

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO.: 22-0109

WHEREAS, The San Francisco Board of Supervisors (“Board”) established a Community Choice Aggregation (“CCA”) program in 2004 (Ordinance 86-04) and has implemented the program, called CleanPowerSF, through the work of the San Francisco Public Utilities Commission (“SFPUC” or “Commission”) in consultation with the San Francisco Local Agency Formation Commission (Ordinances 146-07, 147-07, and 232-09); and

WHEREAS, Hetch Hetchy Power serves its customers primarily with electricity generated by City-owned generation resources; CleanPowerSF serves its customers entirely with electricity purchased through wholesale market transactions; and

WHEREAS, Hetch Hetchy Power and CleanPowerSF must comply with state law and California Independent System Operator market rules, including requirements to procure renewable energy, Resource Adequacy capacity, and energy storage, and to contribute to grid reliability; and

WHEREAS, The SFPUC needs to engage in a continual process of procuring power and simultaneously negotiating a mix of short-, medium-, and long-term contracts for a diverse supply of energy and energy-related products with multiple suppliers, all in an expedited time frame consistent with regulatory deadlines in order to meet regulatory requirements, secure the best possible prices and terms, keep rates affordable and competitive, and manage procurement risk; and

WHEREAS, The SFPUC uses several industry template contracts and City created templates to procure and sell energy and energy related products and these contracts do not include all of the standard City contract terms and may be in excess of the term and the amount that requires Board approval; and

WHEREAS, Adoption of this Resolution does not constitute a “project” under the California Environmental Quality Act (CEQA) Guidelines Section 15378 because it does not involve any commitment to any specific contract or project that may result in a physical change in the environment; the form contracts require Sellers of electricity products to comply with the law and, for to-be-constructed projects, to complete environmental review and obtain all necessary permits prior to commercial operation and commencing delivery of electricity; now, therefore, be it

RESOLVED, That this Commission conditionally authorizes the General Manager to execute energy supply contracts as specified in this item and to seek Board of Supervisors approval, if required, to execute the energy supply contracts, subject to the following conditions:

- (i) the total cost of the executed contracts may be recovered by Hetch Hetchy Power and CleanPowerSF in adopted rates and is consistent with the programs’ 10-year Financial Plans adopted by the Commission;

(ii) the total cost of all energy supply contracts executed under this authorization shall not exceed \$150 million per year;

(ii) the total revenue from contracts to sell electricity products executed under this authorization shall not exceed \$10 million per year;

(vii) the duration of any contract shall not exceed 25 years, unless the Commission approves a contract extension; and

(viii) the authority granted under this Resolution shall expire on June 30, 2027 unless the Commission approves an extension; and be it

FURTHER RESOLVED, The General Manager shall report on a quarterly basis to the Commission, the duration, product purchased, and cost of contracts entered into pursuant to this delegated authority.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of June 14, 2022.

A handwritten signature in black ink that reads "Alonna Wood". The signature is written in a cursive, flowing style.

Secretary, Public Utilities Commission