

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 18, 2010

Mike Campbell  
Community Choice Aggregation Director  
San Francisco Public Utilities Commission  
1155 Market Street, 4th Floor  
San Francisco, CA 94103

*Mike!*  
Dear Mr. Campbell:

The California Public Utilities Commission has reviewed the Community Choice Aggregation Implementation Plan (IP) and Statement of Intent submitted by the City and County of San Francisco (CCSF) on March 3, 2010. Pursuant to Public Utilities Code Section 366.2 (c) (7), within 90 days after the Community Choice Aggregator establishing load aggregation files its implementation plan, the Commission is required to certify that it has received the implementation plan, including any additional information necessary to determine a cost-recovery mechanism.

Pursuant to Public Utilities Code Section 366.2 (c) (3), the Implementation Plan is required to contain all of the following:

- (A) An organizational structure of the program, its operations, and its funding.
- (B) Ratesetting and other costs to participants.
- (C) Provisions for disclosure and due process in setting rates and allocating costs among participants.
- (D) The methods for entering and terminating agreements with other entities.
- (E) The rights and responsibilities of program participants, including, but not limited to, consumer protection procedures, credit issues, and shutoff procedures.
- (F) Termination of the program.
- (G) A description of the third parties that will be supplying electricity under the program, including, but not limited to, information about financial, technical, and operational capabilities.

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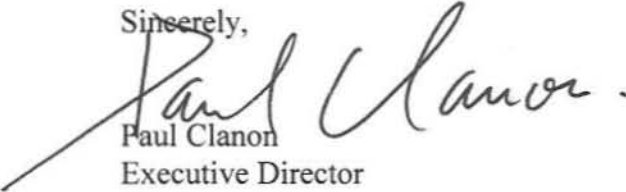
Furthermore, Pursuant to Public Utilities Code Section 366.2 (c)(4), a CCA shall prepare a Statement of Intent for inclusion with the implementation plan, providing for the following:

- (A) Universal access.
- (B) Reliability.
- (C) Equitable treatment of all classes of customers.
- (D) Any requirements established by state law or by the Commission concerning aggregated service.

The Commission hereby certifies that the Implementation Plan submitted by CCSF contains the information required by Public Utilities Code Section 366.2 (c) (3) and (c)(4). With respect to part (G) above, the "description of the third parties that will be supplying electricity under the program," PG&E has disputed the meaning of the term "will be supplying," reasoning that since CCSF has not finalized a contract with the supplier identified in its Implementation Plan, the Plan is incomplete. PG&E's objection notwithstanding, the description provided by CCSF is sufficient with respect to the requirements of Section 366.2 (c) (3) (G).

Finally, pursuant to P.U. Code Section 366.2 (c) (7), the Commission is required to provide CCSF with "its findings regarding any cost recovery that must be paid by customers of the community choice aggregator to prevent a shifting of costs as provided for in P.U. Code Section 366.2 subdivisions (d), (e), and (f)". By this letter, the Commission informs CCSF that those costs are identified on each of PG&E's customer-class-specific tariff sheets, in the "Special Conditions" section, sub-section "Billing," in the section labeled "Direct Access (DA) and Community Choice Aggregation (CCA) Customers" in the column labeled "CCA CRS". The costs referenced in P.U. Code Section 366.2 subdivisions (d), (e), and (f) are recovered via separate charges for (1) PG&E's Energy Cost Recovery Amount Charge, (2) the Power Charge Indifference Adjustment, (3) the Department of Water Resources (DWR) Bond Charge, and the (4) Competition Transition Charge (CTC) Charge.

Sincerely,

  
Paul Clanon  
Executive Director

cc: Randy Litteneker, PG&E Law Department  
Calvin Yee, PG&E  
Tom Long, CCSF  
Julie Fitch, CPUC Energy Division