



CUPERTINO CITY COUNCIL

CITY HALL

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March 20, 2018

The Honorable Kevin de León
State Capitol, Room 205
Sacramento, CA 95814

RE: SB 100 California Renewables Portfolio Standard Program Notice of Support

The City of Cupertino applauds your effort to accelerate the timeline of California achieving 100% carbon free. It is essential that local governments and the State aggressively implement strategies to reduce our greenhouse gas emissions, take leadership on climate action and move to rapidly decarbonize.

Currently, the IOU's in California have an average of 30% Resource Portfolio Standard (RPS). The CCAs operating in the State have an average RPS of 50% cumulatively, well exceeding any other load serving entities within the State.

The City of Cupertino is in support of the concept of moving towards 100% carbon free electricity outlined by SB100, yet we believe it can happen sooner than 27 years from now. Currently, the City of Cupertino's default electricity provider is Silicon Valley Clean Energy (SVCE), which provides 100% carbon free electricity, well exceeding the average in the State. As a Community Choice Aggregator (CCA), SVCE has rapidly procured clean electricity during its first year of service and is currently looking to procure a combined \$1 billion dollars' worth of all new renewable energy plus storage for 15-20 years to address the timing imbalance between peak demand and renewable energy production, also known as the duck curve. Also, at the end of its first year of operation, the agency is cash flow positive, with customers paying less than they would to PG&E. SVCE is proof that 100% carbon free electricity can be achieved today in a cost effective and efficient manner.

As SB 100, and any other bills surrounding this agreement are being considered, the City of Cupertino is in alignment with the stance of CalCCA and the following points which would cause the City to withdraw support for SB100.

- Provisions of the bill must not undermine the CCA local governance and procurement authority governing boards. Any attempt to undermined CCA's local governance by their publically elected board members will be vigorously opposed by the City of Cupertino.
- Any attempt to create an uneven playing field or unfair cost allocation between CCAs must not occur. This particularly effects low-income customers in CCA communities, who are offered universal, affordable access to renewable energy products through their CCAs.
- We will oppose amendments that would give IOUs control of the Distributed Energy Resources (DER) market, including storage and other innovative technologies. Such proposed amendments shut out competition, are unrelated to the clean energy goals of SB 100, and undermine the innovation that will lead to a carbon-free California.
- We will oppose any concept requiring the IOUs to procure more renewable energy resources and pass the costs onto CCA customers.

The City of Cupertino is committed to swift and rapid efforts to take action on climate, reduce our greenhouse gas emissions and decarbonize our energy load. As a small jurisdiction, we depend on the State to take leadership to help us achieve our goals across all sectors. The City is in support of the concept of moving towards 100% carbon free electricity outlined by SB100, and we believe this should happen while allowing CCAs to continue grow and form throughout the State.

Sincerely,

Darcy Paul
Mayor, City of Cupertino

Cc: Assembly Member Evan Low
Senator Jim Beall