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NO on Proposition 7

Measure Bad for Organized Labor and Working Families

Proposition 7 is opposed by organized labor, including the California Labor Federation AFL-CIO (representing more than 2 million union members throughout the state), the American Federation of State, County, and Municipal Employees and many more because the measure will result in lost jobs and higher electric bills for working families. What's more, the measure is opposed by environmental organizations and renewable power companies up and down the state who warn the measure is "fatally flawed" and will actually "slam the brakes" on renewable energy development in California. Prop. 7 was placed on the November ballot by an Arizona billionaire with no expertise in renewable power issues. While the measure purports to increase the percent of renewable power utilities must purchase, the initiative is so poorly drafted it will actually result in less renewable power, significant increases in electric bills and lead to the loss of thousands of jobs. Organized labor opposes Prop. 7 because it will:

- **Move jobs out of state and lead to the loss of more than 170,000 jobs statewide.** Rather than mandate that renewable energy be produced in California, Prop. 7 allows renewable power from other states or even other countries to count toward the new targets. Prop. 7 fails to guarantee the creation of even one single new job in the state. Instead, economists estimate that Prop. 7 will likely lead to the loss of **174,000 jobs across all sectors of the California economy by 2025, because the measure will result in higher electric rates that will slow job creation and economic growth.**
- **Shut down a source of thousands of jobs from renewable power providers, as well as municipal and investor owned utilities.**
 - Prop. 7 contains a "competition elimination" provision that forces smaller renewable energy companies out of California's market. It excludes power from renewable plants smaller than 30 megawatts from counting toward the new requirements. Today, nearly 60% of contracts under California's renewable requirements are with these small providers, and smaller renewable energy companies hold the promise of producing thousands of green jobs in the future. However, Prop. 7 locks those providers – and jobs – out of the market. That's why the California Solar Energy Industries Association warns: *"Proposition 7 would devastate California's small solar businesses by forcing us out of the market – eliminating a major source of clean power and thousands of jobs."*
 - Additionally, Prop. 7 jeopardizes tens of thousands of investor-owned and municipal utility jobs – a source of union jobs for hard working Californians. That's because the measure's harsh mandates will cost these employers billions. Faced with these exorbitant costs, utilities could be forced to scale back on workers, pay or benefits.
- **Will lead to higher electric bills for working families – on average a \$300 increase per household per year.** Prop. 7 contains a provision that virtually guarantees that electricity consumers will pay 10% above market rates for renewable power forever -- even when the costs of solar and wind sources become more competitive. Economists predict that the average California household will see its utility bill increase by more than \$300 dollars a year. Furthermore, the non-partisan Legislative Analyst cautions that, *"...the prospects for higher electricity rates are more likely in the short term..."* and the initiative might *"...also lead to higher long-run electricity rates."* In addition, nothing in the text of Prop. 7 limits increases in our electric bills to 3% like proponents claim. Even the Legislative Analyst warns that *"the measure includes no specific provisions to implement or enforce this declaration."*

California Needs More Renewable Energy, NOT Higher Bills & Another Energy Crisis.

California leads the nation with tough, clean energy standards that require utilities to use significantly more renewable power. Prop. 7 will jeopardize this progress and disrupt renewable power development. Further, Prop. 7 creates new market conditions ripe for manipulation, much like those that caused the last energy crisis. Electricity consumers are still paying almost \$1 billion each year – nearly \$100 for every electricity customer – to pay off the last energy crisis. The last thing we need is a poorly written measure that will lead to higher electric bills and possibly even another energy crisis.

Paid for by Californians Against Another Costly Energy Scheme - No on 7,
major funding from PG&E Corporation and Southern California Edison Company,
a coalition of environmentalists, renewable energy companies, taxpayers, and labor
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