



**Amendment to Agreement between
the San Francisco Public Utilities Commission
and APX, Inc.**

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Providing Power to San Francisco



HETCH HETCHY POWER
SUPPLY AND TRANSMISSION



State's Transmission System
(Managed by CAISO,
requires a "Scheduling
Coordinator")



PG&E Distribution System



SFPUC Customers



CAISO's Transmission System

- To utilize California's Electricity Transmission system, managed by CAISO, every utility must have a Scheduling Coordinator (SC)
- Without contracting with a certified SC, the SFPUC will not be able to transport power to its electric customers.
- Under Agreement No. CS-344, between SFPUC and APX, Inc., APX acts as SFPUC's SC and provides the following services:
 - Power scheduling services
 - Monitor and Relay CAISO communications to SFPUC
 - Meter Data Interphase
 - Dispute Resolution
 - Invoice Processing



Amendment #1

- 1st Amendment approved by the Board in 2015 (File #15-1168).
- Added \$100,000,000, to the original agreement of \$5,000,000, resulting in a total amount of \$105,000,000 with no change to the five-year agreement duration.
- Additional \$100,000,000 allowed for payment of pass through charges to CAISO from SFPUC. Did not change the amount paid to APX Inc. for services under the APX Agreement.
 - Prior to this approval, the SFPUC relied on PG&E to transmit pass-through charges to the CAISO.



Retroactive Approval Needed for Amendment #1

- The resolution for Amendment #1 increased the agreement amount by \$100 million, from \$5 million to \$105 million.
- However, the actual agreement increased by \$102.9 million, from \$5 million to \$107.9 million.
- SFPUC noted this error when preparing the proposed second amendment.
- Due to this oversight, Amendment No. 1 will require retroactive approval to include the correct amount of \$102,900,000, to the current amount for a total amount of \$107,900,000, with no change to the five-year agreement duration.



Proposing Contract Amendment #2

- SFPUC currently working on the issuance of a new RFP seeking to retain the services of a qualified vendor to provide the SFPUC with power Scheduling Coordination (SC) services.
- Unanticipated delays prohibit the SFPUC from guaranteeing a new contract and the necessary operational requirements will be met prior to APX's original contract expiration date.
- Need to amend the length and \$ amount of the current contract to ensure we have the required SC services to continue providing services until the new contract is in place.
- Per the original agreement, the SFPUC has the right to terminate the contract at any time during the term of the Agreement with at least thirty (30) days written notice of termination.



Proposed Amendment #2

- Increase contract capacity by \$42,000,000, for a total agreement amount of \$149,900,00
 - \$2.1 million for APX for SC services
 - \$39.9 million for CAISO pass-through charges.
- Extend contract term by two years, for a total agreement duration of seven years.