

1 [Agreement Approval - Retroactive - Southern California Edison - Sale of Electricity-Related
2 Products - Not to Exceed \$1,273,570]

3 **Resolution retroactively authorizing CleanPowerSF to sell electricity-related products**
4 **to Southern California Edison for a total amount not to exceed \$1,273,570 for a one**
5 **year term of January 1, 2021, through December 31, 2021, under an agreement**
6 **requiring binding arbitration.**

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8 WHEREAS, State law allows cities and counties to develop community choice
9 aggregation (CCA) programs, through which local governments supply electricity to serve the
10 needs of participating customers within their jurisdictions while the existing utility continues to
11 provide services such as customer billing, transmission, and distribution; and

12 WHEREAS, In May 2016, the San Francisco Public Utilities Commission (PUC)
13 launched a CCA program called CleanPowerSF to provide San Francisco residents and
14 businesses the option to receive cleaner, more sustainable electricity at rates comparable to
15 those offered by Pacific Gas & Electric Company (PG&E); CleanPowerSF uses clean and
16 renewable energy purchased from various facilities, including energy from the City's municipal
17 utility, Hetch Hetchy Power; and

18 WHEREAS, State law requires load serving entities (LSEs) that provide electric service
19 to customers, such as CleanPowerSF and Hetch Hetchy Power, to own or procure certain
20 quantities of electricity-related products known as Resource Adequacy (RA) that is necessary
21 to meet regulatory requirements; the RA requirements are set annually and specify quantities
22 of different types of RA products in a number of different geographical areas that each LSE is
23 required to own or procure; and

24 WHEREAS, In July 2020, the CPUC provided each LSE, including CleanPowerSF, with
25 a preliminary notice of the volumes of RA the LSE is required to own or procure for each

1 month of 2021 and 2022, and on September 18, 2020, the CPUC provided final notice of the
2 actual volumes of each type of RA product that each LSE is required to procure by October
3 31, 2020, in order to meet its RA compliance obligations; and

4 WHEREAS, CleanPowerSF was required to sell excess RA product by the compliance
5 deadline in order to receive the highest possible price for the product and maximize ratepayer
6 value; and

7 WHEREAS, CleanPowerSF issued RA solicitations on August 3, September 2,
8 September 29, and October 16, 2020, and participated in solicitations issued by other LSEs
9 including Southern California Edison's (SCE's) September 17, 2020, solicitation to purchase
10 and sell RA; and

11 WHEREAS, As a result of these solicitations, CleanPowerSF seeks approval for an
12 agreement to sell excess RA product to SCE for the period January 1, 2021, through
13 December 31, 2021, in the amount of \$1,273,570; CleanPowerSF executed this agreement
14 on October 28, 2020, in order to meet the October 31 compliance deadline and seeks
15 retroactive approval here; and

16 WHEREAS, SCE requires the use of the Edison Electric Institute (EEI) form agreement
17 for its RA purchase and sale agreements including a binding arbitration clause; the EEI form
18 agreement is already on file with the Clerk of the Board of Supervisors in File No. 171172, and
19 the Board of Supervisors has previously authorized PUC to use the EEI form agreement for
20 the purchase and sale of electricity and electricity related products including RA; see
21 Ordinance Nos. 75-15, 223-15, 8-18, and 11-20; now, therefore, be it

22 RESOLVED, That the Board of Supervisors retroactively authorizes the General
23 Manager of the Public Utilities Commission to enter into an agreement with binding arbitration
24 to sell RA to SCE in an amount not to exceed \$1,273,570 with the term of January 1, 2021,
25 through December 31, 2021; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors authorizes the General
2 Manager of the Public Utilities Commission to make amendments to the agreements, as
3 needed, that do not materially increase the obligations or liabilities of the City or reduce the
4 benefits to the City.

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