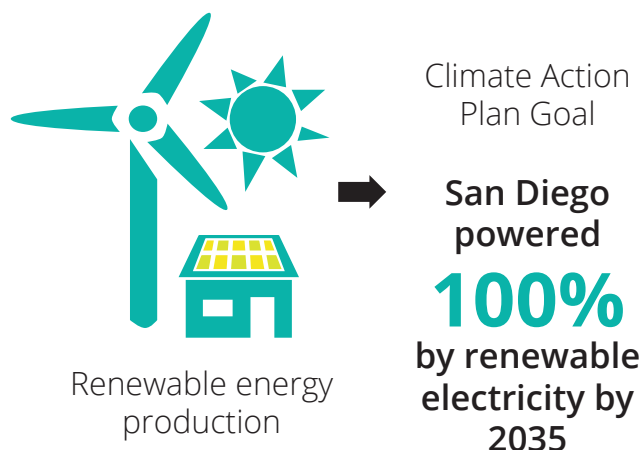




Frequently Asked Questions for the City of San Diego's 100 Percent Renewable Electricity Initiative

Why is the City of San Diego exploring 100 percent renewable electricity?

The City of San Diego wants to create a cleaner and healthier San Diego that will benefit our community now and for future generations. One strategy the City is pursuing is to invest in a clean and renewable energy economy. The City adopted a Climate Action Plan in 2015 that calls for reducing the citywide carbon footprint by half by 2035 and, through this Plan, formalized its goal to achieve 100 percent renewable electricity for residents and businesses by 2035.



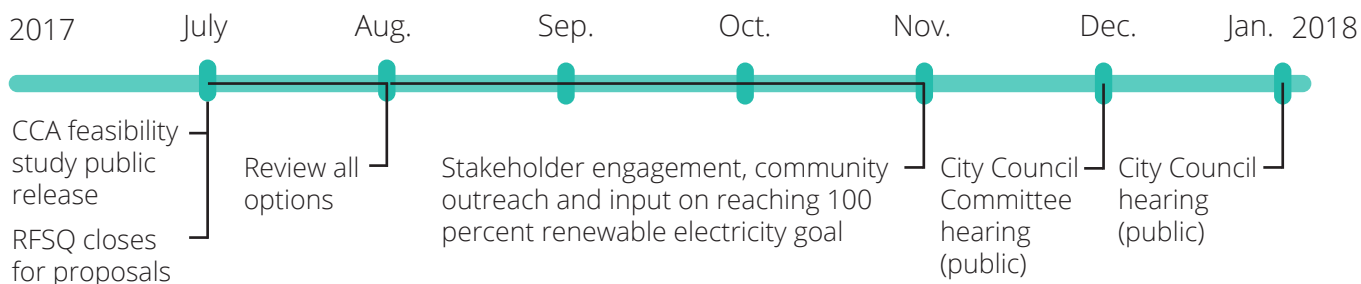
How will the City reach 100 percent renewable energy by 2035?

Reaching 100 percent renewable electricity on the grid will require innovative partnerships and programs. The City is exploring a Community Choice Aggregation (CCA) program, as well as identifying other programs or partnerships that could help the City reach its goals. Any pathways chosen will result in additional renewable electricity on the grid from various sources and technologies including, but not limited to, solar panels, wind power, and energy storage. The anticipated timeline is below.

Will our transition to 100 percent renewable energy cost me more money?

Cost to consumers is one of the key issues the City will consider as we explore a variety of options that achieve our clean and renewable energy goals and responsibilities. While the cost of energy continues to rise with inflation and other factors, the cost of renewable energy technologies is decreasing rapidly, which should result in lower overall costs to consumers.

Electrical rates of existing CCAs in California have generally been between 3 and 10 percent lower than the incumbent utility in the PG&E service area. Cost savings are dependent on many factors, including the customer type and the CCA option each customer chooses. Current CCAs offer a “default” option that is both cleaner and cheaper than PG&E, as well as a 100 percent renewable energy option that is slightly more expensive than PG&E’s default product. In addition, CCAs have the added advantage of price stability. This is because rates are set by local agencies in a public process and not by a state agency.



Renewable energy is intermittent; will I have consistent power in my home and/or business?

Yes. The California Public Utilities Commission has adopted a policy framework for Resource Adequacy to ensure reliability of electric service in California. This policy applies to investor owned utilities, energy service providers, and CCAs regardless of their sources of power (e.g. renewable, fossil fuel based, etc.).

As a citizen of the City of San Diego, what action do I need to take?

No action is needed. A transition to 100 percent renewable electricity should be seamless from the customer perspective, and no action is needed by San Diego residents and business owners. If the City decides to pursue Community Choice Aggregation as the method to pursue the 100 percent renewable electricity goal, all CCA customers would have the choice to opt-out of the CCA program at any point, and return to having SDG&E procure electricity on their behalf.

How much of the electricity in San Diego is currently from renewable sources?

Currently, approximately 43 percent of electricity delivered in San Diego is renewable. SDG&E is on track to increase this amount to 50 percent renewable electricity by 2030, as required by state laws and regulation.

Will I be required to install solar panels on my home or business?

No. Many San Diegans have installed solar panels or other forms of renewable energy on their homes and businesses because they found financial or environmental benefits in doing so. While the City encourages this, we are exploring other paths to deliver increasing amounts of renewable electricity to all homes and businesses through the existing electricity grid.

What is a Community Choice Aggregation program, or "CCA"?

Essentially, Community Choice Aggregation (CCA) gives residents and businesses an opportunity to choose who will purchase energy on their behalf (between the CCA or the incumbent utility), and the renewable content of their electricity. CCA is a

California program that provides local jurisdictions the authority to purchase and manage energy resources on behalf of their communities and customers, allowing decisions about energy to be made at the local level.

If a CCA program were to launch in San Diego, would I still be an SDG&E customer?

Yes. The CCA would purchase energy on behalf of San Diego customers. SDG&E would continue to provide reliable transmission and distribution of that electricity as well as provide billing, metering and customer service. Customers would be automatically enrolled in the CCA but could choose to opt out and continue to have SDG&E purchase their electricity.

Are there other CCAs in California that have been successful?

Yes. There are currently eight operational CCAs in California, with over 20 other regions currently developing or exploring the potential for a CCA. See this website for more information:

cleanpowerexchange.org.

If we have a CCA, would that mean the City is my utility?

No. If the City pursues the CCA option, a governance structure would need to be determined. Other CCAs are governed by structures such as joint powers authorities or third party providers.

How would a CCA impact SDG&E?

SDG&E does not make money on the purchase of power. Any costs incurred by SDG&E for electricity purchased on the behalf of customers, who become part of a CCA, will be recovered by selling the power on the energy market and/or through a charge to the CCA of the cost difference.

Where can I learn more about the Climate Action Plan and the City's Clean and Renewable Energy goals?

Information regarding the Climate Action Plan, including annual reports detailing the City's progress on reaching its sustainability goals, can be found at sandiego.gov/sustainability.