



8/4/15

## **Request for Reconsideration of Ballot Digest: Disclosures Regarding Renewable Energy (Prop G)**

Dear Ballot Simplification Committee,

We would like to request reconsideration of the ballot digest for Proposition G (“Disclosures Regarding Renewable Energy”) approved by the Committee in your meeting Monday, August 3, 2015. Our comments and suggested amendments are numbered below.

### **1. Amend (relevant sections bolded):**

The Proposal: Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- **electricity obtained exclusively from renewable resources located within or adjacent to the California border; or**

.....

A "YES" Vote Means: If you vote “yes,” you want to:

- **limit the definition of “renewable, greenhouse-gas free electricity” to mean electricity derived exclusively from renewable resources located within or adjacent to the California border or electricity derived from Hetch Hetchy;**

### **Proposed alternative (amended language bolded):**

The Proposal: Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- **electricity obtained exclusively from renewable resources delivered to a California power grid manager without substituting electricity from another source due to resource variability; or**

.....

A "YES" Vote Means: If you vote “yes,” you want to:

- **limit the definition of “renewable, greenhouse-gas free electricity” to mean electricity derived exclusively from renewable resources delivered to a California power grid manager without substituting electricity from another source due to resource variability,** or electricity derived from Hetch Hetchy;

**Reason for recommendation:** There are plenty of renewable resources "located within or adjacent to the California border" that would **not** be included in "renewable, greenhouse gas-free electricity" if this measure passes, and restricting those is in fact the primary purpose of the measure. Thus, the bulleted text describing to the voter what the measure actually does is wholly factually inaccurate and must be corrected.

It is *inaccurate* that the one category of “eligible renewable energy resources” CleanPowerSF would be restricted to under this measure—those with Category 1 RECs—represents “electricity obtained exclusively from renewable resources located within or adjacent to the California border.” Indeed, all distributed behind-the-meter resources, such as solar panels and small wind turbines on rooftops—whether located within California, or even within San Francisco—will not count as “renewable, greenhouse gas-free electricity” under this measure (as they are considered Category 3).

In addition, the variability of renewable energy sources (due to variability in wind velocity and sunlight with weather, season, and time of day) requires some producers to occasionally substitute energy from non-renewable sources (a process called firming and shaping). Renewable resources from these facilities, though located in California, will not count as “renewable, greenhouse gas-free electricity” under this measure (as they are considered Category 2).

The measure restricts CleanPowerSF to Category 1 RECs only—there is simply no way to avoid disenfranchising the voter without characterizing what constitutes Category 1 renewable electricity in *some* way. Please find a helpful discussion of RECs [here](http://www.localcleanenergy.org/files/What%20the%20Heck%20is%20a%20REC.pdf) (<http://www.localcleanenergy.org/files/What%20the%20Heck%20is%20a%20REC.pdf>). We have made one suggestion of a less technical translation of the Category 1 definition in that document.

## 2. Amend:

The Proposal: Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- electricity obtained exclusively from renewable resources located within or adjacent to the California border; or
- electricity generated by the City's Hetch Hetchy facilities.

### **Proposed alternative (amended language bolded):**

The Proposal: Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- electricity obtained exclusively from renewable resources located within or adjacent to the California border; or
- electricity generated by the City's Hetch Hetchy facilities.

**Local energy programs funded by CleanPowerSF and other City programs, such as rooftop solar panel and small wind turbines that generate fossil fuel-free electricity for residents and businesses, belong to a category of “eligible renewable energy resources” restricted by this measure and would not be considered “renewable, greenhouse gas-free electricity.”**

**Reason for recommendation:** Related to comment #1, it needs to be made clear to voters that the measure counters their common-sense understanding of clean energy. One hundred percent of voters would call rooftop solar “clean energy” or “green energy,” and if they are familiar with greenhouse gases, they know that solar panels don't emit them like a power plant does.

This measure changes the definitions of commonly understood words and concepts, solely within the context of advertising within the City. Under this measure, solar panels and small wind turbines on San Francisco rooftops, funded by CleanPowerSF and other City programs and generating fossil fuel-free electricity for residents and businesses, will not be considered “renewable” or “greenhouse gas-free.”

### 3. Amend:

The Proposal:

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CleanPowerSF would not be allowed to market, advertise or make any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure.

#### Proposed alternative:

The Proposal:

.....

**This proposal would establish a stricter standard for CleanPowerSF than for other retail electricity providers in the State.**

.....

CleanPowerSF would not be allowed to market, advertise or make any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure. **The measure would establish two separate standards of what would be considered “renewable” and “greenhouse gas-free,” one for state reporting and action (used by all retail electricity providers) and a more restrictive standard for local marketing and advertising purposes (which will only apply to CleanPowerSF).**

**Reason for recommendation:** The measure holds CleanPowerSF to a different standard vis-à-vis “renewable, greenhouse gas-free electricity” than all other retail energy providers, including private direct access providers and PG&E. This will result in two separate standards of “clean”-ness or “green”-ness—one for state reporting and agencies (which PG&E and other competitors will also use) and a more restrictive standard for local marketing and advertising purposes (which PG&E and other competitors will not be required to use). These consequences of the measure need to be laid out, as voters should not be expected to understand the distinctions being created.

#### 4. Amend:

Proposition G would require the City to inform customers and potential customers of CleanPowerSF of the planned percentage of types of “renewable, greenhouse-gas free electricity” to be provided:

- in at least three written notices to potential customers, and

#### Proposed alternative (amended language bolded):

Proposition G would require the City to inform customers and potential customers of CleanPowerSF of the planned percentage of types of “renewable, greenhouse-gas free electricity” to be provided:

- in at least three written notices to potential customers (**two currently required by law and one additional notice mandated by this measure**), and

**Reason for recommendation:** It remains unclear that the measure is only generating *one* extra notice to potential customers. If the voter doesn’t already know the ins and outs of Community Choice Aggregation law, she might think she was only getting pre-enrollment notices because of this measure.

We believe these amendments make the ballot digest for Proposition G much more clear, accurate, and informative for the voter. We greatly appreciate your attention and service to the voters of the City and County.

Sincerely,  
Jed Holtzman  
Co-Coordinator, 350 San Francisco

## Disclosures Regarding Renewable Energy\*

Digest by the Ballot Simplification Committee

**Status:** Approved Digest  
**On:** Monday, August 3, 2015  
**Members:** Packard, Fasick, Fraps, Jorgensen, Unruh  
**Word count:** (suggested 300-word limit)

**Deadline to Request Reconsideration:** 3:45 p.m. on Tuesday, August 4, 2015

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**The Way It Is Now:** San Francisco and other local governments are allowed by state law to purchase and generate electricity to sell to residential and business customers.

San Francisco has created CleanPowerSF, a program to purchase, generate and sell electricity. CleanPowerSF has not yet begun to buy electricity to sell to customers, so most San Francisco residents and businesses currently purchase their electricity from Pacific Gas & Electric (PG&E), a private company. San Francisco residents would have the opportunity to opt out of CleanPowerSF.

The City generates hydroelectric power at its Hetch Hetchy facilities in Tuolumne County and uses this power to meet most of its municipal power needs. The City does not sell this electricity to most San Francisco residents or businesses.

State law requires all retail electricity suppliers to disclose to customers the sources of power being provided, including renewable energy resources. Renewable resources include biomass, solar thermal, photovoltaic, wind, geothermal, solid waste conversion, landfill gas, ocean wave, ocean thermal, and tidal current.

Current City law does not define “renewable, greenhouse-gas free electricity.”

The State requires that a certain percentage of the electricity provided to customers must come from “eligible renewable energy resources,” which include renewable resources located in the Western United States, Canada, and Mexico. San Francisco is allowed to use power from its Hetch Hetchy facilities to meet its required renewable resource percentage.

Generally “eligible renewable energy resources” fall into one of three categories, depending on when and where the electricity is generated.

**The Proposal:** Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- electricity obtained exclusively from renewable resources delivered to a California power grid manager without substituting electricity from another source due to resource variability located within or adjacent to the California border; or
- electricity generated by the City's Hetch Hetchy facilities.

Local energy programs funded by CleanPowerSF and other City programs, such as rooftop solar panel and small wind turbines that generate fossil fuel-free electricity for residents and businesses, belong to a category of “eligible renewable energy resources” restricted by this measure and would not be considered “renewable, greenhouse gas-free electricity.”

This proposal would establish a stricter standard for CleanPowerSF than for other retail electricity providers in the State.

*\*Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*

Proposition G would require the City to inform customers and potential customers of CleanPowerSF of the planned percentage of types of “renewable, greenhouse-gas free electricity” to be provided:

- in at least three written notices to potential customers (two currently required by law and one additional notice mandated by this measure), and
- in every communication sent to customers.

CleanPowerSF would not be allowed to market, advertise or make any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure. The measure would establish two separate standards of what would be considered “renewable” and “greenhouse gas-free,” one for state reporting and action (used by all retail electricity providers) and a more restrictive standard for local marketing and advertising purposes (which will only apply to CleanPowerSF).

**A "YES" Vote Means:** If you vote “yes,” you want to:

- limit the definition of “renewable, greenhouse-gas free electricity” to mean electricity derived exclusively from renewable resources delivered to a California power grid manager without substituting electricity from another source due to resource variability located within or adjacent to the California border or electricity derived from Hetch Hetchy;
- require CleanPowerSF to inform customers and potential customers of the planned percentage of “renewable, greenhouse-gas free electricity” to be provided; and
- prohibit CleanPowerSF from marketing, advertising or making any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure.

**A "NO" Vote Means:** If you vote “no,” you do not want to impose these regulations.