



San Francisco Local Agency Formation Commission

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To: Ballot Simplification Committee

From: Jason Fried, Executive Officer
John Avalos, Chair
Cynthia Crews, Vice-Chair
London Breed, Member

Date: August 4, 2015

Re: Requests for Reconsideration of Digests for Proposition G and
Proposition H

Thank you for all of your hard work on these complicated ballot measures. We believe the approved digests are much improved over the first drafts; however, we request that you reconsider the following important issues.

Proposition G:

1. Amend:

Way It Is Now, paragraph 2: "San Francisco residents would have the opportunity to opt out of CleanPowerSF."

Proposed Alternative:

State law requires that CleanPowerSF notify potential customers twice before they are enrolled in the program, and twice more after they are enrolled. Each notice must give potential customers the opportunity to opt-out of the program.

Reason for Recommendation:

The current "Proposal" suggestion suggests that the measure would create a new requirement for the City to send three notifications about CleanPowerSF. But state law already requires the City to send four notices (two pre-enrollment and two post-enrollment). This measure adds a third pre-enrollment notice.

2. Amend:

Way It Is Now, last paragraph: "Generally 'eligible renewable energy resources' fall into one of three categories, depending on when and where the electricity is generated."

Proposed Alternative:

State law defines "eligible renewable energy resources," and classifies them in three different categories, depending primarily on when and where the electricity is generated.

Reason for Recommendation:

The current language suggests that all “eligible renewable energy resources” fall into a single category, and there are two other categories that are not discussed.

3. Delete:

The Proposal, paragraph 2, bullet 1: “in at least three written notices to potential customers, and”

Proposed Addition to the end of that sentence:

Proposition G would also require CleanPowerSF to send a third written notice to potential customers.

Reason for Recommendation:

This would clarify that the City is already required to send two notices before enrolling customers, and that Proposition G adds a third required pre-enrollment notice.

4. Recommended addition:

Add as new final sentence to The Way It Is Now: “Both CleanPowerSF and PG&E must use this definition when describing ‘eligible renewable energy resources.’”

Reason for Recommendation:

This provides important information that currently both PG&E and CleanPowerSF must use the same definition.

5. Amend:

The Proposal: Proposition G would limit the definition of “eligible renewable energy resources” to one of these categories. It would define “renewable, greenhouse-gas free electricity” to mean:

- electricity obtained exclusively from renewable resources located within or adjacent to the California border; or
- electricity generated by the City’s Hetch Hetchy facilities.

Proposed Alternative:

The Proposal: Proposition G would define “renewable, greenhouse-gas free electricity” to mean only one of the three categories of “eligible renewable energy resources. This would include:

- electricity obtained exclusively from renewable resources located within or adjacent to the California border, but excluding certain California renewable resources such as electricity from rooftop solar facilities; or
- electricity generated by the City’s Hetch Hetchy facilities, but excluding electricity generated from other large hydroelectric facilities.

Reason for Recommendation:

Proposition G does not affect the definition of “eligible renewable energy resources.” It creates a new definition of “renewable, greenhouse-gas free electricity.” Our edits would clarify for voters that rooftop solar power and large hydroelectric power would not be considered “green” under this definition. The average voter cannot be expected to understand these important distinctions if they are not explicitly described in the digest.

6. Recommended addition:

New sentence after first bulleted list in The Proposal: “CleanPowerSF would be required to use this definition, while PG&E would continue to use the state definition of ‘eligible renewable energy resources’ that includes all of these types of electricity.”

Reason for Recommendation:

This edit informs voters that Proposition G would create different definitions for CleanPowerSF and PG&E.

7. Amend:

A "YES" Vote Means: If you vote “yes,” you want to:

- limit the definition of “renewable, greenhouse-gas free electricity” to mean electricity derived exclusively from renewable resources located within or adjacent to the California border or electricity derived from Hetch Hetchy;

Proposed Alternative:

A "YES" Vote Means: If you vote “yes,” you want to:

- limit the definition of “renewable, greenhouse-gas free electricity” to mean certain types of electricity derived exclusively from renewable resources located within or adjacent to the California border or electricity derived from Hetch Hetchy, but exclude other types of electricity including rooftop solar and other large hydroelectric facilities;

Reason for Recommendation:

This would clarify for voters that this proposed definition of “renewable, greenhouse-gas free electricity” excludes several types of power that the average voter will expect to be described as “renewable” or “greenhouse-gas free.”

Proposition H:

We request that after you have finalized “The Way It Is Now” section for Proposition G, you use the same text for “The Way It Is Now” section for Proposition H. Except the fifth paragraph should remain the same in Proposition H:

Current City law does not define “Clean Energy,” “Green Energy,” “Renewable Greenhouse Gas-free Energy,” or similar terms.

Thank you for your consideration, patience, and attention to detail.

Disclosures Regarding Renewable Energy*

Digest by the Ballot Simplification Committee

Status: Approved Digest
On: Monday, August 3, 2015
Members: Packard, Fasick, Fraps, Jorgensen, Unruh
Word count: (suggested 300-word limit)

Deadline to Request Reconsideration: 3:45 p.m. on Tuesday, August 4, 2015

The Way It Is Now: San Francisco and other local governments are allowed by state law to purchase and generate electricity to sell to residential and business customers.

San Francisco has created CleanPowerSF, a program to purchase, generate and sell electricity. CleanPowerSF has not yet begun to buy electricity to sell to customers, so most San Francisco residents and businesses currently purchase their electricity from Pacific Gas & Electric (PG&E), a private company.

San Francisco residents would have the opportunity to opt out of CleanPowerSF. State law requires that CleanPowerSF notify potential customers twice before they are enrolled in the program, and twice more after they are enrolled. Each notice must give potential customers the opportunity to opt-out of the program.

The City generates hydroelectric power at its Hetch Hetchy facilities in Tuolumne County and uses this power to meet most of its municipal power needs. The City does not sell this electricity to most San Francisco residents or businesses.

State law requires all retail electricity suppliers to disclose to customers the sources of power being provided, including renewable energy resources. Renewable resources include biomass, solar thermal, photovoltaic, wind, geothermal, solid waste conversion, landfill gas, ocean wave, ocean thermal, and tidal current.

Current City law does not define "renewable, greenhouse-gas free electricity."

The State requires that a certain percentage of the electricity provided to customers must come from "eligible renewable energy resources," which include renewable resources located in the Western United States, Canada, and Mexico. San Francisco is allowed to use power from its Hetch Hetchy facilities to meet its required renewable resource percentage.

Generally State law defines "eligible renewable energy resources" fall into one of and classifies them in three different categories, depending primarily on when and where the electricity is generated.

Both CleanPowerSF and PG&E must use this definition when describing "eligible renewable energy resources."

The Proposal: Proposition G would limit the definition of "eligible renewable energy resources" to one of these categories. It would define "renewable, greenhouse-gas free electricity" to mean only one of the three categories of "eligible renewable energy resources. This would include:

- electricity obtained exclusively from renewable resources located within or adjacent to the California border, but excluding certain California renewable resources such as electricity from rooftop solar facilities; or
- electricity generated by the City's Hetch Hetchy facilities, but excluding electricity generated from other large hydroelectric facilities.

**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.*

CleanPowerSF would be required to use this definition, while PG&E would continue to use the state definition of “eligible renewable energy resources” that includes all of these types of electricity.

Proposition G would require the City to inform customers and potential customers of CleanPowerSF of the planned percentage of types of “renewable, greenhouse-gas free electricity” to be provided:

in at least three written notices to potential customers, and

in every communication sent to customers. In addition to the two pre-enrollment and two post-enrollment notices that CleanPowerSF is currently required to send to potential customers, Proposition G would require CleanPowerSF to send a third pre-enrollment notice.

CleanPowerSF would not be allowed to market, advertise or make any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure.

A "YES" Vote Means: If you vote “yes,” you want to:

- limit the definition of “renewable, greenhouse-gas free electricity” to mean certain types of electricity derived exclusively from renewable resources located within or adjacent to the California border or electricity derived from Hetch Hetchy, but exclude other types of electricity including rooftop solar and other large hydroelectric facilities;
- require CleanPowerSF to inform customers and potential customers of the planned percentage of “renewable, greenhouse-gas free electricity” to be provided; and
- prohibit CleanPowerSF from marketing, advertising or making any public statement that its electricity is “clean” or “green” unless the electricity is “renewable, greenhouse gas-free electricity” as defined in this measure.

A "NO" Vote Means: If you vote “no,” you do not want to impose these regulations.