

[LAFCo Resolution Accepting Advisory Role for Implementation of Community Choice Aggregation Energy Program]

Resolution of the Local Agency Formation Commission of the City and County of San Francisco accepting an advisory role in monitoring Community Choice Aggregation energy program implementation, authorizing staffing for said purpose, directing the executive officer to draft an initial budget and tentative timeline for advisory role duration, authorizing the executive officer to execute Memoranda of Understanding with governmental agencies or contractors of the City and County of San Francisco and establishing initial advisory and monitoring protocols.

Note: Commission amendment additions are double underlined.
Commission amendment deletions are ~~strikethrough-normal~~.

WHEREAS, The City and County of San Francisco established a Community Choice Aggregation program ("CCA Program") pursuant to the California Public Utilities Code as authorized by Assembly Bill 117 (Migden, 2002) under Ordinance 86-04, file # 40236 which is incorporated by this reference as though set forth at length; and,

WHEREAS, The City and County of San Francisco adopted a Community Choice Draft Implementation Plan ("IP") by Ordinance 0147-07, file #070501, which is incorporated by this reference as though set forth at length; and,

WHEREAS, The City and County of San Francisco further adopted a Community Choice governance structure by Ordinance 0146-07, file #070777, which is incorporated by this reference as though set forth at length; and,

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1 WHEREAS, The City and County of San Francisco has sought the assistance of the
2 Local Agency Formation Commission of the City and County of San Francisco ("LAFCo") in
3 providing an advisory role for the implementation of its Community Choice energy program
4 specifically seeking the involvement of LAFCo in Ordinance 0146-07, at Section (1)(b), to
5 "assist with the startup of the CCA Program and advise the Board of Supervisors, SFPUC
6 and other agencies regarding all aspects of development, implementation, operation and
7 management of the CCA program....", and,

8 WHEREAS, the San Francisco Public Utilities Commission ("SFPUC") has agreed to
9 provide LAFCo with funding not to exceed an initial \$2.1 million in annual increments of
10 \$700,000.00 over three years for the purposes of establishing a its requested monitoring and
11 advisory role in the implementation of the CCA Program; and,

12 WHEREAS, The Board of Supervisors and the Office of the Mayor have placed
13 \$3.1 million of Mayor's Energy Conservation Account (MECA) funds previously allocated to
14 the SFPUC for implementation of the Program on Finance Committee reserve; and

15 WHEREAS, LAFCo has been substantively involved in developing the CCA Program
16 having been the venue for development of the Draft Implementation Plan, receiving feasibility
17 studies and third party legal opinions, and conducting hearings on CCA creation, scope and
18 viability; now therefore, be it

19 RESOLVED, That the Local Agency Formation Commission of the City and County of
20 San Francisco hereby accepts the responsibility to provide monitoring of and advice to the
21 Board of Supervisors of the City and County of San Francisco and the San Francisco Public
22 Utilities Commission ("SFPUC") regarding implementation of the City's Community Choice
23 Aggregation Energy Program as contemplated by the ordinances incorporated herein.
24 Activities and actions taken by LAFCo to monitor and provide advice regarding the CCA
25 Program are hereinafter referred to as the "Project"; and, be it

1 FURTHER RESOLVED, that LAFCo has the authority to assume the role of monitor
2 and advisor to the Board of Supervisors of the City and County of San Francisco and the
3 SFPUC regarding implementation of the City's Community Choice Aggregation Energy
4 Program pursuant to its powers to pursue special studies, and to obtain and provide
5 information regarding government services as outlined in SF LAFCo Policies and Procedures
6 sections 1.1 and 2.6 consistent with Government Code section 56031.

7 FURTHER RESOLVED, That LAFCo hereby authorizes its Executive Officer to expend
8 funds necessary to hire personnel to: adequately assist its members in discharging their
9 duties; hire experts or other consultants to render budgetary, financial, technical, policy,
10 specialized legal or other advice, representation or expertise to LAFCo regarding the CCA
11 Program as contemplated by Ordinance 0146-07, Section 1(b), subsections (1-14); and, be it

12 FURTHER RESOLVED, the Executive Officer is hereby requested to submit an
13 amended budget for the current fiscal year ~~reflecting the initial \$700,000.00 in funds~~ with
14 funding anticipated from the SFPUC and propose a an operating budget for the subsequent
15 two years of anticipated funding for an initial Project term of three (3) years. Said amended
16 budget shall contain provisions and funding for a staff position consistent with San Francisco
17 City and County standard procedures acknowledging that LAFCo is a separate entity; and, be
18 it

19 FURTHER RESOLVED, that the Executive Officer is requested to propose a timeline,
20 in consultation with either the General Manager of the SFPUC or Manager of its Power
21 Enterprise, either the Director of Government Relations or the Director or designee of the
22 Mayor's Office of Economic and Workforce Development, and the LAFCo Chair, for duration
23 of the Project; and, be it

24 FURTHER RESOLVED, upon LAFCo adoption of an initial project budget and annually
25 thereafter in accordance with approved LAFCo budgetary authority, the Executive Officer in

1 consultation with the SFPUC, shall submit a work order or such other similar request to the
2 SFPUC for transfer of budgeted funds to the LAFCo account. Budgeted funds remaining
3 unspent shall be carried forward to future years without offset to the annual increment due
4 from the SFPUC's initial project funding obligation. However, unspent funds, if any and less
5 encumbrances, received from the SFPUC, on hand at the end of the project duration shall be
6 returned to the SFPUC and be available for CCA purposes; and, be it

7 ~~FURTHER RESOLVED, the Executive Officer is authorized to enter into agreements~~
8 ~~either by work order or properly let contracts to retain a staff member for the balance of the~~
9 ~~current fiscal year in accordance with budgetary authority hereafter approved; and, be it~~

10 FURTHER RESOLVED, the Executive Officer is authorized to enter into Memoranda
11 of Understanding with other City Departments, the Legislative Analyst, Budget Analyst or
12 other governmental agencies or existing city contractors to provide services, logistic support,
13 or technical capacity in furtherance of the Project, and, be it

14 FURTHER RESOLVED, That LAFCo establishes the following initial protocols for
15 discharging the duties contemplated by the Project:

16 1. LAFCo understands that time is of the essence and will consequently review, in
17 its discretion, all documentation produced and actions to be taken pursuant to relevant law,
18 including, but not limited to, the contemplated RFI, RFP, Final IP, or any contract, MOU,
19 release of reserved funds or other public document or action that may be required to be
20 executed, approved or taken by any or all of the Mayor, Board of Supervisors or SFPUC
21 relating to the CCA Program in a timely manner;
22 LAFCo will convey its advice regarding such documentation or proposed action either through
23 its Executive Officer, assistant executive officer or other staff, an expert or consultant's
24 memorandum or directly to the interested parties by resolution. LAFCo will rely on the IP to
25 guide its assessment of the progress of CCA Program implementation and may, by

1 resolution, outline parameters to further guide its membership and interested parties as to the
2 elements, policy and desired outcome necessary to assess a successful completion of each
3 phase of the CCA Program. Such phases presently contemplated, some of which may run
4 concurrently, are:

- 5 a. Request for Information
- 6 b. Request for Proposal, CCA Program Basis Report and Completion of Statement
7 of Intent
- 8 c. Contract Negotiation
- 9 d. Completion and Approval of Implementation Plan
- 10 e. Submission of the IP and Binding Notice of Intent to the CPUC and related
11 process
- 12 f. Contract Monitoring and Administration
- 13 g. Contract wind-up and transfer of assets and management responsibility to the
14 SFPUC;

15 2. LAFCo will provide advice, opinions, communications and recommendations in
16 writing where practicable;

17 3. Reports, memoranda, opinions, communications, recommendations and advice
18 generated by LAFCo or its staff, to the extent not covered by a lawful exclusions including,
19 but not limited to, attorney-client privilege, corporate confidentiality agreement, or trade or
20 competitive secret, shall be in the public domain and published on the LAFCo website;

21 4. In order to exercise due diligence, expedite action and reduce delay of
22 consideration of Project and CCA Program matters coming before it, LAFCo will, in either the
23 discretion of the Chair or upon recommendation of LAFCo, promptly forward reviewed
24 documents and proposed actions to relevant experts for evaluation, comment and advice

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1 prior to the scheduling of hearings, if necessary, to discuss, make recommendations, and/ or
2 propose revisions relating to said documentation and/ or contemplated actions;

3 5. LAFCo understands that, given the power delegated to it to draft documents in
4 the absence of action by the SFPUC in Ordinance 0147-07 Section (1)(a)(8), the Board of
5 Supervisors expects that LAFCo has the right to and will, either in its discretion or upon
6 request, review and advise either the Board, Mayor or SFPUC on all matters regarding the
7 CCA Program prior to official release, approval or execution of documentation, or taking
8 actions as contemplated in paragraph one (1) above; and, be it

9 FURTHER RESOLVED, That the Executive Officer of LAFCo is directed to transmit fully
10 conformed copies of this resolution to: the Clerk of the Board of Supervisors of the City and
11 County of San Francisco for inclusion on its next printed agenda as a communication and for
12 distribution to its membership, the Director of Governmental Affairs, the General Manager of
13 the SFPUC, the Director of the Mayor's Office of Economic and Workforce Development and
14 to publish this resolution on the LAFCo website.



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Local Agency Formation Commission

Resolution No. 2007-01

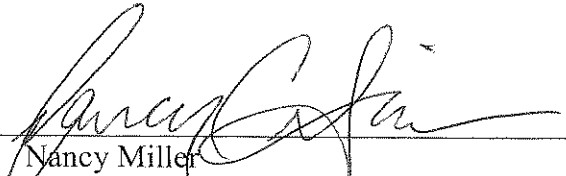
Date Passed: September 28, 2007

RESOLUTION ACCEPTING ADVISORY ROLE FOR IMPLEMENTATION OF COMMUNITY CHOICE AGGREGATION ENERGY PROGRAM

Adopted by the following vote: 3-0.

AYES: Chairperson Commissioner Mirkarimi, Commissioners Daly and
Schmeltzer
NOES: None
ABSENT: Commission McGoldrick

I hereby certify that the San Francisco Local Agency Formation Commission adopted the foregoing resolution on September 28, 2007.



Nancy Miller
Executive Officer



Chairperson Commissioner Ross Mirkarimi

Date Approved: September 28, 2007