



March 16, 2017

Hon. Joe Gunter, Mayor
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901

SUBJECT: Updated comments for your consideration regarding joining Monterey Bay Community Power

Dear Mayor Gunter and Councilmembers,

The Salinas Valley Chamber of Commerce recognizes that Monterey Bay Community Power is well underway toward operating as a Joint Powers Agency. It will encompass almost all of the 21 local governments in Santa Cruz, San Benito, and Monterey counties. We remain concerned about governance issues and how policies implemented by this agency will affect businesses in the Salinas Valley.

Should Salinas decide to join MBCP, it will be critical for the Policy Committee appointee from the Salinas City Council and the Operations Committee representative from the City of Salinas to aggressively protect the interests of ratepayers in the Salinas Valley, including large and small business and organizations. We will be vigilant for proposals and practices at the Policy Committee that are detrimental to economic growth and job creation.

Some proposals and activities that will provoke immediate opposition from the Chamber:

1. overly ambitious or overly restrictive renewable energy portfolios
2. prohibitions or excessive restrictions on public-private partnerships
3. burdensome and unnecessary regulations and restrictions on power purchase agreements
4. Project Labor Agreements and other union mandates for construction-related contracts and programs
5. burdensome and unnecessary regulations and restrictions on professional services and suppliers
6. punitive actions against top users of electricity as a tactic to reduce consumption
7. attempts to influence land use decisions to prevent additional consumption of electricity (for example, decisions concerning desalination plants, greenhouses, and residential developments)
8. incentives and discounts that effectively result in putting a disproportionate share of agency costs on small businesses
9. opt-out notices that fail to clearly and openly explain the options to ratepayers
10. premature and excessive ramp-up of agency employees
11. establishment of a citizens' advisory committee that omits or marginalizes businesses
12. premature arrangements to build or purchase a substantial building to serve as an agency headquarters
13. logistical arrangements for meetings that are disadvantageous to members of the public who drive to meetings from locations far from Santa Cruz



We look forward to seeing a fiscally-responsible, well-managed agency that provides clean dependable power at a reasonable price to the businesses of the Salinas Valley.

Sincerely,

A handwritten signature in blue ink that reads "Paul Farmer".

Paul J. Farmer

President & CEO, Salinas Valley Chamber of Commerce

Phone (831) 751-7725 www.SalinasChamber.com