



FOR IMMEDIATE RELEASE:

Wednesday, May 3, 2006

Contact: Mayor's Office of Communications
415-554-6131

***** PRESS RELEASE *****

**MAYOR NEWSOM ANNOUNCES NEW FUNDING
FOR COMMUNITY CHOICE AGGREGATION**

Proposal would create largest municipal alternative energy program in US

San Francisco, CA – Mayor Newsom today proposed \$5 million in funding for San Francisco's "Community Choice Aggregation" (CCA) program in this year's SF Public Utilities Commission (SFPUC) budget. CCA is the largest municipal alternative energy program proposed in the US to date. It allows local government to procure electric power from sources such as solar and wind power and then sell that power to local residents and businesses. The \$5 million in funding will allow the City to move forward assessing this landmark environmental program.

Mayor Newsom explained his commitment to advancing the CCA program: "Community Choice Aggregation has the potential to provide clean, reliable and reasonably priced energy to local consumers. It's time that US cities step up to fill a leadership vacuum that exists in Washington DC and move aggressively toward expanding renewable energy."

CCA offers several potential benefits to local consumers and the environment. First, CCA would provide San Franciscans greater consumer choice by allowing each electricity customer to choose between purchasing City-generated electricity — generated primarily through environmentally friendly sources — or privately-generated electricity. CCA would also allow the city to expand energy efficiency and conservation programs for local consumers.

The SFPUC, together with Mayor Newsom, Supervisor Tom Ammiano and Supervisor Ross Mirkarimi, is crafting an implementation plan for the CCA program. That plan will go before the Board of Supervisors in the coming weeks, and after additional analysis, a final plan will be submitted to the California PUC for formal approval. The \$5 million allocation that the Mayor announced today will allow the City to complete critical pre-implementation steps for the CCA program: A Request for Information (RFI) and then a Request for Proposals (RFP) that the City will issue to international energy companies. The City will then receive and evaluate proposals from these companies.

The City's advance toward CCA began with a Board of Supervisors-approved ordinance in May 2004 establishing support for a CCA program.

Supervisor Tom Ammiano, one of the early proponents of CCA, states, "With this investment in start-up funds, San Francisco puts money on the table to answer the voter mandate for solar power. The Community Choice program is an ambitious effort to achieve no less than energy independence and renewable energy for the entire community, and has required the prolonged, dedicated efforts of experts,

advocates, Supervisors and the Mayor's office. I look forward to voting on our Community Choice Implementation Plan in coming months, and negotiations with competitive energy service providers later in the year."

Supervisor Mirkarimi, another champion of CCA continued, "As long as this nation is disproportionately reliant on oil and fossil fuel technology, we stand vulnerable. San Francisco needs to mount a smart energetic counterattack designed to protect our environment, safeguard against energy market fiascoes, and by putting the utility customer's well-being first; and we do this by empowering the public with Community Choice Aggregation."

As a result of the scale of this environmentally friendly energy program, CCA has drawn strong support from national environmental groups such as Greenpeace and the Sierra Club.

Cathleen Sullivan of Greenpeace, a member of the Community Choice Energy Alliance (including the Sierra Club and Local Power) explained environmental support, "As our nation grapples with the reality of global climate change and soaring energy costs, San Francisco's Community Choice program will be a model that city's across the country can follow. Supervisors Tom Ammiano and Ross Mirkarimi, Mayor Newsom and SFPUC General Manager Susan Leal have shown true leadership to make San Francisco a world leader in energy independence and we look forward to working with them to make this a reality."

###