



For Immediate Release

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Councilmember LaCava Votes ‘Yes’ on Franchise Fee Extension asks for Business Plan for Public Power as an Alternative

San Diego — San Diego Gas and Electric (SDG&E) has us boxed in. They know this, and they are flexing their muscles as evidenced by their board voting Tuesday to support an extension that is a mere third of this council’s prudent suggestion. This may be strategic for a business to do; however, both the council and the public are keenly aware that SDG&E is at no loss or burden to extend the agreement. SDG&E’s bottom line is not impacted, rather it is our residents who literally pay the price.

Looking forward, with a new mayor and a new council in place, residents and policy makers have to evaluate whether SDG&E is a partner or an adversary.

“In our new Request for Proposal (RFP) or Invitation to Bid (ITB), I want to know what a business would offer to generate the revenue stream that SDG&E currently enjoys,” said Councilmember LaCava. “I don’t want us to look back and say this city once again discounted a long-term opportunity because we were facing a near-term budget shortfall. Both taxpayers and ratepayers demand we act in their interest. “

Councilmember LaCava said it is hard to fathom that this 4-½ month extension will generate new bidders. Given the actions of the city’s current partner, SDG&E, the council should not expect anything above and beyond what they have already seen, and he requested that the mayor’s office prepare a business plan for public power as an alternative.

Councilmember LaCava has been clear on his priorities for the new franchise agreement and those will not change as the mayor and council considers all available options.

While Councilmember LaCava made the motion and voted to accept the four-month extension, he did so under duress.

“I voted ‘yes’ only to support our mayor and our residents by providing time to improve the past administration’s process,” said Councilmember LaCava. “This is in no way a sign of my support for the status quo or being strong-armed when our backs are against the wall.”

As a member of the Environment Committee, Councilmember LaCava looks forward to seeing this item in the near future. In the meantime, the councilmember has offered his office’s resources to the mayor, including staff time and community relationships. This is with the hopes of promoting, conducting, and receiving robust community input and including the council as an active participant in the new process.

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