

1 [Electricity Resource Plan Update]

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3 **Resolution endorsing an updated Electricity Resource Plan to provide a long-term**
4 **vision of San Francisco’s electricity future, to serve as a policy guide to be used in**
5 **proposing and implementing specific actions related to electric energy programs and**
6 **usage in San Francisco, and to identify potential steps toward achievement of San**
7 **Francisco’s goal of having zero greenhouse gas emissions from its electric usage by**
8 **2030.**

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10 WHEREAS, In 2002 San Francisco developed and endorsed through Resolution 827-
11 02 an Electricity Resource Plan (2002 ERP) to "provide a long-term vision of the City's
12 possible electricity future" and to serve as a "policy guide to be used in proposing and
13 implementing specific actions;" and

14 WHEREAS, As a result of the policies and actions it endorsed, the 2002 ERP has
15 achieved its primary goal of closing down the Hunters Point and Potrero Power Plants, two
16 older and higher-polluting fossil-fueled power plants located in the Southeastern portion of the
17 City, as well as encouraging San Francisco to develop renewable energy and promote energy
18 efficiency; and

19 WHEREAS, In 2008 the Board of Supervisors adopted and the Mayor signed
20 Resolution 227-08 which included the goals of California’s Energy Action Plan which
21 established a “loading order” that future electric energy needs should be met with “energy
22 efficiency and demand response first, then renewable [energy] and lastly [with] clean burning
23 fossil generation;” and

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1 WHEREAS, Also in 2008 in Ordinance 81-08 the Board of Supervisors and the Mayor
2 urged the Public Utilities Commission to "...develop a plan to achieve the goal of San
3 Francisco becoming [a] fossil fuel free [electric system] by 2030"; and

4 WHEREAS, In 2009, the Board of Supervisors adopted and the Mayor signed
5 Ordinance 94-09 which urged the Public Utilities Commission (PUC) to produce an update to
6 the 2002 ERP; and

7 WHEREAS, The Public Utilities Commission has prepared an update to the 2002 ERP
8 entitled "San Francisco's 2011 Updated Electricity Resource Plan: Achieving San Francisco's
9 Vision for Greenhouse Gas Free Electricity" (2011 Updated ERP) on file with the Clerk of the
10 Board of Supervisors in File No. 110731, which is hereby declared to be a part of this
11 resolution as if set forth fully herein; and

12 WHEREAS, In preparing the 2011 Updated ERP the Public Utilities Commission
13 reviewed applicable City ordinances and policies, incorporated the principles from California's
14 Energy Action Plan to prioritize energy efficiency, retained as consultants the Rocky Mountain
15 Institute who assisted with the 2002 ERP, convened a Green Technical Advisory Committee
16 (Green TAC) of experts in the field of renewable energy and energy efficiency, and carried out
17 extensive research and analytical work; and

18 WHEREAS, Consistent with the guidance of the Board of Supervisors that "the process
19 of updating the Electricity Resource Plan should include public outreach" the Public Utilities
20 Commission held numerous meetings in a variety of public forums to present the 2011
21 Updated ERP's findings, seek public input, and provide an opportunity for written comments;
22 and

23 WHEREAS, The 2011 Updated ERP incorporates relevant energy-related goals from
24 San Francisco's Climate Action Plan and Peak Oil Task Force; and

1 WHEREAS, The purpose of the 2011 Updated ERP is to develop a City-wide plan to
2 meet San Francisco's zero-GHG goal by 2030, affecting not only the electric energy for
3 municipal facilities provided by the Public Utilities Commission, but also the 83% of electric
4 energy currently being supplied to San Francisco by Pacific Gas & Electric (PG&E) and
5 various energy service providers; and

6 WHEREAS, This 2011 Updated Electricity Resource Plan discusses three broad
7 strategies to put San Francisco on its path towards zero-GHG emissions from its electric
8 sector, which are described in detail in the report; and

9 WHEREAS, The first strategy is to "Empower San Francisco citizens and businesses
10 to cost-effectively reduce GHG emissions associated with their own electric energy usage"
11 through such activities as encouraging energy efficiency; developing onsite renewable energy,
12 distributed generation, and electric storage technologies; improving building standards; and
13 establishing San Francisco as a "green test bed" to encourage the development of new
14 energy technologies. Implementation of Community Choice Aggregation could further
15 strengthen and expand these initiatives; and

16 WHEREAS, The second strategy is "To increase the amount of zero-GHG electricity
17 supplied to the City's customers from the wholesale energy market," both from throughout the
18 Western United States and within San Francisco, through such activities as Community
19 Choice Aggregation, development of green pricing options, and participation in regulatory
20 proceedings affecting those entities that provide electric power to San Francisco; and

21 WHEREAS, The third strategy is "Continuing and expanding PUC electric service
22 guaranteed to provide reliable, reasonably-priced, and environmentally sensitive service to its
23 customers" by ensuring that the PUC Power Enterprise is financially viable, develops
24 alternative service arrangements for services currently provided to the PUC through its
25

1 Interconnection Agreement with PG&E that expires in 2015, and continues and expands
2 environmental justice and the provision of community benefits; and

3 WHEREAS, The 2011 Updated ERP identifies potential actions, funding opportunities,
4 and timelines for pursuing each of these strategies; and

5 WHEREAS, The 2011 Updated ERP recognizes the opportunities that Community
6 Choice Aggregation (CCA) provides for San Francisco to achieve the goals of the 2011
7 Updated ERP; and

8 WHEREAS, Proposals in Chapter 4, Recommendation 4 (pages 59-60) encourages
9 potential amendments to Chapter 99 of the Administrative Code to designate the SFPUC as
10 the default provider of electric distribution services to “identified Community Scale Energy
11 Systems”; and

12 WHEREAS, The San Francisco Public Utilities Commission in Resolution 11-0035
13 endorsed “the goals, objectives, and general strategies” of the 2011 Updated ERP at its
14 March 8, 2011 meeting; and

15 WHEREAS, In accordance with PUC Resolution 11-0035, the General Manager of the
16 PUC forwarded the 2011 Updated ERP to the Board of Supervisors for its consideration and
17 endorsement, consistent with Ordinances 81-08 and 94-09; and

18 WHEREAS, The 2011 Updated ERP lays out a broad vision of how San Francisco's
19 energy future could evolve, and prior to recommendation of any particular project, activity or
20 action additional study and approval will be sought; and

21 WHEREAS, No project, activity, or action will be undertaken prior to adequate
22 environmental review and complete compliance with the California Environmental Quality Act
23 and the City's Environmental Quality Regulations adopted pursuant to San Francisco
24 Administrative Code Section 31; and

1 WHEREAS, It is in the best interest of the City to thoroughly study the 2011 Updated
2 ERP recommendations to ensure they provide benefits to the City including, but not limited to
3 such benefits as reduced greenhouse gas emissions, prudent fiscal management, increased
4 safety in operations, better local or system reliability, and more affordable service for
5 ratepayers; now, therefore, be it

6 RESOLVED, That the Board of Supervisors endorses the goals, objectives, and
7 general strategies in "San Francisco's 2011 Updated Electricity Resource Plan: Achieving San
8 Francisco's Vision for Greenhouse Gas Free Electricity " (the 2011 Updated ERP) and
9 recommends the City move forward after considering findings made by the Controller and
10 Budget Analyst; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors commends the PUC as well as
12 members of the community for participating in and developing the 2011 Updated ERP; and,
13 be it

14 FURTHER RESOLVED, That the 2011 Updated ERP should serve as a policy
15 guideline to be used by the City in considering and implementing specific actions; and, be it

16 FURTHER RESOLVED, That the 2011 Updated ERP, as requested by the Board of
17 Supervisors and the Mayor in Ordinance 94-09, shall supersede the 2002 ERP adopted by
18 Resolution 827-02.