

FILE NO. 180708

LEGISLATIVE DIGEST

[Authorizing Agreements - Binding Arbitration for Purchase of Electricity and Related Products
- Public Utilities Commission - Total Costs of \$13,762,490]

Ordinance delegating authority to the General Manager of the Public Utilities Commission to enter into agreements requiring binding arbitration for purchase of electricity and related products within certain parameters and where necessary to meet legal requirements; and retroactively authorizing three agreements for CleanPowerSF with Pacific Gas & Electric Company requiring binding arbitration, with a combined term of two years and five months (August 2018 - December 2020) and total costs of \$13,762,490 for purchase of electricity-related products.

Existing Law

Binding arbitration clauses in contracts require Board of Supervisors approval.

Amendments to Current Law

None.

Background Information

Settlements of claims and lawsuits require Board of Supervisors approval. For this reason, Board of Supervisors approval also is required before any dispute is submitted to a binding dispute resolution process, including entering a contract that requires a binding dispute resolution process such as arbitration.

The Board of Supervisors has delegated authority to other City officials to resolve certain types of claims and disputes, specified in Article II of the Administrative Code beginning with Section 10.20-1.

In this ordinance, the Board of Supervisors would delegate to the General Manager of the Public Utilities Commission authority to enter certain agreements that require binding arbitration without seeking Board approval. The delegation would apply only to agreements that meet the four conditions specified in section III(c) of the ordinance. The delegation in this section III will expire five years after the effective date of the ordinance.

This ordinance would also approve retroactively three contracts with binding arbitration provisions.

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