



San Diego Community
Choice Alliance

July 20, 2018

CPUC Public Advisor
505 Van Ness Ave.
San Francisco, CA 94102

Submitted via email to: public.advisor@cpuc.ca.gov

RE: Written Public Comments (A.17-10-007/008)

Dear Public Utilities Commission:

The San Diego Community Choice Alliance (SDCCA), comprised of business, community, environmental, and social justice organizations, writes to express its concerns and opposition against the San Diego Gas and Electric Company's ("SDG&E") General Rates Case ("GRC") application to increase their revenues in 2019, which would result in nearly a 20 percent increase in our monthly bills. Specifically, SDG&E proposes as part of their GRC application, to purchase the Otay Mesa Energy Center and impute the \$280 million cost of this plant purchase onto their ratepayers.

Specifically, the purchase of this fossil fuel plant would make it more difficult for and discourage the formation of Community Choice Aggregation ("CCA")—something that the San Diego City Council is also expected to make a decision on later this year. If the Commission allows SDG&E to purchase the Otay Mesa plant, the addition of the \$280 million capital expenses to the SDG&E rate base will result in a higher cost of CCA energy. This is because the purchase will more than likely result in additional Power Charge Indifference Adjustment ("PCIA") charges which will increase costs on departing load and hamper the development of CCAs in SDG&E service territory. This increased cost burden on CCAs could make their formation in SDG&E's service territory infeasible, and is not the direction the Commission should go.

The purchase of the Otay Mesa Energy Center is wholly unnecessary during a time California should be moving away from fossil fuels, and contrary to the San Diego Climate Action Plan's goal of obtaining 100 percent renewable power procurement by 2035, and state law's legal mandate to procure 50 percent renewable power by 2050.

The SDCCA urges you to stand up for just and reasonable rates for ratepayers, and deny SDG&E's proposal to purchase the Otay Mesa Energy Center. The proposed purchase is bad for consumers, and bad for the climate.



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Sincerely,

San Diego Community Choice Alliance

Members of SDCCA include: Alliance San Diego; Business for Good San Diego; Climate Action Campaign; Environmental Health Coalition; Greenpower; San Diego 350; San Diego Energy District; Sullivan Solar Power; the Center on Policy Initiatives; the American Federation of Teachers Guild Local 1931; and the California Nurses Association.