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From: henkinp@earthlink.net
To: Desmond, Jim; Anderson, Joel; MontgomerySteppe, Monica; Vargas, Nora (BOS); Lawson-Remer, Terra
Cc: FGG, Public Comment; San Diego UT Community Op Ed

Subject: [External] MOU WITH SAN DIEGO COMMUNITY POWER (Please Include with documents for Land Use agenda #5)
Date: Saturday, December 7, 2024 6:48:15 PM

Hi Supervisors,

In August, The CPUC authorized San Diego County to enter into an MOU (memorandum of understanding) to create the SDREN [San Diego Regional Energy Network.]

Per item 3 (page 1,) of the proposed MOU, the currently approved SDREN [San Diego Regional Energy Network ,] “includes energy efficiency programs for the residential, commercial, public, and cross cutting (i.e., workforce education and training and codes and standards) sectors.”

Item 6 (page 2) says “San Diego Gas and Electric (“SDG&E”), the investor owned utility with territory in the Agencies’ jurisdictions, is authorized to serve as the fiscal agent for SDREN and to collect funds to support the SDREN budget.” In other words, we will be paying extra to SDGE for processing the invoices and bills.

SDG&E will provide quarterly advances from the “special purposes fund” line item on your monthly bill to SDCP (SD Community Power) who will normally review and pay the County apparently for a bunch of costs, like training, marketing, and energy efficient programs, which SDG&E doesn’t do enough of now. Then, SDCP will reimburse the County but (p.3) only if it has the funds.

The County will also pick up some costs. In fact, the FISCAL section of the Board Letter admits “There may be costs associated with outreach, marketing, and/or printing materials to support program development and implementation. These costs are not recoverable under the MOU but are included in FY 2024-25 Operational Plan in the Land Use and Environment Group Executive Office. The funding source is General Purpose Revenue in the Office of Sustainability and Environmental Justice.”

In fact, the MOU says “advancements,” not ‘advances.’ This needs to be corrected.

The Board Letter says we won’t, but since this is a low-income program and the number of low-income people in this county is increasing for now, people who have mid to high incomes can expect to pay more on their utility bills. Also, unrecoverable costs the County pays may result in more taxes. And of course, we do not know what may be approve later, after 8 years, the Board Letter says, probably resulting in even higher costs to the ratepayer.

So I think this MOU is a good start, but needs a stronger financial process to ensure that we do not pay all these costs either on our utility bill or as taxes.

Regards,

Paul Henkin