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Subject:

Where I Stand - Regulatory Climate Change Endangering California's Future

By Jon Kennedy, Plumas County Supervisor, District 5
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As a lifelong Californian and current county supervisor, I regularly hear from constituents and community stakeholders that California is a tough state in which to conduct business. I have spoken with a number of small-business owners who are constantly struggling due in part to the ever-changing regulations imposed by the state. We have come to the point where state government is attempting to subsidize its budget by targeting small and large businesses. This must be stopped.

A great example of how regulatory agencies are hurting California is the recently proposed fine against **Pacific Gas and Electric Co.** for the San Bruno tragedy.

The Wall Street Journal, on Sept. 16, reported that the California Public Utilities Commission has revised their penalty recommendation upward to include more than \$300 million in funding for the state general fund.

Is it ironic or convenient that Gov. Brown announced that the state will need about \$31 million to comply with a federal judge's mandate to ease prison overcrowding?

This is an absolute abuse of the regulatory system.

While it is clear that a penalty should be levied against PG&E, there should also be a measure of reason behind it. The size and scope of current CPUC recommendation set a \$4 billion is more than double the fine against BP for the Gulf oil spill and 40 times more than the largest fine on record for a gas pipeline accident. This proposal, if enacted, has the potential to push this large company into bankruptcy. This will hurt all customers of the utility.

It can also negatively affect the economy by slowing down its infrastructure improvements and wiping out thousands of well-paying construction jobs. We have just new started to climb out of the Great Recession.

Let's not impose self-inflicted wounds upon the fragile economy.

What troubles me the most is that much of the proposed fine from the regulatory agency doesn't help the residents of California at all.

Any regulating agency needs to put the interests of the people it is charged with protecting above its own.

California needs to have safe electric and gas infrastructure without pickpocketing the shareholders and customers of PG&E to support the state's financial challenges.

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