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

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

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

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

RESOLVED, That the Local Agency Formation Commission of the City and County of San Francisco hereby accepts the responsibility to provide monitoring of and advice to the Board of Supervisors of the City and County of San Francisco and the San Francisco Public Utilities Commission ("SFPUC") regarding implementation of the City’s Community Choice Aggregation Energy Program as contemplated by the ordinances incorporated herein. Activities and actions taken by LAFCo to monitor and provide advice regarding the CCA Program are hereinafter referred to as the “Project”; and, be it
FURTHER RESOLVED, that LAFCo has the authority to assume the role of monitor and advisor to the Board of Supervisors of the City and County of San Francisco and the SFPUC regarding implementation of the City’s Community Choice Aggregation Energy Program pursuant to its powers to pursue special studies, and to obtain and provide information regarding government services as outlined in SF LAFCo Policies and Procedures sections 1.1 and 2.6 consistent with Government Code section 56031.

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

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

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

FURTHER RESOLVED, upon LAFCo adoption of an initial project budget and annually thereafter in accordance with approved LAFCo budgetary authority, the Executive Officer in
consultation with the SFPUC, shall submit a work order or such other similar request to the SFPUC for transfer of budgeted funds to the LAFCo account. Budgeted funds remaining unspent shall be carried forward to future years without offset to the annual increment due from the SFPUC's initial project funding obligation. However, unspent funds, if any and less encumbrances, received from the SFPUC, on hand at the end of the project duration shall be returned to the SFPUC and be available for CCA purposes; and, be it

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

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

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

1. LAFCo understands that time is of the essence and will consequently review, in its discretion, all documentation produced and actions to be taken pursuant to relevant law, including, but not limited to, the contemplated RFI, RFP, Final IP, or any contract, MOU, release of reserved funds or other public document or action that may be required to be executed, approved or taken by any or all of the Mayor, Board of Supervisors or SFPUC relating to the CCA Program in a timely manner;

LAFCo will convey its advice regarding such documentation or proposed action either through its Executive Officer, assistant executive officer or other staff, an expert or consultant's memorandum or directly to the interested parties by resolution. LAFCo will rely on the IP to guide its assessment of the progress of CCA Program implementation and may, by
resolution, outline parameters to further guide its membership and interested parties as to the
elements, policy and desired outcome necessary to assess a successful completion of each
phase of the CCA Program. Such phases presently contemplated, some of which may run
concurrently, are:

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

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

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

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

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Supervisor Mirkarimi
Local Agency Formation Commission
prior to the scheduling of hearings, if necessary, to discuss, make recommendations, and/or propose revisions relating to said documentation and/or contemplated actions;

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

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

[Signature]
Nancy Miller
Executive Officer

[Signature]
Chairperson Commissioner Ross Mirkarimi

Date Approved: September 28, 2007