

# HOW TO STEAL AN ELECTION

A speech given by an attorney for Pacific Gas and Electric Company (PG&E) has revealed how PG&E manipulated a Berkeley election to prevent municipalization of the company's electrical facilities in November 1974. The speech also indicates that utility companies are working together behind the scenes devising strategies to counter movements for city-owned utilities.

Richard A. Clarke, Assistant General Counsel for PG&E, gave the speech at an executive seminar held in Santa Barbara on February 27, 1975. On May 28, 1975, Clarke sent a copy of the speech to an executive of Tucson Gas and Electric Company, a utility feeling threatened by a citizen group called Tucson Public Power. Grassroots has obtained a copy of the speech.

Clarke outlines some of the strategies used in Berkeley. "Our basic strategy was to motivate some leading Berkeley citizens to serve as leaders of a citizens committee," Clarke said. PG&E discovered that corporations had "very low credibility with the electorate." University professors and some local governmental leaders were rated highly.

## SURVEY CONDUCTED

Clarke reveals that PG&E gleaned these conclusions by conducting a door-to-door survey of Berkeley voters. At the time, the press disclosed the survey's existence, but PG&E officials hotly denied it had anything to do with the election.

Armed with a profile of Berkeley voting attitudes, a "Citizens Committee" was set up. Clarke describes by category the leaders of PG&E front group. They were "an energy professor at U.C. Berkeley, a prominent black minister, and an active female conservationist." A check of the records shows they were in order, Sam Markowitz, James Stewart, and Sylvia McLaughlin.

Clarke points out that "proponents of takeover consistently argue that they should be believed no more than PG&E should be believed." Greatly concerned over "credibility" the attorney instructed on how to handle this situation by saying that the "key" is to set up "committees [that] have leaders known in the community."

## PG&E GAG

Clarke claims that in order to "gag PG&E by taking away its right to spend money in opposition to the measure, proponents pushed through a campaign spending limitation law." In fact, the law that took effect was authored by an opponent of municipalization - Vice Mayor Sue Hone.

In his attack on campaign spending limitations, Clarke says

"PG&E could not speak or campaign to defend its property." Clarke apparently dismissed the fact that money used to conduct the campaign would have been profits taken from its customers who would be paying for PG&E's right to publicize its position.

PG&E went to court and won the right of the corporation to "speak" with its money against the takeover plan. Clarke notes that election reform received 70 percent of the Berkeley vote, so PG&E "had to appear as champions of free speech rather than as enemies of election reform"

To do this PG&E acquired the services of the American Civil Liberties Union (ACLU), "in order to show the liberal Berkeley electorate that our concern over the free speech problems of the Reform Act was legitimate." Clarke adds, "There were many raised eyebrows in court then the ACLU

appeared on the same side as PG&E." Clarke provides no hint of how the ACLU was secured to handle the case.



Clarke also reveals that some days before the court decided in PG&E's favor, management held a four-hour-long pep rally with all the Berkeley employees. PG&E officials generously dished out four hours' worth of the arguments against municipalization and "some of the problems we would have in communicating because of the Election Reform Act."

IN addressing the seminar, which was attended by other utilities officials Clarke proclaims, "We can gain from each other's experience. There are approaches which have worked in particular communities, And there are some basic techniques which are probably effective with adaptation to the local situation in almost every community."

Clarke concluded, "Takeover elections force us to communicate with customers who have long taken us for granted, to remind them, without bragging, that our service is reliable, that our profits are reasonable and necessary . . . We will survive the local challenge in these perilous times if our words are informative and sincere . . ."

Exactly one day after municipalization was defeated in Berkeley, PG&E's rate increase request jumped from \$28.6 million to \$56 million. Clarke forgot to mention that in his speech.