

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 19-0048

WHEREAS, The North American Electric Reliability Corporation (NERC) requires all registered Transmission Operators (TOP) to perform a real-time assessment of their transmission system. As a registered TOP, this requirement applies to Hetch Hetchy Water and Power (HHWP); and

WHEREAS, Peak Reliability developed a Hosted Advanced Application (HAA) to assist TOPs in performing the real-time assessments required by NERC. The San Francisco Public Utilities Commission (SFPUC) entered into Agreement No. CS-1084 with Peak Reliability ("Peak Agreement") to fulfill NERC's requirements; and

WHEREAS, In July of 2018, Peak Reliability announced that it would cease operations as of the end of 2019; and

WHEREAS, In August 2018, the CAISO filed for Federal Energy Regulatory Commission (FERC) approval of amendments to its tariff to allow CAISO to provide Reliability Coordinator (RC) services similar to those provided to HHWP under the Peak Agreement. CAISO's tariff amendments included a pro forma Reliability Coordinator Services Agreement (RCSA), which FERC approved on November 14, 2018, with an effective date of November 15, 2018; and

WHEREAS, Once Peak Reliability completes winding down, CAISO will be the only entity in California certified by NERC to provide the RC services required under the Standard. CAISO set forth a strict schedule for transitioning TOPs to its RC services, requiring TOPs to execute an RCSA with CAISO on a compressed timeline; and

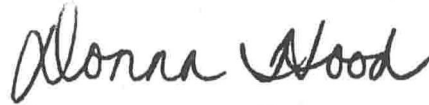
WHEREAS, The Western Electricity Coordinating Council (WECC), which enforces NERC standards in the Western region, has authority to impose substantial monetary penalties on TOPs for failure to perform the real-time analyses required by the standards; and

WHEREAS, The estimated cost of services is \$150,000 per year; funds are available from Hetch Hetchy Water and Power Operating and Programmatic budgets; and

WHEREAS, The General Manager executed the RCSA on January 7, 2019; now, therefore, be it

RESOLVED, That the Commission retroactively approves the Agreement between the City and County of San Francisco and the California Independent System Operator for Reliability Coordinator Services and authorizes the General Manager of the San Francisco Public Utilities Commission to seek retroactive approval from the San Francisco Board of Supervisors.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of March 12, 2019.

A handwritten signature in black ink that reads "Donna Wood". The signature is written in a cursive style with a large initial 'D'.

Secretary, Public Utilities Commission