

1 [Urging the Public Utilities Commission to Set Not to Exceed Rates for CleanPowerSF Without
2 Any Further Delay]

3 **Resolution reiterating the Board of Supervisor's support for CleanPowerSF, citing the**
4 **Board's role as the preeminent policymaking body in San Francisco, urging the Public**
5 **Utilities Commission to set not-to-exceed rates for CleanPowerSF without any further**
6 **delay, and promising further action if the Public Utilities Commission fails to set rates.**

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8 WHEREAS, The San Francisco Board of Supervisors unanimously established a
9 Community Choice Aggregation (CCA) program in 2004 (File No. 040236), now called
10 CleanPowerSF; and

11 WHEREAS, The Board of Supervisors unanimously approved a CCA Governance
12 Structure in 2007 (File No. 070777); and

13 WHEREAS, Again in 2007, a supermajority of The Board of Supervisors adopted a
14 Community Choice Aggregation Program Description, Revenue Bond Action Plan, and Draft
15 Implementation Plan, which established key aspects of the CCA Program and enacted further
16 implementation measures (File No. 070501); and

17 WHEREAS, In 2009 the Board of Supervisors unanimously approved the issuance of a
18 Request for Proposals (RFPs) for Community Choice Aggregation Services (File No. 091161);
19 and

20 WHEREAS, The San Francisco Public Utilities Commission (SFPUC), in response to
21 direction from the Board of Supervisors, issued two RFPs seeking suppliers to provide key
22 services for CleanPowerSF, and on February 8, 2011, the SFPUC authorized the General
23 Manager to negotiate with one or more creditworthy firms for power supply services for
24 CleanPowerSF; and

1 WHEREAS, SFPUC staff has negotiated a draft contract that would achieve the
2 Board’s goals by: (1) mitigating program risks by using a phase-in approach, (2) offering
3 customers a 100% renewable product, (3) requiring a \$13.5 million initial appropriation to fund
4 program reserves, and (4) allowing for development of new renewable resources to be added
5 into the electricity portfolio as a customer revenue stream is established; and

6 WHEREAS, In December, 2011, the SFPUC approved Resolution 11-0194, which
7 endorsed the negotiated contract, and submitted a \$19.5 million appropriation request to the
8 Board of Supervisors for CleanPowerSF; and

9 WHEREAS, In September, 2012, a supermajority of the Board of Supervisors
10 authorized the PUC to launch the CleanPowerSF program, and authorized the General
11 Manager of the PUC to execute the negotiated contract for a term of up to five years for all
12 services required to launch CleanPowerSF (File No. 111340); and

13 WHEREAS, Also in September, 2012, a supermajority of the Board of Supervisors
14 appropriated \$19,500,000 of Hetch Hetchy funds to support CleanPowerSF’s CCA program,
15 and added Administrative Code Sections 10.100.372 and 10.100.373 to establish the
16 CleanPowerSF Customer Fund and the CleanPowerSF Reserve Fund (File No. 111371); and,

17 WHEREAS The San Francisco Public Utilities Commissioners have reviewed the
18 CleanPowerSF program, including the proposed not-to-exceed rates, at 18 separate meetings
19 between September, 2012 and August, 2013; and

20 WHEREAS The Public Utilities Commissioners considered CleanPowerSF’s proposed
21 not-to-exceed rates at a joint meeting of the SFPUC and the San Francisco Local Agency
22 Formation Commission (LAFCo) on March 25th, 2013; and

23 WHEREAS The Public Utilities Commissioners reviewed CleanPowerSF’s proposed
24 not-to-exceed rates in a “Commission Workshop” during the SFPUC’s meeting on April 23,
25 2013; and

1 WHEREAS The Public Utilities Commissioners again considered CleanPowerSF’s
2 proposed not-to-exceed rates on May 14, 2013 and voted to continue the matter to a later
3 date; and

4 WHEREAS, On July 9th, 2013, at another joint meeting of the SFPUC and LAFCo, the
5 LAFCo board including four members of the Board of Supervisors voted unanimously to urge
6 the SFPUC to approve PUC staff’s recommended not-to-exceed rates, while the Public
7 Utilities Commissioners voted, both at the joint LAFCo meeting and the Commission’s
8 regularly scheduled meeting, to continue consideration of the rates to a later date; and

9 WHEREAS, On August 13, 2013, the Public Utilities Commissioners voted three to two
10 to reject a motion approving the recommended CleanPowerSF not-to-exceed rates; and

11 WHEREAS, According to its presentation to the PUC, the San Francisco Rate Fairness
12 Board, a voter-mandated adjunct of the PUC, has met nine times since January, 2012 to
13 consider CleanPowerSF, with six meetings from November 2, 2012 to March 15, 2013,
14 focusing on the not-to-exceed rates; and

15 WHEREAS, The Rate Fairness Board determined that CleanPowerSF’s “Proposed
16 Phase 1 Program rates are technically fair” and the "decision to proceed with [the] Phase 1
17 Program is a policy choice;” and

18 WHEREAS, The Board of Supervisors is the preeminent policymaking body of the City
19 and County of San Francisco; and

20 WHEREAS, Over the course of nine years and numerous changes in the Board’s
21 composition, The San Francisco Board of Supervisors has consistently and overwhelmingly
22 expressed its policy directive in support of CleanPowerSF; and

23 WHEREAS, Irrespective of the particular policy decision, the Board of Supervisors
24 must protect and defend its authority to make policy decisions; and

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1 WHEREAS, In failing to set not-to-exceed rates for CleanPowerSF, the Public Utilities
2 Commission is contradicting the policy directives of the Board of Supervisors and neglecting
3 its own obligations under Charter Section 8B.125 to “set rates, fees and other charges in
4 connection with providing the utility services under its jurisdiction;” and, now therefore be it

5 RESOLVED, The Board of Supervisors refuses to acquiesce its policymaking authority
6 to the Executive bureaucracy; and, be it

7 FURTHER RESOLVED, The Board of Supervisors urges the Public Utilities
8 Commission to approve not-to-exceed rates for CleanPowerSF without any further delay; and,
9 be it

10 FURTHER RESOLVED, If the Public Utilities Commissioners fail to set not-to-exceed
11 rates, or hereafter fail in any way to timely implement CleanPowerSF, the Board of
12 Supervisors shall, whether at the Board Chamber or the ballot, exercise every means at its
13 disposal to enact its policy objective and preserve its role as the elected policymaking body of
14 San Francisco.