

1 [Accept and Expend Grant - Retroactive - American Rescue Plan Act of 2021 - \$7,309,988  
2 and \$3,641,734]

3 **Resolution retroactively authorizing the San Francisco Public Utilities Commission to**  
4 **accept and expend federal funds sourced by the American Rescue Plan Act of 2021**  
5 **and administered by the State Water Resources Control Board and the California**  
6 **Community Services Department, in the total amounts of \$7,309,988 and \$3,641,734**  
7 **respectively, to assist eligible residential and commercial customer accounts who**  
8 **accrued customer account arrears due to the COVID-19 pandemic between March 4,**  
9 **2020, through June 15, 2021.**

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11 WHEREAS, on February 25, 2020, Mayor London N. Breed declared San Francisco to  
12 be in a local state of emergency due to the threat of a novel (new) coronavirus (COVID-19),  
13 posing serious health threats to the population; and

14 WHEREAS, On March 4, 2020, Governor Gavin Newsom declared a state of  
15 emergency for all of California to protect against the threat of COVID-19; and

16 WHEREAS, On March 13, 2020, Mayor Breed issued a second supplement to Mayoral  
17 Proclamation Declaring the Existence of a Local Emergency Dated February 25, 2020, stating  
18 that “the San Francisco Public Utilities Commission (SFPUC) shall suspend for 60 days: (a)  
19 the discontinuation or shut off of water service for residents and businesses in the City for  
20 non-payment of water and sewer bills, (b) the discontinuation or shut off of power service for  
21 SFPUC Hetch Hetchy Power Customers in San Francisco for non-payment of power bills, (d)  
22 the imposition of late payment penalties or fees for delinquent Hetch Hetchy Power Customer  
23 accounts and (e) the return of delinquent CleanPowerSF Customers to PG&E generation  
24 service for failure to pay CleanPowerSF charges;” and

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1           WHEREAS, On April 27, 2021, the SFPUC extended the suspension of shutoffs on  
2 water and power service due to late or non-payment and the issuance of associated late  
3 penalties and fees through March 31, 2022, through adopting Resolution No. 21-0063; and

4           WHEREAS, COVID-19 has and continues to harm the local and state economies due  
5 to job loss, business closure, wage decreases, and other negative economic impacts; and

6           WHEREAS, The economic impact of COVID-19 has made affording utility bills difficult  
7 for many SFPUC customers; and

8           WHEREAS, The number of delinquent customers and total overdue balances owed  
9 across all customer types have increased substantially since March 2020, when the shelter-in-  
10 place order was announced; and

11           WHEREAS, The number of single family residential accounts with delinquent bills more  
12 than 90 days past due almost tripled during the pandemic, going from 1,712 in March 2020 to  
13 5,860 in October 2021; and

14           WHEREAS, Commercial customers with delinquent accounts more than 90 days past  
15 due more than doubled, from 624 in March 2020 to 1,488 in October 2021; and

16           WHEREAS, On July 13, 2021, as part of the Fiscal Year 2021-22 State Budget Act (SB  
17 129), \$985 million was appropriated from the Coronavirus Fiscal Recovery Fund, established  
18 by the American Rescue Plan Act of 2021, to the State of California Water Resources Control  
19 Board (SWRCB) for payments to community water systems and \$1 billion was appropriated  
20 from the same Fund to the State of California Department of Community Services (CSD) to  
21 electric utilities to forgive residential and commercial customers arrearages that accrued  
22 during the COVID-19 pandemic relief bill period (March 4, 2020, through June 15, 2021); and

23           WHEREAS, On July 16, 2021, as part of Assembly Bill 135, the requirements of the  
24 California Arrearage Payment Program (CAPP) were established, and on July 23, 2021, as  
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1 part of Assembly Bill 148, the requirements of the California Water Wastewater Arrearages  
2 Program (CWWAPP) were established; and

3 WHEREAS, Water arrearages are prioritized; therefore, the details of the wastewater  
4 program will not be released until after the water program is fully complete and all funds have  
5 been dispersed; the wastewater program guidelines are expected no later than February 1,  
6 2022; and

7 WHEREAS, The CAPP was established to address electric arrearages accumulated  
8 during the pandemic and the state legislature allocated \$1 billion to electric utilities through  
9 Assembly Bill 135; and

10 WHEREAS, SFPUC submitted surveys to the State in September of 2021 with  
11 information on eligible residential and commercial water and electric arrearages; and

12 WHEREAS, To qualify for both programs, a customer must be a residential or  
13 commercial customer that accrued arrearages during the COVID-19 pandemic, from March 4,  
14 2020, to June 15, 2021; and

15 WHEREAS, Under the CAPP program, the SFPUC applied for and received allocations  
16 for applicable electric customer arrearages from the California Department of Community  
17 Services & Development, in the amounts of \$2,423,598 for the CleanPowerSF Community  
18 Choice Aggregator and \$1,218,136 for the Hetch Hetchy Power municipal utility, from the  
19 Department of Community Services and Development, for a total amount of \$3,641,734; and

20 WHEREAS, Under the CWWAPP program, the SFPUC applied for and has received  
21 from the State Water Board an amount of \$7,309,988; and

22 WHEREAS, This grant does not include an Annual Salary Ordinance (ASO)  
23 Amendment, and does not include funding for new staff members; and

24 WHEREAS, On November 23, 2021, the SFPUC Commission, by Resolution No. 21-  
25 0178, recommended that the Board of Supervisors accept this grant; now, therefore, be it

1           RESOLVED, That the Board of Supervisors authorizes the SFPUC to retroactively  
2 accept and expend grant funds in the amounts of \$7,309,988 and \$3,641,734, to pay off  
3 residential and commercial customer arrears accrued between March 4, 2020, and June 15,  
4 2021, pursuant to Administrative Code, Sec. 10.170-1; and, be it

5           FURTHER RESOLVED, That the General Manager of the SFPUC is hereby authorized  
6 and empowered to execute, deliver, and perform, in the name of the City and County of San  
7 Francisco, all applications, contracts, agreements, amendments and payment requests  
8 necessary to secure the State grant funds and implement and carry out the purposes  
9 specified in the applicable grant application; and, be it

10          FURTHER RESOLVED, That the Board of Supervisors ratifies any administrative  
11 action taken to date with respect to these grants and grant funds.

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1 RECOMMENDED:

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4 /s/ \_\_\_\_\_

5 DENNIS J. HERRERA

6 General Manager of SFPUC

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9 APPROVED:

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11 /s/ \_\_\_\_\_

12 LONDON N. BREED

13 Mayor

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FUNDS AVAILABLE:

/s/ \_\_\_\_\_

BEN ROSENFELD

Controller