City of Encinitas

Office of
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April 18, 2017

The Honorable Steven Bradford
California State Senate
State Capitol, Room 2054
Sacramento, CA 95814

RE: SB 618 (Bradford) Load-Serving Entities: Integrated Resource Plans
Notice of OPPOSITION

Dear Senator Bradford:

I write to notify you that the City of Encinitas is opposed to your SB 618 because we believe it is contrary to the legislative and regulatory framework that governs locally established and operated Community Choice Aggregators (CCAs). Cities should have the opportunity to serve as aggregators for municipal operations or the community at large. Unfortunately, your bill takes the "Community" out of Community Choice.

The bill seems simple, since it mainly changes "review" to "review *and approve*," but that means that the California Public Utilities Commission (CPUC) must approve every CCA's Integrated Resource Plan (IRP). Since IRPs are required periodically, this will affect existing, and especially incipient CCAs, which could be stalled indefinitely.

This proposal runs contrary to the legislative and regulatory framework that promotes local creation and regulation of CCAs. CCAs are nonprofit agencies formed to respond to and invest in the needs of their communities. SB 618 proposes to shift the decision-making authority on power contracts from locally-elected officials to the CPUC. Taking decision-making out of the hands of CCAs dismisses the purpose for creating CCAs, and would remove their ability to procure electricity at the local level.

CCAs have a mission to provide reliable, clean, and affordable power while addressing the needs of their communities. They are governed by boards consisting entirely of local elected officials who are directly accountable to their ratepayers and voters. Transferring decision-making away from the community is contrary to their purpose.

Local governance with extensive public input is already required for CCAs, rendering this bill unnecessary and contrary to the legislative and regulatory framework that is already in place. For these reasons, the City of Encinitas must oppose SB 618.

Sincerely,

Catherine S. Blakespear
Mayor

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cc: Senator Patricia Bates
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