February 23, 2021

Mayor and Council
202 C Street
San Diego, CA 92101
Via Email

RE: Outcomes and Terms for Community Energy Franchise Agreements

Honorable Mayor and Councillors,

Thank you for the ongoing public hearings and community forums on the pending Electric and Gas Franchise Agreements for the City of San Diego. Based on the community feedback, the worsening climate crisis, and the rapidly-changing energy industry that demands a more equitable, resilient, and sustainable approach, we urge you to include the following terms in the separate Electric and Gas Franchise Agreements to help achieve the community’s desired outcomes:

Outcomes:

1. **Restore Public Trust.** Everyone deserves a government they can trust. Short term agreements of 3 years coupled with annual audits and joint policies will allow the City to maintain flexibility and nimbleness to meet its goals, assess compliance, and help restore public trust in City real estate deals. The City cannot be locked in to any more one-sided contracts that undermine our climate, clean energy, public health, and equity goals. Short-term agreements also give the City time to evaluate alternative options transparently, and signal to the public their community input was heard and they are at the decision-making table;

2. **Reach Zero Carbon.** Everyone deserves a climate safe and climate ready future. To achieve that, the City needs to zero out carbon emissions. The Electric and Gas Franchise Agreements are an opportunity to integrate updated Climate Action Plan (CAP) goals to stop new gas infrastructure and transition the City off fossil fuels to eliminate greenhouse gas emissions, build climate resilient neighborhoods, and protect public health and safety;
3. **Increase Affordability and Accessibility.** Everyone deserves affordable, local clean energy. The new Agreements should incentivize and prioritize rate reductions and relief, and boost local clean energy resources like rooftop solar, energy storage, and other emerging technologies;

4. **Develop Options.** Everyone deserves a chance to understand and weigh in on our energy future. The community has been consistent and clear in calling for public power alternatives throughout the outreach process. The City must fully explore and vet the many public power utility alternatives to give the community a chance to evaluate its options; and

5. **Protect Union Jobs.** Utility workers deserve good union jobs. Both the Electric and Gas Franchise Agreements must protect workers and guarantee good union jobs, wages and a just transition to the green economy.

**Terms:**

1. **3-year terms for both Electric and Gas agreements,** recognizing that anything longer than 3 years is another bad real estate deal and corporate giveaway burdening ratepayers and limiting the City’s ability to pivot to achieve its climate, clean energy, public health, and equity goals;

2. **Commitments to transition the City off polluting fossil fuels in the Gas Agreement,** including provisions that stop the expansion of new methane gas infrastructure and the development of a plan to electrify buildings;

3. **Commitments and modernize the grid in the Electric Agreement** to allow for more and easier access to rooftop solar, energy storage, and other local distributed energy resources to make our electric system climate resilient;

4. **Commit to developing a robust and detailed public power business plan immediately,** so the City can move forward with a public power utility option in the near future, if determined to be the best investment for the City and community;

5. **Strong worker protection and retention policies** so all utility workers can maintain their good union jobs, and advance their benefits, wages, and rights to organize; and

6. **Ensure mutual accountability,** as a consistent theme in the community forums has been a lack of trust in both the City and SDG&E. To help build trust, we must have annual audits, joint policies, and reevaluate the financial value of the agreements for transparency, include right to purchase options for accountability and flexibility, and create a Climate Equity Fund, preserve biodiversity, natural habitat, and open space, and provide rate relief for working families during the pandemic to center equity.

Given this once-in-a-lifetime opportunity to reshape our broken energy system, restore public trust and develop a plan to wind down our gas infrastructure, we hope the Mayor, Council and Environment Committee will center the conversation on behalf of the community.

We look forward to continuing to partner on this critical issue. Thank you.

Sincerely,

Matthew Vasilakis  
Co-Director of Policy  
*Climate Action Campaign*

Joyce Lane  
Board Vice President  
*SanDiego350*

Shelah Ott  
Climate Justice Advocate  
*Hammond Climate Solutions*

Mikey Knab  
Board Chair  
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Partner  
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Jim Miller,  
Faculty Vice President  
*AFT Local 1931*

Eddie MF Price  
President & CEO  
*San Diego Urban Sustainability Coalition*

David Morrison  
Co-Chairperson  
*San Diego Green Party*

Lucero Sanchez  
Community Policy Coordinator  
*San Diego Coastkeeper*
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<tr>
<th>Name</th>
<th>Title/Role</th>
<th>Organization/Position</th>
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<tbody>
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