## AMENDED IN COMMITTEE 12/9/15 RESOLUTION NO. 518-15

FILE NO. 151168

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[Agreement Amendment - APX, Inc. - Power Scheduling Coordination and Related Support Services - Not to Exceed \$105,000,000]

Resolution retroactively authorizing the General Manager of the San Francisco Public Utilities Commission to execute the first amendment to Agreement No. CS-344, Power Scheduling Coordination and Related Support Services, with APX, Inc., increasing the not to exceed amount by \$100,000,000, for a total not-to-exceed amount of \$105,000,000, and with no change to the five-year agreement duration, to allow for the payment of the California Independent System Operator (CAISO) power transmission charges.

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) requires scheduling coordinator and related support services in order to transport electricity from the Hetch Hetchy Project and other sources to its electricity customers over the transmission system controlled and operated by the California Independent System Operator (CAISO); and

WHEREAS, On September 23, 2014, by SFPUC Resolution No. 14-0141, the SFPUC authorized the General Manager of the SFPUC to negotiate and execute a professional services agreement, Agreement No. CS-344, Power Scheduling Coordination and Related Support Services, with a not to exceed amount of \$5,000,000 and with a term of five years, concluding in October 2019, with APX Inc. (APX Agreement); and

WHEREAS, The APX Agreement and SFPUC Resolution No. 14-0141 are on file with the Clerk of the Board of Supervisors in File No. <u>151168</u>; and

WHEREAS, The SFPUC previously obtained and paid for transmission services pursuant to an agreement with Pacific Gas & Electric Company, which expired in July 2015; and

WHEREAS, The SFPUC now obtains transmission service pursuant to the CAISO Tariff and is required to process payments for such service (Pass Through Charges) through its scheduling coordinator; and

WHEREAS, The APX Agreement provides for the CAISO Pass Through Charges to be processed through a scheduling coordinator clearing account (Clearing Account) in compliance with the CAISO Tariff; and

WHEREAS, The APX Agreement and CAISO Tariff require the SFPUC to deposit funds for the CAISO Pass Through Charges into a Clearing Account and require APX, Inc., to pay the Pass Through Charges to the CAISO on behalf of the SFPUC from the Clearing Account; and

WHEREAS, The first Amendment to the APX Agreement adds \$100,000,000, to the current not-to-exceed amount for a total not-to-exceed amount of \$105,000,000 solely to allow for the payment of the Pass Through Charges to the CAISO from the Clearing Account, but does not change the amounts to be paid to APX Inc. for services under the APX Agreement (First Amendment); and

WHEREAS, The First Amendment is on file with the Clerk of the Board of Supervisors in File No. <u>151168</u> and available on the Board's website, substantially in final form; and WHEREAS, On October 13, 2015, by PUC Resolution No. 15-0207, on file with the Clerk of the Board of Supervisors in File No. <u>151168</u>, the PUC approved the First Amendment to Agreement CS-344; and

WHEREAS, Funds for the APX Agreement and the transmission charges paid to the CAISO have been budgeted by SFPUC and allocated through the budget process; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby retroactively authorizes the General Manager of the SFPUC to enter into the First Amendment to Agreement No. CS-344,

Power Scheduling Coordination and Related Support Services, with APX Inc., to increase the not-to-exceed amount by \$100,000,000, for a total not-to-exceed amount of \$105,000,000, with no change to the agreement duration, in substantially the form on file with the Clerk of the Board, with any amendments or modifications that the General Manager determines, in consultation with the City Attorney, are in the best interest of the City, do not otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the contract, and are in compliance with all applicable laws; and, be it

FURTHER RESOLVED, That within thirty (30) days of the agreement being fully executed by all parties, the SFPUC shall provide the final agreement to the Clerk of the Board for inclusion into the official file; and, be it

FURTHER RESOLVED, This requirement and obligation resides with the General Manager, and is for purposes of having a complete file only, and in no manner affects the validity of the approved contract.



## City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

## Resolution

File Number:

151168

Date Passed: December 15, 2015

Resolution retroactively authorizing the General Manager of the San Francisco Public Utilities Commission to execute the first amendment to Agreement No. CS-344, Power Scheduling Coordination and Related Support Services, with APX, Inc., increasing the not to exceed amount by \$100,000,000, for a total not-to-exceed amount of \$105,000,000, and with no change to the five-year agreement duration, to allow for the payment of the California Independent System Operator (CAISO) power transmission charges.

December 09, 2015 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

December 09, 2015 Budget and Finance Committee - RECOMMENDED AS AMENDED

December 15, 2015 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 151168

I hereby certify that the foregoing Resolution was ADOPTED on 12/15/2015 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board