



California's largest electric utility, the Pacific Gas & Electric Company (PG&E), has proposed to offer a Green Option Program through which individual customers could choose to pay a little extra for power that is 100% renewable. In a move clearly designed to discourage local governments from starting their own green power programs, PG&E displays endorsement letters from a number of Northern California mayors. Some of those mayors express hope that that the Green Option will support their cities' efforts to reduce greenhouse gas emissions. However, there is nothing about the program as proposed by PG&E that would promise or likely produce reductions in greenhouse gas emissions.

How could this be? Doesn't renewable energy use always mean less reliance on fossil fuels and less carbon in the air? The fact that the answer to this question is "no" says something about the way PG&E crafted its proposal, but it also says something about the nature of current climate policy in California.

In the next few months, California initiates its greenhouse gas cap and trade program through which PG&E and other utilities will be required to limit the carbon emissions related to the power they sell. As part of this process, the state will give each utility emission allowances which it can either use for its own purposes, save for later use, or sell to another polluter. One thing is clear: somebody is likely to use those allowances to release greenhouse gases into the air. So if PG&E uses more renewable power in a way that reduces its emissions to levels below its current cap, it will either save the unused allowance for a time when the cap is even lower, or sell the allowance to somebody else. Either way, the same amount of greenhouse gas will eventually enter the atmosphere.

PG&E seems to understand these limitations. Other than its use of the word "green" in the title of the program, the utility does not make any claims about environmental benefits that it might produce. As PG&E presents it, the program is about giving customers a choice about the composition of the power they buy. The utility does not describe the program as a way to reduce greenhouse gas emissions.

If every PG&E customer chose the Green Option and PG&E actually bought deliverable renewable power to serve all of its customers, this would provide a real opportunity to reduce carbon emissions. But, of course, this will never happen. We don't solve our societal environmental problems through voluntary action - think, for instance, about the proliferation of sports utility vehicles when consumers could

choose more fuel-efficient cars. Think of the mountains of plastic water bottles when consumers could drink water from the tap. PG&E must be relying on this aspect of human nature because it has never asserted that it could reliably operate its system in 2012 or within the next few years on 100% renewable power.

With a slight modification to its proposal, PG&E could make this program meaningful. This would involve pledging that for each megawatt hour of renewable generation added as a result of Green Choice, it would “retire” an equivalent amount of greenhouse gas allowances. Then, it could say with confidence that participating in the program could make a difference by truly eliminating greenhouse gas emissions.