

1 [Requesting additional analysis on the Trans Bay Cable Project and deferring further  
2 approvals to permit consideration of alternatives to the project.]

3 **Resolution deferring further action on the Trans Bay Cable Project to permit the City to**  
4 **analyze more fully alternatives to the Trans Bay Cable Project and the implications of**  
5 **the Trans Bay Cable Project on City electric reliability, energy policy, development of**  
6 **renewables and energy efficiency; and requesting the Public Utilities Commission to**  
7 **provide such analysis so that it can be discussed at a hearing to be scheduled 45 days**  
8 **from the effective date of this resolution.**

9  
10 WHEREAS, The Trans Bay Cable Project (TBC) is a proposed high voltage direct  
11 current cable that would transmit up to 400 megawatts of electric power from the City of  
12 Pittsburg to the City and County of San Francisco; and,

13 WHEREAS, The TBC is proposed by a subsidiary of Babcock and Brown, a private  
14 corporation working with the City of Pittsburg; and,

15 WHEREAS, The \$300 million estimated cost of the project would be financed by  
16 Babcock and Brown; and,

17 WHEREAS, The TBC sponsors have sought and received preliminary approval from the  
18 Federal Energy Regulatory Commission to recover the costs of the project from utility  
19 ratepayers, including PG&E's ratepayers in San Francisco; and

20 WHEREAS, On March 13, 2007, the Port Commission adopted findings under the  
21 California Environmental Quality Act, adopted a mitigation monitoring and reporting program,  
22 and approved the terms and conditions of the license agreements for the TBC; and,  
23  
24  
25

1           WHEREAS, Recent studies produced by the California Independent System Operator  
2 (ISO) indicate that in 2011 there may be a need for an additional 7 megawatts of load-serving  
3 capacity in San Francisco; and,

4           WHEREAS, These studies indicate an increasing need for additional capacity over the  
5 next few years, with a need for an additional 46 megawatts of capacity by 2016; and,

6           WHEREAS, The City participated in a stakeholder process conducted by the ISO in  
7 2005, which identified several potential transmission projects which could meet the reliability  
8 needs of San Francisco and the greater bay area; and,

9           WHEREAS, The alternatives identified by the stakeholder process included a Moraga-  
10 to-Potrero transmission line favored by PG&E; and,

11           WHEREAS, The alternatives also included increasing the capacity of existing facilities,  
12 which according to the study could be completed for roughly half the cost of the TBC and  
13 would meet the projected need for transmission capacity for another six years; and,

14           WHEREAS, Another potential alternative is a DC line that would connect to significant  
15 renewable energy resources in the Northwest and Canada and deliver them to the San  
16 Francisco Bay Area. The first phase of this project is expected to transmit up to 1600  
17 megawatts of electric power. It is estimated that this project could be on-line in 2013; and,

18           WHEREAS, The ISO's 2005 study has not been updated to reflect new transmission  
19 system improvements or more recent load projections; and,

20           WHEREAS, The Board of Supervisors would like to consider other alternative means of  
21 meeting the reliability need identified by the ISO, particularly alternatives would facilitate the  
22 increased use of renewable energy to meet increased energy demand in San Francisco; and,

23  
24  
25

1           WHEREAS, The Board of Supervisors believes that deferring action on the TBC for a  
2 short period of time will not threaten electric reliability because under the ISO's own studies,  
3 the TBC is not needed until 2011 at the earliest; and,

4           WHEREAS, There is sufficient time to allow the City to more fully consider the impacts  
5 of the TBC without adversely impacting electric reliability; and,

6           WHEREAS, On October 26, 2006 and March 9, 2007, the Power Plant Task Force  
7 urged the Board of Supervisors to defer action on the TBC until the City had additional  
8 information on the implications of the TBC for City energy policies and projects; and, . . . .

9           WHEREAS, In Resolution No. 827-02 the Board of Supervisors endorsed the Electricity  
10 Resource Plan for the City and County of San Francisco, which identifies ways to ensure  
11 electric reliability in an environmentally sustainable and environmentally just fashion; and

12           WHEREAS, The Electricity Resource Plan has not been updated in several years and  
13 does not consider the impacts of the TBC; and

14           WHEREAS, If environmentally-sustainable and just supply and demand options  
15 identified in the Electricity Resource Plan are adopted San Francisco may not need additional  
16 electric resources until even later than the ISO studies indicate; and

17           WHEREAS, The City and County of San Francisco is considering implementing  
18 Community Choice Aggregation (CCA) as well as other energy initiatives, and it is currently  
19 unknown whether or how the TBC could impact these initiatives; and

20           WHEREAS, The TBC could transmit electricity generated from fossil-fueled power  
21 plants located near low-income and minority communities in Contra Costa County rather than  
22 facilitating the increased use of renewable energy to serve load in San Francisco; now,  
23 therefore, be it

24  
25

1           RESOLVED, That the Board of Supervisors intends to hold a hearing in the Land Use  
2 and Economic Development Committee 45 days from the effective date of this resolution to  
3 discuss the matters identified in this resolution; and, be it further

4           FURTHER RESOLVED, That the Board of Supervisors requests that the Public Utilities  
5 Commission provide an analysis of these matters for discussion at the hearing and that the  
6 analysis be provided to the Board of Supervisors and interested parties prior to the hearing;  
7 and, be it further

8           FURTHER RESOLVED, That the Board of Supervisors requests the PUC to continue  
9 working with the ISO through the stakeholder process and otherwise to identify and explore  
10 alternatives for ensuring San Francisco reliability that will facilitate the increased use of  
11 renewable energy; and, be it finally

12           FURTHER RESOLVED, That the Board of Supervisors intends to discuss at the hearing  
13 the development of energy policy guidelines which will guide Board of Supervisors review and  
14 approval of future energy projects and provide City departments and potential developers  
15 standards to consider in developing energy projects.

16           FURTHER RESOLVED, That the Board of Supervisors urges ISO to extend all relevant  
17 deadlines regarding the Trans Bay Cable project.

18  
19  
20  
21  
22  
23  
24  
25