

1 [Resolution Opposing Proposed California Constitutional Amendment.]

2 **Resolution Opposing the Proposed California Constitutional Amendment Ballot**
3 **Initiative Misleadingly Titled the "Taxpayer Right to Vote Act", and Requesting Other**
4 **Community Choice Aggregators and Local Agency Formation Commissions Join in**
5 **Opposition.**
6

7 WHEREAS, In 1997, the State of California deregulated electricity with the promise of
8 giving consumers a choice in electricity providers, ending decades of monopolistic electricity
9 markets which promised lower rates and better service through increased competition; and

10 WHEREAS, The State of California rescinded deregulation resulting in the loss of
11 consumer choice and the possibility of free-market competition in 2001, and most ratepayers
12 now receive their electricity from the same monopolistic electricity providers prior to
13 deregulation; and

14 WHEREAS, The deregulation of electricity led to the energy crisis of 2000-2001,
15 caused by the investor-owned, profit-driven electricity providers participating in market
16 manipulation, led by Enron Corporation, which later admitted to fraudulent behavior; and

17 WHEREAS, In 2002, in response to the collapse of deregulation and its failure to
18 provide electricity consumers with a choice of electricity providers, Assemblywoman Carole
19 Migden authored and the California Legislature passed AB 117, which enabled communities
20 to establish Community Choice Aggregation Programs; and

21 WHEREAS, Community Choice Aggregation enables any city or county or combination
22 thereof to become electricity purchasers for residences and businesses, and require a
23 renewable energy component in the portfolio of electricity purchased; and

24 WHEREAS, Community Choice Aggregation offers Californians the opportunity to
25 choose their electricity provider and obtain a cleaner source of their electricity; and

1 WHEREAS, Community Choice Aggregation Programs are regulated by the California
2 Public Utilities Commission which enforces strict guidelines on cities and counties wishing to
3 become aggregate buyers of electricity, thereby ensuring public confidence in the program;
4 and

5 WHEREAS, In 2007, the Board of Supervisors of the City and County of San
6 Francisco voted to make San Francisco a Community Choice Aggregation and approved a
7 Draft Implementation Plan for Community Choice Aggregation; and

8 WHEREAS, The Draft Implementation Plan sets the goal of having 51% of the City's
9 electricity provided by clean and renewable energy resources by the year 2017; and

10 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) is on schedule to
11 issue, by October 2009, a Request for Proposals to private-sector energy service providers
12 who can supply clean, renewable energy to the citizens of San Francisco under the SFPUC's
13 Community Choice Aggregation Program, known as Clean Power SF; and

14 WHEREAS, Clean Power SF is the next, very important step in bringing competition
15 back to the energy market, as well as expanding green-collar jobs and boosting the private-
16 sector renewable energy industry; and

17 WHEREAS, PG&E has a history of acting to maintain its monopoly in its service
18 region, including opposing public power initiatives on the ballot and lobbying officials of
19 California cities and counties against Community Choice Aggregation, in apparent violation of
20 the provisions of AB 117; and

21 WHEREAS, On May 28, 2009, a request for title and summary was made to the
22 California Attorney General for an initiative to amend the California Constitution, preliminarily
23 and deceptively titled the "Taxpayers Right to Vote Act", which would be placed on the ballot
24 if sufficient signatures are collected, and a copy of which is attached hereto and incorporated
25 by this reference; and

1 WHEREAS, The "Taxpayers Right to Vote Act" seeks to retain the monopolies of
2 investor-owned, profit driven utilities in circumvention of the provisions of AB 117, which
3 require investor-owned utilities to fully cooperate with Community Choice Aggregators, by
4 adding unreasonable hurdles for California cities and counties to overcome in order to
5 become aggregate purchasers of electricity; and

6 WHEREAS, The "Taxpayers Right to Vote Act" would require submitting any
7 Community Choice Aggregation proposal to the voters for a two-thirds vote of approval, within
8 the proposed jurisdiction of an aggregator, and would requires a two-thirds vote of approval
9 by the voters if any type of public finance is used, including bonds, cash, income, assets or
10 equity to implement a Community Choice Aggregation Program; and

11 WHEREAS, The "Taxpayers Right to Vote Act" would effectively preclude any entity
12 from becoming an electricity aggregator as well as virtually prohibiting any existing Municipal
13 utility, all of whom operate on a non-profit, public interest basis, from entering into any new
14 competitive market in California; and now, therefore, be it

15 RESOLVED, That the San Francisco Local Agency Formation Commission fully
16 supports maintaining the consumer's right to choose energy from clean, renewable sources
17 that the Community Choice Aggregation law provides for; and be it

18 FURTHER RESOLVED, That the San Francisco Local Agency Formation Commission
19 strongly opposes the "Taxpayers Right to Vote Act" as being against the interest of
20 California's electricity ratepayers, against the public interest, and a potential setback for
21 renewable energy production; and be it

22 FURTHER RESOLVED, That the San Francisco Local Agency Formation Commission
23 strongly urges the Attorney General, if the initiative qualifies for the ballot, to assign a title to
24 the initiative which accurately reflects the spirit and intent to restrict competition from non-
25 profit, publicly owned utilities by virtually assuring an investor owned utility monopoly on
California's energy markets; and be it

 FURTHER RESOLVED, That the San Francisco Local Agency Formation Commission
strongly urges other Community Choice Aggregation Programs, cities, counties, special

1 districts and Local Agency Formation Commissions to adopt similar resolutions opposing the
2 misleadingly titled "Taxpayer Right to Vote Act"; and be it

3 FURTHER RESOLVED, That the Clerk of the San Francisco Local Agency Formation
4 Commission is hereby directed to forward a fully conformed copy of this resolution to the
5 Attorney General of the State of California, the California Secretary of State, the Director of
6 the San Joaquin Valley Joint Powers Authority, the Director of Marin Clean Energy, the
7 President of the Municipal Utilities Association the Sacramento Municipal Utility District, the
8 League of California Cities and the County Supervisors Association of California for
9 dissemination to its members, and the Executive Director of the California Association of
10 Local Agency Formation Commissions for dissemination to its members.

11 On a motion by Commissioner Bevan Dufty, seconded by Commissioner David Campos, the
12 foregoing Resolution was passed and adopted by the SAN FRANCISCO LOCAL AGENCY
13 FORMATION COMMISSION, State of California, this 26th day of June, 2009, by the following
14 vote, to wit

15
16 AYES: Chairperson Mirkarimi, Commissioners Campos, Dufty, Mar and
Bornstein
17 NOES: None
18 ABSTAIN: None
19 ABSENT: Commissioner Schmeltzer

20
21 
22 Ross Mirkarimi, Chairperson
23 SAN FRANCISCO LOCAL AGENCY
24 FORMATION COMMISSION

25 ATTEST:


Nancy Miller
Interim Executive Officer

Supervisor Mirkarimi
Local Agency Formation Commission