[Western Systems Power Pool Agreement]

AUTHORIZING EXECUTION OF THE WESTERN SYSTEMS POWER POOL AGREEMENT

FOR SHORT TERM ECONOMY ENERGY TRANSACTIONS; WALVING REQUIREMENT

OF SECTION 12I.5(b) OF THE SAN FRANCISCO ADMINISTRATIVE CODE THAT

EVERY CONTRACT SHALL CONTAIN A STATEMENT URGING COMPANIES NOT TO

USE TROPICAL HARDWOOD PRODUCTS; AND WALVING REQUIREMENT OF

SECTION 12F.5 OF THE SAN FRANCISCO ADMINISTRATIVE CODE THAT EVERY

CONTRACT SHALL CONTAIN A STATEMENT ENCOURAGING COMPANIES DOING

BUSINESS IN NORTHERN IRELAND TO ABIDE BY THE MACBRIDE PRINCIPLES.

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 that:

- (1) In periods of drought the City and County purchases supplemental energy to conserve water in its reservoirs.
- (2) Currently these purchases are made from Pacific Gas and Electric Company ("PG&E") at prices reflecting the firm nature of the power supplied.
- (3) Under some conditions there are economy energy sources on the spot market that are more advantageous to the City and County than PG&E.
- (4) In non-dry years, the City and County may generate power in excess of the needs of the City and County and the Modesto and Turlock Irrigation Districts. Historically PG&E has PUBLIC UTILITIES COMMISSION Page No. 1

 given the City and County access to PG&E customers for the purpose of selling this excess power.

- (5) The City and County has an obligation under the long term agreement with PG&E to search for other buyers of excess power.
- (6) The Western Systems Power Pool is an organization of over forty publicly owned and private utilities that have signed an agreement approved by the Federal Energy Regulatory Commission to facilitate economy energy transfers.
- (7) The Western Systems Power Pool agreement is unique in offering to the City and County the only efficient means of ascertaining immediate supply and demand for supplemental energy on the spot market.
- (8) Membership in the Western Systems Power Pool will result in substantial financial savings to the City and County.
- (9) Due to the large number of utilities which have already signed the Western Systems Power Pool membership agreement and the fact that the form of the contract has been previously approved by the Federal Energy Regulatory Commission, Hetch Hetchy Water and Power has determined that it would be impossible to revise the contract to contain statements required by San Francisco Administrative Code § 12I.5(b) and § 12F.5.

Section 2. The General Manager of the Public Utilities

Commission is hereby authorized to execute the Western Systems

Power Pool agreement for a short term economy energy transfers, a

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 copy of which has been filed with the Board of Supervisors.

Section 3. WAIVERS. For the purposes of the Western System Power agreement:

- (1) The Board of Supervisors hereby waives the requirement of San Francisco Administrative Code § 12I.5(b), requiring every contract to contain a statement urging companies not to import, purchase, obtain, or use for any purpose, any tropical hardwood or tropical hardwood product.
- (2) The Board of Supervisors hereby waives the requirement of San Francisco Administrative Code § 12F.5, requiring every contract to contain a statement urging companies doing business in Northern Ireland to abide by the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

APPROVED AS TO FORM:

LOUISE H. RENNE City Attorney

> CHRISTIANE HAYASHI TO Deputy City Attorney

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## Board of Supervisors, San Francisco

Passed for Second Reading \$ Finally Passed \$ February 3. 1992 \$ February 10. 1992 \$ \$ Ayes: Supervisors Achtenberg Alioto Britt Gonzalez Hallinan Hsieh Kennedy Maher Migden Shelley Ward \$ Kennedy Maher Migden Shelley Ward

I hereby certify that the foregoing ordinance was finally passed by the Board of Supervisors of the City and County of San Francisco

File No. 172-92-2

FEB 2 0 1992

Date Approved

Mayor