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Supervisor Maxwell
BOARD OF SUPERVISORS

[Human Health and Environment Protections for New Electric Generation]

Ordinance adopting minimum requirements for the protection of human health and the environment for any proposal for new electric generation at the Potrero Power Plant in Southeast San Francisco; and requiring all City officials and departments to advocate these requirements, and greater protections, in regulatory proceedings and negotiations regarding the proposal to build a new power plant at the site of the existing Potrero Power Plant; and requiring approval of the Board of Supervisors for any agreement by City officials or departments for new electric generation in Southeast San Francisco.

Note:

Additions are single-underline italics Times New Roman;

deletions are *strikethrough italies Times New Roman*. Board amendment additions are <u>double underlined</u>.

Board amendment deletions are strikethrough normal.

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

Section 1. Findings. The Board of Supervisors hereby finds and declares as follows:

(A) The Energy Resources Conservation and Development Commission (California Energy Commission) has recognized Southeast San Francisco as a minority community entitled to environmental justice;

- (B) All of the major electrical generating units in San Francisco are located in Southeast San Francisco which includes the Bayview, Hunters Point, Potrero Hill and Dogpatch neighborhoods;
- (C) Southeast San Francisco has a disproportionate number of industrial and polluting facilities;

- (D) Southeast San Francisco has an extraordinarily high rate of childhood asthma and other serious respiratory diseases;
- (E) Fossil fuel generation is associated with pollutants that damage public health;
- (F) Oil fueled generation, such as that produced by the Potrero Power Plant Units 4, 5, and 6 known as "Peakers", is potentially more harmful than natural gas fueled generation;
- (G) Alternative fuel sources are more protective of the environment and human health than fossil fuel generation;
- (H) The City signed an agreement with PG&E calling for the permanent shutdown of the Hunters Point power plant, as determined by the appropriate state and federal regulatory authorities, as soon as the facility is no longer needed to sustain electrical reliability;
- (I) The California Independent System Operator has identified transmission upgrades that would assist with providing reliable electricity to San Francisco;
- (J) The City has agreed with PG&E to advocate the expeditious development of capacity (generation and/or transmission) which minimizes adverse community and environmental impacts to replace the Hunters Point power plant;

Section 2. Policy. The City and County of San Francisco shall oppose any application for a proposed siting, expansion or development of fossil fuel power generation at Potrero HIII Power Plant in Southeast San Francisco and deny any governmental approval that will facilitate such generation and withhold its approval of any lease, license, permit, easement or other agreement for such facility unless the applicant can demonstrate the following as minimum conditions:

(A) The proposal <u>and the terms and conditions of the approval</u> will reduce potential and actual emissions of criteria, toxic, and hazardous air pollutants from levels that would occur in Southeast San Francisco <u>from whatever source</u> without the construction and operation of the proposed fossil fuel electric generation project at Potrero Hill Power Plant. For purposes of

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this section, such levels include emissions from all actual and potential sources that impact Southeast San Francisco, except that the emissions from the Hunters Point power plant shall be deemed to be zero, and the emissions from Potrero Units 4, 5, and 6 shall be calculated on the basis of actual historic annual emissions for each unit;

- (B) The proposal will result in a binding, enforceable agreement, to which the City and County of San Francisco is a party, which provides that the Hunters Point Power Plant shall be permanently shut-down as a source of fossil fuel generation by a date certain which shall be no later than 90 days from the initial firing of generation equipment for any new fossil fuel generation at the proposed site;
- (C) The proposal will result in a binding, enforceable agreement, to which the City and County of San Francisco is a party, which provides that all existing peaker units at the Potrero Power plant shall be permanently shut-down as a source of fossil fuel generation by a date certain which shall be no later than 90 days from the initial firing of generation equipment for any new fossil fuel generation at the proposed site permanently shut-down as a source of fossil fuel generation by a date certain which shall be no later than 90 days from the initial firing of generation equipment for any new fessil fuel generation at the proposed site: (1) retrofitted or rebuilt, using the best available pollution control technology (BACT) and (2) used only when (a) Unit 7 is unavailable due to California ISO scheduled maintenance, or emergencies of which the City is notified, in writing (giving notice to the San Francisco Public Utilities Commission, the San Francisco District Attorney and the Clerk of the Board of Supervisors). by the owner/operator of the Plant, including notification of the time estimated to complete the emergency maintenance, or (b) if there is a natural disaster which disrupts the flow of natural gas to the Potrero Power Plant. In the event the peaker units are used, the owners and operators of the Plant shall provide written reports of emissions, as specified by the Department of Public Health, to the City and County of San Francisco.;

- (D) The proposal will use the least emitting pollution control technology;
- (E) The proposal will result in a binding, enforceable agreement to which the City and County of San Francisco is a party, which provides that the existing Unit 3 at the Potrero Power plant shall be using the least emitting pollution control technology by a date certain which shall be no later than 90 days from the initial firing of generation equipment for any new fossil fuel generation at the proposed site;
- (F) The proposal will result in a binding, enforceable agreement, to which the City and County of San Francisco is a party, requiring the shut down of Unit 3 of the Potrero Hill power plant as soon as the facility is no longer needed to sustain electric reliability in San Francisco and the surrounding area and after appropriate regulatory approvals, and further requiring that within one year of permanent shutdown, the decommissioning of Unit 3 of the Potrero Hill power plant and remediation of the site will begin expeditiously;
- (G) The Applicant has provided sufficient mitigation to the impacted communities in Southeast San Francisco to offset any adverse social, economic, cultural, environmental, and public health impacts associated with the fossil fuel generation;
- (H) The Applicant shall agree to notify the City and County of San Francisco before it seeks to change or modify any permit required to own, operate, or construct the proposed fossil fuel electric generation project at Potrero Hill Power Plant;
- Section 3. Approvals. Any agreement by City officials or departments for or related to new electric generation in Southeast-San Francisco shall require approval of the Board of Supervisors.
- Section 4. Energy Resource Plan. The <u>Board of Supervisors</u>, <u>working with the Public Utilities</u> Commission and the Department of the Environment shall, after public hearings, adopt plans by December, December 1, 2001 to implement all practical transmission, conservation,

By:

efficiency, and renewable alternatives to fossil fuel generation in the City and County of San Francisco. Such plans shall be submitted to the Board of Supervisors by January 1, 2002.

APPROVED AS TO FORM: LOUISE H. RENNE, City Attorney

Deputy City Attorney



City and County of San Francisco Tails

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

Ordinance

File Number:

010887

Date Passed:

Ordinance adopting minimum requirements for the protection of human health and the environment for any proposal for new electric generation at the Potrero Power Plan in Southeast San Francisco; and requiring all City officials and departments to advocate these requirements, and greater protections, in regulatory proceedings and negotiations regarding the proposal to build a new power plant at the site of the existing Potrero Power Plant; and requiring approval of the Board of Supervisors for an agreement by City officials or departments for new electric generation in Southeast San Francisco.

May 21, 2001 Board of Supervisors — AMENDED

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin,

Sandoval, Yee

Absent: 1 - Newsom

May 21, 2001 Board of Supervisors — AMENDED

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin,

Sandoval, Yee

Absent: 1 - Newsom

May 21, 2001 Board of Supervisors — PASSED ON FIRST READING AS AMENDED

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin,

Sandoval, Yee

Absent: 1 - Newsom

May 29, 2001 Board of Supervisors — FINALLY PASSED

Ayes: 9 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, Newsom, Peskin,

Sandoval

Absent: 2 - McGoldrick, Yee

I hereby certify that the foregoing Ordinance was FINALLY PASSED on May 29, 2001 by the Board of Supervisors of the City and County of San Francisco.

Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.

June 8, 2001

I hereby certify that the foregoing ordinance, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

File No. 010887