

Proposed FYE 2025-26 CleanPowerSF Rate Update

January 16, 2026

Matthew Freiberg, Rates Manager

CleanPowerSF Rates Landscape

Proposed CleanPowerSF Rate Plan

Overview of CleanPowerSF Rate Structure

Bill Impacts of Proposed Rate Plan

Summary of Final Proposal

Rates Communications

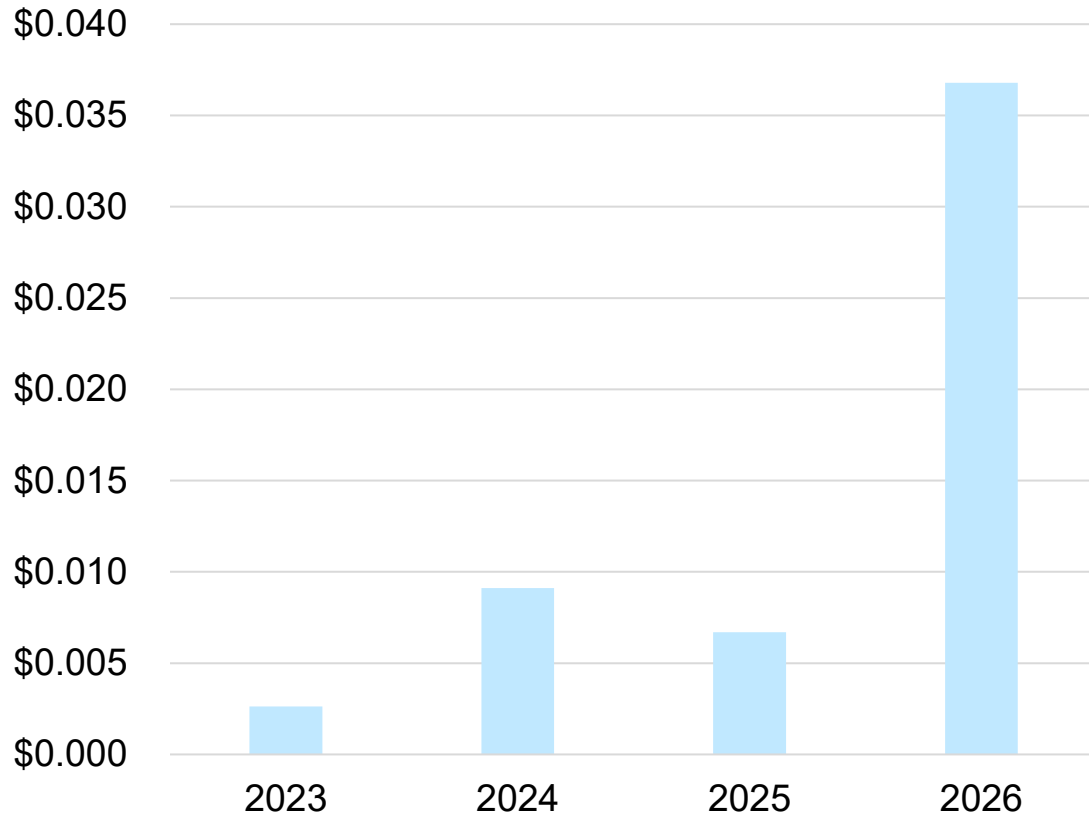
CleanPowerSF Rates Landscape

- Adopted FY 2022-23 rates based on 2022 Power Rates Study
 - FY 2023-24 and FY 2024-25 rates were set using models from 2022 Rates Study and updated expense and customer data
 - FY 2024-25 rates remained in effect for the current Fiscal Year
- Context for FY 2025-26 mid-year rates update
 - PG&E significantly increased the Power Charge Indifference Adjustment (PCIA) fees it collects from CleanPowerSF customers on Jan 1, 2026
 - Power supply costs have declined and CleanPowerSF fund balance reserve now exceeds target of 180 days cash on hand

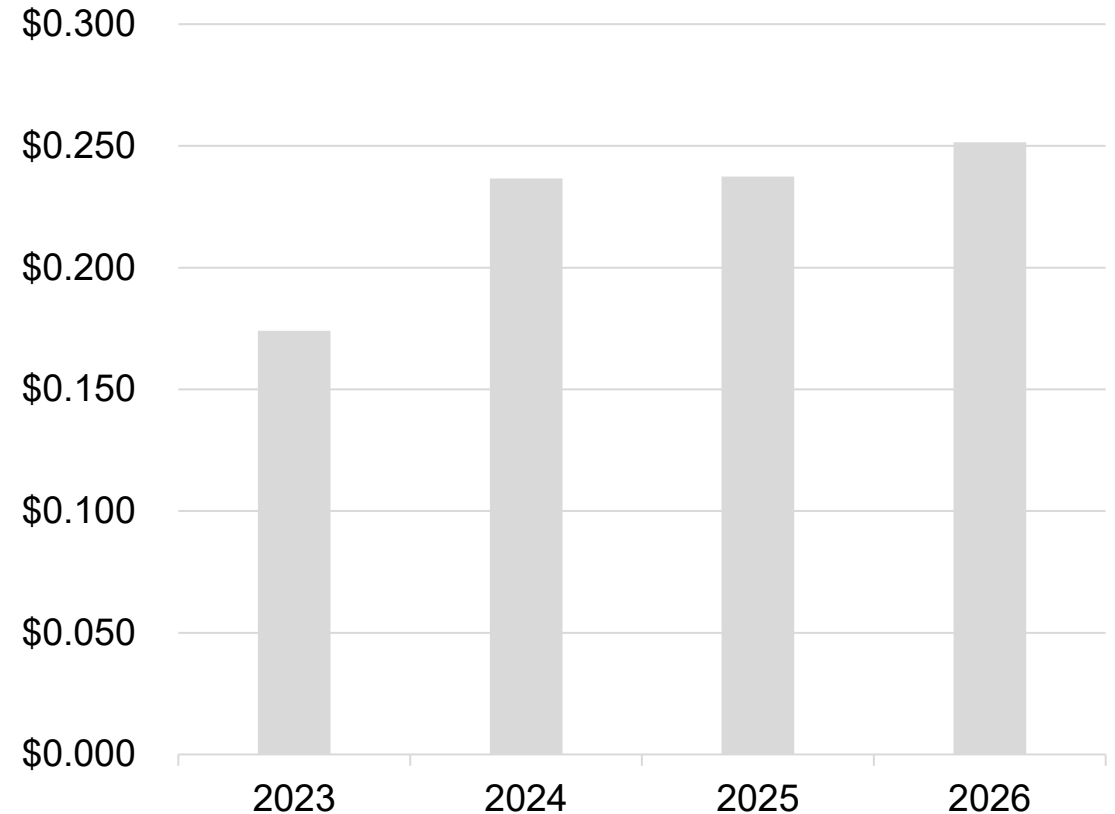
Goal of Staff proposal is to support affordable bills and competitive generation supply rates for our customers

PG&E's Residential PCIA and Delivery Rates

PG&E's Residential PCIA (2018
Vintage) Since 2023
\$/kilowatt-hour

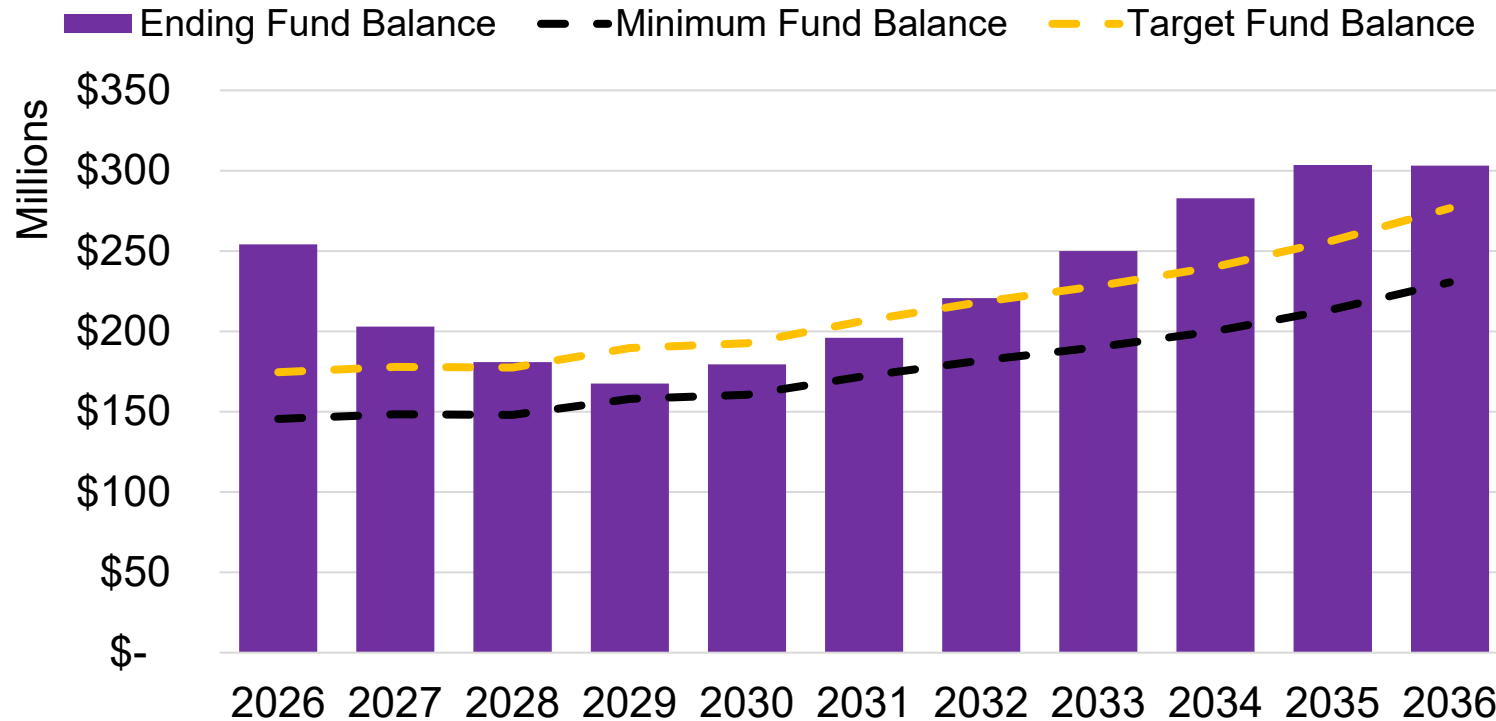


PG&E's Residential Delivery Since
2023
\$/kilowatt-hour



CleanPowerSF: Rate Plan

Ending Available Fund Balance



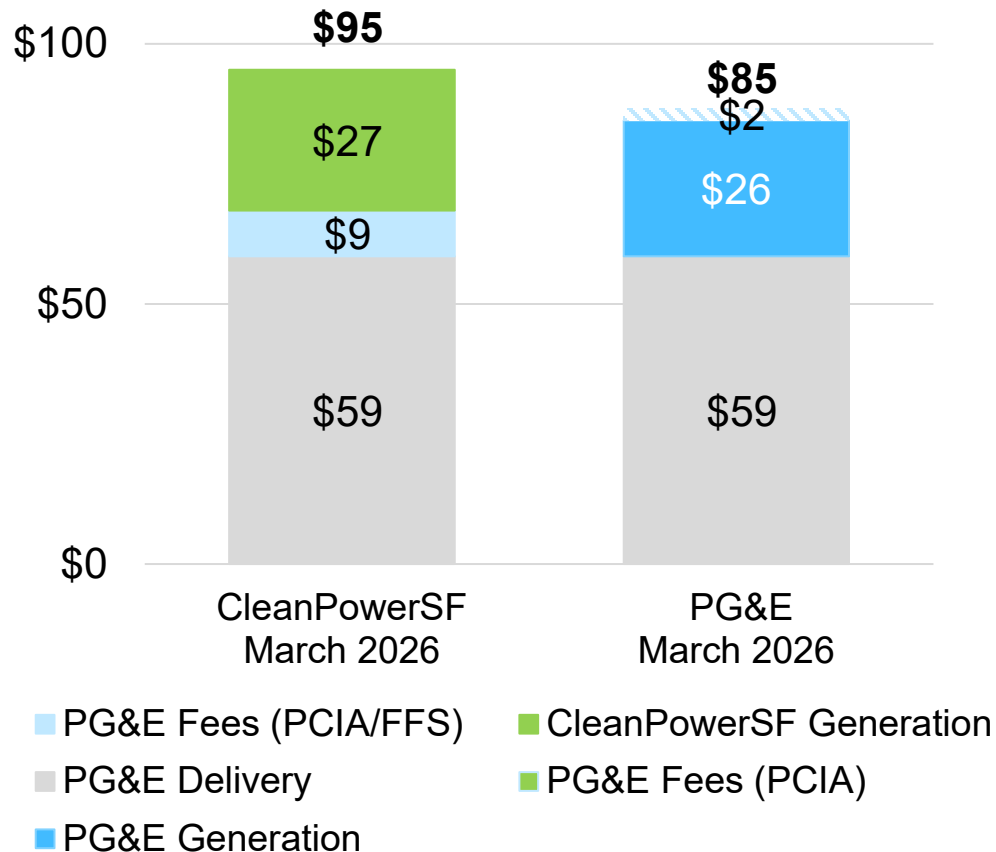
Rate Δ	-25%	-20%	0.0%	8.5%	8.0%	5.5%	5.5%	4.5%	3.0%	3.0%	3.0%	3.0%
DCOH	262	207	185	160	169	172	183	198	212	213	196	

Key Points

- Proposed generation rate decrease to be effective March 1, 2026
 - 25% decrease for Residential and Large Commercial rates
 - 20% decrease to all other rates
- Evaluating revenue neutral rate structure adjustments for July 1, 2026
- Rate increases expected to be required starting July 1, 2027 to meet financial policy requirements

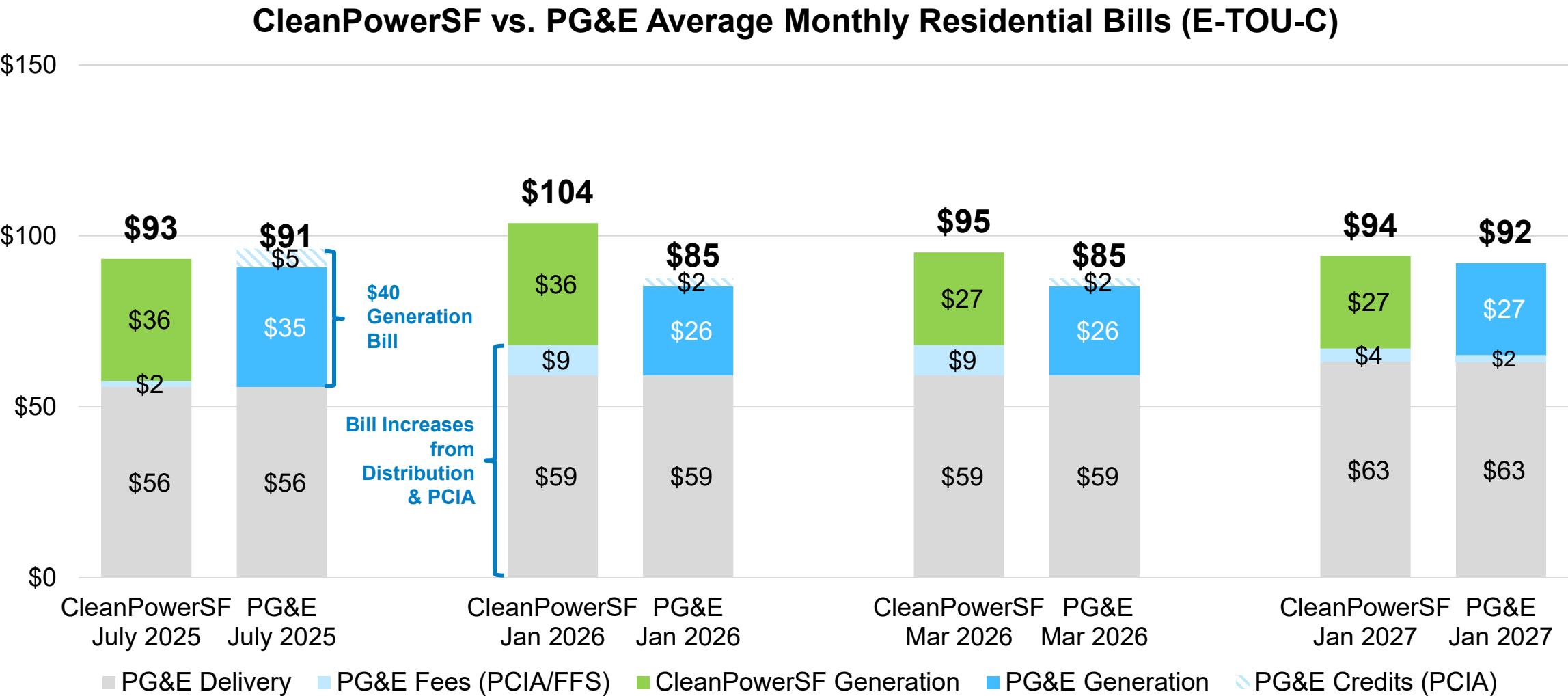
Rates Structure

CleanPowerSF vs. PG&E Average Residential Bills (E-TOU-C)



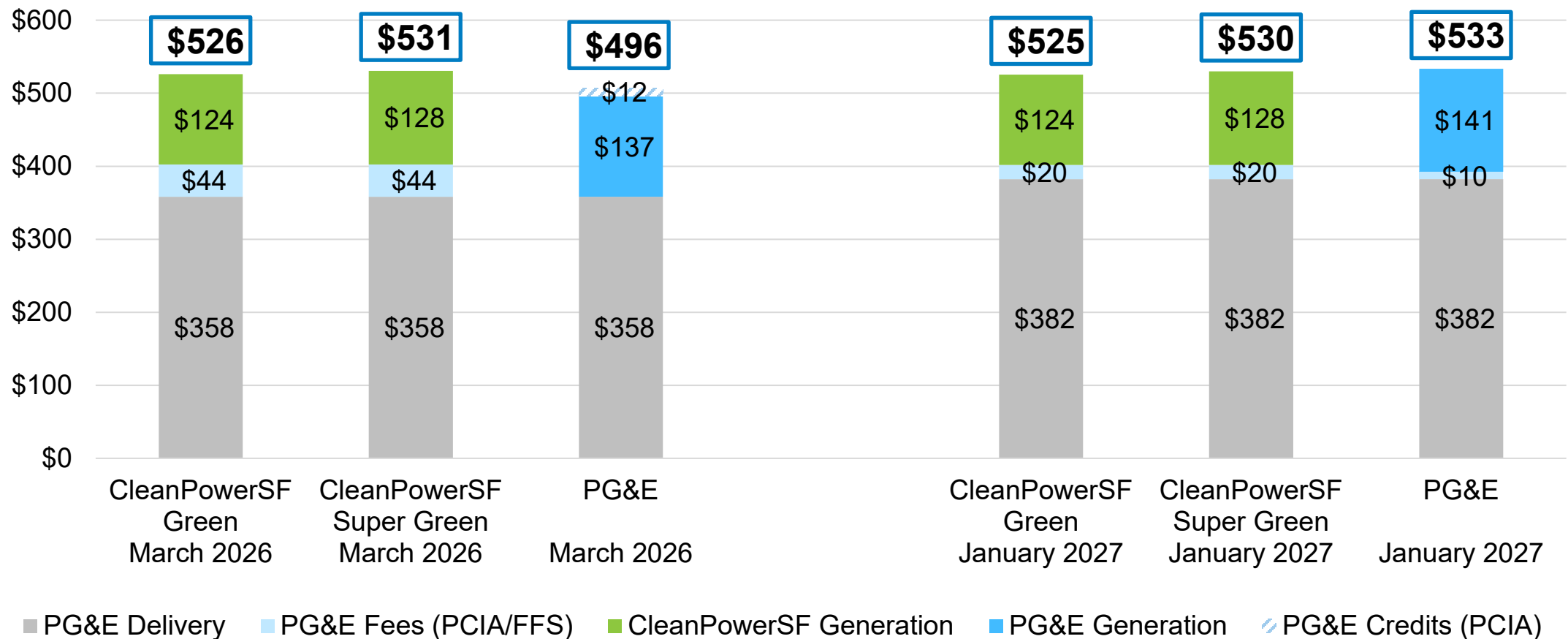
- Generation rate classes match PG&E's delivery rate classes
- CleanPowerSF only collects the generation portion of electricity bill (about 28% of bill)
 - Our customers also pay “Power Charge Indifference Adjustment” and “Franchise Fee Surcharge” to PG&E
 - We evaluate rate competitiveness by comparing to the (PG&E generation rate) – (PCIA + FFS)
 - Changes to PG&E delivery charges impact affordability but have no effect on CleanPowerSF's competitiveness for generation service

CleanPowerSF Average Monthly Bill Comparison Residential (E-TOU-C)



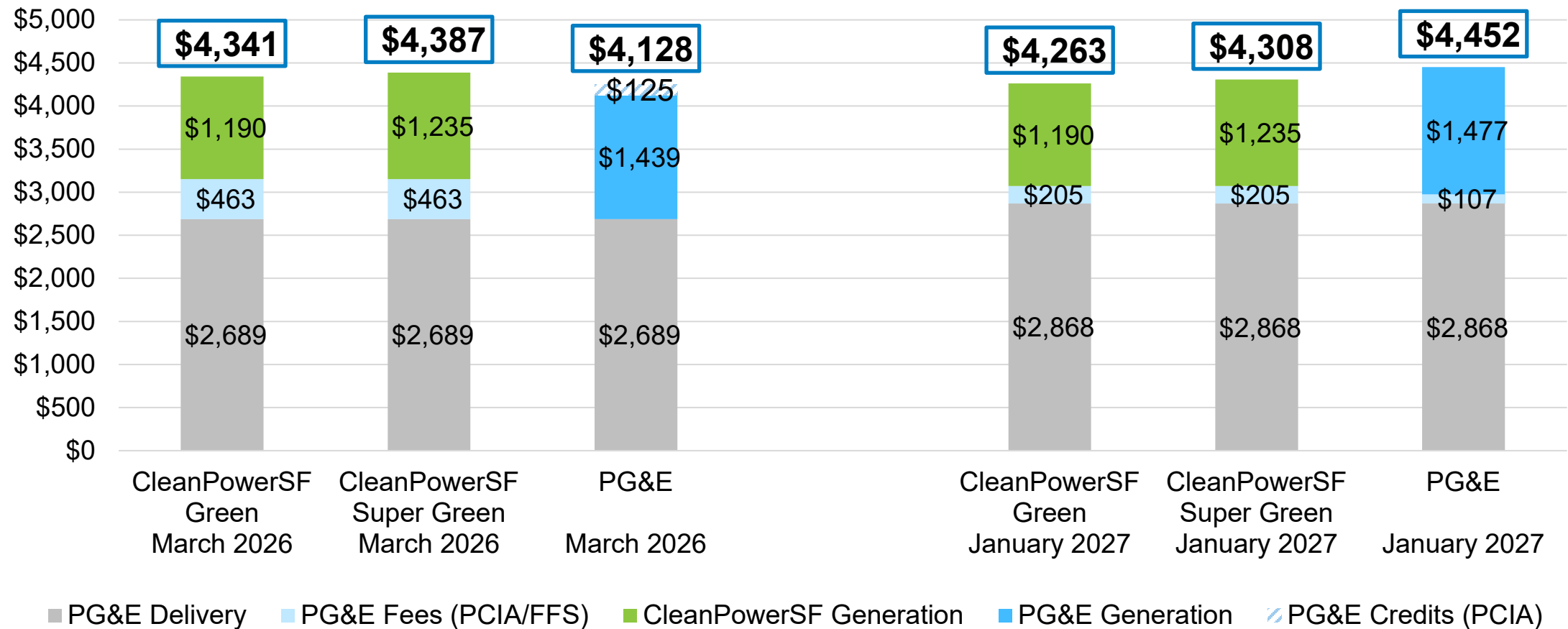
Bill Comparison: Small Commercial

CleanPowerSF vs. PG&E Average Small Commercial Bills (B-1)



Bill Comparison: Medium Commercial

CleanPowerSF vs. PG&E Average Medium Commercial Bills (B-10S)



CleanPowerSF Rate Proposal

Reduction in the CleanPowerSF Generation Rates, Effective March 1, 2026

- 25% Reduction for Residential Rates Tariffs
 - 25% Reduction for all Large Commercial Rate Tariffs
 - 20% Reduction for all other Rate Tariffs
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- This proposal provides rate relief to CleanPowerSF customers in light of PG&E's increases to transmission, distribution, and other fees
 - This proposal is made possible by the use of reserves and improved financial performance from lower power purchase costs
 - The rate reduction will require future rate increases to continue to align our revenues with growing costs



Rates Communications (Jan. - Mar.)

Communications Tactic	Date	Notes
Public Meetings	Dec. 4, 2025 Jan 16, 2026	Meetings held with the Rate Fairness Board to discuss the rate decrease
Power rates webpage on SFPUC.gov	Jan. - Mar.	Communications direct customers to: sfpuc.gov/powerrates
On-bill message	Jan. - Mar.	On-bill notice of proposed/confirmed rate decrease
Key account outreach	Jan - Mar.	Direct outreach to key large customer accounts and organizations like the Building Owners and Managers (BOMA) and the Hotel Council
Digital communications	Jan. - Mar.	Blog posts on SFPUC.gov and CleanPowerSF; social media on SFPUC and CleanPowerSF channels
Customer e-newsletter	Jan. - Mar.	Provide notice of proposed rate change and public process; translated into Spanish, Chinese, Filipino and Vietnamese
Community-based organization e-newsletter	Jan. 22	Provide notice of proposed rate change and public process in CleanPowerSF newsletter to community-based organization; translated into Spanish and Chinese
Community Power Update Webinar	Feb. 19	CleanPowerSF customer webinar on rate decrease; interpretation provided in Spanish and Chinese

Thank you!

Questions and Discussion