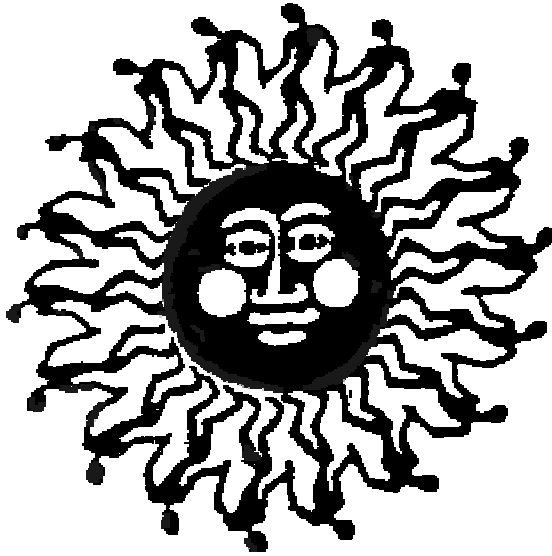


SMUD: What's not to like?

By Dan Berman , January 2006



In early 2005 the city councils of Davis, Woodland, and West Sacramento and Woodland and the Yolo County supervisors voted *unanimously* to request that the Sacramento Municipal Utility District (SMUD) take over electricity service from PG&E in the Tri-City area. It was probably the first time all four elected bodies had agreed unanimously on anything. SMUD, governed by an elected Board of Directors, voted to move forward on annexation in May 2005.

PG&E is fighting back with all the tricks in the book. In October it created a fake grassroots group called Coalition for Reliable and Affordable Electricity, and rounded up support, at \$5 per signature, to put a phony non-binding ballot initiative in June 2006, and will spend millions to beat us.

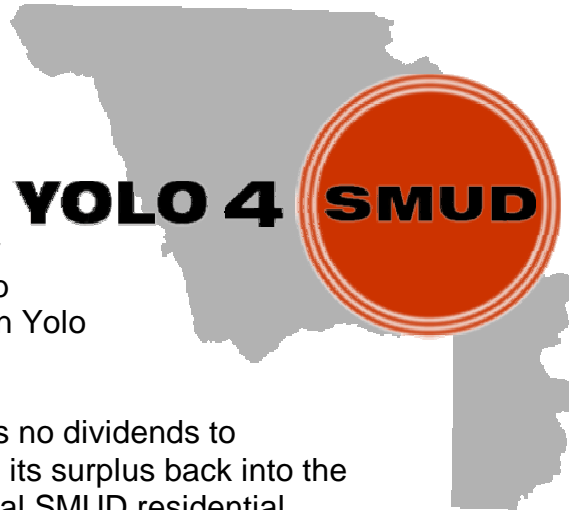
SMUD recently called for a November 2006 election in both Sacramento and Yolo counties, which will decide whether SMUD should extend service to Davis, Woodland, and West Sacramento and Woodland.

Why is SMUD better for Yolo County?

Compared to PG&E, SMUD is better for six simple reasons.

1. **SMUD is democratic.** Its ratepayers elect its seven-person board of directors, who live in their respective districts and meet in public. SMUD's democratic accountability and lack of a profit motive make all the difference. PG&E, by contrast, is a wholly owned subsidiary of the PG&E Corp., which is accountable only to its stockholders. Self-selected boards of directors that meet in secret govern both the holding company and the utility.
2. **SMUD's top executives are in it for the service, not the money.** In 2003, Mr. Robert Glynn Jr., President and CEO of PG&E Corporation, who helped lead PG&E into restructuring and then into bankruptcy, "earned" total pay of over \$34 million, including \$17 million in "phantom stock units," according to PG&E sources. SMUD's general manager, Ms. Jan Schori, earned \$283,327 that same year.

3. **SMUD is greener.** More than five times as much solar electric (photovoltaic or PV) capacity per customer has been installed in SMUD territory, and more than twice as much wind generation capacity per customer as PG&E. The Yolano Sierra Club chapter supports SMUD service in Yolo County.



4. **SMUD charges less.** SMUD pays no dividends to stockholders; instead, it reinvests its surplus back into the system. In December 2005 typical SMUD residential customer paid \$37 less than people in Yolo county served by PG&E.
5. **SMUD has more reliable service.** So much so that it believes it will have to carry out an extensive rebuild of the Yolo annexation area to bring it up to SMUD standards. Over the last five years, PG&E's has averaged over twice as price.
6. **SMUD has happier customers.** According to the J.D. Power "2005 Electric Utility Residential Customer Satisfaction Study," SMUD ranked third in "customer satisfaction" and PG&E ranked 10th of the 13 largest electric utilities in the West.

The bigger they are, the harder they fall. This is the most important battle for democratic public power takeover since SMUD was created 60 years ago. Join our struggle for energy justice. The whole country is watching.

Students who want to help should call the 530-757-6609 or email the Coalition for Local Power at bermfam@gmail.com.

— Dan Berman is a Davis resident. He has been active with the Citizens Task Force on Energy issues and helped found the Coalition for Local Power (www.publicppowernow.org), an *ad hoc* citizens group which has advocated public power solutions for Yolo County since 1997. His book WHO OWNS THE SUN? is available in all local libraries and on-line at www.chelseagreen.com/images/whoownsthesun/pdf.
