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

**Minutes of Special Meeting
Thursday, December 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, 3rd Floor, Tuolumne 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: 845 7140 8042

Passcode: 155920

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: 845 7140 8042

Passcode: 155920

Meeting will be recorded for minutes only and will not be published.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



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MEETING AGENDA

Materials Distributed: Special Meeting Agenda for December 4, 2025; Draft Special Meeting Minutes of November 4, 2025; “CleanPowerSF Solar Billing Plan”, RFB thoughts on Solar Billing Plan

1. Call to Order

The special meeting of the SFPUC Rate Fairness Board (RFB) was called to order at 10:06 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, Member Becker, Member Middleton*

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. Approval of the Special Meeting Minutes of November 4, 2025

(Discussion and Action)

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

Chair Ash asks to include the seconded motion for the minute adoption vote and asks to correct spelling on line 134.

Public Comment: No public comment.

The minutes of the special meeting of November 4, 2025, were adopted upon a motion by Member Trivedi and seconded by Vice-Chair Samereie.

Roll Call Vote:

- 74 • *Ayes: Chair Ash, Member Trivedi, Member Dew, Member Becker,*
75 *Member Middleton*
76 • *Abstention: Vice-Chair Samereie*
77

78 **5. Report of the Chair**

79 **a. CleanPowerSF Solar Billing Plan**
80

81 Andrew Bevington introduced the continued discussion of the
82 CleanPowerSF Solar Billing Plan, noting that the purpose of the item
83 was to deepen the Board’s understanding of the proposal and clarify
84 outstanding questions from the prior meeting. Staff confirmed that the
85 proposed rate change, originally scheduled for Commission
86 consideration in December, had been deferred until after January. This
87 delay would allow the Board additional time to review technical details
88 and provide informed feedback.
89

90 Chair Howard Ash introduced a draft presentation created to share at
91 the upcoming Commission meeting. Chair Ash welcomed feedback on
92 slides to ensure correct information. The presentation described that
93 under the current net energy metering framework, customers with
94 rooftop solar systems pay retail rates when importing electricity and
95 receive retail-rate compensation when exporting excess generation,
96 regardless of the time of day. While this structure is simple, it does not
97 align well with wholesale electricity market prices or grid conditions,
98 particularly given the growth of renewable energy generation.
99

100 Vice-Chair Samereie questioned why there are separate rates for day
101 and night production and consumption. Andrew Bevington described
102 how time-of-use rates were introduced to reflect the reality that
103 electricity prices vary throughout the day. Midday prices tend to be
104 lower due to significant solar generation across California, while
105 evening prices increase as solar production declines and customer
106 demand rises. Unlike water or gas, electricity must be used at the
107 moment it is generated unless it can be stored, making real-time
108 balance between supply and demand essential for grid reliability.
109

110 The discussion emphasized the limited availability of large-scale
111 electricity storage and the increasing importance of distributed storage
112 solutions, such as customer-owned batteries and heat pump water
113 heaters. Staff noted that one objective of the proposed solar billing plan
114 is to better align customer incentives with grid needs by encouraging
115 on-site consumption or storage of solar energy during low-cost periods
116 and reducing reliance on grid imports during peak periods.
117

118 The presentation included an overview of the proposed billing structure,
119 which would compensate exported electricity based on avoided cost
120 rather than retail rates. This avoided-cost value would be supplemented
121 by adders, including a local energy credit and renewable energy credit
122 value. The local energy credit reflects the higher value of electricity
123 generated within San Francisco, where demand is relatively high and
124 local generation is limited compared to other regions.
125

126 Staff explained that local energy values are derived from CAISO market
127 data, including Distributed Load Aggregation Points (DLAPs) and sub-
128 load aggregation points specific to San Francisco. By comparing San
129 Francisco's sub-LAP prices to regional averages and averaging those
130 differences over multiple years, CleanPowerSF developed a proposed
131 local energy credit intended to smooth short-term volatility while
132 reflecting long-term market conditions.

133
134 Board members asked clarifying questions about grid operations,
135 including the role of the California Independent System Operator
136 (CAISO) in balancing supply and demand and directing curtailments.
137 Staff explained that CAISO does not control rooftop solar generation but
138 may curtail utility-scale solar when overall generation exceeds demand.
139 As rooftop solar output increases, it can indirectly lead to curtailment of
140 large-scale solar resources that CleanPowerSF has already contracted
141 and paid for.

142
143 The discussion also covered system reliability tools such as peaker
144 plants, battery storage, and pumped hydro storage facilities, including
145 PG&E's Helms pumped storage facility. Staff noted that while battery
146 storage is increasingly being incorporated into new generation
147 contracts, storage remains costly and must be balanced against
148 affordability and reliability considerations.

149
150 Board members raised concerns about potential unintended
151 consequences and the risk that customers or market participants could
152 attempt to game the pricing structure over time. Staff acknowledged
153 these concerns and emphasized that avoided-cost calculations are
154 updated every two years through a public CPUC process, allowing for
155 adjustments if market behavior or grid conditions change.

156
157 Equity considerations were discussed, including the importance of
158 grandfathering existing solar customers who made investment
159 decisions under earlier compensation structures. Staff confirmed that
160 these customers would remain protected under CPUC-established
161 timelines and that CleanPowerSF does not have the authority to alter
162 those grandfathering provisions.

163
164 Staff further noted that any reduction in export compensation would be
165 paired with expanded incentive programs focused on electrification,
166 battery storage, and efficient electric appliances. While this shift may
167 reduce incentives for new rooftop solar installations, staff emphasized
168 that it could increase investment in other technologies that support grid
169 stability and local job creation.

170
171 The discussion concluded with staff reiterating that the proposed solar
172 billing plan is intended to balance three primary objectives: maintaining
173 reliable electric service, keeping rates affordable for customers, and
174 advancing San Francisco's environmental and climate goals. Board
175 members indicated that they appreciated the detailed explanations and
176 looked forward to continued discussion at future meetings.

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Public Comment: No public comment.

b. Update on Power Rate Study

Matthew Frieberg, Rates Manager, provided an update on the Power Rate Study. Staff explained that the cost-of-service work is being conducted concurrently with the agency's 10-year financial plan to align timelines and analytical outputs. Most components of the cost-of-service analysis are substantially complete, with remaining efforts focused on final refinements and rate design. Results from the 10-year plan are expected by late December or early January and will be presented to the Commission in February.

Staff provided historical context for Clean Power SF rate-setting, noting that rates were previously increased to build reserves and achieve the agency's financial policy target of 180 days cash on hand. More recently, rates were held flat based on projections showing sufficient fund balance to absorb future cost increases. Current financial conditions have shifted from earlier assumptions, with lower-than-expected power sales and significantly reduced market power prices. While lower sales reduce revenue, they also reduce procurement costs, resulting in faster-than-projected growth in fund balance. Similar conditions are affecting PG&E and other CCAs, with PG&E implementing a generation rate decrease in January.

Staff expressed concern that maintaining current Clean Power SF rates would create a substantial rate disparity with PG&E for approximately six months. To address this, staff are evaluating a mid-year rate decrease, with the earliest feasible implementation date of April 1st following Commission consideration in February. This would shorten the period of rate disparity and better align rates with underlying costs. Staff emphasized that the magnitude and structure of the decrease remain under evaluation and will depend on the finalized 10-year financial plan, balancing near-term relief with long-term rate stability.

Staff discussed the impact of the Power Charge Indifference Adjustment (PCIA), which significantly affects customer bills. While PG&E generation rates are projected to decline, Clean Power SF customers are expected to see PCIA increases, while some PG&E customers may receive credits. Staff noted that the PCIA methodology is being actively challenged through regulatory advocacy and litigation, and that early projections indicated potentially significant bill impacts for some customers. Final decisions will be informed by confirmed PG&E and PCIA values expected in January.

226 Staff also addressed customer communications, acknowledging the risk
227 of customer attrition during periods when PG&E rates appear
228 temporarily lower. A coordinated outreach strategy is underway to
229 explain the temporary nature of the disparity and upcoming rate
230 adjustments.

231
232 Looking ahead, staff summarized broader rate design considerations,
233 including potential adjustments to Clean Power SF premiums, Hetch
234 Hetchy Power rate structures, seasonality, time-of-use periods, and
235 tariff changes. Staff emphasized that only the highest-priority changes
236 should be implemented at a time to minimize customer disruption.

237
238 Upcoming Commission actions include a February vote on interim
239 Clean Power SF rate adjustments and a secondary rate action later in
240 the spring, with revenue-neutral Hetch Hetchy Power changes
241 anticipated for July.

242
243 Board members discussed how success is measured in rate-setting
244 decisions. Staff explained that financial sustainability metrics,
245 affordability considerations, regulatory compliance, renewable energy
246 goals, and competitive positioning relative to PG&E are all used to
247 evaluate outcomes. The Ratepayer Assurance Policy was cited as a
248 guiding framework that balances sustainability, simplicity, affordability,
249 and financial health.

250
251 *Public Comment: No public comment.*

252
253 **c. Schedule of future RFB meetings**

254
255 Staff reviewed the upcoming project schedule, including routing
256 materials to the Chief Financial Officer by January 20th and finalizing
257 materials by January 27th. The Board discussed holding an additional
258 meeting between January 12th and January 23rd to review the proposal
259 and develop talking points in advance of the February 24th Commission
260 meeting.

261
262 *Public Comment: No public comment.*

263
264 **6. Announcements, Comments, Questions (Discussion)**

265
266 Chair Ash noted that, in accordance with the bylaws, elections or
267 nominations for Chair and Vice Chair may occur at the January or
268 February meeting. Staff will confirm the timing and notify Board
269 members accordingly.

270
271 *Public Comment: No public comment.*

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274 **7. Adjournment**

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276 *Meeting adjourned at 12:00 PM.*

277 **Accessible Meeting Policy:** To obtain meeting materials in alternative format, please
278 contact the Rate Fairness Board Secretary at 415-487-5254 or via email at
279 RateFairnessBoard@sfwater.org. Providing at least 72 hours notice will help to
280 ensure availability. Written reports or background materials for calendar items are
281 available online at [sfpuc.gov/about-us/boards-commissions-committees/rate-fairness-](http://sfpuc.gov/about-us/boards-commissions-committees/rate-fairness-board)
282 [board](http://sfpuc.gov/about-us/boards-commissions-committees/rate-fairness-board).

283
284 **Meeting Procedures:** Public Comment will be taken before or during the
285 Board's consideration of each agenda item. Speakers may address the Board
286 for up to three minutes on that item. During General Public Comment,
287 members of the public may address the Board on matters that are within the
288 Board's jurisdiction and are not on the agenda. Procedures do not permit: 1)
289 persons in the audience to vocally express support or opposition to statements
290 by Board Member, by other persons testifying; 2) ringing and use of cell
291 phones, pagers, and similar sound-producing electronic devices; 3) bringing in
292 or displaying signs in the meeting room; and 4) standing in the meeting room.
293 The ringing of and use of cell phones, pagers and similar sound-producing
294 electronic devices are prohibited at this meeting. Please be advised that the
295 Chair may order the removal from the meeting room of any person(s)
296 responsible for the ringing or use of a cell phone, pager, or other similar sound-
297 producing electronic devices.

298
299 **Know your rights under the Sunshine Ordinance:** Government's duty is to
300 serve the public, reaching its decisions in full view of the public. Commissions,
301 boards, councils, and other agencies of the City and County exist to conduct
302 the people's business. This ordinance assures that deliberations are conducted
303 before the people and that City operations are open to the people's review. For
304 information on your rights under the Sunshine Ordinance (Chapter 67 of the
305 San Francisco Administrative Code) or to report a violation of the ordinance,
306 contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett
307 Place, Room 244, San Francisco, CA 94102; phone at (415) 554-7724; fax at
308 (415) 554-7854; or by email at sotf@sfgov.org.

309
310 **Citizens may obtain a free copy of the Sunshine Ordinance:** by printing
311 Chapter 67 of the San Francisco Administrative Code on the Internet, at
312 sfbos.org/sunshine.

313
314 **311 Free Language Assistance:** 免費語言協助 / Ayuda gratuita con el idioma
315 / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí /
316 Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 / 지원 / ความช่วย
317 ยเหลือี ท่่งภ่ช่โดยไม่ว่ ส่ย์คหำไซจ้่าย / Libreng tulong para sa wikang Tagalog
318 ยเหลือี

319
320 **Lobbyist Registration and Reporting Requirements:** Individuals and entities
321 that influence or attempt to influence local legislative or administrative action
322 may be required by the San Francisco Lobbyist Ordinance [SF Campaign &

323 Governmental Conduct Code Sec. 2.100] to register and report lobbying
324 activity. For more information about the Lobbyist Ordinance, please contact the
325 San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San
326 Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site
327 at sfgov.org/ethics.

328

329 Explanatory documents that have been provided to the Board in connection
330 with this agenda are available for public inspection online at [sfpuc.gov/about-](http://sfpuc.gov/about-us/boards-commissions-committees/rate-fairness-board)
331 [us/boards-commissions-committees/rate-fairness-board](http://sfpuc.gov/about-us/boards-commissions-committees/rate-fairness-board).

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