DRAFT

July 1, 2025

Mayor Todd Gloria Council Member Sean Elo-Rivera, Chair Environment Committee Council President Joe LaCava, member Environment Committee

Subject: Recommendation to Support SB 1221 Neighborhood Decarbonization Pilots

In alignment with the City of San Diego Climate Advisory Board's role to support the City in 'implementing the Climate Action Plan and attaining the City's stated goals in these areas', the Board respectfully requests that the City of San Diego support <u>SB 1221 Neighborhood</u> <u>Decarbonization Pilots</u> in the City of San Diego.

As we learned in our March 2025 Board meeting in a presentation from one of the bill's co-sponsors, this bill enables the CPUC to approve 30 voluntary pilot projects that redirect utility funds from gas pipeline replacements toward cost-effective neighborhood decarbonization projects.

SB 1221 is an amazing opportunity to advance the city's existing building decarbonization goals, without cost impacts to the city, and will create healthier and safer neighborhoods.

The CPUC has <u>announced</u> a Public Participation Hearing on **August 7, 2025**, to provide comments on the designation of priority neighborhood decarbonization zones throughout the state. One of the primary criteria for designating these zones is "Availability of supportive local government". We recommend that the city indicate its support for pilot sites located within the city of San Diego by **sending in written comments to the CPUC** prior to the deadline.

Following this, we recommend that you align with SDGE to submit at least 5 pilot sites located within the city of San Diego for the SB 1221 program (with at least two in flood zone areas impacted by heavy storms last year), implemented utilizing a skilled and trained local workforce.

Thank you for your consideration.