

1 [Agreement Amendment - Retroactive - APX, Inc. - Power Scheduling Coordination and
2 Related Support Services - Not to Exceed \$149,900,000]

3 **Resolution retroactively authorizing the General Manager of the Public Utilities**
4 **Commission to execute the first amendment to Agreement No. CS-344 Power**
5 **Scheduling Coordination and Related Support Services, with APX, Inc. to amend the**
6 **not to exceed amount from \$105,000,000 to \$107,900,000 and authorizing the General**
7 **Manager of the Public Utilities Commission to execute a second amendment providing**
8 **a two-year extension to the contract term, for a total term of seven years, from June 16,**
9 **2015, through June 15, 2022, and increasing the not to exceed amount by \$42,000,000**
10 **for a total not to exceed amount of \$149,900,000 pursuant to Charter, Section 9.118.**

11
12 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) requires
13 scheduling coordinator and related support services in order to transport electricity from the
14 Hetch Hetchy Project and other sources to its electricity customers over the transmission
15 system controlled and operated by the California Independent System Operator (CAISO); and

16 WHEREAS, On September 23, 2014, by SFPUC Resolution No. 14-0141, the SFPUC
17 authorized the General Manager of the SFPUC to negotiate and execute a professional
18 services agreement, Agreement No. CS-344, Power Scheduling Coordination and Related
19 Support Services, with a not to exceed amount of \$5,000,000 and with a term of five years,
20 concluding in June 2020, with APX Inc. (APX Agreement); and

21 WHEREAS, The APX Agreement and SFPUC Resolution No. 14-0141 are on file with
22 the Clerk of the Board of Supervisors in File No. 200111; and

23 WHEREAS, The SFPUC previously obtained and paid for transmission services
24 pursuant to an agreement with Pacific Gas & Electric Company, which expired in July 2015;
25 and

1 WHEREAS, The SFPUC now obtains transmission service pursuant to the CAISO
2 Tariff and is required to process payments for such service (Pass Through Charges) through
3 its scheduling coordinator; and

4 WHEREAS, The APX Agreement provides for the CAISO Pass Through Charges to be
5 processed through a scheduling coordinator clearing account (Clearing Account) held by APX
6 in compliance with the CAISO Tariff; and

7 WHEREAS, The APX Agreement and CAISO Tariff require the SFPUC to deposit
8 funds for the CAISO Pass Through Charges into the Clearing Account and require APX, Inc.,
9 to pay the CAISO Pass Through Charges to the CAISO on behalf of the SFPUC from the
10 Clearing Account; and

11 WHEREAS, On October 13, 2015, by SFPUC Resolution No. 15-0207, on file with the
12 Clerk of the Board of Supervisors in File No. 200111, the SFPUC approved the First
13 Amendment to the APX Agreement, increasing the agreement amount by \$100,000,000 for
14 the CAISO Pass Through Charges for a total amount of \$105,000,000, subject to the Board of
15 Supervisors approval pursuant to Charter, Section 9.118; and

16 WHEREAS, On December 15, 2015, by Resolution No. 151168, the Board of
17 Supervisors retroactively authorized the General Manager of the SFPUC to execute the First
18 Amendment to the APX Agreement, increasing the not to exceed amount by \$100,000,000,
19 for a total not to exceed amount of \$105,000,000, and with no change to the amount paid to
20 APX for scheduling coordinator services, to allow for the payment of the CAISO Pass Through
21 Charges; and

22 WHEREAS, The First Amendment is on file with the Clerk of the Board of Supervisors
23 in File No. 200111; and

24 WHEREAS, The First Amendment to the APX Agreement actually added \$102,900,000
25 to the not to exceed amount for a total not to exceed amount of \$107,900,000, which was

1 \$2,900,000 higher than the amount of \$100,000,000 that the SFPUC approved in Resolution
2 No. 15-0207 and the Board of Supervisors approved in Resolution No. 151168; and

3 WHEREAS, The second amendment to the APX Agreement would extend the
4 contract term by two years, for a total contract term of seven years, and increase the contract
5 capacity by \$42,000,000 for additional scheduling coordinator services and Pass Through
6 Charges, for a total not to exceed agreement amount of \$149,900,000 (Second Amendment);
7 and

8 WHEREAS, The termination clause in Section 20 of the APX Agreement which gives
9 the SFPUC the right to terminate at any time during the term of the Agreement also applies to
10 Amendment No. 2; and

11 WHEREAS, Pursuant to Chapter 14B.8 of the San Francisco Administrative Code, the
12 Contract Monitoring Division CMD determined there were no Local Business Enterprise (LBE)
13 subconsulting opportunities for this contract and waived the LBE sub-consulting participation
14 goal; and

15 WHEREAS, Funds for this agreement are available from 298650 – HHP0907 Light
16 Heat & Power – 24970 – HHWP Op Annual Account Ctrl – 10000 – Operating – 10029986 –
17 UH Power Supply – 0016 – Scheduling & Settlement; and

18 WHEREAS, On January 28, 2020, by SFPUC Resolution No. 20-0023, on file with the
19 Clerk of the Board of Supervisors in File No. 200111, the SFPUC retroactively approved the
20 First Amendment with the accurate not to exceed amount of \$107,900,000, including the
21 additional \$2,900,000 that was not included in SFPUC Resolution No. 15-0207, and approved
22 the Second Amendment increasing the current not to exceed amount by \$42,000,000 for a
23 total not to exceed amount of \$149,900,000, and extending the contract term for two years;
24 now, therefore, be it
25

1 RESOLVED, That the Board of Supervisors hereby retroactively authorizes the
2 General Manager of the SFPUC to execute the First Amendment with a not to exceed amount
3 of \$107,900,000 which includes the additional \$2,900,000 that was not included in Board
4 Resolution No. 151168; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the General
6 Manager of the SFPUC to execute the Second Amendment, to extend the term of the APX
7 Agreement by two years, for a total agreement duration of seven years, and increasing the
8 contract amount by \$42,000,000, for a total not to exceed amount of \$149,900,000; and, be it

9 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
10 executed by all parties, the SFPUC shall provide the final agreement to the Clerk of the Board
11 for inclusion into the official file; and, be it

12 FURTHER RESOLVED, This requirement and obligation resides with the General
13 Manager, and is for purposes of having a complete file only, and in no manner affects the
14 validity of the approved contract.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 200111

Date Passed: March 10, 2020

Resolution retroactively authorizing the General Manager of the Public Utilities Commission to execute the first amendment to Agreement No. CS-344 Power Scheduling Coordination and Related Support Services, with APX, Inc. to amend the not to exceed amount from \$105,000,000 to \$107,900,000 and authorizing the General Manager of the Public Utilities Commission to execute a second amendment providing a two-year extension to the contract term, for a total term of seven years, from June 16, 2015, through June 15, 2022, and increasing the not to exceed amount by \$42,000,000 for a total not to exceed amount of \$149,900,000 pursuant to Charter, Section 9.118.

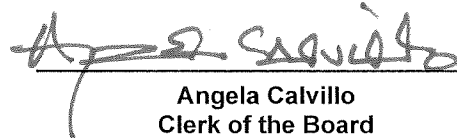
March 04, 2020 Budget and Finance Committee - RECOMMENDED

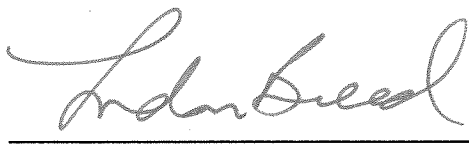
March 10, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200111

I hereby certify that the foregoing Resolution was ADOPTED on 3/10/2020 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

3/20/20
Date Approved