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Large Majority Supports Changing the Way PG&E Operates, but No Consensus as to the Single Best Path Forward

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A large majority of California registered voters favor changing the way the state's largest public utility, the Pacific Gas & Electric Company, operates. Yet, there is no consensus as to the single best path forward for changing PG&E.

Slightly more than one in three voters favor ending PG&E as an investor-owned utility and having either a state agency or smaller city and county cooperatives assume responsibility for fixing its problems. Another one in four back proposals aimed at restructuring the company by either splitting its gas and electric divisions into two separate companies or selling all or part of it to another utility company.

Just 12% favor allowing the company to maintain its current structure and have it develop a plan to fix its own problems, after it emerges from bankruptcy. A relatively large proportion of voters (28%) remain undecided.

On the other hand, the poll finds a clear consensus among California voters in support of involving both utility companies and state regulators when making decisions about when and where future power outages should be allowed to occur. Statewide, 73% of voters support this approach, while 14% believe these decisions should be left solely in the hands of the utility companies. Another 13% favor state regulators making these decisions.

The poll, conducted shortly after a period of widespread power disruptions across the state due to wildfires, found 20% of the state's voters reporting that their own household had been directly affected by these recent events.

These results come from the latest *Berkeley IGS Poll*, conducted online in English and Spanish among 3,482 registered voters statewide November 21-27, 2019.

One in five say their household was directly affected by the disruptions caused by the state’s recent wildfires

One in five of the registered voters surveyed (20%) report that their household was directly affected by the state’s recent wildfires, either in regard to having their electric power turned off or by being told that they had to evacuate their homes.

The impact of the wildfires was greatest among voters in Northern California outside the San Francisco Bay Area, where a 62% majority say their household was directly affected. Significant proportions of voters in the San Francisco Bay Area (30%) and Central Valley (22%) also report having been directly affected by the recent wildfires.

Table 1
California registered voters who say their household was directly affected by the state’s recent wildfires, either by having their electric power turned off or by being told to evacuate their home

	Yes, affected %	No, not affected %
Total statewide	20	80
Region		
Los Angeles County	14	86
South Coast	8	92
Other Southern California	16	84
Central Valley	22	78
San Francisco Bay Area	30	70
Other Northern California	62	38

Broad support for changing the way PG&E operates, but no consensus about how this should be achieved

A wide range of responses are given when voters were asked their opinions about the best path forward to fix the problems facing PG&E after it emerges from bankruptcy. While their answers reveal broad voter support for changing the way PG&E operates, no single alternative receives the support of more than 20% statewide.

The poll finds 17% of voters in favor of ending PG&E as an investor-owned utility and having a state agency responsible for developing plans to fix its problems going forward, while 20% back the proposal to have smaller city and county cooperatives assume this responsibility. Another one in four support proposals aimed at restructuring the company by either splitting its gas and electric divisions into two separate companies (14%) or by selling all or part of PG&E to another utility company (9%).

Just 12% back the idea of maintaining PG&E’s current structure and have it develop a plan to fix its own problems subject to the approval of the California Public Utilities Commission. Another one in four (28%) are undecided.

Table 2 lists the five alternatives presented to voters in the poll, and the percentage distribution of replies to each alternative.

Table 2	
Which of the following five alternatives would be the best way to fix the problems facing the state’s largest public utility, Pacific Gas & Electric (among California registered voters)	
	%
Maintain PG&E’s current structure once it exits bankruptcy and have it develop a plan to fix its own problems, subject to the approval of the California Public Utilities Commission (CPUC)	12
Allow PG&E to continue as an investor-owned public utility, but restructure it by dividing its electricity and gas divisions into two separate companies, with each company responsible for fixing its own problems, subject to the approval of the CPUC	14
Sell either all or part of PG&E to another utility company, and have them develop a plan for fixing its problems, subject to the approval of the CPUC	9
End PG&E as an investor-owned utility and convert it into a state agency, with the state responsible for developing plans to fix its problems going forward	17
End PG&E as an investor-owned utility and subdivide it into smaller, non-profit city and county cooperatives, each with responsibility for fixing the problems in their own areas	20
Don’t know/undecided	28

Voters opinions about PG&E divide into two roughly equal-sized camps

One way of bringing greater clarity to these diverse set of opinions is to categorize voters into two broad segments: (1) those who favor having an investor-owned utility assume responsibility for fixing PG&E's problems, which includes voters choosing any of the first three answer alternatives, and (2) those who support having either a state or local government agency assume responsibility for this, which aggregates the responses of voters to the latter two alternatives.

When looked at in this way, California voters divide into two roughly equal-sized camps, with 35% supporting some form of investor-owned utility company maintaining the responsibility for fixing PG&E's problems, subject to CPUC approval, and 37% in favor of ending PG&E as an investor-owned utility and having a state or local government agency assume this responsibility.

There is a significant partisan divide between voters in each camp. Majorities of the state's Republicans and conservative voters back proposals that maintain the responsibility for fixing PG&E's problems in the hands of investor-owned utilities. On the other hand, pluralities of registered Democrats and liberals favor ending PG&E as an investor-owned utility and turning this responsibility over to either a state or local government agency.

There are regional differences in opinions as well, with greater support for ending PG&E as an investor-owned utility and having a government agency assume responsibility for fixing its problems among voters in the San Francisco Bay Area and the rest of Northern California than in other parts of the state.

Table 3
Categorizing California voter opinions about how to fix the problems facing PG&E into two segments: those who favor some form of investor-owned utility being responsible for fixing PG&E's problems and those who favor state or local government agencies assuming this responsibility

	An investor-owned utility company should maintain responsibility for fixing PG&E's problems %	Gov't agencies should assume responsibility for fixing PG&E's problems %	Don't know %
Total likely voters	35	37	28
Party registration			
Democrat	24	47	29
Republican	52	22	26
No Party Preference/other	36	34	30
Political ideology			
Very liberal	15	61	24
Somewhat liberal	22	46	32
Moderate	40	30	30
Somewhat conservative	52	19	29
Very conservative	50	25	25
Region			
Los Angeles County	36	37	27
South Coast	33	32	35
Other Southern California	42	28	30
Central Valley	40	33	27
San Francisco Bay Area	27	46	27
Other Northern California	25	54	21

Strong backing for making decisions about future power outages jointly between both utility companies and state regulators

On the other hand, the poll does find consensus among voters when asked who should have authority for deciding when and where future power outages should be allowed to occur. Statewide, three in four voters (73%) support these decisions being made jointly between utility companies and state regulators, rather than just leaving these decisions in the hands of the utility companies (14%).

Support for involving both utility companies and state regulators when making decisions about future power outages is bipartisan and spans all major regions and demographic subgroups of the state.

Table 4
Who should have the authority to decide when and where
future power outages should be allowed to occur?
(among California registered voters)

	Utility companies %	State regulators %	Joint decision %
Total registered voters	14	13	73
Party registration			
Democrat	9	17	74
Republican	26	5	68
No Party Preference/other	13	12	75
Political ideology			
Very liberal	7	22	71
Somewhat liberal	6	13	81
Moderate	15	12	73
Somewhat conservative	20	8	71
Very conservative	30	5	64
Region			
Los Angeles County	11	16	73
South Coast	16	13	71
Other Southern California	16	11	73
Central Valley	19	10	70
San Francisco Bay Area	11	14	75
Other Northern California	13	6	81
Household affected by recent wildfires?			
Yes	18	15	67
No	13	12	74

Differences between 100% and the sum of percentages for each row equal proportion with no opinion.

About the Survey

The findings in this report are based on a *Berkeley IGS Poll* completed by the Institute of Governmental Studies (IGS) at the University of California, Berkeley. The poll was administered online in English and Spanish November 21-27, 2019 among 3,482 registered voters statewide.

The survey was administered by distributing email invitations to stratified random samples of the state's registered voters. Once the survey questionnaire and email invitations had been finalized, they were translated into Spanish. Each email invited voters to participate in a non-partisan survey conducted by the University and provided a link to the IGS website where the survey was housed. Reminder emails were distributed to non-responding voters and an opt out link was provided for voters not wishing to participate.

Samples of registered voters with email addresses were provided to IGS by Political Data, Inc., a leading supplier of voter listings derived from information contained on the state's official voter registration rolls. Prior to the distribution of emails, the overall sample of voter listings was stratified in an attempt to obtain a proper balance of survey respondents across major segments of the registered voter population.

To protect the anonymity of survey respondents, voters' email addresses and all other personally identifiable information derived from the original voter listing were purged from the data file and replaced with a unique and anonymous identification number. At the conclusion of the data processing, post-stratification weights were applied to align the sample of voters responding to the survey to population characteristics of the state's overall registered voter population.

The sampling error associated with the results from the survey are difficult to calculate precisely due to the effects of sample stratification and post-stratification weighting. Nevertheless, it is likely that the statewide findings based on the total registered voter sample are subject to an approximate sampling error +/- 2.5 percentage points at the 95% confidence level.

Detailed tabulations reporting the results to each question included in this report can be found at the *Berkeley IGS Poll* website at <https://igs.berkeley.edu/igs-poll/berkeley-igs-poll>.

Questions Asked

Over the past several months many parts of California have had to deal with the threat of serious wildfires. Was your household directly affected by the state's recent wildfires, either by having your electric power turned off or by being told to evacuate your home?

When thinking about the possibility of future blackouts in California, who do you think should have the authority to decide when and where these kinds of power outages should occur?

- (1) The utility companies
- (2) State regulators or the state government
- (3) Joint decision between utility companies and state regulators

Pacific Gas and Electric (PG&E), the state's largest public utility company, is currently in bankruptcy proceedings due in large part to the liability claims against it from wildfire victims

from recent wildfires sparked by its electricity lines and equipment. Which of the following do you think would be the best path forward to try to fix the problems facing PG&E?

- (1) Maintain PG&E's current structure once it exits bankruptcy and have it develop a plan to fix its own problems, subject to the approval of the California Public Utilities Commission
- (2) Allow PG&E to continue operations as an investor-owned public utility, but restructure it by dividing its electricity and gas divisions into two separate companies, with each company responsible for fixing its own problems, subject to the approval of the California Public Utilities Commission
- (3) Sell either all or part of PG&E to another utility company, and have them develop a plan for fixing its problems, subject to the approval of the California Public Utilities Commission
- (4) End PG&E as an investor-owned utility and convert it into a state agency, with the state responsible for developing plans to fix its problems going forward
- (5) End PG&E as an investor-owned utility and subdivide it into smaller, non-profit city and county cooperatives, each with responsibility for fixing the problems in their own areas

About the Institute of Governmental Studies

The Institute of Governmental Studies (IGS) is an interdisciplinary organized research unit that pursues a vigorous program of research, education, publication and public service. A component of the University of California system's flagship Berkeley campus, IGS is the oldest organized research unit in the UC system and the oldest public policy research center in the state. IGS's acting co-directors are Professor Eric Schickler and Associate Professor Cristina Mora.

IGS conducts periodic surveys of public opinion in California on matters of politics and public policy through its *Berkeley IGS Poll*. The poll, which is disseminated widely, seeks to provide a broad measure of contemporary public opinion, and to generate data for subsequent scholarly analysis. The director of the *Berkeley IGS Poll* is Mark DiCamillo. For a complete listing of stories issued by the *Berkeley IGS Poll* go to <https://igs.berkeley.edu/igs-poll/berkeley-igs-poll>.