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**Taxpayers Association says NO to More Dirty Energy**

*Municipalization of the electric and gas utility will create huge financial burdens on households and will slow down the growth of the green energy industry*

**San Diego, CA (March 4, 2024)** -- The San Diego County Taxpayers Association (Association) announced today its opposition to a circulating initiative, called “Power San Diego,” that aims to municipalize the electric and gas utility in the City of San Diego. The Association wants to ensure that citizens truly understand the bill of goods they are being sold by the proponents of this initiative before they sign anything.

The Association is concerned about the financial impact the potential transition to a municipal utility will have on everyday households. The \$6 billion price tag of such a switch breaks down to roughly \$11,640 per household plus borrowing costs or at 3%, a typical municipal bond rate, approximately \$50 per household per month for 30 years.

As the market of renewable energy generation continues to grow and mature, the Association assesses that consumers cannot get greener and cheaper energy at the same time. Growing the renewable energy market requires capital investment that would have to come from private investors wanting to make a profit or the credit of a group of customers, such as those in San Diego Community Power (SDCP), the community choice aggregator, or the proponent envisioned Power San Diego municipal utility. For both SDCP and a potential municipal utility, the smaller the customer base, the more expensive per household it then becomes to obtain capital to invest in new renewables.

With these multiple upward pressures on rates, it seems highly likely that then any entity, whether it be SDCP or the potential municipal utility, would hear from customers they want cheaper energy – which is dirtier in general. Thus the Association also notes that municipalization would more than likely slow down and not accelerate our climate change adaptation and reduction in greenhouse gas emissions.

“If you want more renewable energy and cleaner air for your kids and mine, don’t sign this petition,” said Haney Hong, president and CEO of the San Diego County Taxpayers Association. “Dividing up ratepayers into even smaller groups between San Diego Gas and Electric, San Diego Community Power, and then a future municipal utility only shrinks the capital pool that could be drawn upon for any entity, public or private, to get more renewable energy online. That means rates will either have to skyrocket to be greener, or more likely, we’ll all just use cheaper – and dirtier – power. There’s no such thing as a free lunch!”

The Association also points to recent infrastructure failures as a concerning example of the city’s ability to effectively and efficiently manage public services.

“People are nuts if they believe the City can successfully operate and maintain a \$6-billion electrical system, when it cannot now maintain our streets, stormwater runoff system, public buildings, and produce accurate, timely water bills,” said Mike McLaughlin, chairman of the Association board of directors. “Based on its track record of deteriorating streets, flooded homes, crumbling buildings, and bogus water



bills, voters can expect higher prices and blackouts should the city take over buying and distributing electricity and natural gas. What a mess that would be. Venezuela, here we come!"

DISCLOSURE: San Diego Gas & Electric is a corporate member of the Association, but is not on the board or any committee of the board. Neither they nor their emerging coalition have made any contributions to the SDCTA PAC. They are a financial supporter of our watchdog mission, just as they support other civic institutions like the Voice of San Diego.

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The San Diego County Taxpayers Association (SDCTA) is a non-profit, non-partisan organization, dedicated to promoting accountable, cost-effective, and efficient government and opposing unnecessary new taxes and fees. For the last 79 years, SDCTA has served as "*San Diego's Taxpayer Watchdog Group*" by educating the public and helping to save the region's citizens millions of dollars. Public opinion polls consistently rate SDCTA as the most "influential" and "trusted" public policy institution in San Diego. The membership is led by President & CEO Haney Hong. SDCTA envisions a future where San Diego citizens receive a better return on investment in public assets and services. For more information, please visit [www.sdcta.org](http://www.sdcta.org), [Twitter](#), [Facebook](#) or call 619-234-6423.