San Francisco Water Power Sewer
Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

San Francisco Public Utilities Commission
Citizens' Advisory Committee

Tuesday, September 17, 2024
5:30 p.m. – 7:00 p.m.
525 Golden Gate Ave., 3rd Floor Tuolumne Conference Room

MEMBERS OF THE PUBLIC MAY OBSERVE AND PARTICIPATE VIA ZOOM VIRTUAL CONFERENCE SOFTWARE

Meeting URL
https://sfwater.zoom.us/j/88041236096?pwd=m1zicyOnBr3Nu5gHex9AtnpGwyLFRF.1

Phone Dial-in
669.219.2599

Find your local number: https://sfwater.zoom.us/u/kbwFEr2FCG

Meeting ID/Passcode
880 4123 6096 / 368200

Mission: The purpose of the SFPUC CAC is to provide recommendations to the SFPUC General Manager, the SFPUC Commission, and the Board of Supervisors regarding the agency's long-term strategic, financial, and capital improvement plans (Admin. Code Article XV, Sections 5.140 - 5.142)

Members:

Moisés García, Chair (D9)
Caroline Law (D1)
Suki Kott (D2)
Sally Chen (D3)
Douglas Jacuzzi (D4)
Emily Algire (D5)
Barklee Sanders (D6)
Elizabeth Steele Teshara (D7)
Amy Nagengast (D8)
VACANT (D10)
Jennifer Clary (D11)
Maika Pinkston (M-Environmental Org.)
Nicole Sandkulla (M-Regional Water Customers)
Jodi Soboll (M-Engineering/Financial)
Eliahu Perszyk (M-Large Water User)
Andrea Baker (B-Small Business)
Michelle Pierce (B-Environ. Justice)

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

Staff Liaisons: Lexus Moncrease
Staff Email for Public Comment: cac@sfwater.org

ORDER OF BUSINESS

1. **Call to Order and Roll Call**

   Members present at roll call: Kott, Jacuzzi, Algire, Sanders, Nagengast, Clary, Sandkulla, Soboll, Baker and Perszyk

   Members absent: Garcia, Law, Chen, Steele Teshara, Pinkston and Pierce

2. **Approve July 16, 2024, Minutes**

London N. Breed Mayor
Tim Paulson President
Anthony Rivera Vice President
Newsha K. Ajami Commissioner
Sophie Maxwell Commissioner
Kate H. Stacy Commissioner
Dennis J. Herrera General Manager

Motion was made (Clary) and seconded (Baker) to approve the July 16, 2024, minutes. Approved without objection.

Public Comment: None

3. **Report from the Chair**
    - No report
    - 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.

Public Comment: None

5. Presentation and Discussion: Power 101 (SFPUC Power Enterprise CAC**)** Barbara Hale, Assistant General Manager, Power

    Presentation:
    The Organization
    One Enterprise, Two Clean Energy Services
    CleanPowerSF Enrollment and Service Statistics
    The CleanPowerSF Portfolio
    Hetch Hetchy Power Premium Enrollment
    Customer Incentive Programs
    EV Charge SF: Incentives for New Buildings
    Electrify My Ride helps 370 households
    Power Enterprise Revenues
    Hetch Hetchy Power Revenues
    CleanPower SF Revenues
    Hetchy Power's $1.2B Capital Plan
    Hetchy Power 10 Year Capital Plan
    CleanPowerSF10 Year Capital Plan

    Discussion:

    - **Member Baker** asked Staff Hale to explain the discrepancy in the operating budget numbers in the last slide (CleanPowerSF 10 Year Capital Plan) of Staff Hale's presentation.

      Staff Hale explained that in the earlier years SFPUC will not have as much capital improvement whereas in later years SFPUC will develop and own its own generation. She clarified that in the later years SFPUC will be constructing (power) generation.

      Member Jacuzzi asked Staff Hale to confirm his understanding that according to the slide the development would be completed in 2032 and then the budget would drop back down in 2033.

      Staff Hale confirmed that Member Jacuzzi's understanding was correct.

- **Member Sanders** explained that he does a lot of work with Treasure Island and that there have been at least 8 power outages, about an outage each week, since the last Full CAC meeting. He asked how customer incentive programs, like those in Staff Hale's presentation, get approved. He further explained that based on his own research he found that about two million dollars ($2,000,000) could buy a portable backup battery for every single household on Treasure Island. Member Sanders further commented that there were 18 power outages on Treasure Island this year and 19 last year.

  Staff Hale explained that the incentive programs are not provided to the public in general, and that they are for customers and that budget, including incentive programs, are brought before the SFPUC Commission. She reiterated that the incentive programs are available to Hetch Hetchy Power and CleanPowerSF customers. Staff Hale clarified that most of Treasure Island power is provided by Treasure Island Development Authority (TIDA) and that the SFPUC Commission does not set the rates, programs nor investment plans. She noted that for the redeveloped portions of Treasure Island, redeveloped buildings and businesses are Hetch Hetchy Power customers and therefore the incentive programs described are available to those customers. She further explained that it is a governing structure difference and that TIDA is the utility for legacy customers on Treasure Island; that TIDA is the responsible entity and SFPUC is a contractor of TIDA, as an operator. As such, she explained SFPUC does not make decisions about legacy customer activities on Treasure Island. Staff Hale concluded by noting that SFPUC cannot use funds collected from its ratepayers to spend on customers of a different authority and reiterating that it is a governance issue.

  Member Sanders brought up an example of a resolution where the SFPUC General Manager declaring an emergency in 2017, and he asked that SFPUC declare a state of emergency in connection with the power outages on Treasure Island.

  Staff Hale offered to go over the examples Member Sanders brought up along with the restrictions and how SFPUC can spend money, with Member Sanders.

  Member Sanders brought up the lights on the Bay Bridge as an example of how things can be done.

  Member Kott asked Staff Hale for clarification on whether TIDA was SFPUC's customer.

  Staff Hale explained that TIDA is a separate local jurisdiction.

  Member Sanders asked if there were a way to turn off power at the CAC meetings or City Hall each time power goes out on Treasure Island.

  Member Kott suggested that maybe Member Sanders could update the CAC during each Full CAC meeting on the number of power outages experienced by Treasure Island since the last meeting.

  Staff Hale ended this part of the discussion by noting that one can sign up for power outage alerts through AlertSF and that funding for the Bay Bridge lights was a philanthropic venture.

- **Member Sandkulla**, referring to the presentation, asked Staff Hale about position vacancies in the SFPUC Power team.

Staff Hale responded that there has been improvement in filling some roles, especially in administrative desk type roles and those that require some specialization in power, but that it still take a lot of time. She explained that the workforce is there, and that the real challenge is to fill high voltage workers who are highly skilled and have a lot of options. In response to whether SFPUC is an attractive employer, she explained that there are a number of reasons why SFPUC may not seem to be attractive such as: the cost of living is so much higher here; and most of SFPUC's lines are underground and many qualified workers prefer above ground. Staff Hale also noted that through negotiations with IBEW local 6 SFPUC has improved its compensation package. She summarized by reiterating that the high voltage workforce is the most challenging piece.

- **Member Sandkulla**, asked about the super green category and whether Staff Hale was seeing a greater uptick in that area.

  Staff Hale responded that the enrollment in super green is being driven more, or is more noticeable, at this point with commercial customers who are facing city requirements to have a greener portfolio serving their buildings.

- **Member Soboll** referred to the Treasure Island discussion and the governance model, asking for confirmation regarding customers in the new areas of Treasure Island and green energy.

  Staff Hale clarified that customers in the new (redeveloped) areas of Treasure Island are Hetch Hetchy Power customers and that the rates of those customers are set by the SFPUC Commission, unlike the other areas that are governed and set by TIDA. In response to Member Soboll's follow up question on whether the old Treasure Island customers (as opposed to those in the new ones in the redeveloped areas) are served by Hetch Hetchy Power, Staff Hale acknowledged that it can be confusing, and yes, the old customers are also served by Hetch Hetchy Power, but the service is governed by TIDA and SFPUC is acting as TIDA's contractor. Staff Hale provided an example of when the power goes out, SFPUC staff us called to fix it, and confirmed that the source is Hetch Hetchy Power.

  Member Soboll then asked, referring to green energy, whether anyone on Treasure Island has options for green energy.

  Staff Hale responded that the Treasure Island customers receive 100% greenhouse, gas free, electricity and that the emissions profile of the electricity serviced on Treasure Island is the same as the electricity service by Hetch Hetchy Power in San Francisco. She clarified that Treasure Island and Yerba Buena Island get the same quality of supply as other parts of San Francisco, but it is the delivery system that is the problem.

- **Member Soboll** then asked for more information regarding new development areas, such as Bay View, Dog Patch and Treasure Island and whether there are options to move away from PG&E in those new areas.

  Staff Hale explained that when the city authorizes a new development agreement, it includes a provision that says that the preferred power provider is Hetch Hetchy Power. She continued that developers are generally fine with using Hetch Hetchy Power because whereas when working with a local utility the developer normally must build the system,

pay the taxes (which in SF with PG&E is about 34%) on it and then hand it over to the local utility, but when using Hetch Hetchy Power in San Francisco there are no such taxes charged. She noted that the shipyard was one of the first developments that included this requirement, and that feasibility analyses are preformed to ensure it is not going to cause our customers higher costs. She also confirmed that the SFPUC has enough capacity.

Member Soboll asked Staff Hale to confirm that when she says Hetch Hetchy Power is preferred power she didn't mean just as a provider she means as distribution as well.

Staff Hale confirmed, yes, Hetch Hetchy is a full-service provider.

Member Soboll asked whether this is what was happening on Treasure Island for the new development.

Staff Hale confirmed, yes.

Member Soboll then asked about the plan for the old area of Treasure Island and whether as it moves to new development, would those users have the option of Hetch Hetchy Power.

Staff Hale confirmed, that yes, as the old is developed into new, those Treasure Island residents will become Hetch Hetchy Power customers, but noted that SFPUC does not govern the pace of the development – TIDA does.

Member Soboll asked what could be done to influence and accelerate the development.

Staff Hale answered that it is complicated because, for example, part of the redevelopment of the island would raise the elevation of the island. She explained that in order to understand one should look at: (i) the financial capacity of TIDA; (ii) how is TIDA choosing to spend money; and (iii) how TIDA is setting rates to collect to be able to afford improvements.

Member Soboll responded that all the items Staff Hale mentioned have been looked into, that the belief is that TIDA has the money but chooses not to make the improvements, and she agreed that this is the point of influence.

Staff Hale informed that group that the TIDA staff provides presentations and tours on Treasure Island.

- **Member Clary** asked for confirmation that power utilities are not subject to Prop 218, where rates have to reflect the cost of service.

  Staff Hale responded that they are subject to Prop 26 which is basically the same sort of thing – cost-based rates.

  Member Clary then asked if dollars could be spent on the distribution system, assuming it is a cost divided amongst the customers.

  Staff Hale answered, yes on systems SFPUC owns, but that SFPUC does not own the systems on Treasure Island.

- **Member Clary** asked, in regard to Hetch Hetchy Power, what happens when there is a drought.

Staff Hale responded that yes, the Hetch Hetchy Power retail electric system is dependent on hydro clean power, but that is has a diverse portfolio. She continued that it depends on what the power markets are and that sometimes Hetch Hetchy Power is actually more expensive.

- **Member Clary** asked if SFPUC was still having problems with PG&E turning on service for new developments.

  Staff Hale answered yes and that SFPUC reports quarterly to the board on interconnection problems with PG&E. She further explained that whenever the city goes in to make an improvement to a facility, like schools and libraries, that is tied to PG&E's grid, the city has this issue.

- **Member Nagengast** asked how is electrification, fuel switching from gas to electric, being incentivized both with Hetch Hetchy Power and CleanPowerSF.

  Staff Hale explained that with regard to Hetch Hetchy Power, SFPUC does direct install, it is not an incentive, SFPUC pays for it and that SFPUC did decarbonization efforts at some of the city facilities. She offered that the Power Enterprise could talk to the CAC about the direct delivered programs which SFPUC does. She continued that most of the new development customers are all electric facilities so there is not an electrification need.

- **Member Nagengast** asked if there were other incentive programs specific for renters and also mentioned EV charging.

  Staff Hale answered that she would be happy to discuss this more with Member Nagengast as a customer and asked if a program that gave renters materials to talk to their landlords about electrification and the other topics Member Nagengast raised would be helpful. She also confirmed that her team is working on EV charging.

  Member Clary suggested that maybe SFPUC should reach out to landlords and explained that multifamily programs are among the most under resourced in any city and that she would like to focus on how better service can be provided to multifamily building types.

  Member Perszyk suggested that maybe power incentive programs and better serving multifamily building types better could be a topic for another meeting.

  Staff Hale explained that the Bay Area Air Quality Management District has new regulations that will require all of things brought up by Members Nagengast and Clary to happen.

- **Member Sanders** summarized the structure of Treasure Island and TIDA explaining that local government agencies do not have oversight and that he believes this is why things do not get done. He explained that TIDA will build and even take infrastructure in the new development area, but they will only add to the old non-new development area when something does not work at all. He referred back to the resolution and asked that the CAC

ask the mayor to declare a state of emergency regarding Treasure Island and the power outages.

Member Perszyk noted that the CAC can consider putting the resolution through again, and that they should let the CAC Chair, Member Garcia, know that power outages on Treasure Island are still an issue so that at the next meeting the CAC can agree on how to proceed.

- **Member Perszyk** commented on the ebike incentive program, noting that such bikes are expensive and that especially in cases where someone is low income, $1000 may not be enough of an incentive.

  Staff Hale explained that her team worked closely with local bike shops that they partnered with for this program, and they made sure that there were ebikes available for almost no additional money.

  Member Baker asked in what neighborhoods were these bike shops located.

  Staff Hale answered that they are spread through the city.

  Member Perszyk summarized that because Staff Hale mentioned that her team was evaluating the incentive program, they could take into consideration whether $1000 is enough and where the partner shops are located.

- **Member Soboll** asked how the distribution is determined generally, how is it determined which type of power is used first, and whether things like cost and capacity are balanced.

  Staff Hale answered that SFPUC relies on resources such as solar which SFPUC does not necessarily control, they are intermittent. She explained that SFPUC goes through a competitive bidding process and that it looks at the existing portfolio and what SFPUC is trying to diversify, the sources and the vendor, as well as the price.

Public Comment: None

6. **Staff Report**
   - Last of the 101 reports (Water) will be presented at the Full CAC Meeting November 19, 2024, members, please let staff know if you are unable to attend.
   - The annual report is coming up in December, the Full CAC and subcommittees will have to discuss their priorities. Please see virtual calendar where priorities have been entered for each subcommittee topic.

Public Comment: None

7. **SFPUC Communications**
   - SFPUC Wildfire Mitigation Plan 2024
   - Quarterly Audit and Performance Report, FY 2023-24, Q3
   - Water Enterprise

    - Water Supply Conditions Update (June 3, 2024)
    - Water Enterprise Capital Improvement Program Report, FY 2023-24, Q3
    - Hetch Hetchy Capital Improvement Program Report, FY 2023-24, Q3
    - Alternative Water Supply Annual Progress Report
    - Alternative Water Supply Planning Annual Progress Report
    - 2009 Water Supply Agreement Quarterly Update
    - Onsite Water Reuse Program Update, FY 2022-23
- Wastewater Enterprise
    - Water Enterprise Capital Improvement Program Update, FY 2023-24, Q3
- Power Enterprise
    - CleanPowerSF Update, FY 2023-24, Q3
    - PG&E Interconnection Report, FY 2023-24, Q3

Public Comment: None

8. **Future Agenda Items and Resolutions**

Public Comment: None

9. **Announcements/Comments Please visit www.sfpuc.org/cac for confirmation of the next scheduled meeting, agenda, and materials.**

Public Comment: None

10. **Adjournment at 7:06pm.**

For more information concerning the agendas, minutes, and meeting information, please visit www.sfwater.org/cac. For more information concerning the CAC, please contact via email at cac@sfwater.org or by calling (415) 517-8465.

Disability Access

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Lexus Moncrease at (415) 517-8465 or our TTY at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6789.

LANGUAGE ACCESS

Per the Language Access Ordinance (Chapter 91 of the San Francisco Administrative Code), Chinese, Spanish and or Filipino (Tagalog) interpreters will be available upon requests. Meeting Minutes may be translated, if requested, after they have been adopted by the Committee. Assistance in additional languages may be honored whenever possible. To request assistance with these services please contact Lexus Moncrease at (415) 517-8465, or cac@sfwater.org at least 48 hours in advance of the hearing. Late requests will be honored if possible.

語言服務

根據三藩市行政法第91章"語言服務條例"，中文、西班牙語和/或菲律賓語口譯服務在有人提出要求後會提供。翻譯版本的會議記錄可在委員會後要求提供。其他語言協助在可能的情況下也可提供。請於會議前至少48小時致電 (415) 517-8465 或電郵至 [cac@sfwater.org] Lexus Moncrease 提出口譯要求。逾期要求， 在可能狀況下會被考慮。

ACCESO A IDIOMAS

De acuerdo con la Ordenanza de Acceso a Idiomas *“Language Access Ordinance”* (Capítulo 91 del Código Administrativo de San Francisco *“Chapter 91 of the San Francisco Administrative Code”)* intérpretes de chino, español y/o filipino (tagalo) estarán disponibles de ser requeridos. Los minutos podrán ser traducidos, de ser requeridos, luego de ser aprobados por la comité. La asistencia en idiomas adicionales se tomará en cuenta siempre que sea posible. Para solicitar asistencia con estos servicios favor comunicarse con Lexus Moncrease al (415) 517-8465, o cac@sfwater.org por lo menos 48 horas antes de la reunión. Las solicitudes tardías serán consideradas de ser posible.

PAG-ACCESS SA WIKA

Ayon sa Language Access Ordinance (Chapter 91 ng San Francisco Administrative Code), maaaring mag-request ng mga tagapagsalin sa wikang Tsino, Espanyol, at/o Filipino (Tagalog). Kapag hiniling, ang mga kaganapan ng miting ay maaring isalin sa ibang wika matapos ito ay aprobahan ng komite. Maari din magkaroon ng tulong sa ibang wika. Sa mga ganitong uri ng kahilingan, mangyaring tumawag sa Lexus Moncrease at (415) 517-8465, o cac@sfwater.org sa hindi bababa sa 48 oras bago mag miting. Kung maari, ang mga late na hiling ay posibleng pagbibigyan.

Lobbyist Registration and Reporting Requirements
Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code §2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220 San Francisco, CA 94102, Phone: (415) 252-3100/Fax: (415) 252-3112, Email: ethics.commission@sfgov.org.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) Government’s duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people’s business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people’s review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, by mail to

Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102-4683; by telephone 415-554-7724, by Fax 415-554-7854, or by email: sotf@sfgov.org

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.