



**SAN FRANCISCO PUBLIC UTILITIES COMMISSION
RATE FAIRNESS BOARD
CITY AND COUNTY OF SAN FRANCISCO**

Draft Minutes of Special Meeting

Tuesday, November 4, 2025, 10:00 AM – 12:00 PM

Members of the Rate Fairness Board will attend this meeting in-person. Members of the public are invited to observe the meeting in-person or remotely online as described below. Members of the public attending the meeting in person or remotely online will have an opportunity to provide public comment on every item. It is possible that not every person in the queue will have an opportunity to provide remote public comment.

In-person Meeting: San Francisco Public Utilities Commission (SFPUC), 525 Golden Gate Avenue, 2nd Floor, Yosemite Conference Room, San Francisco, CA 94102

Virtually Via Zoom:

1. Modern Browser (WebRTC) [Best]

Please join with a modern browser such as Google Chrome or Microsoft Edge (no additional installation required)

2. Mobile Apple iOS or Android devices: Mobile users can also join with Zoom Cloud Meetings App on [Apple App Store](#) for iOS or [Google Play Store](#) for Android

3. Meeting Link

Meeting ID: 856 2352 1812

Passcode: 795179

Join by Telephone [Audio only]: US: +1 669 900 6833 or +1 213 338 8477
or +1 669 219 2599 or +1 646 518 9805

Meeting ID: 856 2352 1812

Passcode: 795179

Meeting will be recorded for minutes only and will not be published. By joining this meeting, you agree to be recorded during the duration of this meeting.

Daniel Lurie
Mayor

Joshua Arce
President

Stephen E. Leveroni
Vice President

Avni Jamdar
Commissioner

Kate H. Stacy
Commissioner

Meghan Thurlow
Commissioner

Dennis J. Herrera
General Manager



MEETING AGENDA

Materials Distributed: Special Meeting Agenda for November 4, 2025; Draft Special Meeting Minutes of September 9, 2025; "CleanPowerSF Solar Billing Plan"

1. Call to Order

The special meeting of the SFPUC Rate Fairness Board (RFB) was called to order at 10:01 AM in-person and via teleconference.

2. Roll Call

Member Name/Title	Appointed By
Howard Ash, Chair, Residential City Retail Customer	Board of Supervisors
Masood Samereie, Vice-Chair, City Retail Large Business Customer	Mayor's Office
Vishal Trivedi, Financial Analyst of Office of Public Finance	Controller's Office
Eric Dew, Residential City Retail Customer	Mayor's Office
Ben Becker, Refuse Rates Analyst	Controller's Office
Celeste Middleton, Principal Budget & Planning Analyst	City Administrator
Vacant, City Retail Small Business Customer	Board of Supervisors

Roll Call:

- Present: Chair Ash, Vice-chair Samereie, Member Trivedi, Member Dew*

3. General Public Comment

Members of the public may address the Rate Fairness Board (RFB) on matters that are within the Board's jurisdiction but not on today's agenda.

Public Comment: No public comment.

4. Instate New Rate Fairness Board Members

- Celeste Middleton, City Administrator Appointing Office (Instate to Board)

Member Middleton from the City Administrator's Office was sworn in as the new representative, replacing Tricia McMahon. Member Middleton is a principal analyst specializing in data and strategic planning for the budget team.

Public Comment: No public comment

5. Approval of the Special Meeting Minutes of September 9, 2025 (Discussion and Action)

74 *Chair Ash asked Board for comments, questions, or concerns.*

75
76 *Public Comment: No public comment.*

77
78 *The minutes of the special meeting of September 9, 2025, were adopted*
79 *upon a motion by Member Trivedi.*

80
81 *Roll Call Vote:*

- 82 • *Ayes: Chair Ash, Vice-chair Samereie, Member Trivedi, Member Dew,*
83 *Member Middleton*

84
85 **6. Report of the Chair (Discussion Only)**

86 **a. CleanPowerSF Solar Billing Plan**

87
88 Staff presented a comprehensive proposal for a new solar billing tariff to
89 replace the existing Net Energy Metering (NEM) system for certain
90 customers. There are currently 13,500 NEM customers in Clean Power
91 SF service (3-4% of customer base), primarily residential, single-family
92 homes with rooftop solar. California's grid now experiences oversupply
93 of solar energy during midday hours. In 2024, California curtailed 3.4
94 million megawatt hours of renewable energy due to oversupply.

95
96 The objectives of the solar billing plan are to align incentives with
97 market conditions to encourage smarter on-site energy use, continue
98 supporting rooftop solar and electrification, ensuring equity and fairness
99 for low-income customers, and maintaining administrative feasibility.

100
101 The solar billing plan uses California Public Utilities Commission's
102 Avoided Cost Calculator (ACC) and values surplus energy sent to grid
103 on hourly basis which more closely aligns with actual market value than
104 retail rate. It includes a local energy credit of an additional 1.1 cents per
105 kilowatt hour for generation which reflects 15% higher value of local
106 generation vs. Northern California average.

107
108 An equity credit is also included which gives a 7 cent per kilowatt hour
109 bonus for low-income customers which applies to approximately 1,500
110 customers (11% of NEM base). This credit is designed to minimize bill
111 impacts during transition.

112
113 The solar billing plan also includes net surplus compensation which
114 gives 4 cents per kilowatt hour for annual net surplus generation, based
115 on renewable energy credit market value.

116
117 The expected customer impact for an average NEM customer with the
118 local energy credit, the increase is approximately \$21/month increase.
119 For low-income customers there is a minimal impact of approximately
120 \$0.49/month increase.

121
122 The solar billing plan is limited to customers with interconnections after
123 April 2023, customers with systems installed for more than 20 years,
124 and existing NEM customers grandfathered for 20 years from

installation date. Approximately 1,400 customers (10% of current NEM base) would be immediately affected.

By 2031, there will be approximately \$1 million annually in savings with \$28,000 in savings in the first year. Savings will be reinvested in battery storage and electrification incentive programs.

Vice-chair Samereie questions about how to incentivize solar installation for older homes and whether current proposal provides sufficient support. Staff explains that home should use electric devices in order to maximize incentives.

Members discussed why the focus is on individual batteries rather than grid-scale storage to capture midday solar surplus. Staff explained that individual storage encourages right-sizing of systems and personal responsibility for peak demand.

Members requested additional information on ACC development and methodology. They expressed concern about complexity of presentation for Commission review. Chair Ash suggested need for simplified graphics and storytelling approach in presentation. Board indicated need for an additional meeting before the Commission presentation and time to digest information and develop their recommendation.

Public Comment:

Speaker Charles Adams criticized ACC methodology as flawed and favoring monopoly utilities. Noted that the California Supreme Court voted 12-0 against similar ACC approach. Argued that local generation has greater value than 1 cent premium. Claimed that utility-scale solar costs are artificially cheapened by tax equity and don't include transmission costs. Called proposal a betrayal of community choice aggregation principles.

Speaker Mary Rodriguez-Gavill criticized proposal as benefiting PG&E rather than CCA customers. Questioned the use of ACC designed for monopoly utilities. Concerned about market collapse of residential solar. Argued the proposal lacks courage to truly support local clean energy. Noted solar incentives and tax credits are disappearing.

Speaker William Alschuler emphasized the need to account for external costs of fossil fuels. Supported heat storage as alternative to batteries. Noted external costs disproportionately affect low-income communities. Called for more equitable accounting of solar benefits.

b. Update on Power Rate Study

Matthew Freiberg, Rates Manager, provided update on Power Rate Study. The rate study is in the midst of cost-of-service analysis. They have completed functionalization of operating budget, capital budget, and debt service. Staff is meeting with rate consultants weekly or more

frequently. The customer billing data analysis was recently completed as well.

The first draft of the CleanPowerSF cost of service model received. The Hetch Hetchy cost of service model review is scheduled for November 10. The first view of the CleanPowerSF rate model is expected November 20 and the Hetch Hetchy rate design on November 24th. The preliminary rate design completion is expected December 1st. Executives will review December 10th with final rates dependent on budget and 10-year plan adoption.

For CleanPowerSF, the rate structure must align with PG&E with limited structural changes expected. Rates will be based on cost of service unlike most CCAs tied to percentage of PG&E.

For Hetch Hetchy Power, new rates will need to be created for SFO and for Riverbank redevelopment area. They will re-evaluate time-of-use periods and create future rates for: electrified ferry terminals, potential data centers, clean steam customers.

Staff asked Board for preference on scheduling check-ins along the process on cost-of service and rate design. Members expressed preference for multiple check-ins during process rather than waiting for final product. Members discuss scheduling of subsequent meeting and attending Commission meeting.

Public Comment: No public comment.

7. Announcements, Comments, Questions (Discussion)

Members continue to discuss scheduling of subsequent meeting for first week of December to discuss recommendation of solar billing plan.

Future meeting will review 10-year plan and final rate adoption proposals.

For future meetings, members request analysis of competing viewpoints from public comment and a simplified presentation approach for the solar billing plan.

Public Comment: No public comment.

8. Adjournment

Meeting adjourned at 11:53 AM.

Accessible Meeting Policy: To obtain meeting materials in alternative format, please contact the Rate Fairness Board Secretary at 415-487-5254 or via email at RateFairnessBoard@sfwater.org. Providing at least 72 hours notice will help to ensure availability. Written reports or background materials for calendar items are available on-line at [http://www.sfmta.com/about-sfmta/organization/divisions-and-units/board-](http://www.sfmta.com/about-sfmta/organization/divisions-and-units/board) <https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board>.

Meeting Procedures: Public Comment will be taken before or during the Board's consideration of each agenda item. Speakers may address the Board for up to three minutes on that item. During General Public Comment, members of the public may address the Board on matters that are within the Board's jurisdiction and are not on the agenda. Procedures do not permit: 1) persons in the audience to vocally express support or opposition to statements by Board Member, by other persons testifying; 2) ringing and use of cell phones, pagers, and similar sound-producing electronic devices; 3) bringing in or displaying signs in the meeting room; and 4) standing in the meeting room. 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.

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Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter 67 of the San Francisco Administrative Code on the Internet, at <http://www.sfbos.org/sunshine>.

311 Free Language Assistance: 免費語言協助/ Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援/ 무료 언어 / 지원 / คว“มจจ“ ยเหลอถึ ท“งภ“ษ“โตยไมจ“ ส่วยคําไขจจ“าย / Libreng tulong para sa wikang Tagalog ยเหลอถึ

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 Sec. 2.100] to register and report lobbying

270 activity. For more information about the Lobbyist Ordinance, please contact the
271 San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San
272 Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site
273 at www.sfgov.org/ethics.

274 **Explanatory documents** that have been provided to the Board in connection
275 with this agenda are available for public inspection online at
276 [https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board)
277 [board](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board).

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