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January 15, 2020

Pacific Gas and Electric Company 2019 System Reliability Request for Offers Distributed Generation Enabled Microgrid Services Phase

RE: Letter of Support for Microgrid in the City of Fort Bragg, California

Dear Sirs/Madams:

The City of Fort Bragg is excited about and supportive of a Distributed Generation Enabled Microgrid for our isolated coastal community. The ability to maintain critical electric service during extended power outages, whether caused by severe coastal storms or Public Safety Power Shutoff events (PSPS), would greatly improve our community's resiliency during such events.

Fort Bragg is surrounded by the Jackson State Forest and Pacific Ocean and is home to approximately 7,300 local residents. The City also serves as a regional center for the entire Mendocino Coast providing essential services such as food, gasoline and medical services (including a 25-bed Critical Access Hospital) to more than 20,000 people between Westport and Point Arena. The City's beautiful coast and proximity to magnificent redwood forests, also draws thousands of visitors every year. In recent years, this has included evacuees during the increasingly deadly and destructive wildfire season here in Northern California. The coast is often a refuge from poor or hazardous air quality caused from wildfire smoke. Consequently, the City's population taken alone understates the importance of Fort Bragg to the region. Fort Bragg is the largest city on the coast between San Francisco to the south 180 miles and Eureka to the north 135 miles.

At the same time, the City is a Severely Disadvantaged Community as determined by the current American Community Survey. In the Fort Bragg Unified School District seventy-three percent (73%) of students are Socioeconomically Disadvantaged. This is due in part to our depressed economy which never fully recovered from the collapse of the local fishing and lumber industries near the turn of the last century and the impacts of the 2007-2009 Recession.

Extended power outages have a long-term impact on the financial well-being of many of our City residents and residents of the greater coastal community we serve. We estimate that only about 10% of local businesses have generators or alternative power sources. So those businesses and other employers without simply close during extended power outages, including the Fort Bragg Unified School District. For many locals this means no work, no paycheck and no school or daycare during the outages. If one lives in poverty, a week without pay can be financially

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devastating. Local nonprofits reported a significant increase in requests for basic assistance with food, utility bills and medication during and after the extended PSPS events in October of 2019. Preliminary sales tax figures for October, 2019 indicate a decrease compared to the prior year same month of more than \$1.3 million in taxable sales for our City.

Mendocino County customers, including all of Fort Bragg, did not have power restored between the October 26, 2019 and the October 29, 2019 PSPS events. This resulted in more than five days without power. The Fort Bragg Unified School District lost more than \$12,000 in food that spoiled during the outage. Many residents and businesses threw out food due to spoilage at the same time there was concern about restocking our local grocery stores. During the October PSPS events the Kincade fire caused Highway 101 and Highway 1 northbound to be shut down at the same time, leaving Fort Bragg without a means for local grocery stores with generators to restock supplies.

Living in a remote rural community, we understand that electric services, like other supplies, may not be restored as quickly as they may be in more densely populated urban communities. It also seems reasonable to conclude that PG&E's extensive project to fortify and harden the transmission lines serving our community will occur in the later years of PG&E's fortification project. This means that a microgrid in Fort Bragg could serve the community for a much longer period of time than it may in other communities. Further, our isolation makes self-sufficiency that much more important to our well-being.

In March, 2019, the Fort Bragg City Council set goals and priorities for the next term. A shared intention for all of the City Council's priority areas was enhancing local self-sufficiency and supporting healthy ecosystems. Without a doubt, a generation enabled microgrid fits perfectly with the future Fort Bragg is striving to create. A solar-based microgrid with storage also supports healthy local ecosystems. The City is in full support of the attached Proposal and is a committed partner to the project. The microgrid, if funded, will have a positive and lasting influence on the health and wellness of our Community. Thank you for your careful consideration of this proposal.

Sincerely,

William V. Lee Mayor Bernie Norvell Vice Mayor

Teresa K. Albin-Smith Councilmember Jessica Morsell-Haye Councilmember Lindy Peters Councilmember