

# San Francisco Community Choice Implementation Plan Up for Vote at City Hall



Vote on Service Structure Under CPUC Rules, World's Biggest Urban Solar Network in 3 Years, With 51% "Hard" Renewables Standard by 2017

Local Power has completed and submitted an Implementation Plan (IP) requested by a Commission created by the City to investigate Community Choice Aggregation, in a process that should firm up the community's resolve to solicit a new electricity provider for San Francisco residents and businesses later this year.

In a "meet-or-beat" competition that will combine solar silicon, high tech wind turbines, efficiency technologies and hydrogen in a new electricity "product" to compete against PG&E's prices charged



for its mix of nuclear power, hydropower and increasing gas combustion, Local Powers' Implementation Plan follows statutory and regulatory processes to implement an ordinance passed last year to bring Energy Independence to San Franciscans in response to California's continuing energy crisis.

Under the Plan, a competitive electricity provider will commit to rates equal to or lower than PG&E, which is currently seeking rate increases for residents following its draconian 40% commercial customer rate increases to pay for its \$11 Billion bankruptcy bailout in December, 2003. The utility received a slightly smaller bailout starting in 1998 under the state's deregulation law, AB1890, with bailouts now totalling \$18 Billion, within \$5 Billion of its 2004 book value.

The San Francisco Local Agency Formation Commission requested Local Power to submit its draft Community Choice Aggregation Implementation Plan to implement the Energy Independence Ordinance unanimously adopted by the San Francisco Board of Supervisors and signed by Mayor Newsom in May, 2004. The San Francisco Public Utilities Commission is now preparing to submit a draft plan to the Board of Supervisors in April, with final action expected in May.

The Energy Independence Ordinance would combine the City's community electricity services purchasing authority under the 2002 California Community Choice law (AB117, Migden), with its "solar bond" authority, or H Bond authority approved by voters in 2001 (San Francisco Charter



Section 9.107.8, 2001, Ammiano), leveraging community-wide energy purchasing power with a generic municipal revenue bond to not merely switch to a new electricity provider but require it to build, within its rates, a massive green distributed generation and conservation infrastructure that will reduce the aggregate community's peak load by over a third. After the first three year phase is over, the City would initiate phase II, and would require 51% of the community's electricity to come from new, local, "hard" renewable resources by 2017.

### Build Not Buy: the "Hard RPS."

The IP sets in place a 51% "Hard" RPS by 2017, with a combination of building and buying that makes the community over half locally-green powered by 2017. State law requires that 20% of all power sold in California come from renewable resources, which can be as far away as Canadian windfarms connected to the Western power grid.

### San Francisco Does a 360.

San Francisco will build its Energy Independence. Starting with its initial 3 year, 360 Megawatt rollout - representing enough new energy resource to power 360,000 homes, San Francisco will not merely buy green electricity from existing commercial windfarms across the grid, but will seek a new Electric Service Provider to provide power to all San Franciscans and physically build the 360 Megawatts of solar, wind, efficiency and conservation technologies in or near San Francisco as a required "hard" renewable portfolio resource that benefits all ratepayers equally. Funded by municipal H Bonds, the facilities would serve major public health and energy security purposes, and will be owned by the City once the H Bonds are paid off. Residents and businesses will also be allowed to enjoy the benefits of volume purchasing should they wish to purchase their own systems for their homes or businesses, but no marketing of premium green power will be undertaken, as all resources are in the standard portfolio of the new service.

Local Power's Implementation Plan will have participating San Franciscans switching over in one year, with construction of the 360 Megawatts commencing in 450 days from its adoption by the City. Phase I, for which the City's chosen ESP will be contractually responsible, will involve the installation of 360 Megawatts of new green capacity or load reductions, in just three years, in a community that uses between 650 and 850 Megawatts of total power plant capacity at any given time. That means 1/3 of peak physically removed from the grid by early 2009. The IP will deliver the local public health benefits in lower asthma and cancer, and ensure that new green power facilities are built and not merely purchased from existing or remote resources, thus dramatically upgrading local energy security for San Franciscans, and physically reducing exposure to grid power risks such as rising overdependency on increasingly price-volatile gas-fired power plants, 2200 Megawatts of which PG&E has recently proposed to build at its customers' risk and expense.

By early 2009, over a third of San Francisco residents and businesses' peak load will be physically removed from the conventional grid, with 14.5% of all electric bill watt-hours sold to them each year coming from the new local renewable resource and conservation technologies. By 2017 half of all power will come from newly built renewables and conservation technologies that are in or near San Francisco.

Related Documents:

[LAFCO Resolution Containing Recommendations on the Community Choice Aggregation Implementation Plan, Referred to the Board of Supervisors on August 4, 2005](#)

[Local Power's Proposed Amendments in LAFCO, July 29, 2005](#)

[Local Power's Proposed Amendments in LAFCO, July 14, 2005](#)

[Local Power's Proposed Amendments in LAFCO, July 8, 2005](#)

[Local Power Amendments to IP submitted to LAFCO April 15, 2005](#)

[Matrix comparing Local Power CCA IP to SFPUC CCA IP](#)

San Francisco Hearing Videos:

[Fenn and SFPUC Debate Implementation Plan at SF Local Agency Formation Commission \(April 22, 2005\)](#)

[Fenn Testifies at San Francisco Local Agency Formation Commission \(April 15, 2005\)](#)

[San Francisco Local Agency Formation Commission Request Implementation Plan from Paul Fenn \(March 11, 2005\)](#)

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