WHEREAS, The Energy Resources Conservation and Development Commission (California Energy Commission) has recognized Southeast San Francisco as a minority community entitled to environmental justice; and,

WHEREAS, All of the major electrical generating units in San Francisco are located in Southeast San Francisco which includes Bayview, Hunters Point, Potrero Hill and Dogpatch neighborhoods; and,

WHEREAS, Ordinance 124-01, adopted by the Board of Supervisors on May 29, 2001, set forth minimum requirements for the protection of human health and the environment related to proposals for new electric generation in Southeast San Francisco; and,

WHEREAS, The permanent closure of the Hunters Point power plant has long been a community and City objective; and,

WHEREAS, The City entered an agreement with PG&E in 1998 to close Hunters Point power plant as soon as it is not needed to ensure electric reliability; and

WHEREAS, Under the Clean Air Act, the Hunters Point power plant is subject to expensive retrofits in 2005 that could result in its continued operation for years to come; and,

WHEREAS, Sufficient generation and load reduction alternatives should be implemented by 2005 in order to avoid a retrofit of the Hunters Point power plant; and,

WHEREAS, San Francisco, a constrained transmission area because of its location at the tip of a peninsula, has ongoing challenges maintaining energy reliability; and,

[Electricity Resource Plan.]

Resolution endorsing the electricity resource plan for San Francisco.
WHEREAS, Reliable electricity is critical to local residents, organizations, and the San Francisco economy; and,

WHEREAS, Long-term energy planning can result in long-term cost savings to the City and consumers; and,

WHEREAS, Ordinance 124-01 directed the Public Utilities Commission (PUC) and the Department of the Environment (ENV) to develop an energy resource plan "to implement all practical transmission, conservation, efficiency, and renewable alternatives to fossil fuel generation" in San Francisco; and

WHEREAS, Between November 2001 and August 2002, the staff of PUC and ENV hosted nine neighborhood meetings and three meetings with representatives of the San Francisco business community to solicit input, and participated in public forums on energy policy with energy experts, planners, and business and community leaders; and,

WHEREAS, Based upon these meetings and the technical assistance of Rocky Mountain Institute, an independent consultant, the staff developed and distributed a draft "Electricity Resource Plan" describing three scenarios to illustrate critical issues and possible options for addressing them; and,

WHEREAS, Based on public input and findings determined after a year of research and evaluation of San Francisco's electric resources, potential for demand reduction through energy efficiency and peak electricity load control, prospects for renewable resources, and opportunities for new, clean energy technologies, the staffs of PUC and ENV selected one scenario to put forth as the Electricity Resource Plan (the Plan) for San Francisco; and,

WHEREAS, In August, 2002 the PUC and ENV submitted the Plan to the Board of Supervisors; and,

WHEREAS, the Plan is on file with the Clerk of the Board of Supervisors in File No. 021858 which is hereby declared to be a part of this resolution as if set forth fully herein; and,

Supervisor Maxwell, Daly
BOARD OF SUPERVISORS

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WHEREAS, A public hearing on the Plan was held before the Health and Human
Services Committee of the Board of Supervisors on September 19, 2002; and,
WHEREAS, The Plan identifies eight goals that were developed through public
comment and used to guide the Plan: maximize energy efficiency, develop renewable power,
assure reliable power, support affordable electric bills, reduce air pollution and prevent other
environmental impacts, support environmental justice, develop the local economy, and
increase local control over energy resources; and
WHEREAS, The Plan presents an overview of San Francisco's energy situation,
including a discussion of the existing transmission, generation, conservation, and renewable
resources that serve San Francisco and potential new resources that could serve San
Francisco; and,
WHEREAS, The Plan discusses potential actions that could reduce local air pollutants,
improve electric reliability, increase local control of energy resources, protect against price
spikes and accelerate the development of renewable energy technologies; and,
WHEREAS, The Plan discusses actions that can be implemented in a manner that
supports the development of local businesses and job opportunities; and,
WHEREAS, The Plan discusses actions that could allow for the closure of Hunters
Point power plant by 2005 by developing cleaner, more reliable fossil generation and other
resources to replace Hunters Point power plant; and
WHEREAS, Currently PG&E may only operate Hunters Point power plant when called
on to do so by the California Independent System Operator (ISO); and
WHEREAS, Further reductions in the operation of Hunters Point power plant would
reduce local and regional air pollution; and
WHEREAS, The actions proposed in the plan are intended to be in the nature of general recommendations requiring further detail, study, fiscal analysis and public review before implementation of any specific action; and

WHEREAS, The Plan does not include analysis of costs or financing options for potential projects; and

WHEREAS, The timelines for project development included in the Plan are estimates which will require revision after additional study; and

WHEREAS, The Planning Department has not completed its review of the Plan to determine compliance with environmental laws; and

WHEREAS, Implementation of any specific actions identified by the Plan will require the cooperation of state agencies; and

WHEREAS, Implementation of any specific actions identified by the Plan will require the commitment of City and State resources; now, therefore be it

RESOLVED, That the Board of Supervisors commends the staff of the PUC and ENV, as well as members of the community, for participating in an unprecedented public process and for producing an informative, visionary plan; and, be it

FURTHER RESOLVED, That the Board of Supervisors adopts the Electricity Resource Plan as a policy guideline to be used in proposing and implementing specific actions, subject to the requirements necessary to comply with environmental laws, including an analysis of alternatives and mitigations; and, be it

FURTHER RESOLVED, That the City should begin the work needed to develop and implement specific actions identified in the plan; and, be it

FURTHER RESOLVED, That the PUC and ENV should establish a working group of key City personnel and community stakeholders to prioritize projects that may be developed in implementing the plan and to identify needed resources; and, be it
FURTHER RESOLVED, That the PUC and ENV, in conjunction with the Mayor's
Budget Office and the Board of Supervisors' Budget Analyst, shall develop a detailed fiscal
analysis of the Plan's recommendations; and, be it

FURTHER RESOLVED, That the PUC and ENV should report back to the Board of
Supervisors by May 1, 2003 on the progress of this effort, including a corresponding fiscal
analysis, based on the priorities of permanently closing the Hunters Point power plant,
ensuring the protection of human health and the environment, and providing reliable
electricity; and, be it

FURTHER RESOLVED, That the PUC and ENV should integrate implementation of the
Plan into their Fiscal Year 2003-2004 budget submissions to the Mayor and Board of
Supervisors; and, be it

FURTHER RESOLVED, That the PUC and ENV shall continue to involve residents,
community organizations, and businesses throughout future planning and implementation of
the Plan and shall create opportunities for citizen participation, especially in affected
communities; and, be it

FURTHER RESOLVED, That the City shall not operate new fossil fuel generation in
Southeast San Francisco beyond what is necessary for reliability testing prior to the
permanent shutdown of Hunters Point power plant as a source of fossil fuel generation; and,
be it

FURTHER RESOLVED, That the City urges the ISO to allow operation of the Hunters
Point power plant only when needed to prevent local blackouts; and, be it

FURTHER RESOLVED, That the PUC, ENV, and City Attorney should work with the
ISO to identify and implement additional means of reducing pollution by further limiting the
operation of the Hunters Point power plant until its closure at the earliest possible date; and,
be it

Supervisor Maxwell, Daly
BOARD OF SUPERVISORS
FURTHER RESOLVED, That, to the extent feasible, the PUC and ENV should pursue development of renewable energy and energy conservation programs serving the public and private sectors exceeding the goals provided in the Plan.
Resolution endorsing the electricity resource plan for San Francisco.

December 9, 2002 Board of Supervisors — ADOPTED
Ayes: 9 - Ammiano, Daly, Gonzalez, Hall, Maxwell, McGoldrick, Newsom, Peskin, Sandoval

File No. 021858

I hereby certify that the foregoing Resolution was ADOPTED on December 9, 2002 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.