1	[Contract approval]
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3	Resolution pursuant to Charter section 9.118(a) authorizing the Department of the
4	Environment to enter into a contract for up to \$1,550,000.00 with Pacific, Gas and
5	Electric Company ("PG&E") to implement a Demand Reduction Through Energy
6	Efficiency Pilot Program in the City and County of San Francisco.
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8	WHEREAS, On December 9, 2003, the Board of Supervisors adopted the Electricity
9	Resource Plan ("Plan") as a policy guideline to be used in proposing and implementing
10	specific actions; and,
11	WHEREAS, Goals of the Plan developed through public comment and used to guide
12	the Plan include: maximizing energy efficiency, reducing air pollution and preventing other
13	environmental impacts, and supporting environmental justice; and
14	WHEREAS, The Plan identified a potential electricity shortfall in the City of San
15	Francisco in 2004-05; and,
16	WHEREAS, The Plan outlines a scenario by which energy efficiency can contribute to
17	the closure of Hunters Point power plant in 2005 when it will no longer meet federal emissions
18	standards; and
19	WHEREAS, The Plan recommended that the Department of the Environment pursue
20	development of energy conservation programs serving the public and private sectors to meet
21	or exceed the objectives provided in the Plan; and,
22	WHEREAS, In March 2003, the Board of Supervisors unanimously passed a resolution
23	sponsored by President Gonzalez in favor of an energy efficiency collaborative between the
24	Department of the Environment and PG&E and,

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1	WHEREAS, On April 17, 2003, at its regularly scheduled meeting, the California Public
2	Utilities Commission awarded \$16.3 million in Public Goods Charge Funds to PG&E to
3	implement a Demand Reduction Through Energy Efficiency Pilot Program ("Pilot Program") in
4	the City and County of San Francisco; and,
5	WHEREAS, Both the Department of the Environment and PG&E have performed initial
6	market research to identify particular electric utility customer and market segments that need
7	to be addressed in the Pilot Program and which will have the potential to achieve the electric
8	demand reduction objectives prior to 2005; and,
9	WHEREAS, The Department of the Environment and PG&E will deploy the Pilot
10	Program to reduce electric demand during two "peak" electricity demand periods, a daytime
11	summer peak, and a winter evening peak that can be equal to or exceed the summer peak;
12	and,
13	WHEREAS, The Department of the Environment shall provide marketing, outreach and
14	other implementation support services for the Pilot Program; and,
15	WHEREAS, The Department of the Environment seeks the Board's approval pursuant
16	to Charter section 9.118 (a) to enter into a contract with PG&E for anticipated revenue of up to
17	\$1,550,000 to the City and County of San Francisco to implement the Pilot Program; and,
18	WHEREAS, Implementation of the Pilot Program is designed to result in energy
19	savings of a minimum 16 megawatts of load reduction from both peaks; now, therefore, be it
20	RESOLVED, That the San Francisco Board of Supervisors authorizes the Director of
21	the Department of the Environment to enter into a contract in substantially the form of the draft
22	contract with PG&E, presented to the Board in File No. , to provide program support
23	services and collaboration for the successful accomplishment of Pilot Program development
24	and design, implementation, evaluation and closeout.

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