

File # 160622 @ 160623



Services of the San Francisco Public Utilities Commission

Budget & Finance Sub-Committee Items 9 and 10

Modesto and Turlock Irrigation Districts Second Extension Agreements

**June 29, 2016
Manuel Ramirez, Power Enterprise
San Francisco Public Utilities Commission**



Background

- 1913 Raker Act
 - Obligates CCSF to sell or supply excess Hetch Hetchy electrical power, upon request, to MID and TID for their municipal public purpose and irrigation pumping needs,
 - Rates set to reimburse Hetchy for the cost of developing, maintaining and transmitting the surplus electrical energy
- Modesto Irrigation District Long Term Energy Sales Agreement, approved by BoS in 2007
- Turlock Irrigation District Long Term Power Sales Agreement, approved by BoS in 2004
- Both agreements expired June 30, 2015
- BoS approved 1-year extension June 2015



Negotiations Continue

- Outstanding Issues:
 - Districts proposed new transmission options
 - Requires three-way discussions
 - Requires additional analysis
 - Rate methodology
 - Rates should recover fixed transmission costs regardless of how much power is supplied
 - Power rate to reflect adopted capital improvements
 - Revise how and when Hetch Hetchy power is made available

