From: Hall, Thomas A.

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To: Hall, Thomas A. (thomas.hall@cpuc.ca.gov)

Cc:

Bcc:

Subject: DRA Release: DRA Disappointed by CPUC Approval of PG&E's Unnecessary \$1.5

Billion Oakley Power Plant

FOR IMMEDIATE RELEASE

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Media Contacts:

Cheryl Cox, Policy Adviser, 415-703-2495, cxc@cpuc.ca.gov Tom Hall, Information Officer, 415-730-2964, tbh@cpuc.ca.gov

DRA Press Room: http://www.dra.ca.gov/DRA/News/

DRA Disappointed by CPUC Approval of PG&E's Unnecessary \$1.5 Billion Oakley Power Plant

SAN FRANCISCO, December 16, 2010 – The Division of Ratepayer Advocates (DRA), an independent consumer advocacy division of the California Public Utilities Commission (CPUC), today said it is disappointed with the CPUC's approval of a bid by Pacific Gas and Electric Company (PG&E) to spend \$1.5 billion of ratepayer funds on an unnecessary power plant in Oakley, Calif.

The CPUC had denied PG&E's proposal to build the Oakley plant in July 2010, but the utility filed a petition to overturn that decision within just weeks. In a 4-1 vote, the CPUC reversed itself today, and approved PG&E's request to build the power plant. In denying PG&E's original proposal, the CPUC relied on data that shows that PG&E has enough power plants both online, and in planning, until 2018.

According to the comments of one Commissioner today, PG&E will have a 69 percent reserve margin in 2020 – even without the Oakley plant. DRA also believes that today's decision shortcuts the due process rights guaranteed to parties and the public.

"PG&E ratepayers are now on the hook for \$1.5 billion in costs for energy they don't need while being shut out of the decision-making process that will leave all PG&E customers with higher utility bills," said DRA acting director Joe Como.

For more information on DRA's recent filings on the Oakley project, please visit www.dra.ca.gov.

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Tom Hall
Information Officer
California Public Utilities Commission
thomas.hall@cpuc.ca.gov
916-928-2274 (desk) | 415-730-2964 (cell)
180 Promenade Circle; Sacramento, CA
Visit the CPUC on: Twitter | Facebook