A Walk Through Time

In 1909 the Palo Alto distinguishes itself as a charter city and transitions from a board of trustees to a 15 member City Council. A few months later, the new power plant makes its first net profit of $12,000, proving Marx and Wings’ public utility theory correct.

Private companies, as well as the City, start to install gas lines throughout Palo Alto. For safety reasons the City sees the need to have one interconnected and well-maintained system. As private gas companies want to hold on their businesses, the City takes the eminent domain purchase of the existing gas company up to the California Supreme Court and wins. Municipal bonds are issued to purchase Palo Alto Gas Company.

The City Utilities Department offers water, sewer, electric and natural gas service to residents, businesses and Stanford University.

In the months following the attack on Pearl Harbor, Palo Alto participates in a voluntary electric lighting blackout in early 1942. This effort’s intention is to hide the city in fear of aerial bombings.

The electric utility starts a major power line undergrounding project, still going on today. This project is moving slowly but steadily and the City now undergrounds all new projects. To date approximately 48% of the City’s power lines are underground.

Palo Alto encounters our first skirmish with PG&E when they request to build a power line down University Avenue. Our City Attorney denies the request. However, one night on a holiday PG&E builds the power line anyway. The next afternoon our crews remove the lines and poles, and then charge PG&E to come collect their property.

The City begins sourcing water through SFPUC which comes from the Hetch Hetchy Valley. This improves the quality and taste of the water.

During the 1950's Palo Alto doubles in population and triples in size. Stanford University encounters financial trouble and starts leasing Stanford Research Park properties. These companies become eligible for cheap insurance with access to City police and fire services and have incredibly low utility rates. This sets the tone for the City developing a reputation for being business friendly, and Palo Alto sees an influx of large stable customers. The relationship between Palo Alto and Stanford University has proven to be mutually beneficial.

During the great depression Utility profits help pay the residents’ unemployment checks as well as enable the City to build Lucie Stern Community Center.

Palo Alto ceases pumping ground water for water supply, and switches to 100% Hetch Hetchy, further improving the quality of the water.