

1 [Urging Pacific Gas and Electric Company (PG&E) to Provide Fair and Nondiscriminatory
2 Electric Service to the City and Urging San Francisco's State and Federal Representatives to
Express Their Support for the City's Complaint Against PG&E]

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4 **Resolution urging Pacific Gas and Electric Company (PG&E) to work with the San**
5 **Francisco Public Utilities Commission to ensure continuing company service to the**
6 **City's customers on fair and nondiscriminatory terms, and to continue providing**
7 **service to San Francisco under the status quo until PG&E and San Francisco have**
8 **developed and implemented the new arrangements necessary for future service; and**
9 **urging San Francisco's representatives in the California State legislature and the**
10 **United States Congress to express their support for the City's complaint with the**
11 **Federal Energy Regulatory Commission that alleges that PG&E has unreasonably**
12 **denied service to the City.**

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14 WHEREAS, In 1913, the Raker Act made reasonably priced greenhouse-gas-free
15 power available to San Francisco to serve its municipal purposes; and

16 WHEREAS, San Francisco has produced Hetch Hetchy power for its customers since
17 1918 pursuant to the Raker Act, and since 1945 has delivered that power to its customers
18 using Pacific Gas and Electric Company's (PG&E) transmission and distribution system; and

19 WHEREAS, San Francisco and PG&E entered a series of agreements for San
20 Francisco to use PG&E's transmission and distribution system, eliminating the need for San
21 Francisco to build duplicate facilities or buy PG&E's facilities; and

22 WHEREAS, The most recent interconnection agreement was signed in 1987, revised
23 in 2007, and expires July 1, 2015; and

24 WHEREAS, Since 1987, the electric industry has changed significantly, and the
25 Federal Energy Regulatory Commission (FERC) now requires private utilities like PG&E to

1 provide “open access” transmission and distribution service using fair and nondiscriminatory
2 tariffs approved by FERC; and

3 WHEREAS, In November 2013, San Francisco requested open access service from
4 PG&E to replace the current agreement; and

5 WHEREAS, In response, PG&E has proposed terms that would impose additional
6 burdens on San Francisco, including requiring San Francisco to install costly and
7 unnecessary facilities in order to continue serving its existing customers, in many cases; and

8 WHEREAS, PG&E’s proposed terms for continuing service would make it significantly
9 more expensive for San Francisco to continue to serve its customers, render some customers
10 ineligible for City service, and, over time, erode San Francisco’s customer base or make
11 electric service by the City cost prohibitive; and

12 WHEREAS, PG&E’s proposed terms would lead to increased energy costs to City
13 agencies and the general fund, and impact the City’s ability to fund programs such as
14 renewable energy projects and street lights; and

15 WHEREAS, PG&E’s delay in processing San Francisco’s application and its insistence
16 on unreasonable terms for future service have jeopardized an orderly transition by San
17 Francisco from service under the current agreement to tariff-based open access service; and

18 WHEREAS, San Francisco’s current customer base uses 150 Megawatts of electricity,
19 a miniscule portion of PG&E’s entire 22,000-Megawatt load; and

20 WHEREAS, The City and County of San Francisco has filed a complaint with FERC
21 alleging that PG&E has unreasonably denied service to the City; and

22 WHEREAS, The City’s complaint requests that FERC order PG&E to serve the City’s
23 load without requiring these unreasonable terms and to order that PG&E continue to provide
24 service based on the existing interconnection agreement if these issues are not resolved
25 before the agreement expires; now therefore, be it

1 RESOLVED, That the Board of Supervisors urges PG&E to provide service to San
2 Francisco without requiring the installation of costly and unnecessary facilities; and be it

3 FURTHER RESOLVED, That the Board of Supervisors urges PG&E to continue to
4 provide service to San Francisco under the status quo until PG&E and San Francisco have
5 developed and implemented the new systems and procedures needed to support future
6 service; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors urges the Federal Energy
8 Regulatory Commission to expedite a ruling in favor of the City's complaint against PG&E;
9 and, be it

10 FURTHER RESOLVED, That the Board of Supervisors urges San Francisco's
11 representatives in the California State legislature and the United States Congress to also
12 express their support for the City's complaint with FERC; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board
14 to transmit copies of this resolution to San Francisco's representatives in the California State
15 legislature and the United States Congress.

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