

# CITY OF SUNNYVALE

*The Heart of Silicon Valley*<sup>sm</sup>

456 WEST OLIVE AVENUE SUNNYVALE, CALIFORNIA 94086 (408) 730-7480

Jim Griffith  
Mayor

April 14, 2014

Jim Davis  
Vice Mayor

The Honorable Steven Bradford  
Chair, Assembly Utilities and Commerce Committee  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0062

David Whittum  
Councilmember

Pat Meyering  
Councilmember

**RE: Assembly Bill 2145 (Bradford) - Electricity: Community Choice  
Aggregation - OPPOSE**

Tara Martin-Milius  
Councilmember

Dear Assembly Member Bradford:

Glenn Hendricks  
Councilmember

I am writing on behalf of the City of Sunnyvale to express opposition to AB 2145 (Electricity: Community Choice Aggregation). The proposed legislation limits community choice, runs contrary to the original intent of AB 117 by changing the fundamental Community Choice Aggregation (CCA) participation mechanism, and undermines California's environmental goals. CCAs are successfully meeting local community needs under existing provisions established by AB 117; the changes proposed by AB 2145 are not needed.

Gustav Larsson  
Councilmember

Current City of Sunnyvale policies place a high priority on environmental management, sustainability, and renewable energy. For example, City Council Policy 3.5.1 Energy specifies supporting efforts to provide affordable, reliable, diverse, safe, and environmentally acceptable power to the citizens and businesses of Sunnyvale. Sunnyvale is currently striving to reduce greenhouse gas emissions as part of the state's AB 32 legislation. We believe AB 2145 will negatively impact our City's ability to accomplish our emission reduction goals and limit the renewable energy options available to our residents and businesses.

## AB 2145 Limits Community Choice

Most residential customers in California, the majority of those who could be served by a community choice aggregator, do not have the opportunity to choose an alternate utility provider. This bill limits the

options of communities that have chosen or would like to create a local, public, not-for-profit alternative that offers customers greater choice in choosing clean energy.

AB 2145 Runs Contrary to the Original Intent of AB 117

AB 117, which authorized Community Choice Aggregation in California, intentionally structured CCAs as an “opt-out” program. The goal of AB 117 was to level the playing field for CCAs that wanted to enter a monopoly market, so there could be alternative choices for customers. Today, monopoly investor owned utilities (IOUs) dominate the industry, leaving no or little choice for other market entrants with motivations other than profit. AB 2145 serves the interests of for-profit IOUs by locking the market in favor of the existing utilities.

AB 2145 Undermines California’s Environmental Goals

A CCA “opt-in” program, as proposed by AB 2145, would not generate the large increase in renewable energy purchases and greenhouse gas (GHG) emission reductions that occur as part of implementing CCAs. For example, Marin Clean Energy (MCE) provides more than twice as much renewable energy as PG&E, and MCE’s most recently published GHG emissions rate is 19% lower than PG&E. In addition, Sonoma Clean Power is offering a 100% local renewable energy source to its customers. Defaulting customers to an IOU provider with a higher GHG emissions rate runs counter to AB 32’s goals and undermines California’s climate change prevention initiatives, many of which are spearheaded by local governments.

AB 2145 is Not Needed

Under existing law, customers can easily make a choice when a CCA begins offering service in a new community. There is a four-month public noticing process with the requirement of at least four opt-out notices sent to every customer. In addition, customers can easily opt out during or after the public noticing process. There is no such opt-out option available to IOU customers.

For these reasons, we urge you oppose AB 2145 (Bradford) and support community choice. Thank you for your consideration of our position. Please do not hesitate to contact me or John Stufflebean, Director of Environmental Services, at (408) 730-7954 if you have any questions.

Sincerely,



Jim Griffith  
Mayor

cc: City Council  
Robert Walker, Interim City Manager  
John Stufflebean, Director of Environmental Services  
Assembly Utilities and Commerce Committee  
Martha Guzman, Deputy Legislative Secretary, Governor’s Office