FILE NO. 080638 (SECOND DRAFT)

[Creating the Office of the Independent Ratepayer Advocate to review and recommend utility service rates proposed by the San Francisco Public Utilities Commission.]

## CHARTER AMENDMENT

## PROPOSITION \_\_\_\_

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by adding Section 8B.128, to create an Office of the Independent Ratepayer Advocate to evaluate, analyze, provide comments and make recommendations on the efficiency, equity, and fiscal feasibility, from the ratepayers' perspective, of utility rate proposals prepared by the San Francisco Public Utilities Commission under Charter section 8B.125; to require the City Administrator to appoint an Independent Ratepayer Advocate; and prescribing the duties and responsibilities of the Office of the Independent Ratepayer Advocate.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 4, 2008, a proposal to amend the Charter of the City and County by adding Section 8B.128 to read as follows:

Note: Additions are <u>single-underline italics Times New Roman</u>.

Deletions are strikethrough italics Times New Roman.

## SEC. 8B.128. INDEPENDENT RATEPAYER ADVOCATE

(a) The Office of the Independent Ratepayer Advocate shall evaluate, analyze, provide comments and make recommendations on the efficiency, equity, and fiscal feasibility of utility rate proposals prepared by the San Francisco Public Utilities Commission under Charter section 8B.125, independent of the San Francisco Public Utilities Commission and from the ratepayers' perspective. The Office of the Independent Ratepayer Advocate may evaluate and comment on the efficiency, equity, and fiscal feasibility of the San Francisco Public Utilities Commission's contracts, investments, program expenditures and operations.

- (b) Notwithstanding Charter section 3.104(6), the City Administrator shall appoint an Independent Ratepayer Advocate, who shall perform and manage the functions of the Office of Independent Ratepayer Advocate and serve at the pleasure of the City Administrator. The Independent Rate Payer Advocate shall have at least ten years of experience in utility rates methodology and analysis, and at least ten years of experience relevant to the operation of water, wastewater or power utilities. The City Administrator shall provide sufficient staff and resources to perform the functions defined in this Section.
- (c) The Office of the Independent Ratepayer Advocate may, at its discretion, hold public meetings and provide timely recommendations to the Rate Fairness Board, the San Francisco Public Utilities Commission, and the Board of Supervisors regarding rate proposals, budgets, bond issuance, contracts, investments, program expenditures and operations.
- (d) The Office of the Independent Ratepayer Advocate shall have the opportunity to provide comment on utility rates proposed by the San Francisco Public Utilities Commission at any meeting of Rate Fairness Board, San Francisco Public Utilities Commission and Board of Supervisors where the meeting agenda includes the discussion of utility rates proposed by the San Francisco Public Utilities Commission. The Office of the Independent Ratepayer Advocate shall have at least the same amount of time at such meetings to provide such comments as the Boards or Commission allocate to the San Francisco Public Utilities Commission staff representatives.
- (e) The Office of the Independent Ratepayer Advocate may accept ratepayer inquiries, and provide appropriate explanations regarding proposed rates designed to enhance ratepayer understanding of rate-setting methodologies, requirements and procedures. The Office of the Independent Ratepayer Advocate may conduct ratepayer outreach activities.
- (f) The San Francisco Public Utilities Commission shall fully cooperate with the Office of the Independent Ratepayer Advocate by providing prompt access to documents and other information reasonably related to proposed utilities rates.

(g) Failure to comply with any provision of this Section will not invalidate, or serve as grounds to challenge or invalidate any rates adopted pursuant to Charter Section 8B.125.

(h) The costs of providing the services of the Office of the Independent Rate Payer

Advocate shall be paid from revenues of the utility rates that are the subject matter of those

services, as adopted by the Public Utilities Commission under Section 8B.125, that have been

appropriated for such services by the San Francisco Public Utilities Commission, the Mayor and the Board of Supervisors in accordance with the budget and fiscal provisions of the Charter.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney	
By:	
_ , ,	JOHN RODDY
	Deputy City Attorney