

# PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO.: 21-0152

WHEREAS, In 2004, the San Francisco Board of Supervisors established a Community Choice Aggregation (CCA) program (Ordinance No. 86-04) and the San Francisco Public Utilities Commission (SFPUC) has implemented the program called CleanPowerSF consistent with Ordinances Nos. 146-07, 147-07, and 232-09; and

WHEREAS, The complementary objectives of the CleanPowerSF program are to (1) provide electricity and related services at affordable and competitive rates while promoting long-term rate stability, (2) reduce, and eventually eliminate, the greenhouse gas emissions associated with the use of electricity in San Francisco, (3) support, to the greatest extent possible and affordable, the development of new clean energy infrastructure and new employment opportunities for San Franciscans, and (4) provide long-term rate and financial stability to CleanPowerSF and its customers; and

WHEREAS, The SFPUC finds that CleanPowerSF rates shall be set to meet program operating costs, repay debt, and meet SFPUC wide financial policies; and

WHEREAS, The proposed CleanPowerSF rate adjustment methodology conforms to the CleanPowerSF Rate Setting Policy and the Commission's Ratepayer Assurance Policy; and

WHEREAS, Pacific Gas and Electric Company's (PG&E) electric generation rates are authorized by the California Public Utilities Commission (CPUC); and

WHEREAS, The CPUC permits PG&E to levy the Power Charge Indifference Adjustment (PCIA) on the bills of customers who switch to CleanPowerSF, in order to recover the estimated above market costs of power supply commitments made by PG&E prior to a customer's switch to CleanPowerSF generation service; and

WHEREAS, The Franchise Fee Surcharge (FFS) is a surcharge imposed by PG&E on its customers to recover franchise fees charged by cities and counties; and

WHEREAS, Pursuant to Charter Section 16.112, a Notice of hearing on the proposal to adopt a new CleanPowerSF ratemaking framework was published in the official newspaper on September 10, 12, 15, 16, and 17, 2021, and posted on the SFPUC website on September 7, 2021, and at the San Francisco Public Library, as required, noticing a public hearing on September 28, 2021; and

WHEREAS, The proposed new CleanPowerSF rate adjustment methodology authorizes the General Manager to formulaically adjust CleanPowerSF rates so that they are no more than 15% higher than comparable PG&E generation rates that exist at the time, accounting for the PCIA and FFS, which amounts to approximately 6% higher cost on a total electricity bill basis; and

WHEREAS, Charter section 8B.125 requires the Commission to set rates and charges, subject to rejection by the Board of Supervisors, within 30 days of submission; and

WHEREAS, This Commission hereby finds that adoption of this resolution will establish an increase to CleanPower SF rates and charges for one or more of the following purposes: 1) meeting operating expenses, including employee wage rates and fringe benefits, 2) purchasing or leasing supplies, equipment, or materials, 3) meeting financial reserve needs and requirements, and 4) obtaining funds for capital projects necessary to maintain service within existing service areas; and

WHEREAS, This Commission hereby finds that adoption of this resolution does not include rate increases for funding expansion of the CleanPowerSF system; accordingly, adoption of this resolution is statutorily exempt from environmental review requirements in accordance with California Public Resource Code Section 21080(b)(8) and California Environmental Quality Act Guideline 15273(a); and

WHEREAS, On September 15, 2021 the Planning Department determined that the proposed action is statutorily exempt from the California Environmental Quality Act (CEQA) Guidelines under Public Resources Code Section 21080(b)(8) and CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges), under Planning Department Case Number 2021-009464ENV; and

WHEREAS, This action constitutes the Approval Action for the Project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code; now, therefore, be it

RESOLVED, This Commission hereby delegates authority to the General Manager to adjust CleanPowerSF rates based on the following rate adjustment methodology: Clean Power SF rates shall be set as the lesser of (1) +15% higher than comparable PG&E generation rates, after accounting for the PCIA and FFS, or (2) rates that recover CleanPowerSF's program costs; and be it

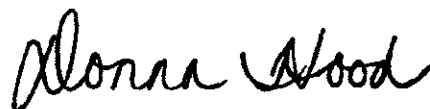
FURTHER RESOLVED, That such rate adjustment methodology shall be effective as of November 1, 2021 and shall remain in effect until further action by this Commission; and be it

FURTHER RESOLVED, The adjustment of CleanPowerSF rates according to this formula applies to the rate classes listed in Exhibit 1, attached to this resolution, which also includes rates to be implemented on November 1, 2021 for each class; and be it

FURTHER RESOLVED, The rates effective November 1, 2021 include the PCIA credits for each vintage and customer class shown in Exhibit 2, attached to this resolution; and be it

FURTHER RESOLVED, This Commission directs the General Manager to submit this rate adjustment methodology to the Board of Supervisors, as required by Charter Section 8B.125.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of September 28, 2021.*



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Secretary, Public Utilities Commission