Resolution retroactively authorizing CleanPowerSF to execute an amendment to an agreement with Calpine Energy Services, L.P. for electricity-related products to increase the cost by $27,000,000 for a total of $30,240,000 and to extend the term by seven years for a term ending December 31, 2029; approving an amendment to an agreement with Calpine for renewable energy to increase the cost by $193,299,120 for a total of $242,370,666 and to extend the term by seven years for a term ending December 31, 2029, for a total of $220,299,120 not to exceed in purchases; and approving an agreement with Calpine Energy Services, L.P. for electricity-related products for $59,400,000 with a term of January 1, 2024, through December 31, 2029.

WHEREAS, State law allows cities and counties to develop community choice aggregation (CCA) programs, through which local governments supply electricity to serve the needs of participating customers within their jurisdictions while the existing utility continues to provide services such as customer billing, transmission, and distribution; and

WHEREAS, In May 2016, the San Francisco Public Utilities Commission (PUC) launched a CCA 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 (PG&E); CleanPowerSF uses clean and renewable energy purchased from various facilities, including energy from the City’s municipal utility, Hetch Hetchy Power; and

WHEREAS, State law requires load serving entities (LSEs) that provide electric service to customers, such as CleanPowerSF and Hetch Hetchy Power, to own or procure certain
quantities of electricity-related products known as Resource Adequacy (RA) that is necessary
to meet regulatory requirements; the RA requirements are set annually and specify quantities
of different types of RA products in a number of different geographical areas that each LSE is
required to own or procure; and

WHEREAS, In July 2020, the CPUC provided each LSE, including CleanPowerSF, with
a preliminary notice of the volumes of RA the LSE is required to own or procure for each
month of 2021 and 2022, and on September 18, 2020, the CPUC provided final notice of the
actual volumes of each type of RA product that each LSE is required to procure by October
31, 2020, in order to meet its RA compliance obligations; and

WHEREAS, CleanPowerSF was required to purchase additional RA products in order
to meet the October 31, 2020, compliance deadline; and

WHEREAS, CleanPowerSF issued solicitations for RA supply on August 3, September
2, September 29, and October 16, 2020, and participated in solicitations issued by other LSEs
to purchase and sell RA; and

WHEREAS, In response to a solicitation, Calpine Energy Services, LP (Calpine)
submitted offers to CleanPowerSF to increase the volumes of RA and energy sold to
CleanPowerSF from the Geysers geothermal facility and an offer to sell RA from other
facilities located in California pursuant to a master power purchase and sale agreement with
Calpine (Calpine Agreement) which was approved by the Board in Ordinance No. 223-15 and
is on file with the Clerk of the Board of Supervisors in File No. 150408; and

WHEREAS, The PUC General Manager has agreed to provide advance notification
and an opportunity for consultation to the PUC Commission and to the Board of Supervisors
through a resolution if the General Manager believes the PUC may be required to seek
retroactive Board of Supervisors approval of power supply contracts; and

WHEREAS, CleanPowerSF seeks approval for three transactions with Calpine:
1) An amendment to an agreement with Calpine for purchases of RA supplies, whereby Calpine will purchase additional volumes of RA product from Calpine from the Geysers geothermal facility, increasing the total contract cost by $27,000,000 to $30,240,000 and extending the term from December 31, 2022, to December 31, 2029. CleanPowerSF executed this amendment on October 30, 2020, in order to meet the October 31 compliance deadline and seeks retroactive approval here.

2) An amendment to an agreement for CleanPowerSF to purchase renewable energy from the Geysers geothermal facility, increasing the amount of purchases by $193,299,120 for a total contract amount of $242,370,666 and extending the term by seven years to December 31, 2029. This amendment would also extend Calpine’s community benefits commitment.

3) An agreement to sell to CleanPowerSF certain RA products for the period January 1, 2024, through December 31, 2029, with a total cost of $59,400,000; now, therefore, be it RESOLVED, That the Board of Supervisors retroactively authorizes the General Manager of the Public Utilities Commission to enter into an amendment to an agreement to purchase RA from Calpine in an amount not to exceed $27,000,000 and to extend the term of the agreement by seven years to December 31, 2029; and, be it

   FURTHER RESOLVED, That the Board of Supervisors authorizes the General Manager of the Public Utilities Commission to enter into an amendment to the Calpine Geysers renewable energy agreement in an amount not to exceed $193,299,120, to extend the term by seven years to December 31, 2029, and to extend Calpine’s community benefits commitment; and, be it

   FURTHER RESOLVED, That the Board of Supervisors authorizes the General Manager of the Public Utilities Commission to enter into an agreement with Calpine to purchase RA in an amount not to exceed $59,400,000; and, be it
FURTHER RESOLVED, That the Board of Supervisors authorizes the General Manager of the Public Utilities Commission to make amendments to the agreements, as needed, that do not materially increase the obligations or liabilities of the City or reduce the benefits to the City; and, be it

FURTHER RESOLVED, If the PUC believes retroactive approval of power supply contracts may be necessary and fails to provide advance notification to the Board of Supervisors, the PUC shall provide a justification for the failure to provide advance notice in the resolution or ordinance seeking retroactive approval and the justification shall be subject to scrutiny by the Board of Supervisors; and be it

FURTHER RESOLVED, That within thirty (30) days of the amendments and agreement being fully executed by all parties, the San Francisco Public Utilities Commission shall provide the final amendments and agreement to the Clerk of the Board for inclusion into the official file.
Resolution retroactively authorizing CleanPowerSF to execute an amendment to an agreement with Calpine Energy Services, L.P. for electricity-related products to increase the cost by $27,000,000 for a total of $30,240,000 and to extend the term by seven years for a term ending December 31, 2029; approving an amendment to an agreement with Calpine for renewable energy to increase the cost by $193,299,120 for a total of $220,299,120 and to extend the term by seven years for a term ending December 31, 2029, for a total of $220,299,120 not to exceed in purchases; and approving an agreement with Calpine Energy Services, L.P. for electricity-related products for $59,400,000 with a term of January 1, 2024, through December 31, 2029.
I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 12/15/2020 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

12.23.20