

Request for Reconsideration from Rick Galbreath on August 5, 2008.

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**Ballot Simplification Committee  
Approved Digest – August 1, 2008  
Approved by: Packard, Fasick, Fraps, Jorgensen**

**Any Requests for Reconsideration must be received by 1:00 p.m. on August 4,  
2008**

**Clean Energy Act**

**THE WAY IT IS NOW:**

The City currently has goals to reduce its greenhouse gas emissions by 20% below 1990 levels by 2012 and to provide 51% of the City's electricity needs through renewable energy and conservation by 2017.<sup>1</sup>

The City generates hydroelectric power at its Hetch Hetchy facilities in Tuolumne County. The City uses this power to meet its municipal electric power needs, including MUNI and the airport, and those of other public entities, such as the San Francisco Unified School District. The City sells some Hetch Hetchy electric power to the Modesto and Turlock irrigation districts. The City does not sell electric power to San Francisco residents and businesses.

The City's Public Utilities Commission (PUC) oversees the City's electric power and water utilities. A state-regulated private company, Pacific Gas & Electric (PG&E), sells electric power to San Francisco residents and businesses. PG &E's current Renewable Portfolio consists of only 11.4% renewable sources.<sup>2</sup>

Generally, voter approval is required before a City agency can issue a revenue bond. However, there are some exceptions, notably, the Charter does not require a vote of the people to issue revenue bonds to build or acquire renewable energy facilities.<sup>3</sup>

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**THE PROPOSAL:**

<sup>1</sup> Greenhouse Gas Reduction act, Ordinance 0081-08; Community Choice Aggregation Draft Implementation Plan, Ordinance 0147-07

<sup>2</sup> California Public Utilities Commission: Quarterly Renewable Portfolio Standards Report, July, 2008

<sup>3</sup> Charter Section 9.108, Paragraph 8

Proposition \_\_\_ is a Charter Amendment that would set mandates for clean and renewable electricity use so that the City and its residents and businesses would use 100% clean electricity by the year 2040. The Charter Amendment would require the PUC to evaluate the benefits of making the City the primary provider of electric power in San Francisco as one method for achieving the clean electricity mandates, and as a method for providing cost savings and control over development of clean energy and energy efficiency.

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PUC would be required to produce a study examining options for providing clean, secure, cost-effective energy for San Francisco residents and businesses in addition to City departments. Proposition \_\_\_ would require the study to consider:

- Various ways of transmitting Hetch Hetchy electric power to the City,
- Electric power transmission and distribution needs in the City,
- Resources needed to meet the demand for electric power in the City,
- Cost-effective options to reduce and off-set greenhouse gas emissions, and
- Costs and benefits of making the City the primary provider of electric power in San Francisco.

The study would also include a workforce development plan to train and place individuals in jobs related to operating or expanding PUC facilities.

The draft study would be reviewed by independent experts and subject to public hearing. The final draft of the study, with recommendations, would be considered by the Board of Supervisors. If the Board found that public interest demands it, Proposition \_\_\_ would require the Board to direct the PUC to immediately prepare a plan to acquire, construct or complete the electric system that serves the City.

Proposition \_\_\_ states that employees of the current private utility provider who become City employees as a result of the Proposition would be granted the same compensation, seniority, and benefits as they have with that utility.

Proposition \_\_\_ would require the PUC to rely on energy efficiency and clean and renewable energy sources, excluding nuclear power, to meet the electricity demand of customers served by the City. Proposition \_\_\_ would establish deadlines for the City to meet the following energy needs through the use of clean electric power resources:

- By 2012, at least 107 megawatts
- By 2017, at least 51% of the City's electricity needs
- By 2030, at least 75% of the City's electricity needs
- By 2040, 100% or the greatest possible amount of the City's electricity needs

Proposition \_\_\_ would require that every two years the PUC file a report with the Board of Supervisors describing its efforts to meet these clean energy requirements. The Board of Supervisors could modify these requirements by a 2/3 vote if it found the change serves the public interest.

Proposition \_\_\_ would create an Office of the Independent Ratepayer Advocate to make recommendations about utility rates to the City's PUC. The City Administrator would appoint the Independent Ratepayer Advocate, whose office would have the same

powers and duties as the Office of the Independent Ratepayer Advocate described in Proposition [*Letter assigned to Office of the Independent Ratepayer Advocate*]. However, Proposition \_\_\_ would make the appointment and removal of the Independent Ratepayer Advocate subject to Board of Supervisors' approval in the same manner the Board approves the appointment or removal of the City Administrator.<sup>4</sup>

Proposition \_\_\_ would allow the Board of Supervisors to approve the issuance of revenue bonds to pay for public utility facilities, not limited to electricity facilities, without further voter approval after reviewing a report from the PUC and upon finding that doing so is in the public interest.<sup>5</sup>

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**A “YES” VOTE MEANS:** If you vote "yes," you want to change the Charter to require the City to:

- evaluate the benefits of making the City the primary provider of 100% clean electric power in San Francisco, including cost savings and control over development of clean energy and energy efficiency;
- consider options to provide energy to San Francisco residents, businesses and City departments;
- meet certain deadlines for serving energy needs through clean power resources;
- establish a new Office of the Independent Ratepayer Advocate to make recommendations about utility rates to the City's PUC; and
- allow the Board of Supervisors to approve the issuance of revenue bonds to pay for any public utility facilities without voter approval.

**A “NO” VOTE MEANS:** If you vote “no,” you do not want to make these changes to the Charter.

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<sup>4</sup> [Charter Section 3.104](#)

<sup>5</sup> [Charter Section 16.101, Paragraph 8](#)