INFORMATIONAL MEMORANDUM

TO: 
Agency Commissioners

FROM: 
Fred Blackwell, Executive Director

SUBJECT: 
Media Clippings from 10.14.10 to 10.27.10

Enclosed is a collection of newspaper and media clippings that refer to the Redevelopment Agency or an Agency-related project or program.

(Originated by Gia Casteel-Brown, Executive Assistant)

Fred Blackwell
Executive Director

SOMA & TRANSBAY:

Attachment 1:  SFGate.com: “Happy ending for blighted Hugo Hotel,” October 16, 2010

Attachment 2:  SFGate.com/City Insider: “Pearl’s Deluxe Burgers coming to Market Street”,
October 20, 2010

Attachment 3:  SFGate.com: “Mid-Market getting beefed up by Pearl’s,” October 20, 2010

Attachment 4:  Office of the Mayor Press Release: “Mayor Newsom Announces Pearl’s Deluxe
Burgers to Open at Vacant Sixth and Market Location,” October 20, 2010

BAYVIEW HUNTERS POINT; HUNTERS POINT SHIPYARD:

Attachment 5:  SFGate.com: “District 10: Lynette Sweet, a sensible leader,” October 15, 2010

Attachment 6:  SFGate.com: “Bayview Hunters Point redevelopment divides city over jobs and
environment,” October 19, 2010

Attachment 7:  sfexaminer.com: “49ers call audible on stadium plans,” October 21, 2010
You've probably heard of the "broken window" theory. It says that if a broken window isn't fixed it sends a message to the neighborhood that the people who live here don't care, so go ahead and spray graffiti, vandalize property, and break more windows.

In San Francisco we don't have broken windows. We have broken buildings.

Exhibit A is the "furniture building" near the base of Sixth Street. Vacant since 1988, the Hugo Hotel is a claptrap building with a single defining feature - artist Brian Goggins' "Defenestration." Gaudy orange, green and purple pieces of furniture teeter half in and half out of windows and are stuck to the outside walls like armchair barnacles.

Motorists roll off the 280 exit ramp onto Sixth, and are confronted by this graffiti-splattered eyesore with gaping, empty window cavities. As a gateway building to downtown, the message is pretty clear: Welcome to San Francisco. It's a mess.

But Friday the Redevelopment Agency shared with us that, for the first time since 1989, there is finally hope. A developer has been picked, plans are being drawn, and as soon as 2012 construction will begin on a structure that will transform the corner and may even have a lasting impact on the troubled Sixth Street corridor.

Cue the sigh of relief in the neighborhood.

"It was just impossible to pry it out of the hands of the owners," said Antoinetta Stadlman, chairwoman of the South of Market Project Area Committee. "It wasn't that no one cared, it was just that the system is so damn process-oriented."

The new structure will be nine stories with 56 apartments of one, two, and three bedrooms. It is designed to be rental units for that vanishing demographic in the city - the family with children - and should be affordable enough for lower-income parents.

The current building will be demolished in the next two years with the hope that tenants can start moving in sometime in 2014. Jim Meko, a candidate for supervisor who has worked on the city's ambitious Eastern Neighborhoods Plan, approves.

"This will help to average things out South of Market compared to market rate housing," he said. "I am glad to see that this building will combat the lack of affordable family housing."

Some will say getting this done was difficult. But that's not true. Difficult doesn't begin to describe it.

The building was run as a low-rent hotel by the Patel family for 25 years. But when a fire gutted the structure in the late '80s, it turned into everyone's favorite example of how nothing ever gets done in San Francisco. Although a sign has hung on the wall for two decades soliciting interested buyers, the price never seemed to be high enough. The building sat and decayed.

Finally, goaded by the South of Market Business Association, the city went to court to take over the site by eminent domain. In 2009 a judge ruled that the Redevelopment Agency could seize the property after paying the owner $4.6 million.

"The owner was happy to leave it as it was," said Henry Karnilowicz, president of the association. "The only way to get this blighted property was to go through eminent domain."

The kicker is that the Patel family actually held out long enough to get a substantial increase on their investment. They had complained
that the problem with selling the empty shell was that the area was zoned for a 50-foot height limit. By waiting, the building was included in the Eastern Neighborhoods Plan, which raised the limit to 85 feet, increasing the value.

No matter. It's all sweetness and light now. The new place will have a sleek modern design, a nice retail space on the ground floor, and this time they are going to try something a little different.

The furniture will stay inside the building.

C.W. Nevius' column appears Tuesday, Thursday and Saturday. E-mail him at cwnevius@sfchronicle.com.

http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/10/16/BA6A1FTCHB.DTL

This article appeared on page C - 1 of the San Francisco Chronicle
Pearl's Deluxe Burgers coming to Market Street

"It's time to feel good about indulging again," The Chronicle wrote in a glowing review of Pearl's Deluxe Burgers a few years back. Now, the popular burger joint is expected to bring its deliciousness to a place that's sorely lacked it for years: Mid-Market.

Pearl's is due to open its fourth site at an 1,800-square-foot spot on Market at Sixth Street by March 15 with the help of grant money from the city's Central Market Cultural District Loan Fund and the San Francisco Redevelopment Agency. It joins several other small businesses including Show Dogs, an upscale hot dog joint, that have recently opened in the seedy stretch. (The city has envisioned the area becoming an arts district, but perhaps a fatty-yet-scrumptious-meat district is more accurate?)

"Pearl's Deluxe Burgers' decision to sign a long-term lease at this challenging corner sends a signal to the business community and to the city that Central Market is undergoing a transformation right before our eyes," Mayor Gavin Newsom said.

Pearl's also benefited from assistance from city-funded Urban Solutions, a nonprofit that helps small businesses, and from the owners of 1001 Market St. which provided collateral for the financing. Pearl's future spot has been vacant for months.

Sylvia Yi, co-owner of Pearl's, said she grew up in San Francisco and roamed Market Street with her sister as latchkey kids. "To see the level it's deteriorated to now just breaks my heart," she said. "This is our opportunity to give back."

Pearl's was established in 2003 and has restaurants on Post Street in the city, as well as in Mill Valley and Alameda. It was featured on the Food Network's "The Best Thing I Ever Ate" and gets four stars on Yelp.

Now that it'll be walking distance from City Hall, we wonder which politicos are most likely to order such popular options as "The King," "The Bomb" and "The Spicy Sly." And whether "The Gavin" will soon be on the menu.

Posted By: Heather Knight (Email) | October 20 2010 at 08:30 AM
Listed Under: Mayor Gavin Newsom

http://www.sfgate.com/cgi-bin/blogs/cityinsider/detail?entry_id=74992
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- Heather Knight

He's three for 30: Public Defender Jeff Adachi has been called a lot of ugly names in his quest to reform the city's pension and health care systems. The ugliest of which, at least among San Francisco unions, is - gasp - Republican.

But Adachi appeared in Japantown on Tuesday to tout the endorsement for Proposition B of the Japanese American Democratic Club and boasted that he'd also secured the endorsements of the Chinese American Democratic Club one and the District Three Democratic Club.

But it's not a great track record considering there are more than 30 Democratic clubs in the city. The San Francisco Democratic Party oversees those that are chartered.

Aaron Peskin, chairman of the Democratic Party (which roundly endorsed a no vote on B), said he's never heard of the Japanese American club and that the Chinese American club lost its charter long ago because it endorsed Republicans.

Adachi said he was proud of the endorsements and noted Sing Tao Daily, a prominent Chinese newspaper in the city, also endorsed Prop. B.

"It wasn't as if they were predisposed because I'm Asian - quite the opposite," Adachi said, noting community groups are seeing firsthand the severe cuts to city services because of spiraling pension and health care costs.

- Heather Knight

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/10/20/BA531FV0KG.DTL&type=printable 10/20/2010
FOR IMMEDIATE RELEASE:
Wednesday, October 20, 2010
Contact: Mayor’s Office of Communications, 415-554-6131
Pearl’s Deluxe Burgers, Sylvia Yi, 415-407-8257

*** PRESS RELEASE ***

MAYOR NEWSOM ANNOUNCES PEARL’S DELUXE BURGERS TO OPEN AT VACANT SIXTH AND MARKET LOCATION
City financing and small business assistance enable award-winning burger restaurant to become a cornerstone in the ongoing revitalization of Central Market

San Francisco, CA—Mayor Gavin Newsom announced today that Pearl’s Deluxe Burgers, an award-winning burger restaurant, will open their fourth venue at 1001 Market Street at the corner of Sixth Street. Pearl’s is receiving financing from the Central Market Cultural District Loan Fund, an $11.5 million fund to encourage retail and arts businesses to locate on Market Street, and from the San Francisco Redevelopment Agency’s “Six on Sixth” revitalization program. Pearl’s on Market and Sixth Streets will add 22 - 33 construction jobs and 16 permanent jobs.

“Pearl’s Deluxe Burgers’ decision to sign a long-term lease at this challenging corner is another major step in the turnaround of Central Market,” said Mayor Newsom. “Through targeted financing programs, redevelopment resources and small business permitting and technical support, San Francisco is helping startups and small businesses grow while bringing new investment and jobs where they’re needed most.”

Pearl’s joins Blick Art Supply and a handful of other high-quality, small businesses such as Show Dogs, Archetype Boutique on Market Street and Passion Café and Miss Saigon on Sixth Street in a growing cluster of what is becoming the Central Market arts and cultural district and Sixth Street neighborhood shopping district.

Pearl’s received extensive assistance from City-funded Urban Solutions, a nonprofit organization providing small business assistance free of charge. Additionally, the building owners at 1001 Market Street helped facilitate the deal by providing collateral for the financing.

Sylvia Yi, co-owner of Pearl’s, said their decision to open at this location was largely due to the City’s assistance. She commented, “We see this as an opportunity to give back to the community by creating jobs, increasing commerce in this challenging area, and perhaps enticing other merchants to invest as well. Working with the Office of Economic and Workforce Development, the Redevelopment Agency, and Urban Solutions has been instrumental in making this project happen. As a native San Franciscan, it makes me proud to see our city officials reinvesting in our neighborhoods and working together with local merchants to create positive change. With this kind of effort and partnership, I envision the revitalization of Central Market and Sixth Street is well underway and Pearl’s is honored to be a small part of it.”

Pearl’s Deluxe Burgers was established in 2003 and is run by partners Sylvia and Young Yi. Pearl’s currently has three locations throughout the Bay Area, including on Post Street in the Theater District. Pearl’s has received numerous awards including “Best Burger in San Francisco” by SFWeekly and AOL Cityguide.com. Pearl’s has also been featured in the Food Network’s The Best Thing I Ever Ate and recently appeared on Channel 5’s Eye On The Bay.

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gavin.newsom@sfgov.org • (415) 554-6141
Over the next several years, San Francisco's District 10 will be experiencing more growth and change than many major American cities. The perennially underserved district, which includes Hunters Point, the Bayview and Potrero Hill, is the site of multiple major development and redevelopment projects, a thicket of community-benefit negotiations, and a slowly transitioning community.

The district is one of the last neighborhoods in San Francisco that working and middle-class families can still call home.

It also suffers from a high crime rate and many environmental problems, due to the lingering toxicity at the former Navy shipyard.

In short, more than any other neighborhood in San Francisco, District 10 needs the close attention of a highly skilled leader - someone who's able to unite warring factions on both the Board of Supervisors and within the community.

Of the 22 candidates competing to succeed Supervisor Sophie Maxwell, one has a clear edge in depth of experience and can-do centrist sensibilities for creating jobs and growth. That candidate is BART board member Lynette Sweet.

To say that Sweet is not a perfect candidate is an understatement. We've reported on her tax troubles, and we're deeply concerned that she failed to disclose $120,000 she earned from an energy provider for community outreach work in the Bayview.

But Sweet has good leadership experience in a variety of areas - she's directed the San Francisco Redevelopment Commission, chaired the BART board and been president of the Taxi Commission. She's determined to make redevelopment work for the area, instead of trying to stop it in its tracks. She'll be a savvy, no-nonsense addition to a board that loves to get lost in the clouds.

We were also impressed with newcomer Kristine Enea, who had a lot of good ideas on ways to balance the city's budget and ease the congestion that will soon be clogging District 10. She could grow into the kind of leader that District 10 desperately needs.

**Chronicle recommends: the other races for s.f. supervisor**

**District 2:** Mark Farrell (Marina, Pacific Heights)

**District 4:** Carmen Chu (Sunset, Parkside)

**District 6:** Theresa Sparks (Tenderloin, SoMa)

**District 8:** Scott Wiener (Castro)

http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/10/15/EDK81FSPLH.DTL

This article appeared on page A - 17 of the San Francisco Chronicle
Bayview Hunters Point redevelopment divides city over jobs and environment

By Nancy Mullane

Listen: 11:06 min

It's playoff time, and the San Francisco Giants have brought pennant-fever to their sparkling new Bayfront stadium. The team beat the Philadelphia Phillies, today, to continue their playoff run.

Meanwhile, the city's football fans say they want the same chance. They want the San Francisco 49ers to build a new stadium as part of the Bayview Hunters Point Shipyard redevelopment plan so they can cheer their team on to the Super Bowl - led by Mayor Gavin Newsom.

MAYOR GAVIN NEWSOM: We did all the zoning. We got the voters to approve the stadium. We have a location, a world-class location right at the edge of the waterfront. The ferry service comes right in. There's probably no more iconic setting for an NFL stadium in the United States of America. They can preserve their fan base. We've got everything except a team that's willing to stay and make a commitment to the city. So it's an interesting situation.

Alright, so keeping the San Francisco 49ers in the city and building the team a new stadium as part of the redevelopment of the Hunters Point Shipyard may be a long shot. But what is happening at the shipyard?

Thirty-six years after the U.S. Navy left behind a toxic superfund site on the city's southeast shores political leaders, environmental groups and community organizations are still trying to figure out how to deal with it - that is to transform the hundreds of acres of rambling, heavily polluted sun-baked land into something inspiring.

But first, they've got to finish cleaning up the remaining toxic waste and secure billions of dollars in financing to pull off the two decades-worth of development.

As KALW's Nancy Mullane reports, even before they really get started with the construction, there are overriding concerns about job creation and environmental preservation.

NANCY MULLANE: It's a sunny weekday afternoon and a half dozen men are sitting under the shade of a lone tree outside Surfside Liquors in San Francisco's Bayview. The district has one of the highest unemployment rates in the city: about 20%.

And despite the massive construction project taking place less than a mile from where they're sitting, Dante Glenn and Michael Wayne Tucker say the city's redevelopment project isn't bringing that unemployment rate down.

DANTE GLENN AND MICHAEL WAYNE TUCKER: How would you feel if you lived in the area? They got development springing up but everybody you see working on the development program is never from the

http://www.sfgate.com/cgi-bin/blogs/kalw/detail?entry_id=75000
Bayview Hunters Point redevelopment divides city over jobs and environment : KALW

neighborhood.

NANCY MULLANE: So you see these trucks go by?

GLENN AND TUCKER: All day, every day. Every minute, every second. And not one of these drivers are from San Francisco. I just don't understand. If you want to do something for the community, you provide jobs.

It's an ongoing debate, whether the city's providing jobs to locals. But the city is definitely doing something big in the community.

After decades of planning, the San Francisco Redevelopment Agency and a private developer are beginning the work of rebuilding the former shipyard. Eventually, after the Navy finishes cleaning all of the 700-plus toxic acres it left behind, there will be 10,000 new homes, 300 acres of waterfront parks, destination retail, entertainment and commercial space, a green technology campus and just maybe, a new football stadium.

Still, many people like Bayview natives Glenn and Tucker feel like they're on the outskirts of the project looking in.

To get a first hand peek at the transformation getting underway, I asked Thor Kaslofsky, Project Manager of the Hunters Point Shipyard for the San Francisco Redevelopment Agency to take me on a tour.

We meet up at the construction entrance to the former shipyard and drive through a staging area piled high with pipes and rolls of wire and pull up to a small, pre-fab commercial building under construction.

We step out of the car and into the wind that sweeps across the former shipyard. Kaslofsky says the redevelopment agency is building this 5,000-square-foot facility, using two and a half million dollars of a federal economic development grant.

THOR KASLOFSKY: Lennar will shortly follow with some housing.

Lennar is the corporation redeveloping the shipyard.

KASLOFSKY: This is not residential, this is commercial. So this is the first vertical building. But if we did not have the federal grant we probably wouldn't be building this right now either so we're grateful to them.

A dozen men wearing hardhats and tool belts swarm the area. Kaslofsky says even though the job site has to meet federal workforce requirements, there isn't any requirement at this stage of the development to hire locals for the jobs. He says eventually, though, this building will be part of the change.

KASLOFSKY: This will be a green-collar training center or a clean-tech academy for CityBuild, which is a city program that does workforce training and placement.

Kaslofsky says its expected CityBuild will help train locals to fill some of the 10,000 jobs that will be created while the shipyard is under development. So there's the promise of jobs.

We get back in the car and drive down to the Hunters Point artist studios. There, some 250 painters, sculptors, photographers and installation artists pay what Kaslofsky calls competitive rents for space in six large buildings.

Many of the studios just got a face-lift; new paint, windows and doors thanks to an additional two million federal dollars.

KASLOFSKY: You know, we work very cooperatively with them. They're really important to us because they've been out here since the mid-'70s when the shipyard was closing and going to more civilian use. And this brought life to the shipyard and sort of kept a real human, creative presence here.

That's in contrast to the real, polluting military presence that the Navy left behind. Over the past 10 years, the federal government has spent more than $700 million taking more than 20,000 soil samples and cleaning up the toxins left behind at the former shipyard. Just last month, city officials asked Congress to approve another $86 million in federal funds to continue the remediation.

So far, less than 7% of the Hunters Point Shipyard has been fully cleaned up. And it's these 47 hilltop acres where Kaslofsky says Phase I of the redevelopment is set to begin.

KASLOFSKY: So there's stack flats, apartments, condos, town-homes and the same thing for this site here. So collectively, these are about 250 units to break ground over the next two years.

The rest of the shipyard will be developed as part of Phase II. And Kaslofsky says that won't be completed for another 20 to 25 years. Part of the reason is fundraising. Part is protocol. And part is politics.

While the San Francisco Board of Supervisors was busy discussing whether there was enough affordable housing in Phase I and Phase II of the Hunters Point redevelopment plan, people waiting in line for their turn to enter the packed chamber argued other parts of the plan - including a proposal to build a 41-foot long bridge over a wetland.

SAUL BLOOM: The bridge is an incredibly important issue. It's the last natural environment of its kind on the east side of San Francisco. It's an environmental justice issue.

That's Saul Bloom, Executive Director of Arc Ecology. He's opposed to the bridge.
STEVE MADULI-WILLIAMS: I respect that but to me I just think this is another kind of environmental racism.

And that’s Steve Maduli-Williams, he’s Deputy Executive Director of the San Francisco Redevelopment Agency, and he’s in favor of the bridge.

MADULI-WILLIAMS: It’s really underinvested in. This is the only project on the horizon that potentially adds some benefit to that area. When you look at the benefits to that community it’s a no-brainer. The environmentalists are typically lily-white, are only concerned with their interests. Never concerned about the human capital side of this. I’m just … it’s the most ridiculous thing I’ve ever heard of in my life.

BLOOM: First of all, I totally resent the issue making it a race-based issue. No it isn’t.

MADULI-WILLIAMS: You care more about the bridge than you do about the health care and the benefits to the people of that neighborhood.

BLOOM: You do not know anything about what any of us have done relative to the health and welfare of this community. We have worked harder and longer…

MADULI-WILLIAMS: I know the neighborhood’s still impoverished.

BLOOM: Then we need to look no further than your agency and this city for the reason for that. My lawsuit around Suisun Bay has created more jobs in the past year than Lennar has in the last five, and those are jobs that are here on the east side of San Francisco that are being taken by people of all sorts of color. So I resent the fact that you are turning this into a race-based issue as opposed to an issue on the data and your data does not support the need for a bridge.

MADULI-WILLIAMS: You know Saul, to me the evidence, I agree the city has not invested in that neighborhood. That goes without saying. But what’s your strategy moving forward, if this project doesn’t happen? District Supervisor Sophie Maxwell has the same concern. For the past 10 years, she has spearheaded the effort to move the redevelopment plan forward, bridge or no bridge and she’s frustrated.

SOPHIE MAXWELL: That’s the only thing you’ve heard them talk about. It wasn’t about the pollution, it wasn’t about people being unhealthy and having the highest rates of asthma and cancer and everything else negative you can imagine. They never said anything about the sewer plans, the asphalt plants and the power plants. It’s about the bridge and the birds? Give me a break here.

Nevertheless, a few weeks after the Board voted to approve the Hunters Point Redevelopment Plan, along with the bridge crossing the waterway, the Sierra Club and the Golden Gate Audubon Society jointly filed a lawsuit to block the final environmental impact report on the Lennar Corporation’s redevelopment project.

ARTHUR FEINSTEIN: This is the moment to get them to put this bridge around the slough rather than over. Yeah this is the time. This is when we need to do it, or else that park is never going to be what it could be.

Arthur Feinstein is Vice-Chair of the Sierra Club’s Bay Chapter. He says it’s going to be years before Lennar Corporation raises the billions of dollars it’ll take to move into the next phase of the development.

FEINSTEIN: So they’re a long way from being able to do anything there, so we don’t feel any urgency in resolving this issue. Afraid of them building the bridge tomorrow … they’re not gonna. They’re not going to be doing anything for a while, we think. And so we’ll see how this plays out.

So once again, there’s a legal glitch with the massive Bayview Hunters Point Redevelopment Project. It’s a project that has long promised to deliver almost everything the Bayview has lacked: plentiful jobs, safe parks and a clean environment.

But they’re not there yet. And in the meantime, as the district’s residents wonder about the health concerns of living near a superfund site, one of five of them continues to be unemployed.

In San Francisco, I’m Nancy Mullane for Crosscurrents.

Later this month, the Hunters Point Shipyard artists will hold their free 2010 Fall Open Studios. That’s October 30 and 31 from 11 a.m. to 6 p.m.

Economy, Labor and Biz

This article originally appeared on KALWNews.org

Posted By: KALW News (Email) | October 19 2010 at 05:16 PM

http://www.sfgate.com/cgi-bin/blogs/kalw/detail?entry_id=75000

10/20/2010
Hearing reveals PG&E, CPUC air concerns behind closed doors

By Katie Worth
Examiner Staff Writer

Scrutiny of PG&E's finances has increasingly been conducted under the blanket of confidential agreements.

In the last two instances that PG&E has asked for rate increases to help pay for improvements to its aging gas infrastructure, negotiations over those increases have been conducted behind closed doors, in confidential settlement hearings, rather than through litigation open to the public.

In effect, this keeps the public from knowing what, if any, concerns the regulators paid attention to during their review of PG&E's finances. PG&E and the ratepayer advocate have not produced a report about their concerns, said Pocta.

When PG&E applies for permission to increase its rates, individuals or groups can protest this application, and they become parties to the rate case. As soon as the application is made, CPUC's independent Division of Ratepayer Advocates begins to investigate the company's finances, including what it has asked for in the past, what it actually spent that money on, and whether there has been inappropriate deferred maintenance. This analysis, including the concerns about the company's expenditures on its aging system, is written into a report and presented to the commission.

Late in the six-hour hearing, the director of CPUC's energy division, Julie Fitch, admitted that the agency has not been examining PG&E's finances as carefully as it should have been — largely because the rate cases have been settled behind closed doors, rather than going through a litigation process.

"We never get to see the detailed analysis, the numbers, the proof, the evidence, the research," Fitch said.

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As for why confidential settlements are entered into to begin with, The Utility Reform Network — a common intervener in the cases — said that the parties in the case have settled on a number that's been afforded to these cases is less than the most recent rate case, and was sent to the commission's administrative law judge for approval. But Friday, the judge declined to approve the settlement and instead ruled that the rate case never become public.

"It's really just an assumption... that if all of the parties in the case have settled on a number, then it's the number," she said. "There's not additional scrutiny from the staff, or at least not as much as we'd like to see."

That's already beginning to change. The number has already been arrived at in confidential discussions — those concerns never become public.

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