



May 12, 2020

Hon. Mayor Christina Shea  
Hon. Vice Mayor Michael Carroll  
Hon. Council Member Anthony Kuo  
Hon. Council Member Farrah Khan  
Hon. Council Member Melissa Fox  
City Manager John Russo  
Public Works Director Mark Steuer  
Sustainability Manager Sona Coffee

RE: Item 3.1: Support for Rate Relief and Economic Recovery Through Community Choice Energy

Dear Mayor and Council,

During this COVID crisis, Irvine families are looking for relief and recovery. Families need help paying bills and landing on their feet.

One of the most promising solutions for Irvine families is finally having the freedom of choice in their electricity provider, and containing the cost of electricity (if not reducing the cost). This rate relief and competitive power cost will be pivotal as our economy spends the next few years recovering from this crisis, and families seek relief from any and every area of their monthly expenses. It is only through the market solution of launching Community Choice that we will finally have competition in the marketplace to help put a downward pressure on energy costs.

Community Choice Energy will also be one of the few economic bright spots bringing new revenue into our local government coffers. Right now, SCE profits off the back of Irvine families by providing electricity at marked up rates, and keeps that profit for their Executives and shareholders. Community Choice, as a non-profit public agency, turns that business model upside down. Community Choice will instead reinvest any revenue back into the pocketbooks of Irvine families and back into Irvine neighborhoods.

Community Choice is a win-win-win program model that has unparalleled benefits and opportunities during this scary economic time. Unfortunately, it appears that the City Manager is attempting to slow down rate relief and the introduction of an economic solution to Irvine families during this pandemic. You must help stop this delay and expedite action.

Specifically, Climate Action Campaign is concerned about what we see tonight because:

- 1) The updated study has not been finalized in accordance with the timeline promised by the City Manager at the last public hearing on this matter, and no communication about that delay or the reason for the delay has occurred;
- 2) The proposed new timeline for the Updated CCE Report is not due until late June or July, which will threaten Irvine's ability to launch by the end of the year, as Mayor and Council voted to do, and there is no reason to suggest that much time is needed by the consultant MRW;



- 3) The City Manager has yet to sit down and meet with other cities to map out a path to JPA partnership, per your earlier direction. Irvine did send out a letter asking for interest in partnership and received a high level of interest, but the City Manager has yet to pursue engagement further. Sending a letter is only Step One -- there must also be a series of meetings to solidify partnership parameters;
- 4) The powerpoint identifies areas of concern about launching a CCE without citing the source or sources, and in fact appears to be the opinion of the City Manager only;
- 5) The final slide has a City Manager recommendation seeking input from interested cities in late June or July. However, the specific direction from the Mayor and Council was to go out and find partners, not seek input. Delaying JPA formation negotiations with committed cities means the CCE implementation plan may not be ready in time for the December 31st CPUC deadline. We strongly urge the council to begin partnership meetings now; and finally and maybe most importantly,
- 6) The City Manager appears to be finding new reasons to obstruct and delay -- if not prevent - the launch of CCE. This is unacceptable defiance of Mayor and Council direction.

It is rare for local governments to be able to offer good news and positive solutions to families during this devastating pandemic. Community Choice is that rare exception. We urge you to bring back the updated study by EARLY JUNE, hire an experienced advisor to lead negotiations with other key cities such as Costa Mesa and Newport Beach, and require the City Manager to provide you and the public with monthly updates on progress with JPA formation.

Thank you for the opportunity to participate this evening, and we look forward to working with you to launch this game-changing program to bring families rate relief and economic freedom.

Sincerely,

**Jose Trinidad Castaneda III**

*Orange County Climate & Energy Advocate & Organizer*

*Climate Action Campaign*

[jose@climateactioncampaign.org](mailto:jose@climateactioncampaign.org)

(619) 419-1222 Ext 708