



Department of Energy
Western Area Power Administration
Sierra Nevada Region
114 Parkshore Drive
Folsom, California 95630-4710
OCT - 6 2017

COPY

Ms. Barbara Hale
Assistant General Manager, Power
San Francisco Public Utilities Commission
Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102

Dear Ms. Hale:

The City and County of San Francisco (CCSF) and the Western Area Power Administration (WAPA) are parties to Full Load Service (FLS) Contract 04-SNR-00723 which provides for WAPA to furnish Supplemental Power and Portfolio Management Services to CCSF. The FLS Contract is scheduled to terminate on September 30, 2020.

It is time for WAPA to begin purchasing Supplemental Power for periods extending beyond the FLS Contract termination date. In order for WAPA to purchase long-term Supplemental Power for the FLS Customers, we must have a commitment from all customers for which we will be making the purchase. Therefore, we have amended the FLS Contract to extend the term to December 31, 2024, which is also the last day we will be operating under the current marketing plan.

Enclosed are two originals of Amendment 3 to the FLS Contract. Customers who wish to continue taking Full Load Service from WAPA beyond September 30, 2020, must execute the amendment by November 30, 2016.

If the terms and conditions of the amendment are acceptable, please have the appropriate official sign both originals, have the signatures attested, and return both originals with a CCSF Board Resolution to Ms. Ruth Nye, mail code N6205, at this office. Once we have executed the amendments, one original will be returned to you for your files. If you have any questions with regard to the above, please feel free to contact Mr. Hiroshi Kashiwagi at (916) 353-4477 or hkashi@wapa.gov.

Sincerely,

ORIGINAL SIGNED BY

Sonja A. Anderson
Vice President of Power Marketing for
Sierra Nevada Region

Enclosure (2)

UNITED STATES
DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION
SIERRA NEVADA REGION

AMENDMENT 3
(Extension / Portfolio Management Services)

TO THE
CUSTOM PRODUCT CONTRACT
FOR
FULL LOAD SERVICE
WITH

CITY & COUNTY OF SAN FRANCISCO
HETCH HETCHY WATER & POWER

UNITED STATES
DEPARTMENT OF ENERGY
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5 DEPARTMENT OF ENERGY
6 WESTERN AREA POWER ADMINISTRATION
7 SIERRA NEVADA REGION

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9 AMENDMENT 3
10 (Extension / Portfolio Management Services)

11 TO THE
12 CUSTOM PRODUCT CONTRACT
13 FOR
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15 WITH
16 CITY & COUNTY OF SAN FRANCISCO
17 HETCH HETCHY WATER & POWER

18
19
20
21
22
23 **1. PREAMBLE:**

24 This Amendment 3 to Contract 04-SNR-00723 (FLS Contract) is made this _____
25 day of _____, 2016, between the UNITED STATES OF AMERICA,
26 DEPARTMENT OF ENERGY, WESTERN AREA POWER ADMINISTRATION (WAPA)
27 and the CITY & COUNTY OF SAN FRANCISCO, HETCH HETCHY WATER & POWER
28 (CCSF), also hereinafter referred to individually as Party and together as Parties,
pursuant to the same authorities as the FLS Contract.

2. EXPLANATORY RECITALS:

2.1 The Parties entered into the FLS Contract on August 13, 2004. Under the
FLS Contract, WAPA provides Supplemental Power and Portfolio Management
Services to CCSF.

///

///

1 2.2 The Parties entered into Amendment 2 to the FLS Contract on
2 January 13, 2012. This, among other things, extended the termination date of
3 the FLS Contract to September 30, 2020.

4
5 2.3 WAPA is considering making Supplemental Power purchases extending
6 beyond September 30, 2020, which is the current term of the FLS Contract.

7
8 2.4 In order to provide Supplemental Power from purchases extending
9 beyond the FLS Contract termination date to CCSF, the Parties must agree to
10 extend the term of the FLS Contract.

11
12 **3. AGREEMENT:**

13 The Parties agree to the terms and conditions set forth herein.
14

15 **4. TERM OF AMENDMENT:**

16 This Amendment shall become effective upon execution and shall remain in effect
17 concurrently with the FLS Contract.
18

19 **5. MODIFICATION OF SECTION 4 (EFFECTIVE DATE AND TERM OF**
20 **CONTRACT) OF THE FLS CONTRACT:**

21 The following subsection of Section 4 of the FLS Contract is hereby modified as shown
22 below:

23 4.1 This Contract shall become effective upon execution by the Parties
24 and shall remain in effect through December 31, 2024; except as
25 otherwise provided for herein.

26 ///

27 ///

28 ///

1 **6. FLS CONTRACT TO REMAIN IN EFFECT:**

2 Except as expressly modified by this Amendment, said FLS Contract shall remain in full
3 force and effect, and this Amendment shall be subject to all provisions of the FLS
4 Contract, except as herein amended.

5
6 **7. AUTHORITY TO EXECUTE:**

7 Each individual signing this Amendment certifies that the Party represented has duly
8 authorized such individual to execute this Amendment that binds and obligates the
9 Party.

10
11 **IN WITNESS WHEREOF**, the Parties have caused this Amendment to be
12 executed the day and year first above written.

13
14 WESTERN AREA POWER ADMINISTRATION

15 By: _____
16 Sonja A. Anderson
17 Title: Vice President of Power Marketing for
18 Sierra Nevada Region
19 Address: 114 Parkshore Drive
Folsom, California 95630

20
21 CITY & COUNTY OF SAN FRANCISCO
22 HETCH HETCHY WATER & POWER

23 By: _____
24 Name: _____
25 Title: _____

26 (Attest)

27 By: _____ Address: _____
28 Title: _____

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION