

## **LEGISLATIVE DIGEST**

[Appropriating \$19,500,000 of Available Fund Balance to Support Required Reserves and Creating Special Funds for the CleanPowerSF Program at the Public Utilities Commission]

**Ordinance appropriating \$19,500,000 of Hetch Hetchy fund balance at the Public Utilities Commission to support the CleanPowerSF Community Choice Aggregation program consistent with the contractual requirements and budgetary authorizations as approved by the San Francisco Public Utilities Commission and the Board of Supervisors and adding Administrative Code sections 10.100-372 and 10.100-373 to establish the CleanPowerSF Customer Fund and the CleanPowerSF Reserve Fund.**

### Existing Law

The City currently does not have any special funds for the CleanPowerSF program.

### Amendments to Current Law

#### **CleanPowerSF Customer Fund**

The proposal would create a CleanPowerSF Customer Fund under the San Francisco Public Utilities Commission ("SFPUC"). The fund would be used to obtain clean and greenhouse-gas-free electric power for customers of the CleanPowerSF Community Choice Aggregation Program. Monies in the fund could be used for, among other things, paying for the costs of the electric energy itself, as well as customer service, administration, and other related CleanPowerSF operating and maintenance costs. The fund could also be used for customer rate stabilization reserves.

The ordinance would authorize the SFPUC General Manager to accept customer deposits into the fund and to approve payments from the fund for authorized costs, including reimbursement of reserve fund advances related to working capital or other CleanPowerSF-related needs.

Establishment of this fund would be subject to final approval of the Controller.

## **CleanPowerSF Reserve Fund**

The proposal would also create a CleanPowerSF Reserve Fund under the SFPUC. The SFPUC would use the reserve funds to smooth out unanticipated fluctuations in the cost of energy, make customer service payments, and pay for working capital needs and other charges for the CleanPowerSF program.

The ordinance would authorize the PUC General Manager to transfer moneys from the reserve fund to the CleanPowerSF Customer Fund as needed to offset fluctuations in cash receipts and cash payments. And the General Manager would have the authority to advance monies from the reserve fund to the Funds CleanPowerSF Community Choice Aggregation Program for its working capital needs, consistent with the Board of Supervisor's approved power purchase contract between the SFPUC and the CleanPowerSF power provider(s).

Establishment of this fund would be subject to final approval of the Controller.

### Background

According to the SFPUC's website, "CleanPowerSF is the City's custom-tailored Community Choice Aggregation (CCA) Program, which allows cities and counties to pool their citizens' purchasing power to buy electricity. CleanPowerSF will enhance local control, create competition, and provide San Franciscans with an alternative, 100% renewable energy supply." CCA programs are authorized by California Public Utilities Code Section 366.2

The Board of Supervisors will consider approval of a contract with Shell Energy to provide services to the CleanPowerSF program in Board File No. 111340.