

May 17, 2017

Dear South Bay and Westside Cities,

The Angeles Chapter of the Sierra Club enthusiastically endorses South Bay and Westside Cities' participation in South Bay Clean Power (SBCP). As you know, the Sierra Club is the largest and most influential grassroots environmental organization, with more than 2 million members and supporters and a long history of work on and advocacy for key energy-related issues, including climate change, environmental and economic justice.

Our endorsement of SBCP is consistent with the Sierra Club's national "Ready for 100" campaign, launched more than a year ago to achieve 100% clean, renewable energy in our electricity grid by 2030. This ambitious goal is best achieved through prioritizing job-creating distributed generation, energy conservation, and energy storage programs. We believe that SBCP is not only the best opportunity for cities on the Westside and South Bay to achieve their environmental and sustainability goals, but also to increase good paying local jobs while at the same time improving their financial health by reducing energy costs.

SBCP has met these standards by establishing the following six key commitments in its draft business plan:

- 1. The fastest path to 100% renewable power with a goal of reaching that 10 years after our CCA launches;
- 2. No use of Category 3 unbundled Renewable Energy Certificates (RECs) to achieve our 100% renewables goal;
- 3. 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 our DER potential;
- 4. A focus on local economic investment, local power generation, local jobs, local career opportunities;
- 5. A partnership with labor including project labor agreements, community benefit agreements, sustainable workforce agreements, job training, and apprenticeship program;
- 6. A program focus and emphasis on environmental justice in frontline communities where economic, workforce, and health needs are the greatest.

The Sierra Club believes that Community Choice programs should prioritize environmental, economic, and social justice goals by remaining true to the original intent of the California's Community Choice Aggregation (CCA) bill, SB790. "Community

Choice" should be achieved by exercising effective local government and public oversight throughout the design, launch and operation of the program, and integrate local renewable and distributed energy resources into program planning, procurement and operations from the outset.

SBCP will maintain true local control by enabling cities on the Westside and South Bay to exercise local control, with manageable governing boards, over their energy choices, program design, program elements, electric rates and financial reserves, while simultaneously enjoying the economy of scale that a large-scale joint-approach allows for managerial and operational services as well as power purchases. There is also strong citizen input.

For these reasons, the Angeles Chapter of the Sierra Club strongly supports participation by your city in SBCP. As cities and counties across California are exploring formation of CCAs to supply their future energy needs, SBCP has stood out as a model in terms of public outreach and education, program design, structure and governance.

Please feel free to contact me if you have any questions.

Sincerely,

David Haake, MD Chair, Clean Break

Angeles Chapter of the Sierra Club