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San Francisco Renewable Energy Truth in Advertising Act

Be it ordained by the People of the City and County of San Francisco:

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Section 1. Title

This measure shall be known and may be cited as the "San Francisco Renewable Energy Truth in Advertising Act."

Section 2. Findings.

The People of the City and County of San Francisco hereby find:

- (a) For decades, the City and County of San Francisco (City), through its Public Utilities Commission (PUC), has operated a municipal electric utility that supplies clean greenhouse-gas-free electricity to San Francisco's municipal facilities, services, and customers.
- (b) The City has adopted aggressive goals for greenhouse gas reduction and use of renewable energy. In Ordinance No. 81-08, the Board of Supervisors articulated the goal of having a greenhouse-gas-free electric system by 2030, and meeting all City electricity needs with renewable and greenhouse-gas-free sources.
- (c) State law allows cities and counties to develop Community Choice Aggregation (CCA) programs, through which local governments may choose to 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.
- (d) For many years, the City has considered developing a CCA program to allow San Francisco residents and businesses the option to receive cleaner, more sustainable electricity at rates comparable to the incumbent utility.
- (e) In 2012, the Board of Supervisors approved a contract with Shell Energy North America that required Shell to procure all power needed for the early phases of the City's CCA program, called CleanPowerSF. The Shell contract was never executed.
- (f) In response to interest from City leaders and community members, the PUC is developing a new CCA program that would rely on non-renewable energy and renewable energy credits.
- (g) The purpose of this initiative is to ensure that San Francisco residents are offered accurate information regarding the decision whether to participate in the CCA program.

Section 3. Advertising Regarding CCA Program

- (a) The City shall be required to inform customers and potential customers of the actual percentage of renewable, greenhouse gas-free electricity provided in a CCA program. The City shall inform customers and potential customers of the percentage in each communication regarding the CCA program and shall send at least three written notices to each potential CCA customer prior to the customer's enrollment in the CCA program.
- (b) The City shall not engage in any form of advertising, marketing, or make any other public statement that the electricity it is supplying or will supply in a CCA program is "clean," "green" or any similar terms unless the electricity being provided is renewable, greenhouse gas-free electricity.

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(c) "Renewable, greenhouse gas-free electricity" means electricity that qualifies as portfolio content category 1 renewable energy generated from solar, wind and other eligible renewable energy respurces as provided in California Public Utilities Code section 399.16(b)(1) or electricity generated by the Hetch Hetchy power system.

Section 4. Interpretation & Implementation & Severability.

- (a) The provisions of this Initiative shall be liberally construed and implemented to effectuate its purposes of ensuring that San Francisco residents are offered accurate information regarding the decision whether to enroll in or remain in the CCA program.
- (b) The provisions of this Initiative shall be interpreted as conditions on the approval of the establishment and/or operation of a CCA program as required by section 366.2(c)(7) of the California Public Utilities Code and shall not be interpreted to conflict with any provisions of state or local law.
- (c) If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The voters of San Francisco hereby declare that they would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

Section 5. Conflicting Measures.

This Initiative will be deemed to conflict with any other initiative appearing on the same ballot if the other initiative addresses the establishment and/or operation of a Community Choice Aggregation program. In the event that this Initiative and any conflicting initiative are approved by the voters at the same election, and this Initiative receives a greater number of affirmative votes than any other such measure or measures, this Initiative shall control in its entirety and the other measure or measures shall be rendered void and without any legal effect. If this Initiative is approved by a majority of the voters but does not receive a greater number of affirmative votes than any other conflicting Initiative, this Initiative shall take effect to the extent permitted by law.

Section 6. Effective Date.

In accordance with California Elections Code section 9217, if a majority of the voters vote in favor of this Initiative, the Initiative shall go into effect 10 days after the vote is declared by the Board of Supervisors.