



Taxpayers watchdog since 1945

1855 First Avenue #201, San Diego, CA 92101 • (619) 234-6423 • info@sdcta.org • www.sdcta.org

November 15, 2017

Mayor Faulconer and City Council
202 C Street
San Diego, CA 92101
[Distributed Electronically]

Dear Mayor Faulconer and City Council,

The San Diego County Taxpayers Association strongly believes any policies enacted to reach the goals set forth in our groundbreaking Climate Action Plan should be well researched, cost-effective investments of limited taxpayer resources.

The City of San Diego's draft feasibility study presents a range of outcomes for the financial viability of a proposed CCA program, as outlined by Figure 42 on page 74. This figure clearly shows how the Power Charge Indifference Adjustment (PCIA), an exit fee paid by customers of the CCA, plays a decisive role in determining the feasibility of CCA in San Diego—especially for a program of this magnitude. It also shows us that the range of possible outcomes offered by the draft study represents almost a three billion dollar cost uncertainty for San Diegans.

Currently, the California Public Utilities Commission is restructuring how the PCIA is calculated, a process which will not be complete until July of 2018. Knowing the significance of this exit fee, is there a plan in place to re-review the feasibility of CCA once this information is available? For example, if the resulting exit fee or its new equivalent, is not captured by the scenarios studied in this draft study, would the City reassess the potential feasibility of CCA in San Diego with this new data?

We appreciate you taking the time to consider our inquiry, and we look forward to hearing your response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Haney Hong".

Haney Hong,
President and CEO



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CC:

Honorable Mayor Kevin Faulconer

Council President Myrtle Cole

Council President Pro Tem Mark Kersey

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Councilmember Chris Cate

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