



CleanPowerSF

CleanPowerSF Solar Billing Plan

Staff Proposal

November 4, 2025

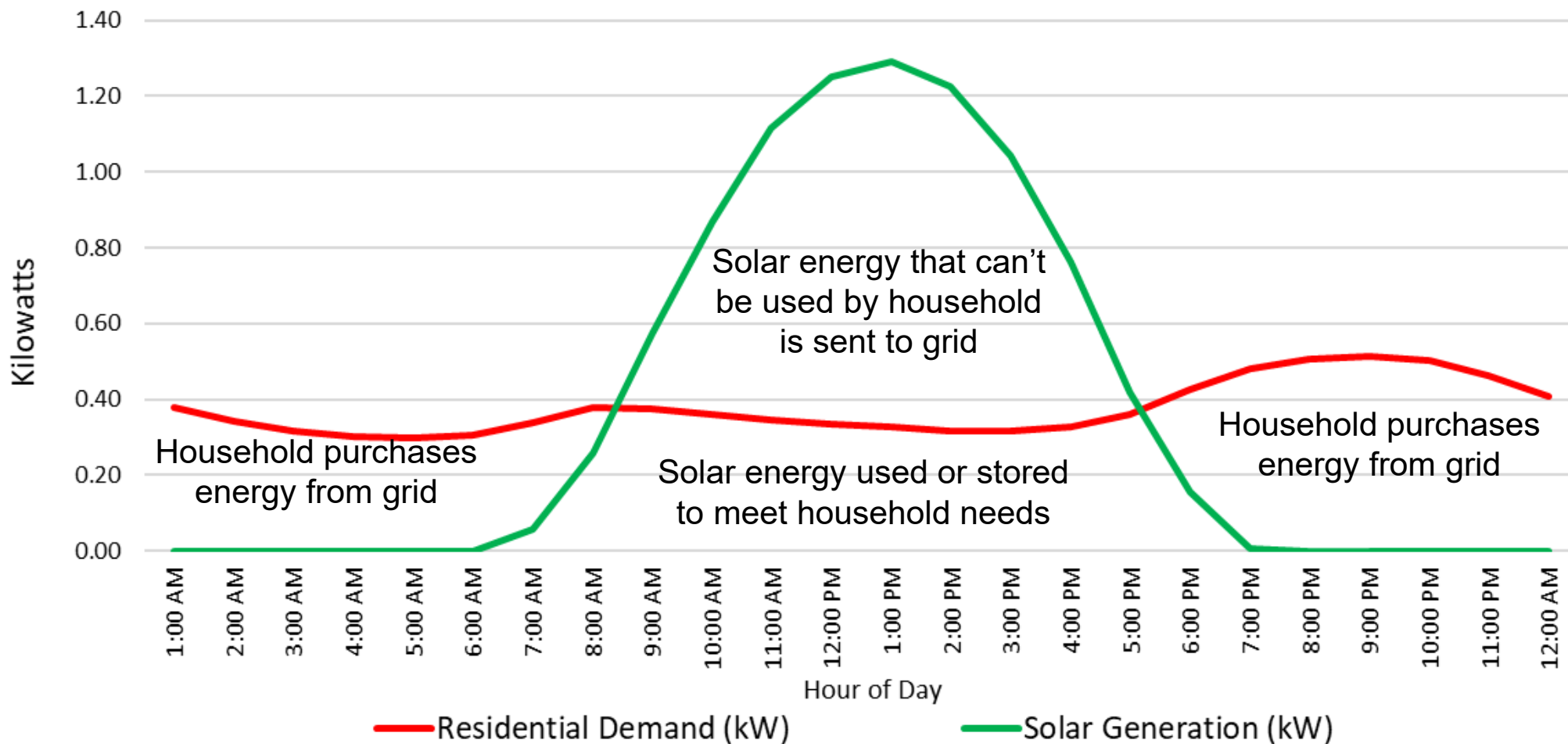
A scenic view of San Francisco, featuring a Ferris wheel (the San Francisco Ferris Wheel) in the background, a body of water, and several multi-story buildings in the foreground. Some of the buildings have solar panels installed on their roofs. The image is partially framed by green foliage in the top left corner.

Agenda

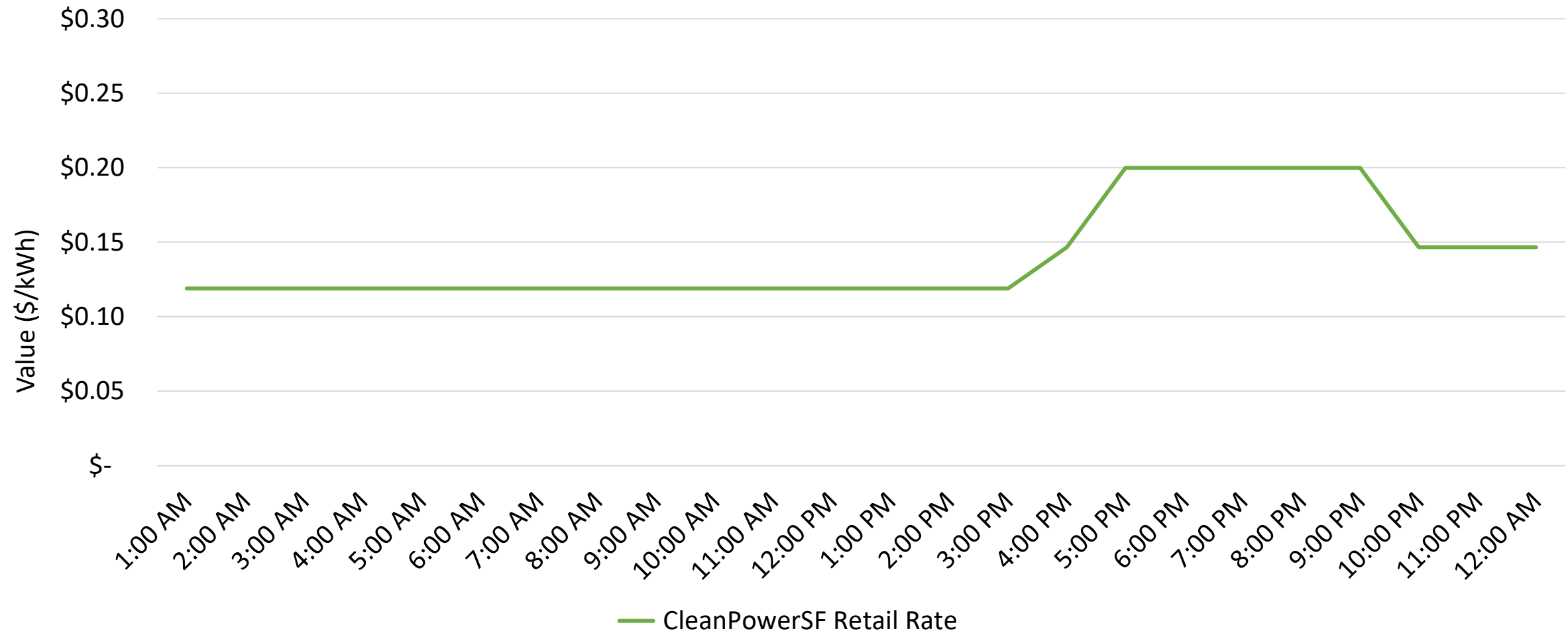
Purpose: Review proposed successor to Net Energy Metering in advance of Commission meeting

- Why a New Tariff?
- Staff Proposal
- Invest Savings in Programs
- Public Outreach and Next Steps

How Net Energy Metering (NEM) Works (Illustrative)

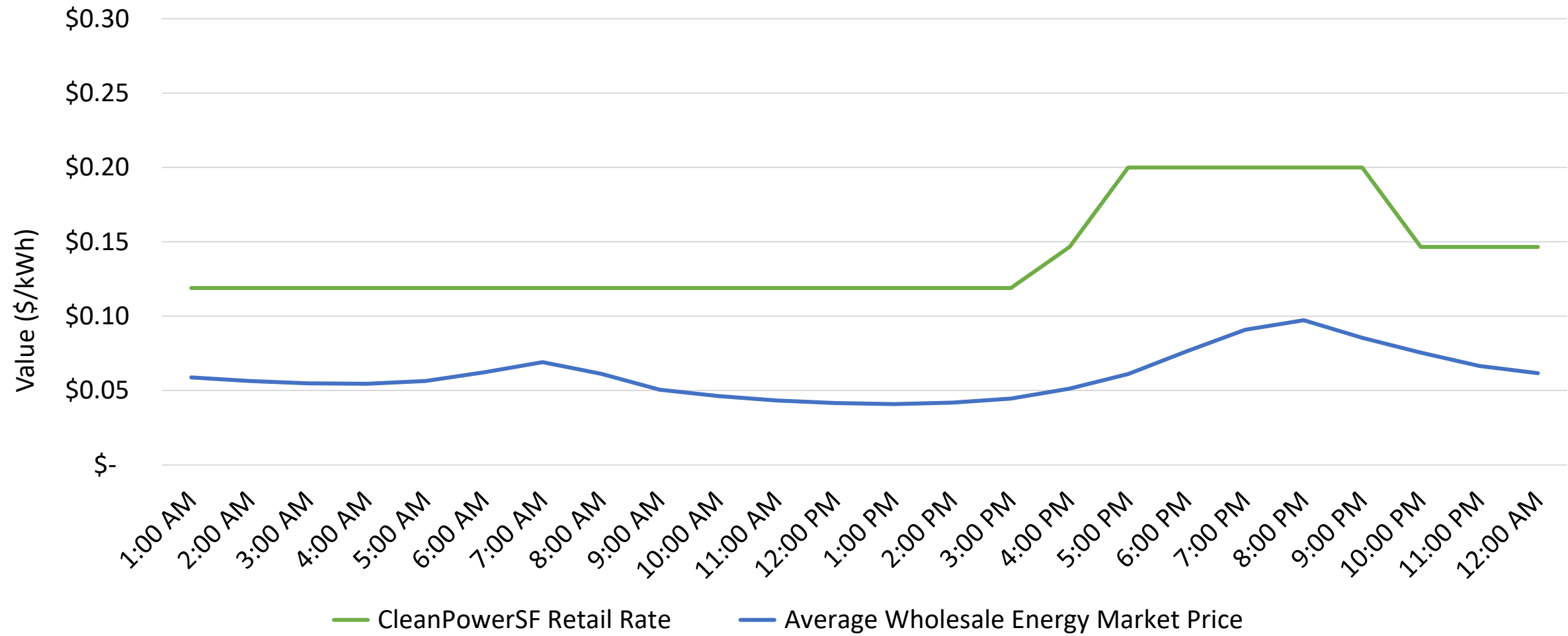


Valuing Solar Energy Sent to the Grid



*CleanPowerSF Retail Rate uses the E-ELEC rate schedule values.

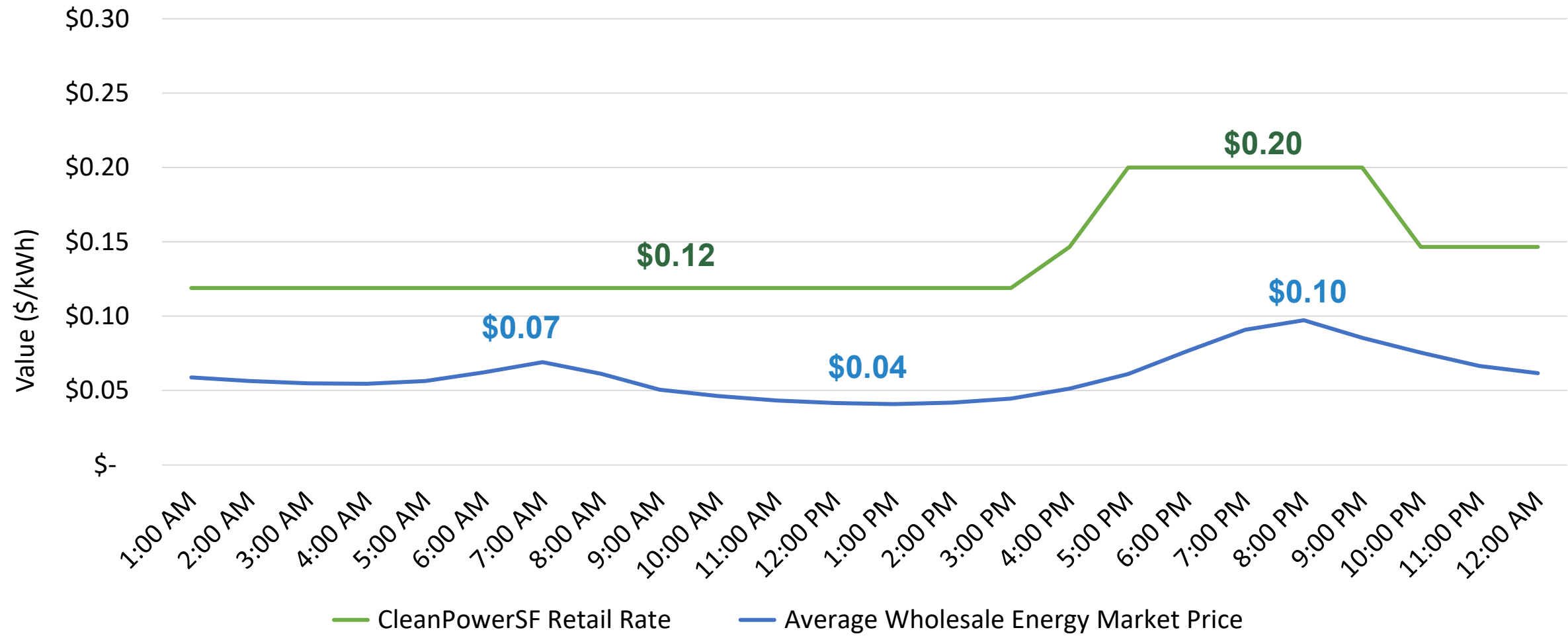
Valuing Solar Energy Sent to the Grid



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**Wholesale Energy based on data from 1/2021 – 6/2025.

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Proposal Objectives

- Align incentives for customer generation with the market value to encourage smarter use.
- Continue to support rooftop solar/onsite renewables and electrification.
- Ensure equity and fairness.
- Consider administrative feasibility.

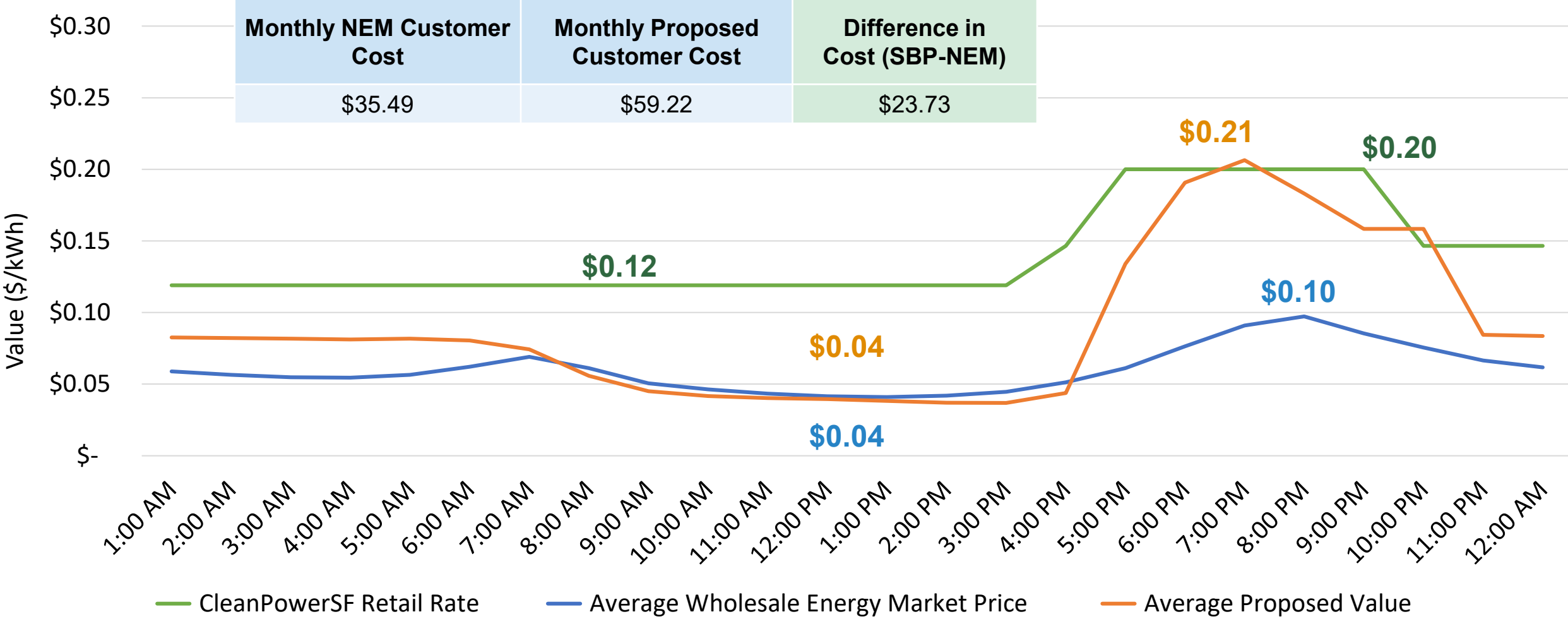
Key changes from NEM to Solar Billing Plan

	NEM (status quo)		Staff Recommendation
The rate paid for power sent to the grid	Retail rate	➡	Change to hourly rate based on a state-approved tool
Local Energy Credit	None	➡	Add an additional credit for all Solar Generation
Equity Credit	None	➡	Add an additional credit for low income Customers' Generation
Net Surplus Generation	Fixed rate	➡	Change to renewable value and not reset remaining credits

Proposed new tariff would be limited to customers also on PG&E's Solar Billing Plan:

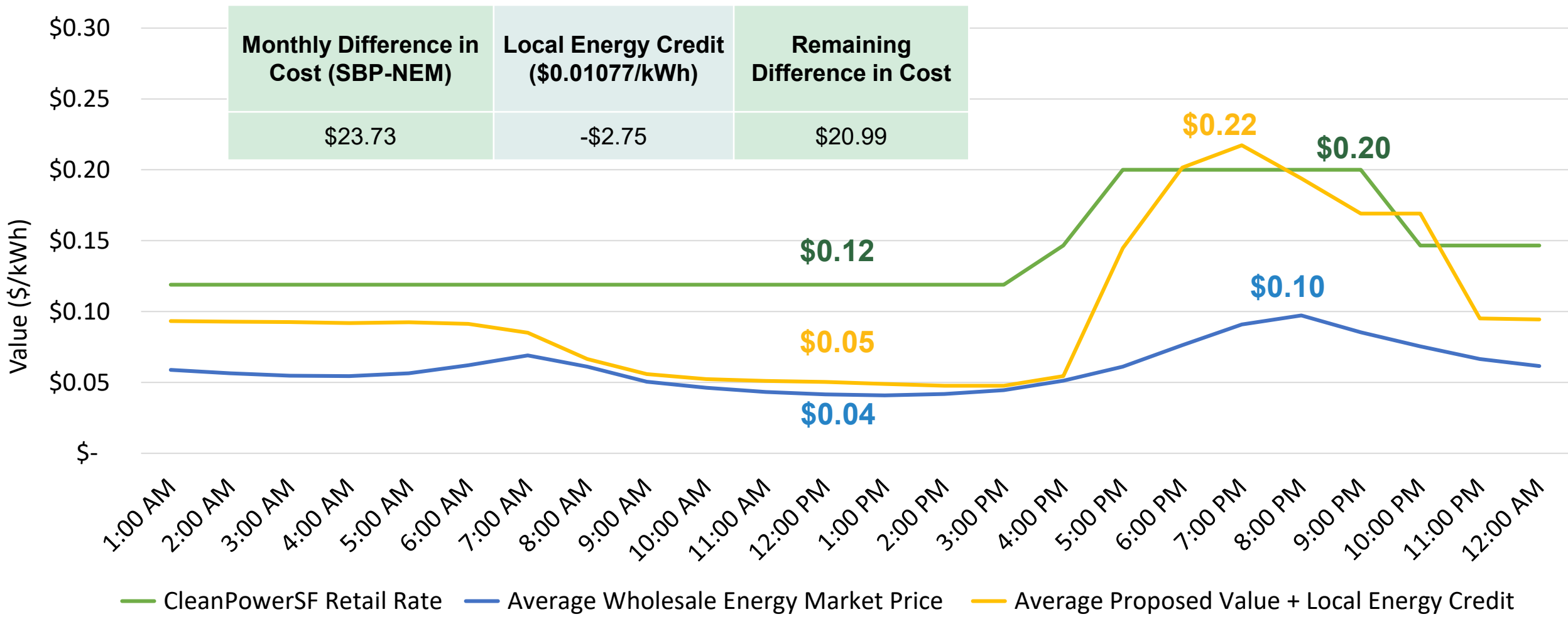
- Customers with interconnections after April 2023
- Customer on Net Energy Metering (NEM) more than 20 years.

Valuing Solar Energy Sent to the Grid



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***Average Proposed Value based on data from 2026.

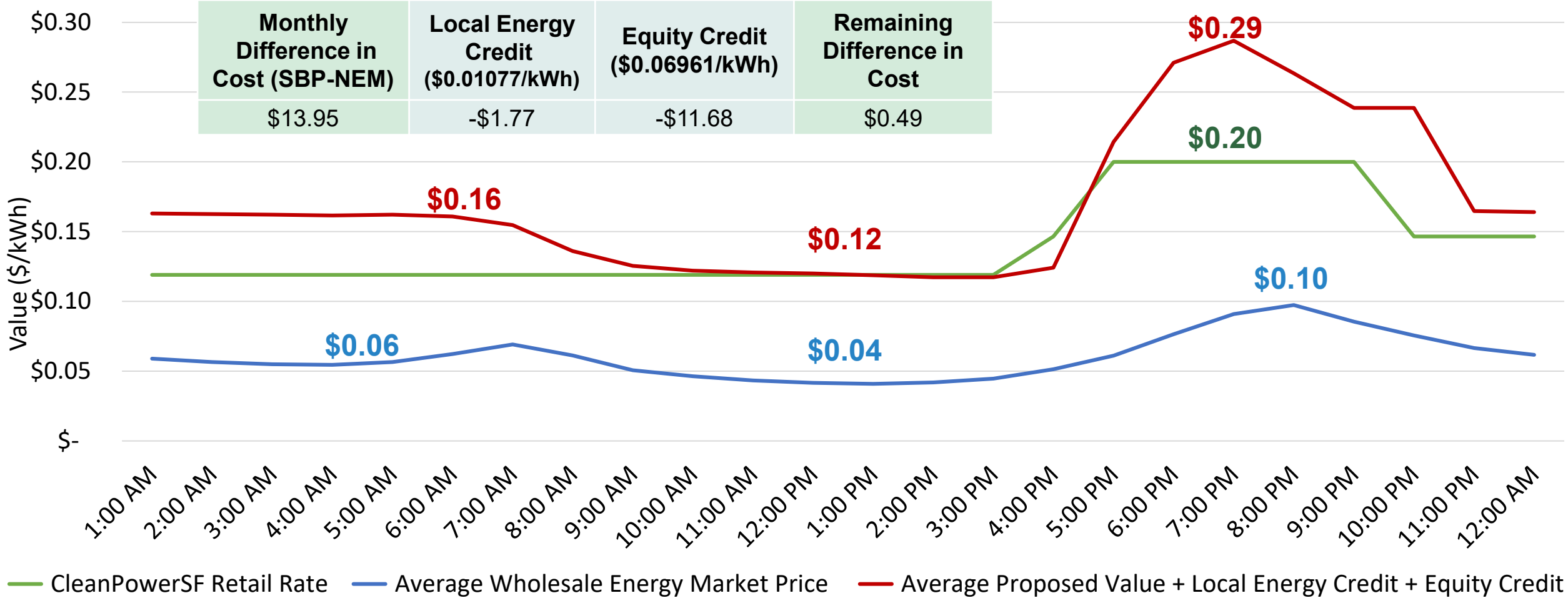
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Valuing Solar Energy Sent to the Grid

Monthly Difference in Cost (SBP-NEM)	Local Energy Credit (\$0.01077/kWh)	Equity Credit (\$0.06961/kWh)	Remaining Difference in Cost
\$13.95	-\$1.77	-\$11.68	\$0.49



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***Average Proposed Value based on data from 2026.

Valuing Annual Net Surplus Generation

Annually in May:

- CleanPowerSF determines if customers are “Net Generators” or “Net Consumers”
- Net Generators are paid for surplus generation (Net Surplus Compensation, NSC)

Staff Proposal

In addition to the credits already earned, Net Surplus Generation will also be valued at the avoided market cost of renewable energy credits.

(\$0.03628/kW)

Reinvesting Savings in Programs

Moving away from NEM frees up ratepayer resources for new incentive programs to support electrification:

- Water Heater Upgrade Program
- EVChargeSF
- All-Electric Multifamily Program
- Battery Storage (in development)

Public Outreach and Next Steps

Date	Step
April 2024	Rate Fairness Board briefing on Net Energy Metering and Solar Billing Plan
November 2024	Listening Session with local San Francisco solar installers
February 2025	Rooftop Solar Webinar for the general public
March 2025	Directed customers to a new Solar Billing Plan website through CleanPowerSF's annual Net Energy Metering postcard
June 2025	Solar Workshop in which staff publicly released the CleanPowerSF Solar Billing Plan proposal
June – July 2025	A written public comment period during which staff received written comments on the proposal presented at the workshop and listed on the website
September 2025	San Francisco Commission on the Environment presentation
November 2025	Rate Fairness Board presentation
December 9, 2025	SFPUC Presentation and Vote

Summary of CleanPowerSF's SBP Proposal

Break down of the tariff:

- a. Credit energy exports at a changing hourly value rather than retail rate
- b. Provide an hourly Local Energy Credit
- c. Provide an hourly Equity Credit for customers on CARE or FERA
- d. For customers who generate annually more than they use:
 - i. Keep leftover credits at the end of the year
 - ii. If cashed out, receive an additional renewable energy credit value

Policy Rationale:

- Promotes on-site use of energy rather than exporting energy the grid doesn't need at midday
- Aligns credit "prices" with the real, grid value of energy
- Encourages storage and smart use



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Public Utilities Commission

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Questions