



PO Box 31241,
Santa Barbara CA
93130-1241

July 13, 2018

Goleta City Council
City Hall
130 Cremona Drive, Suite B
Goleta, California
via email: dlopez@cityofgoleta.org

RE: 7/17/18 Agenda Item F2: Community Choice Energy Technical Feasibility Study Results and Resolution of Intent

Chair
Katie Davis

Vice-Chair
Katie Mullin

Secretary
Luz Reyes-Martin

Treasurer
Jim Taylor

Executive Committee
Alex Pujo

Executive Committee
Martha Sadler

Executive Committee
Robert Bernstein

Dear Goleta City Council Members,

The Santa Barbara Sierra Club supports adopting the resolution "Affirming the City's Intent to Participate in Governance and Financing Discussions for a Proposed Community Choice Energy Joint Powers Authority."

Pacific Energy Advisers used realistic assumptions in their modeling based on actual power and financing costs in the many existing programs. Their projections are relied upon by financing institutions. As such, this study represents a real-world and practical approach that should give you the confidence to move forward as it would still be workable even if costs are higher than anticipated.

Community choice provides a way for Goleta to meet its goal of 100% renewable energy by 2030 as well as its Climate Action Plan and can provide residents additional benefits. Instead of profits going to SCE or PG&E, CCE revenues can be invested locally, resulting in more clean energy jobs, more energy choice and competition. Programs could save rate payer money through energy efficiency and low-income electricity support and generate business opportunities through programs like feed-in tariffs for solar or wind that allow local property owners to get paid for producing and storing electricity. By helping increase local energy generation, we would also reduce demand for power that must be transmitted from Ventura county, thereby increasing power reliability and grid resiliency.

There are 8,763 jobs in renewable energy and efficiency in Santa Barbara County. CCE could further build this sector.¹

Respectfully submitted,

Katie Davis
Chair, Sierra Club, Santa Barbara Group

¹ ADVANCED ENERGY JOBS IN CALIFORNIA (<https://info.aee.net/hubfs/PDF/california-jobs-report-2016.pdf>)



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July 12, 2018

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Deborah Williams

Mayor Perotte and City Council
City of Goleta
130 Cremona Dr., Ste B
Goleta, CA 93117

Re: Community Choice

Dear Mayor Perotte and Members of the City Council,

The Community Environmental Council has been working on Community Choice for over ten years and is very pleased to see the positive results from the Pacific Energy Advisors Study. We urge the City of Goleta to form a Joint Powers Agreement with other interested jurisdictions and authorize a Resolution of Intent to create a local Community Choice program.

Pacific Energy Advisors (PEA) are widely seen as the top consultants in the field. Their analysis is sound and based upon current data, unlike the first study's outdated numbers and model, and atypical assumptions. PEA works with existing Community Choice programs and has access to current energy pricing data, start-up costs, financial reserve practices, and staffing levels, which are critical to analysis of feasibility. Staff's review of these assumptions found PEA's analysis most in line with existing CCE reported values, while the original Willdan study assumed higher costs than existing CCE reported values in all four of these critical assumptions. River City Bank, who financed the majority of other CCEs, trusts PEA's feasibility studies in their loan decisions. **In short, the best consultant in the business has found that a local CCE program is highly likely to succeed.**

PEA projects \$4 million to \$24.6 million in annual profits that could be put back into higher renewable energy procurement, local programs, or bill savings. They expect that a local program could launch with a short-term bank loan, and pay it back within a year. Additional proof is in 17 existing CCEs who have launched and are now successfully operating in California, with four more launching soon.

The crux of the discussion is whether we can be competitive with SCE and PG&E. They are regulated monopolies, unused to competition, with shareholders and profit margins, highly compensated executives, and many wasteful programs. Our local CCE will be much nimbler, with a lower cost structure and programs that are responsive to local needs.



One exciting opportunity for Santa Barbara County is that we could build renewable projects using excellent Cuyama solar and Lompoc wind resources, and use them to meet the City of Goleta's 100% renewable electricity goals. This arrangement isn't currently an option under PG&E/SCE, but would be an option under a CCE. We could also design programs that local businesses and residents could benefit from, such as a local feed-in-tariff (so companies could build solar on roofs, carports, or landholdings and sell the energy to the grid) and favorable net metering policies (so residents could build solar on their roofs and receive a guaranteed rate). These programs are being offered by existing CCEs. All these options would increase local job growth.

Community Choice could also allow us to develop new programs such as power wheeling, where an agency could build renewable energy at one large, centralized site, with corresponding economies of scale, and utilize that energy at smaller sites, where construction is not possible or more expensive. A CCE program would unlock the ingenuity of the greater community to work on projects that would help the City achieve our Climate Action Plan goals.

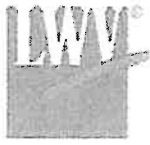
Our Community Choice governing board will be comprised of local elected officials like all of you, able to respond to local needs and be more directly accountable to our residents. One policy goal we'd like to highlight is to prioritize building local renewable energy projects and avoid using unbundled Renewable Energy Credits. While we understand it can take some years to accumulate sufficient funds to build new local renewable energy projects, the majority of Community Choice programs are now avoiding unbundled RECs and our program should as well.

For over 10 years, the Community Environmental Council has been strongly advocating for an in-depth and honest look at Community Choice as a powerful tool for our region – even participating as a funder in the original feasibility study. We are pleased that the process has resulted in a fair assessment of the potential for Community Choice, and urge you to vote to move forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Sigrid Wright".

Sigrid Wright, Executive Director, CEC



LEAGUE OF
WOMEN VOTERS®
of Santa Barbara

Santa Barbara County Board of Supervisors
105 E. Anapamu St, Suite 407
Santa Barbara, CA 93101

Re: Community Choice Energy to be taken up July 17, 2018

Dear Santa Barbara County Board of Supervisors:

The League of Women Voters of Santa Barbara is very encouraged by the positive CCE feasibility study and strongly supports the formation of an area CCE.

We understand this will require a commitment of both time and financial resources, but we feel there are important benefits that make these efforts worthwhile. The feasibility study and the experience of an increasing number of California CCEs have shown that the initial investment can be repaid in a matter of years and that a local CCE should be financially successful.

CCEs have been shown to be extremely effective in empowering action in several areas. They provide local action on Climate change by offering greener electric power than the utilities, and by supporting local programs in green energy production, green vehicle purchase and recharging, and home and business energy efficiency. These programs also form the basis for the local governments to comply with state mandated green house gas reduction.

By developing local energy projects and energy storage a CCE can help increase the reliability of our electricity supply and of our local grid. We can also reduce the costs of long distance power transmission, and the need for more natural gas peaker plants.

CCEs have been able to offer electric power at slightly lower costs than the utilities. This means lower costs for customers, local governments, and businesses. These savings are increased if customers take advantage of programs on solar installation and increased building efficiency. Because a CCE invests locally, it provides local jobs and benefits the local economy.

We now have the experience of other California CCEs in how to set up a CCE so that it is operationally transparent, provides for local input and control, and protects local governments and citizens from financial risk. We enthusiastically support the formation of our own CCE.

Lindsey Baker, Co-President of the League of Women Voters of Santa Barbara

Deborah Lopez

From: Paula Perotte
Sent: Tuesday, July 17, 2018 6:11 AM
To: Michelle Greene; Deborah Lopez
Subject: Fwd: Community Choice Aggregationb

FYI
Paula ~

Sent from my iPhone

Begin forwarded message:

From: Paul Relis <paulmrelis@gmail.com>
Date: July 16, 2018 at 9:54:00 PM PDT
To: <pperotte@cityofgoleta.org>, <skasdin@cityofgoleta.org>, <mbennet@cityofgoleta.org>, <krichards@cityofgoleta.org>, <raceves@cityofgoleta.org>
Subject: Community Choice Aggregationb

Dear Mayor and Council,

I am contacting you to request your support of Community Choice Energy at the July 17 Council meeting. Existing Community Choice Energy programs have proven to offer residents, businesses and governments competitive energy rates, local control of energy, cleaner energy, and jobs and economic development associated with new energy facility development.

Help the South Coast realize these benefits by voting to support Community Choice Energy.

Thank you,

Paul Relis
2670 Puesta del Sol
Santa Barbara, CA 93105