



THE CITY OF SAN DIEGO

TODD GLORIA

MAYOR

MEMORANDUM

DATE: December 18, 2020

TO: Honorable Members of the City Council

FROM: Mayor Todd Gloria

SUBJECT: Cancellation of the Invitation to Bid for Franchise of Gas and Electric Services for the City of San Diego

In consultation with the City Attorney's Office, I have completed the review of the bids submitted for Gas and Electric Services by San Diego Gas and Electric (SDG&E). These bids were determined to be unresponsive based on the exceptions contained to the material terms of the advertised franchises. As such, I have rejected SDG&E's bids and am cancelling the current Invitation to Bid Process.

With the current franchise agreement expiring on January 17, 2021, I will be pursuing an extension of the existing agreement between the City and SDG&E to allow for enough time to educate the new City Council and provide additional opportunities for public input.

In the days ahead, I will be working with the City Attorney and City Council to fully evaluate all options and next steps to achieve our shared goal of securing a fair and equitable deal for San Diego ratepayers. This is a once-in-a-generation opportunity and I remain committed to achieving the best deal possible for San Diego's households and workers and helping meet the City's Climate goals.

Cc: Honorable City Attorney Mara Elliott
Independent Budget Analyst Andrea Tevlin



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TODD GLORIA

MAYOR

December 18, 2020

Caroline Winn
Chief Executive Officer
San Diego Gas and Electric
PO Box 129831
San Diego, CA 92112

Dear Ms. Winn,

On December 17th, 2020, at a publicly noticed hearing of the San Diego City Council, the City opened the bids received for the gas and electric franchises as advertised in the September 23, 2020 Invitations to Bid. The City Clerk confirmed receipt of one bid in the amount of \$10,000,000 from San Diego Gas and Electric (SDG&E) for the gas franchise, and one bid in the amount of \$70,000,000 from SDG&E for the electric franchise.

The City has completed the review of the bids submitted by SDG&E. These bids were determined to be unresponsive based on the extensive exceptions contained to the material terms of the advertised franchises. These exceptions fail to meet the City's requirements. As such the bids of SDG&E for the gas and electric franchises are hereby rejected and I am formally cancelling the current Invitation to Bid process.

Sincerely,


Todd Gloria
Mayor