

BOARD of SUPERVISORS



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MEMORANDUM

TO: Andrico Penick, Director
Real Estate Division

Ben Rosenfield, City Controller
Office of the Controller

Harlan Kelly, Jr. General Manager
Public Utilities Commission

FROM: Victor Young, Assistant Clerk
Rules Committee

DATE: February 6, 2019

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Mayor Breed on January 29, 2019:

File No. 190111

Ordinance amending the Administrative Code to establish the San Francisco Green New Deal Fund for the purpose of studying, purchasing, or building facilities to generate, transmit, distribute, or store an electric power generation or transmission system.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: victor.young@sfgov.org.

c: Todd Rydstrom, Office of the Controller
Juliet Ellis, Public Utilities Commission
Donna Hood Public Utilities Commission
John Scarpulla, Public Utilities Commission
Christopher Whitmore, Public Utilities Commission

1 [Administrative Code - San Francisco Green New Deal Fund]

2
3 **Ordinance amending the Administrative Code to establish the San Francisco Green**
4 **New Deal Fund for the purpose of studying, purchasing, or building facilities to**
5 **generate, transmit, distribute, or store an electric power generation or transmission**
6 **system.**

7 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.
9 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
10 **Board amendment additions** are in double-underlined Arial font.
11 **Board amendment deletions** are in ~~Arial font~~.
12 **Asterisks (* * * *)** indicate the omission of unchanged Code
13 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Findings.

16 San Francisco and PG&E have a long and complicated history, stretching back to the
17 1913 federal Raker Act that signaled the start of San Francisco's efforts to create a public
18 power system.

19 Over the years, via negotiated agreements and hard-fought court decisions, San
20 Francisco and PG&E settled into an uneasy working truce. Nonetheless, PG&E has a
21 terrifying record of failures, including findings by the CPUC of falsified records and safety
22 violations, including their role in the fires this fall that destroyed Paradise, killed close to 100
23 people, and subjected the Bay Area to days of dangerous smoke-filled air. Ironically, PG&E is
24 now citing climate change as partly to blame for the increasing wildfires.
25

1 For more than 100 years, San Francisco has been producing 100% greenhouse gas-
2 free energy to power our essential city services: hospitals, parks, schools, airport, public
3 housing, and other city properties.

4 In 2006, San Francisco committed through the Charter Section 16.01 and
5 Administrative Code Section 99 to utilize clean, greenhouse gas-free power on all new City
6 projects to help achieve renewable energy goals. In recent years, new projects seeking to use
7 City power have suffered costly delays due to requirements imposed by PG&E without
8 technical or engineering basis.

9 In 2016, despite years of opposition funded by PG&E, San Francisco launched
10 CleanPowerSF, to provide clean renewable energy to residents and businesses, another
11 incremental step toward energy independence.

12 San Francisco voters overwhelmingly supported Proposition A on the June 2018 ballot
13 authorizing the San Francisco Public Utilities Commission to issue bonds to create an energy
14 system for San Francisco that is green, renewable, and most of all publicly owned.

15 According to climate scientists, we must take immediate steps to make the difference
16 between catastrophe and a clean new future, and cut carbon pollution in half within 11 years.
17 The electric power sector is the largest contributor to U.S. global warming emissions and
18 currently accounts for approximately one-third of the nation's total emissions. Natural gas,
19 while producing lower emissions than coal or oil when used, nonetheless generates high
20 levels of air pollution and other environmental impacts through extraction and production.

21 With civil and criminal charges likely due to PG&E's role in the Camp Fire that caused
22 the deaths of 86 people and the destruction of 18,000+ structures in the deadliest wildfire in
23 US history, and with the departure of PG&E's corporate leadership and its stock values
24 seesawing with every news cycle, the California PUC is weighing options for bailing out PG&E
25 to stave off bankruptcy.

1 San Francisco must accelerate the expansion of CleanPowerSF and take immediate
2 steps to replace PG&E – with urgency to fight back against climate change; to ensure safe,
3 reliable, affordable service; to create good union jobs in a new green economy, and to remove
4 profit as a motivating factor from our most essential public utility.

5 It is both urgent and feasible that San Francisco create a completely community-owned
6 public power utility, independent from PG&E, and take steps toward implementing our own
7 energy independence through a Green New Deal.

8
9 Section 2. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
10 renumbering Section 10.100-305 as Section 10.100-302, and adding Section 10.100-304, to
11 read as follows:

12
13 **SEC. 10.100-302~~5~~. SAN FRANCISCO GIFT FUNDS.**

14 * * * *

15
16 **SEC. 10.100-304. SAN FRANCISCO GREEN NEW DEAL FUND.**

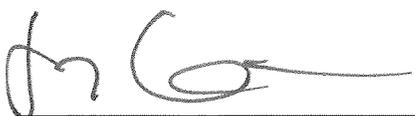
17 (a) Establishment of Fund. The San Francisco Green New Deal Fund (“the Fund”) is
18 hereby established as a category four fund to receive any monies appropriated or donated for the
19 purpose of purchasing or operating an electric power generation or transmission system.

20 (b) Administration and Use of Funds. The Public Utilities Commission shall administer
21 the Fund, and may consult with the Department of Public Works and other City bodies and
22 departments on potential uses of monies in the Fund. Monies in the Fund shall only be used for the
23 purpose of studying, purchasing, or building facilities to generate, transmit, distribute, or store electric
24 power to City properties or to other private or public customers of the Public Utilities Commission.

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Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: 

JON GIVNER
Deputy City Attorney

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