



# LOCAL AGENCY FORMATION COMMISSION CITY AND COUNTY OF SAN FRANCISCO MINUTES

City Hall, Legislative Chamber, Room 250  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## SPECIAL JOINT MEETING with the SAN FRANCISCO PUBLIC UTILITIES COMMISSION

January 30, 2015 - 1:30 PM

### 1. Call to Order

The meeting convened at 1:37 p.m.

### 2. Roll Call

#### Local Agency Formation Commission (LAFCo) Roll Call

Present: Chairperson John Avalos, Vice Chairperson London Breed, Commissioners David Campos (arrived at 1:44 p.m.), Cynthia Crews, and Eric Mar (arrived at 1:46 p.m.).

Absent: None.

#### San Francisco Public Utilities Commission (SF PUC) Roll Call

Present: President Ann Moller Caen, Vice President Francesca Vietor, Commissioners Vince Courtney, and Anson Moran.

Absent: None.

There was a quorum of both commissions.

### 3. Opening Remarks and Discussion of Expectations for the Joint Meeting

Chairperson Avalos and President Caen each provided opening remarks on the CleanPowerSF Program and their expectations for today's meeting, including setting timelines and establishing next steps.

Vice President Vietor, Commissioner Crews, Commissioner Campos, and Vice Chairperson Breed also shared their remarks, expectations, and accolades for the progress made to-date. Harlan Kelly, Jr., General Manager (SF PUC), provided comments on the work done to-date and his appreciation for the collaborative work done by the two Commissions.

Public Comment: Linda Weiner (Sierra Club); shared her expectations on the timeline of the Program and encouraged the Commissions to move forward. Joe Marabalay (Sierra Club); urged the Commissions to move forward on the Program.

No action was taken.

**4. EnerNex Report, entitled “Local Build-out of Energy Resources of the Community Choice Aggregation Program”**

Jason Fried, Executive Officer (LAFCo), opened up the discussion with an overview of the EnerNex Report (Report).

Jeremy Laundergan (EnerNex) introduced EnerNex and provided highlights of the Report. He presented the Power Point that was included with the packet materials; expanded on the information and data provided; and answered questions from Commissioners raised during the discussion.

Barbara Hale, Assistant General Manager-Power (SF PUC), pointed out highlights that were important from the business side of the Program. She discussed the next steps SF PUC will be taking and the timeline leading up to the launch of the Program. Harlan Kelly, Jr., General Manager (SF PUC), elaborated on the presentation and answered additional questions raised during the discussion.

There was additional discussion regarding the establishment of rates, financing options, and setting a timeline schedule for the launch of the Program. SF PUC Commissioners requested an update on an expedited timeline in February and the LAFCo Commissioners also requested an update from LAFCo staff once an expedited timeline is presented to the SF PUC.

Cal Broomhead (Department of the Environment) updated the Commissions on programming that the Department of the Environment has been working on that pertain to CleanPowerSF. He provided suggestions on educating consumers and marketing the Program.

Executive Officer Fried discussed the setting of rates, the difference between the tiers, and how each can be determined. He also discussed the contracting process currently used and solicited ideas to create one that is more beneficial.

Shawn Marshall (Lean Energy US) provided an overview of other CCA programs within the state and where they are in their implementation or launch. She also provided suggestions on how the Commissions can move forward with an expedited launch.

Public Comment: Woody Hastings (Center for Climate Protection); shared information on other CCA programs and encouraged the Commissions to move forward. John Rizzo (Sierra Club); thanked staff for the Report and encouraged the SF PUC to move forward with setting rates. Ryan Irwin; requested the Commission to launch the program as quickly as possible. Jed Holtzman (350 San Francisco); shared information on the climate action strategy and how energy efficiency can benefit it dramatically. David McCoard (Sierra Club); shared his concerns on the CleanPowerSF Program. Gwynn Mackellen (Sierra Club); encouraged the

Commissions to set the rates and move forward with the launch of the Program. Ramsey Pringle; shared how important the launch of the Program is to the environment. Jessica Torar; shared her concerns on the lack of engagement with the advocacy groups, but her support of the program. Jess Ackerman (Sierra Club); shared her support of the program and read a statement from Lisa Illes. Sheila Hernandez; suggested the Program be launched before the election cycle. Al Weinrub (Local Clean Energy Alliance); shared his experience with the process and thanked LAFCo for their work to move the Program forward. Bruce Wolfe (Haight Ashbury Neighborhood Council / Clean Energy Alliance); shared his experiences with the Program's process and encouraged the lowering of rates. Willie Ratcliff (Rising Sun Development LP); expressed his desire for the Program to launch and the manufacturing to be done within San Francisco. Yen Sen Lee; shared his concerns regarding the creation of jobs through the Program. David Cosio; shared his concerns to not water down the Program. Eric Brooks (SF Green Party/Our City SF); shared his concerns regarding the delay of the Program and the need to set the rates and expedite the launch. Rebecca Evans; thanked various Commissioners for their work on the Program and encouraged moving forward. Wendy Aragon (SF PUC Citizens Advisory Committee); shared her frustrations over the delay in moving forward and encouraged the Commissions to expedite the process. Karen Babbitt; requested the Commissions move forward with setting the rates soon and expedite the launch of the Program.

*Commissioner Avalos was noted absent at 3:37 p.m. and for the remainder of the meeting.*

Commissioner Campos, seconded by Commissioner Crews, moved to accept the EnerNex Report, entitled "Local Build-out of Energy Resources of the Community Choice Aggregation Program." The motion carried by the following vote:

Ayes: 4 - Vice Chairperson Breed, Commissioners Campos, Crews, and Mar  
Absent: 1 - Commissioner Avalos

LAFCo Action: ACCEPTED

##### **5. Status of Pacific Gas & Electric Company's Application before the California Public Utilities Commission (A.12-04-020) to Establish a Green Option Tariff**

Barbara Hale, Assistant General Manager-Power (SF PUC), reported that the Green Option Tariff program was approved yesterday at the California Public Utilities Commission (CPUC). She discussed what that means for PG&E's rates and how their program works. Ms. Hale answered additional questions from Commissioner Crews regarding possible clean energy production sites.

Public Comment: Eric Brooks (SF Green Party/Our City SF); shared his concerns regarding the delay in setting the Program rates because PG&E is moving forward. Ryan Irwin; shared his suggestions on how to move forward with setting the rates. Bruce Wolfe; shared his concerns on why the rates were not set before and encouraged the Commissioners to move forward. Willie Ratcliff (Rising Sun Development LP); requested the Commissions move forward.

No action was taken.

**6. Status Update on the San Francisco Board of Supervisors' Ordinance Electing to Study the Feasibility of Implementing a Community Choice Aggregation Program by Joining Marin Clean Energy (Ordinance No. 78-14)**

Jason Fried, Executive Officer (LAFCo), provided noted that in the meeting packet there was a memo that had information about questions to Marin Clean Energy and their answers. He noted that since the memo was written, the Mayor has announced his support for moving a clean energy program forward and Supervisor John Avalos introduced an ordinance at the Board of Supervisors encouraging that any further action on joining Marin Clean Energy be put on hold, and instead focus on creating our own CCA program.

Public Comment: None.

No action was taken.

**7. Amendment to the Memorandum of Understanding (MOU) between the San Francisco Public Utilities Commission (SF PUC) and the San Francisco Local Agency Formation Commission (SF LAFCo) for the Power Enterprise, Community Choice Aggregation Program, to Extend the Duties and Term for an Additional Two Years**

Jason Fried, Executive Officer (LAFCo), provided a brief overview of the Amendment and recommended the Commissions authorize approval.

Public Comment: Eric Brooks (SF Green Party/Our City SF); spoke in favor of the motion to approve the Amendment to the MOU and shared his suggestions on how to move forward to increase job creation. Jed Holtzman (350 San Francisco); expressed his support of the Amendment to the MOU. David McCoard (Sierra Club); shared his support to extend the term of the MOU and to keep the Program moving forward.

Commissioner Campos, seconded by Commissioner Mar, moved to approve the Amendment to the Memorandum of Understanding between the San Francisco Public Utilities Commission and the San Francisco Local Agency Formation Commission for the Power Enterprise, Community Choice Aggregation Program, to extend the duties and term for an additional two years. The motion carried by the following vote.

Ayes: 4 - Vice Chairperson Breed, Commissioners Campos, Crews, and Mar

Absent: 1 - Commissioner Avalos

LAFCo Action: APPROVED

Barbara Hale, Assistant General Manager-Power (SF PUC), provided brief remarks on the Amendment to the SF PUC and recommended approval.

Commissioner Courtney recognized staff, particularly Jason Fried, Executive Officer (LAFCo), and their invaluable time and assistance and offered his support to approve the Amendment to the MOU.

President Caen called for public comment on the SF PUC's action. There were no speakers.

Commissioner Courtney, seconded by Vice President Vietor, moved to approve the Amendment to the Memorandum of Understanding between the San Francisco Public Utilities Commission and the San Francisco Local Agency Formation Commission for the Power Enterprise, Community Choice Aggregation Program, to extend the duties and term for an additional two years. The motion carried by the following vote:

Ayes: 4 - President Caen, Vice President Vietor, Commissioners Courtney, and Moran.

SF PUC Action: APPROVED

## **8. General Public Comment**

Eric Brooks (SF Green Party/Our City SF); provided suggestions on future agenda items in the event an expedited timeline is not approved by February 2015.

## **9. Adjournment**

The meeting adjourned at 4:25 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Local Agency Formation Commission and the San Francisco Public Utilities Commission on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.