



City of Encinitas *City Council's Office*

March 29, 2021

The Honorable Anthony Portantino
State Capitol, Room 3086
Sacramento, CA 95814

Catherine S. Blakespear
Mayor

RE: SB 612 (Portantino) – SUPPORT

Dear Senator Portantino:

Tony Kranz
Deputy Mayor

The City of Encinitas is pleased to submit a letter of support for your SB 612, which would ensure that resources held in the Investor Owned Utility (IOU) portfolios are managed to maximize value for all customers and would ensure fair and equal access to the benefits of these legacy resources.

Joe Mosca
Council Member

Over the last ten years, millions of utility customers have transitioned from IOUs to Community Choice Aggregators (CCAs). San Diego Community Power (SDCP) is a CCA that will provide renewable electricity service to about 770,000 customer accounts once fully launched, making SDCP the second largest CCA in California. SDCP successfully launched service to municipal customers on March 1, 2021, commercial customers will have their service launch in June 2021 and residential customers will begin service in early 2022. The City of Encinitas is a proud member of SDCP, with all city accounts currently receiving 100% clean power from SDCP.

Kellie Shay Hinze
Council Member

When a customer transitions to a CCA, the customer continues to pay for resources, like energy, that were procured on their behalf through the power charge indifference adjustment (PCIA). However, unlike an IOU customer, CCA customers receive no benefits from these resources. This inequity has been exacerbated in recent years as the cost of this payment has risen by hundreds of millions of dollars, with no sign of decreasing. The impacts of COVID-19 have made the importance of righting this inequity and lowering costs for all customers even more urgent.

Joy Lyndes
Council Member


Pamela Antil
City Manager

This bill would ensure fair and equal access to the benefits of the resources that all customers pay for and would ensure that these legacy contracts are managed in a way that maximizes benefits for everyone. The bill would also require the California Public Utilities Commission (CPUC) to recognize the value of GHG-free energy in legacy contracts and would increase transparency around how the IOUs renegotiate these contracts. However, time is of the essence. The longer the legislature takes to act, the less valuable these legacy contracts will be, and the less value customers will gain from access to them.

That is why we strongly support this bill and thank you for moving forward with this important legislation.

If you have questions, or wish to discuss our position, please do not hesitate to contact Crystal Najera at cnajera@encinitasca.gov.

Sincerely,



Catherine S. Blakespear
Mayor

CC: Senator Allen
 Senator Becker
 Senator Limon
 Senator McGuire
 Senator Stern
 Senator Wiener
 Assembly Member Bauer-Kahan
 Assembly Member Berman
 Assembly Member Bloom
 Assembly Member Boerner-Horvath
 Assembly Member Chiu
 Assembly Member Kalra
 Assembly Member Lee
 Assembly Member Levine
 Assembly Member Muratsuchi
 Assembly Member Rivas
 Assembly Member Ting
 Assembly Member Stone
 Assembly Member Wood