

Is Abel too friendly with the energy biz?

Senator Maldonado has accepted tens of thousands of dollars in gifts from an industry-friendly special interest group. Does that influence his attitude toward new legislation aimed at Diablo?

BY ABRAHAM HYATT

The money was free and it flew Abel Maldonado around the world: Australia, Africa, Europe — \$30,987 in bills, and a single special-interest group supplied every last penny.

Maldonado first went globetrotting back in 1999 when he was an assemblyman. With a bipartisan group of fellow legislators, Maldonado spent two weeks hanging out with farming groups in Spain, studying hydro-electricity in Ireland, and visiting coal-burning power plants in Germany.

The funds for all this voyaging came from a group called the California Foundation on the Environment and the Economy, or CFEE. And its money came from, among other sources, the state's largest energy companies: Southern California

Edison. Sempra Energy. PG&E.

Those companies don't just give CFEE money — their directors, vice-presidents, and presidents also make up a large part of CFEE's board of directors. One of those board members, a vice president at PG&E, went with Maldonado on his trip to Europe. And when Maldonado visited South Africa, New Zealand, and Australia in 2000 and 2002 on similar trips, other industry/board members went along for the ride as well.

But despite what appears to be a very cozy relationship with the state's power companies, Maldonado hasn't shown any bias to that industry when it comes to what he votes on in Sacramento.

That is, until last month.

In mid-February, Assemblyman Sam Blakeslee shocked the county when he proposed an earthquake study bill

that could threaten Diablo Nuclear Power Plant's ability to re-license. It was a radical stance for a San Luis Obispo conservative to take, and Maldonado let his feeling on the matter be known. In local radio and newspaper interviews, he remarked on Blakeslee's freshman status in the assembly and questioned the legitimacy of the information Blakeslee was using as a basis for the bill.

By March, Maldonado's stance hadn't changed: "The last thing I want is to have a power plant that the state has to shut down. I think the timing [of the bill] is poor," he said.

The question is, is Maldonado speaking for his friends in San Luis Obispo County or is he speaking for his friends in the energy industry?

Patrick Mason, the president of CFEE, loves to talk about how nonpartisan his group is. He describes CFEE as a coalition of business, labor, and environmental groups who work on water, air, energy, and infrastructure

issues. "Big-picture stuff," he said.

Mostly the group puts on industry-funded conferences around California. But once a year, CFEE hand picks a few assembly members or state senators and points to a spot on the globe.

One of Maldonado's aides, Tom Kise, compared the trips to trying to describe the Grand Canyon to someone when you could just take that person there.

"You'll never know what strip mining is in California. You'll never see what effect badly run coal-burning power plants have. You've got to go someplace to see what effect they have on the environment," he said.

Maldonado said he loved the excursions he went on. He raved about how much he learned; all the industry, regulatory, and legislative contacts he made; and said he wished everyone in the state legislature could do what he did.

But despite the CFEE's green-sounding name and its president's insistence on environmental goals, a close look at the board of directors reveals a different picture.

Of the 52 board members, only two hail from environmental organizations.

Of the remaining 50, a few are lawyers and the rest are bigwigs from the state and nation's largest farming, telecommunication, and energy companies.

As a nonprofit, CFEE can't legally push for any specific political agenda. But a lobby group called the California Council for Environmental and Economic Balance that's linked to CFEE (the two groups share the same board members) has a very strong pro-industry stance.

For instance, in a 2004 letter to the federal Environmental Protection Agency, the lobby group asked government regulators to "take into account the ... impact on the creation and retention of jobs and business climate as they develop and consider options ... to environmental justice problems."

And the two groups don't just share common goals, they share funding sources as well: In 2003, for example, PG&E gave CFEE \$6,000 and the lobby group \$11,999.93.

Because of that strong backing from the energy industry, Doug Heller, the executive director of the Foundation for Taxpayer and Consumer Rights in Santa

Money to run, to dine, and to fly

In his three races for state offices, Abel Maldonado received \$5.4 million in contributions from the Republican Party, private donors, corporations, and lobby groups from the ag, construction, insurance, technology, and Indian gaming industries. Compared to all those other donations, energy industry contributions have been just a tiny drop in a very big bucket.

However, those energy companies have been giving in other ways: Since 1999, Maldonado has been taken to dinner by PG&E more than almost any other group that have given him gifts. In fact, gifts from the energy industry and one of its special-interest groups — California Foundation on the Environment and the Economy (CFEE) — account for the vast majority of presents Maldonado has received.

And while CFEE was giving Maldonado money, PG&E — and other large California energy companies like Southern California Edison — were giving money to CFEE. Here's how it broke down over the years:

What PG&E gave to CFEE

2003: This year, the only year for which *New Times* could obtain data, PG&E gave \$6,000 to CFEE and \$11,999.93 to CFEE's lobby group, the California Council for Environmental and Economic Balance.

What CFEE gave to Maldonado

Trip to Australia and New Zealand: 11/07/02 - 11/21/02; \$9,669.57

Dinner: 3/2/01; \$97.47

Trip to South Africa: 11/09/00 - 11/22/00; \$12,062

Trip to Europe: 11/04/99 - 11/18/99; \$9,060

Dinner: 5/2/99; \$85.95

Campaign contributions from CFEE energy members, 1999-2004

Calpine: \$5,000

Chevron: \$1,000

Edison: \$8,000

Enron: \$500*

PG&E: \$29,005.83

Sempra Energy: \$15,700

*In 2002, Maldonado's campaign gave \$2,500 to the Enron Ex-Employee Fund.

Monica, questioned CFEE's intent as it shuttles politicians around the globe.

He pointed to news stories that came out in 2004 when CFEE took four of the governor's top-level appointees on a trip to Australia that included a stay at Sydney's lavish Four Seasons Hotel and a day on a luxury yacht.

"If lawmakers needed so desperately to travel around the world to learn about [another country's] energy system, then they should propose a plan to their budgeting department and get the taxpayers' money for it," Heller said.

"If it's not good enough for the government dime, then the politicians should know better than to take these — they're more than gifts. I don't know how to describe them. Gifts is too small a word."

CFEE's Mason harshly dismissed Heller's group when confronted with that analysis: "They have no idea who we are. They've never been to one of our events. I've never met one of these folks. They have no idea. I don't know how to respond to that."

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So back to Blakeslee's bill: Is Maldonado's negative response the result of a conflict of interest?

Maldonado's answer to that comes quickly and strongly: "Absolutely not."

'I have never, ever, ever connected monetary resources with a bill or a special company in my area. For somebody to even suggest that is disappointing.'

Abel Maldonado, state senator

"I'm not sitting here telling you I'm in love with PG&E," he said. "Do you think we're all jumping for joy that we've got a nuclear power plant in our backyard? No!"

But, he continued, Diablo and PG&E are a part of the county's "family" and he doesn't want to see the area lose the plant's 1,400 jobs or the millions it pays into the SLO County budget every year.

"PG&E is an important part of the community," he said.

Because of that, Maldonado thinks lawmakers should be supporting Diablo's security efforts, not questioning its seismic stability. As an example, he pointed to a bill — which has its origin in the Nuclear Regulatory Commission, not PG&E — he just introduced that would protect nuclear power plant security forces from homicide charges if they shoot and kill an intruder.

And when he's pressed if he thinks the public might think his response to Blakeslee is due to his trips, or his donors, or his traveling companions, Maldonado's voice loses its normally friendly tone as he snaps his answer:

"I have never, ever, ever connected monetary resources with a bill or a special company in my area. For somebody to even suggest that is disappointing," he said.

"The people of San Luis Obispo know who I am. They have faith in me and I have faith in them. I hope the day they feel there's been a conflict of interest, the people of my county bring it up to me." Δ

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If it's legal, what's the big deal?

Philip Fetzter, a Cal Poly political science professor, had a few ideas on why Maldonado's relationship with the energy industry might get him into trouble, regardless of whether he'd actually done anything wrong.

Fetzter wouldn't talk about the specifics of Maldonado's situation, but he did offer a political axiom about conflicts of interest: Perception is reality. In other words, people will always draw conclusions based on a lawmaker's activities that seem connected with political positions.

"Whether or not there is a genuine conflict of interest, the perception is that there is one," Fetzter said. "And that's what the public official has to address. They have to understand how the public will interpret things regardless of the validity of what they're doing."

But in the current political world, it's inevitable that legislators will interact with corporations and special interests. How does a politician play the game, do their job, and still reassure the public that they're honest people?

Fetzter sees the difficulty and he offered one piece of advice: If you're a politician, go out of your way to show that you're getting information from all sources, not just ones with business ties.

"Some do that," he said. "Some seem less sensitive to that." Δ

— Abraham Hyatt



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