



**Educate. Empower.**

**RESOLUTION SUPPORTING A LABOR FRIENDLY COMMUNITY CHOICE AGGREGATION PROPOSAL  
FOR SAN FRANCISCO**

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**WHEREAS**, electric utilities have long been a source of unionized workers for working Californians: Union members are directly employed by the utilities, union members work for the contractors hired by utilities and third party energy generators whose electricity is purchased by utilities sign project labor agreements to build their generation facilities; and

**WHEREAS**, in 2002, the California legislature passed and Governor Gray Davis signed AB 117 creating Community Choice Aggregation (CCA) concept which permits the procurement of electricity by local governments for its residents and businesses; and

**WHEREAS**, Shell was recently determined to have broken the law by manipulating the California electric marketplace during the Energy Crisis in 2000 in a ruling by the Federal Energy Regulatory Commission and will have to pay its portion of a \$1.6 BILLION award to California electricity customers; and

**WHEREAS**, the high demand for renewable energy is creating opportunities for work in the development of new renewable energy through the building of renewable energy generation facilities in California and the Labor community is united in providing as much of this work to union members as is possible; and

**WHEREAS**, there remains strong interest in San Francisco to investigate the implementation of a CCA to encourage additional production to meet the increased demand for renewable energy in the City and help San Francisco meet its climate action goals,

**THEREFORE, BE IT RESOLVED**, that the San Francisco Labor Council hereby formally requests the Board of Supervisors and the SFPUC Commissioners to reject the contract with Shell to purchase electricity on behalf of the CleanPowerSF energy program; and

**BE IT FURTHER RESOLVED**, the San Francisco Labor Council urges the SFPUC and the Board of Supervisors to adopt the principles attached to ensure that CleanPowerSF program will create high wage, union jobs with benefits fulfilling a major goal of the green economy in San Francisco; and

**BE IT FINALLY RESOLVED**, that upon adoption of the attached principles by the SFPUC and the Board of Supervisors, including identified financing for local renewable generation development in the San Francisco, the San Francisco Labor Council will support fully the implementation of the San Francisco CCA.

*Submitted by Hunter Stern, IBEW 1245 and adopted by the Delegates of the San Francisco Labor Council on May 13, 2013.*

Respectfully,

Tim Paulson  
Executive Director

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# Principles for Implementation of Labor Friendly Community Choice Aggregation

In order to ensure the greatest opportunity for workers to benefit from local electric customers investment in a Community Choice Aggregation entity and protect interest of union members, the San Francisco Labor Council has determined that the following Principles must be established in writing PRIOR to Labor providing any support of a proposed San Francisco CCA, called CleanPowerSF. This includes identifying funding or likely funding sources required to successfully implement the CCA in advance.

1. **Power Purchase Agreements (PPAs) from union generating companies/agencies** – The power procured by the CCA must be sourced from generators who employ union workers, or at least are located in State. For example, in the Washington DC area, electric customers aggregate their electricity purchase and negotiate a Power Purchase Agreement with their Utility to ensure a baseline, reliable supply of electricity using a variety of plans available from the Utility. This increases the buying power of the customers while using the Utility's infrastructure and power generated and delivered by union workers.
2. **PLAs Covering Renewable Energy Generation** – the CCA must purchase the renewable power from generating plants that have been built under a Project Labor Agreement. Currently, this is universal in California, where utilities who generate or purchase green power do so from generating facilities that have been built under a PLA using the CURE model. But funding for these new renewable generation projects must be in place before agreeing to the CCA because no funding means no construction and no work.
3. **PLAs Covering Energy Efficiency Work** – the CCA must agree upfront to perform necessary energy efficient work on their customers' buildings under a PLA. This work must create sufficient energy savings to pay for these improvements and to perform the energy efficiency work under a Project Labor Agreement. A wide variety of financing strategies are available from Energy Service Companies (ESCOs) to Property Assessed Clean Energy (PACE). The work is performed by trained union workers ensuring high wage and benefits to the workforce.