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Mayor Mary Casillas Salas and City Council City of Chula Vista 276 Fourth Avenue Chula Vista, CA 91910

Re:

City of Chula Vista Climate Action Plan

Honorable Mayor Casillas Salas and Distinguished Councilmembers:

San Diego Gas & Electric Company (SDG&E) shares the City of Chula Vista's (the City) ambitions for achieving reductions in greenhouse gas (GHG) emissions in your aggressive and forward thinking Climate Action Plan. As we have discussed, your Plan aligns well with our mission of building the cleanest, safest, and most reliable energy company in America.

Through the City's climate efforts, the City has been applauded globally for its continued leadership tackling climate change. Similarly, SDG&E is the State's clean energy leader. We are the only California utility to deliver more than 40 percent of our energy from renewable sources and we are forecasted to reach 49% by 2021. SDG&E continues to be well ahead of the State mandate to achieve 50% renewable energy by 2030. At SDG&E, we recognize and embrace the important role that we have and must play by providing energy resources that you can depend on every day and night, including from clean sources. While we are proud of our work to date to reduce our carbon footprint, we want you to know that we look forward to continuing our long partnership with the City, to help the City achieve its climate goals now and in the future.

The City's CAP indicates, reaching the City's GHG goals will require a host of thoughtful and complementary efforts. SDG&E has a tailored suite of complementary tools that we have provided the City via our Clean Energy Plan and CAP comments, to support the City's agenda. We strongly believe that GHG reducing actions, such as those in energy efficiency and electric vehicle promotion, should remain a central focus for the City. SDG&E plans to support the City in a more comprehensive manner to meet our mutual objective of improving the lives of those in our communities through a cleaner energy future. We have a long-standing commitment to our community and we have the skills, expertise, and track record required to foster achievement of the City's climate vision.

SDG&E is your Partner in Achieving GHG Reductions

For over a decade, SDG&E has had the privilege of partnering with the City to reduce its carbon footprint and to provide safe, reliable, and increasingly renewable energy to the residents of Chula Vista. SDG&E acknowledges the City is a model for energy efficiency throughout California and beyond. Our partnership with the City is intended to help reduce GHG while simultaneously supporting families and businesses lower their energy costs and benefit from increased job creation and growth in the energy industry.

A few of our shared accomplishments through SDG&E programs are highlighted below:

- Between 2010 and end of year 2016, the City saved over 3,140,367 kWh of Energy Efficiency through SDG&E's Customer Programs and received over \$779,000 through incentives. The electric savings were enough to power 523 homes for a year.
- Between 2010 and end of year 2016, the City's Green House Gas emission was 2,207 Metric Tons (MTCO2e) or the equivalent to 700 tons of waste recycled instead of landfilled. The carbon sequestered amounts to preserving carbon from 2,089 acres of forested land for a year.
- Between 2010 and end of year 2016, the City saved over 36,600 Gas Therms through SDG&E's Customer Programs and received over \$54,469 through incentives.
- In 2016, almost 11,000 "hard-to-reach" individuals were engaged through programs supported by our partnership such as the Empower Hour (youth), Library Energy Lounges (seniors & others) and the Green Homes for All (low-income households) programs. Most recently, SDG&E and the City launched an energy efficiency curriculum, intended to support 6th grade level students.
- Last year, City staff provided over 600 local businesses with energy and water evaluations and 75 residents requested a free Home Energy and Water Checkup.
- To better assist developers in complying with energy code, the City continued to staff the "Sustainability Desk" to assist staff and developers with more than 103 one-on-one meetings related to energy code issues.
- In coordination with SDG&E and SANDAG, Chula Vista continues to lead the "South Bay Energy Action Collaborative" which provides technical and program peer support to smaller neighboring cities to catalyze energy efficiency initiatives in their communities. Thus, 420 business energy evaluations were conducted in National City.

SDG&E is your Partner in Clean and Renewable Energy Procurement

SDG&E continues to provide more grid delivered clean energy than any other utility in the nation and our carbon footprint is almost half of the national average. However, we understand many of our customers want more clean energy solutions. For these customers, SDG&E designed the EcoChoice program, which supports all our customers (residential, commercial, agricultural, businesses, or municipalities) who have further environmental preferences and goals for their energy use. EcoChoice offers an immediate and cost-effective way to reduce carbon emissions through the purchase of up to 100 percent clean renewable energy directly from SDG&E. EcoChoice requires no construction or upfront costs. Municipal customers, like the City, can designate eligible individual city facilities (i.e., City Hall, parks, libraries, etc) on EcoChoice to receive between 50 and 100 percent of the energy they use to come from renewable sources. SDG&E procures renewable energy for EcoChoice from renewable energy generating facilities built specifically for the program. SDG&E is authorized by the California Public Utilities Commission (CPUC) to build 59 MW of new renewable generation in San Diego County and the Imperial Valley to support EcoChoice.

¹ New renewable energy facilities take time to build and a temporary pool of Southern California solar facilities (Interim Pool) will be used to serve the program until new renewable generating facilities come online. New facilities built for EcoChoice will be located in San Diego County or the Imperial Valley.

Additionally, in the City, we are proud of the fact that we have 7,000 Net Energy Metering customers (65% of which are residential) with the generating capacity of 45.5 Megawatts. We are enabling our customers to go green directly by offering an online application that makes the private solar rooftop interconnection process fast and convenient for new solar adopters—it is the fastest approval time in the state. SDG&E employees also invented a Renewable Meter Adapter device which helps customers bypass electric panel upgrades often needed to install private solar systems. This innovation, combined with our fast track process, has helped more than 110,000 customers install private solar.

SDG&E is your Partner in Supporting the City's Smart City Goals

SDG&E also continues to support the City's Smart City goals as a technical advisor on grant applications before the California Energy Commission, and is working closely with the City as a key partner in the implementation of Assembly Bill 2868 which will support the installation of key energy storage projects in critical sites as determined in the 2018 Energy Storage Procurement and Investment Plan, which is slated to be approved by the CPUC in 2018.

SDG&E is also working with the City to install over 120 electric vehicle (EV) charging stations at city locations including City Hall, Public Works and the Police Department, as part of our Power Your Drive Program. The goal of the initiative is to expand access to EVs in the community, reduce harmful emissions and maximize the use of clean energy for charging EVs.

The CPUC also recently approved the design of a street light metered rate that will allow the City to further enhance its Smart City goals with the ability to install sensors that monitor parking availability, air quality and security measures on existing street lights – all intended to enhance the quality of life of the City's residents.

Finally, as a part of SB350, SDG&E has proposed seven transportation electrification projects which include benefits for the City, such as a plan to electrify local highways at four Caltrans Park-and-Ride locations including one on Palomar Street off the I-805 in Chula Vista; medium-duty/heavy-duty and forklift port electrification; charging infrastructure and vehicle incentives to encourage taxi owners/companies, shuttle bus owners/companies, and rideshare drivers/companies to lease or purchase EV's; dealership incentives; and a residential charging program expected in 2018.

We continue to be grateful for the Mayor, Council, and staff's focus and efforts on climate issues, and with the right plan of action, we can leave the region, California and the world a better place for the next generation. SDG&E is committed to continuing our partnership with the City and pleased to lead several customer initiatives that directly support the City's CAP objectives.

Sincerely,

Eugene "Mitch" Mitchell

Vice President, External & State Legislative Affairs

San Diego Gas & Electric Company

CC:

Gary Halbert, City Manager Eric Crocket, Director of Economic Development