

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE PORT OF SAN FRANCISCO
AND
SAN FRANCISCO PUBLIC UTILITIES COMMISSION
Procurement of Available Capacity from Port's Pier 70 Service**

This Memorandum of Understanding (MOU) is entered into by and between the Port of San Francisco (Port) and the San Francisco Public Utilities Commission (SFPUC) as of November __, 2020 (Effective Date) and sets forth the terms and conditions under which the parties will cooperate to provide the services listed below. SFPUC currently has the authority to use up to 1.6 megawatts (MW) of Port's capacity at Pier 70 to serve its Twentieth Street Pump Station (TWS) and other end users at Port's Pier 70 waterfront development. This MOU authorizes SFPUC to use up to an additional 3.5 MW of available capacity from Port's primary service location at Pier 70's Building 102 feed at PG&E meter RG60D to provide temporary electrical service (Temporary Electrical Service) to the Seawall Lot 337 development project (Mission Rock Development) and SFPUC Mariposa Pump Station Facility (Mariposa Pump Station).

SFPUC USE OF EXISTING PORT SERVICE

A. Electrical Services to be Provided

SFPUC shall provide electrical service to the Mission Rock Development and Mariposa Pump Station by using up to 3.5 MW of available capacity, measured by PG&E meter RG60D (Service Point), in Building 102 located within the Historic Core of Pier 70 (Historic Core), which Port leases to Historic Pier 70, LLC, a California limited liability company (Orton).

B. Agency Authority

1. Pursuant to the Memorandum of Understanding Regarding Interagency Cooperation for Development of the Mission Rock Project at Seawall Lot 337 and Pier 48 (Mission Rock ICA), SFPUC will provide electric service to the Mission Rock Development.
2. Pursuant to the Pier 70 Waterfront Site Memorandum of Understanding Regarding Interagency Cooperation (Pier 70 ICA), SFPUC will provide electric service to the Pier 70 Development and will work with FC Pier 70, LLC, a Delaware limited liability company (Brookfield).
3. SFPUC has entered into an Electric Service Agreement (ESA) with Brookfield to construct underground substructures from the existing switchgear within Building 102 into the existing Bay Corridor Transmission and Distribution project vault located on 20th Street just east of Illinois Street.
4. Pursuant to Memorandum of Understanding M-16334 by and between Port and SFPUC for Seawall Lot 345 (Mariposa MOU), SFPUC owns and operates the Mariposa Pump Station, located on Port property.

C. Reserve Allocation

1. Port’s primary metered service in Building 102 serves the Pier 70 Shipyard facility (Shipyard) and has a reserve capacity of 6.2 MW based on the historical peak load of 6.2 MW recorded in March 2015.
2. Pursuant to the Memorandum of Understanding between Port and SFPUC, approved by Port Commission Resolution 20-06 and San Francisco Public Utilities Commission Resolution 20-0021 (Pier 70 Temp Power MOU), Port granted SFPUC the right to use up to 1.6 MW of the 6.2 MW capacity to provide power service for the construction and permanent needs of the development project in the Pier 70 Special Use District (Pier 70 Development), the TWS, and the Noonan building located at Pier 70 (Noonan Building), leaving approximately 4.6 MW of capacity for the Shipyard.
3. Port agrees that during the term of this MOU it will: (a) operate the electric service at Building 102 under an upper limit of no greater than 1.1 MW peak load; and (b) allow SFPUC to use an additional 3.5 MW of this capacity to serve the Mission Rock Development and Mariposa Pump Station loads.
4. The table below describes the Mission Rock Development and Mariposa Pump Station loads, use of, maximum electric demands, and timing for temporary electrical service needs:

End User	Use	Maximum Demand	Termination
Mission Rock	Temporary construction power and Phase 1 permanent power	3.0 MW	Upon cut-over to BCTD permanent electric service
Mariposa Pump Station load	Temporary and permanent power	0.5 MW	Upon cut-over to BCTD permanent electric service

D. New Electric Service Facilities Conceptual Design, and Construction

1. In order to provide electric service to the Mission Rock Development and Mariposa Pump Station, SFPUC has entered into an agreement with Brookfield under which Brookfield will construct substructures from the existing switchgear within Building 102, through a new #6 vault located immediately outside Building 102, across the street to the south side of 20th street, west along the southern side of 20th Street, then north across 20th Street into the existing Bay Corridor Transmission and Distribution project vault located on 20th Street just east of Illinois Street (see Exhibit 1). SFPUC acknowledges and confirms that, as between SFPUC and Brookfield, the ESA governs who will be responsible for installing certain electric equipment on behalf of SFPUC, including, but not limited to, conductors, switches, interrupters, conduits, transformers, fuses, circuit breakers, relays, meters, and cables, all of which will be owned, operated, and maintained by SFPUC as a part of its new BCTD distribution system (collectively “New Electric Service Facilities”), including all the costs for construction of the New Electric Service Facilities, and that no costs will be charged to the Pier 70 Development Project or to Port.

2. Electric service to Mission Rock Development and Mariposa Pump Station shall be metered and billed by SFPUC.
3. Port will issue a permit for the work required by SFPUC or Brookfield to install, operate, and maintain the New Electric Service Facilities to serve the Mission Rock Development and Mariposa Pump Station loads.
4. Port and SFPUC will inspect the New Electric Service Facilities once constructed. Port will not finalize the permit or “green tag” the New Electric Service Facilities without SFPUC consent.

E. Ownership and Maintenance

1. SFPUC will own the New Electric Service Facilities as shown on the attached Exhibit 1.
2. After activation of New Electric Service, SFPUC will operate and maintain the New Electric Service Facilities pursuant to Exhibit 2 (the Electrical Infrastructure Service Agreement). SFPUC acknowledges that Port has no security, maintenance or repair obligations for the New Electric Service Facilities during the term of this MOU.
3. Upon termination of this MOU, SFPUC will [repurpose/convert] the New Electric Service Facilities to serve the Historic Core, which [repurposing/conversion] will be subject to a separate agreement to be entered into between Port and SFPUC prior to the termination of this MOU.
4. The Parties acknowledge that the New Electric Service Facilities are located in part on property leased to Orton, and in part on property under Port’s control. Port will work with Orton and SFPUC to coordinate access to the New Electric Facilities. Port shall grant SFPUC access to Port property within Port’s control on a 24-hours a day, 7 days a week, and 365 days a year basis to perform activities necessary to operate, maintain, and complete routine repairs or rehabilitation work on the New Electric Service Facilities, which includes any alterations or improvements to the New Electric Service Facilities from time to time (collectively SFPUC Authorized Activities). SFPUC will comply with all the applicable codes, local, state and federal requirements associated with the operation and maintenance of the New Electric Service Facilities and SFPUC Authorized Activities.
5. SFPUC shall be responsible for the repair and/or replacement of any property that is damaged by or adversely affected by the SFPUC Authorized Activities and shall be responsible for damages, liabilities, and claims arising therefrom.
6. SFPUC acknowledges that there are or may be current and future tenants, licensees or other third parties with rights to use other portions of the Shipyard, Historic Core, and the Pier 70 Development. SFPUC agrees to work cooperatively with these other entities and Port. In particular, SFPUC will notify these entities of SFPUC’s work schedule and accommodate their operations in a reasonable manner. SFPUC will provide Port with the opportunity to recommend reasonable modifications to the schedule or sequence of operations, in order to preserve Port operations and minimize disruptions thereto, including without limitation, traffic flow across Port property, during the periods of SFPUC Authorized Activities.
7. Planned Operation and Maintenance Services

- a. SFPUC will enter information for the New Electric Service Facilities in the SFPUC's Maximo maintenance management system. Port will provide Maximo data for the New Electric Service Facilities to SFPUC on SFPUC provided templates.
- b. SFPUC will provide Port's project manager with scheduling information for all planned maintenance or operations activities in advance of the work. When feasible, operations will be performed by SFPUC on an as needed basis in conjunction other SFPUC work under this MOU.
- c. For purposes of this MOU: (i) maintenance activities include, but are not limited to, inspections, cleaning, testing, and verification of settings; and (ii) operations activities include, but are not limited to, repairs or modifications to the New Electric Service Facilities and responding to emergency conditions, such as switching to transfer loads during an outage.

8. Emergency Services

- a. SFPUC will respond to Port's emergency calls for services to New Electric Service Facilities within a four-hour window, 24 hours a day, seven days a week. A response is defined as having a high voltage line worker at the site to begin trouble-shooting the problem. Repairs that are within the scope of this MOU will be made by the SFPUC as soon as possible depending on the availability of staff, equipment, weather conditions, and available materials and supplies. SFPUC will provide Port with an estimated schedule for repairs as soon as practicable so that Port can inform and alert tenants. The contact information for trouble-shooting any problems with Port owned medium voltage New Electric Service Facilities is below.

SFPUC Emergency Primary Line: 415-635-5111

SFPUC Emergency Secondary Line: 415-635-5112

- b. Port shall designate and have immediately available on a 24/7 basis an agent/representative for the purpose of this MOU. Prior to contacting SFPUC emergency personnel, Port's designated representative will be responsible for verifying the following and that an emergency condition exists involving the New Electric Service Facilities governed by this MOU triggering the need for SPUF to respond on an emergency basis (within a four-hour window). In the event of an emergency, SFPUC will contact PG&E to request the de-energizing of the circuits and will cooperate with Port's designated representative to ensure the repairs are completed in a timely and cost-effective manner. The contact information for Port's designated representatives is below. Port will notify SFPUC of any change to its designated representatives.

SF PORT Emergency line: 415-274-0400

SF PORT Marine Exchange: 415-441-6600

- c. Each month SFPUC will provide Port's designated representatives with a list of its standby personnel and their 24/7 contact information.
- d. Both SFPUC and Port agree not to divulge personnel contact information to non-Port or non-SFPUC personnel.

F. SFPUC Payment to Port

1. The parties acknowledge that SFPUC intended to provide electrical service to Mission Rock and Pier 70, which service would have required the SFPUC to construct certain infrastructure, including primary switchgear, at SFPUC's sole cost and expense. In lieu of constructing such infrastructure, SFPUC will use Port's reserve capacity to provide electric service through the New Electric Service Facilities, which means Port will no longer have access to this capacity to service Port or its tenants. Accordingly, SFPUC will pay Port \$1,150,000 for the use of this capacity for one year from the Effective Date of this MOU. SFPUC may extend the use for two additional one-year periods by providing Port written notice at least six months prior to the end of the first one-year period and the end of the first one-year extended period. If SFPUC uses Port's reserve capacity for more than one year from the Effective Date, SFPUC will pay Port \$145,000 per month until SFPUC is no longer using this capacity.

G. Conditions

1. SFPUC will not interfere with the use of any existing Port structures or any operations of Port tenants or licensees, or access of Port tenants or licensees to their leased premises or licensed areas, except as reasonably necessary for the SFPUC Authorized Activities.
2. SFPUC will, without expense to Port, repair any damage to any real or personal property under Port jurisdiction caused by the SFPUC Authorized Activities.
3. SFPUC will require any contractor performing SFPUC Authorized Activities to secure insurance coverage with limits as approved by the City's Risk Manager, to include public liability insurance in an amount not less than Five Million Dollars (\$5,000,000) Combined Single Limit, including auto and contractual, with endorsements naming the San Francisco Port Commission and its officers, directors, employees and agents, an all authorized agents and representatives, and members directors, officers, trustees, agents and employees of any of them.
4. SFPUC may contract with other parties to perform its obligations under this MOU with respect to SFPUC Authorized Activities, provided that SFPUC shall remain responsible for ensuring that such obligations are performed in compliance with this MOU.

H. Disclosure; Regulatory Approvals; Plans and Specifications

1. SFPUC understands the Port has a Risk Management Plan for the Pier 70 Development (RMP) due to existing hazardous materials contamination in soils at that site. The RMP for Pier 70 (Treadwell & Rollo, 7/25/13) as amended and as interpreted by regulatory agencies with jurisdiction applies throughout the Pier 70 Development and the Shipyard. The RMP establishes measures that must be followed by anyone performing management, maintenance, and construction within the Pier 70 Development to mitigate potential health risks related to contaminated soil in the Pier 70 Development and Shipyard.
2. Any SFPUC Authorized Activities taking place in any portion of Port's property that is subject to the RMP must be conducted in compliance with the RMP and any revisions thereto, and any agreement for the performance of SFPUC Authorized Activities requires that the performing party comply with the RMP and any revisions thereto.

3. Plans and specifications, if any, for the SFPUC Authorized Activities will be submitted to and approved by the Chief Harbor Engineer of the Port (Chief Harbor Engineer). No work will commence without approval of plans and specifications by the Chief Harbor Engineer, whose approval will not be unreasonably withheld. SFPUC agrees that Port may impose reasonable conditions on its approval based on the nature of the work and the conditions in and under the Premises. Port's approval or disapproval will be forthcoming without unreasonable delay after submission by SFPUC of plans and specifications for review by Port, Planning, Environmental, Real Estate and Engineering Divisions. SFPUC may, however, make any repairs or changes under emergency conditions that are determined to be necessary by SFPUC without prior approval of the Chief Harbor Engineer, provided SFPUC notifies the Chief Harbor Engineer or his or her designee within 48 hours of the emergency. SFPUC agrees to provide Port with copies of as-built plans of work performed on the New Electric Service Facilities.

I. Claims

It is the understanding of the parties that Port shall not expend any funds due to or in connection with the SFPUC Authorized Activities, the New Electric Service, or the installation and use of the New Electric Service Facilities. Therefore, SFPUC agrees to be responsible for any claims, damages, liabilities or losses resulting from (i) the handling of hazardous materials on or about the Shipyard or the Pier 70 Development resulting from the SFPUC Authorized Activities, by SFPUC, its agents or invitees, contractors and their subcontractors, agents and invitees; (ii) the injury or death of any person or damage of any property caused by SFPUC's or its agents' or invitees' acts or omissions; (iii) SFPUC's failure to comply with all material terms of this MOU, or (iv) the loss of New Electric Service to Mission Rock or the Mariposa Pump Station. The forgoing obligation of SFPUC shall survive the expiration of this MOU. In addition, SFPUC will ensure that any contract that requires SFPUC's vendors, contractors or agents conducting any activities on the Premises to indemnify SFPUC shall also require express indemnification of the City.

J. Default

Failure of SFPUC to perform any provision of this MOU, if the failure to perform is not cured within thirty (30) business days after a written notice has been given by Port to the SFPUC, shall constitute a default by SFPUC. If the default cannot be reasonably cured within thirty (30) business days following such notice, SFPUC shall not be in default of this MOU if it commences to cure the failure within such 30-day period and diligently and in good faith continues to cure the failure. In the event of an SFPUC failure to cure a default in the manner required by Port, Port and SFPUC shall avail themselves of the dispute resolution procedures in Section M to determine how to otherwise cure the default.

K. Notices

Any notice given under this MOU shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail, with postage prepaid, or by email (provided that a copy thereof is sent by first-class mail within three (3) business days of the email) at the following addresses, or at such other addresses as the parties may designate by notice as its new address:

Address for Port:	Acting Director of Real Estate and Development Port of San Francisco Pier One San Francisco, CA 94111
Telephone No:	(415) 274-0548
Email:	rebecca.benassini@sfport.com

And to: Port Chief Harbor Engineer
 Port of San Francisco
 Pier One
 San Francisco, CA 94111
 Telephone No: (415) 274-0570
 Email: rod.iwashita@sfport.com

Address for the SFPUC: Barbara Hale
 SFPUC Assistant General Manager, Power
 SFPUC
 525 Golden Gate Avenue, 9th Floor
 San Francisco, CA 94102
 Telephone No: 415-554-2483
 Email: bhale@sflower.org

And to: Samuel Larano
 Manager, Customer Programs and Redevelopment
 SFPUC
 525 Golden Gate Avenue, 10th Floor
 San Francisco, CA 94102
 Telephone No: 415-554-0724
 Email: slarano@sflower.org

The recipient of an email notice sent under this section shall confirm receipt of such email.

L. Cooperation

Subject to the terms and conditions of this MOU, Port agrees to use its best efforts to do, or cause to be done, all things reasonably necessary or advisable to carry out the purposes of this MOU and the SFPUC Authorized Activities contemplated hereby as expeditiously as practicable, including, without limitation, performance of further acts and the execution and delivery of any additional documents, provided that such cooperation is at no cost to Port.

M. Disputes

In the case of a dispute between the Parties, the appropriate staff person from Port and SFPUC, starting from level 1 below, shall meet in good faith with each other to resolve the contested issues. If staffs from level 1 are unable to resolve the dispute, the matter shall be forwarded to levels 2, and 3 as applicable (or their designated staff) to meet in good faith with each other to resolve the contested issues.

Escalation Ladder:

Level	SF Port Contact	SFPUC Contact
1	Kevin Masuda Project Manager (415) 274-0585 kevin.masuda@sfport.com	Manuel Ramirez Manager, Redevelopment Projects 415-554-1538 mramirez@sflower.org

2	Rebecca Benassini Acting Deputy Director Real Estate and Development (415) 274-0548 rebecca.benassini@sfport.com	Barbara Hale Assistant General Manager, Power 415-554-2483 bhale@sfgwater.org
3	Elaine Forbes Executive Director	Harlan L. Kelly, Jr. General Manager

N. Approval and Term

1. This MOU will not be effective unless and until it is approved by the Port Commission and the San Francisco Public Utilities Commission.
2. In approving this MOU, the Port Commission and the San Francisco Public Utilities Commission may grant the Port's Executive Director and the SFPUC's General Manager authority make non-material amendments to this MOU.
3. This MOU will terminate upon termination of the electric service to the Mission Rock and Mariposa Pump Station loads under this MOU as per the table in Section C.5, unless mutually extended by the Parties in writing.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed as of the date first written above.

AGREED TO AS WRITTEN ABOVE:
THE SAN FRANCISCO PUBLIC
UTILITIES COMMISSION

By: _____
Harlan L. Kelly, Jr.
General Manager

Date: _____

AGREED TO AS WRITTEN ABOVE:
THE PORT OF SAN FRANCISCO

By: _____
Elaine Forbes
Executive Director

Date: _____

Authorized by San Francisco Public
Utilities Commission, Resolution
No. _____

By: _____
Commission Secretary

Adopted: _____, 2020

Authorized by San Francisco Port Commission
Resolution No. 20-__