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Mayor Todd Gloria
Council Member Sean Elo-Rivera, Chair Environment Committee
Council President Joe LaCava, member Environment Committee

Subject: Recommendations for the 2024 Energy Cooperation Agreement

As Chair of the City of San Diego [Climate Advisory Board](#) (CAB), I am writing on behalf of the CAB to provide recommendations for the 2024 Energy Cooperation Agreement between the City of San Diego and San Diego Gas & Electric (SDG&E), and which supports the City's Climate Action Plan (CAP) goals.

All of these recommendations can be met **without cost impacts to the city**, and will advance action in key CAP areas.

1. We recommend a new requirement related to [SB 1221 Neighborhood Decarbonization Zones](#)
 - a. Rationale: This bill facilitates pilots to transition entire communities to decarbonized energy sources in support of managing the transition off of the gas system. **This is an amazing opportunity to advance the city's existing building decarbonization goals.**
 - b. This bill requires
 - Each gas corporation, by July 1 2025, and annually thereafter, to submit to the CPUC a map containing the location of all potential gas distribution line replacement projects
 - The CPUC, by January 1, 2026, to designate priority neighborhood decarbonization zones
 - The CPUC, by July 1, 2026, to establish a voluntary program to facilitate the cost-effective decarbonization of priority neighborhood decarbonization zones, not to exceed 30 pilots across the state.
 - The CPUC to establish a process for gas corporations to determine and submit pilot projects for approval
 - c. Recommended language:
 - In 2026, SDG&E will submit at least 5 pilot sites located within the city of San Diego for the SB 1221 program, implemented utilizing a skilled and trained local workforce
2. We recommend including the amendments that were approved by the Environment Committee on 2/13/25:

- Section 6.b Building Performance Standards – remove references to the White House and generalize commitment to Building Performance Standards.
- ◆ Section 7.a Equity-Focused Solar Expansion – increase the commitment of SDGE shareholder funds to the Equity-Focused Solar Expansion from \$1 million annually to \$1,150,000 annually, to account for inflation between June 2021 and December 2024, as measured by the U.S. Bureau of Labor Statistics.
- Section 11.c Rate Transparency – to read: “Once a year, an SDG&E executive shall offer to present to the City Council on current and forecasted average electric rates for all customer classes and the associated impact to unbundled residential electric bills. The presentation shall also include ~~plans to address electric affordability~~ **actions taken and plans to limit costs for customers.**”
- ◆ Section 11.d Ensuring Transparency – strike ‘on one day.’

3. We recommend a new requirement that SDG&E provide their annual metered electricity and natural gas sales data by April 1 each year, to support the timely annual GHG Emissions Inventory by city staff.
4. We recommend a new requirement that SDG&E update their NetZero Roadmap to align with the city’s Climate Action Plan by the end of 2026.

Thank you for your consideration.

Respectfully submitted,
 Tanisha-Jean Martin, Chair
 City of San Diego Climate Advisory Board