

February 15, 2023

Presented to the San Francisco Board of Supervisors



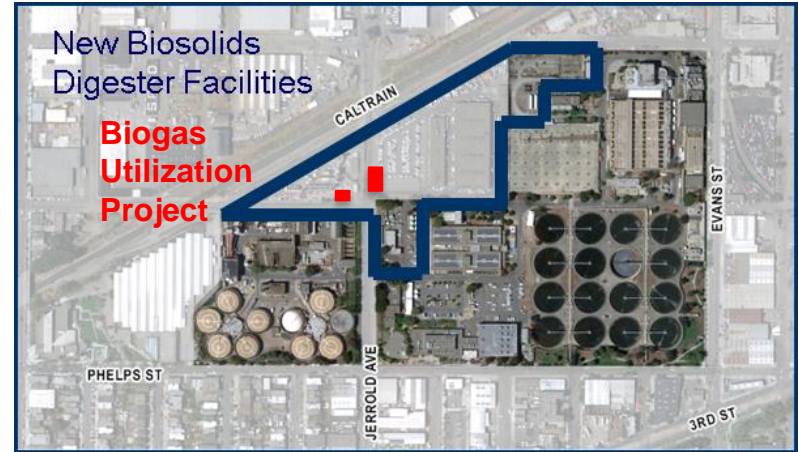
SFPUC Biogas Utilization Project Public-Private Partnership (P3)

Stephen Robinson, SFPUC Infrastructure AGM
Daniela Brandao, SFPUC Project Manager

Project Overview

- Subset of Biosolids Digester Facilities (BDFP) project
 - Located within BDFP project boundaries
 - Must be operational and ready to accept the biogas from the new digesters
- Ensures beneficial use of the biogas generated from new digesters
- Upgrades biogas to renewable natural gas and injects into existing PG&E pipeline for distribution to outside users
- Represents best value for the biogas and provides environmental benefits

Southeast Treatment Plant (SEP)



Public-Private Partnership (P3) – Scope of Work

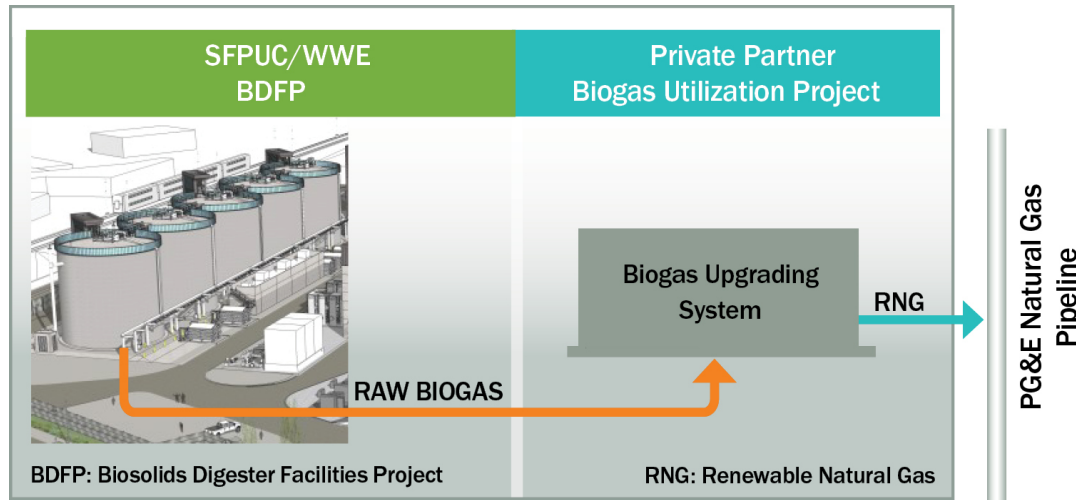
- **SFPUC/Wastewater Enterprise (WWE)**

Responsibilities:

- Provide digester raw biogas (volume and quality)
- Operate and maintain biosolids digester facilities
- Obtain and maintain Air Permit from Bay Area Air Quality Management District
- Own Interconnection Agreement with PG&E

- **Private Partner Services:**

- Finance, design, construct biogas utilization project
- Operate and maintain biogas utilization system
- Comply with Air Permit requirements
- Coordinate design and construction of pipeline interconnection with PG&E
- Provide brokerage of fuel sale and renewable fuel credit



P3 Ordinance – Why do we need a Special Ordinance


- To allow the SFPUC to contract with a **single contractor** to provide a **turnkey solution to the beneficial use of biogas generated from wastewater treatment at the SEP**
- P3 Ordinance
 - The SF Administrative Code doesn't contemplate these services under one contract. Exemptions from Chapters 6, 14B, 21, and 23.30 of the Adm Code are required, permitting private financing and best-value selection of the P3 partner.
 - Still meets policy objectives of the chapters listed above.
- This ordinance does not approve the Project. Rather, this ordinance simply puts in place a procedure to continue to deliver the Project as a P3.
- SFPUC will return to the BOS for award of the Contract.

Proposed BOS Action

- **Adopt** an Ordinance authorizing the San Francisco Public Utilities Commission (SFPUC) to exempt certain design, construction, finance, operation and maintenance services and related agreements for the P3 development of the Biogas Utilization Project at the Southeast Treatment Plant, from Chapters 6, 14B, 21, and section 23.30 of the Administrative Code.
- The exemptions would allow the SFPUC to contract with a single contractor to provide a turnkey solution to the beneficial use of biogas generated from wastewater treatment.

Schedule and Next Steps

Milestone	Dates
Commission approval of P3 Ordinance	12/13/2022
P3 Ordinance introduced to the BOS	12/27/2022
P3 Ordinance in effect	04/16/2023
RFQ release	04/17/2023
RFP release	10/30/2023
Contract Award (return to the Commission and the BOS for approval)	06/25/2024 - 07/30/2024
Design-Build	October 2024 – October 2026
Start-up (aligned with the New Biosolids Digester Facilities project)	October 2026



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