

CALIFORNIA'S ENERGY CRISIS: WASHINGTON'S ROLE

by Lindsey Grant

The nation is ignoring the principal cause of the California power crisis, and Washington has not even contemplated addressing it.

California has for months been in the grip of a rolling energy crisis. The scene has the earmarks of a dysfunctional society. Power to industrial users has been interrupted. There have been residential blackouts, and more may be expected when the air conditioning season starts. Wholesale electricity prices have skyrocketed as fuel prices have risen. The major utilities claim that they have had to pay up to \$1 per kilowatt/hour and have been allowed to charge only 6.5 cents to their customers. People have been in the streets protesting a recent 7 to 15 percent increase allowed by the utility commission, but the utilities say they need a much larger increase to save them from bankruptcy. The CEO of Intel and other industrialists have warned they will make no more investments in California until there is reliable power. Right-wing commentators blame "tree huggers" for creating the problem, and environmentalists are on the defensive.

The state government has bought emergency electricity for the utilities and is contemplating a longer term involvement in the electricity market. President Clinton issued, and President Bush reluctantly renewed, a temporary order requiring energy producers elsewhere to sell their surplus electricity to California, and prices are rising around the West.

The Vice President and others have blamed the problem on the "flawed deregulation scheme" for California's energy system four years ago, but deregulation simply determined the way the crisis would develop. The fundamental cause is that California's population has risen 70 percent since 1970 and 4.1 million (nearly 14 percent) in the nineties alone, and the power supply has not kept pace.

The problem is not that Californians are so profli-

gate with energy. Total energy use per capita has gone down. Electricity consumption per capita (however figured) has been nearly constant. But California utilities' total generating capacity declined an astonishing 31 percent from 1988 to 1998. That left a steadily diminishing margin of safety to supply a growing population. The utilities relied more and more on power imported from out-of-state, and industry has protected itself by installing more proprietary generators.

Why didn't the utilities keep building power plants as demand rose? The answer lies in the very strong environmental ethic in California. There has been intense resistance to new power plants, whether because of their pollution, their role in global climate warming, or simply their proximity to places Californians want to protect. As a result, the big utilities opted to encourage conservation rather than raising capacity.

The emerging "solution" calls for a crash program to build power plants. The new administration in Washington cites the California experience as a reason for expanded energy exploration in the United States. EPA has suspended the pollution controls on existing power plants and the President is considering a relaxation of environmental rules to hasten the construction of power plants (AP, Washington, 1-28-01), thus brushing environmental concerns aside. That "solution" means more energy consumption, more pollution, and more global warming.

And therein lies the dilemma: If you try to protect the environment, you lose power; if you raise power production, you are likely to worsen the environment.

The coal industry points out that coal is much the cheapest source of electric power. It is also the dirtiest, and to head off criticism the industry spokeswoman has called for a federal subsidy for "clean" coal plants. They are feasible, but untried on the scale envisaged. The clean coal technology would raise the price substantially, and it does not

address the problem of global warming.

Senate Majority Leader Trent Lott calls for the nation to stop dreaming about wind and solar power and to get on with finding more fossil fuels. Even the nuclear

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industry sees the hope of getting back into business; it is calling for a prompt federal government decision to store high-level nuclear wastes in Nevada to make that possible.

We are watching the unfolding of a seemingly inevitable conflict. The environmentalists dream of a cleaner environment, but they forget that the pollution is not simply caused by miscreants. It is the companion of growth, the inescapable result of the need to provide for growing numbers of people. We may — and should — use cleaner technologies, but amelioration has limits, and population growth goes on until something is done about it. The environmentalists' vision fails if they will not address population growth — which they have not been prepared to do. There has been tension within the Sierra Club as the leadership beat back a proposal by some members to address population and immigration issues. The leaders gave us a vivid demonstration of short-sightedness within the movement. I wonder if the Club, which is based in California, is having second thoughts.

Environmental concerns succeeded in delaying the growth of the power industry — which is indeed a major source of pollution and climate warming — until the consequence of that limited vision became evident. California will get more power. The public is not ready to embrace a less energy-intensive lifestyle, and if they did so it would only postpone the conflict, not avoid it. And the clamor for more energy imperils our environmental goals.

The resolution of that conflict depends upon a broader view of policy than has been evident in California or in Washington. The Vice President says that California's energy situation is its own problem. It is not. It is the product of policy made in Washington, and the solution lies in Washington.

The real solution would be to stop or reverse popu-

lation growth to limit the growth of demand. The baby boom is now only a faint echo. Population growth in the United States is largely driven by high immigration levels, and California is the principal destination of current international immigrants. Because of their higher fertility levels, that movement has driven fertility in California well above the national average.

The responsibility for setting immigration levels — and therefore future population growth in the United States — lies with Congress and the President. Something must be done in Congress, yet every immigration law passed by Congress since 1965 has raised immigration levels. (It is ironic that Silicon Valley, which has helped to raise California's energy demand and which is now a principal victim of energy shortages, has led the fight in Congress for more immigration as it seeks cheap technicians.)

Washington is going in the wrong direction. The President and some Senators have spoken favorably of creating a new agricultural guest worker program and of further raising H1 work visa levels — both of which are forms of indentured servitude much loved by large employers. Even the few Congressional proponents of lower immigration have fallen silent. There is no legislation in sight to help California.

The problem of growth is not confined to California, or to energy alone. We see it in the proliferation of dangerous chemicals, in the pollution of our rivers and estuaries, in our diminishing wetlands, in the diversion of water from irrigation to urban needs, in the pressures to waive environmental controls and thereby increase pollution, and of course in the sprawl that is spreading across the fringes of urban areas. The sprawl, in particular, is bitterly protested — but the protesters seldom if ever recognize the source in population growth. When will we learn?



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