Citizens' Advisory Committee
Power Subcommittee

Draft Minutes

April 5, 2011
1155 Market Street, San Francisco
4th Floor, Conference Room
5:30 - 7:30 p.m.

Members
Doug Cain – Chair
Walt Farrell
Winchell Hayward
Aaron Israel
Stephen Bjorgan

Staff: Charles Sheehan

1. Call to Order
Chair Cain called the meeting to order at 5:40.

2. Roll Call
Present: Doug Cain, Stephen Bjorgan and Walt Farrell.
Absent: Aaron Israel and Winchell Hayward.

3. Approval of minutes of February 2, 2011
Committee members approved the February 2, 2011 minutes.

4. Public Comment
No public comment.

5. Announcements by members and reports on other meetings
Stephen Bjorgan talked about his experience being appointed to the CAC. Doug remarked that we need to find out more ways to get more people on the CAC.

6. Report from the Chair
Doug asked for a list of agenda items. Doug also explained that Aaron Israel resigned.
7. **Staff Update**

No update from staff.

8. **Power Enterprise budgeting priorities, fiscal year 2011-2012**

Barbara Hale, AGM for Power, began going over the budget slides presented before the SFPUC Commission.

Doug Cain interjected quickly to clarify that most of the power generating assets are operated by the Water Enterprise.

Barbara reviewed for the committee the capital budget requests.

Barbara noted that for Hetchy Power, most of the capital improvements effect power substations, streetlights, metering systems, solar generation and energy efficiency.

Walt asked if the Power Enterprise was hiring.

Walt asked are if the Power Enterprise was just building new infrastructure or was it also replacing existing infrastructure. Barbara answered it’s both.

Doug asked about how rooftop solar generates us revenue. Barbara responded that it offsets the consumption of hydro power, which then allows us to sell hydro power. Barbara explained who we sell power too and how the Raker Act governs how we sell power. She noted that PG&E fights us on every customer we choose to serve.

Barbara also explained the details of the LED lighting upgrade project.

Doug asked about CCA funding. Barbara explained that CCA funding is in place. She noted that the surplus sale of power allowed us to put 3 million back into some programs.

Barbara detailed out some of the details of the SFPUC’s CCA program. She explained who gets CCA power and which customer gets public power.

Doug brought up subsidizing the electricity rates for General Fund Departments. Barbara explained that Enterprise customers pay PG&E equivalent costs, whereas the General Fund departments pay less than PG&E rates. Doug asked if this subsidy was going to continue into the future.

Barbara said the Board and the Mayor are the appropriating authorities, so they determine rates and what departments pay for energy through the budgeting process.

Doug clarified that this is done by fiat.
Doug asked again how can the SFPUC make more revenue to close the gap, so the SFPUC can pay for deferred maintenance.

Barbara responded. People do ask us to be their power providers. And we do talk to them, and sometimes it succeeds like Hunters Point. But this is dependent on PG&E cooperating with us to a certain extent. PG&E was willing to do it for Hunters Point. They have been less willing about other customer loads. However, new customers mean new revenue.

Doug asked about the transmission studies ongoing at the SFPUC. Barbara responded that we are studying transmission opportunities to complete transmission from Newark to the City.

Stephen asked about the status of PACE Programs. Barbara explained that Fannie Mae and Freddie Mac objected to these types of programs throughout the City.