

DOCKETED

Docket Number:	18-IRP-01
Project Title:	Integrated Resource Plan
TN #:	227180-6
Document Title:	Resolution 18-0187 Approving the IRP Filing
Description:	Resolution 18-0187 was adopted by the SFPUC on November 13, 2018 and approves the SFPUC's Integrated Resource Plan
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PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 18-0187

WHEREAS, SB 350, passed into law in 2015 (Statutes 2015, Ch. 547), requires that Hetch Hetchy Power 1) prepare an Integrated Resource Plan (IRP); 2) have this Commission approve the IRP as well as an accompanying "IRP Filing" that includes necessary supporting documentation, before January 1, 2019; and 3) submit the approved IRP and IRP Filing to the California Energy Commission (CEC) before April 30, 2019; and

WHEREAS, The goal of an IRP is to assist electric utilities to optimally plan how best to meet their future energy demands at least cost, ensure reliable service, while also ensuring that other public purpose goals such as reducing emissions of greenhouse gases (GHG) and other pollutants are met; and

WHEREAS, Hetch Hetchy Power, working with Black & Veatch Consultants, developed an IRP, the results of which were presented to the Commission at its July 25, 2017 meeting; and

WHEREAS, The IRP forecasted Hetch Hetchy hydroelectric operations out to 2041 under three scenarios and a variety of sensitivity analyses, and providing detailed evaluations for two scenarios, a Scenario 1 that would make all necessary investments to maintain the current level of generation from the San Francisco Public Utilities Commission's (SFPUC) Hetch Hetchy hydroelectric system through 2041 (Baseline Scenario) and a Scenario 3 that examined deferring significant investments to the Moccasin Powerhouse and other water conveyance projects to better align Hetch Hetchy generation with expected retail sales; and

WHEREAS, The IRP's conclusion was that it would be more cost-effective to optimize its investments in the Hetch Hetchy system to better match retail sales, (Scenario 3) although the IRP also noted that its scope did not fully address the impact of any of the scenarios on the SFPUC's Water operations, qualitative factors related to any non-Power Enterprise issues, or to the overall economics of the SFPUC as a whole. Hetch Hetchy Power's IRP results should be considered and used as input to the SFPUC's broader organizational needs taking into account the interaction between the SFPUC's water and power operations; and

WHEREAS, The IRP provides a framework for evaluating future investments in the Hetch Hetchy system; and

WHEREAS, A key purpose of the IRP required by SB350 was to ensure that California's electric utilities make plans to reduce state-wide GHG emissions to 40% below 1990 levels by 2030; and

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WHEREAS, The IRP concluded that Hetch Hetchy Power between 2018 and 2030 will: continue to provide 100% GHG-free electric energy to serve all of its customer needs; exceed the GHG-reduction goals set for Hetch Hetchy Power by the California Air Resources Board (CARB); meet its compliance obligation under California's Renewable Portfolio Standards (RPS) program; and provide reliable electric service to meet its customer needs; and

WHEREAS, SB350 requires that Hetch Hetchy Power update its IRP Plan at least once every five years after adoption; and

WHEREAS, Hetch Hetchy Power has examined the need for electric storage not only in this IRP but also in two required reports to the CEC in 2014 and 2017 as required by AB2514 and will address storage resources in future IRPs; and

WHEREAS, The IRP is a planning document which does not commit the SFPUC to any particular course of action. The IRP consists of planning activities prior to consideration and approval of individual projects. No project would commence construction or implementation without the Commission's project review and approval following consideration of completed environmental review. This action does not constitute approval of any project for purposes of CEQA; now therefore be it

RESOLVED, That the Commission approves Hetch Hetchy Power's IRP and accompanying IRP Filing, in substantially the form of the attached Draft IRP Filing; and be it

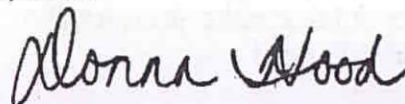
FURTHER RESOLVED, That the Commission authorizes the General Manager to make necessary non-material changes to the Draft IRP Filing and submit the IRP Filing to the California Energy Commission as soon as practicable but prior to April 30, 2019; and, be it

FURTHER RESOLVED, That the Commission commits to updating Hetch Hetchy Power's IRP either as needed or at least once every five years as required by SB350; and be it

FURTHER RESOLVED, That the requirement in Resolution 14-0147 requiring Hetch Hetchy Power to annually report to the Commission the status of its electric storage efforts is rescinded; and be it

FURTHER RESOLVED, That the IRP is only a planning document and does not commit the SFPUC to any particular course of action. If new projects or further discrete actions are pursued as a result of the IRP, the SFPUC will ensure the projects undergo the appropriate environmental review.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of November 13, 2018.



Secretary, Public Utilities Commission