

San Francisco
Local Agency
Formation Commission

ITEM NO. 4

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TO: LAFCo Commissioners, Alternate Commissioners and Legal Counsel

FROM: Gloria Young, Executive Officer



DATE: December 20, 2002

SUBJECT: Commissioner Ammiano's Request that SF LAFCO Provide Direction to the Executive Officer to Work with the San Francisco Public Utilities Commission (SFPUC), the Department of the Environment (DOE) and the City Attorney to Develop a Scope of Work, Select, and Contract with a Consultant to Analyze the Feasibility of Becoming a Community Aggregator and Develop a Plan Required for the City to Exercise its Options to Become a Community Aggregator under Chapter 838 of 2002, or Assembly Bill 117 (Migden), the California Community Choice of Energy Law

Commissioner Ammiano has requested that this item be placed on the December 20, 2002 SF LAFCO agenda. Chapter 838 requires that municipalities seeking to aggregate their residents, businesses, government agencies and institutions find an alternative electricity provider for the whole community. Required steps include drafting and adopting an Implementation Plan to seek energy services from an alternative energy provider and registering the Plan with the California Public Utilities Commission (CPUC). Under Chapter 838, San Francisco has the opportunity to petition the CPUC as early as July 2003 to directly administer the funds paid by their residents and businesses for energy efficiency programs.

A San Francisco Community Choice Implementation Plan must include consideration of the role of community aggregation in fulfilling the City's Electricity Resource Plan and the requirements of California's Renewable Portfolio Standard, SB 1078, which is effective January 1, 2003. Under SB 1078, the CPUC is charged with implementing the California Renewables Portfolio Standard (RPS) Program for retail sellers of electricity, including electric utilities, aggregators and retail electric providers.

RECOMMENDATION

In accordance with the above request, staff recommends that the Commission:

1. Direct the Executive Officer to work with the SFPUC, DOE and City Attorney staff to prepare a scope of work.
2. Direct the Executive Officer to use an informal process for securing the consultant(s) rather than a formal Request for Proposal (RFP), which could take up to four months. The informal process would include formulating a list of consultants to whom SF LAFCO would send the scope of work specifications and request a proposal by a date specified by the Executive Officer. The list would be made up of consultants with the required expertise and experience.
3. The Executive Officer would set a two-week time period for adding other potential consultants to the list. This process would allow the public, Commissioners, staff, etc. to provide additional names and firms. The scope of study would be sent out to the entire list of consultants at the end of the two-week period; or
4. Determine whether the Commission as a whole, or a subcommittee, wishes to review the proposals with the Executive Officer.