

1 [Community Aggregation of Electricity]  
2 **URGING THE CALIFORNIA LEGISLATURE TO AMEND THE STATE'S ELECTRIC**  
3 **DEREGULATION LAW, CHAPTER 854 OF 1996, SECTIONS 366(A) AND (B) TO**  
4 **AUTHORIZE SAN FRANCISCO AND ANY OTHER CALIFORNIA MUNICIPAL**  
5 **CORPORATION, UPON A MAJORITY VOTE OF ITS GOVERNING BODY OR**  
6 **REGISTERED VOTERS, TO DESIGNATE ITSELF AS THE AUTOMATIC AGGREGATOR**  
7 **OF ELECTRICITY ON BEHALF OF ITS RESIDENTS AND BUSINESSES, SUCH THAT**  
8 **RESIDENTS AND BUSINESSES SHALL BE AUTOMATICALLY INCLUDED IN THE**  
9 **JURISDICTION'S COMMUNITY AGGREGATED ELECTRICITY BUYERS' GROUP, UNLESS**  
10 **EXERCISING A CHOICE FOR THE EXISTING ELECTRICAL CORPORATION OR**  
11 **ANOTHER PROVIDER.**

12 WHEREAS, The state's electric deregulation law, Chapter 854 of 1996, came into effect  
13 on January 1, 1998; and

14 WHEREAS, Electricity choice has not followed the deregulation of the state's electric  
15 industry, with less than one (1) percent of Californian residents and businesses participating in  
16 or benefiting as consumers from the deregulated electricity marketplace more than a year after  
17 deregulation officially went into effect; and

18 WHEREAS, Residents and the vast majority of businesses in the City and County of  
19 San Francisco will not enjoy a meaningful choice of electricity service unless they are  
20 organized in aggregate to pool their electricity demand as a large volume buyer; and

21 WHEREAS, The citizens of City and County of San Francisco may be best be able to  
22 influence the price, terms and conditions of electricity sold within its boundaries if the City and  
23 County of San Francisco is able to play a role as an aggregator of electric consumers within its  
24 jurisdiction; and

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1           WHEREAS, Section 366(b) of Chapter 854 of 1996 deregulating California's electricity  
2 industry prohibits local governments from automatically, even upon a majority vote of its  
3 citizens or the Board of Supervisors, aggregating residents and businesses who do not select  
4 an alternative power supplier to Pacific Gas and Electric Company; and

5           WHEREAS, The City and County of San Francisco has a direct interest in the  
6 proliferation of energy efficiency and renewable energy technology within its communities for  
7 purposes of job creation and environmental protection; and

8           WHEREAS, As an aggregated purchaser of electricity and marketplace participant, the  
9 City and County of San Francisco could condition its contracts for electricity with requirements  
10 for renewable energy, anti-discrimination, and first-source hiring to move residents from  
11 welfare to work; and

12           WHEREAS, The Commonwealth of Massachusetts and the State of Ohio have recently  
13 passed legislation for effective local government aggregation of electricity consumers, while  
14 ensuring that any customer who wishes to select his or her own electric supplier be allowed to  
15 opt-out of the community aggregation program; now, therefore, be it

16           RESOLVED, That the City and County of San Francisco requests the California  
17 Legislature to amend the State's electric deregulation law, Chapter 854 of 1996, Sections  
18 366(a) and (b), as well as any other applicable sections, to authorize San Francisco and any  
19 other California Municipal Corporation, upon a majority vote of its governing body or registered  
20 voters, to designate itself as the automatic community aggregator of electricity on behalf of its  
21 residents and businesses, such that residents and businesses shall be automatically included  
22 in the jurisdiction's aggregated electricity buyers' group, unless exercising a choice for the  
23 existing electrical corporation or another provider; and be it

24           FURTHER RESOLVED, If Chapter 854 of 1996 is so amended, the Public Utilities  
25 Commission should perform a market study of community aggregation to ensure that it is in

1 the best interests of San Francisco consumers prior to the passage of an ordinance to initiate  
2 community aggregation.

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# City and County of San Francisco

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

## Tails

### Resolution

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**File Number:** 991386

**Date Passed:**

Resolution urging the California Legislature to amend the State's electric deregulation law, Chapter 854 of 1996, Sections 366(A) and (B) to authorize San Francisco and any other California municipal corporation, upon a majority vote of its governing body or registered voters, to designate itself as the automatic aggregator of electricity on behalf of its residents and businesses, such that residents and businesses shall be automatically included in the jurisdiction's community aggregated electricity buyers' group, unless exercising a choice for the existing electrical corporation or another provider.

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July 26, 1999 Board of Supervisors — CONTINUED

Ayes: 10 - Ammiano, Becerril, Bierman, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

Absent: 1 - Brown

August 2, 1999 Board of Supervisors — CONTINUED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Yaki, Yee

Absent: 1 - Teng

August 16, 1999 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Yaki, Yee

Absent: 1 - Teng

August 16, 1999 Board of Supervisors — ADOPTED AS AMENDED

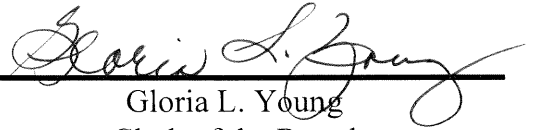
Ayes: 7 - Ammiano, Becerril, Bierman, Katz, Leno, Newsom, Yee

Noes: 3 - Brown, Kaufman, Yaki

Absent: 1 - Teng

File No. 991386

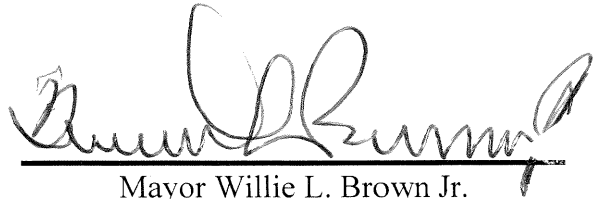
I hereby certify that the foregoing Resolution  
was **ADOPTED AS AMENDED** on August  
16, 1999 by the Board of Supervisors of the  
City and County of San Francisco.



Gloria L. Young  
Clerk of the Board

AUG 27 1999

Date Approved



Mayor Willie L. Brown Jr.