

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 23-0025

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) provides service to its Hetch Hetchy Power and CleanPowerSF electric customers by transmitting electric energy through the transmission system controlled by the California Independent System Operator (CAISO). As required by CAISO, the SFPUC conducts wholesale electricity transactions through a certified Scheduling Coordinator; and

WHEREAS, On January 11, 2022, by Resolution No. 22-0014, this Commission awarded Contract No. PRO.0152, Power Scheduling Coordination and Related Support Services to APX Inc., a CAISO-certified Scheduling Coordinator, in an amount not-to-exceed \$136,500,000 [\$6,000,000 for APX's professional services and \$130,000,000 for CAISO pass-through charges] and with a term of five years; and

WHEREAS, On March 8, 2022, by Resolution No. 79-22, the Board of Supervisors approved File No. 220074, Amended in Committee PRO.0152, Power Scheduling Coordination and Related Support Services in an amount not-to-exceed \$134,742,800, reducing the not-to-exceed amount payable to APX for professional services to \$4,242,800, and leaving the CAISO pass-through amount of \$130,500,000 unchanged; and

WHEREAS, The General Manager executed the First Amendment on January 6, 2023, to add funding of \$125 million for CAISO pass-through charges for a total not-to-exceed contract amount of \$259,742,800, with no changes to the services portion of the contract; and

WHEREAS, This Second Amendment would increase capacity for the CAISO pass-through charges by \$636,000,000, for a total not-to-exceed contract amount of \$895,742,800, with no changes to the services portion of the contract; and

WHEREAS, Pursuant to Chapter 14B of the San Francisco Administrative Code, the Contract Monitoring Division (CMD) Local Business Enterprise (LBE) sub-consulting requirement has been waived for this contract; and

WHEREAS, Funds to cover the cost will be available from the Hetch Hetchy Power Operating Budget, the CleanPowerSF Operating Budget, and the CleanPowerSF Customer Fund; and

WHEREAS, Power Enterprise staff intends to seek Board of Supervisors approval of an increase of \$50 million in the annual expenditure cost cap of \$150 million, to allow for power purchases under the delegated authority in Administrative Code section 21.43 up to \$200 million annually, and to seek other amendments reflecting operational needs, including approval of updated contract templates for power purchases; now, therefore, be it

RESOLVED, That this Commission hereby approves the Second Amendment to Contract No. PRO.0152, Power Scheduling Coordination and Related Support Services, with APX Inc.; and be it

FURTHER RESOLVED, Subject to Board of Supervisors approval under Charter Section 9.118, this Commission authorizes the General Manager to execute the Second Amendment to increase the contract by \$636,000,000 for a total contract amount of \$895,742,800; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, in consultation with the City Attorney, to make other necessary, non-material changes in the Second Amendment; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager to seek Board of Supervisors approval to increase the \$150 million annual cost cap for power purchases under the delegated authority in Administrative Code section 21.43 by \$50 million, for a total cap of \$200 million per year, and to request other amendments to section 21.43 to reflect operating needs, including the approval of updated power purchase agreement templates.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of January 24, 2023.*

  
Secretary, Public Utilities Commission