

BOARD of SUPERVISORS



City Hall
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MEMORANDUM

Date: March 14, 2019
To: Harlan Kelly, Jr., General Manager, Public Utilities Commission
From: *ACE* Angela Calvillo, Clerk of the Board, Board of Supervisors
Subject: Urging San Francisco Public Utilities Commission to Report on a Plan for Building Renewable Power Facilities on City-Owned Property (File No. 190174)

On February 26, 2019, the Board of Supervisors adopted Resolution No. 099-19, sponsored by Supervisor Sandra Lee Fewer (File No. 190174, Urging San Francisco Public Utilities Commission to Report on a Plan for Building Renewable Power Facilities on City-Owned Property); enacted on March 8, 2019.

Please find the attached courtesy copy of the Resolution for the Public Utilities Commission's information and consideration.

If you have any questions or concerns, please contact the Office of the Clerk of the Board at (415) 554-5184.

c: Supervisors Sandra Lee Fewer, Aaron Peskin, Gordon Mar, Hillary Ronen, Vallie Brown, Members of the Board of Supervisors
Juliet Ellis, Public Utilities Commission
Donna Hood, Public Utilities Commission
John Scarpulla, Public Utilities Commission
Christopher Whitmore, Public Utilities Commission

1 [Urging San Francisco Public Utilities Commission to Report on a Plan for Building Renewable
2 Power Facilities on City-Owned Property]

3 **Resolution urging the San Francisco Public Utilities Commission to complete a report**
4 **for the Board of Supervisors detailing a plan to build out renewable power facilities on**
5 **City-owned property.**

6
7 WHEREAS, The San Francisco Board of Supervisors passed legislation establishing a
8 Community Choice Aggregation (CCA) Program in 2004 (File No. 040236), allowing San Francisco to
9 aggregate the electrical load of San Francisco electricity consumers and to accelerate renewable
10 energy, conservation and energy efficiency; and

11 WHEREAS, In 2004, the Department of the Environment and the San Francisco Public Utilities
12 Commission issued "The Climate Action Plan For San Francisco," which included an accounting of
13 greenhouse gas emissions within the City and emission reduction recommendations for transportation,
14 energy efficiency, renewable energy and solid waste management sectors; and

15 WHEREAS, The San Francisco Board of Supervisors passed an ordinance (File No. 071294)
16 in 2008 to establish City greenhouse gas emissions targets and departmental action plans, including a
17 goal of San Francisco becoming fossil fuel free by 2030; and

18 WHEREAS, San Francisco's goal is to meet 100% of its electricity demand with renewable
19 power, and the Mayor's Renewable Energy Task Force released a 2012 report with important
20 recommendations to advance the City and County towards this goal; and

21 WHEREAS, The San Francisco Local Agency Formation Commission received a report from
22 EnerNex entitled, "Local Build-out of Energy Resources of the Community Choice Aggregation
23 Program" outlining the tasks and recommendations related to building out CleanPowerSF's
24 independent renewable energy capacity; and

25 WHEREAS, CleanPowerSF, San Francisco's Community Choice Aggregation (CCA) program,

1 began serving city residents and businesses in May 2016 with a new option for cleaner energy at
2 competitive rates, by purchasing clean and renewable energy which is then delivered through PG&E's
3 power infrastructure; and

4 WHEREAS, The San Francisco Public Utilities Commission is rapidly expanding enrollment
5 citywide, with a goal of enrolling more than 360,000 accounts by April 2019 and providing 350
6 Megawatts of power to San Franciscans; and

7 WHEREAS, The San Francisco Public Utilities Commission is leading with affordability for
8 CleanPowerSF as the agency has committed to ensuring that rates for its CleanPowerSF customers
9 are equal to or lower than PG&E's rates at the time of customer enrollment; and

10 WHEREAS, This commitment to affordability for CleanPowerSF customers by the San
11 Francisco Public Utilities Commission was recently reiterated when its Commission adopted
12 Resolution 18-0209; and

13 WHEREAS, Since the San Francisco Public Utilities Commission committed to launching
14 CleanPowerSF service, PG&E has increased its ongoing monthly "Exit Fee" for customers who
15 choose to be CleanPowerSF customers by more than 200%; and

16 WHEREAS, On October 11, 2018, the California Public Utilities Commission adopted Decision
17 18-10-019 modifying the methodology by which PG&E's "Exit Fee" is calculated, which is expected to
18 increase the annual volatility of the fee and create more cost uncertainty for customers; and

19 WHEREAS, In order to keep power rates affordable, and equal to or less than PG&E's rates,
20 for its CleanPowerSF customers in 2019, the San Francisco Public Utilities Commission is absorbing
21 the increase in the "Exit Fee" in 2019, protecting CleanPowerSF customers from higher electricity bills;
22 and

23 WHEREAS, CleanPowerSF operates in a complex and shifting environment further impacted
24 by PG&E's financial and operational volatility, making local control and the need to develop a
25 thoughtful and comprehensive plan for local buildout even more critical; and

1 WHEREAS, PG&E has recently come under serious public scrutiny for their possible role in the
2 recent devastating California wildfires; and

3 WHEREAS, On January 29, 2019 PG&E filed for Chapter 11 bankruptcy, listing over \$50 billion
4 in debts and over \$70 billion in assets; and

5 WHEREAS, The PG&E bankruptcy filing has provided an opportunity for the City and County of
6 San Francisco to explore acquisition of PG&E's electrical infrastructure; and

7 WHEREAS, Mayor London Breed in January requested that San Francisco Public Utilities
8 Commission perform a detailed analysis of the current health of the electrical network and a robust
9 feasibility study, with a preliminary report on its findings in the following three months, to evaluate the
10 City and County options, including the possibility of acquiring or building electrical infrastructure
11 assets; and

12 WHEREAS, At its December and January meetings, the San Francisco Local Agency
13 Formation Commission has requested that the San Francisco Public Utilities Commission report back
14 with a comprehensive plan for local build-out of renewable energy resources through CleanPowerSF;
15 and

16 WHEREAS, The goals for 100% clean and renewable energy and energy independence are
17 central to any plans for a local Green New Deal, to address climate change and create living wage
18 jobs in the creation of green infrastructure; and

19 WHEREAS, on August 28, 2018, San Francisco Public Utilities Commission passed Resolution
20 18-0134 to approve three, five-year contracts with consultants to assist the Power Enterprise in
21 evaluation, project development, permitting, project implementation, and design support during
22 construction of renewable and advanced energy technologies; and

23 WHEREAS, The recent devastating California wildfires caused by high voltage transmission
24 lines have highlighted the need for the City to build energy independence through a decentralized
25 electricity grid that can better support microgrids consisting of local renewable power generation and

1 battery storage; now, therefore, be it

2 RESOLVED, That the Board of Supervisors supports the Mayor's request to the San Francisco
3 Public Utilities Commission regarding a preliminary report on PG&E's electrical network and feasibility
4 study on possible acquisition, and the continued exploration of acquisition of PG&E infrastructure; and,
5 be it

6 FURTHER RESOLVED, That the Board of Supervisors in particular wishes to highlight the
7 following sentence in Mayor Breed's letter to the San Francisco Public Utilities Commission General
8 Manager, "The analysis should evaluate all options, including the possibility of acquiring or building
9 electrical infrastructure assets," and affirm that the building of infrastructure is a necessary and
10 important component of both reaching the City's renewable energy and energy independence goals;
11 and, be it

12 FURTHER RESOLVED, That the Board of Supervisors urges the Public Utilities Commission
13 to develop a plan for the City to acquire and build cost-effective renewable energy resources on City-
14 owned property without increasing costs to ratepayers, by 2030; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors urges the San Francisco Public Utilities
16 Commission to develop said plan by December 1, 2019 for review by the San Francisco Local Agency
17 Formation Commission and the Board of Supervisors.

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City and County of San Francisco
Tails
Resolution

City Hall
 1 Dr. Carlton B. Goodlett Place
 San Francisco, CA 94102-4689

File Number: 190174

Date Passed: February 26, 2019

Resolution urging the San Francisco Public Utilities Commission to include in their preliminary report to the Mayor regarding PG&E, a plan to build out renewable power facilities on City-owned property.

February 26, 2019 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

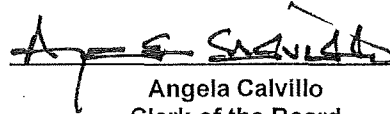
Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

February 26, 2019 Board of Supervisors - ADOPTED AS AMENDED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190174

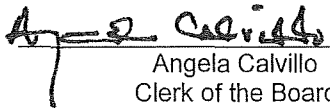
I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 2/26/2019 by the Board of Supervisors of the City and County of San Francisco.


 Angela Calvillo
 Clerk of the Board

Unsigned
 London N. Breed
 Mayor

3/8/19
 Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.


 Angela Calvillo
 Clerk of the Board

3/8/19
 Date