



January 14, 2019

Harlan L. Kelly Jr., General Manager  
San Francisco Public Utilities Commission  
525 Golden Gate Avenue, 13<sup>th</sup> Floor  
San Francisco, CA 94102

General Manager Kelly,

Over the past several years, a series of troubling issues have raised significant questions about the future of Pacific Gas & Electric (PG&E). The recent tragedies of the Northern California wildfires, departures of PG&E's Chief Executive Officer and senior executives, and the company's movement towards bankruptcy raise serious concerns about their ability to safely and reliably deliver services essential to the people of San Francisco.

The City, through the San Francisco Public Utilities Commission (SFPUC), has a proven 100-year track record of responsibly managing a large-scale power system that delivers clean Hetch Hetchy power. Yet, we rely on PG&E infrastructure to transmit and distribute energy to our customers. We must also work with PG&E to transmit and distribute energy available through our CleanPowerSF program, which by next April is set to have more than 360,000 accounts enrolled throughout San Francisco.

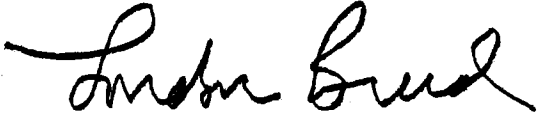
San Francisco will not continue to be a global economic leader without a dependable and clean power grid. We also need a dependable grid to meet our City's aggressive climate goals, which include transitioning our buildings and transportation sectors off dirty fossil fuels. I believe San Franciscans share these views as evident by their approval of Proposition A in June 2018. This measure now allows the SFPUC to issue revenue bonds for facilities to produce and deliver clean power, creating thousands of well-paying union jobs in the process.

With these considerations in mind, I am requesting that the SFPUC prepare for the potential ramifications of PG&E's current instability by performing a detailed analysis of the current health of the electrical network and a robust feasibility study on the various potential outcomes, along with engaging with the appropriate state legislative and regulatory bodies. The analysis should evaluate all options, including the possibility of acquiring or building electrical infrastructure assets.

Within the next three months, I request that the agency issue a preliminary report on its findings along with a timeline for completing the more detailed analysis and recommendations. I look forward to seeing the results of this work and collaborating with the SFPUC, the City Attorney's

Office, and our Board of Supervisors on this critical and urgent issue.

Sincerely,

A handwritten signature in black ink, reading "London Breed". The signature is written in a cursive, flowing style with a large initial 'L'.

London N. Breed  
Mayor