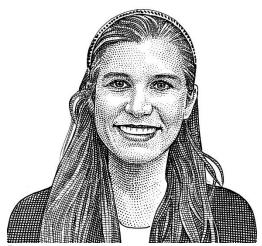
California's Lights Are Out, and Gavin Newsom Isn't Home

Customers across the state experience power outages, and climate policies are ultimately to blame.



By Allysia Finley Follow

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PHOTO: ALLISON DINNER/SHUTTERSTOCK

Summer ain't over in California until the lights go out. A one-hour power outage kicked off my Labor Day weekend. My sister, who lives 15 minutes away, had it worse: Her home lost electricity for nearly a day. On Friday folks across the state lost power with nearly 130 outages in the city of Los Angeles alone.

Such is life in California. Los Angeles Mayor Karen Bass blamed Friday's outages on "extreme heat." The real culprit: the state's climate policies. As the Golden State plunges into darkness, the rest of the country could follow.

Democrats in Sacramento last year scrambled to keep open the state's only active nuclear plant and several aging natural-gas plants to prevent power shortages. But their drive to power all things with green energy is straining the grid and people's pocketbooks to a breaking point.

As the Los Angeles Times documented last month, power surges are causing the Port of Los Angeles—which handles 16% of the country's international seaborne cargo—to experience momentary losses of electricity. That has disrupted operations, delayed port traffic and caused accidents. Thanks to one outage this summer, a driverless cargo truck crashed into a container.

The risk of power surges increases as more devices plug into the grid. This can overload local distribution systems, in the same way that too many power-guzzling appliances can fry a home circuit. That hasn't deterred the L.A. port from seeking to make all equipment "zero emission" by 2030, or the state from mandating electric trucks and forcing ships to plug into the grid.

California's utilities are spending heavily to upgrade power systems to accommodate more electric vehicles and intermittent green energy. Unlike nuclear and fossil-fuel plants, solar and wind don't produce constant power at a steady frequency. High levels of renewable penetration can therefore make the grid less stable.

Aging equipment, which some utilities have neglected as they've made a priority of green energy, compounds the problem. California has required utilities to get 60% of their power from renewables by 2030 and 100% by 2045. The result: more equipment failures, which caused many of Friday's outages.

Northern California's investor-owned utility, <u>Pacific Gas & Electric</u>, is burying power lines, which were found to have instigated some of the state's deadliest wildfires in recent years. It and other utilities are also shutting off power when it's hot and windy to prevent equipment from sparking fires.

Democrats in Sacramento are jointly liable for grid meltdowns, but they've passed the buck by blaming utilities. In an effort to quell fury over outages and soaring rates, PG&E executives have held town-hall meetings with customers. One session last year culminated with the power going out. Call it dark comedy.

Average Residential Electric Retail Rates for the U.S. and California, June 2014-June 2024Source: Energy Information Administration

U.S.Calif.2015'16'17'18'19'20'21'22'23'24101520253035cents per kilowatthour

It isn't unusual for monthly electric bills during the summer to top \$500. Residential rates on average have <u>increased about 11.8%</u> in the past year and roughly 130% over the last decade, more than four times as much as nationwide.

In a recent <u>letter to the Journal</u>, Stanford University professor Mark Jacobson blames those prices on California's wildfire mitigation and other red herrings. But none explain rate disparities with other states, which are also spending to harden their grids against natural disasters.

One explanation is that more than a decade ago, when prices were high, utilities were locked into long-term contracts with solar companies to meet the state's renewable mandates. Though solar prices have dropped, customers are stuck paying higher rates. To back up solar, utilities are also commissioning large-scale batteries, which cost 10 times as much as natural-gas power. They also are prone to catch fire. A blaze at a battery storage facility in Escondido on Thursday forced nearby schools to close and residents to evacuate.

Utilities socialize the costs of grid upgrades to support more electric vehicles. A Texas Public Policy Foundation report last year estimated this subsidy at \$11,883 for each EV. <u>Based on California's electric-vehicle sales this year</u>, that's a roughly \$23.7 billion tax on all ratepayers.

California's "net metering" program also forces utility customers to subsidize the mostly affluent folks who own solar panels. The California Public Utility Commission's Public Advocates Office estimates this will cost <u>PG&E customers without solar panels \$6.5 billion this year</u>, up from \$3.4 billion in 2021.

Then there are "public benefit" programs, which subsidize lower rates and electric appliances and vehicles for lower-income households. As rates increase, so do the subsidies.

All of this is why <u>Los Angeles's Office of Public Accountability this summer</u> recommended the city scale back its 100% renewable goal for 2035, warning that its public utility risked adopting costly battery technology that could become outdated. This doesn't worry Democrats in Sacramento, who have directed utilities to add more batteries and subsidize them for homeowners.

A cynic might suspect they're cheering for outages, hoping blackouts will induce people to buy batteries. A pragmatist would buy fossil-fuel-powered generators before they, too, are run out of the state.