

3-31-2017

Mayor Robert Garcia
Long Beach City Council Members
City of Long Beach
333 W. Ocean Blvd
Long Beach, CA 90802

Dear Mayor Garcia and Members of the Long Beach City Council:

It is my pleasure to offer an endorsement and to lend support for the adoption of the South Bay Clean Power (SBCP) Business Plan as presented to the City of Long Beach.

As a local energy practitioner and renewable energy professional with years of experience as an energy service company, serving renewable energy projects and developing technology products throughout the region, I have a broad view and perspective on what it takes to build a solid business plan to transition to 100% renewable energy.

I met Joe Galliani of South Bay Clean Power last July and immediately recognized the wide array of opportunities available to the City of Long Beach in adopting a CCA. Joe has been generous with his time and we have worked together to share the vision of a Long Beach CCA with a variety of Long Beach stakeholders. We have strong mutual belief that following the SBCP plan's approach would work as well for the City of Long Beach, as it will for the South Bay Clean Power cities – a belief shared by their partners in the International Brotherhood of Electrical Workers Local 11 and Los Angeles National Association of Electrical Contractors.

Based on my experience in implementing renewable energy, energy efficiency, energy storage, electric transportation and advanced power grid technology solutions, I believe that the SBCP Business Plan provides an effective and achievable direction for advancing and achieving their goal to supply 100% renewable energy, including distributed energy resources (DER) and advanced transportation/storage solutions for the benefit of the communities they serve.

The goals and objectives they and their plan pursue should be easily embraced by the City of Long Beach based on the city's climate and sustainability goals. I speak specifically of these stated goals:

- A firm target of achieving 100% renewable power, within 10 years of the CCA's launch.
- No use of Category 3 unbundled Renewable Energy Certificates (RECs) to achieve our 100% renewables goal;
- A Distributed Energy Resources model (DER, which refers to distributed renewable power generation, storage, energy efficiency, demand response and electric vehicle infrastructure) with a Los Angeles County-wide buildout of infrastructure to maximize regional DER potential;
- A focus on local economic investment, local power generation, local infrastructure, local jobs, local educational, training and career opportunities;
- A partnership with labor – including project labor agreements, community benefit agreements, sustainable workforce agreements, job training, and apprenticeship program;
- A program focus and emphasis on environmental justice in frontline communities where economic, workforce, and health needs are the greatest.

The proposed SBCP business plan not only successfully provides the actionable and comprehensive steps required for Long Beach and the SBCP cities to achieve South Bay Clean Power's ambitious goals and objectives, it does so in a clearly defined, very transparent, well-managed action plan, with a particularly responsible focus on risk mitigation, accountability and cost containment.

The key driver for local job creation and the build out of local infrastructure is the SBCP business plan's full-fledged and quantifiable commitment to Distributed Energy Resources. Experience proves that the local jobs and economic investment generated by a DER-centric CCA don't actually happen unless the DER model is incorporated into operations from its launch - starting with the issuance of the initial RFPs. The SBCP business plan does exactly that. We believe that without this serious commitment to a distributed energy- focused future, achieving the goals and objectives shared above would not be possible.

We are in agreement with the SBCP Business plan's regionally focused approach to governance and believe that the diversity of LA County and our region makes that model essential for a CCA to achieve its potential to deliver the local resources that provide grid stability, the ability to integrate large percentages of renewables, and to provide community resiliency and security.

I strongly support a regional "JPA of CCAs" approach for Long Beach to work with SBCP and other Los Angeles County CCAs as opposed to having all cities join a singular Los Angeles County JPA.

The JPA of CCAs approach, which would deliver the same economies of scale that a County-based JPA offers but without the management risks that come with a potential 80 plus-member Board is the well thought out solution offered by the SBCP business plan.

Of particular note is that this proposal is also based on the best practices of the municipal utility industry and offers each group of like-minded cities the opportunity to enjoy the benefits that local control and jurisdiction can bring to a community.

I embrace the Plan's emphasis on creating well paid, local, green jobs that pay family sustaining wages and provide long term careers, offering quality of life and stability for our communities.

In Long Beach alone there is tremendous opportunity for DER in working with the Port of Long Beach and its tenants on specific microgrid deployment, upgrading the SERRF facility to a cleaner more productive and higher MW output, energy enhanced desalination projects and a robust residential DER buildout.

Muni-Fed Energy is already working with various clean energy companies for residential DER including; thermal energy storage, solar, battery storage and smart data that uses powerful analytics to process your utility's Green Button Data and delivers this data directly to your smartphone. This exciting technology is a perfect fit for SBCP's emphasis on maximizing energy efficiency as part of its DER focus. A simple app identifies a property owner's real world energy-saving opportunities based on a home's actual energy consumption, and then recommends rebates, incentives and programs, to help residential consumers save on their utility bill.

The SBCP Business plan's direction to employ a non-profit energy services provider like ACES, The Energy Authority or Northern California Power Authority (NCPA) instead of for-profit wholesale power providers like Shell and Constellation Energy, is another element that we strongly recommend.

Employing an experienced non-profit energy services provider owned by multiple municipal utilities to perform comprehensive energy risk management services for the South Bay Clean Power CCA is the right solution for the scale and scope of a Los Angeles County-sized CCA program. This same approach is most appropriate for a Long Beach CCA as well.

Finally, because the SBCP's business plan provides a comprehensive regional and DER-focused approach it makes possible the goals to help impacted community as a priority. Without the robust DER build-out being called for it is impossible to place the necessary focus and emphasis on environmental justice for frontline communities where the economic, workforce, and health needs are the greatest.

The two cities with have the largest power loads in the South Bay Clean Power program, Torrance and Carson, are also two cities with oil refineries where health and environmental impacts deserve series attention. Long Beach has similar environmental challenges and impacts – and we believe the South Bay Clean Power Business Plan provides the attention and responses that address these environmental justice issues.

We appreciate this opportunity to share our professional opinion on this very important issue with you. I thank you for your time and consideration and should you have any questions, please do not hesitate to reach out. My phone number is 713-321-3346.
Sincerely,



Clay Sandidge, President