

## **Case Study: Monterey Bay Community Power Reverses Earlier Decision Rejects PG&E's Nuclear Deal**

*By Jill ZamEk, San Luis Obispo Mothers for Peace*

### **Background**

On March 4, 2020 the Policy Board of Monterey Bay Community Power (MBCP) voted to accept PG&E's offer of "free" nuclear attributes, claiming that MBCP was not purchasing nuclear energy—just accepting the attributes.

There was little transparency or public engagement behind this decision. The misleading agenda item title was "Receive Report and Provide Direction Regarding Proposed Allocation of Greenhouse Gas Free Attributes (Action Item)," and thus failed to catch the attention of community activists. Viewing the meeting later, Policy Board members talked of "managing the optics" of the decision but did not subsequently reach out to the community. MBCP staff claimed that their intentions were thwarted by the arrival of COVID-19.

Hearing rumors of this PG&E offer, San Luis Obispo Mothers for Peace (SLOMFP) called the MBCP information line to inquire and emailed the agency's information address. The person who answered the phone had no knowledge of policy, and no one replied to the email. At the subsequent Policy Board meeting in April, two members of SLOMFP emailed comments opposing the acceptance of nuclear attributes. The Policy Board accepted the comments without noting that a decision had already been made!

### **Community Gets Mobilized**

Once the Policy Board decision came to light, complaints began to pour in. MBCP staff responded with a "fact sheet" and posted this statement on the MBCP website:

#### **MBCP's 2020 Carbon-fee Allocation Decision**

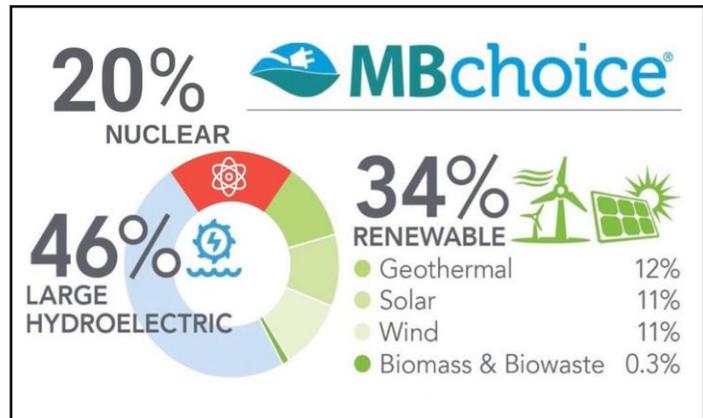
MBCP customers have been unknowingly supporting the high costs of operating PG&E's Diablo Canyon nuclear facility by paying their Power Charge Indifference (PCIA) fee. After years of fighting for lower PCIA fees on behalf of our customers (SIC), the CPUC recently ruled that our customers are entitled to energy credits referred to as "carbon free attributes," an offer that will save millions over a 5 year period. These credits have already been paid for by our customers which is one of the many reasons we decided to accept the carbon-free attributes. [Learn more here.](#)

Community environmental organizations called for an explanation of this misleading statement and "fact sheet," and CEO Tom Habashi and staff met with them in May to explain the agency's thinking. Areas of continued disagreement were:

- MBCP claimed that nuclear energy was not being purchased through this proposal.
- MBCP claimed that the free nuclear energy credits would save \$5 million/year, but that turned out to be closer to \$1.3 million.

In early May, SLOMFP organized a sign-on letter to the Chair of the MBCP Policy Board, Bruce McPherson, requesting a special meeting to reconsider its earlier decision to accept PG&E's offer of nuclear attributes. The letter made the following arguments:

- The financial savings had changed substantially.
- Receiving only a large hydro allocation was not presented as an option.
- The deal was for one year, not five years, as Mr. Habashi had stated.
- MBCP would likely be purchasing energy from Diablo Canyon, not just receiving attributes.



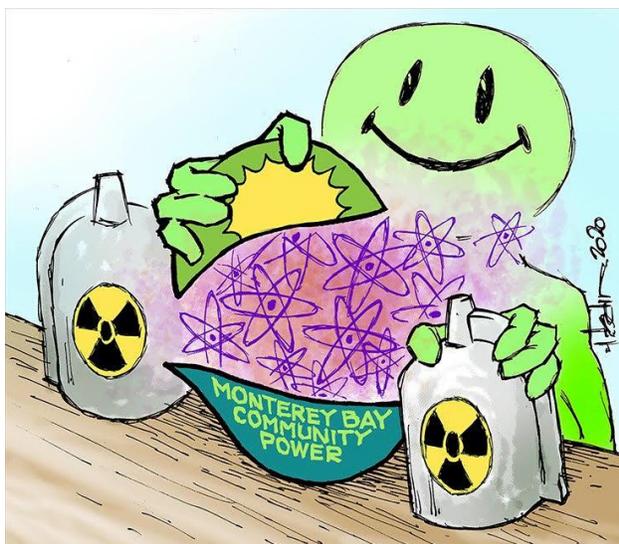
- The Staff Report did not address the waiver of certain rights as part of the transaction.
- There was limited and inadequate community involvement with this decision due to the misleading agenda item title and the lack of outreach to interested parties.

Signers to the letter were: SLOMFP, SLO Climate Coalition, Women's Energy Matters, CodePink, and San Luis Obispo Green Party.

SLOMFP sent an action alert to supporters requesting letters to MBCP asking for the special meeting. In response, Al Weinrub of California Alliance for Community Energy, Jessica Tovar of Local Clean Energy Alliance, Pauline Seales of Santa Cruz Climate Action Network, and others sent letters of support.

### Special Meeting, June 10

This pressure finally yielded results: San Luis Obispo Mayor and MBCP Board member Heidi Harmon requested that McPherson hold a special meeting to reconsider the PG&E deal, and it was scheduled for June 10, 2020.



Prior to the special meeting, a collaborative team of community organizations—signers of the letter and others—posted an action alert calling for public comments and prepared talking points regarding the issue. Members of the team met virtually with members of the MBCP Policy Board to inform, clarify, and lobby.

We never went to the press because we were hoping to resolve the issue without damage to the public reputation of MBCP; we all agreed that we wanted MBCP to thrive. But word got out, as indicated by the cartoon shown here in the San Luis Obispo local newspaper.

Once the Policy Board set the special meeting to reconsider the nuclear option, a struggle then ensued over the ability of the public to participate in the meeting. It took a concerted effort, including numerous and relentless emails and conversations, to get MBCP to agree to:

- A Zoom format rather than what they have previously used (view only and only written comments accepted)
- A 15 minute presentation by community expert Daniel Hirsch, with shared screen capability, and 2 minute comments from experts Robert Freehling , Bill Powers, and Dale Bridenbaugh (Daniel Hirsch’s impassioned presentation spoke to the moral issues regarding nuclear energy and weapons.)
- Members of the public were each allowed two minutes to speak

### **The Result: MBCP Rejects Nuclear Deal!**

The outcome of the special meeting: the Policy Board reversed its earlier decision—with the caveat that the issue would be reconsidered at year’s end.

While the policy decision is temporary, the real victory was the building of a coalition that mobilized public sentiment to successfully challenge not only an unacceptable Board decision, but the way the agency operated. It reaffirmed the importance of community engagement and the role community organizations can play in representing and mobilizing the sentiments of the broader community.

The victory has already reverberated into the agency’s inner sanctum, with MBCP staff proposing a new procurement and investment strategy which will eliminate the purchase of carbon-free attributes. In fact, MBCP will no longer be claiming 100% carbon free energy until it has developed policies and programs to achieve that target in collaboration with community partners.

The community coalition that led the effort to reject PG&E’s nuclear energy offer has met to evaluate and assess this skirmish with the agency. It has won a commitment to continuing the Zoom format in future Board meetings and has engaged staff on longer range strategic objectives and planning. The agency is now holding bi-monthly “Roundtable” Zoom meetings for community activists. Under the leadership of Eric Veium, chair of the SLO Climate Coalition, strategy meetings continue, and participation is increasing as we face troubling issues with MBCP’s new procurement strategy.