

August 25, 2020

Honorable Mayor and Council Members
City of Long Beach
411 W Ocean Boulevard, 11th Floor
Long Beach, CA 90802

Re: Community Choice Aggregation

Honorable Mayor, Councilmembers, and City Commissioners,

As LBC residents and voters, we applaud your efforts. We respectfully request your unanimous vote to direct City Staff to complete a Community Choice Aggregation feasibility study and implementation plan. Additionally, we request you take quick action on August 25, and vote to:

1. Receive & File the CCA report
2. File a letter of interest with Clean Power Alliance (CPA)
3. Direct City Manager to prepare a study that analyzes CCA governance options including forming a stand-alone City enterprise, creating a new Joint Powers Authority (JPA) with another interested public agency, or joining an existing JPA
4. Direct staff to provide monthly updates on progress working with CPA, results of the study on governance options, and steps to file an implementation plan by year-end.

The Moment is Now

Today, Black Americans are dying at a rate of 2:1 compared to White Americans from COVID-19¹. The World Health Organization says dirty air, both indoors and out, cuts short seven million lives annually worldwide. Air pollution is now the biggest environmental risk for premature deaths each year from heart attacks, strokes, diabetes, and respiratory diseases like COVID-19.² In Long Beach, Black residents have the highest rates of hospitalization for heart disease, diabetes, and asthma compared to other races/ethnicities.

We can no longer maintain the status quo, or wait for a grand moment to change how we procure our energy. What we're doing now is not working. The moment is now.

We have been working with the community for over four years, advocating to give ratepayers real choice, transparency, and accountability. We believe this is the time to institute a Resilient

¹ LA COUNTY

² World Health Organization

Recovery that includes local jobs, Community Benefits, Clean Energy, and rate payer choice. We hope you read past the staff letter, to the MRW report to have a better understanding of the opportunities possible for Long Beach.

The MRW Report

The feasibility study completed by MRW & Associates in November 2019 was thorough and provides substantive guidance for next steps. Regardless of the City Staff letter, the conclusion provided by MRW states that:

- Community Choice Aggregation (CCA) could potentially be financially feasible for Long Beach.
- Market power prices could be mitigated by wholesale power market prices
- Larger rate payers taking service at SCE Tariff TOU-8 subtransmission voltage (a subset of the largest industrial users) cannot currently compete on rates alone.
- Achieving GHG reductions requires the CCA to do more than just meeting the state renewable requirements; it requires the CCA to either acquire power from large hydroelectric facilities (which are carbon-free but do not qualify as “renewable” under State law) at an unknown premium price or dramatically increase the renewable content of the power beyond that required by the State.

And finally, concludes by stating:

- Long Beach’s two primary options for CCA are forming a City-only enterprise or joining with the Clean Power Alliance (CPA), the CCA currently serving large portions of Los Angeles and Ventura Counties. The primary benefits of forming a Long Beach-only CCA are more local control over procurement practices and budgets, and services better tailored to Long Beach. The primary benefits of joining CPA are the reduced risk and security of joining with an already-operating entity and reduced administrative burden on City Staff, both in CCA formation and in ongoing management.
- A Long Beach CCA can possibly result in economic and employment benefits to the region by offering lower rates, directly employing residents, and causing local renewable energy and other projects to be built. However, the CCA should not be seen primarily as a tool for local economic development; there are likely other less complex and risky ways to pursue economic development goals.

Reading the report, there is nothing to deter Long Beach from filing a letter of interest with Clean Power Alliance. This step would allow for the Clean Power Alliance to complete their due diligence and explore if bringing Long Beach into CPA would make economic sense. This would begin the process that would allow for them to file an implementation plan by the 12/31/2020 deadline. At the same time, the city staff should prepare a study that analyzes CCA governance options including forming a stand-alone City enterprise, creating a new Joint Powers Authority (JPA) with another interested public agency, or joining an existing JPA.

Any council vote less than this would fail Long Beach Residents that are demanding real change in this historic moment. The City **declared racism as a public health crisis** and has begun working to reconcile structural racism through a [Framework of Reconciliation](#). A significant part of this public health crisis is the environmental harms that are disproportionately experienced by our Black communities and communities of color. It's never been more clear that what we need is a **Resilient Recovery** that addresses the systemic racism towards communities of color, and is focused on closing the income gap and the climate gap.

We do not doubt Long Beach's commitment to reducing health inequities, increasing job opportunities for disadvantaged communities, and reducing the economic impacts of the climate crisis. **We just ask that you move swiftly.**

We thank you for your leadership. We look forward to participating in the convening sessions for the Framework for Reconciliation where appropriate, and we commit to being a resource to the City and policymakers in this process.

In Community,

Organizations:

California-Mexico Studies Center

California Alliance for Community Energy

Climate Action Campaign

Green Education Inc.

GRID Alternatives-Greater Los Angeles

Long Beach 350

Long Beach Environmental Alliance

Long Beach Forward

Long Beach Grey Panthers

Sierra Club, Long Beach Area Group

Sierra Club, My Generation Campaign

South Coast Interfaith Council

Surfrider Foundation Long Beach

Universalist Unitarian Church of Long Beach, Green Team

Individuals:

Sona Coffee, Chair Sustainable City Commission

Clay Sandidge, Chair Long Beach Community Choice Energy Working Group

Sokha Ny, Co-Founder Long Beach Environmental Alliance

Pastor Scott Fritz, Trinity Lutheran Church

James Suazo, Associate Director, Long Beach Forward

Mary Duong at Clergy and Laity Unite for Justice (CLUE)

Luz Vazquez-Ramos

Nancy Valencia

Annette Quintero

Marianne Buchannan

Dylan Steward

Kelsey Stewart

Juan Benitez

Jim Stewart

Gabrielle Weeks

Stella Ursua

Mayor Robert Garcia and Members of the City Council
City of Long Beach
Via Email

August 25, 2020

Re: City Council Agenda Item 10, August 25, 2020
Community Choice Aggregation (CCA)

Dear Honorable Mayor and Councilmembers:

I am writing in support of Agenda Item 10, and recommend rejection of Agenda Items 7 and 8, relating to Community Choice Aggregation.

My name is Ron Gastelum. I am a principal in Water Conservation Partners, a water supply company specializing in water conservation, storm water collection and recycling.

I am also a former CEO of the Metropolitan Water District of Southern California, where I managed MWD's extensive water and electrical energy facilities. I serve on the Board of Trustees of The Nature Conservancy. I do not now, and have never worked for SCE, or any other retail electrical energy supply company or agency.

There are three reasons for my recommendations:

1. Like water, electrical energy is an essential public service. A reliable and affordable supply of these essential services is foundational to the health and prosperity of our community. Like our guaranteed fundamental Constitutional rights, proposed material changes and impacts should be strictly scrutinized and held to the highest standard of care.
2. While we must work diligently to meet the challenge of Climate Change and pervasive inequities in our society, we must do it smartly. Changes in the City's electrical energy service are ongoing, and will continue to be required to keep pace with the needs, including doing our part to meet the challenge of global Climate Change. However, it is vital that proposed changes and solutions be directly relatable, in specific measurable terms, to the potential costs and benefits to the City's residents and businesses. There is no room for guessing or pursuing aspirational goals with unknown consequences in the very serious business of providing essential services to the public.
3. The cost and reliability of electrical energy service is of paramount interest to our residents and small businesses least able to afford rate increases, or

take risks that could affect reliability. We owe them, as well as everyone in the City, a CCA study process that errs on the side of more study, transparency, and public information. In this process, the public should be informed in plain language how proposed changes could affect their electrical rates and service, and the environmental conditions in the neighborhoods where they live and work. They should also be given multiple opportunities to ask questions and offer their own opinions.

The proponents of CCA are to be commended for looking for new ways to deal with today's environmental challenges. Although the CCA promise is no longer to produce lower rates, which was the original premise, the movement has spurred regulated utilities to look at themselves more critically and try harder to compete for our business.

We are actually in a good position to take our time to study the facts and opportunities. Because of our size and capabilities, we can develop a smart strategy to pursue the course that will work best to meet our particular circumstances and needs. It is way too early to really know what our hand is, much less to show it!

With the great uncertainties facing cities in today's economy, including from the pandemic, the best course is the cautious one.

Respectfully submitted,

Ron Gastelum

Cc: The City Manager

From: Padric Gleason Gonzales [mailto:padric.gleason@gmail.com]
Sent: Monday, August 24, 2020 4:32 PM
To: CityClerk <CityClerk@longbeach.gov>
Cc: Council District 1 <District1@longbeach.gov>
Subject: Public comment for Agenda Item #10 for 8/25 City Council Meeting re: CCA

-EXTERNAL-

Energy competition is essential for combatting climate change. Residents demand increased renewable energy options. The climate crisis cannot be deferred. Inaction today means more extreme heat events impacting senior residents, more sea level rise damaging our harbor, and more toxic emissions creating asthma in our children. I oppose a 2-year deferral on the topic of CCA and I encourage the council to defer for only 1 year. Further, the Council must APPROVE THE CAAP, which has lingered in draft for over one year since it was first presented to the Council. The climate crisis is here right now. CCA is just one small action that the city should prioritize in response.

Padric Gleason Gonzales