From: To: Saad Asad Clerk of Board

Subject:

SDCP Meeting 2/7 Item 1

Date:

Thursday, February 6, 2025 3:47:10 PM

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Dear San Diego Community Power Board of Directors,

I am writing regarding the proposed 2025 rate adjustments. After reviewing the rate design and financial projections, I want to highlight why this proposal effectively balances critical objectives.

The time-of-use rate structure creates clear price signals that match grid conditions:

- Lowest rates (\$0.07854/kWh) during overnight hours when demand is minimal
- Moderate rates (\$0.19943/kWh) during solar-rich daytime hours
- Highest rates (\$0.42958/kWh) during the evening peak when the grid is most stressed

This design encourages beneficial behaviors while acknowledging real constraints:

- The significant peak/off-peak differential creates strong incentives to shift flexible loads
- The moderate daytime rates reflect both abundant solar and necessary business/household use
- The overnight super off-peak enables EV charging and other deferrable usage

Looking at your financial data, maintaining administrative alignment with SDG&E's periods while building reserves (\$417M current, targeting 180 days) sets SDCP up for favorable power contracts and stable rates. Combined with providing 54% renewable power versus SDG&E's 41.4%, this shows how thoughtful rate design can advance both fiscal and environmental goals.

I encourage the Board to approve this well-designed rate proposal.

Sincerely,

Saad Asad

Resident, San Diego

Saad Asad

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