

Hacia las Raíces de los Rate Hikes: a Thrice Told Tale



by María Antonietta Berriozábal and Marisol Cortez

On February 18th, 2010, San Antonio City Council voted unanimously to approve a request by CPS to raise electricity rates by 7.5% and gas rates by 8.5%. This was the third time in the past 3 years that CPS and Council have raised rates, and it won't be the last. Rather, this rate increase is part of a ten year plan to raise rates every other year for a total increase of approximately 40%. In its pitch to Council in a series of 3 work sessions and a public hearing, CPS cited the need for more money in order to fund "capital improvements," namely, finishing the Spruce II coal plant on the city's Southeast side and extending power transmission to new residential, military, and industrial development, primarily on the city's Northside.

According to CPS, the rate hikes are necessary in order to maintain the operation of existing infrastructure and by extension the credit worthiness of CPS as a public utility. If council did not approve the hikes, CPS warned, existing infrastructure would deteriorate, jeopardizing CPS's future ability to secure low-interest loans and ultimately to maintain low rates. In a memorable turn of phrase, District 7 Councilman Justin Rodríguez compared the rate hikes decision to a root canal. *Nobody wants a root canal*, he said. *But sometimes they're necessary.*

What's ironic about this choice of metaphor is that not once in either the council discussions or the public discourse leading up to the rate hike vote did anyone pose incisive questions about the *root causes* of CPS's request. When faced with CPS's argument that rate hikes, like root canals, are lamentable necessities, no one thought to ask: why is the tooth rotten to begin with? What happened to put us in a position where a root canal becomes necessary?

Running with Rodríguez's metaphor helps us shift attention from the immediacy of the vote to the broader set of historical and structural conditions that have made the city's 10-year rate hike plan seem a good-for-us-in-the-long-term if immediately undesirable "necessity". What we want to do in this writing is to subject the rate hike vote of February 18th to exactly this kind of radical analysis, in keeping with the original sense of radical as meaning *from the roots*. To do so, we have collaborated as co-escriitoras to tell one

story—the story of the rate hikes vote—three times, moving deeper in our analysis as we do so, *hacia las raíces*. Starting with a record of the proceedings during the February 18th City Council meeting, we turn then to a critical examination of the Council vote in the context of both historical patterns of growth-at-any-cost economic development within San Antonio and the environmental injustices resulting from the dirty energy infrastructure necessary for supporting this kind of unsustainable development. Following this, we then tell what María calls the "real story" of the rate hikes vote: the community of Latina activists, artists, workers, scholars, and students whose powerful testimony against the rate hikes at the council meeting spoke that which is unsaid and unaccounted for within official city planning and policy.

The Official Story

(Constructed from notes taken by María, with additions by other speakers in attendance.)

Citizens' testimony began shortly after 9 am. It continued for about 4 hours. Groups speaking FOR the rate increase included:

The North San Antonio Chamber of Commerce, San Antonio Manufacturer's Association, The Greater San Antonio Chamber of Commerce, South San Antonio Chamber of Commerce, The Downtown Alliance, The San Antonio Development Foundation, The Alamo City Black Chamber of Commerce, The Hispanic Chamber of Commerce and another 2 or 3 individuals

Generally, reasons these entities favored an increase were:

- There is a new day of transparency and good management at CPS with changes that have been made to management. Voting "yes" is a vote of confidence in this new CPS.
- If economic development is going to continue in San Antonio, CPS needs this money for infrastructure and replacement of the old.
- CPS has consistently provided lower rates than most other cities.
- CPS has a history of being run very efficiently.
- Money is needed for capital improvements/growth.
- CPS has excellent workers.
- Energy is needed to attract new industries.
- Funds are needed for infrastructure, as some is old and needs replacement.

Most who spoke, however, were AGAINST, including speakers from: The Esperanza Peace and Justice Center, Southwest Workers' Union, People's Power Coalition, Homeowners Taxpayers League, Fuerza Unida, Mujer Artes Cooperativa, Seed Coalition, Public Citizen, Alamo Group of Sierra Club, Energía Mía, and Former Councilwoman María A. Berriozábal among others. Southwest Workers' Union and the People's Power Coalition created videos of citizens in various sites of the city including CPS payment centers expressing discontent with the increases. Among those interviewed

were members of *Mujeres Activas en Letras y Cambio Social* (MALCS), local artist Mary Agnes Rodríguez, *La Voz* editor Gloria Ramírez, UTSA student Rachel Meléndez and others representing themselves in the videos and at the City Council meeting.

Reasons given for opposition were as follows: • Neither CPS nor City Council presented a line item budget for the CPS increase. • CPS has had major problems with transparency and management. How can we trust them? • In spite of the \$4 billion error CPS made on the nuclear expansion cost, no outside entity has investigated CPS. The top board member and a couple of managers resigned

but the closed culture of CPS and its mistakes have not been properly scrutinized. • Many of those opposed to rate hikes cited that, absent any line item budget detailing how the \$380 million would be spent, CPS could sneak in money for the two nuclear reactors that the Council has not yet voted for. • The recent lawsuit settled between NRG and CPS, which they and the Council celebrated, does not limit liability for CPS. • There was no effort to create a tiered rate structure where customers would be given incentives for conservation/less usage. • Some spoke of the “moral liability” that Council

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is risking with continued openness to the new nuclear plants that create waste that would be present for thousands of years. • Many spoke on behalf of low-income people who are already having a hard time paying their gas and electricity bills. • There are still questions of how the last CPS rate increase was used. A huge part of a proposed energy program was scrapped and CPS still has to explain where \$93,000,000 went. This could occur again, particularly with no line item details on this increase. • People took exception to the fact that such an important vote is conducted on a weekday morning when most people cannot attend. • Instead of providing low income, handicapped, elderly, and other customers facing hardships with utilities assistance, it would be a lot better if CPS promoted/prioritized conservation and efficiency and explored tiered options to encourage conservation so that not only these groups but other customers could benefit. • In these new bonds that will be expended there is no mention of investments in sustainable/renewable energy.

COPS and Metro Alliance spoke in favor of help for low-income people, but they remained neutral. After hearing testimony for and against, Mayor and Council responded to both CPS's presentation and citizen testimony.

The Council members stated their support for the increase and then asked some questions of CPS staff. Many asked Ms. Leblanc-Burley, CPS Interim General Manager, to confirm CPS's “commitment” to low income communities via assistance programs, and indicated that their support for the rate hike request was contingent on their faith in this commitment. However, there was no debate among Council members on any of the points raised in Council's response to Leblanc-Burley and speaker testimony.

After their commentary, the Council voted unanimously for the 7.5% increase in electric base rate and 8.5% increase in gas base

rate. All the Council members thanked CPS staff profusely for their work. None had even a bit of hesitancy that they would vote “yes,” although there was a moment of minor scandal when the votes appeared onscreen, revealing that Councilman Medina had voted “no.” Mayor Castro called for a re-vote, and the second tally was unanimously in support of the rate increases.

After the vote, Mayor Castro made the following statements:

• CPS shook the public's confidence because of their withholding of information about the real cost of the STP expansion. • CPS has historically operated in a culture of secrecy as if it were not a public entity. An example of this culture is the fact that CPS staff would not let the Council release the line item budget to which Councilman Williams had referred to in this very meeting. (The city has requested an opinion from the State Attorney General on the matter.) • He took exception to there not being Citizens to be Heard at CPS Board Meetings • He did allow that some changes are beginning to occur with the interim manager, Jelynn Leblanc-Burley. • He agreed with Councilman Medina that CPS and the city need to go to places where people gather to inform and educate them about programs available at CPS for low-income folks and seniors. • He indicated the need for a tiered rate structure. • He acknowledged that only recently has sustainability been prioritized within the culture of CPS as an organization. CPS has purchased wind and solar power, but it could do more in terms of making more systemic, overall prioritizing of sustainability commitments. • At the same time, he took exception to some people pushing solely for renewables like solar, geothermal, etc. He said if this were the only thing done, it would cost even more to customers. • He said CPS rarely comes to Council for rate increases and they deliver the lowest rates possible. • He stated, “There is a demonstrated necessity for an increase,” and that he supported the increase.

In closing, Castro stated CPS had given its commitment to affordability programs and against using rate hike revenues toward future expansion of STP, and he mentioned that CPS would be scrutinized on these benchmarks in evaluating future requests for rate increases. CPS and Council, he said, would be measured in terms of how they handled issues like the implementation of a tiered rate structure and the development of sustainable energy, among others.

The Deeper Story

After sitting through the council meeting, what Marisol found striking was the way a majority of council members representing poorer districts, and who on this basis asked very critical questions of Leblanc-Burley, nonetheless voted yes. The nature of the reservations they expressed suggested that they could have easily voted no. And yet they didn't: why not? It would be easy to individualize the behavior of these council members—to call them cowards or sell outs, políticos vendidos who are unaccountable to the people. As a scholar, Marisol feels compelled to move beyond thinking about power as people or individual agents, and to direct her attention to how *systems* function to maintain particular patterns of social inequality and environmental destruction, despite the intentions of individuals. The story here is not the actions of mayors or council members as much as it is the larger historical and social forces that impel those who occupy mayoral or council seats to act in particular ways that uphold particular interests.

In studying the cultural politics of waste, one of the ideas that Marisol found most insightful for thinking about the intersections of polluting industrial practices and exclusionary political processes was the notion of path dependency. In a book called *The Sanitary*

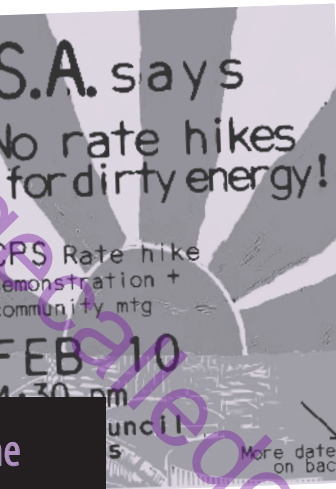
City, environmental historian Martin Melosi applies the economic theory of path dependency to the formation of municipal services within urban areas in the U.S. He argues that many of the current environmental problems related to systems of garbage collection, water provision, and sewage disposal result from initial choices which were made arbitrarily, yet which effectively constrain future decisions, locking people into maintaining existing systems by foreclosing the very thinkability of possible alternatives. Centralization of wastewater disposal in the construction of sewers en masse, for example, solved the problem of polluted rivers; wastewater treatment plants addressed the problem of polluted rivers; but created the problem of how to deal with sewage sludge. In the context of the urban environment, path dependency means that rather than choose a better way of doing things (not put shit into drinking water, for instance) we're locked into an increasingly elaborate system of applying band-aids to band-aids.

In this case, what *is* this system that perpetuates itself? We posit that, first and foremost, the root of all this is a colonialist model of development, in which a growth-at-

new development, and because it needs to finish a coal plant. These two goals are not unrelated. As the city grows, energy demand grows, and hence the apparent need for new supply to maintain what planners and economists term "baseload" capacity. Coal is the cheapest way to supply this capacity, with nuclear seen as its carbon free alternative. But of course there are all sorts of health and environmental impacts associated with the life cycles of coal and

nuclear energy, and thus we see again an unequal distribution of risks and benefits. The benefits of new development (powered by new coal and nuclear plants) head northward, while the poor communities of color in the South, East, and Westside pay—both because their older houses are less energy efficient and their energy bills higher relative to their income, but also because of the simple reason that these new coal plants are closer to their neighborhoods and communities.

Viewed in this broader context, the rate hike vote is simply one symptom of what is at its root a long history of unplanned growth and all the environmental, economic, and procedural injustices it produces—from the construction of the medical center and UTSA far northwest of the city's core to more recent controversies over Applewhite, the Alamodome, Fiesta Texas, La Cantera, and the PGA Village. Viewed within this broader historical context, the rate hike vote has to be examined in connection with the court settlement of the city's



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any-cost imperative results in unequal patterns of community investment. Rate hikes seem inevitable to council because the assumption is that the goal is ever increasing growth, necessitating a perpetual series of crises, a perpetual requirement for more and more money. Yet these benefits largely escape many who pay for them. When one looks at the percentage of earnings that a family pays for housing, food, utilities and other basic needs, working class Latinos/as, African American and other low-income families carry a disproportionate share of growth expenditures. For those living in older neighborhoods it is difficult to determine how the growth improves their lives. Why are inner city schools dying while suburban school districts are busting at the seams? Who was helped by an Alamodome for a football team that did not exist? Does the tourism industry that perpetuates unjust labor policies—for housekeepers as an example—improve the lives of those families? Will the coming of the new PGA complex that has stretched public services and created a need for more infrastructure provide a better life for the city's low income and working class people?

Yet the economic model of development seen in these destructive growth patterns is equally an environmental model. This is how the unjust pattern of inner city *disinvestment* represented by the CPS rate increases intersects with the grave environmental injustices produced by the city's *investment* in nuclear and coal powered energy. Not only does perpetual growth northward threaten the city's sole water source, it also depends on energy sources that are fundamentally polluting and unsustainable. CPS needs more money for two reasons: because it needs to extend operations to

stake in the nuclear project, which took place just one day prior. Why do these important events need to be examined in tandem? Because the settlement included \$10M toward affordability programs, which was then used to persuade council members representing poor districts to support the rate hikes, via the logic of the offset that makes tree planting seem like a good solution to the gas guzzling and coal burning. The settlement also made it easy for council, CPS, and the economic interests standing beyond them—the developers, powerful bankers, big employers, certain construction and engineering firms, mainstream English media outlets, and real estate industry entities that make up what María calls the 17 white men who run the city—to use the money as a convenient wedge, dividing community groups into categories of good activists and bad, depending on how much a group pushes the envelope to address the real issues.

The court settlement was critical beyond the local level as well; in combination with the rate hike vote, it took place just before President Obama announced a tripling of federal loan guarantees for nuclear energy. Thus, even as the rate hike vote ostensibly had nothing to do with STP, in combination with the settlement it functioned as a wink to those in the know, indicating that San Antonio and CPS as its public utility are "credit worthy," code for federal loan guarantee eligible—Council's demands for no rate hike money toward STP and CPS staff's contrite assurances notwithstanding. So even as the settlement reduces the stake of San Antonio in STP (from 50 to 7.6%), it also secures San Antonio's place on the federal short list to receive money for new nuclear

projects, while at the same time leaving the door open for expanding the city's stake should this prove lucrative or expedient.

These, then, are the delimiting factors that lock individual council members into a system that seems to present no alternative. Given the priorities of the city—investment in coal and nuclear in order to secure baseload infrastructural capacity in order to meet increasing energy demands in order to fuel growth northward—it is no surprise that the rate hikes seem inevitable and necessary. The rate hikes are like root canals: painful in the short term, good for us and necessary in the long run.

And to run once more with this metaphor, we might say that rather than attempt to offset the pain by lobbying for more affordability programs and discounts, it is better to ask: why is the tooth decayed in the first place? Why is the long term public good defined as cheap energy, if cheap energy is based on finite, dirty energy sources like coal and nuclear and gas? And, most importantly, how can we create alternative ways of conceptualizing and measuring what is long term, and public, and good?

The Real Story

On the day after council voted unanimously to increase utility rates, a newspaper headline ran a story that announced, "Council OK's CPS rate hike." The article stated that an average customer's monthly bill would increase by \$5.57, and mentioned that "more than 30 community members spoke to the council, with most opposing it." It continued, stating that the vote was then taken "after four hours of deliberation." However, that is not the story.

Supporting the rate increases were individuals, mostly men, who are spokespersons for big business in San Antonio – the local chambers of commerce and other major business entities. Still that is not the story. The real story is that the majority of those who spoke in opposition were Latinas. They were young and not so young. They were grassroots leaders, businesswomen, mothers, grandmothers, scholars, volunteers, seamstresses, artists, cultural workers and students. It makes perfect sense that these women would speak out on such a critical issue.

San Antonio has a Latina /o population of over 60%. Half of this population is female. Hence, Latinas comprise the largest population proportionally in San Antonio. How Latina/o families fare in the future is how we all fare. These Latinas' voices tell a significant story because the work they perform in their daily lives and the concerns they address in the public arena reflect a profound understanding of how the social, political, cultural, environmental and economic systems interlock to shape the realities of our city. The working of global markets becomes visible in their trips to the grocery store. Unjust political processes become evident in the exclusion of their issues from public policy discussions. Their energy bills suffer the skewed rates of usage and unfair taxing structures that accompany unplanned growth. The environmental degradation produced by unplanned growth wreaks havoc on air, water, soul, and the health of people, and these effects impact the poor and people of color disproportionately. Lack of inclusive and timely citizen participation in the initial stages of planning creates public policy that promotes even more inequalities. Lack of transparency in the legislative process makes it difficult if not impossible to hold elected officials accountable. Because they live it, these mujeres know how to connect the dots.

Their strong articulation of the connection between these

subjects is the real story because it is the voices of women of color that society tries to minimize, stifle, disrespect, dismiss and ignore. Yet, it was precisely these women who spoke on the day of the council vote. They understand that this vote was one of very few public decisions made each year at City Council that reflects the

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direction of our city, and where the lines of power become clearly visible—not in the bodies of the men and women elected to sit at the dais, but in the historical and social forces that impel whoever sits in those seats to align with particular economic interests. The women who spoke may not know who or what those forces are, but they understand that it is a David vs Goliath confrontation, where Goliath always wins. Where are public monies spent? Who provides input into such actions? Who benefits? Who pays? Who provides the context and performs the analysis of what this all means? Yes, these Latinas understand.

This was not the first time some or all of the women spoke before the City Council. They have been there on concerns over water, zoning, tax incentives, transportation, environmental racism, nuclear energy, green energy, use of public spaces, labor issues, city budget process and allocations, adherence to Open Meetings laws, immigration and human development issues. So their speaking on February 18, 2010 is not new. These mujeres and their sisters who could not attend on this day stand on the shoulders of generations of Mejicanas, Latinas, and Chicanas who created the path of activism on which we walk today. They did it with their work in the fields, in sweltering factories or over sewing machines; they did it in cleaning other people's houses and raising other people's children; they did it by demanding justice in labor strike lines, engaging in political activism, and operating the barrio's tienditas to help themselves and their neighbors; and they did this as they were raising their own families and creating community, whether in el barrio or within labor camps. Now engaged as an intergenerational cadre of strong voices these women will continue to speak. In private or public venues, in gatherings large or small, in homes or rallying on the streets, they will not be silenced.

We honor the women who like mujeres before them use their agency and strong voices on behalf of their families and communities. ¡Mujeres, hermanas, adelante! Este mundo las necesita.

Bios: María Antonietta Berriozábal, a lifelong San Antonio resident, has been an activist for over 50 years on civil and human rights, education, environmental and economic justice and empowerment of women, particularly Latinas. She was the first Latina elected to the San Antonio City Council and served from 1981-1991.

Marisol Cortez began organizing with Esperanza in 2001 against the US invasion of Afghanistan and the PGA Village. Afterwards, she completed her Ph.D in Cultural Studies at the University of California, Davis and returned to San Antonio where she currently works as the climate justice organizer for the Southwest Workers' Union.