

Date April 24, 2009

Item No. 5

**LOCAL AGENCY FORMATION COMMISSION**  
AGENDA PACKET CONTENTS LIST\*

- Report from the Interim Executive Officer** \_\_\_\_\_
- LAFCo Resolution** \_\_\_\_\_
- Clean Power SF Timeline** \_\_\_\_\_
- Joint PUC/LAFCo Resolution** \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**Exceeds 20 pages; see file to review**  
**Available for review at City Hall, Room 244**

Completed by: Linda Wong

Date: April 23, 2009

**\*This list reflects the explanatory documents provided**

# San Francisco Local Agency Formation Commission

City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. 415.554.5184  
Fax. 415.554.5163

TO: LAFCO Commissioners

FROM: Nancy C. Miller, Interim Executive Officer

DATE: April 24, 2009

SUBJECT: Item 5: Discussion and possible action by both the SFPUC and the SF LAFCo approving resolutions endorsing the CCA work-plan following presentation and discussion of CCA program by staff of LAFCo and SFPUC.

Part of the April 24, 2009, Joint Meeting with the San Francisco Public Utilities Commission (SFPUC) and SF LAFCO includes a presentation and discussion of Community Choice Aggregation (CCA) program activities to date and a timeline of future CCA program activities.

Enclosed with this report is a copy of a timeline summarizing the CCA program activities to date. Additionally, SFPUC staff will provide copies of a timeline/work-plan for future CCA program activities.

Following the presentations, the Interim Executive Officer and the SFPUC's CCA program director, Michael Campbell, will present a draft resolution which reaffirms SF LAFCo's and SFPUC's commitment to developing a CCA program that is beneficial to all San Francisco residents and businesses, and which affirms the future timeline/work-plan presented by SFPUC staff.

## **RECOMMENDATION:**

The Interim Executive Officer recommends that the Commission approve and adopt the attached draft resolution (No. 2009-03).

1 [CCA Program and Work-plan for 2009.]

2 **Joint Resolution of the San Francisco Public Utilities Commission (SFPUC) and San**  
3 **Francisco Local Agency Formation Commission (SF LAFCo) Affirming Commitment to**  
4 **CCA Program and Work-plan for 2009.**  
5

6 WHEREAS, The Board of Supervisors of San Francisco has expressed its intention to  
7 pursue a Community Choice Aggregation (CCA) program (Ordinance 86-01 and Ordinance  
8 147-07); and

9 WHEREAS, Under the San Francisco Charter the management and control of a CCA  
10 program would be the responsibility of the San Francisco Public Utilities Commission (Board  
11 of Supervisors, Section 1(a), Ord. No. 146-07; File No. 07-0777); and

12 WHEREAS, The San Francisco Board of Supervisors has requested the San  
13 Francisco Local Agency Formation Commission (SF LAFCo) to advise the San Francisco  
14 Public Utilities Commission (SFPUC) and Board of Supervisors regarding the progress of  
15 CCA development and implementation (Board of Supervisors, Section 1(b), Ord. No. 146-07;  
16 File No. 07-0777); and

17 WHEREAS, The Board of Supervisors adopted the Draft Implementation Plan which  
18 described the key aspects and overall policy objectives for San Francisco's CCA program and  
19 directed SFPUC to make necessary updates and modifications to the Implementation Plan to  
20 incorporate additional information (Board of Supervisors, Section 3(d), Ord. No. 147-07; File  
21 No. 07-0777); and

22 WHEREAS, Ordinance 147-07 stated that before implementing a CCA program that  
23 "...the Board of Supervisors will consider projected costs, risks and benefits of this program to  
24 CCA customers, SFPUC and other city agencies, and the City's general fund..." while

1 ensuring "...that the provision of CCA service to San Francisco customers can be reasonably  
2 expected to deliver significant benefits at a reasonable cost" (Board of Supervisors, Section 4,  
3 Ord. No. 147-07; File No. 07-0777); and

4 WHEREAS, The SFPUC was briefed on February 10, 2009 and the SF LAFCo briefed  
5 on April 3, 2009 regarding the intent of Power Enterprise staff, working cooperatively with  
6 LAFCo staff, to undertake an approach that would issue a Request for Qualifications (RFQ) in  
7 Spring of 2009 in order to create a pool of qualified bidders for a Fall 2009 release of a  
8 Request for Proposals (RFP) for services necessary to operate San Francisco's CCA  
9 program (CleanPowerSF); and

10 WHEREAS, The SFPUC has directed the General Manager and SF LAFCO has  
11 directed its staff to ensure that SFPUC and SF LAFCo continue to work cooperatively in a  
12 coordinated fashion; and

13 WHEREAS, The SF LAFCo has been briefed by SFPUC Power Enterprise staff on the  
14 status of key milestones and deliverables regarding progress towards issuance of the  
15 necessary RFQ and RFP for services necessary to operate San Francisco's CCA program  
16 (also referred to as CleanPowerSF) on April 3, 2009, and March 6, 2009; and

17 WHEREAS, The SFPUC General Manager has directed staff to present the findings of  
18 the interim project deliverables to the SFPUC and SF LAFCo regularly; and

19 WHEREAS, The SFPUC General Manager and SF LAFCo have directed their  
20 respective staffs to engage with members of the public on an ongoing basis to seek feedback  
21 on the development of CCA program implementation details; and

22 WHEREAS, The SFPUC and SF LAFCo met jointly on the 24<sup>th</sup> day of April, 2009, to  
23 confer and express their mutual interest in pursuing a CCA program; and now, therefore, be it

24 RESOLVED, The SFPUC and the SF LAFCo are united in their interest in developing  
25 a CCA program for the City that will provide residents and businesses the ability to choose a

1 reasonably-priced energy supply from the CCA that is less polluting than what is offered by  
2 PG&E; and, be it

3 RESOLVED, The SFPUC and the SF LAFCo affirm the attached timeline for work to  
4 be performed in 2009.

5  
6 On a motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing  
7 Resolution was passed and adopted by the SAN FRANCISCO LOCAL AGENCY  
8 FORMATION COMMISSION, State of California, this 24th day of April, 2009, by the following  
9 vote, to wit

10 AYES:

11 NOES:

12 ABSTAIN:

13 ABSENT:

14  
15  
16 \_\_\_\_\_  
17 Ross Mirkarimi, Chairperson  
18 SAN FRANCISCO LOCAL AGENCY  
19 FORMATION COMMISSION

20 ATTEST:

21 \_\_\_\_\_  
22 Nancy Miller  
23 Interim Executive Officer  
24  
25

**San Francisco CleanPowerSF Program Timeline**  
**Key Milestones & Deliverables**  
 Project Status – April 3, 2009

	<b>Milestone / Deliverable</b>	<b>Target Date</b>	<b>Status</b>
Feb	Technical-Economic Feasibility – Project Start	2/5/09	NTP on 2/3/09
	Begin Development of RFQ and Term Sheet	2/20/09	1 <sup>st</sup> Draft 3/2/09
Mar	Advance Work for RFQ Advertisement	Week of 3/9/09	Initial Outreach Complete
	Risk Assessment – Project Start	3/10/09	Pending Task Order approval by LAFCo
Apr	CCA Best Practices Report – Project Start (Revised from 3/9/09)	4/10/09	Task Order Signed 4/1/09
	Pre RFQ-Release Workshop Q&A	4/10/09	Scheduled – parties informed
	<b>Issue RFQ</b>	<b>4/24/09</b>	<b>On Schedule</b>
	Complete Technical Potential Study	4/27/09	On Schedule
May	Hold Informational Q&A on RFQ	5/8/09	Pending issuance of RFQ
	Risk Assessment Report Complete	TBD	Pending Final Task order with vendor
	Market Research – Project Start	TBD	Pending open bid process.
Jun	CCA Best Practices Report Complete	6/4/09	Pending NTP
	RFQ Responses Due	6/5/09	Pending issuance of RFQ
	Economic Potential for Viable Resources Complete	6/22/09	Pending Completion of Technical Potential
Jul	Market Research – Project Complete	TBD	Pending selection of firm and final contract
	Cost Model of Levelized Costs for Resource Portfolio Mix Options	7/20/09	Pending completion of Tech Potential
Aug	Publish List of Qualified Bidders	8/4/09 *	Pending RFQ responses
	Revisions to Implementation Plan with latest info from consultants and RFQ respondents	End-August	Pending input from RFQ and Consultant Reports
	Advise SFPUC & LAFCo Commissioners of RFP Advertisement	8/25/09	Pending RFP process
Sep	Hold Pre RFP-Release Q&A Workshop		Pending RFP process
Oct	<b>Issue RFP</b>	<b>10/27/09</b>	<b>Pending RFP process</b>
Nov	Hold Informational Q&A on RFP	11/10/09	Pending RFP issuance
Dec	RFP Responses Due	12/29/09	Pending RFP issuance



# CLEANPOWER**SF**

*Your choice. Your power.*

## Progress to date

- |                  |  |
|------------------|--|
| <b>Nov. 2001</b> | San Francisco passes Proposition H   |
| <b>Mar. 2002</b> | SF Board of Supervisors commits to reduce greenhouse gas emissions   |
| <b>Sep. 2002</b> | California legislature passes AB 117 (Migden)  |
| <b>Dec. 2002</b> | SF Board of Supervisors adopts an Electricity Resource Plan  |
| <b>Sep. 2003</b> | SF LAFCO accepts a report from R.W. Beck indicating that a CCA may be a feasible method of meeting the goals of the Electricity Resource Plan  |
| <b>Jan. 2004</b> | California Public Utilities Commission begins rulemaking   |
| <b>May 2004</b>  | SF Board of Supervisors adopts Ordinance No. 86-04 establishing a CCA Program, now known as Clean Power SF   |
| <b>Apr. 2005</b> | SF LAFCO receives draft implementation plans from SFPUC/SF Dept. of the Environment and Local Power  |
| <b>May 2005</b>  | After public hearings to resolve differences between the two draft implementation plans, SF LAFCO accepts and transmits a revised draft implementation plan to the SF Board of Supervisors |
| <b>Nov. 2005</b> | Nixon Peabody is commissioned by SF LAFCO to prepare a report analyzing the use of revenue bonds to augment Clean Power SF   |
| <b>Mar. 2006</b> | SF LAFCO receives and accepts the recommendations of the Nixon Peabody report  |
| <b>Jun. 2007</b> | SF Board of Supervisors adopts a Governance Structure  |



- Jun. 2007** SF Board of Supervisors adopts the Draft Implementation Plan recommended by SF LAFCO
- Sep. 2007** SFPUC releases a Request for Information from potential Energy Service Suppliers
- Dec. 2007** SF LAFCO and SFPUC jointly issue a Request for Qualifications for consultants to prepare the CCA Program elements
- Apr. 2008** SF LAFCO contracts with MBMC, Inc., to review Request for Information responses and consider Draft Implementation Plan modifications
- Jun. 2008** SF LAFCO receives and accepts MBMC, Inc.'s report which finds that the Draft Implementation Plan is sound and recommends additional terms
- Jul. 2008** SF LAFCO contracts with Local Power, Inc. (LPI) to prepare a Program Review Report
- Oct. 2008** LPI presents a draft Program Review Report
- Dec. 2008** SFPUC hires Michael Campbell as Clean Power SF Executive Director
- SF LAFCO issues a Request for Bids for tasks related to preparation of CCA Program elements
- Feb. 2009** SF LAFCO accepts LPI's revised Program Review Report
- SFPUC contracts with George E. Sansoucy, P.E., LLC, to prepare a cost/benefit analysis, regulatory review, and financial model
- Mar. 2009** SFPUC contracts with LPI to prepare a Best Practices guide and to develop the RFQ process for Energy Service Suppliers
- Apr. 2009** SF LAFCO contracts with Navigant Consulting to prepare a risk assessment and contract term sheet

## **Timeline for Future**

**SFPUC and LAFCo will present a future timeline at the April 24, 2009 meeting.**

**Fall 2009: Issuance of a Request for Proposals for potential Energy Service Providers**



# AGENDA ITEM

## Public Utilities Commission

*City and County of San Francisco*



DEPARTMENT Power Enterprise AGENDA NO. \_\_\_\_\_  
 MEETING DATE April 24, 2009

**Joint Resolution Affirming Commitment to Advancing San Francisco's Community Choice Aggregation (CCA) Program: Regular Calendar – Joint SFPUC/LAFCo Mtg.**  
**Project Manager: Michael Campbell – Community Choice Aggregation Director**

**Joint Resolution of the San Francisco Public Utilities Commission (SFPUC) and San Francisco Local Agency Formation Commission (SF LAFCo) Affirming Commitment to CCA Program and Work-plan for 2009.**

<b>Summary of Proposed Commission Action:</b>	Joint Resolution of SFPUC and SF LAFCo noting the shared commitment to moving the Community Choice Aggregation (CCA) program forward and endorse the proposed work-plan timeline.
<b>Background:</b>	The City and County of San Francisco has officially expressed its interest in creating a CCA program (Ordinance 86-01 and Ordinance 147-07).
<b>Description of Agreement:</b>	<p>Approval of the work-plan at the joint meeting of the SFPUC and SF LAFCo will demonstrate a shared commitment to promoting the Community Choice Aggregation Program (CCA).</p> <p>Parties to Agreement:          Joint resolution of SFPUC and SF LAFCo</p> <p>Purpose:          Confirmation of commitment to maintaining schedule for CCA</p> <p>Location:          San Francisco</p> <p>Commencement Date:          April 24, 2009.</p>
<b>Recommendation:</b>	SFPUC staff recommends that the SFPUC and SF LAFCo jointly adopt the attached resolution.

**Resolution:** Affirmation of CCA Program Timeline to Issue RFP  
**Commission Meeting Date:** April 24, 2009

<b>Attachment(s):</b>	(1) SFPUC-SF LAFCO Joint Resolution (2) Key Milestones & Deliverables timeline from April 2, 2009 LAFCo meeting

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

JOINT RESOLUTION  
PUBLIC UTILITIES COMMISSION  
OF THE City and County of San Francisco AND  
LOCAL AGENCY FORMATION COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
**AFFIRMING COMMITMENT TO THE CCA PROGRAM AND WORK PLAN FOR 2009**

PUC RESOLUTION  
NO. \_\_\_\_\_  
LAFCO RESOLUTION NO. \_\_\_\_\_

WHEREAS, The Board of Supervisors of San Francisco has expressed its intention to pursue a Community Choice Aggregation (CCA) program (Ordinance 86-01 and Ordinance 147-07); and

WHEREAS, Under the San Francisco Charter the management and control of a CCA program would be the responsibility of the San Francisco Public Utilities Commission (Board of Supervisors, Section 1(a), Ord. No. 146-07; File No. 07-0777); and

WHEREAS, The San Francisco Board of Supervisors has requested the San Francisco Local Agency Formation Commission (SF LAFCo) to advise the San Francisco Public Utilities Commission (SFPUC) and Board of Supervisors regarding the progress of CCA development and implementation (Board of Supervisors, Section 1(b), Ord. No. 146-07; File No. 07-0777); and

WHEREAS, The Board of Supervisors adopted the Draft Implementation Plan which described the key aspects and overall policy objectives for San Francisco's CCA program and directed SFPUC to make necessary updates and modifications to the Implementation Plan to incorporate additional information (Board of Supervisors, Section 3(d), Ord. No. 147-07; File No. 07-0777); and

WHEREAS, Ordinance 147-07 stated that before implementing a CCA program that "...the Board of Supervisors will consider projected costs, risks and benefits of this program to CCA customers, SFPUC and other city agencies, and the City's general fund..." while ensuring "...that the provision of CCA service to San Francisco customers can be reasonably expected to deliver significant benefits at a reasonable cost" (Board of Supervisors, Section 4, Ord. No. 147-07; File No. 07-0777); and

WHEREAS, The SFPUC was briefed on February 10, 2009 and the SF LAFCo briefed on April 3, 2009 regarding the intent of Power Enterprise staff, working cooperatively with LAFCo staff, to undertake an approach that would issue a Request for Qualifications (RFQ) in Spring of 2009 in order to create a pool of qualified bidders for a Fall 2009 release of a Request for Proposals (RFP) for services necessary to operate San Francisco's CCA program (CleanPowerSF); and

WHEREAS, The SFPUC has directed the General Manager and SF LAFCo has directed its staff to ensure that SFPUC and SF LAFCo continue to work cooperatively in a coordinated fashion; and

WHEREAS, The SF LAFCo has been briefed by SFPUC Power Enterprise staff on the status of key milestones and deliverables regarding progress towards issuance of the necessary RFQ and RFP for services necessary to operate San Francisco's CCA program (also referred to as CleanPowerSF) on April 3, 2009, and March 6, 2009; and

WHEREAS, The SFPUC General Manager has directed staff to present the findings of the interim project deliverables to the SFPUC and SF LAFCo regularly; and

WHEREAS, The SFPUC General Manager and SF LAFCo have directed their respective staffs to engage with members of the public on an ongoing basis to seek feedback on the development of CCA program implementation details; and

WHEREAS, The SFPUC and SF LAFCo met jointly on the 24<sup>th</sup> day of April, 2009, to confer and express their mutual interest in pursuing a CCA program; and now, therefore, be it

RESOLVED, The SFPUC and the SF LAFCo are united in their interest in developing a CCA program for the City that will provide residents and businesses the ability to choose a reasonably-priced energy supply from the CCA that is less polluting than what is offered by PG&E; and, be it

RESOLVED, The SFPUC and the SF LAFCo affirm the attached timeline for work to be performed in 2009.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of \_\_\_\_\_ April 24, 2009*

\_\_\_\_\_  
*Secretary, Public Utilities Commission*

On a motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed and adopted by the SAN FRANCISCO LOCAL AGENCY FORMATION COMMISSION, State of California, this 24th day of April, 2009, by the following vote, to wit

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Ross Mirkarimi, Chairperson  
SAN FRANCISCO LOCAL AGENCY  
FORMATION COMMISSION

ATTEST:

\_\_\_\_\_  
Nancy Miller  
Interim Executive Officer

**San Francisco CleanPowerSF Program Timeline**  
**Key Milestones & Deliverables**  
 Project Status – April 3, 2009

	<b>Milestone / Deliverable</b>	<b>Target Date</b>	<b>Status</b>
Feb	Technical-Economic Feasibility – Project Start	2/5/09	NTP on 2/3/09
	Begin Development of RFQ and Term Sheet	2/20/09	1 <sup>st</sup> Draft 3/2/09
Mar	Advance Work for RFQ Advertisement	Week of 3/9/09	Initial Outreach Complete
	Risk Assessment – Project Start	3/10/09	Pending Task Order approval by LAFCo
Apr	CCA Best Practices Report – Project Start (Revised from 3/9/09)	4/10/09	Task Order Signed 4/1/09
	Pre RFQ-Release Workshop Q&A	4/10/09	Scheduled – parties informed
	<b>Issue RFQ</b>	<b>4/24/09</b>	<b>On Schedule</b>
	Complete Technical Potential Study	4/27/09	On Schedule
May	Hold Informational Q&A on RFQ	5/8/09	Pending issuance of RFQ
	Risk Assessment Report Complete	TBD	Pending Final Task order with vendor
	Market Research – Project Start	TBD	Pending open bid process.
Jun	CCA Best Practices Report Complete	6/4/09	Pending NTP
	RFQ Responses Due	6/5/09	Pending issuance of RFQ
	Economic Potential for Viable Resources Complete	6/22/09	Pending Completion of Technical Potential
Jul	Market Research – Project Complete	TBD	Pending selection of firm and final contract
	Cost Model of Levelized Costs for Resource Portfolio Mix Options	7/20/09	Pending completion of Tech Potential
Aug	Publish List of Qualified Bidders	8/4/09 *	Pending RFQ responses
	Revisions to Implementation Plan with latest info from consultants and RFQ respondents	End-August	Pending input from RFQ and Consultant Reports
	Advise SFPUC & LAFCo Commissioners of RFP Advertisement	8/25/09	Pending RFP process
Sep	Hold Pre RFP-Release Q&A Workshop		Pending RFP process
Oct	<b>Issue RFP</b>	<b>10/27/09</b>	<b>Pending RFP process</b>
Nov	Hold Informational Q&A on RFP	11/10/09	Pending RFP issuance
Dec	RFP Responses Due	12/29/09	Pending RFP issuance