Resolution authorizing the Public Utilities Commission (PUC) to enter into the Utility Distribution Company Operations Agreement between the PUC and the California Independent System Operator Corporation (CAISO) to establish the rights and obligations of the PUC with regard to the interconnection of the Bay Corridor Transmission Distribution project, Davidson Substation, within the CAISO controlled electric grid for an indefinite term with no cost to the City pursuant to Charter, Section 9.118, to commence following Board of Supervisors approval; and to authorize the General Manager of the PUC to enter into amendments or modifications to the agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the agreement or this Resolution.

WHEREAS, To continue to serve the existing and future customers with large power needs, the Public Utilities Commission (PUC) is constructing the Bay Corridor Transmission and Distribution Project (BCTD); and

WHEREAS, The BCTD consists of a high-voltage electric transmission line, transmission substation, and related electric facilities in the southeast area of the City; and

WHEREAS, The BCTD will enable the PUC to connect new customers in the southeast corridor without the need to interconnect with Pacific Gas and Electric (PG&E), thereby avoiding disputes, delays, and high costs associated with PG&E’s distribution service; and

WHEREAS, The BCTD will allow the PUC to deliver 100 percent greenhouse gas free energy from Hetch Hetchy to customers; and
WHEREAS, As part of the BCTD, the PUC is constructing a new 230 kilovolt (kV) interconnection from PG&E’s 230 kV Potrero Switchyard to a new PUC 230 kV substation ("Davidson Substation"); and

WHEREAS, On April 20, 2021, the Board of Supervisors (Board) in Ordinance No. 58-21 approved the Transmission Facilities Agreement with PG&E to interconnect City-owned transmission facilities to the electric grid; and

WHEREAS, The BCTD Davidson Substation is connected to the electric grid controlled by the California Independent System Operator Corporation (CAISO); to provide service to its electric customers from the Davidson Substation, the PUC must transmit electric energy through the transmission system controlled by the CAISO; and

WHEREAS, In order for PUC to interconnect the Davidson Substation to the CAISO grid the PUC must enter into a Utility Distribution Company Operations Agreement (UDCOA) with the CAISO; a copy of the UDCOA is on file with the Clerk of the Board in File No. 220182; and

WHEREAS, The purpose of the UDCOA is to establish the rights and obligations of the PUC and the CAISO with respect to the PUC’s interconnection with the CAISO controlled grid; and

WHEREAS, The UDCOA is a CAISO form agreement that has an indefinite term, which means the UDCOA will remain in full force and effect until terminated by either of the parties; and

WHEREAS, An indefinite term is in the best interests of the City, because the PUC will need the UDCOA for as long as it is operating the BCTD and the Davidson Substation; and

WHEREAS, The PUC will not incur any costs to the CAISO under the UDCOA; and

WHEREAS, In PUC Resolution No. 22-0042 dated February 22, 2022, the PUC Commission approved the UDCOA and authorized the General Manager of the PUC to
execute the agreement on behalf of the PUC; a copy of Resolution No. 22-0042 is on file with
the Clerk of the Board in File No. 220182; and

WHEREAS, Section 9.118 of the Charter requires approval by the Board for contracts
in excess of ten years; now, therefore, be it

RESOLVED, That this Board of Supervisors hereby authorizes the General Manager of
the San Francisco Public Utilities Commission to execute the Utility Distribution Company
Operations Agreement between the San Francisco Public Utilities Commission and the
California Independent System Operator Corporation for an indefinite term at no cost to the
City; and

FURTHER RESOLVED, That the Board of Supervisors authorizes the General
Manager of the PUC to enter into any amendments or modifications to the Utility Distribution
Company Operations Agreement that the General Manager determines, in consultation with
the City Attorney, are in the best interest of the City, do not materially increase the obligations
or liabilities of the City, are necessary or advisable to effectuate the purposes of the
agreement, and are in compliance with all applicable laws; and, be it

FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
executed by all parties the Public Utilities Commission shall provide the final agreement to the
Clerk of the Board for inclusion into the official file.
Resolution authorizing the Public Utilities Commission (PUC) to enter into the Utility Distribution Company Operations Agreement between the PUC and the California Independent System Operator Corporation (CAISO) to establish the rights and obligations of the PUC with regard to the interconnection of the Bay Corridor Transmission Distribution project, Davidson Substation, within the CAISO controlled electric grid for an indefinite term with no cost to the City pursuant to Charter, Section 9.118, to commence following Board of Supervisors approval; and to authorize the General Manager of the PUC to enter into amendments or modifications to the agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the agreement or this Resolution.

April 06, 2022 Budget and Finance Committee - RECOMMENDED

April 12, 2022 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai and Walton
Excused: 1 - Stefani

I hereby certify that the foregoing Resolution was ADOPTED on 4/12/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved: 4/22/22