



Source: Historical Society of Morro Bay. Architect's Rendering of the Proposed Power Plant as a Monumental Structure, c. 1953

The Origins of the Morro Bay Power Plant

This is the first in a five-part series on the history of the Morro Bay Power Plant.

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The Morro Bay Power Plant – built before Morro Bay became a city – operated for 60 years. It closed in early 2014, a victim of its antiquated technology, governmental regulations, a saturated electricity market, and corporate instability. Many townspeople would like to see it demolished and a more ecologically friendly use found for the 107-acre waterfront property.

Yet others see the three 450-foot stacks – nearly as tall as Morro Rock – as an iconic symbol of Morro Bay, perhaps as significant as the Rock itself. In the context of history, the Morro Bay Power Plant represented cutting-edge technology, relying on the first industrial-scale seawater evaporators for its steam turbines.

It was designed by William Gladstone Merchant, an architect who helped design the Palace of Fine Arts in San Francisco. The 2005 Historic American Record claimed that *"The Morro Bay Power Plant is the single most architecturally defined power plant in California ... an impressive example of international modernism ... in the forefront of power production technology for its time."* Its design was fashioned after an ancient monumental temple and the exterior was clad with an aluminum skin as an aesthetic upgrade.

San Luis Obispo County bought the land where the power plant was built from the federal government in 1949. The property was part of the former Navy base in Morro Bay. Pacific Gas and Electric (PG&E) purchased the property from the County for just under \$80,000 in 1951 and began construction of the power plant in 1953.

The plant played a significant role in Morro Bay becoming a city in 1964. Townspeople had wanted to be incorporated as a city for many years. But each time it was considered, revenue sources were insufficient to support a full-service city. The taxes and lease fees paid by the power plant provided that revenue, and people living in Morro Bay at the time supported the project enthusiastically.

Why was it built here? California's mountain water made hydroelectric dominant in the early days of electricity generation. But droughts cast doubt on hydro's reliability during the 1940's, and utilities turned to steam plants powered by oil and gas. These plants required water to cool the turbines. Morro Bay provided the ideal location for oil-fired steam turbines that were cooled by seawater.

Ironically, Morro Bay never used the electricity that was generated at the plant. It was built to supply electricity for irrigation pumping in the San Joaquin Valley. Eventually, the outfall discharge of 75 degree-water violated environmental regulations and attempts to modernize the plant failed. But Morro Bay benefited directly from the revenue and the jobs the plant generated. Its closure represented a significant economic loss to the City, which has yet to be fully restored.