



June 14, 2021
Mayor McNamara and City Council
City of Escondido
Via Email

RE: Sierra Club NCG SUPPORT for Community Choice Aggregation for Escondido.

Dear Mayor and Councilmembers,

Sierra Club North County Group (NCG) strongly supports Escondido's continuing efforts to analyze and determine the best community choice energy program and to implement it in Escondido. The goal of achieving 100% clean energy by 2030 is a hallmark of the recently adopted Escondido Climate Action Plan (ECAP) and relies heavily on the implementation of Community Choice Aggregation (CCA). In fact, it is doubtful that there are any other credible strategies for meeting the clean energy goal of the ECAP without one.

In addition, significant economic and climate benefits exist for the city using a CCA model. Even a stand-alone CCA between Escondido, Vista, and San Marcos evaluated in the Feasibility Study showed that such a CCA could yield \$1.6 million a year surplus revenue stream and rate saving of 2% on total electric bills or 4.5% savings off generation rates. (Study at 7) Importantly, a CCA would have full control over power supply purchases, key to meeting climate targets. We urge the Council to direct staff to evaluate the next steps in the VSME Partner CCA option.

However, we strongly recommend that the Council also direct staff to fully evaluate the city joining an existing CCA program. The costs are considerably lower and will bring more benefits to rate-payers while reducing administration costs if the city chooses to 'go it alone'.

There are significant efficiencies and cost-savings in managing a CCA and effective CCAs can include many cities. Although the report finds that even a solitary CCA is possible, the city could work with others to defray time, cost, and resources by joining with an existing CCA. It is important to remember that the energy 'products' (% renewable) offered can be tuned to meet Escondido's needs and our goals.

There are already two local CCAs, San Diego Community Power and Clean Energy Alliance, seeking additional partners. Sierra Club NCG believes that joining an existing CCA makes more sense than to expend the substantial effort to create an entirely new one.

Sierra Club and our allies have been working on this issue for many years. Given that SDG&E had signaled it wants out of the procurement business, we believe the creation of CCAs can be considered inevitable. Since Escondido has excellent and much supported goals to reducing GHG emissions through 100% renewable energy by 2030, the earlier we move into a CCA, the more benefits to the city. Joining an existing CCA will facilitate an expedited launch.

Please direct staff to move forward with the next steps to analyze the process for the city to join an existing CCA. Please contact me at conservation@sierraclubnccg.org with any questions.

Thank you for your consideration,



Laura Hunter, Chair
Sierra Club NCCG Conservation Committee

cc.

Planning Commissioners

Jeff Epp, City Manager

Mike Strong, Community Development Director

Escondido Community Advisory Committee for Environment and Climate Action (ECAG)