

1 [Accept and Expend Grant - Energy Efficiency Program and Amendment to the Annual Salary
Ordinance - \$13,100,000]

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3 **Ordinance authorizing the Department of the Environment to accept and expend a**
4 **grant in the amount of \$13,100,00 from the California Public Utilities Commission,**
5 **through Pacific Gas and Electric Company, to implement an Energy Use and Demand**
6 **Reduction through Energy Efficiency Program and amending Ordinance No. 165-12**
7 **(Annual Salary Ordinance, FYs 2012-2013 and 2013-2014) to reflect the addition of five**
8 **grant funded positions (5 FTE) at the Department of the Environment.**

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10 Note: Additions are *single-underline italics Times New Roman*;
11 deletions are ~~*strikethrough italics Times New Roman*~~.
12 Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

13 Be it ordained by the People of the City and County of San Francisco:

14 **Section 1. Findings**

15 The California Public Utilities Commission ("the CPUC") requires the Investor-Owned
16 Utilities ("IOUs") to use ratepayer dollars to fund and administer a portfolio of programs that
17 enhance system reliability and provide in-state benefits, including cost-effective energy
18 efficiency.

19 Since 2003, the City, through the Department of the Environment, and the Pacific Gas
20 and Electric Company ("PG&E"), the IOU serving the City, have entered into a series of
21 contracts and contract modifications to conduct energy efficiency programs in the City using
22 funds allocated for this purpose by the CPUC through PG&E. Under the current three-year
23 contract for \$17,120,000, the Department of the Environment is operating the San Francisco
24 Energy Watch ("SFEW") program, which since 2010, has provided technical services and
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1 \$8,600,000 in incentives to upgrade over 2,600 business and multifamily buildings in San
2 Francisco, reducing energy bills by \$10,000,000 annually.

3 On November 8, 2012, the CPUC issued a Decision which included directing PG&E to
4 extend and potentially expand contracts through December 2014 with local governments that
5 are implementing successful energy efficiency programs, and to do so within sixty (60) days
6 from the date of the Decision. These local governments, including San Francisco, had
7 submitted qualifying proposals to PG&E and were included in PG&E's portfolio of energy
8 efficiency programs under consideration by the CPUC.

9 The \$13.1 million award includes \$403,000 in continuing funds for a pilot program to
10 address the pervasive use of old, inefficient refrigeration units in restaurants and convenience
11 stores in San Francisco, which was previously approved by the Board of Supervisors in
12 Ordinance No. 098-12. The execution of that contract was delayed due to clauses in the
13 contract regarding new PG&E data security requirements. Rather than moving forward with
14 two agreements, PG&E has included the \$403,000 for the refrigeration pilot program in the
15 new contract authorization for 2013-2014 and activity on the program will now commence in
16 2013.

17 **Section 2. Authorization to Accept and Expend Funds.**

18 The Board of Supervisors hereby authorizes the Department of the Environment to
19 accept and expend \$13.1 million (including \$403,000 previously authorized) from the CPUC,
20 through PG&E, to effectuate the Grant and implement an Energy Use and Demand Reduction
21 Through Energy Efficiency Program in the City and County of San Francisco.

22 The Department of the Environment is further authorized to furnish whatever additional
23 information or assurances the funding agency may request in connection with this grant, and
24 to execute any and all agreements necessary to carry out the purpose of the grant.

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1 The grant budget includes provision for indirect costs of \$1,519,130.

2 The term of the CPUC/PG&E grant is from January 1, 2013 through December 31,
3 2014

4 **Section 3. Grant-funded Position; Amendment to FY 2012-13 and FY 2013-14 Annual**
5 **Salary Ordinance.**

6 The hereinafter designated sections and items of Ordinance No. 165-12 (Annual Salary
7 Ordinance, FY 2012-13 and FY 2013-14) are hereby amended to ADD FIVE (5) positions in
8 the Department of the Environment, and reads as follows:

9 Department: ENV-22

10 Program: CIP - ENERGY

11 Subfund: 2S-ENV-GNC

12 Index Code: 220288

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| Amendment: | Number of Positions: | Class and Item No.: | Compensation Schedule: |
|------------|----------------------|-----------------------------------|------------------------|
| Add | .42 FTE | 0923 Manager II | \$3,589 B \$4,581 |
| Add | .84 FTE | 5642 Sr. Environmental Specialist | \$3,041 B \$3,696 |
| Add | .84 FTE | 5640 Environmental Specialist | \$2,614 B \$3,178 |

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APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

APPROVED AS TO CLASSIFICATION
DEPARTMENT OF HUMAN RESOURCES

By: _____
Thomas Owen
Deputy City Attorney

By: _____
Micki Callahan
Director

APPROVED: _____
Mayor

APPROVED: _____
Ben Rosenfield
Controller

RECOMMENDED:

Melanie Nutter, Executive Director
Department of the Environment