and WEM, who insisted all parties take note of a bombshell email from PG&E’s Manho Yeung to Cal Broomhead, on the afternoon after the ISO/PG&E/community meeting April 10th (less than a week before the Commission vote on the Interim Opinion). (See below for more information about these meetings, and see Appendix D for complete text of the email.) Yeung revealed that downtown was not the best place to do energy efficiency, if the purpose was to close the power plant. The reason is that there is a separate transmission line that serves downtown with power coming up from the Peninsula. The Hunters Point plant primarily serves the local neighborhood and other areas of Southeast SF connected to the Mission substation. These are the areas that will need replacement power or energy efficiency when HPPP closes; these should be the priorities for the Pilot.

WEM presented maps and schematics of the San Francisco transmission system at the 5/9/03 ISO meeting and 6/4/03 City Hall workshop on the Pilot. These materials (taken from the Final Staff Assessment for Mirant’s proposed power plant, Potrero Unit 7) are attached as Appendix E.

The lie exposed, now “it doesn’t matter” where EE is done

In the final workshop June 10th, Dave Hickman, spokesperson for PG&E, announced that since the grid was computerized, “it doesn’t matter” where Energy Efficiency is done; it’s all good.

² WEM and others have written about the deceptive marketing studies which show hardly any multifamily housing exists in BVHP! The study’s statistics were taken from tax assessor’s rolls which do not include subsidized housing. SFE promised to redo the studies but the false maps and charts are still included in the final PIP.

But it does matter

As anyone knows who has an internet provider with too many customers and not enough space on the lines, computerization does not protect a system against degradation due to congestion. An imbalance of supply and demand on the transmission system was an enormous part of the energy crisis, and remains one of the ISO's main concerns.

The California Energy Commission hosted a seminar this spring featuring Amory Lovins and Joel Swisher, of Rocky Mountain Institute. The topic of the seminar was how to address pinchpoints on distribution systems with Energy Efficiency, Distributed Generation (such as solar rooftop systems), and smarter management systems, rather than adding more central power stations and transmission lines. Swisher worked with SF PUC on the SF Energy Resource Plan. When asked where the pinchpoints are in San Francisco's distribution, he said that the City is still trying to get this information, but PG&E has not provided it.

Planning for the Pilot took place in meetings attended by ISO and PG&E, but they continuously withheld crucial information from the community, CCSF and the CPUC
Many community people have been trying to get PG&E, CCSF and the ISO to listen to their input on the Energy Efficiency Pilot since the summer of 2002, when the community invited ISO and the Governor's Office of Planning & Research to BVHP for a "toxic tour" and discussion of how to close the power plant. This began a process that ultimately led to creation of the pilot.

The Governor's Office of Planning & Research began hosting a series of meetings bringing community members and organizations together with the ISO, PG&E, CCSF attorneys, San Francisco Public Utilities Commission and the San Francisco Dept. of the Environment, to work on a process that would lead to closure of HPPP. This "Large Core Working Group" had two subgroups, the "Power Flow Analysis" and "DSM Working Group," both co-chaired by Cal Broomhead of SF Dept. of Environment. This appears to be the main venue where the Pilot plan was developed. According to Cal, PG&E didn't offer information about the transmission line, and took months to answer the question about "pinchpoints" that finally produced Manho's email.

PG&E's new lie: It doesn't matter where EE is done, so why not downtown?

The PIP avoids mentioning where the business programs will be done, which gobble up \$14 million of the \$16.3 million Pilot funds. The word's not there anymore, but the intent is clear: the money will go downtown.

The Citywide MW savings assessments showed that the market segments with the highest potential include offices, food services, retail, hotels/motels..." (p. 2)

Sure sounds like downtown, not Southeast San Francisco.

PIP removes all reference to Express Efficiency; ensuring money for hi-rise buildings

In earlier drafts, PG&E asked the Commission to waive the ban on funds for buildings that use more than 500 kw. That didn't happen, but PG&E figured out another solution:

since the ban was in the “Express Efficiency” program, ditch that program name, and presto, no more ban.

Now the program is called simply “Cash Rebates for Business Customers” and oh, do they mean cash. Many of the rebates are twice the size of statewide programs, some are even triple.

The primary goal of the Pilot is to serve downtown businesses; the rest is just the excuse

Miscellaneous problems

All marketing materials will ... ensure that the Pilot Program concept is uniformly promoted and the distinction between the Pilot Program, low income and statewide programs is clear and coordinated. (p. 5)

This raises interesting issues. First of all, few people would care which energy efficiency program they receive. But there could be a great deal of confusion, with different requirements and benefits and different rebate amounts in each program. The contractors and phone operators could be as confused as the recipients.

“Administration” eats up 20% of the budget; rebate processing swallows 11% more

Environmental Justice, not Lip Service

Environmental justice considerations dictate that communities should be consulted and empowered to participate in decisions that affect their wellbeing. Bayview Hunters Point and Potrero communities, due to the location of the existing power plants, will be consulted and informed about progress of the implementation of the Pilot Program while satisfying the primary goal of 16 MW load reduction... (p. 1)

In other words, the community will be “empowered” to watch PG&E spend the money downtown; they will not be heard; and they will get few if any benefits. This makes a mockery of Environmental Justice.

The Pilot Implementation Plan is a cruel deception; the ALJ should forbid expenditures
As noted in the PIP, the Commission’s April 17, 2003 Interim Opinion only authorized PG&E to set aside funds for the Pilot; it didn’t authorize expenditures. The Commission should require PG&E and SFE to go back to the drawing boards and create an

environmentally just Pilot plan that truly helps close Hunters Point Power Plant and also achieves bill reductions and other benefits for the people who have paid with their health and even their lives so that the City could have electricity.

Dated: June 20, 2003

Sincerely,

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APPENDIX A

Comments of Bayview Hunters Point residents and community organizations

1. Maurice Campbell, Community First Coalition

**Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102**

Re: Order Instituting Rulemaking to Examine the Commission's Future Energy Efficiency Policies, Administration and Programs – R.01-08-028

Dear Judge Malcolm:

Community First coalition is an umbrella organization for several community organizations fighting for Environmental Justice, we are the organization that put forth Proposition P to clean up the shipyard to residential standards, it passed with over 272,000 voters endorsing it.

Inconsistency or willful inaccuracy, from SFE and PG&E, as seen by the Community First Coalition.

- 1) **The flawed Energy Study citing downtown Business in San Francisco as the most effective area for energy efficiency, after raising several questions and challenging SFE about the most effective area for energy efficiency. An email was generated from Cal Broomhead (SFE) to Manho Yeung (PG&E) asking if Embarcadero or Hunters Point would provide more energy efficiency towards the shut down of Hunters Point Power Plant the answer was Hunters Point was slightly better. However Mission Larkin Substations would yield more energy efficiency savings. Please see the Broomhead Manho email. Our problem is that the basis for that study was flawed from the beginning and biased against the long suffering poor community of Hunters Point. We were later informed by PG&E “because the grid is computer controlled it doesn't matter where you do energy efficiency”**
- 2) **When we looked at SFE Multi Family Data we clearly saw the data was based on the Tax Assessor roles, so it didn't take into consideration the San Francisco Housing, or subsidized housing numbers, further we found that several housing units were on Hetchy Hetchy, which result in savings to residents of a savings of approximately 30 % over their PG&E counterparts. While other residents were paying PG&E bills from an average from \$200-\$600 a month, and no energy efficiency was directed towards them. SFE study clearly did not account for PG&E Multi Family Units; they did state**

they were going to correct this at the last SFE workshop. We are disturbed this was not in their PIP submission.

- 3) We want to make you aware that many of us signed a document threatening to sue because of their wanton disregard of community input. A copy of this document is available in our comments.**

[Attached to Don Paul's letter, below]

- 4) We have advocated for a more equitable split of energy efficiency funding between business and residents we are basing this on SFE & PGE not taking into account accurate data before filing their PIP. We request a more equitable split of funding or a delay until accurate data can be evaluated to provide a fair impartial decision based on facts.**
- 5) We have video of both meetings to back up, what actually took place and backing up the facts of this document, we would like to have those entered formally as part of our Public Comment.**
- 6) We have had to file a Title VI Civil Rights complaint and Executive order 12898 complaint with US DOE against one of these parties, to protect and ensure the rights of the neighboring community of the Hunters Point Power Plant**
- 7) We also submitted a proposal for a LED program with Seniors in February of this year to protect their safety through reliability and at the same time lowering their bill**

Maurice Campbell

Community First Coalition Convener

Attachment: CFC Recommendations for San Francisco Peak Energy Program

Community First Coalition (CFC)
Recommendations for San Francisco
Peak Energy Program
June 4, 2003

We propose that energy efficiency be directed first to the impacted community of the South East sector of San Francisco, namely Hunters Point and Potrero, and secondly to other neighborhoods connected to the Mission substation, which gets power directly from the Hunters Point power plant.

We would like to suggest a multi tiered residential and business program with the following steps.

Create a comprehensive program providing energy efficiency for *all* tenants and common spaces in public housing in Hunters Point and Potrero, which are being polluted by Hunters Point and Potrero power plants, and the neighborhoods connected to the Mission substation.

We should target not only public housing but section 8 housing and low income single family homes where in many cases seniors live.

Using PG&E's estimate of one megawatt for 750 residents, we want to address multiples of that for low income community residents.

As public housing residents have PG&E bills that are \$200-300/month, in many cases more than twice normal rates, there is clearly a great deal of energy savings potential there to achieve the pilot program's goal of achieving "significant peak load reduction" and targeting "customer types with the greatest savings potential in areas served by the Hunters Point Power Plant."

Considering the immediate needs of these households and the imminence of the upcoming summer peak season, we ask that the recommended work begin immediately. Concurrently, conduct a study of public housing and Section 8 housing throughout San Francisco, to find out how many low-income apartments there are in the South East Sector of the City served by HPPP. Determine which apartments and buildings in the described above are billed by PG&E and which are billed by the SFPUC. (It's very easy to get a target for Section 8 housing – just go to Section 8 rolls. Unfortunately, the first version of the Program Implementation Plan used a study that counted only buildings on the City's Tax Roll. Public Housing and Section 8 would be lost or not counted in that study. Also, the study count each building as a "unit", there was no figure for the number of individual apartments in "multi family units".)

Target all Public Housing and subsidized housing dwellings in these areas which are served by PG&E. Some of the residents may qualify for PG&E's Low Income Energy

Efficiency program and thus should be served by that program with a monitor or monitors to make sure it is implemented properly. Use Public Goods funds (San Francisco Peak Energy Program) for those persons in Public Housing or Section 8 who don't qualify by PG&E's definition of Low Income.

After the energy efficiency improvements have been made, transfer housing units to the San Francisco Hetch Hetchy Utility.

The measures provided for each tenant should include the following:

- Installing compact fluorescent and LED bulbs where appropriate
- Appliance exchange for inefficient refrigerators, air conditioners, washers, dryers, etc.
- Installation of energy efficient water heaters and furnaces
- Hot Water Saver packages such as showerheads, aerators, tank and pipe insulation
- Upgrade attic and floor insulation
- Weatherization and sealing of drafts, etc. with the use of blower doors
- Test and seal leaky heating and air conditioning duct systems
- Undertake minor home or unit repairs, such as fixing broken windows, thresholds, etc.
- Deployment of Solar Auxiliary Water Heaters
- Power Planner Energy Smart Modules for non energy efficient appliances

Common areas should be upgraded with energy efficient washing machines, LED exit signs, and LEDs or other efficient lights for hallways and outdoors

In addition, start an education program for energy conservation for all the tenants.

Check low income consumers bills (ones served by PG&E) to make sure that they are on the most favorable plan for them. E.g. a special plan with a higher base line, for low income people with a health disability.

A special program should be directed towards seniors, especially those on fixed incomes, (Social Security) providing them with reliable LED night lights for their safety. (These bulbs are now available from 15watt equivalent light consuming 1watt to 60watt light equivalent which use 3watts and are good for 30 years. Again the prices are in the \$11-\$20 range in quantity.)

As far as small business is concerned, energy efficient lighting, heating, air conditioning and insulation should be targeted, and, where appropriate, energy efficient refrigeration, cooking appliances, laundry equipment and water heaters should be also targeted.

The delivery of these services should be open to all local community contractors, and those willing to open an office in the targeted area and hire from the local community, helping to bring jobs and economic benefits to the local neighborhoods. These efforts should not be implemented using a small, pre-selected number of restricted contractors, especially if they are not located in the targeted communities.

For this program, PG&E should waive restrictions in the low income program contracts or subcontracts that limit the number of units that can be served in this part of San

Francisco County. It should also waive restrictions on the portion of work that may be done in multifamily units and restrictions that prevent contractors from completing the work as soon as they can do so.

Community First Coalition would like to participate in monitoring the program planning, implementation, and results on an ongoing basis.

Prepared by Community First Coalition
Contact: Maurice Campbell, Convenor
415-468-8964, mecsoft@pacbell.net

2. Lynne Brown, Community First Coalition

June 19, 2003

**Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102**

Re: Order Instituting Rulemaking to Examine the Commission's Future Energy Efficiency Policies, Administration and Programs – R.01-08-028

**Energy Efficiency
or
Corporate/Business Welfare**

Dear Judge Malcolm:

My name is Lynne Brown. My family and I live about 400 yards from the Hunters Point Power Plant. Residents in my complex pay our own utilities, and PG&E charges us for the Public Purpose Program.

PG&E 2003-2004 Energy Efficiency Program Implementation Plan will leave 19,000 rate payers in Hunters Point out. Of the \$16,313,000 million dollars, PG&E and the SF Environment released their PIP program to the community on Thursday and wanted comments on Tuesday of the following week.

PG&E and SF Environment wanted to do their study of Energy Efficiency for the Downtown Business. PG&E gives these businesses downtown a discount rate for their energy use now. I find this to be very biased against a low-income people of color community. When we looked at the SF Environment Multi /family Data, we could see clearly this was based on the Tax Assessor roles, this left out ratepayers who live in SF Housing and Subsidized Housing. Some of SF Housing Units are on Hetch Hetchy system which the SF PUC is in charge. As a result, they received a reduction in their energy bill, approximately 30% compared to the rate payers in Hunters Point Public Housing or Section 8 residents. Some rate payers bills average from \$200-\$600 dollars a month in Hunters Point. There is no Energy Efficiency directed towards Hunters Point from the PG&E or SF Environment, but we pay PG&E every month which I find just appalling. Shame on PG&E, SF Department of Environment, and the SF PUC. The impacted community of Hunters Point would like to have this planning process (Energy Efficiency Programs Implementation Plan) to be open and inclusive and this Environmental Racism must be stop in its

tracks and you can stop it now.

Environmental justice demands the right to participate as equal partners at every level of decision-making including needs assessment, planning implementation, enforcement and evaluation.

Thank You

**Lynne Brown
24 Harbor Rd.
San Francisco, CA.
(415)285-4628**

3. Francisco Da Costa, Environmental Justice Advocacy

June 17, 2003

**Francisco Da Costa
Environmental Justice Advocacy
4909 3rd Street,
San Francisco, CA 94124**

**Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102**

Re: Order Instituting Rulemaking to Examine the Commission's Future Energy Efficiency Policies, Administration and Programs – R.01-08-028

Dear Judge Malcolm:

My name is Francisco Da Costa and I am the Director of Environmental Justice Advocacy and work actively in the Bayview Hunters Point area. I have been involved with Energy Issues all over the City since 1991.

Recently as part of my advocacy to shut down the old toxic spewing Pacific Gas and Electric (PG&E) power plant situated at Hunters Point, I participated in two Community Meetings linked to the San Francisco Peak Energy Pilot Program. These meetings were called at the behest of San Francisco Department of the Environment.

My organization and my partner Mr. Andrew Bozeman were instrumental in video taping the two Community Meetings. At the first meeting some of us who understand Energy Issues pointed out that many Multi Unit Subsidized Housing units were not included in the tabulation and therefore the data given to us was faulty. We requested that the data should reflect the facts and that a huge segment of Multi Unit Subsidized Housing was left out in the current data provided.

At the second meeting which had a greater presence of officials from PG&E, the Housing Authority, the City and County of San Francisco, San Francisco Department of the Environment, and a good representation of Community Advocates and Community Members – again the issues of Multi Unit Subsidized Units came up. At this time again some of us mentioned that this data was important, had not been included in the data, and was vital in addressing the shut down of Hunters Point Power Plant. Also, in addressing the benchmarks set to address the goals linked to the San Francisco Peak Pilot Program.

Some days back again the San Francisco Department of Environment sent us by e-mail a huge document covering all the aspects of the San Francisco Peak Energy Pilot Program. I reviewed the documents and found that over 10,000 Multi Units were not incorporated in the current data.

I brought this to the attention of Maurice Campbell and to the attention of the Director of the Department of Environment. Maurice Campbell concurred with me. I have yet to hear from the Director of the Department of the Environment. I also contacted a very senior official from the San Francisco Public Utilities Commission and have yet to hear from him.

I find it despicable that those who reviewed the initial documents and filed the final documents were trying to hoodwink the constituents who understand the inner workings of Energy Issues in the Bayview Hunters Point area. More so because we made it very clear that under Title 6 our community was being discriminated against.

There are constituents who are paying very high rates to PG&E in the amounts of \$300 to \$600 per month. At first I did not believe this to be true but when I saw the actual PG&E bills I was astounded. Many of these bills have been paid for years to PG&E. PG&E has made no attempt what so ever to mitigate and be of any assistance to the constituents who have been milked by PG&E.

The San Francisco Department of the Environment has NO clue how to address the issues at hand. I say this because we require qualified Electrical Engineers, Facility Mangers, Switch Gear Engineers, Billing Managers, Structural Engineers, and other qualified experts who work together to understand the many aspects of Energy Issues and the customers they provided energy to.

We constituents who were gathered tried our best to participate in the ill-conceived Community Meetings. We gave our qualified comments all of which are documented in the videos we have provided the adjudicators. I find it humiliating that the final document given to California Public Utilities Commission would be submitted without the factual information. I can come to only one conclusion that those who submitted the information with intent – wanted to deceive the adjudicators. I hope this is NOT the case but if it is so, some very serious investigation and adjudication are in order.

Sincerely,

**Francisco Da Costa
Environmental Justice Advocacy**

4. Jesse Mason, Bayview Community Advocates

June 20, 2003

Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102

Dear Judge Malcolm:

I brought a representative from San Francisco Housing (Garland Jeffries) to the second SFE PIP Workshop at City Hall. He later was very instrumental in providing accurate numbers on Subsidized Housing, Housing and billing on Multifamily Housing Units with one comprehensive bill. My reason for bringing him was that in the first workshop many Housing Residents and Subsidized Housing Residents were left out of SFE study either by accident or intentionally. These people are PG&E ratepayers and have contributed to their Public Goods Program. These are the same people who for many years have suffered from the environmental and health impacts from living next to PG&E Hunters Point Plant. It is very unfair to these community members to have high bills, not have energy efficiency benefits and again to suffer the impacts of being a neighbor of PG&E. We feel the program data is flawed as we saw very clearly in both workshops. For SFE to forward this data to the PUC it is racist at best. The budget is based off this incorrect data and that is discriminatory against our community. We have filed a Title VI complaint against one of these parties at the US DOE.

Respectfully

Jesse Mason

Bay View Community Advocates

5. Don Paul & Susie McAllister, From the Ground Up

**Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102**

Re: Order Instituting Rulemaking to Examine the Commission's Future Energy Efficiency Policies, Administration and Programs – R.01-08-028

Dear Judge Malcolm:

'We residents on the Hunters Point hill, living less than one half-mile from the PG&E Power Plant, and our representatives, believe that we should be should be an intervening party to the PIP/CPUC proceedings because we of the public are the human beings who will be most affected in our physical and economic well-being by decisions made in these proceedings.

We further would like to point out that our long-term suffering from the PG&E Power Plant is at least three-fold: 1) We suffer from extraordinarily high rates of cancer and asthma attributable to our proximity to the PG&E Plant 2) Our housing and our neighborhood, our schools and our consequent economic prospects are all degraded by pollution and proximity of this Plant 3) As a capping insult, our Utility bills for electricity and gas are extraordinarily high because our housing lacks energy-efficient appliances and proper weatherization.

We therefore propose a solution by way of the Pilot Program whose means are at least three-fold:

- 1) We want direct-install of energy-efficiency and weatherization in Public and otherwise subsidized housing across the Hunters Point Hill and Potrero Hill**
- 2) We want majority-training and majority-employment for residents of Public and otherwise subsidized housing on these Hills in the appropriate direct-installs and weatherization and we want majority-control of the companies that are contracted for this work**
- 3) We want our efforts at energy-efficiency to count toward the assured closure of all Units at the Hunters Point Plant by January 1, 2005 and the minimization of fossil-fuel generation at the Potrero site.**

By PG&E's estimate, 750 households account for 1 megawatt of electrical consumption. Energy-efficiency and weatherization of multi-family, low-income Public and otherwise subsidized housing District 10, the Southeast of San Francisco, can thus account for a saving of 4 to 5 megawatts in one year.

Thank you for your attention. We look forward to working with you.'

SUSIE MCALLISTER, 750-F Kirkwood, S.F., CA 94124 Chairperson, From The Ground Up

DON PAUL, 4908 3rd Street, S. F., CA 94124 From the Ground Up

5/27/03

**MR. JARED BLUMENFELD,
MS. JULIA CURTIS CITY AND
SAN FRANCISCO DEPARTMENT OF THE ENVIRONMENT
101 Grove Street
San Francisco, CA 9410**

Dear Jared and Julia:

The notice that follows is not directed toward either of you personally, but is directed toward the City and County of San Francisco's Department of the Environment in its partnership with the Pacific Gas & Electric Company.

We members of the Community First Coalition, an organization formed to primarily represent the interests of the Bay View Hunters Point community, want the DOE and PG&E to know that we perceive the planned allocations in the \$16,313.00 Peak Energy Pilot Program to which the SFDOE and PG&E are partners, a document released to us last Wednesday, May 21, 2003, four days ago, to be another instance of illegal discrimination and environmental injustice against the BVHP community, the community most damaged by PG&E's pollutants in southeast San Francisco and the San Francisco community suffering from the greatest and longest neglect by City, State and Federal entities.

We want you to know that we perceive the community to be again misled and ill-served by the PG&E/SFDOE Program Implementation Plan (PIP) and that we intend to exercise every legal recourse to make our case against the current Plan victorious.

Specifically we charge that this PG&E/SFDOE Plan: 1) Violates its own stated intentions and the intentions by which the California Public Utilities Commission awarded administration of this Program, funded by ratepayers' Public Charge moneys, to PG&E. On page 19 of the Plan's Narrative the City and County of San Francisco, here meaning the SFDOE, promises to 'Work with the community of Bayview/Hunters Point to determine how best to reduce the energy bills of residents of that neighborhood.' On page 20 the Narrative states, 'Among the Pilot Program targets are low income multifamily buildings and ethnically diverse businesses in the City and County of San Francisco.' Its next sentence then promises, 'Special attention will be given customers in the Hunters Point/ Bayview neighborhood and to customers in leased spaces.' In all of the allocations subsequently set forth in the Plan (pages 23 to 33), not a single dollar is specifically addressed to the 'Hunters Point/Bayview neighborhood.' In fact, the one Title that might obviously include BVHP, the 'Multifamily Energy Efficiency Rebate' with its \$1.8 million, leaves the entire BVHP area out of its 'Maps' for neighborhoods to be served; 2) Violates findings known to both PG&E and the SFDOE which show that reduction of electricity-consumption in residential areas south of the concentration of businesses in downtown San Francisco--in particular the Potrero Hill and Bay View Hunters Point areas-- likely provides more savings in energy-use--perhaps as much as 1 to 0--due to the power-flow between Sub-stations in this city; 3) Ignores

or demeans the possibilities from residential energy-efficiency, conservation and installation of renewables that rate-payers and voters throughout San Francisco and in particular in Bay View Hunters Point have stressed are their first choices as solutions--and that non-discriminatory evidence shows to be the best, if not

the only, overall and long-term solutions for energy-reliability in San Francisco. Residents and their advocates have repeatedly presented these solutions at meetings attended by SFDOE and PG&E representatives over the past 10 months or more. We find now that only \$200,000 of the Program's more than \$16 million is allocated to "Emerging Technologies."

In addition to the Plan's flaws as content, the process by which it was decided and then communicated is, we believe, discriminatory and exclusionary to the largely African-American community in Bay View Hunters Point.

Following the CPUC's award of the \$16,313,000 to PGE&E and its partner the SFDOE, Community First Coalition members, including Maurice Campbell and Marie Harrison and Don Paul, requested many times, publicly and privately, to know how the funds might be allocated and what process might occur to decide the funding. Mr. Campbell and Ms. Harrison and Mr. Paul offered to meet with the SFDOE and/or PG&E about possibilities to employ BVHP residents in energy-efficiency, conservation and installation of renewables in BVHP, as relief to this most-polluted community was cited as a high priority by Commissioner Susan Kennedy and other Commissioners on the CPUC. Mr. Paul spoke with Ann Kelly and Sam Wright as well as with you two, Jared and Julia, about this concern and priority.

No one representing the BVHP community was ever called to such a meeting, though representatives were sometimes told that such a meeting was happening or about to happen, over several weeks' time.

Instead, late afternoon of Wednesday, May 21, 2003, the above-named representatives and many others from BVHP were informed by phone and e-mail that the SFDOE requested both their input and presence at a meeting the following Tuesday, May 27, at 11:15 in San Francisco's City Hall to discuss a Program Implementation Plan.

That is, only two working-days were offered before the morning of the meeting.

We were told that the PIP would then be delivered--with the community's supposed input, of course--to the CPUC less than six hours later.

We're here to tell you that we perceive this process--as well as the Plan's content--to be crazily unfair. We see our only recourse for environmental justice--and for long-term clean-energy solutions that will serve all of San Francisco--to be remedies through the law.

Sincerely,

LYNNE BROWN MAURICE CAMPBELL MARIE HARRISON
JESSE MASON CY ALAN BROWNING DON PAUL BARBARA GEORGE
for the COMMUNITY FIRST COALITION

6. Kevyn Lutton, Bayview Hunters Point resident

June 19, 2001

Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102

Dear Judge Malcolm:

I, a resident of Bay View Hunters Point, protest the blatant disregard for the principles of ENVIRONMENTAL JUSTICE by the agencies that are in place to insure that energy providers are held responsible for the health and public good of all neighborhoods equally. I am outraged that the energy conservation plans agreed to by government agencies include rebates to downtown businesses for turning off lights and computers at night, while health requirements of residents in the southeast section of the city, where filthy polluting and literally sickening power plants are situated are consistently ignored. No major agency of the government is demanding the closure of these plants. Promises are spoken but endless delays show the true intentions. Energy bills of the poorest residents are outrageously high. Until real weatherization is done justice demands these bills should be forgiven. Asthma of epidemic proportion dominates the lives of children who live here. Elders who live in pain and suffer even more from cold and damp hold back from turning on the heat and making warm meals because of the burden of debt to Power Utilities.

No serious money is made available for immediate weatherizing and energy inefficient appliances in our neighborhood. The "Power People" with the support of Government ignore the fact that rebates on appliances require a capital out put by people who have no discretionary spending ability. The so called CARE program is the tiniest and stingiest of concessions. Big business should be fined for bad energy practice not rewarded for doing the right thing. The money from these fines plus the big business set aside rebate money could create vital remedies for the health crisis caused by pollution in our neighborhood. Environmental Justice demands remedies for the abuse these poorest residents have endured for years. There is no excuse for the failure to close immediately the power plants. We have heard enough empty promises.

Kevyn Lutton
1411 Oakdale Avenue
San Francisco, CA 94124 (415) 822-2744

7. Andrew Bozeman, Southeast Sector Community Development Corporation

June 18, 2003

Andrew Bozeman
Executive Director
Southeast Sector Community Development Corporation
4909 3rd Street,
San Francisco, CA 94124

Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102

Dear Judge Malcolm

Re: Order Instituting Rulemaking to Examine the Commission's Future
Energy
Efficiency Policies, Administration and Programs - R.01-08-028

Dear Commissioners:

Among your many responsibilities, you have the critical task of making energy decisions that will affect the lives of thousands of people in the Bayview Hunters Point community in San Francisco. The following comments are to give you another perspective and more food for thought in your decision making process.

My name is Andrew Bozeman. I am the Executive Director of the Southeast Sector Community Development Corporation and work actively in the Bayview Hunters Point area. I have been involved with Energy Issues related to this community for a couple of years.

Recently, I participated in two Community Meetings linked to the San Francisco Peak Energy Pilot Program. These meetings were called at the behest of San Francisco Department of the Environment. As I understood it, the focus of those meetings was to be what steps could be taken to ensure the shut down of the old, inefficient, toxic-spewing Pacific Gas and Electric (PG&E) power plant situated at Hunters Point.

My organization was instrumental in video taping the two Community Meetings. At the first meeting, it was pointed out by some of the more energy-savvy community participants that many Multi Unit Subsidized Housing units were not included in the tabulation and therefore the data in the Energy Efficiency Plan was faulty. We requested that the data be modified to reflect the true facts and that a huge segment of Multi Unit Subsidized Housing be included as part of the data provided. We left with the impression that those responsible were in agreement with us and would comply.

At the second meeting, which had a greater presence of officials -- PG&E, the Housing Authority, the City and County of San Francisco, San Francisco Department of the Environment - along with an excellent representation of Community Advocates and Community

Members, the issues of Multi Unit Subsidized Units came up again. As we had done at the previous meeting, some of us reiterated that this data was important, that it had not been included in the data, and that it was vital in addressing the shut down of Hunters Point Power Plant. We added that this Multi Unit information is also critical in addressing the bench marks set to address the goals linked to the San Francisco Peak Pilot Program. Again, we left the meeting with the impression that the officials were in agreement with us and would comply by adding the Multi Unit data.

A few days ago, we received a shock from the San Francisco Department of Environment. They sent us, via e-mail, a huge document covering all the aspects of the San Francisco Peak Energy Pilot Program. Our review of the documents revealed that the situation HAD NOT CHANGED! Again, the data related to the 10,000 plus Multi Units were not incorporated in the current data.

My partner, Francisco Da Costa and I brought this to the attention of Maurice Campbell and to the attention of the Director of the Department of Environment. Maurice Campbell concurred with our assessment. We have yet to hear from the Director of the Department of the Environment. Mr. Da Costa also contacted a very senior official from the San Francisco Public Utilities Commission. He has not yet received a response from him either.

We find it disturbing that it appears those who reviewed the initial documents and filed the final documents have lied to our faces by telling us on the one hand that they agreed with us and would make changes, but on the other hand totally ignoring our requests. This is especially egregious since we took special effort to make it clear that under Title 6 our community was being discriminated against.

There are PG&E customers in Hunters Point who are being charged painfully high rates to PG&E in the amounts of \$300 to \$600 per month. Please note, these are low income customers. My initial reaction to this news was disbelief, but I have now seen the actual bills. What PG&E is doing is equivalent to putting on a mask and coming into the neighborhood at gunpoint to mug its residents. And this is not new! Many of these bills have been paid for years to PG&E and PG&E has made no attempt whatsoever to mitigate and be of any assistance to the people it is so flagrantly exploiting.

The San Francisco Department of the Environment seems rudderless when it comes to setting a course on how to address the issues at hand. Such an undertaking requires bringing in the services of qualified Electrical Engineers, Facility Managers, Switch Gear Engineers, Billing Managers, Structural Engineers, and other qualified experts who work together to understand the many aspects of Energy Issues and the customers they provided energy to.

We, the citizens of Bayview Hunters Point, who gathered together and tried our best to participate in a civilized manner in these ill-conceived Community Meetings are frustrated and angry. We gave our qualified comments all of which are documented in the videos we have provided to those who are reviewing this issue. We find it humiliating, and see it as a slap in the face, that the final

document given to California Public Utilities Commission would be submitted without the factual information we actively requested.

We can come to only one conclusion -- that those who submitted the information did so with the intent of deceiving those who will review it and make the decision to approve it. Our hope is that this is NOT the case but if it is so, some very serious investigation and adjudication are in order.

Sincerely,

Andrew L. Bozeman
Southeast Sector Community Development Corporation

Appendix B

Matthew Hirsch
San Francisco Bay Guardian
135 Mississippi St.
San Francisco, CA 94107

June 19, 2003

Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, Ca 94102

Dear Judge Malcolm:

I am submitting, on behalf of the San Francisco Bay Guardian, a collection of articles and editorials which underscore the integral role community and government leaders must play in any successful energy efficiency program. The accompanying comments in this letter are my own.

The Guardian has sought to expedite the public discussion about how to secure a reliable electricity transmission system for our city. We have made it a point to focus on the broad implications of future energy policy on our community's health, concerns for the environment and the local economy. These five news articles and three editorials are by no means exhaustive; rather they were selected to highlight the efforts of the Bayview-Hunter Point community and its representatives, as well as city officials, to articulate their objectives for energy efficiency.

The articles below delineate two energy alternatives for San Francisco, one that benefits the interests of PG&E and the Mirant Corp. and another that benefits the community. The city expended considerable time and resources working with community leaders to develop an Energy Resource Plan only to find that it must now compete with proposals by the private utilities. As it appears today the energy efficiency program represents a plan that benefits the private interests ahead of the public, and this outcome represents a planning process that largely excluded the opinions of Bayview-Hunters Point advocates. This was evident to me while reporting on developments during the latest stage of the process.

The Guardian has voiced caution over the Pacific Gas & Electric Co.'s role in the energy efficiency program, because of PG&E's history of opposition to anything even remotely resembling public power. Yesterday I reported about the company's attempt to break a 16-year-old agreement with the city to take control of the retail electricity accounts at the San Francisco Ferry Building. This action, isolated as it may seem, followed an old pattern by the company of trying to undermine the city's credibility as a supplier of

electricity. City officials have an incentive to see the energy efficiency program succeed, but PG&E's interests lie elsewhere.

This energy efficiency initiative, dependent upon ratepayer funds, must not shortchange ratepayers in the process -- especially those who have paid most dearly for living closest to the city's power plants and paying some of the highest electricity bills. I hope you can insure community input wherefore it has not already been accounted. And I hope these articles are helpful to you during your deliberations.

Articles:

- Still flawed (6/4/03) - http://www.sfbg.com/37/36/news_power.html
- Questioning PG&E (4/9/03) - http://www.sfbg.com/37/28/x_hall_monitor.html
- Power Games (1/22/03) - http://www.sfbg.com/37/17/news_pge.html
- Potrero poison (6/20/02) - http://www.sfbg.com/36/26/news_potrero.html
- PG&E's toxic toll (8/24/01) - <http://www.sfbg.com/News/36/04/04power.html>

Editorials:

- Never trust PG&E (6/18/03) - http://www.sfbg.com/37/38/news_ed_pge.html
- A bad PG&E 'partnership' (2/19/03) - http://www.sfbg.com/37/21/news_ed_matt.html
- A safe energy program (1/07/03) - http://www.sfbg.com/37/15/x_oped.html

Respectfully submitted

Matthew B. Hirsch
San Francisco Bay Guardian

Appendix C

June 4, 2003

Women's Energy Matters
P.O. Box 162008
Sacramento CA 95816-9998

Administrative Law Judge Kim Malcolm
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear Judge Malcolm:

Women's Energy Matters (WEM) appreciates the extension of time you granted for PG&E and the City and County of San Francisco to develop a better Program Implementation Plan (PIP) for the San Francisco Energy Efficiency Pilot, including a more genuine effort to consider community input.

The community is working very hard to propose measures that will achieve as much or more energy savings than is envisioned by the current draft plan. (We note that the draft plan states different energy savings goals on different pages. We are taking their official target of \$1 million a megawatt.)

However, there still may not be enough time in the current schedule for the community input to be taken seriously. The community was informed in the notice for today's meeting that the plan must be finalized in two days, and then go to the lawyers, in order to be filed next week.

The community impacted by the Hunters Point and Potrero power plants is interested in having the pilot program focus on relieving their burden of extremely high PG&E bills, which is added to the daily insult to their health and wellbeing from operations of the power plants. Unfortunately, PG&E's pattern of dealing with multifamily and low-income programs could mean significant trouble ahead.

The exclusion of the community from the benefits and implementation for this plan is much more systematic than we previously realized. The "fast-track" nature of the current process to file the PIP may prevent meaningful change in this situation. Therefore Women's Energy Matters requests the following: Allow at least a month further extension of time for PG&E/CCSF to file a draft plan, which would give time for preliminary studies that may be necessary to incorporate the community's proposals. Give all parties a week to comment on that plan, and another week for incorporating those comments and filing a final plan.

Problems which need to be resolved include:

1. First version of the PIP systematically excluded low-income residents from program benefits.

A. The multifamily portion of the PIP was based on flawed studies. An attachment with the filename “Area Bldg zip.xls” has a footnote revealing :”Units’ not does [sic] mean individual housing units but distinct taxable structures, e.g., a 20-unit apartment building would count as only one ‘unit’. Prepared by HOK Consulting based on data from SF Assessor’s Office database.” Using tax rolls for the data would automatically eliminate all public housing and Section 8 housing from these figures.

“Area Bldg zip” is a chart titled “All Structures, All Ages”. It shows a comparatively very low figure for Area (SF) in 94124 (Hunters Point zip code)³ and Potrero.

B. PG&E’s Low Income Energy Efficiency programs exclude urban low-income apartment dwellers. The Pilot mentions leveraging low-income programs as part of the PIP, but that may not be a meaningful offer. In recent comments in the Annual Earnings Assessment Proceeding (the review of past utility EE programs, which is officially linked to this proceeding), WEM called attention to several barriers:

IOUs DISCRIMINATE AGAINST CITIES AND APARTMENT DWELLERS

IOU programs discriminate against apartment dwellers and underserve cities, since low-income city people tend to live in apartments, while low-income rural people are more likely to have single-family homes or trailers. For example, in Program Year 2000 (PY2000) PG&E served only 9,033 apartments as opposed to 21,851 single family homes and 1,846 mobile homes; in PY 2001 PG&E served 9,522 apts , 23,784 single family homes and 4,629 mobile homes. (PG&E’s Table TA-7.3, May 2001 Technical Appendix Vol. III; Table TA 3, May 2002 Technical Appendix Vol. IV).⁴

This distribution isn’t accidental. According to WEM’s interviews with an LIEE subcontractor, PG&E at first set a limit of 35% of low-income work in apartments; the rest had to be single family homes. The subcontractor found a way to serve more apartments by taking over the determination of what units were low-income. (Ordinarily PG&E assigns a certain number of units to be done, based on its presumption as to the size of the low-income population.) However, PG&E changed the rules again, setting a limit of 35% low-income apartments in each county rather than throughout the territory. As a result, the utility underserved urban counties such as the City and County of San Francisco, where there are many more low-income apartments than houses.

³ At the 5/27 meeting, “SF” was identified as square feet, not San Francisco. Oddly, it shows twice as much area (9,731) for Bathrooms as Bedrooms (3856) in 94124.

⁴ WEM recalls that PG&E’s PY2002 multifamily program was a colossal failure. In its fundshift request in Nov. 2002, it announced it had only served about 500 of the projected 9000+ units. Noticing that the utility typically says it will do approximately 9000 multifamily units, WEM can’t help but wonder whether its 2000 and 2001 multifamily claims have been verified by site visits.

Another way PG&E fosters discrimination against apartment dwellers is that apartments are entitled to fewer measures than single family homes.⁵ This pushes subcontractors towards single family homes. It is time-consuming and therefore costly for subcontractors to move their crews around and make arrangements with landlords and residents to enter each unit, so they will naturally choose to go where they can do \$1500 worth of work rather than \$300. This exacerbates the unequal distribution of low-income PGC funds. Say, for example, there are 1000 low-income residences served in San Francisco (mostly apartments) and 500 in Yuba County (mostly single-family)— Yuba may be getting twice the money though it has only half the units.⁶

PG&E's reply comments claimed they did not impose a limit on low-income work, but our source reveals a subterfuge:

It's in RHA's contracts with their contractors that PG&E sets the goals. PG&E originally did competitive bids with the contractors. In those contracts there were caps [35% multifamily in each county]. In that contract was the right to assign contract to administrator. They assigned contracts to RHA, so theoretically PG&E's hands are clean right now.

As of last year everyone had minimum and max of how many they could treat – all the same across State. (WEM conversation with low-income contractor 6/2/03)

Our source notes a new method of lowering the effectiveness of low-income programs, which PG&E added last year:

Last year, brouhaha – PG&E shut low-income energy efficiency program down. According to PG&E they were going to run out of money based on commitments (commitments for future work). They never did. Worse – they were turning out monthly reports — the activity level in those reports would not support being out of money. They got yelled at for shutting programs down and putting people out of business.

RHA – solved it this year. Most contracts say you must do minimum by this period of time. They put a maximum, so even if demand is greater, contractors are not allowed to do additional work anywhere. So contracts are spread out over full years.

⁵ Two of the “Big 6” measures, on which shareholders incentives are based, are more applicable to single family homes than apartments — attic insulation, and door and building envelope repairs. Apartments don't have attics, and doors may open onto hallways rather than outside.

⁶ According to WEM's sources, master-metered apartments were not served at all by IOU low-income programs until recently. (Master metered apartments are ones where the landlord pays the utility and turns around and bills the tenants a pro rata share.) When the CPUC finally allowed it, the IOUs said we could be inundated, so they put a cap on the amount any contractor is allowed to do, e.g. 15% of the units.

WEM believes that imposing such restrictions — and hiding them from the Commission — should disqualify PG&E from running LIEE programs and from performing this Pilot. This information further supports WEM’s Application for Rehearing the decision to award funds to PG&E for this pilot. As stated in our Application, systematic exclusion of low-income, largely minority and women residents is a Civil Rights violation.

If the pilot goes forward, these complex restrictions could prevent comprehensive and cost-effective programs in multifamily, low-income housing. The CPUC should take steps to remove these restrictions throughout PG&E’s territory, or at least waive them in San Francisco for the duration of this pilot project.

2. Contractors from the Hunters Point community should be encouraged to bid on jobs in the pilot program, however they may be systematically excluded under procedures currently followed by PG&E and its subcontractors, and San Francisco Dept. of Environment.

Our low income contractor source described a situation in PG&E’s low-income programs where there is hardly ever a chance for new contractors to bid.

SF DOE has stated their intention to use existing PG&E contractors — indeed, they said this is the reason that they don’t want to administer the money this year, because they would have to put out for bids. They complain that public contracting procedures are slower than in private industry. This may excludes contractors in the community from bidding on these jobs.

3. Credibility of energy savings measurement is at issue with PG&E and SF DOE

The stated goals of the pilot include reducing energy in order to convince ISO that SF electricity system is reliable without Hunters Point. Unfortunately, measurement of energy saving is is questionable, both at the company and the SF DOE. WEM has filed extensive comments in this proceeding exposing irregularities in PG&E measurement protocols that reduce confidence in PG&E’s energy savings accomplishments.

A whistleblower complaint against SF DOE reveals questions about the Power Savers program measurements also.

4. Need for developing a process for strong community oversight; SF DOE existing relationships with grantees raise questions

If the programs are opened up for bids, WEM believes there could be problems also. In addition to managing contractors, SF DOE manages grant programs, including a \$13 million from State funds intended for mitigation and infrastructure development associated with the closure of Hunters Point power plant.

Following up on questions raised about these programs by CPUC staff and community members, WEM has investigated some of SF DOE grantees, as well as SFDOE’s management of these programs, and found some disturbing problems. For instance, one program promised EE but produced only 51kw after spending more than \$600,000. SF DOE has an incestuous relationship with this program: one of its staff members sits on the Board of the grantee, and the original proposal included a \$75,000 kickback to SF DOE.

We are working with other City officials to resolve these problems and are confident that they will be resolved. However, the process is not yet complete. There needs to be strong ongoing oversight of this pilot to make sure these same people do not walk away with some of this money.

WEM appreciates the Commission's efforts to investigate the whistleblower complaints and resolve problems with the Pilot, but we understand that close ongoing oversight from the CPUC is not an option. Unfortunately, with the fox guarding the henhouse and the fox's nephew, NRDC, influencing the SF DOE, there is a large potential for abuse in this program. WEM asks the CPUC to work with the community to put in place a mechanism for strong community oversight of all aspects — planning, implementation, and measurement, BEFORE the pilot plan is finalized.

5. Need for more clarity on PG&E's intentions re closing Hunters Point Power Plant.

As WEM described in our Application for Rehearing, PG&E's intentions regarding closing the Hunters Point Power Plant are not at all clear. On the contrary, the company is taking steps to keep it open:

- PG&E applied for a permit from the Air Board to keep it running
- PG&E have applied for money to retrofit the plant with SCR equipment
- Although it applied for \$65 million for decommissioning the plant, PG&E argued that the company should get the money with no strings requiring the company to use it for decommissioning — and the Judge is letting them have it.

WEM has recently learned that ISO filed a protest with FERC this January, saying that PG&E is claiming too much money for its RMR (Reliability Must Run) contract for Hunters Point. In other words, the company is continuing to profit from the suffering of the community.

And finally, PG&E has not yet included energy efficiency in its load forecasts to the ISO. It has vaguely promised to do so in the future, but as long as they are not included, this has the effect of keeping the power plant open.

In conclusion, Women's Energy Matters asks the Commission to allow time for all these problems to be fully investigated and resolved before allowing the Pilot to move forward.

Sincerely,

Barbara George
Executive Director
Women's Energy Matters

Appendix D

Email exchange between Cal Broomhead and Manho Yeung

From: "Yeung, Manho" MxY6@pge.com
Date: Fri, 11 Apr 2003 16:11:55 -0700
To: "Cal Broomhead" <Cal.Broomhead@SFGOV.ORG>
Subject: RE: Areas served by Larkin and Mission>
Cal: Targeting Hunters Point instead of Embarcadero will only be slightly better from an internal perspective. The internal issue is having adequate transmission capacity to serve Larkin and Mission when Hunters Point is shutdown or unavailable. Manho>

Original Message-----

From: Cal Broomhead [mailto:Cal.Broomhead@SFGOV.ORG]
Sent: Friday, April 11, 2003 3:51 PM
To: Yeung, Manho
Subject: RE: Areas served by Larkin and Mission
Thank you, but if I am going to target the Embarcadero vs the Hunters Point neighborhood, which will give me more impact on the LSC related to shutting down the Hunters Point plant?>
Cal Broomhead

"Yeung, Manho" <MxY6@pge.com>
To: "Cal Broomhead" <Cal.Broomhead@SFGOV.ORG>
Subject: RE: Areas served by Larkin and Mission
Cal: The internal (inside the City) constraints are the 115 kV cables to Larkin and Mission. Therefore, demand reduction at Larkin and Mission are good from both a "San Francisco only" and an "overall Bay Area" electric system perspectives. Demand reduction at Embarcadero and Hunters Point have good "overall Bay Area" benefits but relatively small impact to the internal 115 kV cable system.
Manho>

Original Message----- From: Cal Broomhead
[mailto:Cal.Broomhead@SFGOV.ORG] Sent: Thursday, April 10, 2003 6:29 PM
To: Yeung, Manho
Subject: RE: Areas served by Larkin and Mission Importance: High>>
Thank you, Manho. It was great talking with you today.
You and Larry Tobias of the CAISO were saying that one MW of savings at Larkin and Mission would have more than one MW of impact on the decision to shutdown Hunters Point while one MW at the Embarcadero substation would have less than one MW of impact - maybe even zero. How would a MW of reduction at the Hunters Point substation (that feeds the Hunters Point neighborhood) compare to reduction at Embarcadero, Larkin, or Mission? If that impact is greater than the impact at Embarcadero, then I will want to also get the map of the area fed by Hunters Point sub.

We are of course happy to have the right information, though it means a substantial change in our program plan. I will contact Jyotirmoy about getting a map of the areas fed by each of the Larkin, Mission, and Hunters Point substations.

Thanks again!!!>Cal Broomhead

Appendix E

Maps and Schematics of San Francisco's Transmission System:

See

California Energy Commission Final Staff Assessment for Potrero Unit 7

www.energy.ca.gov/sitingcases/potrero/documents/2001-09-27_POTRERO_SR_7.PDF

and

ISO's San Francisco Long-Term Transmission Study

www.energy.ca.gov/sitingcases/potrero/documents/2002-02-13_POTRERO_EFFECTS.PDF

CERTIFICATION OF SERVICE
R.0108028

I, Barbara George, certify that on this day June 20, 2003, I caused copies of the attached WOMEN'S ENERGY MATTERS AND COMMUNITY COMMENTS ON PG&E AND CITY & COUNTY OF SAN FRANCISCO PROGRAM IMPLEMENTATION PLAN FOR THE "SAN FRANCISCO PEAK ENERGY PILOT PROGRAM" to be served on all parties by emailing a copy to all parties identified on the electronic service list provided by the California Public Utilities Commission for this proceeding, and also by hand-delivering an original and six paper copies to the CPUC Docket office, with a copy to Administrative Law Judge Kim Malcolm and Presiding Commissioner Susan Kennedy.

Dated: June 20, 2003 at Sacramento, California.

DECLARANT

(Electronic service list attached to original only)

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