

August 2, 2015

Members, Ballot Simplification Committee
Department of Elections
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102

Re: Comments on the “Defining Clean, Green, and Renewable Energy” Initiative

Dear Members of the Ballot Simplification Committee:

The International Brotherhood of Electrical Workers (“IBEW”) Local 1245 respectfully submits this letter for your consideration while you draft the ballot digest for the “Defining Clean, Green, and Renewable Energy” measure (“Measure”).

As way of background, Mayor Ed Lee, Board of Supervisors President London Breed, Supervisor John Avalos and the International Brotherhood of Electrical Workers Local 1245 worked together on this Measure which embodies an agreement to ensure that San Franciscans receive truly green, truly clean energy through the City’s planned Community Choice Aggregation (“CCA”) program.

On Friday, the Board of Supervisors submitted an amended version of the Measure. The Measure will do three things:

- Establish a definition of “Clean Energy,” “Green Energy,” “Renewable Greenhouse Gas-free Energy,”
- Establish as City policy that the SFPUC should limit the use of Unbundled Renewable Energy Certificates (RECs) in the CleanPower SF program; and
- Urge the SFPUC to inform customers and potential customers in San Francisco of the percentage of “Clean Energy,” “Green Energy,” and “Renewable Greenhouse Gas-free Energy” in each communication required by law regarding CleanPower SF.

It is very important that both “The Proposal” section and the “A YES Vote Means” section include language reflecting this proposed new City policy limiting the use of RECs. This issue is important because previous iterations of the CleanPower SF program have relied heavily on RECs and respected environmentalists, energy experts and both the San Francisco Labor Council and the California Labor Federation have strongly criticized their use. In addition, this issue is one of the key policy decisions which enabled the stakeholders, including Mayor Lee, the Board of Supervisors, the SFPUC, and IBEW Local 1245, to reach a compromise to support this Measure. Lastly, this new City policy which would be adopted affirms and implements the opinions of many REC critics, including former SFPUC Chair Ed Harrington who told NPR that RECs are not “real green power,” the California Public Utilities Commission that has said “a REC can have no GHG offset value,” Daniel Press, Chair of Environmental Studies at UC Santa Cruz, who has called RECs “a feel-good scam,” and many others.

Attached please find a marked-up version of the DRAFT Digest which contains our suggested revisions.

We hope that this information is useful as the Ballot Simplification Committee conducts the important task of drafting the digest. We look forward to discussing the draft digest with you at Monday's meeting.

Sincerely,

s/Hunter Stern

Hunter Stern
Business Representative

Defining Clean, Green, and Renewable

Energy* Digest by the Ballot Simplification
Committee

Status: Draft for Consideration
On: Monday, August 3, 2015
Members: Packard, Fasick, Fraps, Jorgensen, Unruh
Word count: *(suggested 300-word limit)*

Deadline to Request Reconsideration: TBD

The Way It Is Now: State law allows local governments such as San Francisco to develop Community Choice Aggregation (CCA) programs, in which local governments may purchase energy to sell to residential and business customers in their jurisdiction. Under state law, local governments implementing a CCA program must give potential customers the choice to opt out.

San Francisco has created its own CCA program called CleanPowerSF, which the San Francisco Public Utilities Commission (SFPUC) will administer. The City, through its SFPUC, generates hydroelectric power at its Hetch Hetchy facilities in Tuolumne County. The City currently uses this power to meet its municipal power needs and does not sell electricity to most San Francisco residents or businesses.

CleanPowerSF has not commenced buying energy to sell to customers. Until CleanPowerSF begins doing so, most San Francisco residents and businesses must purchase their power from a private company.

State law requires all retail electricity suppliers, including CCAs, to disclose the sources of power being provided from various categories, including from eligible renewable energy resources.

There is currently no definition under local law for “Clean Energy,” “Green Energy,” “Renewable Greenhouse Gas-free Energy,” or similar terms used to describe the source or environmental impact of electric energy.

State law requires that a certain percentage of the electricity provided to customers come from “eligible renewable energy resources.” Examples of “renewable resources” include biomass, solar thermal, photovoltaic, wind, geothermal, solid waste conversion, landfill gas, ocean wave, ocean thermal, and tidal current. Under State law, “eligible renewable energy resources” include renewable energy credits (“RECs”) as well as renewable resources located in the Western United States, Canada, and Mexico. State law allows San Francisco to use power from its Hetch Hetchy facilities to meet its required renewable resource percentage.

The Proposal: Proposition ___ would create a definition of the terms “Clean Energy,” “Green Energy,” “Renewable Greenhouse Gas-free Energy,” and similar terms used to describe the source or environmental impact of electric energy.

Under Proposition ___, those terms would be defined as energy from “eligible renewable energy resources” under State law. Also included in this definition would be energy from large hydroelectric facilities such as the Hetch Hetchy facilities. This definition would apply to all City program and expenditures.

Proposition ___ would also establish City policy to limit the use of unbundled RECs in the CleanPower SF program.

Proposition ___ would encourage the SFPUC to inform customers and potential customers in San Francisco of the percentage of “Clean Energy,” “Green Energy,” and “Renewable Greenhouse Gas-free Energy” in each communication required by law regarding CleanPower SF.

~~Proposition ___ would also encourage the SFPUC to limit the use of certain types of renewable energy credits.~~

A "YES" Vote Means: If you vote "yes," you want to create a definition of "Clean Energy," "Green Energy," and "Renewable Greenhouse Gas-free Energy"; ~~that tracks the state law definition of "eligible renewable energy resources,"~~ establish as City policy that the SFPUC should limit the use of unbundled RECs in the CleanPower SF program; and ~~urge~~ encourage the SFPUC to inform customers and potential customers in San Francisco of the percentage of "Clean Energy," "Green Energy," and "Renewable Greenhouse Gas-free Energy" in each communication required by law regarding CleanPower SF.

A "NO" Vote Means: If you vote "no," you do not want to make these changes.

**Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings*