Resolution approving amendments to CleanPowerSF's power purchase agreement with Blythe Solar IV, LLC, to add energy storage capability to the existing solar energy facility and increase the contract amount by $83,096,000 for a total not to exceed cost of $220,280,744 to commence in October 2022, with no change to the term.

WHEREAS, In May 2016, the San Francisco Public Utilities Commission (PUC) launched a program called CleanPowerSF to provide San Francisco residents and businesses the option to receive cleaner, more sustainable electricity at rates comparable to those offered by Pacific Gas & Electric Company; CleanPowerSF currently provides three million megawatt hours of electricity annually to over 380,000 customer accounts; and

WHEREAS, In Ordinance 8-18, the Board of Supervisors delegated authority to the General Manager of the PUC to enter into long-term renewable power purchase agreements for contracts resulting from the PUC’s 2018 request for offers for renewable energy supply, including the Agreement, and authorized the use of the PUC’s form power purchase agreements; and

WHEREAS, Blythe Solar IV, LLC, a subsidiary of NextEra Energy Resources Acquisitions, LLC, (Blythe Solar) was a respondent to that 2018 solicitation, and in July 2019, CleanPowerSF entered into a long-term power purchase agreement with Blythe Solar to purchase solar energy from a facility located in Blythe, California in the amount of $137,184,744 with a term through September 10, 2040 (Agreement); and

WHEREAS, CleanPowerSF and Blythe Solar have agreed to amend the Agreement to include energy storage for the Blythe Solar facility for the term of the Agreement with operation to commence in October 2022 and to increase the not to exceed amount of the
Agreement by $83,096,000 for a total amount of $220,280,744 (Amended and Restated Agreement); and

WHEREAS, The Risk Manager of the PUC and the City Attorney have approved the mutual indemnification and limitation of liability clauses in the amended Agreement; and

WHEREAS, Energy storage will allow CleanPowerSF to maximize the value of the Agreement by storing electric energy from the renewable power facility during periods when there is excess electricity supply in the California grid and discharging and delivering the electricity during periods when supplies are low and by providing an electricity-related product known as resource adequacy capacity; and

WHEREAS, State law requires load serving entities such as CleanPowerSF to procure certain amounts of resource adequacy capacity under long-term agreements and the Amended and Restated Agreement will enable CleanPowerSF to comply with the state mandates; and

WHEREAS, The PUC approved the Amended and Restated Agreement at a public meeting on September 28, 2021 in Resolution No. 21-0151; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the General Manager of the Public Utilities Commission to enter into the Amended and Restated Agreement for a total amount not to exceed $220,280,744; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the General Manager to make amendments to the Amended and Restated Agreement, as needed to fulfill the purposes of the Agreement, that do not materially increase the obligations or liabilities of the City or reduce the benefits to the City; and, be it

FURTHER RESOLVED, That within thirty (30) days of the amendment being fully executed by all parties, the San Francisco Public Utilities Commission shall provide the final amendment to the Clerk of the Board for inclusion into the official file.
Resolution approving amendments to CleanPowerSF’s power purchase agreement with Blythe Solar IV, LLC, to add energy storage capability to the existing solar energy facility and increase the contract amount by $83,096,000 for a total not to exceed cost of $220,280,744 to commence in October 2022, with no change to the term.

October 20, 2021 Budget and Finance Committee - CONTINUED

October 27, 2021 Budget and Finance Committee - RECOMMENDED

November 02, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED on 11/2/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board