FILE NO. 090825

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Supervisor Mar

[Resolution Opposing Proposed California Constitutional Amendment]

Resolution in Opposition to the Proposed California Constitutional Amendment Ballot Measure Misleadingly Referred to as the "Taxpayers Right to Vote Act".

WHEREAS, In 1997, the State of California deregulated electricity, with the promise of giving consumers a choice in electricity providers, ending decades of monopolistic electricity markets which promised lower rates and better service through increased competition; and,

WHEREAS, The State of California rescinded deregulation resulting in the loss of consumer choice and the possibility of free-market competition in 2001, and most ratepayers now receive their electricity from the same monopoly electricity providers as before deregulation; and,

WHEREAS. The deregulation of electricity led to the energy crisis of 2000-2001, caused by the investor-owned, profit-driven electricity providers participating in market manipulation, lead by Enron Corporation, which later admitted to fraudulent behavior; and,

WHEREAS, In 2002 in response to the collapse of deregulation and its failure to provide electricity consumers with a choice of electricity providers, Assembly member Carole Migden authored and passed AB 117, which enabled Community Choice Aggregation; and,

WHEREAS. Community Choice Aggregation enables any city or county or combination thereof to become electricity purchasers for residences and businesses, and to require a renewable energy component in the portfolio of electricity that they purchase; and,

WHEREAS, Community Choice Aggregation offers an opportunity for Californians to once again choose their electricity provider and to obtain a cleaner source of their electricity; and.

WHEREAS, Community Choice Aggregation is regulated by the California Public Utilities Commission, which enforces strict guidelines that must be followed by cities and counties wishing to become aggregate buyers of electricity thereby assuring public confidence in the program; and,

WHEREAS, In 2007, the Board of Supervisors of the City and County of San Francisco voted to make San Francisco a Community Choice Aggregator and approved a Draft Implementation Plan for Community Choice Aggregation; and,

WHEREAS, The Draft Implementation Plan sets the goal of providing 51 percent of the city's electricity from clean and renewable energy sources by the year 2017; and,

WHEREAS, The San Francisco Public Utilities Commission (PUC) is on schedule to issue, by October of this year, a Request for Proposals to private-sector energy service providers to supply clean, renewable energy to the citizens of San Francisco under the PUC Community Choice Aggregation program know as Clean Power SF, and,

WHEREAS, Clean Power SF is the next and very important step in bringing competition back to the energy market as well as expanding green-collar jobs and boosting the private-sector renewable energy industry; and,

WHEREAS, PG&E has a history of acting to maintain its monopoly in its service region, including opposing public power initiatives at the ballot and lobbying officials of California cities counties against Community Choice Aggregation, in apparent violation of the provisions AB 117; and,

WHEREAS, On May 28, 2009, a request for title and summary was made to the state Attorney General for a Constitutional amendment deceptively entitled the "Taxpayers Right to Vote Act" to be placed on the ballot, a copy of which is attached hereto and incorporated by this reference; and,

WHEREAS, The "Taxpayers Right to Vote Act" seeks to retain the monopolies of investor –owned, profit driven utilities circumventing the provisions of AB 117 which require incumbent utilities to full cooperate with potential aggregators by adding unreasonable hurdles that cities and counties must overcome to become aggregate buyers of electricity; and,

WHEREAS, The "Taxpayers Right to Vote Act" would require submitting any Community Choice Aggregation proposal to the voters within the proposed jurisdiction of a proposed aggregator, and would require a two-thirds vote of approval by the voters if any type of public financing is used, including bonds, cash, income, assets or equity would be used to implement a Community Choice Aggregation program; and,

WHEREAS, The "Taxpayers Right to Vote Act" would effectively preclude any entity from becoming an energy aggregator as well as virtually prohibit any existing Municipal utility, all of whom operate on a non-profit, public interest basis, from entering into a competitive market in the State of California; now, therefore, be it

RESOLVED, That the Board of Supervisors fully supports maintaining consumer's right to choose energy from clean, renewable sources that the provisions of Community Choice Aggregation law provides; and, be it

FURTHER RESOLVED, That the Board of Supervisors strongly opposes the "Taxpayers Right to Vote Act" as being against the interests of California ratepayers, against the public interest, and a potential setback for renewable energy production; and, be it

FURTHER RESOLVED, That the Board of Supervisors strongly urges the Attorney General, if the measure qualifies for the ballot, to assign a title to the measure which accurately reflects its intent to restrict competition from non-profit, publicly owned utilities by virtually assuring a monopolistic stranglehold by profit-driven investor-owned utilities on the energy markets of the State of California; and, be it

FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed to forward a fully conformed copy of this resolution to the Attorney General of the State of California, the California Secretary of State, the Director of the San Joaquin Valley Joint Powers Authority, the Director of Marin Energy Authority, and the President of the California Municipal Utilities Association for dissemination to its members.

Supervisor Ross Mirkarimi BOARD OF SUPERVISORS



City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Resolution

File Number:

090825

Date Passed:

Resolution in opposition to the proposed California constitutional amendment ballot measure misleadingly referred to as the "Taxpayers Right to Vote Act."

June 23, 2009 Board of Supervisors — CONTINUED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar,

Maxwell, Mirkarimi

June 30, 2009 Board of Supervisors — ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell,

Mirkarimi

Noes: 1 - Alioto-Pier

File No. 090825

I hereby certify that the foregoing Resolution was ADOPTED on June 30, 2009 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

7/10/09

Date Approved

UNSIGNED

Mayor Gavin Newsom

Date: July 10, 2009

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

Clerk of the Board

File No. 090825