

MEMORANDUM

Date: March 5, 2014

To: SEA Board CCA Ad Hoc Task Group (via City staff)

From: Jay Powell, CAP Working Group and CCA Task Group liaison member

RE: Comments in preparation for CCA presentation at March 11 SEA Board meeting

The City Natural Resources and Culture Committee forwarded the issue of CCAs to the Sustainable Energy Advisory Board for stakeholder input and community feedback at an upcoming meeting and requested that the Mayor's office investigate potential funding for a CCA feasibility study.

The SEA Board has received a presentation by a board member representing the CCSE and requested that CCA advocates make a presentation regarding the efficacy and options for CCA in San Diego. The Board has designated an Ad Hoc Task Group to review key issues regarding CCAs to help guide the presentation and Board review of the CCA options.

The Board has requested that the CCA Task Group provide some key issues to be addressed by the presenters on March 11 and for report to the full Board. I also serve on the CAP ad hoc Working Group and was designated as a liaison between the groups. Some of the comments from that group have been incorporated in the following proposed issues and questions that could be provided to the presenters and the full Board prior to the March 11 presentation on CCA.

Proposed issues and questions for CCA presentation and discussion:

- Confirm that a City of San Diego CCA has ability to proactively pursue renewable energy and energy efficiency measures, contracts, projects and/or strategies that will achieve the goals identified in the City of San Diego Draft Climate Action Plan (CAP). Why is the proposed CCA a better vehicle to do that than the IOU, SDGE?
- Outline the main scopes of work for the initial feasibility study being funded by third party non-profit under contract with the City. What will that study tell the City? Will it delineate the amount of IOU stranded costs anticipated to be included in the rates charged for different classes of customers?
- The NR&C Committee of City Council has recommended that funding be provided for a separate feasibility study to be conducted by the City. What are your recommendations for the scopes for that study, beyond independently confirming the findings of the initial third-party funded feasibility study and what are the estimated costs of the range of review in those studies?
- If the feasibility study or studies conclude that a CCA is a viable option, what will be the next steps for implementation and how will that be funded?
- Why is a City of San Diego CCA necessary to achieve the GHG goals set forth in the City's Draft Climate Action Plan (CAP) including the achievement of 100% renewables by 2035?
- Will the initial feasibility study evaluate the ability of a City wide CCA to achieve the GHG reductions goals in the City's Draft Climate Action Plan (CAP) including the achievement of 100% renewables by 2035?

- If the City funds a separate CCA Feasibility study and adopts the recommendations in 2015, is there sufficient time to establish a CCA which would be set up to achieve the objectives outlined in the CAP?
- What are the key lessons to be learned from other proposed or operating CCAs? What are the key differences in three models currently proposed or operating in California jurisdictions of San Francisco, Sonoma, and Marin?
- Are their CCAs in other states which you would recommend as models or which have aspects that you believe should be evaluated or incorporated into the San Diego CCA?
- Which of these models do you believe is best suited to San Diego and why?
- How will the proposed CCA help achieve the potential for roof top and parking lot covered solar photovoltaic installations located on developed land or land designated for developed land within the City of San Diego?
- Will the proposed CCA provide options to customers to select different degrees/percentages of renewable electric energy?
- Will the proposed CCA pursue a business plan to phase in increasing amounts of renewable power generation?
- How will the proposed CCA provide programs that employ and complement other existing and proposed programs such as Building Energy Efficiency retrofits and PACE?
- Would the proposed CCA be able to incorporate aspects of the SB 43 “Green Tariff Shared Renewable Program” or other mechanisms for electric customers to invest in off site renewable energy generation?
- Will the initial feasibility study provide necessary cost analyses or data to conduct these analyses in order to demonstrate that the rates would be competitive? Will the feasibility study outline other economic benefits?
- Will the initial feasibility study incorporate any assumptions for types of jobs and economic multiplier factors of the proposed CCA?
- How will the proposed CCA be superior to a “business as usual” (BAU) scenario in terms of energy mix, cost or ancillary benefits such as workforce and business development?
- To what extent will the PUC regulate the programs conducted by the proposed CCA and rates charged to CCA customers? How will the procurement process differ for the proposed CCA versus the IOU, SDGE ?

Please provide your input or comments on these suggested issues and questions to staff in order to provide the outline for consideration by the Chairman to share with the presenters prior to the March 11 SEA Board meeting.