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

MEETING MINUTES

Tuesday, June 10, 2025 5:30 p.m. - 7:00 p.m. 525 Golden Gate Ave., 3rd Floor Tuolumne Conference Room

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Meeting Recording link

https://sfwater.zoom.us/rec/share/RcymIZJIOEjm5254USm9JNOKPTBDFENMkq1owU rSzzg3CYL8RSgMJROsFQ6arNtB. Yc eO5xZL1c7VVn

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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

to our care.

Chair Barklee Sanders (D6) Sally Chen (D3) Julia Alicia Hernandez (D7) Scott Brown (D5) Jodi Soboll (M-Eng./Fin.) Cal Law (D1)

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

Staff Liaisons: Lexus Moncrease, & Lupita Garcia Staff Email for Public Comment: cac@sfwater.org

ORDER OF BUSINESS

1. Call to order and roll call at 5:36 pm

Members present (4): Sanders, Chen, Hernandez, Soboll

Members absent (2): Law, Brown

Staff/Presenters: Dan Willis, Cheryl Taylor, Elisa Rodriguez Furey

2. Approve April 8, 2025 Minutes

Motion was made (Sanders) and seconded (Chen) to approve the April 8, 2025 minutes.

Approved without objection.

Public Comment: None

Meghan Thurlow Commissioner

Daniel L. Lurie Mayor

Kate H. Stacy President

Joshua Arce Vice President

Avni Jamdar

Commissioner Steve Leveroni

Commissioner

Dennis J. Herrera General Manager

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



3. Report from the Chair

- Welcome members, staff, and the public
- Ohlone Tribal Land Acknowledgement
- Welcome new subcommittee member
 - CAC members went around the table and introduced themselves

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. Presentation and Discussion: <u>Power Source Disclosure 101</u>, Cheryl Taylor, CleanPowerSF Operations Manager, Dan Willis, Utility Specialist – Regulatory Affairs, SFPUC Power Enterprise

Presentation:

- Power Source Disclosure 101
- Agenda
- The SFPUC is San Francisco's local, clean electricity provider
- What is the Power Source Disclosure Program?
- Program Requirements
- Power Content Labels are Nutrition Labels for Electricity
- What is "Renewable"?
- How is Renewable energy Measured?
- Hetch Hetchy Power Power Sources
- Hetch Hetchy Power Power Source Disclosure Form
- Hetch Hetchy Power Power Content Label
- CleanPowerSF Power Content Label
- Upcoming Changes to Power Source Disclosure and Power Content Labels
- CEC Draft 2026 onward Power Content Label
- Thank you!

Discussion:

• **Member Chen** asked about the Southeast Wastewater Treatment Plant Biogas and how does it work and what happens.

Staff Willis responded it is a wastewater treatment facility and there is a lot of waste gas that is produced, and methane gas is burned to generate electricity and that is a better approach than releasing methane into the air and is treated as a renewable source. While the SFPUC has been doing this for a long time, he doesn't believe it will continue for much longer because it might be converted into a facility that captures methane and delivers it directly to PG&E's gas pipelines.

 Member Soboll commented that there are State regulations for reporting and asked if there are similar types of reporting and comparisons being done at the Federal level and if other states have similar programs to report on.

Staff Taylor responded for CleanPowerSF and Hetch Hetchy Power there
is an annual report on utility sale but she is unsure if the SFPUC also
reports on content to the Energy Information Administration. There are
nationwide associates where the SFPUC reports on our renewable energy
along with other Community Choice Aggregators (CCA) in other states like
Ohio and Massachusetts.

Staff Willis further responded he imagines other states have ambitious environmental goals as well like New York and Massachusetts and states like Oregon and Washington started a program. As far as utilities emissions content, our results are the only way that we know of. The Energy Information Administration does collect some information and has lists of our power sources and what the emissions intensity is, but they do not collect who is claiming the generation from each one.

Member Hernandez asked what geothermal energy is.

Staff Taylor responded it is energy that is created underground from steam. In Lake County and Napa, there are the geysers and one thing they do is use reclaimed water from one of the wastewater facilities in Lake County. They pump into the ground to generate this geothermal energy.

Member Soboll commented to picture turning on the hot water in your bathtub and hot water comes out. For that water to come out hot, it needs to go through a pipe and somewhere before it comes out of the faucet, it involves heating, and this heat is generated by electricity because you are paying your power bill because you wanted hot water. In geothermal, the heat process is part of the earth and don't need to use electricity to heat it.

• Chair Sanders asked if Treasure Island (TI), Yerba Buena Island (YBI) and Bayview are considered a retail supplier and if they are given the power content labels and commented while he lived on Treasure Island and now on Mission Rock, has never received power content label.

Staff Willis commented any of SFPUC's retail customers receive the label and from our perspective they are just like any other retail customer of the SFPUC. The Treasure Island Development Authority (TIDA) if they own facilities would be some of the SFPUC's customers and would get a label. The residential customers on the Island, if they are a Hetch Hetchy customer, they would get a Hetch Hetchy Power content label. In the Bayview, if they are a CleanPowerSF customer, they would get a CleanPowerSF content label. If the retail customer registered is the building owner, they would receive the power content label and the SFPUC also posts its labels on the website.

 Member Chen commented the 2020 Power Source update sounds like a ridiculous amount of data and a lot of work put forth to generate it and asked what legislators hope to glean from this data.

Staff Willis responded there are a lot of different ways to look at the electric grid and one way to think about is you can't follow an electron from the generation source to the use source, and all of these are some layers

of fiction about what is happening with the actual power. One way to do this is how is an annual power report on how much energy does each entity generate and how much energy each entity uses and sum these up on a net basis. Some legislators and tech companies with ambitious goals to get to zero emissions would be looking at data as granular as it could go, in theory to a second but this would be hard and complex. The idea is in the middle of the night there is no solar energy and for someone who would like to be precise would need to find where power is coming from and from an hourly basis you would have to find some other source that in theory is going to your customers at that time. It is expensive to try to match generation to load on an hourly basis.

Staff Taylor further responded in the SFPUC's last integrated resource plan we modeled this question and cost-wise with a slight increase is cost we could achieve about 90%-time coincidence without having to over buy because we would have to over procure energy to at least satisfy the load share during any given day. One of the CCAs in the Peninsula promoted this idea a few years ago because on an annual basis the emissions could be zero but if you look at a daily basis, hour by hour when renewable energy is not available, the emissions are higher.

 Member Soboll commented there is a difference between the annual and hourly by day and at somewhere in between you think it would cost less to implement and give you the greatest amount of data and asked if we store our generated energy we do not use.

Staff Taylor responded this may not be the best solution and maybe a better solution is utility scale storage that is long duration where you can generate and have access such as charge up the battery during solar hours and then discharge it.

Staff Willis further responded if we were required to be greenhouse gas (ghg) free on an hourly basis then we would start doing this. Right now, in the spring when Hetch Hetchy Reservoir is spilling a lot of water, we are generating a lot of electricity that is going to the grid and benefitting everyone else. If you look the annual results of this calculation, we can still take credit for excess generation at certain times, and this is why the grid exists so we can all share and benefit from. When one city is generating more clean energy than what they need it is set up to optimize the clean energy per state policy goals. The SFPUC has not done a large-scale storage project yet and have done a couple of small projects throughout the city at the Police Academy and a micro-level solar storage. CleanPowerSF has some large contracts with battery storage facilities like Paulsell.

 Member Hernandez asked if there is a lot of wasted energy produced by our system.

Staff Willis responded he doesn't think so. There is a certain amount of energy lost in transit traveling long distances and the State is dealing with some amount of excess Solar energy, and they call it getting curtailed if nobody can use it because there is more being generated than is being used at that time or can be stored. The grid can break if you try to put more power onto it than is being pulled out of it and so they trip that circuit, so electricity isn't being put on the grid. A possible solution to this is building

more batteries or more transmission lines that can take the excess energy to places that are needed because the Western part of the United States is connected.

 Chair Sanders asked who is considered a retail supplier and if a customer living in Mission Rock under Hetch Hetchy Power would be considered a customer eligible for a power content label.

Staff Willis responded Mission Rock is a redevelopment area, and residential customers are Hetch Hetchy Customers. He doesn't know if there is an aggregation that happens of the residential customers so that like the building owner would receive the label instead of the customer. Communications works with Customer Service to distribute the labels.

Staff Furey-Rodriguez further commented that technically all customers of Hetch Hetchy Power and CleanPowerSF should be receiving a power content label and will investigate and follow up offline as to why Chair Sanders is not receiving a label.

 Member Hernandez commented there is a breakdown of green, super green and super green saver and asked why this is done.

Staff Taylor responded when CCA programs were started, as part of the law they were opt out programs. All customers in a geography like a city or county that is elected to start a CCA organization, they would enroll all of the customers and SFPUC wanted to give retail customers not served by Hetch Hetchy a product that was not too expensive. The green product had a lower renewable content and would be cheaper than the premium that was known to be wanted by people in San Francisco who wanted 100% green. SFPUC didn't want low-income residents to pay way over PG&E's rates for their product even though ours had a higher renewable energy content compared to PG&Es. The super green saver is a new program that the California Public Utilities Commission started that would make available 100% renewable energy to low-income customers and one of the reasons for this is the boom in rooftop solar where a lot of middle and upper-class homeowners took advantage of the rooftop solar development. It is unfortunately, a very small program.

 Member Soboll asked what a Renewable Energy Certificate (REC) is and asked if it is a legal requirement.

Staff Willis responded that the terms credit and certificate are used interchangeably but it is something that recognizes the environmental attributes of the energy that is associated with, and it is a legal requirement. In California, there are different types called buckets: portfolio content categories (PCC) 1, 2 and 3 and 1 and 2 mean that if you trade it, you are trading it with the energy. An example is if Staff Willis has a renewable power plant and it generates a million-megawatt hours a year and if Staff Taylor buys it and the REC, she can retire that in the Regis system and claim it at the State level regulatory agency and claim it as a PCC 1 which means they are associated with clean energy and most of renewable proposed standard requirements have to come from the PCC 1. During certain time periods, the State says a certain percentage of your electricity needs to be served from renewables and a way to prove that is by retiring the RECs of a certain quantity. When certain entities are just

going by RECs, you must look at the details of those recs whether they are PCC 1 or PCC 3. The rules are if you don't trade them with someone else, and you have an excess in one year but a deficit in another, you can use the excess from a previous year to meet your deficit year requirement.

Staff Taylor further responded that for CleanPowerSF, if we have 3-million-megawatt hour of sales every year in retail electric, the target for 20204 is 44% renewable portfolio standard and that is our target for the RECs that we need to retire. Early on, CleanPowerSF made a choice to focus on PCC buckets 1 and 2 because 3 was not worth much and our focus has always been on higher quality, renewable energy. Another requirement is that most of the REC need to come from long-term contracts versus short term one to two-year contracts. The SFPUC gets about 100 RECs from sunset solar every year and this was our 1st long-term contract.

Public Comment: None.

- **6. Discussion: SolveSF AI Reporting App and SF311 Integration**, Barklee Sanders, Power Chair
 - a. Discussion of how the SolveSF application uses AI to report issues directly to SF311, how it can be leveraged by all residents and across subcommittees to provide additional data, and consideration of a resolution supporting continued SF311 API usage. The app's increased volume of reports can serve as key data points for SFPUC to identify and address issues in our communities.
 - Chair Sanders commented SF 311 can report power outages, areas that need cleaning, installations, and so one. The app SolveSF is developed by someone for free and it uses API and AI to ease the process of reporting to SF311 and asked if members like the app and if we want to write a resolution to keep the API access alive for the app to continue running and what the costs of the API are to run it.

Member Soboll commented she believes we do not know enough about it to even comment. And in good consciousness cannot recommend something unless she really understood what the app did and there was some proven testing and more information that could convince her this is something that is worthwhile. She has no opposition to learning more and doing a financial and technical analysis so that they can recommend and maybe try to do a resolution to support it publicly.

Member Chen commented she saw a couple of articles covering the topic because City Officials are trying to shut it down because keeping it updated is expensive and has a lot of reservations based on the face value of what she has seen so far.

Chair Sanders asked if someone says something is too expensive, is there the expectation to state how expensive it is because his main goal is trying to figure out how much does this cost to run and has not been given a number.

Member Soboll commented it is oversimplifying a little bit and when saying something is too expensive, what is "too expensive". There is return on investment, reliability, maintenance, upgrades, supplies, and user

experience. A financial analysis is done to determine if something is too expensive or not and it is more than a numerical figure and Chair Sanders could ask do a public records request asking for documentation to justify why they are stating this is expensive because they may have already done some analysis.

Public Comment: None

7. Staff report

No Staff report.

Public Comment: None.

8. Future Agenda Items and Resolutions

- IEPR from the CEC
- TI Resolution Report back
- Bayview Power
- Emergency Preparedness
- Power Enterprise Training
- 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
- Reliability: Wildfires and Public Safety Power Shutoffs

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 <u>adopted on July 20, 2021</u>
- Resolution in Supporting of the Transition of CleanPowerSF Residential Customers to Time-of-Use Rates <u>adopted on July 20</u>, 2021

Public Comment: None.

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

Public Comment: None.

10. Adjournment at 7:03 pm.

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