

1 [Agreement Amendment - California Independent System Operator - Planning Coordinator  
2 Services - Not to Exceed \$500,000]

3 **Resolution authorizing the General Manager of the Public Utilities Commission to**  
4 **execute a Second Amendment to the Planning Coordinator (CS-399) Agreement**  
5 **between the City and County of San Francisco Public Utilities Commission and the**  
6 **California Independent System Operator, extending the agreement term from**  
7 **November 11, 2021, to November 10, 2031, pursuant to Charter, Section 9.118, for a**  
8 **total duration of approximately sixteen years, and for a total cumulative amount not to**  
9 **exceed \$500,000; and delegating to the General Manager authority to approve certain**  
10 **non-material amendments, as defined herein.**

11  
12 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) owns electric  
13 transmission facilities and generation units that are part of the Bulk Electric System (BES) and  
14 are located within the Balancing Authority Area of the California Independent System  
15 Operator (CAISO); and

16 WHEREAS, The SFPUC as an owner, operator, and user of the BES must comply with  
17 applicable Reliability Standards developed by the North American Electric Reliability  
18 Corporation (NERC) and the Western Electricity Coordination Council (WECC) and approved  
19 by the Federal Energy Regulatory Commission (FERC); and

20 WHEREAS, The SFPUC is required to have a Planning Coordinator for its BES  
21 facilities; and

22 WHEREAS, CAISO is the only entity that can provide Planning Coordinator services;  
23 and

24 WHEREAS, In February 2015, the SFPUC obtained a sole source waiver for CAISO  
25 from the San Francisco Human Rights Commission, and in May 2015, entered into CS-399,

1 Planning Coordinator Agreement (Agreement) with CAISO for an amount not to exceed  
2 \$250,000 and with a total duration of three (3) years; and

3 WHEREAS, The Agreement is on file with the Clerk of the Board of Supervisors in File  
4 No. 211002; and

5 WHEREAS, The Board was not asked to approve the Agreement because the term of  
6 the agreement did not exceed ten years; and

7 WHEREAS, In June 2018, the SFPUC obtained a sole source waiver for CAISO from  
8 the San Francisco Human Rights Commission, and in July 2018, entered into the First  
9 Amendment to CS-399, Planning Coordinator Agreement (First Amendment) to extend the  
10 term by three (3) years, for a total cumulative duration of six (6) years, with an expiration date  
11 of November 10, 2021, and with no change to the contract amount; and

12 WHEREAS, The First Amendment is on file with the Clerk of the Board of Supervisors  
13 in File No. 211002; and

14 WHEREAS, The Board was not asked to approve the First Amendment because the  
15 extended term of the agreement did not exceed ten years; and

16 WHEREAS, Pursuant to the First Amendment, the Agreement is set to expire on  
17 November 10, 2021; and

18 WHEREAS, On September 14, 2021, per Resolution No. 21-0141, the SFPUC  
19 authorized the General Manager of the SFPUC to seek approval from the Board of  
20 Supervisors under Charter Section 9.118 for a Second Amendment to the Agreement  
21 (Second Amendment) to, among other things, extend the term from November 11, 2021 by  
22 approximately ten (10) years to 2031, for a total cumulative duration of approximately sixteen  
23 (16) years, and increase the contract amount to \$500,000; and

24 WHEREAS, On September 20, 2021, the SFPUC obtained a sole source waiver for  
25 CAISO from the San Francisco Human Rights Commission for the Second Amendment; and

1           WHEREAS, The Second Amendment is on file with the Clerk of the Board of  
2 Supervisors in File No. 211002; and

3           WHEREAS, In addition to extending the term of the Agreement, the Second  
4 Amendment would: (1) continue to allow the SFPUC and CAISO to continue with their  
5 respective responsibilities as Planning Coordinator and Transmission Planner; (2)  
6 compensate CAISO an annual service fee for its services as Planning Coordinator, based on  
7 CAISO's most recently published Cost of Service Study and the number of BES transmission  
8 circuits owned by the SFPUC as included in CAISO's most current transmission plan; (3)  
9 authorize the SFPUC General Manager to make, by letter agreement with CAISO,  
10 modifications and amendments to the Agreement and Attachments to the Agreement as  
11 amended that do not result in material changes to the parties' obligations or performance  
12 under the agreement; and

13           WHEREAS; Any amendment to the not to exceed amount of \$500,000 and any other  
14 material amendments to the Agreement must be by mutual written agreement, executed and  
15 approved by the City in the same manner as the initial Agreement; and

16           WHEREAS, Funds will be available from current and future appropriations to Hetch  
17 Hetchy Water Programmatic Budget, HHW-WECC/NERC Compliance; and

18           WHEREAS, Section 9.118 of the San Francisco Charter requires approval by the  
19 Board of Supervisors for contracts in excess of ten years or requiring expenditures above  
20 \$10,000,000; now, therefore, be it

21           RESOLVED, That this Board of Supervisors hereby authorizes the General Manager of  
22 the San Francisco Public Utilities Commission to execute a Second Amendment to the  
23 Planning Coordinator Agreement with the CAISO with a total duration of approximately  
24 sixteen (16) years, for a total cumulative amount not to exceed \$500,000; and, be it  
25

1           FURTHER RESOLVED, That within thirty (30) days of the Second Amendment being  
2 fully executed by all parties the SFPUC shall provide the final agreement to the Clerk of the  
3 Board for inclusion into the official file.

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