

MEMORANDUM OF UNDERSTANDING

REGARDING

SOLAR POWER PROJECTS

BETWEEN

SAN FRANCISCO
PUBLIC UTILITIES COMMISSION'S
HETCH HETCHY WATER AND POWER

AND

SAN FRANCISCO PUBLIC LIBRARY

FINAL

OCTOBER 12, 2004

INTRODUCTION

Hetch Hetchy Water and Power (HHWP) of the San Francisco Public Utilities Commission ("SFPUC") wishes to locate photovoltaic panels ("SPPs") on the roofs of two San Francisco Public Library (SFPL) branch library buildings. Electricity generated from the SPPs will be delivered directly to the library buildings on which they are situated to offset electricity otherwise delivered to these buildings from HHWP. The purpose of the project is to help meet the City's goal of reducing the need for fossil fuel generated electricity in San Francisco.

This MOU has no effect on the electrical rates that SFPL pays to HHWP. HHWP will meter the electric output of the solar panels and charge SFPL the same rate as HHWP would otherwise charge SFPL for municipal electric power. HHWP will be responsible for all installation/construction, operations, maintenance and decommissioning of the SPPs. The SFPL shall provide reasonable access to HHWP for these purposes.

1. SCOPE OF AGREEMENT

HHWP and SFPL enter into this Memorandum of Understanding (MOU) regarding procedures and responsibilities for the installation/construction, operation, maintenance, and decommissioning of the Solar Power Projects (SPPs) at Chinatown Branch Library, 1135 Powell Street, and Presidio Branch Library, 3150 Sacramento Street (together referred to as "the Facilities").

2. OWNERSHIP AND CONTROL

The SPPs are owned by the City and County of San Francisco and under the control of HHWP. The SPPs consist of the photovoltaic panels, all associated electrical equipment, connections, relays, wiring, and conduit including, but not limited to, wiring and conduit between the SPPs and the Facilities' electrical mains.

3. FINANCIAL AGREEMENT

HHWP will provide voter approved project financing for purchase of the photovoltaic panels, the meters measuring the output of the SPPs, the electrical wiring and conduit between the SPPs and the facilities' electrical mains, the installation/construction, all associated operation, maintenance, and decommissioning of the SPPs.

4. CONTINUANCE OF ELECTRICITY SUPPLY AND RATE

This MOU does not affect or alter the rights or obligation of SFPL to receive municipal power from HHWP or to pay HHWP for electricity use for the Facilities. Power generated by SPPs shall be connected to Facilities' electrical system. SFPL will be responsible to pay for electricity that the Facilities use, including the electricity produced by the SPPs, at HHWP'S retail electricity rate for general obligation departments.

5. OPERATION AND MAINTENANCE

Operation and maintenance of the SPPs is the sole responsibility of HHWP for the life of the systems. HHWP shall be solely responsible for metering the electricity produced and used by the Facilities. HHWP shall be responsible for repairing all SPP equipment. Should SFPL agree to perform any repairs to the SPPs, HHWP shall reimburse SFPL for all costs directly associated with the repairs. In the event that the installation/construction, operation, maintenance or decommissioning of the SPPs causes damage to the electrical systems of either or both Facilities, HHWP shall undertake and pay for repairs.

A. Removal of SPPs

HHWP may, in its sole discretion, remove the SPPs from either or both Facilities. HHWP shall notify SFPL at least thirty (30) days notice in advance of removal.

B. Electrical Service Disruption

1. By HHWP

HHWP anticipates that it will not need to shut down electrical service at the Facilities at any time for the installation/construction, operation, maintenance or decommissioning of the SPPs. Nevertheless, should a shutdown be required, HHWP shall coordinate with SFPL at least ten (10) working days in advance of any planned shutdown. In the event of an unplanned or emergency shutdown, HHWP shall provide SFPL as much notice as possible. In all cases, HHWP shall, to the best of its ability, schedule necessary power disruptions to minimize the impact of the disruption on the delivery of library services.

2. By SFPL

In the event that SFPL needs to shut down its electrical service at either or both Facilities, SFPL shall provide HHWP as much advance notice as possible, given the circumstances. For planned shutdowns, SFPL shall provide HHWP with at least ten (10) working day notice. In the event of an unplanned or emergency shutdown, SFPL shall notify HHWP as soon as possible.

C. Scheduling Maintenance or Other Work

Except as otherwise agreed by SFPL, SPP maintenance or other work covered by this MOU shall occur during the Facilities' open hours. HHWP and/or its contractor(s) shall notify SFPL at least three working days prior to undertaking nonemergency work, including maintenance, on the SPPs.

6. SECURITY

SFPL shall provide the same level of security for the SPPs as it otherwise provides at each Facility. SFPL shall report any suspicious activities regarding the SPPs to the San Francisco Police Department and HHWP.

7. ACCESS TO FACILITY

SFPL shall allow HHWP and its contractors access to the Facilities for the performance of its obligations under this MOU. SFPL shall provide two brass keys to HHWP as follows: (1) brass key for the use of HHWP, and (1) brass key for the use of its contractor(s). To the maximum extent possible, HHWP shall access the SPPs during normal operating hours of the Facilities. If HHWP requires access for itself or its contractor(s) at other times, HHWP shall notify SFPL as soon as possible.

8. EMERGENCY USE

In the event of an emergency which results in the loss of stable power to either or both Facilities, SFPL may take over operation of the SPPs until HHWP provides further instructions. SFPL or HHWP must turn off the SPPs during a power outage in order to protect PG&E's workers. SFPL reserves the right to shutdown the SPPs at any time if SFPL, in its sole discretion, concludes that continued operation of the SPPs poses an actual or imminent safety and/or health concern. SFPL shall notify HHWP of any such shutdown prior to such shutdown or, if that is not reasonable under the circumstances, then as soon after the shutdown as possible.

9. HAZARDOUS MATERIALS

A. Environmental Hazards

HHWP shall be responsible for monitoring and mitigating all potential environmental hazards associated with the installation/construction, operation, maintenance and/or decommissioning of the SPPs. HHWP shall at all times assure compliance with all applicable Federal, State, and local regulations in the installation/construction, operation, maintenance and/or decommissioning of the SPPs. HHWP shall assure that all Material Safety Data Sheets (MSDS), spill kits, monitoring and alarms systems are installed, available, and functional. HHWP shall provide and complete, or cause its contractor(s) to provide and complete all manifests for disposal.

10. COMPLIANCE WITH THE CONSTRUCTION AGREEMENT

HHWP shall be responsible for enforcing all terms and conditions of the Construction Agreement between the City and County of San Francisco and the contractor(s) for the installation/construction of the SPPs ("Construction Agreement"). HHWP shall pay for all costs associated with the Construction Agreement, as specified therein, to the satisfaction of the letter and intent of the contract. SFPL shall notify HHWP of items of non-compliance known to SFPL.

11. CONVERSION TO THE SAN FRANCISCO PUBLIC LIBRARY

At the request of SFPL, HHWP shall transfer ownership of the SPPs to SFPL by separate agreement.

12. PERMITS

HHWP or its contractor shall obtain and pay for all permits required by the government and regulatory agencies for the installation/construction, operation, maintenance and/or decommissioning of the SPPs.

13. STRUCTURAL ANALYSIS

SFPL agrees to provide any existing single-line diagrams of the Facilities' roofs and electrical systems to aid HHWP in the design and installation of the SPPs.

HHWP or its contractor, shall provide SFPL a structural analysis of the Facilities prior to installation/construction of the SPPs. SFPL shall have the right to refuse installation of SPPs on the Facilities, or either of them, based on the findings in the structural analyses.

14. SITE SAFETY AND HEALTH REQUIREMENTS

All employees or agents of HHWP and/or its contractor(s) shall comply with SFPL's safety and health requirements, including Lock Out-Tag Out and Confined Space Entry procedures. SFPL shall provide a full listing of such safety and health requirements. The San Francisco Public Utilities Commission periodically updates and adopts new procedures in response and anticipation of safety and health concerns and/or regulations. HHWP and contractor staff shall also comply with all safety and health requirements that have been and will be adopted by SFPUC.

15. VISUAL IMPACT OF SPPs

HHWP and SFPL anticipate that the placement of SPPs on the Facilities' roofs will not have a negative visual impact at either Facility. HHWP will place the photovoltaic panels temporarily on each roof for at least a week to test their visual impact, if any, prior to permanently installing the SPPs. SFPL reserves the right to reject either or both SPPs if, in SFPL's sole discretion, SFPL concludes that the SPPs creates an unacceptable visual impact.

16. WEB PAGE

SPPs' electricity usage meters will be connected to a IP address that will be maintained by HHWP or its contractor(s). A web page showing the SPPs' energy production, energy use and/or wind speed will be posted on the Internet. SFPL shall create a link to the SPPS web page on the SFPL website .

17. DAMAGE/DISRUPTION TO EXISTING SAN FRANCISCO PUBLIC LIBRARY'S FACILITIES

HHWP shall be responsible for repairing any and all damage caused to the Facilities due to the installation/construction, operation, maintenance and/or decommissioning of the SPPs. SFPL shall notify HHWP of any damage to SFPL buildings or equipment caused by the SPPs. HHWP and/or its contractor(s) shall notify SFPL as soon as possible upon discovering damage caused to the Facilities, or either of them, due to the installation/construction, operation, maintenance and/or decommissioning of the SPPs.

18. TRAINING

HHWP itself or through its contractor(s) or other agents shall train SFPL staff in the normal and emergency operation of the SPPs. HHWP may utilize any appropriate, effective methods to provide this training. HHWP shall coordinate with SFPL to schedule the training. HHWP acknowledges that SFPL staffing schedules may require more than one training session for the same curriculum.

19. MODIFICATIONS TO SPPs

Should the SPPs be modified during or after the execution of the Construction Agreement, HHWP shall provide updated "as-built" drawings, programming, and operation and maintenance manuals to SFPL. SFPL and HHWP shall each have the right to preapprove any contemplated modification, which approval shall not be unreasonably withheld. Except where SFPL has the right of preapproval, SFPL shall pay all consultant and construction costs to for modifications requested by SFPL that are not included in the Construction Agreement.

20. ROOF REPAIRS OR OTHER SFPL CONSTRUCTION

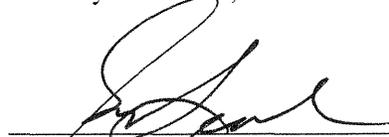
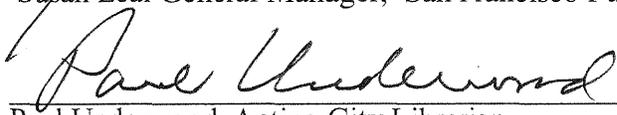
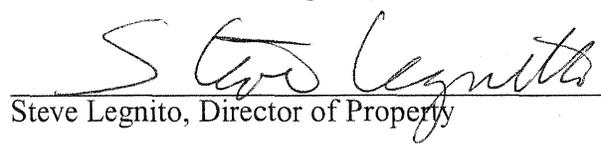
SFPL shall notify HHWP at least sixty (60) days prior to any planned roof repair or other construction that may impact the SPPs on the Facilities, or either of them. In such case, HHWP shall remove the SPPs at HHWP's costs. Thereafter HHWP may either reinstall the SPP at the same Facility after the roof work or other construction or decommission the SPP, subject to the the requirements set forth in Section 3 and 5 of this MOU.

21. PUBLICITY

HHWP shall coordinate with SFPL concerning all publicity and public notifications regarding the SPPs and the Solar Power Project. SFPL shall have the right to approve any publicity generated by HHWP realted to the SPPs at the Facilities.

22. MODIFICATIONS TO MEMORANDUM OF UNDERSTANDING

Any modifications made to this Memorandum of Understanding shall be made in writing and approved by SFPUC Assistant General Manager for Power Policy, the City Librarian, and the Director of Property, or their designees.

		
_____ Susan Leal General Manager, San Francisco Public Utilities Commission		Date
		
_____ Paul Underwood, Acting City Librarian	10-13-04	Date
		
_____ Steve Legnito, Director of Property	10/22/04	Date

