

Monday, September 8, 2008

## Climate affront

Too bad the Legislature's skepticism about plans to create a publicly funded climate change research center did not extend to questioning the underlying premise. Instead, legislators rewrote the proposal without asking whether such an institute was necessary, or if tapping electric bills was the right way to bankroll research.

So Gov. Schwarzenegger should veto SB 1762, by Sen. Don Perata, D-Alameda. And the governor and Legislature should pull the plug on an earlier and even more faulty Public Utilities Commission proposal along the same lines.

SB 1762 would create the California Climate Change Research and Workforce Development Institute at the University of California. The institute would receive \$87 million a year for 10 years to provide grants for research into ways of cutting greenhouse gas emissions.

The money for that research would come from California electricity users' pockets. The bill envisions \$37 million a year in new surcharges on all electricity bills. And SB 1762 would redirect \$50 million a year in funds for energy research that ratepayers already provide.

The Legislature stepped in after the state Public Utilities Commission in April approved a \$60 million a year surcharge on customers' electric bills to create the new institute. The PUC plan had numerous flaws, not least of which was that only customers of the private utilities would pay for the research, even though it would supposedly benefit the entire state. The proposal lacked public accountability, and the Legislature's legal advisers said the PUC had no authority to create an institute anyway.

But legislators settled for tweaking the PUC's proposal instead of questioning the rationale for the idea. The PUC proposed soaking ratepayers for this research because the commission had the purview to do so, not because it made policy sense. And the state's emissions figures support that contention.

Energy generation accounted for only about one-fourth of the state's total greenhouse gas emissions in 2004, the latest figures available. Transportation generated nearly half of the state's emissions that year. So just why should the burden of climate research fall only on electricity users?

The Legislature went along with the surcharge scheme because it could create a shiny new public program while sparing legislators from responsibility for the financing. But funding a far-reaching policy initiative with a surcharge ducks public accountability and abuses the PUC's rate-setting powers.

And meeting the state's greenhouse gas targets will almost certainly add to energy costs. California should at least wait for some idea of that expense before saddling electricity users with new fees to fund research.

But expediency drives this proposal, not thoughtful policy. "Because we can" is an excuse for mischief, not a strategy for serving public needs.