

2014-15 Civil Grand Jury CleanPowerSF Report
Department Responses

CGJ Year	Report Title	Finding	Response Required	2015 Responses (Agree/Disagree)	2015 Response Text
2014-15	CleanPowerSF At Long Last	F1. CleanPowerSF will be a relatively small, low-risk program at startup, but must grow quickly to meet the City's timeline for reducing greenhouse gas emissions.	Mayor SF Public Utilities Commission (Agency)	Disagree, partially	The Mayor's Office and the SFPUC agree that the program will be relatively small and low-risk at startup. We disagree, however, with the Civil Grand Jury's report that the SFPUC use unbundled RECs to grow CleanPowerSF. CleanPowerSF is designed to not rely on unbundled RECs. The long term success of the program, and therefore, the ability of the program to achieve significant greenhouse gas reductions, depends on offering consumers a product that is reliable, transparent, and affordable. SFPUC has designed the program to offer such a product. Furthermore, the City has a comprehensive climate action strategy and is not solely depending on CleanPowerSF to reach its targets and timelines. The City has reduced its greenhouse gas emissions by 23% below 1990 levels while the City's economy and population have grown. The City is on track to reach its goal of reducing greenhouse gas emissions 25% below 1990 levels by 2017 and 40% by 2025. CleanPowerSF is one of several strategies to achieve the City's greenhouse gas reduction goals, including improving the energy-efficiency of municipal, commercial and residential buildings, significantly increasing sustainable modes of transportation like walking, biking, and transit, and achieving the City's Zero Waste goal.
2014-15	CleanPowerSF At Long Last	F1. CleanPowerSF will be a relatively small, low-risk program at startup, but must grow quickly to meet the City's timeline for reducing greenhouse gas emissions.	Board of Supervisors	Agree	30-60 megawatts is a modest size for launch, and the Board of Supervisors will work with the SFPUC to expand CleanPower San Francisco (CPSF) as quickly as possible, mindful that moving to 100% clean energy is the single most important thing San Francisco can do to combat climate change.
2014-15	CleanPowerSF At Long Last	F2. CleanPowerSF's rates will be lower and more affordable to all San Franciscans, if it is free to use unbundled RECs as needed, and to provide less than 100% green power.	Mayor, SF Public Utilities Commission (Agency)	Disagree, partially	The Mayor's Office and SFPUC agree with the finding that CleanPowerSF "provide less than 100% green power." In January 2015, the Mayor asked for a program that included a default product with a higher renewable' energy content than PG&E at a competitive price, and a premium 100% renewable option. The SFPUC has designed CleanPowerSF accordingly. Given today's low electricity prices, we disagree that CleanPowerSF needs to use unbundled RECs to meet affordability goal for its customers. And, as mentioned above, we believe the use of unbundled RECs is not appropriate for CleanPowerSF.
2014-15	CleanPowerSF At Long Last	F2. CleanPowerSF's rates will be lower and more affordable to all San Franciscans, if it is free to use unbundled RECs as needed, and to provide less than 100% green power.	Board of Supervisors	Disagree, partially	The Board of Supervisors recently approved language regarding the use of unbundled Renewable Energy Certificates (RECs), saying they "shall be limited to the extent deemed feasible by the SFPUC, consistent with the goals of the program" and state law. Unbundled RECs may have some utility in the short term but should not be the linchpin to ensure CPSF's competitive rates. The Board of Supervisors supports having two product offerings under CPSF: one with 100% green power and another with less than 100% but more than what PG&E offers.
2014-15	CleanPowerSF At Long Last	F3. Local job creation, while desirable, is not the chief purpose of CleanPowerSF, and should not cause further delay in implementing the program.	Mayor SF Public Utilities Commission (Agency)	Disagree, partially	CleanPowerSF is a program designed to provide ratepayers with a competitively priced renewable energy product that will help the City reduce its greenhouse gas emissions. Local job creation, however, is more than "desirable." The Mayor expects local jobs to be created through the implementation of the program and has requested a plan from the SFPUC, which is in the process of creating one.

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2014-15	CleanPowerSF At Long Last	F3. Local job creation, while desirable, is not the chief purpose of CleanPowerSF, and should not cause further delay in implementing the program.	Board of Supervisors	Disagree, partially	Providing clean energy to San Franciscans is the chief purpose of CPSF, but creating local jobs is an important and complementary purpose that is not delaying the program.
2014-15	CleanPowerSF At Long Last	F4. There are ample affordable resources of renewable power to support CleanPowerSF, including local rooftop solar installations such as those funded through the GoSolarSF program.	Mayor SF Public Utilities Commission (Agency)	Agree	
2014-15	CleanPowerSF At Long Last	F4. There are ample affordable resources of renewable power to support CleanPowerSF, including local rooftop solar installations such as those funded through the GoSolarSF program.	Board of Supervisors	Agree	
2014-15	CleanPowerSF At Long Last	F5. Political discord has at times delayed implementation of CleanPowerSF.	Mayor SF Public Utilities Commission (Agency)	Disagree, wholly	There have been delays to the implementation of CleanPowerSF due to vigorous and substantive policy debates about the design of the program. We disagree with the Civil Grand Jury's characterization of the policy debate as "political discord." Today's version of CleanPowerSF is a much improved program with a high likelihood of success and minimal risk as a result of the policy debates. As currently designed, CleanPowerSF will offer a default product that: is priced at or below PG&E base rate; has more renewable energy content than PG&E without using unbundled RECs; and is administered by the SFPUC. The SFPUC has designed a program that provides its ratepayers with reliable and affordable power that is greener than PG&E.
2014-15	CleanPowerSF At Long Last	F5. Political discord has at times delayed implementation of CleanPowerSF.	Board of Supervisors	Agree	After 12 years of effort, the Board of Supervisors knows this truth all-too-well, and is thankful to finally be collaborating with the Mayor and SFPUC to launch CPSF as quickly as possible.

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2014-15	CleanPowerSF At Long Last	R1. That CleanPowerSF be designed, first and foremost, to be financially viable and to grow quickly without undue risk.	Mayor SF Public Utilities Commission (Agency)	The recommendation has been implemented	CleanPowerSF is designed to be financially viable and to grow quickly without undue risk. The Mayor's Office and the SFPUC, however, reject the Civil Grand Jury's suggestion that the program use unbundled RECs as a tool to support the program's growth and financial viability. We believe purchasing unbundled RECs to claim non-renewable power as renewable is not appropriate for the City's community choice aggregation program. Moreover, unlike the experience of Marin Clean Energy recounted in the report, San Francisco is procuring supply for a CleanPowerSF program at a time when electricity prices - including bundled renewables - are quite low, and projected to remain low. As a result, San Francisco's program at launch is expected to be affordable with bundled renewable supplies, avoiding the arguments explained in the report about the degraded quality of programs reliant upon unbundled RECs. CleanPowerSF is designed to not rely on unbundled RECs. We believe that the program will grow more quickly if consumers have the confidence that the renewable power procured and claimed by the program is high quality renewable. We have made the policy decision to only launch the program if the affordability goals can be met with bundled renewables supplying the program.
2014-15	CleanPowerSF At Long Last	R1. That CleanPowerSF be designed, first and foremost, to be financially viable and to grow quickly without undue risk.	Board of Supervisors	The recommendation has been implemented	The program is designed to be viable and able to grow quickly.
2014-15	CleanPowerSF At Long Last	R2. That CleanPowerSF be free to use unbundled RECs, and to provide less than 100% green power, as needed to meet its goals of financial viability and early expansion.	Mayor SF Public Utilities Commission (Agency)	The recommendation will not be implemented	CleanPowerSF is designed to be financially viable without using unbundled RECs. Moreover, as previously stated, the Mayor's Office and the SFPUC reject the use of unbundled RECs for CleanPowerSF to meet its financial goals or increase the growth of the program. CleanPowerSF will be honest and transparent about the renewable content of the power it is procuring for its customers. There is a growing consensus against the use of unbundled RECs. In July 2015, the Board of Supervisors passed 8-0 an initiative ordinance including the following language: "It is the City's policy that the use of unbundled renewable energy credits for CleanPowerSF customers shall be limited to the extent deemed feasible by the SFPUC, consistent with the goals of the program." (Italics added for emphasis) As discussed above, however, the recommendation to include a renewable power option that is less than 100% has been implemented.
2014-15	CleanPowerSF At Long Last	R2. That CleanPowerSF be free to use unbundled RECs, and to provide less than 100% green power, as needed to meet its goals of financial viability and early expansion.	Board of Supervisors	The recommendation has been implemented	CPSF is not currently restricted from using unbundled RECs, however the Board of Supervisors recently approved language saying unbundled RECs, "shall be limited to the extent deemed feasible by the SFPUC, consistent with the goals of the program" and state law. CPSF is designed with two product offerings: one with 100% green power and another with less than 100% but more than what PG&E offers.
2014-15	CleanPowerSF At Long Last	R3. That CleanPowerSF be designed to provide as many local jobs as it can, without compromising its financial viability and potential for early expansion.	Mayor SF Public Utilities Commission (Agency)	The recommendation has been implemented	CleanPowerSF is designed to provide as many jobs as it can and add more jobs with its growth.
2014-15	CleanPowerSF At Long Last	R3. That CleanPowerSF be designed to provide as many local jobs as it can, without compromising its financial viability and potential for early expansion.	Board of Supervisors	The recommendation has been implemented	CPSF is designed to provide local jobs and its expansion will enable it to create yet more local jobs.
2014-15	CleanPowerSF At Long Last	R4. That SFPUC integrate the GoSolarSF program into CleanPowerSF to take advantage of their complementary relationship	Mayor SF Public Utilities Commission (Agency)	The recommendation has not been implemented, but will be implemented in the future	The CleanPowerSF program design envisions its customers will be able to access GoSolarSF incentives. The amount of funding CleanPowerSF will contribute to GoSolarSF has not yet been determined.
2014-15	CleanPowerSF At Long Last	R4. That SFPUC integrate the GoSolarSF program into CleanPowerSF to take advantage of their complementary relationship	Board of Supervisors	will be implemented	As the SFPUC's response indicates, CPSF is designed so that "its customers will be able to access GoSolarSF incentives. [But] the amount of funding CleanPowerSF will contribute to GoSolarSF has not yet been determined." The Board of Supervisors enthusiastically supports this integration and though it cannot predict exactly when the effort will be completed, the Board anticipates it to be one year after the CPSF rollout in the spring of 2016, or by May 2017.

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2014-15	CleanPowerSF At Long Last	R5. That local officials, including the Mayor, put the full weight of their offices behind the success of the CleanPowerSF program	Mayor SF Public Utilities Commission (Agency)	The recommendation has been implemented	The Mayor, Board President Breed, San Francisco Board of Supervisors, and the SFPUC have been working to ensure the success of CleanPowerSF.
2014-15	CleanPowerSF At Long Last	R5. That local officials, including the Mayor, put the full weight of their offices behind the success of the CleanPowerSF program	Board of Supervisors	The recommendation has been implemented	The Board of Supervisors has been putting its full weight behind CleanPowerSF for years, and is thankful to be joined by Mayor Lee, the SFPUC, and a broad coalition of city officials, residents, business owners, and advocates who are committed to CleanPowerSF's success.