

# San Francisco Residents May Soon Purchase Renewable Electricity

By: Daniel F. Freedman, Esq.

<http://commercialcounselor.com/>

With a veto-proof majority, the San Francisco Board of Supervisors has approved the CleanPowerSF initiative that automatically enrolls Pacific Gas & Electric customers within the City in a “a program offering them 100 percent renewable energy at an additional cost.” [[San Francisco Examiner](#), 9/18/12] Implementation is expected to start next spring.

PG&E customers will have to opt-out of the program if they don’t want to take part, which is one of the reasons Mayor Ed Lee wanted the proposal delayed. Opt-out rather than opt-in raises concerns that customers will be “forced into a program they may not understand and can’t afford” according to the Mayor’s spokeswoman, Christine Falvey.

The purpose of CleanPowerSF is to help the City reduce carbon emissions. According to the Examiner, revenue raised would be used “to help the construction of The City’s own renewable energy infrastructure, including wind or solar generators.”

A five year contract with Shell Energy is intended to provide the renewable energy at the heart of the program.

CleanPowerSF was made possible by [AB 117](#), signed back in 2002, which authorized local communities, or groups of such communities, to create a community wide electricity buyers’ program that combines the electricity loads of residents, businesses and municipalities. [Public Utilities Code (PUC), Section 331.1(a) and (b)] Such combinations are referred to as “community choice aggregators.”

Under AB 117, electrical corporations in the state (i.e. PG&E, San Diego Gas & Electric, Southern California Edison) are required to support the effort towards community choice aggregators by providing certain services. Specifically, PUC Section 336.2(c)(9) provides in part:

“Electrical corporations shall continue to provide all metering, billing, collection, and customer service to retail customers that participate in community choice aggregation programs.”

CleanPowerSF may be controversial, but if successful, could be a model for cities across the State.

Link to original article: <http://commercialcounselor.com/san-francisco-residents-may-soon-purchase-renewable-electricity/>

For over 35 years small businesses, major corporations, public entities, individuals and insurance companies have depended on Tharpe & Howell, LLP, to deliver pragmatic, innovative, cost-effective civil litigation and transactional solutions. For more information, please contact us at (818) 473-5720 or email your request to [cabusinesslawreport@tharpe-howell.com](mailto:cabusinesslawreport@tharpe-howell.com).