

AMENDED IN COMMITTEE  
1/24/19

FILE NO. 190013

RESOLUTION NO.

1 [Contract Agreement - Southern California Edison Company - Purchase of Renewable  
2 Energy - CleanPowerSF - Not to Exceed \$24,000,000]

3 **Resolution retroactively approving a contract agreement with Southern California**  
4 **Edison Company for supplies of renewable energy for CleanPowerSF for a**  
5 **contract term of one year, from January 1, 2019, through December 1, 2019, in an**  
6 **amount not to exceed \$24,000,000.**

7

8 WHEREAS, In May 2016, the San Francisco Public Utilities Commission (PUC)  
9 launched San Francisco's Community Choice Aggregation (CCA) program,  
10 CleanPowerSF; and

11 WHEREAS, The goals of CleanPowerSF are to provide affordable and reliable  
12 electricity services, cleaner energy alternatives advancing the City's Greenhouse Gas  
13 reduction goals, investment in local renewable energy projects and jobs, and long-term  
14 rate and financial stability; and

15 WHEREAS, State law requires cities that offer CCA service to offer service to all  
16 residential customers; many CCA programs, including CleanPowerSF, have added  
17 customers in phases to mitigate financial and operational risk; and

18 WHEREAS, The CleanPowerSF Phasing Policy (adopted in the CleanPowerSF  
19 Business Practice Policies on December 8, 2015, by PUC Resolution 15-0267) provides  
20 that service will be offered to additional customers throughout San Francisco in a  
21 manner that is financially prudent and operationally feasible; and

22 WHEREAS, CleanPowerSF commenced operation in 2016 with initial service to  
23 almost 8,000 accounts; and

24 WHEREAS, CleanPowerSF conducted two additional expansions in November  
25 2016 and July 2018 and now serves about 109,000 accounts; and

1           WHEREAS, The PUC anticipates offering service to all eligible residential and  
2 small commercial customers in San Francisco in April 2019; and

3           WHEREAS, CleanPowerSF issued two requests for offers for renewable energy  
4 supplies in June 22, 2017, and August 20, 2018; however, CleanPowerSF did not  
5 receive offers for sufficient volumes of renewable supplies to support the expansion of  
6 CleanPowerSF service in 2019; and

7           WHEREAS, CleanPowerSF submitted a bid into Southern California Edison  
8 Company's (SCE) October 9, 2018, request for offers to purchase renewable energy  
9 supplies; and

10           WHEREAS, SCE accepted CleanPowerSF's bid for sufficient volumes to allow  
11 CleanPowerSF to move forward with the 2019 expansion; and

12           WHEREAS, SCE requires the use of Edison Electric Institute (EEI) contracts for  
13 all entities that purchase renewable energy through SCE's October 9, 2018, request for  
14 offers; that form agreement is on file with the Clerk of the Board of Supervisors in File  
15 No. 150408; and

16           WHEREAS, In Ordinance Nos. 75-15, 223-15, and 8-18, the Board of  
17 Supervisors authorized the PUC to use certain pro forma contracts, including the EEI  
18 pro forma power purchase agreement, and deviate from certain otherwise applicable  
19 contracting requirements; and

20           WHEREAS, A portion of the contract price for the renewable energy is a market-  
21 based price that will be determined at the time of delivery based on a widely used  
22 market index; and

23           WHEREAS, Based on market information predicting future prices,  
24 CleanPowerSF estimates that the maximum cost of the contract is \$24,000,000 but the  
25 actual cost will likely be approximately \$19,000,000; and

1           WHEREAS, The Public Utilities Commission approved the contract at its  
2 December 11, 2018, meeting in Resolution No. 18-0210; now, therefore, be it

3           RESOLVED, That the Board of Supervisors hereby authorizes the General  
4 Manager of the Public Utilities Commission to execute a contract with Southern  
5 California Edison Company in an amount not to exceed \$24,000,000 with the term of  
6 January 1, 2019, through December 31, 2019; and, be it

7           FURTHER RESOLVED, That the SFPUC shall return to the Budget and Finance  
8 Committee to present the Fiscal Year 2017-2018 annual report on the CleanPowerSF  
9 program, once it is completed, as requested by members of the Budget and Finance  
10 Committee; and, be it

11           FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the  
12 General Manager of the Public Utilities Commission to make amendments to the  
13 contract, as needed, that do not materially increase the obligations or liabilities of the  
14 City; and, be it

15           FURTHER RESOLVED, That within thirty (30) days of the contract being fully  
16 executed by all parties, the San Francisco Public Utilities Commission shall provide a  
17 copy to the Clerk of the Board for inclusion into the official file.