



June 4, 2021

Catherine Spaulding
Deputy Manager, Programs & Planning
San Francisco Public Utilities Commission, Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102

Re: Mission Rock Project - 12 Kilovolt Line: Request for Written Authorizations Pursuant to the San Francisco Public Utilities Commission Rules & Regulations Governing Electric Service

Dear Deputy Manager Spaulding:

On March 19, 2021, San Francisco Public Works (“Public Works”) conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively “IB#3”). IB#3 authorizes Seawall Lot 337 Associates, LLC (“Developer”), the master developer for the Seawall Lot 337 & Pier 48 Mixed-Use Project (“Project”) to construct a 12-kilovolt electrical line to provide power to the Project site (“12-kV Line”).

The 12-kV Line is depicted in [Exhibit A](#) attached hereto. The 12-kV Line will be used to provide SFPUC power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project’s initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer has completed installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request your authorization of certain requests pursuant to the San Francisco Public Utilities Commission (“SFPUC”) Rules and Regulations Governing Electric Service (“SFPUC Rules”), as described below, as necessary for Developer to construct, and for the City and County of San Francisco (“City”) to accept, the 12-kV Line.¹ The 12-kV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. The 12-kV Line will remain in place until the Master Developer installs the joint trench and installs a separate 12-kV line in the joint trench and removes the 12-kV Line as part of the improvements to Bridgeview Street in Phase 3 of the Project. For

¹ Developer notes that Public Works’ conditional approval of IB#3 requires Developer to submit this request for authorizations within sixty days of the issuance of the conditional IB#3.

this reason, SFPUC has designated the 12-kV Line a Temporary Electric Service Line under the SFPUC Rules.

Developer will be solely responsible for the costs to remove the existing 12-kV Line when the joint trench has been installed and the electric facilities energized. The costs for the new 12-kV line in the joint trench will be shared by the SFPUC and Developer pursuant to Rule 15 of the SFPUC Rules.

A portion of the 12-kV Line will be constructed on property owned by the City acting by and through the Port of San Francisco (“Port”) as the trustee of the public trust. As a result, neither the Port nor Developer can offer an easement to SFPUC for this facility. The conditions of approval for IB#3 recognize that the City’s acceptance of the 12-kV Line and its ultimate ownership, operation and maintenance by SFPUC will require a separate agreement between the Port and SFPUC.

Developer respectfully requests the Acting General Manager’s authorization pursuant to the provisions of the SFPUC Rules described below.

- **SFPUC Rules, § XV.7.C.2:** “SFPUC will construct Distribution and Service Line Extensions only along public streets or upon private property in which Applicant has obtained an Easement or other rights satisfactory to SFPUC without cost to SFPUC.”

Request No. 1: As described above, a portion of the 12-kV Line is not located within a public street or an easement. The request is to confirm that SFPUC will operate and maintain the 12-kV Line and, provided that the Board of Supervisors accepts the line through a future action, own the line notwithstanding that it will not be located within a street or public utility easement. Per the conditions of approval for IB#3, Developer acknowledges that SFPUC’s operation and maintenance of the 12-kV Line, between the date of City acceptance and Developer’s removal of the 12-kV Line upon completion of replacement facilities in Bridgeview Street, will require a separate agreement between the Port and SFPUC at no cost to SFPUC and upon terms that are otherwise satisfactory to SFPUC.

- **SFPUC Rules, § XV.7.C.3:** “SFPUC will install all new Distribution and Service Line Extensions underground, unless specifically exempted by SFPUC for good cause.”

Request No. 2: A portion of the 12-kV Line is overhead and not underground. This is a result of the Project’s construction phasing and site constraints, particularly the need to temporarily bring power across the Project site. Per the terms of the SFPUC Rules, Developer requests an exemption to allow for SFPUC operation and eventually ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead.

- **SFPUC Rules, § XV.I.5:** “Unless otherwise agreed to in writing, SFPUC will not accept ownership of any Distribution or Service Line Extension on any unaccepted public right-of-way until the Board of Supervisors had accepted the public right-of-way from Developer. In the event that electrical service is energized prior to the formal acceptance, Developer will grant SFPUC an easement or license without cost to the SFPUC that provides SFPUC with the same access to the Distribution or Service Line Extension for

maintenance and operation that SFPUC would have to a Distribution or Service Line Extension in a public right-of-way.”

Request No. 3: The 12-kV Line will need to be energized before the City accepts the line, and upon acceptance, a portion of the line will not be located within a public right-of-way accepted by the Board of Supervisors or a public utility easement. Per the terms of the SFPUC Rules, Developer requests SFPUC’s written confirmation that, following the Developer’s satisfaction of the conditions of approval for IB#3 and the Board of Supervisors’ requisite approval actions to accept the 12-kV Line, SFPUC will take ownership of the 12-kV Line prior to the Board of Supervisors’ acceptance of that portion of the public right-of-way.

In addition to the requests delineated here, Developer is submitting a concurrent request to the Acting Director of Public Works for exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval for Public Works Order No. 202,368 relating to the 12-kV Line as required by the conditions of approval for IB#3. A copy of that request is appended hereto as Exhibit B. Developer respectfully requests your consent to the exceptions requested therein.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,



Julian Pancoast
Senior Director
Mission Rock Horizontal Sub (Phase 1), L.L.C.

Accepted and Agreed:
San Francisco Public Utilities Commission

By: Catherine Spaulding
Catherine Spaulding
Deputy Manager, Programs & Planning

cc Alaric Degrafinried, Acting Director, Public Works
Michael Carlin, Acting General Manager, SFPUC
John Kwong, Public Works
Shawna Gates, Public Works, Infrastructure Task Force
Phil Williamson, Port of San Francisco

Exhibit A

(Diagram of 12-kV Line)

Exhibit B

(Letter to Public Works)



June 4, 2021

Alaric Degrafinried
Acting Director
San Francisco Public Works
49 South Van Ness Avenue
San Francisco, CA 94103

Re: Mission Rock Project (“Project”) - 12 Kilovolt Line: Request for Exceptions from the Subdivision Code, the Subdivision Regulations, and Public Works Order No. 202,368 (“Tentative Map Conditions of Approval”)

Dear Acting Director Degrafinried:

On March 19, 2021, San Francisco Public Works (“Public Works”) conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively “IB#3”). IB#3 authorizes Mission Rock Horizontal Sub (Phase 1), L.L.C. (“Developer”) to construct a 12-kilovolt electrical line to provide power to the Project site (“12-kV Line”).

The 12-kV Line is depicted on Exhibit A attached hereto. The 12-kV Line will be used to provide San Francisco Public Utilities Commission (“SFPUC”) power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project’s initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer is in the process of installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request approval of exceptions¹ from provisions of the Subdivision Code, the Subdivision Regulations, and the Tentative Map Conditions of Approval as

¹ Exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and tentative map conditions of approval are authorized pursuant to Section III.A of the Subdivision Regulations (“Exceptions as that term is used within these Regulations shall refer to Section 1712, inclusive, as defined in the San Francisco Subdivision Code.”). Per Section 1712(b) the Director of Public Works must find the following in order to approve an exception:

- (1) That the application of certain provisions of this Code or the Subdivision Regulations would result in practical difficulties or unnecessary hardships affecting the property inconsistent with the general purpose and intent of the Project Document and City Regulations;
 - (2) That the granting of the exception, waiver, or deferral will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated;
- and

necessary for Developer to construct, and for the City and County of San Francisco (“City”) to accept, the 12-kV Line.² The 12-kvV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. As contemplated by the conditions of approval for IB#3, the Port of San Francisco (“Port”) and Developer are parties to a license agreement dated March 19, 2021, which authorizes the 12-kV Line on Port property prior to the City’s acceptance of that facility. The 12-kV Line will remain in place until such time as Developer installs a separate 12-kV line and a new joint trench as part of improvements to Bridgeview Street in Phase 3 of the project.

Developer requests the approval of the Acting Public Works Director for the exceptions listed hereunder.

- **Exception No. 1** - Subdivision Code, § 1337(a): “All new utility lines shall be undergrounded as specified in Article 18 of the Public Works Code.”

Request: An exception is requested to authorize the overhead segment of the 12-kV Line.

- **Exception No. 2** - Subdivision Regulations, App. A § VII.D.1: “The City shall accept only full, complete, and functional public streets for purposes of City maintenance and liability. Full, complete, and functional streets include all the aerial, surface, and subsurface public improvements necessary for, and the full width and length of the public right-of-way from intersection to intersection necessary to safely operate the public street and all other components as designed in perpetuity. The Subdivider shall not offer public improvements to the City for purposes of City maintenance and liability unless the improvements include the full, complete, and functional public street. The City shall not accept temporary streets or other temporary public improvements. Where proposed public streets or other public improvements connect to private, temporary, or non-functional streets or street improvements, the Subdivider shall not offer such public improvements and the City shall not accept such public streets or street improvements for City maintenance and liability purposes unless the Director, after consultation with other affected City Agencies, approves or conditionally approves the proposed connections.”

Request: An exception is requested to allow for Developer to offer the 12-kvV Line for acceptance by the City through a future action of the Board of Supervisors notwithstanding that the 12-kV Line will not be part of a complete public street.

Additionally, permanent electrical distribution infrastructure within the Project’s initial phase will connect to, and receive power from, the 12-kV Line until such time as the future 12-kV Line is completed in Bridgeview Street. Developer will seek acceptance of the permanent distribution infrastructure within the first phase before Bridgeview Street is completed in a later phase. Accordingly, Developer requests an exception to allow for the acceptance of those public improvements notwithstanding that those improvements may, at the time of acceptance, still be connected to the 12-kV Line.

(3) That the granting of such exception, waiver, or deferral will not be contrary to the Project Documents or City Regulations.

² Developer notes that Public Works’ conditional approval of IB#3 requires Developer to submit this request for exceptions within sixty days of the conditional of IB#3.

- **Exception No. 3 - Subdivision Regulations, App. A § VII.D.2: “Dedications in fee shall be irrevocably offered to the City. In addition, the Subdivider shall include an irrevocable offer of interim easement such that the City can complete the Subdivider’s public improvement obligation in the event of default at any time prior to the City’s final acceptance of the fee dedication.”**

Request: An exception is required because neither the Port nor Developer can offer the City a fee interest or an easement for any portion of the Project site. This is because the City owns the Project site by and through the Port acting as the trustee of the public trust. As such, the City cannot dedicate a fee interest or an easement. Instead, and as contemplated by the conditions of approval for IB#3, SFPUC will ultimately own, operate and maintain the line pursuant to a memorandum of understanding from the Port or similar agreement on terms satisfactory to SFPUC.

- **Exception No. 4 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 20: “All Easement Agreements, Offers of Dedication, Offers of Improvements, Grant Deeds or any other documents shall be executed by Subdivider and submitted to Public Works prior to approval of the Final Map or Improvement Plans, whichever comes first, unless otherwise approved by the City. Review of the documents by the Director and City Attorney shall be concurrent with review and approval of the Public Improvement Agreement.”**

Request: An exception is required for Subdivider to offer the 12-kV Line for dedication to the City subsequent to the approval of Final Map No. 9443. As required by the conditions of approval for IB#3, the offer of dedication of improvements will be included as part of an amendment to the Public Improvement Agreement for the Project’s initial phase. Acceptance of the offer and public dedication of the 12-kV Line will be subject to a separate action of the Board of Supervisors.

- **Exception No. 5 - Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9. Subdivider shall not request a Notice of Completion (NOC) on any utility facility that does not operate as part of a complete system. This requires the construction of permanent infrastructure or an allowance for use of temporary infrastructure where the City grants an exception.**

Request: As otherwise described in this letter, the 12kV Line will ultimately be removed in favor of permanent, underground infrastructure. The requested exception will allow for the Director of Public Works to issue a NOC for the 12kV Line provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

- **Exception No. 6 - Tentative Map Condition of Approval - SFPUC Power Enterprise - Hetch Hetchy Power No. 1. Prior to July 31, 2019, unless an extension is granted by the SFPUC General Manager, Subdivider shall enter into an Electric Service Agreement (ESA) with SFPUC.**

Request: An exception is requested to account for the fact that Developer and SFPUC continue to negotiate the terms of the Project’s ESA concurrent with the parties’ efforts to resolve technical issues relating to the delivery of power to the Project.

- **Exception No. 7 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 21. Consistent with the Subdivision Regulations, Subdivider shall not request a Notice of Completion (NOC) on any portion of a street other than full, complete and functional street, except that NOC for LCC-related improvements shall be subject to the Public Works – Bureau of Streets and Mapping – Permits Division conditions for LCC.**

Request: As contemplated by IB#3, Developer will seek, NOC for the 12kV Line notwithstanding that the 12kV Line will not be part of a full, complete and functional street. This exception will enable issuance of the NOC provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

Approval of the requested exceptions is supported based on the following:

Subdivision Code § 1712(b)(1): Application of the referenced provisions of the Subdivision Code, the Subdivision Regulations, and certain of the Tentative Map Conditions of Approval to the 12kv Line would result in practical difficulties and unnecessary hardships inconsistent with the Project approvals and the City Regulations.

Construction and operation of the 12-kV Line is necessary for the delivery of SFPUC power to meet the Project's construction schedule. The 12-kV Line will also be used to deliver permanent power to the Project's initial development phase. Timely completion and energization of the 12-kV Line is essential to the Project's schedule as contemplated by the Project approvals. Additionally, the 12-kV Line will serve to promote the delivery of SFPUC power to the Project pursuant to the City Charter and the Project approvals. Conversely, failure to timely install and energize the line will result in day-for-day delays in Project construction and a commensurate delay in the realization of market rate and affordable housing, open space, new infrastructure, and other public benefits.

Subdivision Code § 1712(b)(2): Granting of the exceptions will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The 12-kV Line will be located partially within a public street and the balance of the line will be on Port property. The portion within the public street will be subject to Public Works permitting requirements and otherwise subject to City regulatory requirements. As to the portion of the line on Port property, the Developer will be required to safely construct and maintain the 12-kV Line pursuant to the above-referenced license agreement. At such time that the 12-kV Line is accepted by the City, SFPUC will have adequate access to the 12-kV Line for maintenance and repair of the facility through a memorandum of understanding or similar agreement with the Port, as may be needed, akin to access rights which SFPUC would normally have pursuant to a public utility easement.

Subdivision Code § 1712(c): Granting of the exceptions is not contrary to the Project approvals or City regulations.

As described above, approval of the exceptions to authorize the construction, operation, and ultimately City acceptance of the 12-kV Line is consistent with the Project approvals and the City regulations. The 12-kV Line is essential to maintaining the Project schedule and the delivery of

associated housing and other public benefits. Further, the 12-kV Line will help to promote the use of SFPUC power consistent with the City Charter and related provisions of the Project approvals.

In addition to the requests for exceptions delineated here, Developer is submitting a concurrent request for certain authorizations relating to the 12-kV Line to SFPUC pursuant to its Rules & Regulations Governing Electric Service, as required by the conditions of approval for IB#3. A copy of that request is appended hereto as Exhibit B.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julian Pancoast', written in a cursive style.

Julian Pancoast
Senior Director
Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Michael Carlin, Acting General Manager, SFPUC
Molly Petrick, SFPUC
Derek Adams, SFPUC
Fan Lau, SFPUC
Phil Williamson, Port of San Francisco
Shawna Gates, Public Works - Infrastructure Task Force
Christopher Tom, City Attorney's Office

Exhibit A

(Diagram of 12kv Line)

Exhibit B

(Letter to SFPUC)