



**San Francisco Public Utilities Commission
 Citizens' Advisory Committee
 Power Subcommittee**

MEETING MINUTES

**Tuesday, December 13, 2022
 5:30 p.m. – 7:00 p.m.**

PARTICIPATE VIA ZOOM VIRTUAL CONFERENCE SOFTWARE

Meeting URL

<https://sfwater.zoom.us/j/81815542233?pwd=NnNZZWWhZZHZIM0dwcUFiZnFtc2hRQT09>

Phone Dial-in

669.219.2599

Find your local number: <https://sfwater.zoom.us/u/kWXply9U>

Meeting ID / Passcode

818 1554 2233 / 569806

This meeting is being held by Teleconference Pursuant to the Governor's Executive Order N-29-20 and the Sixteenth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25,2020

During the Coronavirus Disease (COVID-19) emergency, the San Francisco Public Utilities Citizens Advisory Committee's (SFPUC CAC) regular meeting room, 525 Golden Gate Ave., 3rd Floor Tuolumne Conference Room, is closed. CAC Members and SFPUC staff will convene CAC meetings remotely by teleconference. Members of the public are encouraged to submit their public comment on agenda items in advance of the teleconference meeting by emailing comments to cac@sfwater.org. Comments submitted no later than 12 PM Tuesday the day of the meeting will be read into the record by SFPUC CAC Staffing Team members during the teleconference meeting and will be treated as a substitute to providing public comment during the meeting. Persons who submit written public comment in advance on an agenda item or items will not be permitted to also provide public comment on the same agenda item(s) during the meeting.

Mission: The Power Subcommittee shall review power generation and transmission system reliability and improvement programs, including but not limited to facilities siting and alternatives energy programs, as well as other relevant plans, programs, and policies ([Admin. Code Article XV, Sections 5.140 - 5.142](#)).

Members

Chair Emily Algire (D5) Barklee Sanders (D6) Moisés García (D9)
 Steven Kight-Buckley (D3) Joshua Ochoa (D7)

D = District Supervisor appointed, M = Mayor appointed, B = Board President appointed

Staff Liaisons: Mayara Ruski Augusto Sa, Lexus Moncrease, and Jotti Aulakh
 Staff Email for Public Comment: cac@sfwater.org

OUR MISSION: To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

London N. Breed
 Mayor

Newsha Ajami
 President

Sophie Maxwell
 Vice President

Tim Paulson
 Commissioner

Tony Rivera
 Commissioner

Kate Stacy
 Commissioner

Dennis J. Herrera
 General Manager



ORDER OF BUSINESS

1. Call to order and roll call at 5:30

Members present at roll call: (4) Algire, Sanders, García, and Ochoa

Members Absent: (1) Kight

Staff: Mallory Albright, Cheryl Taylor, Michael Hyams, and Jackie Randazzo

Members of the Public: None

2. Approve [August 9, 2022](#) Minutes

Motion was made (García) and seconded (Sanders) to approve the August 9, 2022 Minutes.

AYES: (4) Algire, Sanders, García, and Ochoa

NOES: (0)

ABSENT: (1) Kight

Public Comment: None

3. Report from the Chair

- Welcome members, staff, and the public
- Ohlone Tribal Land Acknowledgement

Public Comment: None

4. Public Comment: Members of the public may address the Committee on matters that are within the Committee's jurisdiction and are not on today's agenda (*2 minutes per speaker*)

Public Comment: None

5. Discussion and Possible Action: [Resolution Making Findings to Allow Teleconferenced Meetings Under California Government Code Section 54953\(e\)](#), Emily Algire, Power CAC Chair

Motion was made (García) and seconded (Sanders) to adopt the resolution.

The motion PASSED with the following votes:

AYES: (4) Algire, Sanders, García, and Ochoa

NOES: (0)

ABSENT: (1) Kight

Public Comment: None

6. **Presentation and Discussion:** [CleanPowerSF's 2022 Integrated Resource Plan](#), Mallory Albright, Utility Specialist, CleanPowerSF Operations, and Cheryl Taylor, Operations Manager, CleanPowerSF

Presentation

- Agenda
- CleanPowerSF 2022 Integrated Resource Plan
- What is an Integrated Resource Plan (IRP)?
- Integrated Resource Plan Portfolios
- Summary
- CleanPowerSF IRP Modeling: Four Portfolios
- Local Investment
- Modeling Results Comparison of Conforming Portfolios
- Comparison of Conforming Portfolios: Total Portfolio Capacity by Technology (2035)
- Comparison of Conforming Portfolios: Energy Generated by Resource Type (2035)
- Comparison of Conforming Portfolios: Average Portfolio Costs (2023-2035)
- Comprehensive Modeling Results
- Community Engagement
- Community Engagement & Feedback
- Portfolio Evaluation
- CleanPowerSF Portfolio Evaluation
- Preferred Portfolio Ranking (1 = best, 3 = worst)
- Preferred Portfolio
- Next Steps & Implementation
- Next Steps and Implementation
- Thank You!
- Appendix
- Key IRP Terms and Acronyms
- Key Terms and Acronyms

Discussion

- **Member Sanders** asked if there was an equity dynamic to investments in local communities and whether investments were allocated based on how many outages a community experienced.

Staff Albright responded that with the IRP (Integrated Resource Plan), the preferred portfolio must comply with statewide goals and targets, and there are not local resource goals imbedded in that requirement. She added that the SFPUC does include a baseline list of local resources that they hope to include in their portfolio, but it is not something that the CPUC (California Public Utilities Commission) looks at. Staff Albright added that this is something that CleanPowerSF would do more analysis on outside of the formal IRP compliance filing with the CPUC.

- **Member Sanders** commented that there are CalEnviroScreen scores for different ratings that list pollution or the demographics of a community and asked if the CPUC would be using that as a high view of what different communities need for investment.

Staff Hyams responded that the CalEnviroScreen score does not necessarily address investment, but it does address pollution and its related effects on a community. Staff Hyams added that it does not

capture electric reliability standards, but the CPUC has used that tool to direct programs that can address historical disadvantages that a community may be facing environmentally. He commented that an example of this for CleanPowerSF is the Disadvantaged Communities Green Tariff program that was opened for enrollment back in May or June, which is a 100% renewable energy product that the SFPUC is offering to census tracts that are within the top 25% of statewide disadvantaged communities according to the CalEnviroScreen. Staff Hyams noted that eligible customers include customers that are low-income and are eligible for the State's CARE (California Alternate Rates for Energy) program, so they can sign up and receive a discount.

- **Member Sanders** commented that many of these things do not apply to Treasure Island due to how it was governed and set up for redevelopment. He added that Treasure Island does not fall under CPUC's enforcement or PG&E's network, and it is not its own utility grid because it is co-owned by TIDA (Treasure Island Development Authority). Sanders noted that Treasure Island is one of the top two poorest neighborhoods in all of California based on the census tracts and averages a power outage every three to four weeks. Sanders noted that he used to live in Treasure Island and the outages were bad and it seems like Treasure Island is always forgotten or missed in legislation, which should be updated to help that community.

Staff Hyams responded that the presenters are representatives from CleanPowerSF, which is defined by State law as being able to provide power supply to retail customers of PG&E. He added that Treasure Island is not a retail customer of PG&E, but the SFPUC does serve Treasure Island as a public utility and has had power experts speak to the Power CAC in the past. Staff Hyams commented that he was aware that many of the outage issues that have been brought up are part of a redevelopment initiative on the island and that these are separate issues, but this does not downplay the impact to residents on Treasure Island. He commented that the SFPUC and the Power Enterprise take that service responsibility seriously and their teams are working on it.

- **Member García** asked whether local was defined as the nine county Bay Area region.

Staff Albright responded affirmatively.

- **Member García** asked what the 10% gap was with the 90 and 95% and what was causing the premium difference over time with the investment.

Staff Albright responded that the SFPUC is trying to meet 5% of more hours in real time for their customers' demand with the 95% case. She noted that the SFPUC modeled that case first and noticed the astronomical cost, which was 700 additional megawatts of new capacity that would be needed in 2035 to meet that extra 5% of all hours. Staff Albright added that this was due to a seasonal demand for CleanPowerSF because their peak demand is in the winters, so they would be overbuilding a great deal just to meet demand in those hours with much of that going unused in the summer. She commented that there is always a possibility of sending that energy back into the market and selling it, but it would be risky to assume that the market could absorb all the excess generation. Staff Albright noted that the

base case was around 80% time coincident, and the 90% time coincident was 90% higher in cost. She added that the SFPUC thought that it provided value to rate payers to move in the direction of more time coincidence.

- **Member García** commented that this was an iterative process that occurred every two years and asked whether the SFPUC or other agency was tracking the expected demand outside of this process.

Staff Albright responded that the process happens at the California Energy Commission through the IEPR (Integrated Energy Policy Report) docket, which is a bi-annual process that looks at statewide energy demand with electricity and natural gas. She commented that the SFPUC also engages in the process by submitting what they believe their forecasted energy demand will be, and then the Energy Commission includes assumptions about load modifiers such as increases in transportation, electrification, building decarbonization, and an increase in behind the meter PV (photovoltaic). Staff Albright added that when the SFPUC models the conforming portfolios, the CPUC requires that the SFPUC use the IEPR demand forecast, which benefits the SFPUC, so that they can ensure that the forecast reflects reality and matches what the SFPUC will have to plan for with their load.

- **Member García** commented that the SFPUC did not choose the portfolio that had the building decarbonization aspect to it and asked which agency or department oversees decarbonization.
- **Staff Albright** asked if the question was about whether the SFPUC would meet local goals for building decarbonization, statewide planning, or both.

Member García responded both because he was curious to know who the organizing body was and who was keeping an eye on that.

Staff Albright responded that the CEC (California Energy Commission) is the statewide agency that keeps track of building decarbonization goals in California, but the SFPUC also sees what is included in the 2021 Climate Action Plan that is released by the SF Environment and that covers building decarbonization. She noted that those targets were adopted and that it was the SFPUC's job to collaborate with the SFE (San Francisco Environment) and other agencies to make sure that they are on track to meet the targets for both building decarbonization and electrification. Staff Albright commented that the SFPUC created the Mayor's case alternative portfolio because it used assumptions on transportation electrification and building decarbonization that did not match what the California Energy Commission required the SFPUC to use and were not able to identify it as their preferred portfolio. However, the SFPUC will consider the additional load planning as they continue to procure over the next couple of years into the next 2024 IRP cycle. She added that the SFPUC will continue to advocate for more flexibility using their own demand inputs, which they believe are a better reflection of reality.

- **Chair Algire** asked if there was a study called Decommissioning Gas coming out.
- **Staff Hyams** responded that Chair Algire might be referring to some work that the SFPUC is planning with the Local Agency Formation

Commission, which is related to the IRP work but is separate. Staff Hyams commented that the work with SF LAFC (San Francisco Local Agency Formation Commission) around gas decommissioning is about understanding what some of the challenges will be, for example, with infrastructure in the ground that the SFPUC is no longer using to push gas around the city. He noted that it was also to better understand what the jurisdictional issues are and what role the City will play as far as navigating that process. Staff Hyams added that it was a preliminary study to try and get ahead of what will likely be a major issue. He commented that the IRP process is always intended to help CleanPowerSF ensure that it is supplying enough electricity to meet customer demands, including demand for more electrification.

- **Chair Algire** commented that she noticed that 14 people submitted feedback on the form and two letters were submitted and asked how the quantity of feedback has tracked in comparison with previous IRPs since CleanPowerSF was set up. She noted that the IRP process seemed rigid so CAC members would need to get their input in before they became involved in local campaigns. Chair Algire asked if the Power CAC could schedule a meeting in September 2024 to allow them to see it ahead of the process because there is so much information.

Staff Moncrease responded that they could potentially have a special meeting.

Staff Randazzo responded that the SFPUC's engagement process for this IRP cycle was more robust than in 2020 and it was done in two phases. Staff Randazzo added that they solicited feedback in two different time periods and asked more general questions in the first round and asked more specific questions once they had more data to share. She noted that the SFPUC's feedback doubled when compared to 2020, so while it might seem low, engagement increased. She noted that the goal is to reach as many CleanPowerSF customers as possible and noted that the SFPUC's two-phase approach allowed them to reach out to over 600 organizations, which was more than they had done in years past.

- **Staff Hyams** commented that CleanPowerSF ran the most robust engagement with local stakeholders of any entity in California performing an IRP and added that most entities treat IRPs as a technical, internal planning process where they engage with their boards as needed. He noted that the SFPUC used this as an educational opportunity and learned that much of their engagement is from people who are interested in learning about CleanPowerSF and decarbonization, which makes it a good vehicle for engaging with the public and educating them. Staff Hyams commented that the Power Communications team and the IRP team did an amazing job of providing many opportunities for folks to get involved. He added that regarding the 14 written comments that were submitted toward the end, the SFPUC had about 80 submittals in the first phase, which was a much larger number of initial comments. He noted that the SFPUC welcomes input on how to improve the process and commented that they have been discussing starting sooner in the process and tailoring it around what folks are interested in, but because the IRP is a technical exercise.

Chair Algire responded that this was a way for her to see how she could engage her subcommittee for the next round as well and not

waste the SFPUC's time preparing something in October that would then be presented in December.

- **Member García** asked if the second round of feedback was more technical and asked if more advocacy organizations rather than customers provided responses.

Staff Randazzo responded that it was asking for direct feedback on the different portfolios that were being presented and required technical understanding of complicated plans. She noted that the first round of questions was around priorities, values, and what people would like to see from CleanPowerSF.

Staff Taylor commented that the two-phase communications and outreach approach was great because the SFPUC heard from members of the community about their priorities, and it helped the SFPUC shape the recommendations once they got to the technical point. She commented that they had good results from the IRP, but a clear favorite was the 90% time coincident. Staff Taylor noted that a number of the community members wanted the SFPUC to go much higher, so they could figure out how they could go up to 95 or higher in their post IRP.

Staff Hyams commented that the 14 comments that the SFPUC received were a mixed bag as far as comments that were specific to their proposal. Staff Hyams noted that the comments were ultimately supportive of the SFPUC's recommendation, but they wanted to see the SFPUC go further in the next iteration.

- **Member García** responded that he appreciated the two-step process and how customers could identify the three broad categories of priorities, and he also appreciated how the SFPUC saw this as an opportunity to interface with customers. He then asked if this was the second or third IRP for CleanPowerSF.

Staff Albright responded that it was the third because there was one in 2018, 2020, and now 2022.

Public Comment: None

7. **Presentation and Discussion:** [Update on Time of Use \(TOU\) Rates Implementation](#), Michael Hyams, Deputy Assistant General Manager for Power & CleanPowerSF Program Director

Presentation

- Time-of-Use Transition
- What is Time-of-Use?
- Time-of-Use Transition
- Post-TOU Transition Bill Impacts
- Residential Customers by Rate Type
- Questions?
- Appendix
- PG&E Service Territory Transition Summary
- Bill Comparison – E-TOU-C as of July 1, 2022

Discussion

- **Member García** asked who the E-1 flat rate customers were and why they were not interested in ToU (time of use).

Staff Hyams responded that they represent a cross section of the city and are probably customers who looked at their usage and determined that they might pay more. Staff Hyams added that the SFPUC's analysis prior to the transition showed that almost 99% of customers would benefit so that 31% is a surprising number. He noted that part of it could be that people do not like change and are being defaulted into something, but it is all just speculation. Staff Hyams commented that he does not have a data influenced answer, but the SFPUC can look to better understand that population. He added that it was fine for customers to be on E-1, and that the SFPUC is sending a price signal to their customers that when they use their electricity is important. Staff Hyams noted that it was an important policy step from an environmental standpoint to help customers understand that the costs are higher on the grid during a certain time of day, and having it be reflected in their bill brings awareness to the issue. He commented that the default option does not mean customers do not have another option, and that customers have exercised their right to that option.

- **Member García** asked if this was just residential customers and not business.

Staff Hyams responded that this was just residential customers, and business customers have been on a comparable Time of Use rate for some time that they were defaulted into. He commented that most business customers do not have another option, but small businesses may still have a flat rate option.

- **Member García** commented that he thought there was a monthly \$19 charge, but when Staff Hyams said it was a dollar, García realized that they were not price sensitive and cared less about it.

Staff Hyams responded that \$19 would be something to be concerned about given that the average is about \$20 to \$25 for residential customers.

- **Chair Algire** asked if there was a breakdown of who was benefiting versus not benefiting and if that data could be broken down by location because that information could be sensitive with respect to bills.

Staff Hyams responded that the SFPUC does have a legal requirement to protect the confidentiality of their customers' information, but they can aggregate data in a manner that protects individual customer information. He commented that he did not have a response to Chair Algire's question about the demographics of the 88, but he could look into that. Staff Hyams noted that it is a small number relative to the 143,000 that are being served. He added that the SFPUC looked into how their low-income customers and customers that were on their CARE (California Alternative Rates for Energy) rates were represented and found that about 60% of their customers stayed on the Time of Use rate while 40% are taking service under the flat rate. Staff Hyams noted that the SFPUC serves about 48,000 accounts within the city that are on the CARE rate schedule so about 30,000 customers that are under CARE are also served by the ETOC. He added that the SFPUC does not have any geographic information, but they can investigate and follow up with the CAC.

- **Chair Algire** asked the effectiveness of the Time of Use rates in terms of energy conservation and if there has been evidence that the Time of

Use rates have changed the City's energy usage especially during the peak hours.

Staff Hyams responded that it is something the SFPUC will continue looking into, but there are many circumstances that make that analysis challenging such as the relative use of the CleanPowerSF program. He commented that the SFPUC completed city wide enrollment during a pandemic, which changed how people used power, so it is difficult to draw conclusions about how demand patterns have been influenced. He noted that the benefitting versus non benefitting summary provides a sense of whether the city is predisposed to being able to avoid using power during a certain period for various reasons, but the fact that a significant number of customers can benefit from it shows that there is some flexibility to do things at home outside of that peak window.

Public Comment: None

8. Staff report

- Reminder that District 1, District 10, and the Mayor's Engineering/Finance seats are vacant

Public Comment: None

9. Future Agenda Items and Resolutions

- Integrated Energy Policy Report with the California Energy Commission
- Reliability: Wildfires and Public Safety Power Shutoffs – 100-year-old Assets and Impact on the Watershed
- Disaster Preparedness
- Power Enterprise Training
- Interconnection Issues
- Legislative Update – Federal and State
- Electrification: San Francisco Climate Action Plan
- Municipalization: Interconnection, FERC Order 568, CCSF Purchase Offer
- Electric Rates & Equity
- Power Enterprise Residential & Commercial Power Programs: Heat Pumps, CAP
- California Community Choice Aggregation Residential & Commercial Power Programs
- Redevelopment Projects: Hunter's Point Shipyard & Treasure Island
- Time-of-Use Rates Update

Adopted Resolutions for Follow Up

- Resolution Recommending that the SFPUC Commission Reverses its Position on the "Not to Exceed Rates" for CleanPowerSF, Move Forward with this Important Program, and Allow Staff to Move Forward with its Launch [adopted September 16, 2014](#)
- Resolution in Support of SB 612 Electrical Corporations and other Load-Serving Entities [adopted on July 20, 2021](#)
- Resolution in Supporting of the Transition of CleanPowerSF Residential Customers to Time-of-Use Rates [adopted on July 20, 2021](#)

Public Comment: None

10. Announcements/Comments Visit www.sfpuc.org/cac for confirmation of the next scheduled meeting, agenda, and materials.

- The Chair presented the SFPUC CAC Annual Report to the Commission on December 13, 2022 and highlighted the Treasure Island resolution, and the work that Member Sanders has done on educating the Power and Full CAC on that issue. He also stressed that the resolution passed for the California Joint Powers Authority, which will be agendized sometime in the future.

Public Comment: None

11. Adjournment

Motion was made (García) and seconded (Sanders) to adjourn the meeting.

Meeting was adjourned at 6:55 pm.