



March 7, 2018

Cody Hooven
Chief Sustainability Officer
City of San Diego

RE: Sierra Club Suggestions for San Diego Community Choice Aggregation (CCA) Business Plan

Dear Ms. Hooven:

The Sierra Club believes that there is the potential for significant community benefits in a Community Choice program bound by strong environmental and economic values. Early strategic planning can lead to a smoother CCA launch, and we applaud your willingness to consider stakeholder input at this early stage. A strong business plan will enable any resulting Community Choice program to be grounded in core community values and well-positioned for success. We appreciate the opportunity to comment on the City's plans to prepare a CCA business plan, and we offer the following suggestions.

1. Set strong goals in the business plan.

We recommend outlining the driving goals for the CCA program in the business plan, which includes, but is not limited to, spurring economic development, generating clean energy jobs, and developing local clean energy resources. San Diego's commitment to 100% clean and renewable energy by 2035 is a central environmental goal, but additional community values should also be stated in the business plan. We recommend that the following commitments be made in the business plan:

- a. Exclusion of coal, nuclear, unspecified power, and unbundled renewable energy credits from procurement
- b. Procurement of an energy portfolio that is greenhouse gas free by 2028
- c. Procurement of an energy portfolio that is 100% renewable, with the objective of maximizing local distributed energy resources⁽¹⁾ (DER) buildout by 2035
- d. Development of new local renewables that are environmentally sustainable, resilient, and equitably distributed throughout San Diego, and available at affordable rates to lower income families

2. Include a roadmap in the business plan that defines how the CCA will meet the above commitments.

Sierra Club recommends creating a business plan that will function as the roadmap for the development, procurement, and integration of renewables and local distributed energy

resources (DER) that will foster meaningful economic benefits in San Diego. The development of this roadmap ensures the project is committed and on track to foster local economic benefits, including job creation, community energy programs, local power development, and other community benefit goals, while facilitating a transition to a clean energy economy. Having a roadmap for the integration of sustainable renewables and DER will provide the CCA with the guidance it needs to balance its energy procurement options over time. This should include strategies to design the program to achieve:

- a. A robust, local DER build-out which includes examining the program design and structure to achieve said build-out;
- b. Resiliency;
- c. Environmentally sustainable renewables procurement;
- d. Job creation and long-term careers, with a focus on vulnerable communities, such as veterans, members from disadvantaged communities, and low-income communities;
- e. Partnering with apprenticeship and job training programs to create long-term careers; and
- f. Sourcing work to partner with local San Diego companies when possible

3. Create a Community Advisory Committee.

A Community Advisory Committee that advises the governing board on all subjects related to the operation of the CCA—with the exception of personnel and litigation decisions. By incorporating stakeholder and community input into a structured committee, the CCA will benefit from additional viewpoints and ensure that varied interests are represented in an open and transparent decision-making process.

Sincerely,

Pete Hasapopoulos
Organizer
Sierra Club My Generation Campaign

[1] Distributed energy resources include local solar, community solar, electric vehicle charging stations, energy efficiency, battery storage, and demand management.