

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

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- 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

