REVENUE

	Energy used per year	Public power (at PG&E's average rate)	Amount	Public power (PG&E's rate cut by 15%)	Amount
Residential sales	1,478 million kWh	16 cents	$236.48 million	13.5 cents	$199.5 million
Commercial	3,369 million kWh	13.7 cents	$461.5 million	11.6 cents	$390.8 million
City load	668 million kWh	variable	$41.3 million	variable	$41.3 million
TOTAL	5,515 million kWh		**$739.2 million**		**$631.6 million**

EXPENSES

Power	Amount	Rate	Amount
Hetch Hetchy	1,700 million kWh	3.75 cents	$63.75 million
Renewables (51 percent of total need by 2017) Includes: Solar, Wind, Efficiency, and Small Scale Distributed Generation	2,045 million kWh	$1.2 billion H bond at 5.5 percent over 20 years	$99 million
Contract purchases	1,770 million kWh	9 cents on open market	$159.3 million
Payment on revenue bond to buy PG&E's electricity infrastructure	$595 million	5.5 percent	$49.8 million
Operations and maintenance			$135.6 million
Replace PG&E's city taxes			$17 million
TOTAL			**$524.45 million**

SURPLUS

	Revenue	Expenses	**Surplus**
Public power (at PG&E's average rate)	$739.2 million	$524.45 million	**$214.75 million**
Public power (PG&E's rate cut by 15%)	$631.6 million	$524.45 million	**$107.15 million**

This chart shows how San Francisco could take over Pacific Gas and Electric Co.'s system — and wind up with $214 million a year in extra revenue.

The chart outlines the revenue, cost, and surplus of generating power with a city-owned utility providing 50 percent renewable energy. All the figures are publicly available and very conservative — any time a figure was in serious dispute, we either used an average or the numbers that favored PG&E.

The amounts of electricity used in San Francisco are 2006 figures provided by the California Energy Commission and the SFPUC.

For commercial and residential rates, we used PG&E's average rates from May 2008 provided on the company's Web site. Cutting rates by 15 percent would still generate $107.15 million in surplus cash.

The initial costs of creating a municipal power system would come from buying power and buying out PG&E. Revenue bonds would be issued to purchase PG&E's infrastructure, then repaid over 20 years at a 5.5 percent interest rate.

The city already generates power from Hetch Hetchy dam, and we used the wholesale price of 3.75 cents per kilowatt-hour as the cost of that power — although the SFPUC says it's slightly less. The $1.2 billion cost for renewable energy comes from the Community Choice Aggregation (CCA) plan legislation already approved by the Board of Supervisors. Remaining energy would be purchased on the open market. We estimate the city would pay 9 cents per kWh for that power, which is the average market cost of electricity purchased on the spot market in California from Jan. 1 to Aug. 21. The SFPUC could probably get a better rate with long-term power purchase agreements. PG&E's average cost of purchased power in 2007 was 8 cents per kWh.

The SFPUC already provides 15 to 20 percent of the city's power; that system costs $10 million per year in operations and maintenance. Expanding this to serve 100 percent of San Francisco would require much more than quintupling current staff and resources. We used a cost-per-customer figure of $383 per year, a figure provided by the Los Angeles Department of Water and Power in 2001. That number has almost certainly increased — even so, using Los Angeles as a model is very conservative. The cost of maintenance in a power system is inversely related to the density of the service area; the denser the residential and business district, the lower the per-customer costs. It's likely San Francisco's costs would be substantially lower than LA's, but we went with the higher figures.

To calculate PG&E's lost tax revenue, we subtracted the property taxes the company pays on its gas infrastructure, but included payroll taxes for all its employees — many who do gas work. This figure, too, is likely overstated.

A feasibility study — which would be mandated by Prop. H — would almost certainly find that the case for public power is even stronger than what we've presented.

Is it any surprise PG&E is trying so hard to keep the measure from passing? SFBG