File No. 181242 **Committee Item No.** _____
Board Item No. 50

COMMITTEE/BOARD OF SUPERVISORS

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Prepared by: Brent Jalipa **Date:** January 10, 2019
Prepared by: _____ **Date:** _____

San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

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December 21, 2018

Ms. Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: Notice of SFPUC Adoption of Revised CleanPowerSF Community Choice Aggregation Program Electric Generation Rates and Charges anticipated to be effective February 1, 2019

Dear Ms. Calvillo:

In accordance with section 8B.125 of the Charter of the City and County of San Francisco, the SFPUC "shall set rates, fees and other charges in connection with providing the utility services under its jurisdiction, subject to rejection – within 30 days of submission – by resolution of the Board of Supervisors. If the Board of Supervisors fails to act within 30 days the rates shall become effective without further action."

The SFPUC is submitting the San Francisco Public Utilities Commission's (SFPUC) rate resolution dated December 11, 2018 related to San Francisco CleanPowerSF Community Choice Aggregation Program rates and charges. The anticipated effective date of adopted rates and charges is February 1, 2019.

Please find attached documents related to this rate action by the Commission:

1. Resolution 18-0209 – SFPUC Agenda Item Adopting CleanPowerSF Rates and Charges
2. SFPUC Resolution 18-0209
3. Agenda Item for Res 18-0209
    a. Agenda Item Attachment 1 – Statutory Exemption Concurrence
    b. Agenda Item Attachment 2 - Presentation

Should you have any questions, please contact Eric Sandler, SFPUC Chief Financial Officer, at 415-934-5707.

Sincerely,

Harlan L. Kelly, Jr.
General Manager

Attachments: a/s

OUR MISSION: To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO.: **18-0209**

WHEREAS, The San Francisco Board of Supervisors established a Community Choice Aggregation (CCA) program in 2004 (Ordinance 86-04) and has implemented the program called CleanPowerSF through the work of the SFPUC in consultation with the San Francisco Local Agency Formation Commission (Ordinances 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, On May 9, 2017, staff presented to the Commission the CleanPowerSF Growth Plan, which detailed how staff intends to achieve the program objectives while expanding CleanPowerSF to Citywide service; and

WHEREAS, On May 9, 2017, by Resolution No. 17-0102, the Commission established a goal to expand CleanPowerSF service to 100% of eligible San Francisco customers by July 2019, or sooner if possible; and

WHEREAS, Staff has prepared to enroll approximately 280,000 residential accounts into CleanPowerSF in April of 2019; and

WHEREAS, The General Manager shall continue to take all steps necessary to expand CleanPowerSF service until 100% of eligible San Francisco customers are enrolled.

WHEREAS, The SFPUC intends that CleanPowerSF retail rates be set to meet program operating costs, repay debt, financial targets for reserves and debt-service coverage ratios, and obligations pursuant to CleanPowerSF power supply contracts and credit agreements; and

WHEREAS, The proposed rates conform to the CleanPowerSF Rate Setting Policy and the Commission's Ratepayer Assurance Policy; and

WHEREAS, On December 7, 2018, SFPUC staff presented the proposed CleanPowerSF rates and charges to the Rate Fairness Board (RFB), which expressed its support; 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, The expected effective date of PG&E's rate change could be delayed by actions of the CPUC; and

WHEREAS, Based on PG&E forecasts, PG&E's generation rates are expected to decrease and the PCIA is expected to increase for most CleanPowerSF customers beginning on January 1, 2019; and

WHEREAS, To address the anticipated change in PG&E's generation and FFS rates, staff proposes to decrease CleanPowerSF generation rates by an amount equal to the change in PG&E's generation and FFS rates beginning on January 1, 2019 as compared to current PG&E rates; and

WHEREAS, To address the anticipated impact of PG&E's PCIA rate changes on CleanPowerSF ratepayers, staff proposes to add a volumetric rate credit on CleanPowerSF customers' bills equal to the projected increase in the PCIA fees PG&E will charge CleanPowerSF customers beginning on January 1, 2019; and

WHEREAS, Pursuant to Charter Section 16.112, a Notice of hearing on the proposal to adopt a schedule of rates was published in the official newspaper on November 21, 22, 23, 25, & 28, 2018, and posted on the SFPUC website and at the San Francisco Public Library, as required, for a public hearing on December 11, 2018; and

WHEREAS, On November 29,2018 the Planning Department determined that this action is statutorily exempt from the California Environmental Quality Act (CEQA) and the CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges): 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; now, therefore, be it

RESOLVED, This Commission hereby sets the rates and charges as presented in Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges to take effect on February 1, 2019 and to remain in effect until replaced or revised; and be it

FURTHER RESOLVED, The General Manager is authorized to adjust the initial rates in Exhibit 1 after January 1, 2019 PG&E rates are finalized, so long as the adjusted rates recover the cost of service, prior to commencing the opt-out process for the April 2019 enrollment; and be it

FURTHER RESOLVED, This Commission recognizes that the timing of PG&E's rate implementation could be delayed and authorizes the GM to delay implementation of the steps described herein if necessary due to delays authorized by the CPUC, or if other actions of the CPUC or PG&E require further consideration by this Commission prior to implementing this rate action; and be it.

FURTHER RESOLVED, Effective July 1, 2019, and each successive July 1 thereafter, the General Manager is authorized to adjust rates not otherwise adjusted by Commission action by the annual percentage change in the Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose published by the U.S. Bureau of Labor Statistics (for the twelve months ended December 31 in the calendar year preceding the year during which the rates will be effective); and be it

FURTHER RESOLVED, This Commission directs the General Manager to conduct a cost-of-service review concurrent with the standard Power Enterprise cost of service review no less than every five years and propose revised rates, as required by Charter Section 8B.125; and be it

FURTHER RESOLVED, That all other necessary rate adjustments will be conducted consistent with the process established by Charter Section 8B.125; and be it

FURTHER RESOLVED, This Commission hereby finds that adoption of this resolution will establish rates for the purpose of meeting operating expenses, including the recovery of program reserves and allow for CleanPowerSF to be financially stable, and that adoption of the resolution is exempt from environmental review requirements in accordance with California Public Resource Code Section 21080(b)(8); and be it

FURTHER RESOLVED, This Commission directs the General Manager to submit these initial rates and charges, including the direction to adjust the initial rates prior to commencement of the April 2019 enrollment opt-out process and the authorization for annual administrative rate adjustments based on CPI, 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 December 11, 2018.

Donna Hood

Secretary, Public Utilities Commission

Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges
Effective February 1, 2019

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Non-Time of Use Residential (E-1)	E1, E1L, EM, EML, ES, ESL, ESR, ESRL, ET, and ETL	Year round	All hours	0.06624	0.00000	$ 0.015	0.08124	kWh
Residential Time of Use (1) (E-6)	E-6	Summer	Peak	0.18709	0.00000	$ 0.015	0.20209	kWh
			Part Peak	0.08214	0.00000	$ 0.015	0.09714	kWh
			Off Peak	0.03930	0.00000	$ 0.015	0.05430	kWh
		Winter	Part Peak	0.06308	0.00000	$ 0.015	0.07808	kWh
			Off Peak	0.05130	0.00000	$ 0.015	0.06630	kWh
Residential Time of Use A (E-TOU A)	E-TOU A	Summer	Peak	0.14316	0.00000	$ 0.015	0.15816	kWh
			Off Peak	0.07287	0.00000	$ 0.015	0.08787	kWh
		Winter	Peak	0.06193	0.00000	$ 0.015	0.07693	kWh
			Off Peak	0.04864	0.00000	$ 0.015	0.06364	kWh
Residential Time of Use B (E-TOU B)	E-TOU B	Summer	Peak	0.16350	0.00000	$ 0.015	0.17850	kWh
			Off Peak	0.06766	0.00000	$ 0.015	0.08266	kWh
		Winter	Peak	0.06414	0.00000	$ 0.015	0.07914	kWh
			Off Peak	0.04666	0.00000	$ 0.015	0.06166	kWh
Residential Time of Use C (E-TOU C)	E-TOU C	Summer	Peak	0.12079	0.00000	$ 0.015	0.13579	kWh
			Off Peak	0.06179	0.00000	$ 0.015	0.07679	kWh
		Winter	Peak	0.06828	0.00000	$ 0.015	0.08328	kWh
			Off Peak	0.05216	0.00000	$ 0.015	0.06716	kWh
Electric Vehicle Time-of-Use Service (EV)	EVA, EV8	Summer	Peak	0.19546	0.00000	$ 0.015	0.21046	kWh
			Part Peak	0.07658	0.00000	$ 0.015	0.09158	kWh
			Off Peak	0.02157	0.00000	$ 0.015	0.03657	kWh
		Winter	Peak	0.05174	0.00000	$ 0.015	0.06674	kWh
			Part Peak	0.01957	0.00000	$ 0.015	0.03457	kWh
			Off Peak	0.02355	0.00000	$ 0.015	0.03855	kWh
Residential Multi Meter Standby	SEM	Year round	Reservation Charge	0.39	0.00	$ 0.015	0.39	kW
			All hours	0.06624	0.00000	$ 0.015	0.08124	kWh
Small General Service (A-1)	A-1 A	Summer	All hours	0.09087	-0.00823	$ 0.010	0.10087	kWh
		Winter	All hours	0.05463	-0.00823	$ 0.010	0.06463	kWh
Small General Service (A-1TOU)	A-1 B	Summer	Peak	0.10393	-0.00823	$ 0.010	0.11393	kWh
			Part Peak	0.08208	-0.00823	$ 0.010	0.09208	kWh
			Off Peak	0.05681	-0.00823	$ 0.010	0.06681	kWh
		Winter	Part Peak	0.08190	-0.00823	$ 0.010	0.09190	kWh
			Off Peak	0.06257	-0.00823	$ 0.010	0.07257	kWh
Small General Time-of-Use Service (A-6)	A-6	Summer	Peak	0.32083	-0.00823	$ 0.010	0.33083	kWh
			Part Peak	0.10210	-0.00823	$ 0.010	0.11210	kWh
			Off Peak	0.04824	-0.00823	$ 0.010	0.05824	kWh
		Winter	Part Peak	0.07177	-0.00823	$ 0.010	0.08177	kWh
			Off Peak	0.05561	-0.00823	$ 0.010	0.06561	kWh
Direct-Current General Service (A-15)	A-15	Summer	All hours	0.09087	-0.00823	$ 0.010	0.10087	kWh
		Winter	All hours	0.05463	-0.00823	$ 0.010	0.06463	kWh
Medium General Demand Non-Time of Use - Secondary Voltage (A-10A5)	A-10 A	Summer	All hours	0.07989	-0.00969	$ 0.005	0.08489	kWh
		Winter	All hours	0.05537	-0.00969	$ 0.005	0.06037	kWh
		Summer	Demand	4.92	0.00	$ 0.005	4.92	kW
Med. General Demand Non-Time of Use - Primary Voltage (A-10AP)		Summer	All hours	0.07086	-0.00969	$ 0.005	0.07586	kWh
		Winter	All hours	0.04960	-0.00969	$ 0.005	0.05460	kWh
		Summer	Demand	4.27	0.00	$ 0.005	4.27	kW
Med. General Demand Non-Time of Use - Transmission (A-10AT)		Summer	All hours	0.06193	-0.00969	$ 0.005	0.06693	kWh
		Winter	All hours	0.04348	-0.00969	$ 0.005	0.04848	kWh
		Summer	Demand	3.35	0.00	$ 0.005	3.35	kW
Medium General Demand Time of Use - Secondary Voltage (A-10S)	A-10 B	Summer	Peak	0.12887	-0.00969	$ 0.005	0.13387	kWh
			Part Peak	0.07876	-0.00969	$ 0.005	0.08376	kWh
			Off Peak	0.05324	-0.00969	$ 0.005	0.05824	kWh
		Winter	Part Peak	0.06427	-0.00969	$ 0.005	0.06927	kWh
			Off Peak	0.04875	-0.00969	$ 0.005	0.05375	kWh
		Summer	Demand	4.92	0.00	$ 0.005	4.92	kW
Medium General Demand Time of Use - Primary Voltage (A-10P)		Summer	Peak	0.11806	-0.00969	$ 0.005	0.12306	kWh
			Part Peak	0.07210	-0.00969	$ 0.005	0.07710	kWh
			Off Peak	0.04789	-0.00969	$ 0.005	0.05289	kWh
		Winter	Part Peak	0.05965	-0.00969	$ 0.005	0.06465	kWh
			Off Peak	0.04521	-0.00969	$ 0.005	0.05021	kWh
		Summer	Demand	4.27	0.00	$ 0.005	4.27	kW
Medium General Demand Time of Use - Transmission (A-10T)		Summer	Peak	0.10513	-0.00969	$ 0.005	0.11013	kWh
			Part Peak	0.06252	-0.00969	$ 0.005	0.06752	kWh
			Off Peak	0.03951	-0.00969	$ 0.005	0.04451	kWh
		Winter	Part Peak	0.05180	-0.00969	$ 0.005	0.05680	kWh
			Off Peak	0.03855	-0.00969	$ 0.005	0.04355	kWh
		Summer	Demand	3.35	0.00	$ 0.005	3.35	kW

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Customer-Owned Street and Highway Lighting Customer-Owned Street and Highway Lighting Electrolier Meter Rate Outdoor Area Lighting Services (LS-1)	LS-2, LS-3, OL-1	Year round	All hours	0.07449	-0.02078	$ 0.010	0.08449	kWh
Traffic Control Service (TC-1)	TC-1	Year round	All hours	0.06267	-0.00823	$ 0.010	0.07267	kWh
Agricultural Power (AG-1)	AG-1 A	Summer	All hours	0.07899	-0.00500	$ 0.010	0.08899	kWh
			Connected Load	1.43	0.00	$ 0.010	1.43	kW
		Winter	All hours	0.05837	-0.00500	$ 0.010	0.06837	kWh
	AG-1 B	Summer	All hours	0.08209	-0.00500	$ 0.010	0.09209	kWh
			Max Demand	2.15	0.00	$ 0.010	2.15	kW
			Primary Voltage Disc.	0.79	0.00	$ 0.010	0.79	kW
		Winter	All hours	0.05844	-0.00500	$ 0.010	0.06844	kWh
Agricultural Power, Time-of-Use (AG-4A)	AG-4 A, AG-4 D	Summer	Peak	0.14148	-0.00500	$ 0.010	0.15148	kWh
			Off Peak	0.04678	-0.00500	$ 0.010	0.05678	kWh
			Connected Load	1.42	0.00	$ 0.010	1.42	kW
		Winter	Part Peak	0.05108	-0.00500	$ 0.010	0.06108	kWh
			Off Peak	0.03979	-0.00500	$ 0.010	0.04979	kWh
Agricultural Power, Time-of-Use (AG-4B)	AG-4 B, AG-4 E	Summer	Peak	0.10246	-0.00500	$ 0.010	0.11246	kWh
			Off Peak	0.04891	-0.00500	$ 0.010	0.05891	kWh
			Max Demand	2.51	0.00	$ 0.010	2.51	kW
			Max Peak Demand	2.66	0.00	$ 0.010	2.66	kW
			Primary Voltage Disc. (per Max Demand)	0.62	0.00	$ 0.010	0.62	kW
		Winter	Part Peak	0.04707	-0.00500	$ 0.010	0.05707	kWh
			Off Peak	0.03630	-0.00500	$ 0.010	0.04630	kWh
Agricultural Power, Time-of-Use (AG-4C)	AG-4 C, AG-4 F	Summer	Peak	0.12211	-0.00500	$ 0.010	0.13211	kWh
			Part Peak	0.05821	-0.00500	$ 0.010	0.06821	kWh
			Off Peak	0.03500	-0.00500	$ 0.010	0.04500	kWh
			Max Peak Demand	6.18	0.00	$ 0.010	6.18	kW
			Max Part Peak Demand	1.05	0.00	$ 0.010	1.05	kW
			Primary Voltage Disc. (per Max Peak Demand)	1.07	0.00	$ 0.010	1.07	kW
			Trans. Volt. Disc. (per Max Peak Demand)	1.97	0.00	$ 0.010	1.97	kW
			Trans. Volt. Disc. (per Max Part Peak Demand)	-0.02	0.00	$ 0.010	-0.02	kW
		Winter	Part Peak	0.04159	-0.00500	$ 0.010	0.05159	kWh
			Off Peak	0.03162	-0.00500	$ 0.010	0.04162	kWh
Large Time-of-Use Agricultural Power (AG-5A)	AG-5 A, AG-5 D	Summer	Peak	0.13079	-0.00500	$ 0.010	0.14079	kWh
			Off Peak	0.05195	-0.00500	$ 0.010	0.06195	kWh
			Connected Load	3.88	0.00	$ 0.010	3.88	kW
		Winter	Part Peak	0.05560	-0.00500	$ 0.010	0.06560	kWh
			Off Peak	0.04371	-0.00500	$ 0.010	0.05371	kWh
Large Time-of-Use Agricultural Power (AG-5B)	AG-5 B, AG-5 E	Summer	Peak	0.12716	-0.00500	$ 0.010	0.13716	kWh
			Off Peak	0.02605	-0.00500	$ 0.010	0.03605	kWh
			Max Demand	4.66	0.00	$ 0.010	4.66	kW
			Max Peak Demand	5.84	0.00	$ 0.010	5.84	kW
			Primary Voltage Disc. (per Max Demand)	1.47	0.00	$ 0.010	1.47	kW
			Trans. Volt. Disc. (per Max Demand)	2.55	0.00	$ 0.010	2.55	kW
		Winter	Part Peak	0.04712	-0.00500	$ 0.010	0.05712	kWh
			Off Peak	0.01734	-0.00500	$ 0.010	0.02734	kWh
Large Time-of-Use Agricultural Power (AG-5C)	AG-5 C, AG-5 F	Summer	Peak	0.10110	-0.00500	$ 0.010	0.11110	kWh
			Part Peak	0.04774	-0.00500	$ 0.010	0.05774	kWh
			Off Peak	0.02788	-0.00500	$ 0.010	0.03788	kWh
			Max Peak Demand	10.83	0.00	$ 0.010	10.83	kW
			Max Part Peak Demand	2.04	0.00	$ 0.010	2.04	kW
			Primary Voltage Disc. (per Max Peak Demand)	2.23	0.00	$ 0.010	2.23	kW
			Trans. Volt. Disc. (per Max Peak Demand)	4.18	0.00	$ 0.010	4.18	kW
		Winter	Part Peak	0.04650	-0.01767	$ 0.010	0.05650	kWh
			Off Peak	0.03748	-0.01767	$ 0.010	0.04748	kWh
Standby Service - Secondary and Primary Voltage	Applies to Full Standby customers under Rate Schedule S. All partial standby customers are billed at their Otherwise Applicable Schedule ("OAS") rate	Year round	Reservation Charge	0.37	0.00		0.37	kW
		Summer	Peak	0.08398	-0.01182	$ 0.010	0.09398	kWh
			Part Peak	0.06867	-0.01182	$ 0.010	0.07867	kWh
			Off Peak	0.04865	-0.01182	$ 0.010	0.05865	kWh
		Winter	Part Peak	0.07111	-0.01182	$ 0.010	0.08111	kWh
			Off Peak	0.05560	-0.01182	$ 0.010	0.06560	kWh
Standby Service - Transmission Voltage		Year round	Reservation Charge	0.31	0.00	$ 0.010	0.31	kW
		Summer	Peak	0.06852	-0.01182	$ 0.010	0.07852	kWh
			Part Peak	0.05580	-0.01182	$ 0.010	0.06580	kWh
			Off Peak	0.03900	-0.01182	$ 0.010	0.04900	kWh
		Winter	Part Peak	0.05780	-0.01182	$ 0.010	0.06780	kWh
			Off Peak	0.04490	-0.01182	$ 0.010	0.05490	kWh

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Medium General Demand Time of Use - Secondary (E-19S)	E-19	Summer	Peak	0.10555	-0.01040	$ 0.005	0.11055	kWh
			Part Peak	0.06450	-0.01040	$ 0.005	0.06950	kWh
			Off Peak	0.03732	-0.01040	$ 0.005	0.04232	kWh
			Max Peak Demand	12.81	0.00	$ 0.005	12.81	kW
			Max Part Peak Demand	3.16	0.00	$ 0.005	3.16	kW
		Winter	Part Peak	0.05888	-0.01040	$ 0.005	0.06388	kWh
			Off Peak	0.04406	-0.01040	$ 0.005	0.04906	kWh
Medium General Demand Time of Use - Primary (E-19P)		Summer	Peak	0.09897	-0.01040	$ 0.005	0.10397	kWh
			Part Peak	0.05920	-0.01040	$ 0.005	0.06420	kWh
			Off Peak	0.03362	-0.01040	$ 0.005	0.03862	kWh
			Max Peak Demand	11.70	0.00	$ 0.005	11.70	kW
			Max Part Peak Demand	2.85	0.00	$ 0.005	2.85	kW
		Winter	Part Peak	0.05382	-0.01040	$ 0.005	0.05882	kWh
			Off Peak	0.03994	-0.01040	$ 0.005	0.04494	kWh
			Peak	0.07258	-0.01040	$ 0.005	0.07758	kWh
MediumGeneral Demand Time of Use - Transmission (E-19T)		Summer	Part Peak	0.05780	-0.01040	$ 0.005	0.06280	kWh
			Off Peak	0.03823	-0.01040	$ 0.005	0.04323	kWh
			Max Peak Demand	14.57	0.00	$ 0.005	14.57	kW
			Max Part Peak Demand	3.66	0.00	$ 0.005	3.66	kW
		Winter	Part Peak	0.06012	-0.01040	$ 0.005	0.06512	kWh
			Off Peak	0.04509	-0.01040	$ 0.005	0.05009	kWh
Medium General Demand Time of Use - Secondary With Qualifying Solar PV (E-19-S-R)		Summer	Peak	0.24722	-0.01040	$ 0.005	0.25222	kWh
			Part Peak	0.09746	-0.01040	$ 0.005	0.10246	kWh
			Off Peak	0.03732	-0.01040	$ 0.005	0.04232	kWh
		Winter	Part Peak	0.05888	-0.01040	$ 0.005	0.06388	kWh
			Off Peak	0.04406	-0.01040	$ 0.005	0.04906	kWh
Medium General Demand Time of Use - Primary With Qualifying Solar PV (E-19-P-R)		Summer	Peak	0.24130	-0.01040	$ 0.005	0.24630	kWh
			Part Peak	0.09180	-0.01040	$ 0.005	0.09680	kWh
			Off Peak	0.03362	-0.01040	$ 0.005	0.03862	kWh
		Winter	Part Peak	0.05382	-0.01040	$ 0.005	0.05882	kWh
			Off Peak	0.03994	-0.01040	$ 0.005	0.04494	kWh
Medium General Demand Time of Use - Transmission With Qualifying Solar PV (E-19-T-R)		Summer	Peak	0.26518	-0.01040	$ 0.005	0.27018	kWh
			Part Peak	0.10323	-0.01040	$ 0.005	0.10823	kWh
			Off Peak	0.03823	-0.01040	$ 0.005	0.04323	kWh
		Winter	Part Peak	0.06012	-0.01040	$ 0.005	0.06512	kWh
			Off Peak	0.04509	-0.01040	$ 0.005	0.05009	kWh
Service to Max Demands >1,000 kW Time of Use - Secondary Voltage (E-20S)	E-20	Summer	Peak	0.09985	-0.00997	$ 0.010	0.10985	kWh
			Part Peak	0.06174	-0.00997	$ 0.010	0.07174	kWh
			Off Peak	0.03558	-0.00997	$ 0.010	0.04558	kWh
			Max Peak Demand	12.66	0.00	$ 0.010	12.66	kW
			Max Part Peak Demand	3.12	0.00	$ 0.010	3.12	kW
		Winter	Part Peak	0.05621	-0.00997	$ 0.010	0.06621	kWh
			Off Peak	0.04203	-0.00997	$ 0.010	0.05203	kWh
Service to Max Demands >1,000 kW Time of Use - Primary Voltage (E-20P)		Summer	Peak	0.10305	-0.00974	$ 0.010	0.11305	kWh
			Part Peak	0.06136	-0.00974	$ 0.010	0.07136	kWh
			Off Peak	0.03571	-0.00974	$ 0.010	0.04571	kWh
			Max Peak Demand	13.79	0.00	$ 0.010	13.79	kW
			Max Part Peak Demand	3.26	0.00	$ 0.010	3.26	kW
		Winter	Part Peak	0.05587	-0.00974	$ 0.010	0.06587	kWh
			Off Peak	0.04201	-0.00974	$ 0.010	0.05201	kWh
Service to Max Demands >1,000 kW Time of Use - Transmission (E-20T)		Summer	Peak	0.06251	-0.00943	$ 0.010	0.07251	kWh
			Part Peak	0.04990	-0.00943	$ 0.010	0.05990	kWh
			Off Peak	0.03322	-0.00943	$ 0.010	0.04322	kWh
			Max Peak Demand	16.37	0.00	$ 0.010	16.37	kW
			Max Part Peak Demand	3.90	0.00	$ 0.010	3.90	kW
		Winter	Part Peak	0.05189	-0.00943	$ 0.010	0.06189	kWh
			Off Peak	0.03907	-0.00943	$ 0.010	0.04907	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Secondary E-20-S-R		Summer	Peak	0.22946	-0.00997	$ 0.010	0.23946	kWh
			Part Peak	0.09308	-0.00997	$ 0.010	0.10308	kWh
			Off Peak	0.03558	-0.00997	$ 0.010	0.04558	kWh
		Winter	Part Peak	0.05621	-0.00997	$ 0.010	0.06621	kWh
			Off Peak	0.04203	-0.00997	$ 0.010	0.05203	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Primary E-20-P-R		Summer	Peak	0.24507	-0.00974	$ 0.010	0.25507	kWh
			Part Peak	0.09259	-0.00974	$ 0.010	0.10259	kWh
			Off Peak	0.03571	-0.00974	$ 0.010	0.04571	kWh
		Winter	Part Peak	0.05587	-0.00974	$ 0.010	0.06587	kWh
			Off Peak	0.04201	-0.00974	$ 0.010	0.05201	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Transmission E-20-T-R		Summer	Peak	0.23934	-0.00943	$ 0.010	0.24934	kWh
			Part Peak	0.08735	-0.00943	$ 0.010	0.09735	kWh
			Off Peak	0.03322	-0.00943	$ 0.010	0.04322	kWh
		Winter	Part Peak	0.05189	-0.00943	$ 0.010	0.06189	kWh
			Off Peak	0.03907	-0.00943	$ 0.010	0.04907	kWh

AGENDA ITEM
Public Utilities Commission
City and County of San Francisco

DEPARTMENT Financial Services AGENDA NO. **14**

MEETING DATE December 11, 2018

Public Hearing: Approve Revised San Francisco CleanPowerSF Community Choice Aggregation Program Electric Generation Rates: Regular Calendar
Project Managers: Charles Perl and Michael Hyams

Summary of Proposed Commission Action:	**Public Hearing:** Discussion and possible action **to approve a revised schedule of rates and charges for the San Francisco Public Utilities Commission Power Enterprise CleanPowerSF program** service in San Francisco to take effect on or after February 1, 2019 that would: (1) set CleanPowerSF generation rates at or below comparable PG&E generation rates expected to be in effect on January 1, 2019, and (2) apply a new volumetric credit (cents per kilowatt-hour) equal to the net increase to each customer class's PG&E Power Charge Indifference Adjustment expected to be in effect as of January 1, 2019; and **authorize the General Manager** to adjust the rates once PG&E's final rates are published, as long as the rate adjustment ensures that program costs are recovered. This action constitutes the Approval Action for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.
Background:	**CleanPowerSF Enrollment** The San Francisco Public Utilities Commission (SFPUC) launched the first phase of CleanPowerSF, San Francisco's Community Choice Aggregation (CCA) Program, on May 1, 2016. Since then, CleanPowerSF has enrolled approximately 115,000 accounts within the City and County of San Francisco – nearly 30% of eligible accounts. The program has maintained a cumulative opt-out rate of about 3.2%. CleanPowerSF offers two products: a "Green" product comprised of at least 40% renewable energy and a "SuperGreen" product comprised of 100% renewable energy. Most CleanPowerSF customers (about 96%) take service under the "Green" product rates, while nearly 4,000 customers have upgraded to CleanPowerSF's 100% renewable SuperGreen product. In 2017, staff prepared a CleanPowerSF Growth Plan with the goal of accelerating the enrollment of electricity customers City-wide while achieving the program objectives of (1) providing electricity and related services at affordable and competitive rates while promoting energy security and reliability for San Francisco; (2) reducing, and eventually eliminating, the greenhouse gas emissions associated with the use of electricity in San Francisco; (3) supporting, to the greatest extent possible and affordable, the development of new clean energy infrastructure and new employment opportunities for San Franciscans; and (4) providing long-term rate and financial stability to the CleanPowerSF program and its customers. On May 9, 2017, by Resolution No. 17-102, the Commission adopted a goal of completing citywide enrollment in CleanPowerSF by July 2019, or sooner if possible.

CleanPowerSF Rates

The Commission adopted initial CleanPowerSF "not-to-exceed" rates on December 8, 2015 by Resolution Number 15-0268. Rates were set at levels not to exceed comparable Pacific Gas and Electric (PG&E) rates and also recognized the need for CleanPowerSF to cover its costs and build financial reserves. The adopted rates were also designed to remain competitive with PG&E after accounting for the PCIA and FFS, which PG&E charges customers that participate in CCA programs. In Resolution No. 15-0268, the Commission approved the following rate-setting methodology, shown in Table 1, for initial CleanPowerSF program rates.

Table 1
Initial CleanPowerSF Not-to-Exceed Rate-Setting Methodology

	PG&E Generation Rate(s) (as of March 1, 2016)
x	100% - 0.25% Rate Discount
-	Power Charge Indifference Adjustments (PCIA)
-	Franchise Fee Surcharge (FFS)
=	CleanPowerSF rate(s) for the default Green product

As Table 1 above shows, CleanPowerSF initial "Green" rates were set 0.25% below comparable PG&E rates as of March 1, 2016, minus PCIA and FFS. "SuperGreen" rates were set to include a $0.02 per kilowatt-hour (kWh) premium above "Green" rates.

The 2015 Commission action on CleanPowerSF rates also provided for annual review and adjustment of rates based on one of the two following methods, depending on the circumstances:

- *Administratively*, adjusting rates by the local Consumer Price Index (CPI) to reflect increased operating costs and changes in PG&E rates; or
- *Legislatively*, under the process required by Section 8B.125 of the City Charter, where an adjustment based on CPI is not adequate.

Since CleanPowerSF's initial rates were adopted in 2015, the Commission has taken three subsequent CleanPowerSF rate actions:

1. On April 11, 2017, in order to remain competitive with PG&E service, the Commission reduced CleanPowerSF's Green product rates by approximately 4%.
2. On January 23, 2018, in order to stay competitive with PG&E's Solar Choice program, the Commission reduced CleanPowerSF's SuperGreen rate premiums for residential and commercial customers, effective on March 1, 2018. This second action also included enhancements and refinements to CleanPowerSF's Net Energy Metering Program (NEM).
3. On April 10, 2018, the Commission adopted generation rate changes to reflect changes in PG&E's generation rates, PCIA and FFS that, absent any action, would have resulted in those rates being 7 percent higher than those of CleanPowerSF. That rate change allowed CleanPowerSF to contribute to its reserve while maintaining a 2% discount relative to PG&E service.

CPUC Action On Power Charge Indifference Adjustment (PCIA)

On October 11, 2018, the California Public Utilities Commission (CPUC) adopted a new methodology to calculate the Power Charge Indifference Adjustment (PCIA) that PG&E charges customers who take their electric generation service from CCAs and

direct access (DA) providers. The PCIA is a volumetric charge paid by the departing customer to share in the cost of PG&E's legacy power procurement. Changes in the methodology reduced the estimated market value of PG&E's power resources and extended the period of time PG&E could recover the above market costs of utility-owned power plants. In addition, the new methodology changes the allocation of the above market costs to different customer classes, resulting in different PCIA rate changes across the different customer classes. While the 2019 PCIA changes vary by customer class, the average, year-over-year PCIA rate change is expected to be an approximately 29% increase.

The Franchise Fee Surcharge (FFS) is another non-bypassable surcharge imposed by PG&E on its customers to recover a portion of the franchise fees charged by cities and counties. The FFS calculation methodology will remain the same and continue to be levied on CCA customers.

Based on a November 7, 2018 PG&E rate filing with the CPUC, staff is also anticipating that PG&E will be reducing its generation rates on January 1, 2019. In combination with the anticipated increase in PG&E's PCIA, the impact of a PG&E generation rate decrease would be higher total bills for CleanPowerSF customers as compared to PG&E generation service, absent the changes proposed below..

Proposed Changes to CleanPowerSF Electric Generation Rates and Charges

In order to ensure bill cost parity with PG&E generation service, staff proposes to reduce CleanPowerSF Green Product generation rates by the expected decrease in PG&E's generation rate starting on January 1, 2019. Due to the significant forecasted increase in PCIA for many customer classes, staff proposes to modify CleanPowerSF's Rate-Setting Methodology by introducing a CleanPowerSF PCIA Credit. The CleanPowerSF PCIA Credit is designed as a rate offset, to help CleanPowerSF customers cover the increased costs of PG&E's PCIA charge.

Staff estimates the the combined effect of the proposed rate action is a reduction of CleanPowerSF revenues by approximately 7.5% or $12.5 million in FY 2018-19. Given the level of the proposed decrease from current rates, staff does not recommend the Commission adopt a rate discount at this time.

The two components of the CleanPowerSF rate proposal are summarized below and in Table 2.

Table 2
Proposed Modification to CleanPowerSF Green Product Rate-Setting Methodology for FY 18-19

Component 1)		PG&E Generation Rate(s) (as of January 1, 2019)
	x	100% - 0.0% Rate Discount
	-	Power Charge Indifference Adjustment (PCIA)
	-	Franchise Fee Surcharge (FFS)
	=	Proposed CleanPowerSF Green Product Rate(s) (as of February 1, 2019)
Component 2)		Proposed CleanPowerSF Green Product Rate(s) (as of February 1, 2019)
	-	Proposed CleanPowerSF PCIA Credit (see Table 3 below)
	=	Proposed Net CleanPowerSF Green Product Rate(s) (as of February 1, 2019)

1. Change CleanPowerSF Green Generation Rates by the Anticipated Change to Comparable PG&E Rates

Staff proposes to change CleanPowerSF Green generation rates by the anticipated change to PG&E generation and FFS rates. Following the adopted CleanPowerSF Business Practice Phasing Policy, this proposal is intended to provide for CleanPowerSF rates that are projected to be at PG&E rates for equivalent applicable tariffs at the launch of CleanPowerSF's upcoming April 2019 enrollment phase. The proposed revisions to the CleanPowerSF schedule of rates and charges is based on staff's estimate of PG&E's expected rates effective on January 1, 2019.

2. Apply a CleanPowerSF PCIA Credit to Absorb the Expected Change In PG&E's PCIA on January 1, 2019

Additionally, staff proposes to establish the "CleanPowerSF PCIA Credit" to offset the anticipated PG&E PCIA rate increase as of January 1, 2019. In conjunction with the proposed CleanPowerSF Green generation rate change, the CleanPowerSF PCIA Credit is intended to allow CleanPowerSF to continue to "meet or beat" PG&E's equivalent rates. The CleanPowerSF PCIA Credit is designed as a "negative rate" calculated based on customers' electricity consumption (per kWh). It is intended to capture the PCIA rate increases for each tariff in a single line on customers' bills.

Table 3
Proposed CleanPowerSF CleanPowerSF PCIA Credit Methodology for FY 18-19

	2018 PCIA and FFS (as of March 1, 2018)
-	2019 PCIA and FFS (as of January 1, 2019)
=	Proposed CleanPowerSF CleanPowerSF PCIA Credit (as of Feb. 1, 2019)

Authorize General Manager to Finalize CleanPowerSF Rate Schedule in January 2019

Because PG&E's rates are not expected to be finalized until January 1, 2019, staff is recommending that the Commission authorize the General Manager to make final adjustments to the CleanPowerSF rates once PG&E's final rates are published for calendar year 2019. Staff expects PG&E will file its final rates in late December 2018 to be in effect as of January 1, 2019. The General Manager will provide a report to the Commission on the final rates at a meeting in January of 2019.

If approved by the Commission and not rejected by the Board of Supervisors, the new CleanPowerSF Green generation rates and CleanPowerSF PCIA Credit is expected to be in effect as of February 1, 2019. The first of four statutory opt-out notices for the April 2019 enrollment is expected to be mailed to prospective CleanPowerSF customers on February 1, 2019.

Retail rates are set by the Commission pursuant to the San Francisco Charter (Section 8B.125). All budgets, rates, fees, and charges presented by staff to the Commission must conform to the SFPUC Rates Policy, which is guided by four key principles: affordability, compliance, sufficiency, and transparency.

The result of this action will still enable the CleanPowerSF program to cover its costs and make needed contributions to program financial reserves, albeit at a slower rate. CleanPowerSF's adopted business practice policies (Resolution Number 18-0011; revised February 13, 2018) require the SFPUC to adopt budgets and establish rates

providing for adequate ratepayer protection in the form of an Operating Reserve Fund and a Contingency/Rate Stabilization Reserve Fund. These reserves are to be funded at levels to mitigate short-term, unanticipated loss of revenues or increase in expenses; stabilize rates; and support the growth of the program:

- Operating Reserve Fund: equal to 90 days of operating expenditures; and
- Contingency/Rate Stabilization Reserve Fund: equal to 15% of annual revenues.

The JP Morgan credit agreement, approved by the Commission on January 23, 2018 and executed on March 29, 2018 secures CleanPowerSF's payment obligations under power supply contracts using Standby Letters of Credit (LOCs). JP Morgan has issued LOCs to power providers requiring collateral. As a condition of this agreement, SFPUC must set CleanPowerSF rates and charges to meet certain debt service coverage levels beginning September 2018 and reserve levels by June 30, 2021 and June 30, 2022. The proposed rates action may have the effect of reducing revenues and delaying the accumulation of reserves, which may require staff to prepare and negotiate with JP Morgan a Revised Five-Year Plan to adjust the target reserve levels.

Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges, attached hereto, presents a comprehensive schedule of proposed rates for FY 2018-19. The proposed CleanPowerSF rate schedules and descriptions are consistent with those used by PG&E for customers served in San Francisco; rates are based on estimated PG&E electric rates to go into effect on January 1, 2019.

Cost of Service

The Proposed rates and CleanPowerSF PCIA Credit are projected to generate sufficient revenues to both pay for operating costs and meet financial policy targets and other financial commitments. CleanPowerSF projected uses of funds are divided into three primary categories:

1. Energy Supply: Power costs are based on committed and expected supply volumes and prices for FY 2018-19. Supply costs also assume that the basic product has 48% renewable content while Super Green is 100% renewable. These costs are included in the Energy Supply line in Table 4 below.
2. Operating Costs: Operating costs include costs associated with the Calpine Energy Solutions contract for back office and customer care services, PG&E service fees, program administration, load/supply scheduling, and customer outreach and education. These costs are included in the Operating Costs line in Table 4 below.
3. Net Revenues and Reserves: Net revenues are projected to satisfy rate and debt service coverage ratio covenants. Annual net revenue contribution to reserves includes build-up of Operating and Rate Stabilization Reserves to support the program goal of long-term financial stability. Reserve targets are based on adopted program policies. The proposed rates are projected to contribute $10.4 million in reserves.

Table 4
Projected CleanPowerSF Sources and Uses, FY 2018-19

Sources	$154.4 M
Uses	
Energy Supply	$125.4M
Operating Costs	$18.6M
Debt Repayment	---
Reserves	$10.4 M
Total Uses	$154.4 M

Public Hearing Notice

Pursuant to Charter Section 16.112, a Notice of Public Hearing on the establishment of a schedule of rates was published in the official newspaper on November 21, 22, 23, 25, & 28 2018, and posted on the SFPUC website and at the San Francisco Public Library, for a public hearing on December 11, 2018, with possible Commission action on this date. If approved by the Commission, these rates and charges will be subject to rejection by the Board of Supervisors (BOS), as provided in Charter section 8B.125, within 30 days following notification to the BOS. These proposed CleanPowerSF rates will become effective February 1, 2019 and will remain effective until revised.

Rate Fairness Board

On December 7, 2018, SFPUC staff presented the proposed CleanPowerSF rates and charges to the Rate Fairness Board (RFB), which expressed its support.

Environmental Review:	The Bureau of Environmental Management recommended and on November 29, 2018the Planning Department concurred that this action is statutorily exempt from the California Environmental Quality Act (CEQA) and the CEQA Guidelines under Section 15273 (Rates, Tolls, Fares, and Charges). This action constitutes the Approval Action for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.
Result of Inaction:	The cost of participating in CleanPowerSF would be higher on average than comparable service from PG&E, potentially resulting in increased opt-out of customers. CleanPowerSF would likely need to delay its April 2019 enrollment or seek Commission modification of its Phasing Policy.
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	1. Statutory Exemption Request and Concurrence 2. Presentation

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO.: **18-0209**

WHEREAS, The San Francisco Board of Supervisors established a Community Choice Aggregation (CCA) program in 2004 (Ordinance 86-04) and has implemented the program called CleanPowerSF through the work of the SFPUC in consultation with the San Francisco Local Agency Formation Commission (Ordinances 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, On May 9, 2017, staff presented to the Commission the CleanPowerSF Growth Plan, which detailed how staff intends to achieve the program objectives while expanding CleanPowerSF to Citywide service; and

WHEREAS, On May 9, 2017, by Resolution No. 17-0102, the Commission established a goal to expand CleanPowerSF service to 100% of eligible San Francisco customers by July 2019, or sooner if possible; and

WHEREAS, Staff has prepared to enroll approximately 280,000 residential accounts into CleanPowerSF in April of 2019; and

WHEREAS, The General Manager shall continue to take all steps necessary to expand CleanPowerSF service until 100% of eligible San Francisco customers are enrolled.

WHEREAS, The SFPUC intends that CleanPowerSF retail rates be set to meet program operating costs, repay debt, financial targets for reserves and debt-service coverage ratios, and obligations pursuant to CleanPowerSF power supply contracts and credit agreements; and

WHEREAS, The proposed rates conform to the CleanPowerSF Rate Setting Policy and the Commission's Ratepayer Assurance Policy; and

WHEREAS, On December 7, 2018, SFPUC staff presented the proposed CleanPowerSF rates and charges to the Rate Fairness Board (RFB), which expressed its support; 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, The expected effective date of PG&E's rate change could be delayed by actions of the CPUC; and

WHEREAS, Based on PG&E forecasts, PG&E's generation rates are expected to decrease and the PCIA is expected to increase for most CleanPowerSF customers beginning on January 1, 2019; and

WHEREAS, To address the anticipated change in PG&E's generation and FFS rates, staff proposes to decrease CleanPowerSF generation rates by an amount equal to the change in PG&E's generation and FFS rates beginning on January 1, 2019 as compared to current PG&E rates; and

WHEREAS, To address the anticipated impact of PG&E's PCIA rate changes on CleanPowerSF ratepayers, staff proposes to add a volumetric rate credit on CleanPowerSF customers' bills equal to the projected increase in the PCIA fees PG&E will charge CleanPowerSF customers beginning on January 1, 2019; and

WHEREAS, Pursuant to Charter Section 16.112, a Notice of hearing on the proposal to adopt a schedule of rates was published in the official newspaper on November 21, 22, 23, 25, & 28, 2018, and posted on the SFPUC website and at the San Francisco Public Library, as required, for a public hearing on December 11, 2018; and

WHEREAS, On November 29,2018 the Planning Department determined that this action is statutorily exempt from the California Environmental Quality Act (CEQA) and the CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges): 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; now, therefore, be it

RESOLVED, This Commission hereby sets the rates and charges as presented in Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges to take effect on February 1, 2019 and to remain in effect until replaced or revised; and be it

FURTHER RESOLVED, The General Manager is authorized to adjust the initial rates in Exhibit 1 after January 1, 2019 PG&E rates are finalized, so long as the adjusted rates recover the cost of service, prior to commencing the opt-out process for the April 2019 enrollment; and be it

FURTHER RESOLVED, This Commission recognizes that the timing of PG&E's rate implementation could be delayed and authorizes the GM to delay implementation of the steps described herein if necessary due to delays authorized by the CPUC, or if other actions of the CPUC or PG&E require further consideration by this Commission prior to implementing this rate action; and be it.

FURTHER RESOLVED, Effective July 1, 2019, and each successive July 1 thereafter, the General Manager is authorized to adjust rates not otherwise adjusted by Commission action by the annual percentage change in the Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose published by the U.S. Bureau of Labor Statistics (for the twelve months ended December 31 in the calendar year preceding the year during which the rates will be effective); and be it

FURTHER RESOLVED, This Commission directs the General Manager to conduct a cost-of-service review concurrent with the standard Power Enterprise cost of service review no less than every five years and propose revised rates, as required by Charter Section 8B.125; and be it

FURTHER RESOLVED, That all other necessary rate adjustments will be conducted consistent with the process established by Charter Section 8B.125; and be it

FURTHER RESOLVED, This Commission hereby finds that adoption of this resolution will establish rates for the purpose of meeting operating expenses, including the recovery of program reserves and allow for CleanPowerSF to be financially stable, and that adoption of the resolution is exempt from environmental review requirements in accordance with California Public Resource Code Section 21080(b)(8); and be it

FURTHER RESOLVED, This Commission directs the General Manager to submit these initial rates and charges, including the direction to adjust the initial rates prior to commencement of the April 2019 enrollment opt-out process and the authorization for annual administrative rate adjustments based on CPI, 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 December 11, 2018.

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Secretary, Public Utilities Commission

Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges
Effective February 1, 2019

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Non-Time of Use Residential (E-1)	E1, E1L, EM, EML, ES, ESL, ESR, ESRL, ET, and ETL	Year round	All hours	0.06624	0.00000	$ 0.015	0.08124	kWh
Residential Time of Use (1) (E-6)	E-6	Summer	Peak	0.18709	0.00000	$ 0.015	0.20209	kWh
			Part Peak	0.08214	0.00000	$ 0.015	0.09714	kWh
			Off Peak	0.03930	0.00000	$ 0.015	0.05430	kWh
		Winter	Part Peak	0.06308	0.00000	$ 0.015	0.07808	kWh
			Off Peak	0.05130	0.00000	$ 0.015	0.06630	kWh
Residential Time of Use A (E-TOU A)	E-TOU A	Summer	Peak	0.14316	0.00000	$ 0.015	0.15816	kWh
			Off Peak	0.07287	0.00000	$ 0.015	0.08787	kWh
		Winter	Peak	0.06193	0.00000	$ 0.015	0.07693	kWh
			Off Peak	0.04864	0.00000	$ 0.015	0.06364	kWh
Residential Time of Use B (E-TOU B)	E-TOU B	Summer	Peak	0.16350	0.00000	$ 0.015	0.17850	kWh
			Off Peak	0.06766	0.00000	$ 0.015	0.08266	kWh
		Winter	Peak	0.06414	0.00000	$ 0.015	0.07914	kWh
			Off Peak	0.04666	0.00000	$ 0.015	0.06166	kWh
Residential Time of Use C (E-TOU C)	E-TOU C	Summer	Peak	0.12079	0.00000	$ 0.015	0.13579	kWh
			Off Peak	0.06179	0.00000	$ 0.015	0.07679	kWh
		Winter	Peak	0.06828	0.00000	$ 0.015	0.08328	kWh
			Off Peak	0.05216	0.00000	$ 0.015	0.06716	kWh
Electric Vehicle Time-of-Use Service (EV)	EVA, EVB	Summer	Peak	0.19546	0.00000	$ 0.015	0.21046	kWh
			Part Peak	0.07658	0.00000	$ 0.015	0.09158	kWh
			Off Peak	0.02157	0.00000	$ 0.015	0.03657	kWh
		Winter	Peak	0.05174	0.00000	$ 0.015	0.06674	kWh
			Part Peak	0.01957	0.00000	$ 0.015	0.03457	kWh
			Off Peak	0.02355	0.00000	$ 0.015	0.03855	kWh
Residential Multi Meter Standby	SEM	Year round	Reservation Charge	0.39	0.00	$ 0.015	0.39	kW
			All hours	0.06624	0.00000	$ 0.015	0.08124	kWh
Small General Service (A-1)	A-1 A	Summer	All hours	0.09087	-0.00823	$ 0.010	0.10087	kWh
		Winter	All hours	0.05463	-0.00823	$ 0.010	0.06463	kWh
Small General Service (A-1TOU)	A-1 B	Summer	Peak	0.10393	-0.00823	$ 0.010	0.11393	kWh
			Part Peak	0.08208	-0.00823	$ 0.010	0.09208	kWh
			Off Peak	0.05681	-0.00823	$ 0.010	0.06681	kWh
		Winter	Part Peak	0.08190	-0.00823	$ 0.010	0.09190	kWh
			Off Peak	0.06257	-0.00823	$ 0.010	0.07257	kWh
Small General Time-of-Use Service (A-6)	A-6	Summer	Peak	0.32083	-0.00823	$ 0.010	0.33083	kWh
			Part Peak	0.10210	-0.00823	$ 0.010	0.11210	kWh
			Off Peak	0.04824	-0.00823	$ 0.010	0.05824	kWh
		Winter	Part Peak	0.07177	-0.00823	$ 0.010	0.08177	kWh
			Off Peak	0.05561	-0.00823	$ 0.010	0.06561	kWh
Direct-Current General Service (A-15)	A-15	Summer	All hours	0.09087	-0.00823	$ 0.010	0.10087	kWh
		Winter	All hours	0.05463	-0.00823	$ 0.010	0.06463	kWh
Medium General Demand Non-Time of Use - Secondary Voltage (A-10AS)	A-10 A	Summer	All hours	0.07989	-0.00969	$ 0.005	0.08489	kWh
		Winter	All hours	0.05537	-0.00969	$ 0.005	0.06037	kWh
		Summer	Demand	4.92	0.00	$ 0.005	4.92	kW
Med. General Demand Non-Time of Use - Primary Voltage (A-10AP)		Summer	All hours	0.07086	-0.00969	$ 0.005	0.07586	kWh
		Winter	All hours	0.04960	-0.00969	$ 0.005	0.05460	kWh
		Summer	Demand	4.27	0.00	$ 0.005	4.27	kW
Med. General Demand Non-Time of Use - Transmission (A-10AT)		Summer	All hours	0.06193	-0.00969	$ 0.005	0.06693	kWh
		Winter	All hours	0.04348	-0.00969	$ 0.005	0.04848	kWh
		Summer	Demand	3.35	0.00	$ 0.005	3.35	kW
Medium General Demand Time of Use - Secondary Voltage (A-10BS)	A-10 B	Summer	Peak	0.12887	-0.00969	$ 0.005	0.13387	kWh
			Part Peak	0.07876	-0.00969	$ 0.005	0.08376	kWh
			Off Peak	0.05324	-0.00969	$ 0.005	0.05824	kWh
		Winter	Part Peak	0.06427	-0.00969	$ 0.005	0.06927	kWh
			Off Peak	0.04875	-0.00969	$ 0.005	0.05375	kWh
		Summer	Demand	4.92	0.00	$ 0.005	4.92	kW
Medium General Demand Time of Use - Primary Voltage (A-10BP)		Summer	Peak	0.11806	-0.00969	$ 0.005	0.12306	kWh
			Part Peak	0.07210	-0.00969	$ 0.005	0.07710	kWh
			Off Peak	0.04789	-0.00969	$ 0.005	0.05289	kWh
		Winter	Part Peak	0.05965	-0.00969	$ 0.005	0.06465	kWh
			Off Peak	0.04521	-0.00969	$ 0.005	0.05021	kWh
		Summer	Demand	4.27	0.00	$ 0.005	4.27	kW
Medium General Demand Time of Use - Transmission (A-10BT)		Summer	Peak	0.10513	-0.00969	$ 0.005	0.11013	kWh
			Part Peak	0.06252	-0.00969	$ 0.005	0.06752	kWh
			Off Peak	0.03951	-0.00969	$ 0.005	0.04451	kWh
		Winter	Part Peak	0.05180	-0.00969	$ 0.005	0.05680	kWh
			Off Peak	0.03855	-0.00969	$ 0.005	0.04355	kWh
		Summer	Demand	3.35	0.00	$ 0.005	3.35	kW

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Medium General Demand Time of Use - Secondary (E-19S)	E-19	Summer	Peak	0.10555	-0.01040	$ 0.005	0.11055	kWh
			Part Peak	0.06450	-0.01040	$ 0.005	0.06950	kWh
			Off Peak	0.03732	-0.01040	$ 0.005	0.04232	kWh
			Max Peak Demand	12.81	0.00	$ 0.005	12.81	kW
			Max Part Peak Demand	3.16	0.00	$ 0.005	3.16	kW
		Winter	Part Peak	0.05888	-0.01040	$ 0.005	0.06388	kWh
			Off Peak	0.04406	-0.01040	$ 0.005	0.04906	kWh
Medium General Demand Time of Use - Primary (E-19P)		Summer	Peak	0.09897	-0.01040	$ 0.005	0.10397	kWh
			Part Peak	0.05920	-0.01040	$ 0.005	0.06420	kWh
			Off Peak	0.03362	-0.01040	$ 0.005	0.03862	kWh
			Max Peak Demand	11.70	0.00	$ 0.005	11.70	kW
			Max Part Peak Demand	2.85	0.00	$ 0.005	2.85	kW
		Winter	Part Peak	0.05382	-0.01040	$ 0.005	0.05882	kWh
			Off Peak	0.03994	-0.01040	$ 0.005	0.04494	kWh
Medium General Demand Time of Use - Transmission (E-19T)		Summer	Peak	0.07258	-0.01040	$ 0.005	0.07758	kWh
			Part Peak	0.05780	-0.01040	$ 0.005	0.06280	kWh
			Off Peak	0.03823	-0.01040	$ 0.005	0.04323	kWh
			Max Peak Demand	14.57	0.00	$ 0.005	14.57	kW
			Max Part Peak Demand	3.66	0.00	$ 0.005	3.66	kW
		Winter	Part Peak	0.06012	-0.01040	$ 0.005	0.06512	kWh
			Off Peak	0.04509	-0.01040	$ 0.005	0.05009	kWh
Medium General Demand Time of Use - Secondary With Qualifying Solar PV (E-19-S-R)		Summer	Peak	0.24722	-0.01040	$ 0.005	0.25222	kWh
			Part Peak	0.09746	-0.01040	$ 0.005	0.10246	kWh
			Off Peak	0.03732	-0.01040	$ 0.005	0.04232	kWh
		Winter	Part Peak	0.05888	-0.01040	$ 0.005	0.06388	kWh
			Off Peak	0.04406	-0.01040	$ 0.005	0.04906	kWh
Medium General Demand Time of Use - Primary With Qualifying Solar PV (E-19-P-R)		Summer	Peak	0.24130	-0.01040	$ 0.005	0.24630	kWh
			Part Peak	0.09180	-0.01040	$ 0.005	0.09680	kWh
			Off Peak	0.03362	-0.01040	$ 0.005	0.03862	kWh
		Winter	Part Peak	0.05382	-0.01040	$ 0.005	0.05882	kWh
			Off Peak	0.03994	-0.01040	$ 0.005	0.04494	kWh
Medium General Demand Time of Use - Transmission With Qualifying Solar PV (E-19-T-R)		Summer	Peak	0.26518	-0.01040	$ 0.005	0.27018	kWh
			Part Peak	0.10323	-0.01040	$ 0.005	0.10823	kWh
			Off Peak	0.03823	-0.01040	$ 0.005	0.04323	kWh
		Winter	Part Peak	0.06012	-0.01040	$ 0.005	0.06512	kWh
			Off Peak	0.04509	-0.01040	$ 0.005	0.05009	kWh
Service to Max Demands >1,000 kW Time of Use - Secondary Voltage (E-20S)	E-20	Summer	Peak	0.09985	-0.00997	$ 0.010	0.10985	kWh
			Part Peak	0.06174	-0.00997	$ 0.010	0.07174	kWh
			Off Peak	0.03558	-0.00997	$ 0.010	0.04558	kWh
			Max Peak Demand	12.66	0.00	$ 0.010	12.66	kW
			Max Part Peak Demand	3.12	0.00	$ 0.010	3.12	kW
		Winter	Part Peak	0.05621	-0.00997	$ 0.010	0.06621	kWh
			Off Peak	0.04203	-0.00997	$ 0.010	0.05203	kWh
Service to Max Demands >1,000 kW Time of Use - Primary Voltage (E-20P)		Summer	Peak	0.10305	-0.00974	$ 0.010	0.11305	kWh
			Part Peak	0.06136	-0.00974	$ 0.010	0.07136	kWh
			Off Peak	0.03571	-0.00974	$ 0.010	0.04571	kWh
			Max Peak Demand	13.79	0.00	$ 0.010	13.79	kW
			Max Part Peak Demand	3.26	0.00	$ 0.010	3.26	kW
		Winter	Part Peak	0.05587	-0.00974	$ 0.010	0.06587	kWh
			Off Peak	0.04201	-0.00974	$ 0.010	0.05201	kWh
Service to Max Demands >1,000 kW Time of Use - Transmission (E-20T)		Summer	Peak	0.06251	-0.00943	$ 0.010	0.07251	kWh
			Part Peak	0.04990	-0.00943	$ 0.010	0.05990	kWh
			Off Peak	0.03322	-0.00943	$ 0.010	0.04322	kWh
			Max Peak Demand	16.37	0.00	$ 0.010	16.37	kW
			Max Part Peak Demand	3.90	0.00	$ 0.010	3.90	kW
		Winter	Part Peak	0.05189	-0.00943	$ 0.010	0.06189	kWh
			Off Peak	0.03907	-0.00943	$ 0.010	0.04907	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Secondary E-20-S-R		Summer	Peak	0.22946	-0.00997	$ 0.010	0.23946	kWh
			Part Peak	0.09308	-0.00997	$ 0.010	0.10308	kWh
			Off Peak	0.03558	-0.00997	$ 0.010	0.04558	kWh
		Winter	Part Peak	0.05621	-0.00997	$ 0.010	0.06621	kWh
			Off Peak	0.04203	-0.00997	$ 0.010	0.05203	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Primary E-20-P-R		Summer	Peak	0.24507	-0.00974	$ 0.010	0.25507	kWh
			Part Peak	0.09259	-0.00974	$ 0.010	0.10259	kWh
			Off Peak	0.03571	-0.00974	$ 0.010	0.04571	kWh
		Winter	Part Peak	0.05587	-0.00974	$ 0.010	0.06587	kWh
			Off Peak	0.04201	-0.00974	$ 0.010	0.05201	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Transmission E-20-T-R		Summer	Peak	0.23934	-0.00943	$ 0.010	0.24934	kWh
			Part Peak	0.08735	-0.00943	$ 0.010	0.09735	kWh
			Off Peak	0.03322	-0.00943	$ 0.010	0.04322	kWh
		Winter	Part Peak	0.05189	-0.00943	$ 0.010	0.06189	kWh
			Off Peak	0.03907	-0.00943	$ 0.010	0.04907	kWh

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	CleanPowerSF PCIA Credit Feb. 1, 2019	SuperGreen Premium	SuperGreen Rate Feb. 1, 2019 (Green Rate + SuperGreen Premium)	Billing Determinant
Customer-Owned Street and Highway Lighting Customer-Owned Street and Highway Lighting Electrolier Meter Rate Outdoor Area Lighting Services (LS-1)	LS-2, LS-3, OL-1	Year round	All hours	0.07449	-0.02078	$ 0.010	0.08449	kWh
Traffic Control Service (TC-1)	TC-1	Year round	All hours	0.06267	-0.00823	$ 0.010	0.07267	kWh
Agricultural Power (AG-1)	AG-1 A	Summer	All hours	0.07899	-0.00500	$ 0.010	0.08899	kWh
			Connected Load	1.43	0.00	$ 0.010	1.43	kW
		Winter	All hours	0.05837	-0.00500	$ 0.010	0.06837	kWh
	AG-1 B	Summer	All hours	0.08209	-0.00500	$ 0.010	0.09209	kWh
			Max Demand	2.15	0.00	$ 0.010	2.15	kW
			Primary Voltage Disc.	0.79	0.00	$ 0.010	0.79	kW
		Winter	All hours	0.05844	-0.00500	$ 0.010	0.06844	kWh
Agricultural Power, Time-of-Use (AG-4A)	AG-4 A, AG-4 D	Summer	Peak	0.14148	-0.00500	$ 0.010	0.15148	kWh
			Off Peak	0.04678	-0.00500	$ 0.010	0.05678	kWh
			Connected Load	1.42	0.00	$ 0.010	1.42	kW
		Winter	Part Peak	0.05108	-0.00500	$ 0.010	0.06108	kWh
			Off Peak	0.03979	-0.00500	$ 0.010	0.04979	kWh
Agricultural Power, Time-of-Use (AG-4B)	AG-4 B, AG-4 E	Summer	Peak	0.10246	-0.00500	$ 0.010	0.11246	kWh
			Off Peak	0.04891	-0.00500	$ 0.010	0.05891	kWh
			Max Demand	2.51	0.00	$ 0.010	2.51	kW
			Max Peak Demand	2.66	0.00	$ 0.010	2.66	kW
			Primary Voltage Disc. (per Max Demand)	0.62	0.00	$ 0.010	0.62	kW
		Winter	Part Peak	0.04707	-0.00500	$ 0.010	0.05707	kWh
			Off Peak	0.03630	-0.00500	$ 0.010	0.04630	kWh
Agricultural Power, Time-of-Use (AG-4C)	AG-4 C, AG-4 F	Summer	Peak	0.12211	-0.00500	$ 0.010	0.13211	kWh
			Part Peak	0.05821	-0.00500	$ 0.010	0.06821	kWh
			Off Peak	0.03500	-0.00500	$ 0.010	0.04500	kWh
			Max Peak Demand	6.18	0.00	$ 0.010	6.18	kW
			Max Part Peak Demand	1.05	0.00	$ 0.010	1.05	kW
			Primary Voltage Disc. (per Max Peak Demand)	1.07	0.00	$ 0.010	1.07	kW
			Trans. Volt. Disc. (per Max Peak Demand)	1.97	0.00	$ 0.010	1.97	kW
			Trans. Volt. Disc. (per Max Part-Peak Demand)	-0.02	0.00	$ 0.010	-0.02	kW
		Winter	Part Peak	0.04159	-0.00500	$ 0.010	0.05159	kWh
			Off Peak	0.03162	-0.00500	$ 0.010	0.04162	kWh
Large Time-of-Use Agricultural Power (AG-5A)	AG-5 A, AG-5 D	Summer	Peak	0.13079	-0.00500	$ 0.010	0.14079	kWh
			Off Peak	0.05195	-0.00500	$ 0.010	0.06195	kWh
			Connected Load	3.88	0.00	$ 0.010	3.88	kW
		Winter	Part Peak	0.05560	-0.00500	$ 0.010	0.06560	kWh
			Off Peak	0.04371	-0.00500	$ 0.010	0.05371	kWh
Large Time-of-Use Agricultural Power (AG-5B)	AG-5 B, AG-5 E	Summer	Peak	0.12716	-0.00500	$ 0.010	0.13716	kWh
			Off Peak	0.02605	-0.00500	$ 0.010	0.03605	kWh
			Max Demand	4.66	0.00	$ 0.010	4.66	kW
			Max Peak Demand	5.84	0.00	$ 0.010	5.84	kW
			Primary Voltage Disc. (per Max Demand)	1.47	0.00	$ 0.010	1.47	kW
			Trans. Volt. Disc. (per Max Demand)	2.55	0.00	$ 0.010	2.55	kW
		Winter	Part Peak	0.04712	-0.00500	$ 0.010	0.05712	kWh
			Off Peak	0.01734	-0.00500	$ 0.010	0.02734	kWh
Large Time-of-Use Agricultural Power (AG-5C)	AG-5 C, AG-5 F	Summer	Peak	0.10110	-0.00500	$ 0.010	0.11110	kWh
			Part Peak	0.04774	-0.00500	$ 0.010	0.05774	kWh
			Off Peak	0.02788	-0.00500	$ 0.010	0.03788	kWh
			Max Peak Demand	10.83	0.00	$ 0.010	10.83	kW
			Max Part Peak Demand	2.04	0.00	$ 0.010	2.04	kW
			Primary Voltage Disc. (per Max Peak Demand)	2.23	0.00	$ 0.010	2.23	kW
			Trans. Volt. Disc. (per Max Peak Demand)	4.18	0.00	$ 0.010	4.18	kW
		Winter	Part Peak	0.04650	-0.01767	$ 0.010	0.05650	kWh
			Off Peak	0.03748	-0.01767	$ 0.010	0.04748	kWh
Standby Service - Secondary and Primary Voltage	Applies to Full Standby customers under Rate Schedule S. All partial standby customers are billed at their Otherwise Applicable Schedule ("OAS") rate	Year round	Reservation Charge	0.37	0.00		0.37	kW
		Summer	Peak	0.08398	-0.01182	$ 0.010	0.09398	kWh
			Part Peak	0.06867	-0.01182	$ 0.010	0.07867	kWh
			Off Peak	0.04865	-0.01182	$ 0.010	0.05865	kWh
		Winter	Part Peak	0.07111	-0.01182	$ 0.010	0.08111	kWh
			Off Peak	0.05560	-0.01182	$ 0.010	0.06560	kWh
Standby Service - Transmission Voltage		Year round	Reservation Charge	0.31	0.00	$ 0.010	0.31	kW
		Summer	Peak	0.06852	-0.01182	$ 0.010	0.07852	kWh
			Part Peak	0.05580	-0.01182	$ 0.010	0.06580	kWh
			Off Peak	0.03900	-0.01182	$ 0.010	0.04900	kWh
		Winter	Part Peak	0.05780	-0.01182	$ 0.010	0.06780	kWh
			Off Peak	0.04490	-0.01182	$ 0.010	0.05490	kWh

From:	Revelli, Lindsay
To:	Revelli, Lindsay
Subject:	FW: SFPUC Statutory Exemption Request - CleanPowerSF Revised Rates
Date:	Friday, November 30, 2018 8:53:00 AM
Attachments:	image002.png

Planning Department Case Number 2018-016051ENV

From: Kern, Chris (CPC) <chris.kern@sfgov.org>
Sent: Thursday, November 29, 2018 3:33 PM
To: Revelli, Lindsay <LRevelli@sfwater.org>
Cc: Johnston, Timothy (CPC) <timothy.johnston@sfgov.org>; Moore, Julie (CPC) <julie.moore@sfgov.org>
Subject: RE: SFPUC Statutory Exemption Request - CleanPowerSF Revised Rates

Hi Lindsay,
The Planning Department concurs with the SFPUC's determination that the proposed CleanPowerSF Revised Rates are statutorily exempt from environmental review pursuant to CEQA Guidelines section 15273 (Rates, Tolls, Fares, and Charges).

Chris Kern, Principal Planner
Environmental Planning Division
San Francisco Planning Department
1650 Mission Street, Suite 400, San Francisco, CA 94103
Direct: 415-575-9037 | www.sfplanning.org
San Francisco Property Information Map

From: Revelli, Lindsay <LRevelli@sfwater.org>
Sent: Tuesday, November 27, 2018 3:39 PM
To: CPC.EPIntake <CPC.EPIntake@sfgov.org>
Cc: Kern, Chris (CPC) <chris.kern@sfgov.org>; Johnston, Timothy (CPC) <timothy.johnston@sfgov.org>
Subject: SFPUC Statutory Exemption Request - CleanPowerSF Revised Rates

Hello – Thank you for your assistance with this SFPUC request for environmental review. Attached please find the CEQA exemption request for the Proposal to Adopt Revised Rates and Charges for Community Choice Aggregation (CCA) Program Service within San Francisco.

Please feel free to contact me with any questions you may have.

Thank you,

Lindsay

Lindsay Lane Revelli
Environmental Project Manager
San Francisco Public Utilities Commission
Bureau of Environmental Management

525 Golden Gate Avenue, 6th Floor, San Francisco, CA 94102
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San Francisco Water Power Sewer
Services of the San Francisco Public Utilities Commission

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November 27, 2018

Mr. Chris Kern, Senior Environmental Planner
Environmental Planning Division
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: CEQA Statutory Exemption Request
Proposal to Adopt Revised Rates and Charges
for Community Choice Aggregation (CCA)
Program Service within San Francisco

Dear Chris:

The San Francisco Public Utilities Commission (SFPUC) proposes adoption of revised rates and charges for supplying greener electricity generation and related services to residential and commercial customers in San Francisco through the Community Choice Aggregation (CCA) program, also known as CleanPowerSF. The SFPUC Bureau of Environmental Management requests Environmental Planning (EP) concurrence that the proposed adoption of rates and charges is statutorily exempt under CEQA.

The SFPUC recommends the proposed adoption of the rates by the Commission is statutorily exempt from the California Environmental Quality Act (CEQA) under Public Resources Code Section 21080(b)(8) and CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges) related to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges.

CCA PROGRAM DESCRIPTION

The CCA program, also known as CleanPowerSF, was approved by the San Francisco Board of Supervisors under Resolution Number 348-12 on September 28, 2012 and has been in operation since May 2016. It has provided greener electricity generation and related services to residential and

commercial consumers in San Francisco. CleanPowerSF has balanced several complementary goals, including affordable and competitive electricity generation rates, a diverse electricity resource portfolio that is comprised of renewable and other clean sources of supply, and high-quality customer service.

The SFPUC launched the first phase of CleanPowerSF on May 1, 2016. The program currently serves approximately 115,000 accounts and offers two products: the "Green" product comprised of at least 40% renewable energy and the "SuperGreen" product comprised of 100% renewable energy.

The Commission adopted initial CleanPowerSF "not-to-exceed" rates on December 8, 2015 by Resolution Number 15-0268. Rates were set at levels not to exceed comparable Pacific Gas and Electric (PG&E) rates in recognition of the need for CleanPowerSF to cover its costs and build financial reserves, yet remain competitive with PG&E. CleanPowerSF initial "Green" rates were set 0.25% below comparable PG&E rates as of March 1, 2016, minus Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge (FFS). "SuperGreen" rates were set to include a $0.02 per kilowatt-hour (kWh) premium above "Green" rates.

Since CleanPowerSF's initial rates were adopted, the Commission has taken two actions to reduce program rates to stay competitive with PG&E rates. Additionally, the Commission adopted generation rate changes in April 2018 to reflect changes in PG&E's generation rates, PCIA and FFS that would have resulted in those rates being 7 percent higher than those of CleanPowerSF. The April 2018 rate change allowed CleanPowerSF to contribute to its reserve while maintaining a 2% discount relative to PG&E service.

Proposed CCA Rates and Charges

Staff proposes to reduce CleanPowerSF Green product generation rates by the expected decrease in PG&E's generation rate starting on January 1, 2019. Due to the significant forecasted increase in PCIA for many customer classes, staff additionally proposes to modify CleanPowerSF's Rate-Setting Methodology by introducing a PCIA Impact Credit. The PCIA Impact Credit is designed as a rate offset, to help CleanPowerSF customers cover the increased costs of PG&E's PCIA charge.

Because PG&E's rates are not expected to be finalized until January 1, 2019, staff is recommending that the Commission authorize the General Manager to make final adjustments to the CleanPowerSF rates once PG&E's final rates are published for calendar year 2019. Staff expects PG&E would file its final rates in late December 2018 to be in effect as of January 1, 2019. The General Manager would provide a report to the Commission on the final rates at a meeting in January of 2019.

If approved by the Commission and not rejected by the Board of Supervisors, the new CleanPowerSF Green generation rates and PCIA Impact Credit are expected to take effect on February 1, 2019. The Schedule of CleanPowerSF Rates and Charges is attached hereto, and presents a comprehensive schedule of proposed rates for Fiscal Year 2018-19. Rates are based on estimated PG&E electric rates to go into effect on January 1, 2019.

The proposed CleanPowerSF revised schedule of rates and charges would:

1. Set CleanPowerSF generation rates at or below comparable PG&E generation rates expected to be in effect on January 1, 2019, and

2. Apply a new volumetric credit (cents per kilowatt-hour) equal to the net increase to each customer class's PG&E Power Charge Indifference Adjustment and Franchise Fee Surcharge expected to be in effect as of January 1, 2019.

Pursuant to Charter Section 16.112, a Notice of Public Hearing on the establishment of a schedule of rates was published in the official newspaper on November 21, 22, 23, 25, & 28, 2018, and posted on the SFPUC website and at the San Francisco Public Library, for a public hearing on December 11, 2018, with possible Commission action on this date. If approved by the Commission, these rates and charges would be subject to rejection by the Board of Supervisors (BOS), as provided in Charter section 8B.125, within 30 days following notification to the BOS. These proposed CleanPowerSF rates would become effective February 1, 2019 and would remain effective until revised.

CEQA COMPLIANCE/RECOMMENDATION

The SFPUC recommends the proposed adoption of revised rates for supplying greener electricity generation and related services to residential and commercial customers in San Francisco through the CCA program is statutorily exempt from environmental review under Public Resources Code Section 21080(b)(8) and CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges), Subsection (a)(1) which provides a statutory exemption from CEQA for the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies for the purposes of meeting operating expenses.

Thank you for your concurrence with this request.

Sincerely,

Irina P. Torrey, AICP, Bureau Manager
Bureau of Environmental Management

Cc: Charles Perl, SFPUC Deputy Chief Financial Officer
Cheryl Taylor, Principal Analyst – Special Projects, Financial Services
Timothy Johnston, MP, Environmental Planner, Environmental Planning Division, San Francisco Planning Department
Lindsay Revelli, Environmental Project Manager, SFPUC Bureau of Environmental Management

Exhibit 1: Schedule of CleanPowerSF Electric Rates and Charges
Effective February 1, 2019

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	PCIA Impact Credit Feb. 1, 2019	SuperGreen Rate Feb. 1, 2019	Billing Determinant
Non-Time of Use Residential (E-1)	E1, E1L, EM, EML, ES, ESL, ESR, ESRL, ET, and ETL	Year round	All hours	0.06624	0.00000	0.08124	kWh
Residential Time of Use (1) (E-6)	E-6	Summer	Peak	0.18709	0.00000	0.20209	kWh
			Part Peak	0.08214	0.00000	0.09714	kWh
			Off Peak	0.03930	0.00000	0.05430	kWh
		Winter	Part Peak	0.06308	0.00000	0.07808	kWh
			Off Peak	0.05130	0.00000	0.06630	kWh
Residential Time of Use A (E-TOU A)	E-TOU A	Summer	Peak	0.14316	0.00000	0.15816	kWh
			Off Peak	0.07287	0.00000	0.08787	kWh
		Winter	Peak	0.06193	0.00000	0.07693	kWh
			Off Peak	0.04864	0.00000	0.06364	kWh
Residential Time of Use B (E-TOU B)	E-TOU B	Summer	Peak	0.16350	0.00000	0.17850	kWh
			Off Peak	0.06766	0.00000	0.08266	kWh
		Winter	Peak	0.06414	0.00000	0.07914	kWh
			Off Peak	0.04666	0.00000	0.06166	kWh
Residential Time of Use C (E-TOU C)	E-TOU C	Summer	Peak	0.12079	0.00000	0.13579	kWh
			Off Peak	0.06179	0.00000	0.07679	kWh
		Winter	Peak	0.06828	0.00000	0.08328	kWh
			Off Peak	0.05216	0.00000	0.06716	kWh
Electric Vehicle Time-of-Use Service (EV)	EVA, EVB	Summer	Peak	0.19546	0.00000	0.21046	kWh
			Part Peak	0.07658	0.00000	0.09158	kWh
			Off Peak	0.02157	0.00000	0.03657	kWh
		Winter	Peak	0.05174	0.00000	0.06674	kWh
			Part Peak	0.01957	0.00000	0.03457	kWh
			Off Peak	0.02355	0.00000	0.03855	kWh
Residential Multi Meter Standby	SEM	Year round	Reservation Charge	0.39	0.00	0.39	kW
			All hours	0.06624	0.00000	0.08124	kWh
Small General Service (A-1)	A-1 A	Summer	All hours	0.09087	0.00823	0.10910	kWh
		Winter	All hours	0.05463	0.00823	0.07286	kWh
Small General Service (A-1TOU)	A-1 B	Summer	Peak	0.10393	0.00823	0.12216	kWh
			Part Peak	0.08208	0.00823	0.10031	kWh
			Off Peak	0.05681	0.00823	0.07504	kWh
		Winter	Part Peak	0.08190	0.00823	0.10013	kWh
			Off Peak	0.06257	0.00823	0.08080	kWh
Small General Time-of-Use Service (A-6)	A-6	Summer	Peak	0.32083	0.00823	0.33906	kWh
			Part Peak	0.10210	0.00823	0.12033	kWh
			Off Peak	0.04824	0.00823	0.06647	kWh
		Winter	Part Peak	0.07177	0.00823	0.09000	kWh
			Off Peak	0.05561	0.00823	0.07384	kWh
Direct-Current General Service (A-15)	A-15	Summer	All hours	0.09087	0.00823	0.10910	kWh
		Winter	All hours	0.05463	0.00823	0.07286	kWh
Medium General Demand Non-Time of Use - Secondary Voltage (A-10AS)	A-10 A	Summer	All hours	0.07989	0.00969	0.09458	kWh
		Winter	All hours	0.05537	0.00969	0.07006	kWh
		Summer	Demand	4.92	0.00	4.92	kW
Med. General Demand Non-Time of Use - Primary Voltage (A-10AP)		Summer	All hours	0.07086	0.00969	0.08555	kWh
		Winter	All hours	0.04960	0.00969	0.06429	kWh
		Summer	Demand	4.27	0.00	4.27	kW
Med. General Demand Non-Time of Use - Transmission (A-10AT)		Summer	All hours	0.06193	0.00969	0.07662	kWh
		Winter	All hours	0.04348	0.00969	0.05817	kWh
		Summer	Demand	3.35	0.00	3.35	kW
Medium General Demand Time of Use - Secondary Voltage (A-10BS)	A-10 B	Summer	Peak	0.12887	0.00969	0.14356	kWh
			Part Peak	0.07876	0.00969	0.09345	kWh
			Off Peak	0.05324	0.00969	0.06793	kWh
		Winter	Part Peak	0.06427	0.00969	0.07896	kWh
			Off Peak	0.04875	0.00969	0.06344	kWh
		Summer	Demand	4.92	0.00	4.92	kW
Medium General Demand Time of Use - Primary Voltage (A-10BP)		Summer	Peak	0.11806	0.00969	0.13275	kWh
			Part Peak	0.07210	0.00969	0.08679	kWh
			Off Peak	0.04789	0.00969	0.06258	kWh
		Winter	Part Peak	0.05965	0.00969	0.07434	kWh
			Off Peak	0.04521	0.00969	0.05990	kWh
		Summer	Demand	4.27	0.00	4.27	kW
Medium General Demand Time of Use - Transmission (A-10BT)		Summer	Peak	0.10513	0.00969	0.11982	kWh
			Part Peak	0.06252	0.00969	0.07721	kWh
			Off Peak	0.03951	0.00969	0.05420	kWh
		Winter	Part Peak	0.05180	0.00969	0.06649	kWh
			Off Peak	0.03855	0.00969	0.05324	kWh
		Summer	Demand	3.35	0.00	3.35	kW

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	PCIA Impact Credit Feb. 1, 2019	SuperGreen Rate Feb. 1, 2019	Billing Determinant
Medium General Demand Time of Use - Secondary (E-19S)	E-19	Summer	Peak	0.10555	0.01040	0.12095	kWh
			Part Peak	0.06450	0.01040	0.07990	kWh
			Off Peak	0.03732	0.01040	0.05272	kWh
			Max Peak Demand	12.81	0.00	12.81	kW
			Max Part Peak Demand	3.16	0.00	3.16	kW
		Winter	Part Peak	0.05888	0.01040	0.07428	kWh
			Off Peak	0.04406	0.01040	0.05946	kWh
Medium General Demand Time of Use - Primary (E-19P)		Summer	Peak	0.09897	0.01040	0.11437	kWh
			Part Peak	0.05920	0.01040	0.07460	kWh
			Off Peak	0.03362	0.01040	0.04902	kWh
			Max Peak Demand	11.70	0.00	11.70	kW
			Max Part Peak Demand	2.85	0.00	2.85	kW
		Winter	Part Peak	0.05382	0.01040	0.06922	kWh
			Off Peak	0.03994	0.01040	0.05534	kWh
Medium General Demand Time of Use - Transmission (E-19T)		Summer	Peak	0.13862	0.01040	0.15402	kWh
			Part Peak	0.11008	0.01040	0.12548	kWh
			Off Peak	0.07230	0.01040	0.08770	kWh
			Max Peak Demand	28.12	0.00	28.12	kW
			Max Part Peak Demand	7.06	0.00	7.06	kW
		Winter	Part Peak	0.11456	0.01040	0.12996	kWh
			Off Peak	0.08554	0.01040	0.10094	kWh
Medium General Demand Time of Use - Secondary With Qualifying Solar PV (E-19-S-R)		Summer	Peak	0.24722	0.01040	0.26262	kWh
			Part Peak	0.09746	0.01040	0.11286	kWh
			Off Peak	0.03732	0.01040	0.05272	kWh
		Winter	Part Peak	0.05888	0.01040	0.07428	kWh
			Off Peak	0.04406	0.01040	0.05946	kWh
Medium General Demand Time of Use - Primary With Qualifying Solar PV (E-19-P-R)		Summer	Peak	0.24130	0.01040	0.25670	kWh
			Part Peak	0.09180	0.01040	0.10720	kWh
			Off Peak	0.03362	0.01040	0.04902	kWh
		Winter	Part Peak	0.05382	0.01040	0.06922	kWh
			Off Peak	0.03994	0.01040	0.05534	kWh
Medium General Demand Time of Use - Transmission With Qualifying Solar PV (E-19-T-R)		Summer	Peak	0.51042	0.01040	0.52582	kWh
			Part Peak	0.19778	0.01040	0.21318	kWh
			Off Peak	0.07230	0.01040	0.08770	kWh
		Winter	Part Peak	0.11456	0.01040	0.12996	kWh
			Off Peak	0.08554	0.01040	0.10094	kWh
Service to Max Demands >1,000 kW Time of Use - Secondary Voltage (E-20S)		Summer	Peak	0.09985	0.00997	0.11982	kWh
			Part Peak	0.06174	0.00997	0.08171	kWh
			Off Peak	0.03558	0.00997	0.05555	kWh
			Max Peak Demand	12.66	0.00	12.66	kW
			Max Part Peak Demand	3.12	0.00	3.12	kW
		Winter	Part Peak	0.05621	0.00997	0.07618	kWh
			Off Peak	0.04203	0.00997	0.06200	kWh
Service to Max Demands >1,000 kW Time of Use - Primary Voltage (E-20P)		Summer	Peak	0.10305	0.00974	0.12279	kWh
			Part Peak	0.06136	0.00974	0.08110	kWh
			Off Peak	0.03571	0.00974	0.05545	kWh
			Max Peak Demand	13.79	0.00	13.79	kW
			Max Part Peak Demand	3.26	0.00	3.26	kW
		Winter	Part Peak	0.05587	0.00974	0.07561	kWh
			Off Peak	0.04201	0.00974	0.06175	kWh
Service to Max Demands >1,000 kW Time of Use - Transmission (E-20T)		Summer	Peak	0.06251	0.00943	0.08194	kWh
			Part Peak	0.04990	0.00943	0.06933	kWh
			Off Peak	0.03322	0.00943	0.05265	kWh
			Max Peak Demand	16.37	0.00	16.37	kW
			Max Part Peak Demand	3.90	0.00	3.90	kW
		Winter	Part Peak	0.05189	0.00943	0.07132	kWh
			Off Peak	0.03907	0.00943	0.05850	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Secondary E-20-S-R		Summer	Peak	0.22946	0.00997	0.24943	kWh
			Part Peak	0.09308	0.00997	0.11305	kWh
			Off Peak	0.03558	0.00997	0.05555	kWh
		Winter	Part Peak	0.05621	0.00997	0.07618	kWh
			Off Peak	0.04203	0.00997	0.06200	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Primary E-20-P-R		Summer	Peak	0.24507	0.00974	0.26481	kWh
			Part Peak	0.09259	0.00974	0.11233	kWh
			Off Peak	0.03571	0.00974	0.05545	kWh
		Winter	Part Peak	0.05587	0.00974	0.07561	kWh
			Off Peak	0.04201	0.00974	0.06175	kWh
Medium General Demand With Qualifying Solar PV Time of Use - Transmission E-20-T-R		Summer	Peak	0.23934	0.00943	0.25877	kWh
			Part Peak	0.08735	0.00943	0.10678	kWh
			Off Peak	0.03322	0.00943	0.05265	kWh
		Winter	Part Peak	0.05189	0.00943	0.07132	kWh
			Off Peak	0.03907	0.00943	0.05850	kWh

Tariff Title	Applies To Customers on Following PG&E Rate Schedules	Season	Hours Applied	Proposed Green Product Rate Feb. 1, 2019	PCIA Impact Credit Feb. 1, 2019	SuperGreen Rate Feb. 1, 2019	Billing Determinant
Customer-Owned Street and Highway Lighting Customer-Owned Street and Highway Lighting Electrolier Meter Rate Outdoor Area Lighting Services (LS-1)	LS-2, LS-3, OL-1	Year round	All hours	0.07449	0.02078	0.10527	kWh
Traffic Control Service (TC-1)	TC-1	Year round	All hours	0.06267	0.00823	0.08090	kWh
Agricultural Power (AG-1)	AG-1 A	Summer	All hours	0.07899	0.00500	0.09399	kWh
			Connected Load	1.43	0.00	1.43	kW
		Winter	All hours	0.05837	0.00500	0.07337	kWh
	AG-1 B	Summer	All hours	0.08209	0.00500	0.09709	kWh
			Max Demand	2.15	0.00	2.15	kW
			Primary Voltage Disc.	0.79	0.00	0.79	kW
		Winter	All hours	0.05844	0.00500	0.07344	kWh
Agricultural Power, Time-of-Use (AG-4A)	AG-4 A, AG-4 D	Summer	Peak	0.14148	0.00500	0.15648	kWh
			Off Peak	0.04678	0.00500	0.06178	kWh
			Connected Load	1.42	0.00	1.42	kW
		Winter	Part Peak	0.05108	0.00500	0.06608	kWh
			Off Peak	0.03979	0.00500	0.05479	kWh
Agricultural Power, Time-of-Use (AG-4B)	AG-4 B, AG-4 E	Summer	Peak	0.10246	0.00500	0.11746	kWh
			Off Peak	0.04891	0.00500	0.06391	kWh
			Max Demand	2.51	0.00	2.51	kW
			Max Peak Demand	2.66	0.00	2.66	kW
			Primary Voltage Disc. (per Max Demand)	0.62	0.00	0.62	kW
		Winter	Part Peak	0.04707	0.00500	0.06207	kWh
			Off Peak	0.03630	0.00500	0.05130	kWh
Agricultural Power, Time-of-Use (AG-4C)	AG-4 C, AG-4 F	Summer	Peak	0.12211	0.00500	0.13711	kWh
			Part Peak	0.05821	0.00500	0.07321	kWh
			Off Peak	0.03500	0.00500	0.05000	kWh
			Max Peak Demand	6.18	0.00	6.18	kW
			Max Part Peak Demand	1.05	0.00	1.05	kW
			Primary Voltage Disc. (per Max Peak Demand)	1.07	0.00	1.07	kW
			Trans. Volt. Disc. (per Max Peak Demand)	1.97	0.00	1.97	kW
			Trans. Volt. Disc. (per Max Part-Peak Demand)	-0.04	0.00	-0.04	kW
		Winter	Part Peak	0.04159	0.00500	0.05659	kWh
			Off Peak	0.03162	0.00500	0.04662	kWh
Large Time-of-Use Agricultural Power (AG-5A)	AG-5 A, AG-5 D	Summer	Peak	0.13079	0.00500	0.14579	kWh
			Off Peak	0.05195	0.00500	0.06695	kWh
			Connected Load	3.88	0.00	3.88	kW
		Winter	Part Peak	0.05560	0.00500	0.07060	kWh
			Off Peak	0.04371	0.00500	0.05871	kWh
Large Time-of-Use Agricultural Power (AG-5B)	AG-5 B, AG-5 E	Summer	Peak	0.12716	0.00500	0.14216	kWh
			Off Peak	0.02605	0.00500	0.04105	kWh
			Max Demand	4.66	0.00	4.66	kW
			Max Peak Demand	5.84	0.00	5.84	kW
			Primary Voltage Disc. (per Max Demand)	1.47	0.00	1.47	kW
			Trans. Volt. Disc. (per Max Demand)	2.55	0.00	2.55	kW
		Winter	Part Peak	0.04712	0.00500	0.06212	kWh
			Off Peak	0.01734	0.00500	0.03234	kWh
Large Time-of-Use Agricultural Power (AG-5C)	AG-5 C, AG-5 F	Summer	Peak	0.10110	0.00500	0.11610	kWh
			Part Peak	0.04774	0.00500	0.06274	kWh
			Off Peak	0.02788	0.00500	0.04288	kWh
			Max Peak Demand	10.83	0.00	10.83	kW
			Max Part Peak Demand	2.04	0.00	2.04	kW
			Primary Voltage Disc. (per Max Peak Demand)	2.23	0.00	2.23	kW
			Trans. Volt. Disc. (per Max Peak Demand)	4.18	0.00	4.18	kW
		Winter	Part Peak	0.04650	0.01767	0.07417	kWh
			Off Peak	0.03748	0.01767	0.06515	kWh
Standby Service - Secondary and Primary Voltage	Applies to Full Standby customers under Rate Schedule S. All partial standby customers are billed at their Otherwise Applicable Schedule ("OAS") rate	Year round	Reservation Charge	0.37	0.00	0.37	kW
		Summer	Peak	0.08398	0.01182	0.10580	kWh
			Part Peak	0.06867	0.01182	0.09049	kWh
			Off Peak	0.04865	0.01182	0.07047	kWh
		Winter	Part Peak	0.07111	0.01182	0.09293	kWh
			Off Peak	0.05560	0.01182	0.07742	kWh
Standby Service - Transmission Voltage		Year round	Reservation Charge	0.31	0.00	0.31	kW
		Summer	Peak	0.06852	0.01182	0.09034	kWh
			Part Peak	0.05580	0.01182	0.07762	kWh
			Off Peak	0.03900	0.01182	0.06082	kWh
		Winter	Part Peak	0.05780	0.01182	0.07962	kWh
			Off Peak	0.04490	0.01182	0.06672	kWh

San Francisco Water Power Sewer

Services of the San Francisco Public Utilities Commission

CleanPowerSF Growth Plan Update and Rate Action

2799

December 11, 2018

CleanPowerSF

Same Service - Cleaner Energy

Agenda

- Today's Action
- Growth Plan Strategy and Status
- Upcoming PG&E Rate Changes
- Proposed CleanPowerSF Rates
- Financial Forecast and Risk Management
- Next Steps and Schedule

2800

Today's Action

- Approve a revised schedule of rates and charges for CleanPowerSF to take effect February 1, 2019
- Authorize the General Manager to adjust the rates once PG&E's final rates are published, as long as program costs are recovered

2801

CleanPowerSF Growth Plan

- Staff presented Plan in May 2017
  - Conduct enrollment in phases, until all eligible customers have been offered service (citywide enrollment)
- Commission adopted goals (Res. No. 17-0102)
  - Complete citywide enrollment in CleanPowerSF by July 2019, or sooner if possible
  - Increase the target renewable energy content of CleanPowerSF's Green product to 50% by the end of 2020, or sooner if possible

2802

Growth Plan Status

- Now enrolled 30% of accounts citywide
  - Represents ≈ 230 MW average demand
- Plan for completing citywide enrollment
  - April 2019 enrollment
    - Enroll an additional ≈ 280,000 accounts
    - Expecting to serve an additional ≈ 115 MW (Avg), after opt-out
    - Once completed, expecting to serve ≈ 365,000 accounts with 340-350 MW (Avg), after opt-out
  - Largest commercial accounts – engage with them individually to determine interest

2803

CleanPowerSF Phasing Policy

- December 8, 2015 the Commission adopted a CleanPowerSF Phasing Policy
- Rates-related Phasing Policies that must be met for additional CleanPowerSF customer enrollment:
  - Program rates being sufficient to cover program costs
  - Rates for a subsequent phase are projected to be at or below PG&E rates at the launch of each phase

2804

Rate Setting Policies

- December 8, 2015 the Commission adopted a CleanPowerSF Rate Setting Policy, consistent with the Charter (Section 8B.125)
- On September 12, 2017 the Commission adopted a Ratepayer Assurance Policy, to ensure:
    - Revenue Sufficiency
    - Customer Equity
    - Environmental Sustainability
    - Affordability
    - Predictability
    - Simplicity
    - Transparency
    - Compliance
- CleanPowerSF rates are set consistent with these policies

2805

CleanPowerSF Initial Rates

- The Commission also adopted rates for program launch using the Not-to-Exceed rate setting methodology presented to the RFB on April 17, 2015:

  PG&E Generation Rate(s)
  − PG&E Power Charge Indifference Adjustment (PCIA)
  − PG&E Franchise Fee Surcharge (FFS)
  = CleanPowerSF NTE rate(s) for default product

- CleanPowerSF Green rates set 0.25% below PG&E rates as of March 1, 2016 minus PCIA and FFS
- SuperGreen $0.02/kWh premium over Green rates

2806

Previous CleanPowerSF Rate Actions

- December 2015
  - Adopted initial CleanPowerSF rates for May 2016 service start
- April 2017
  - Reduced Green rates by 4% on average and reduced SuperGreen product rates for FY2016-2017
- January 2018
  - Reduced SuperGreen premiums, effective March 2018
  - Adopted modifications to the NEM Tariff
- April 2018
  - Increased Green rates, set 2% discount below PG&E rates, decreased some SuperGreen premiums, effective July 2018

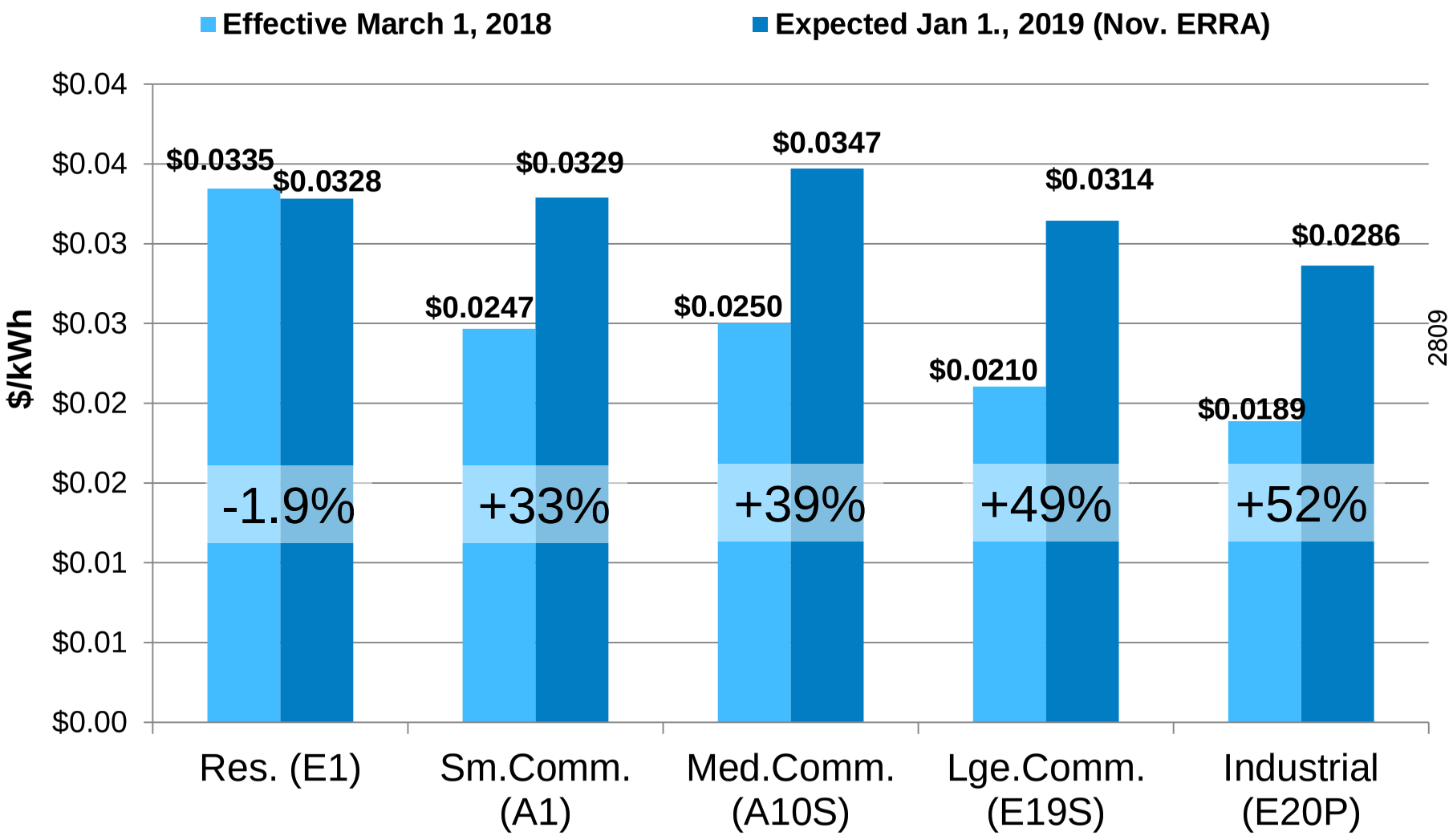
2807

Upcoming PG&E Rate Changes

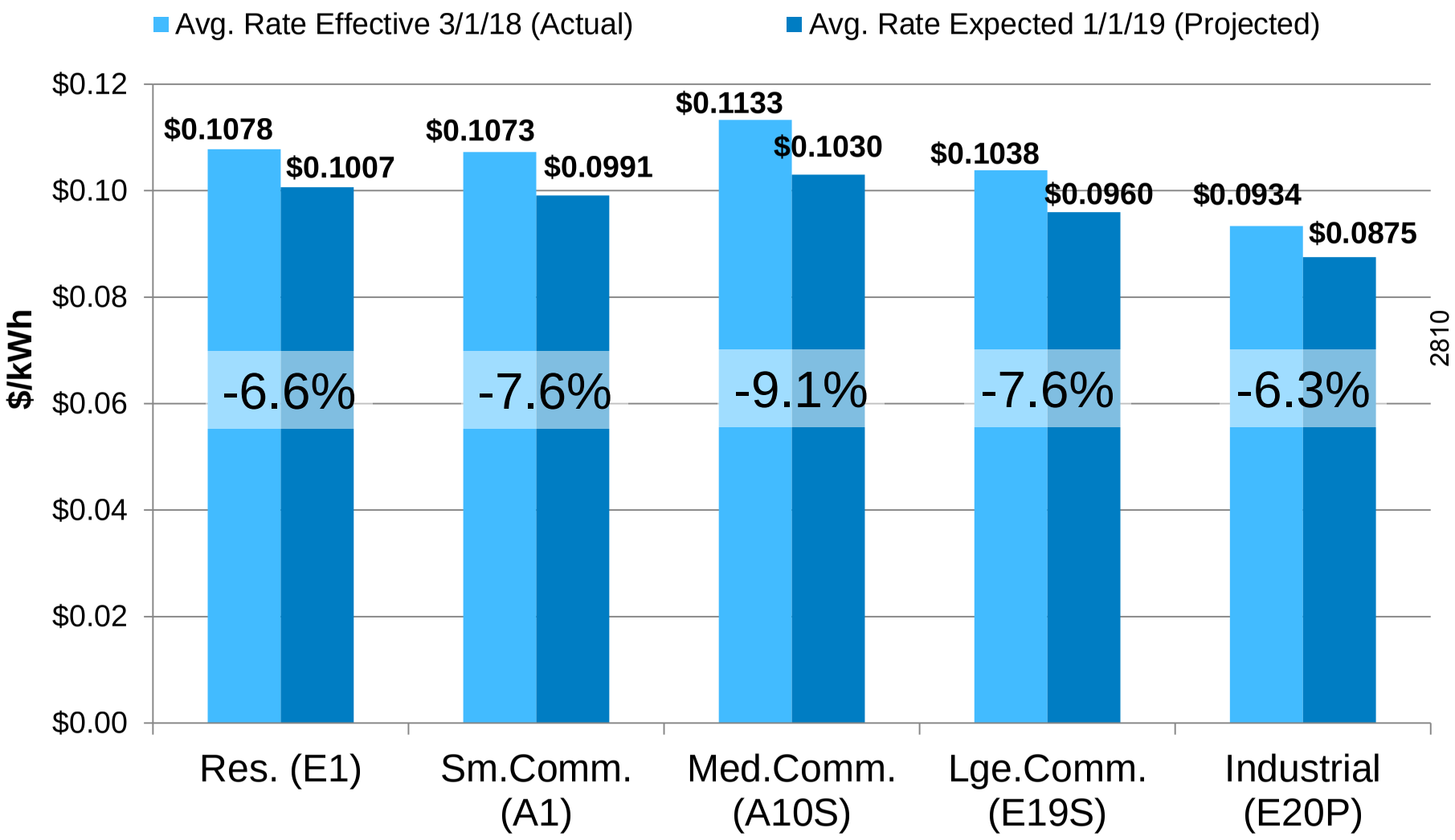
- PG&E's rates are expected to change as soon as Jan. 1, 2019
  - The PCIA is expected to increase for commercial customers and decrease for residential customers
  - Generation rates are projected to decrease for all customer classes
- Without rate action, all CleanPowerSF customers' costs will be higher than PG&E service

2808

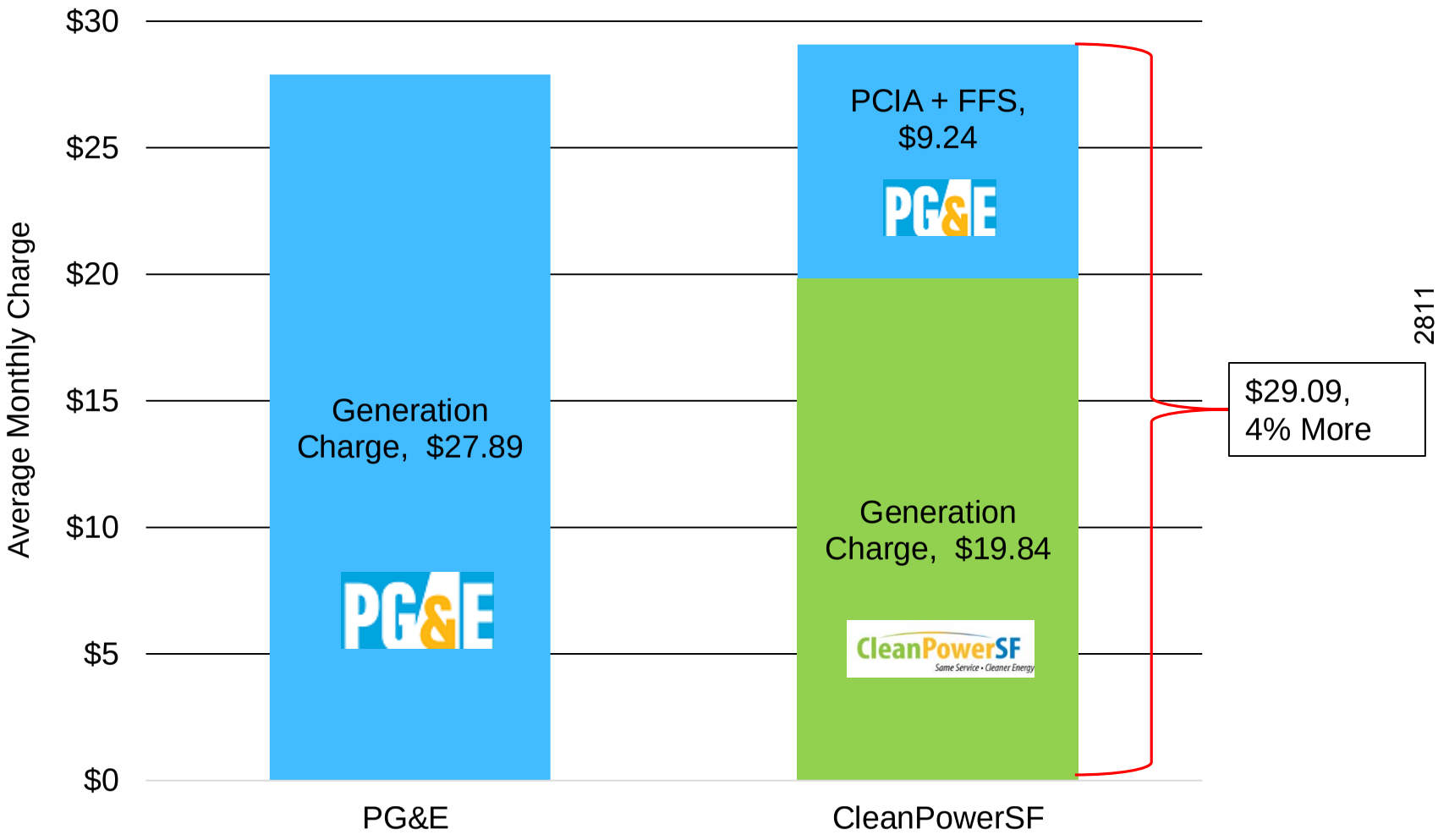
PG&E PCIA Expected to Increase for Commercial Customers *on 1/1/19*



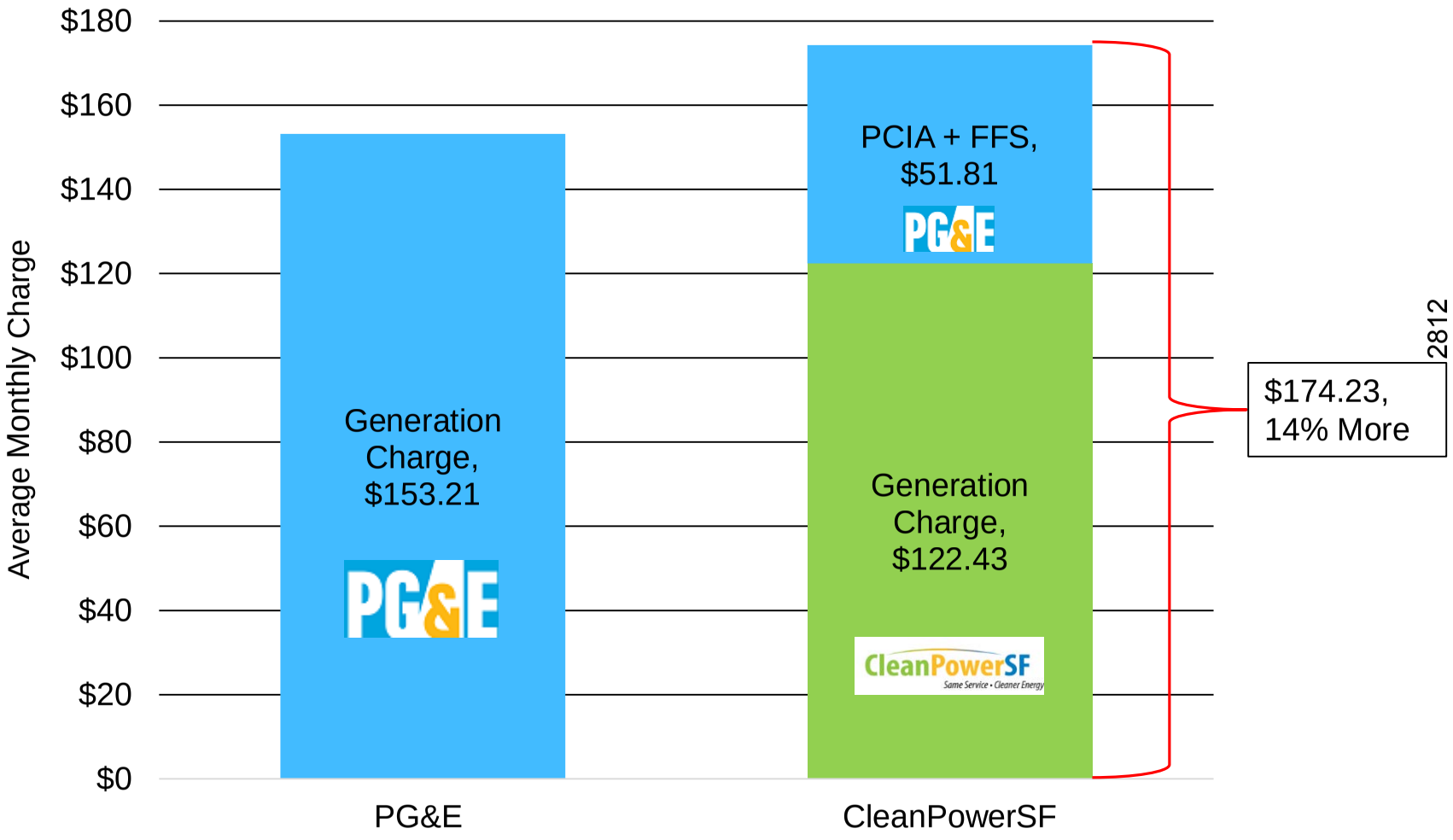
PG&E Generation Rate Expected to Decrease *on 1/1/19*



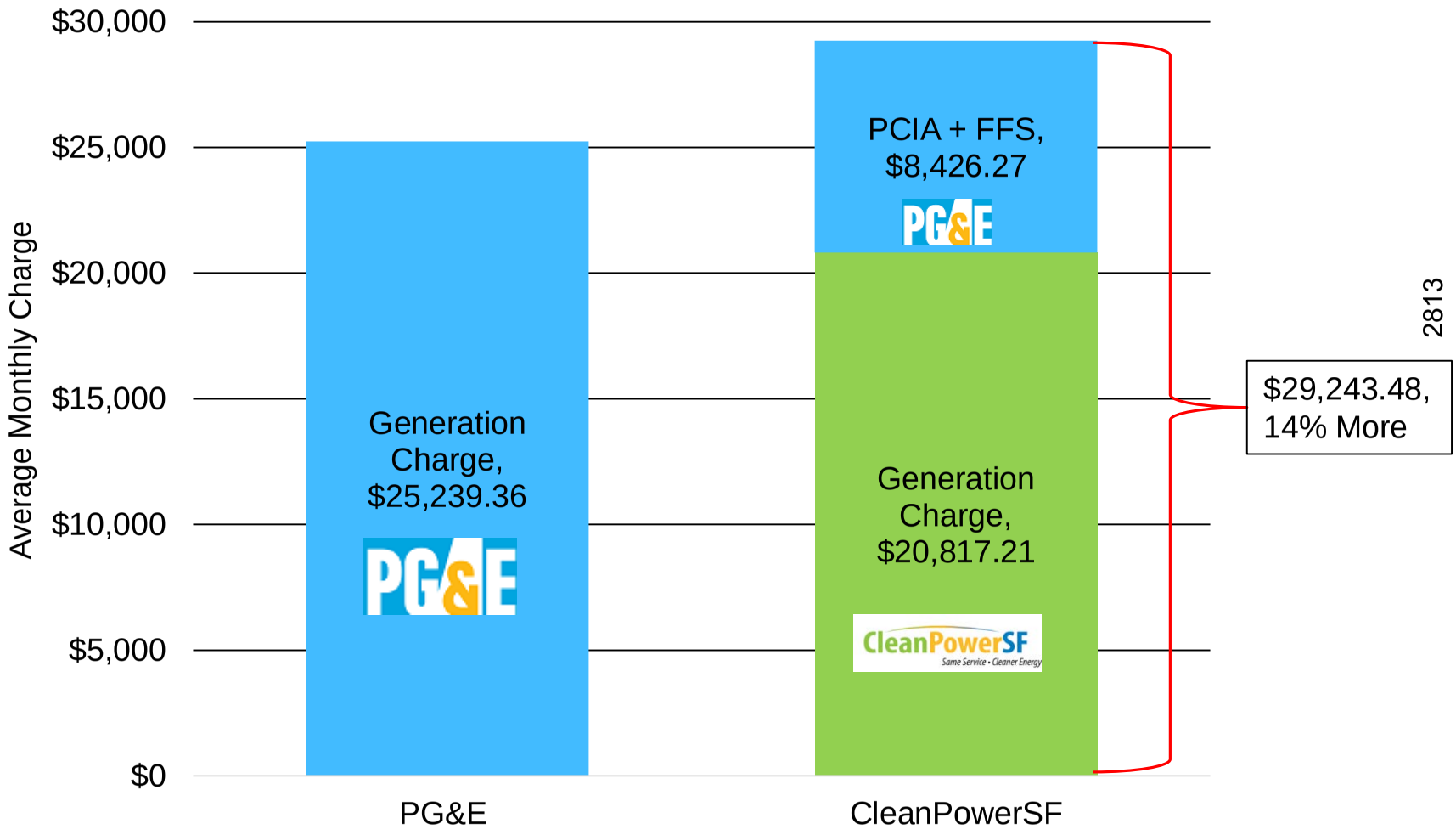
Avg. Residential (E1) Generation Cost Comparison *Before SFPUC Rate Action*



Avg. Small Commercial (A1) Generation Cost Comparison *Before SFPUC Rate Action*



Avg. Large Commercial (E19) Generation Cost Comparison *Before SFPUC Rate Action*

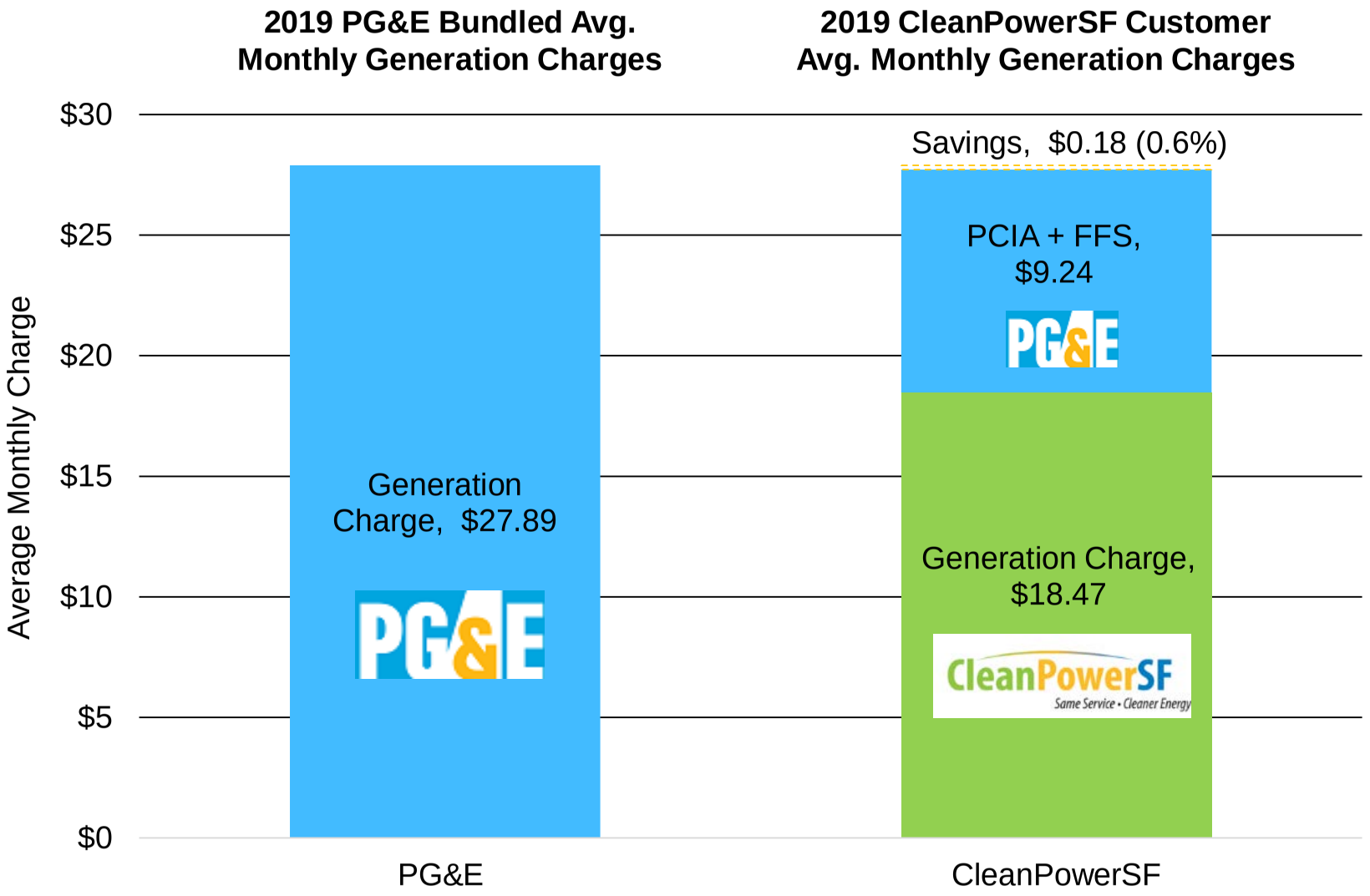


Proposed Changes to CleanPowerSF FY 2018-19 Rates

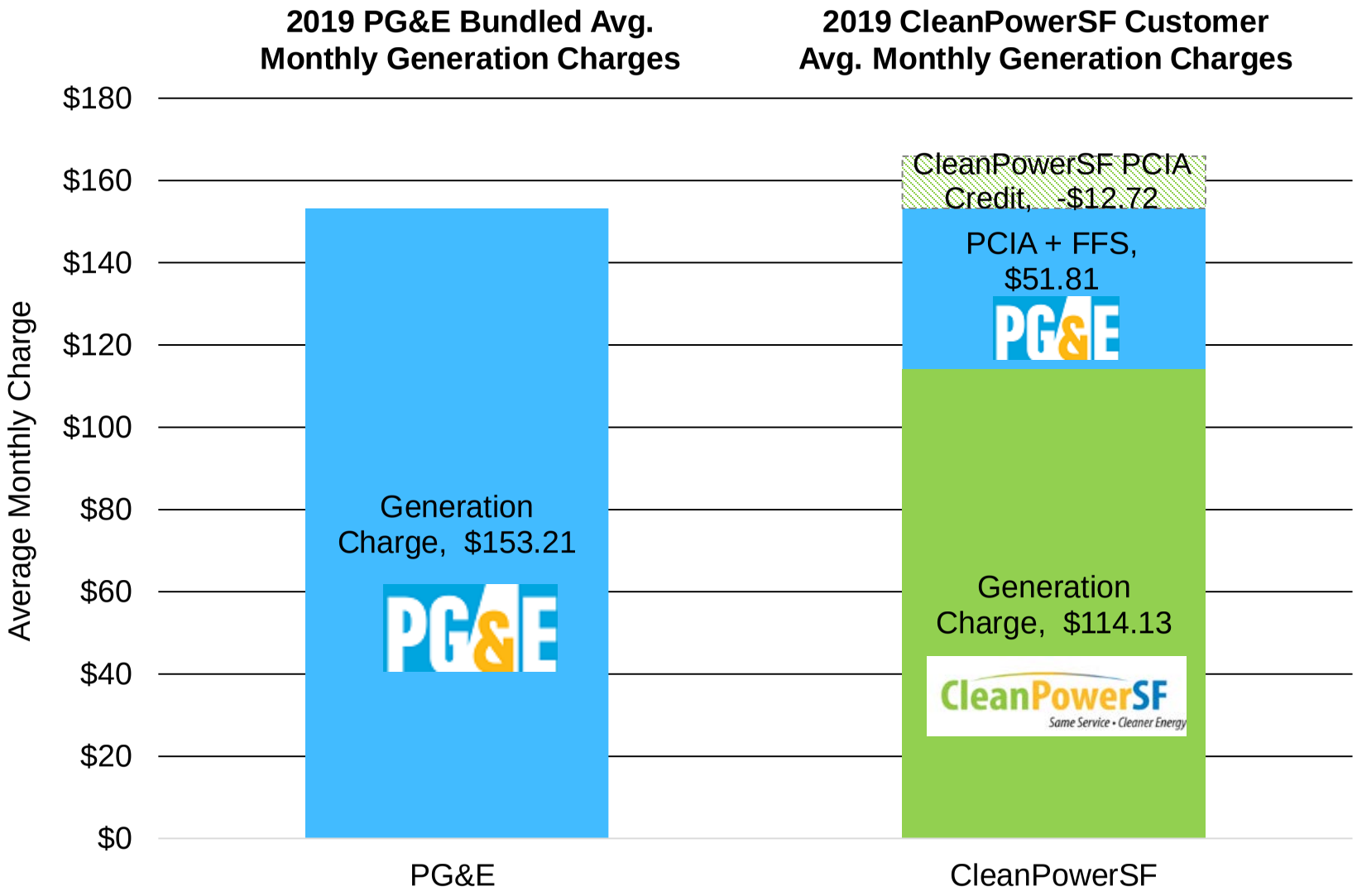
- Green Rates
  - Reduce rates by the amount PG&E's generation and FFS rates change from 2018 to 2019, expected to be about 6-9% on average
- Apply a Credit to Offset Increases in PCIA
  - Volumetric credit equal to the increase in PG&E's PCIA fees from 2018 to 2019
  - If the PCIA for any customer class decreases from 2018 to 2019, a credit will not be provided
- Authorize General Manager to finalize rates
  - One-time GM authority to adjust CleanPowerSF rates to final PG&E rates
  - Rates must recover operating costs, satisfy financial covenants and fund program reserves
- No change to SuperGreen Rate Premiums

2814

Avg. Residential (E1) Generation Cost Comparison *After SFPUC Rate Action*



Avg. Small Commercial (A1) Generation Cost Comparison *After SFPUC Rate Action*



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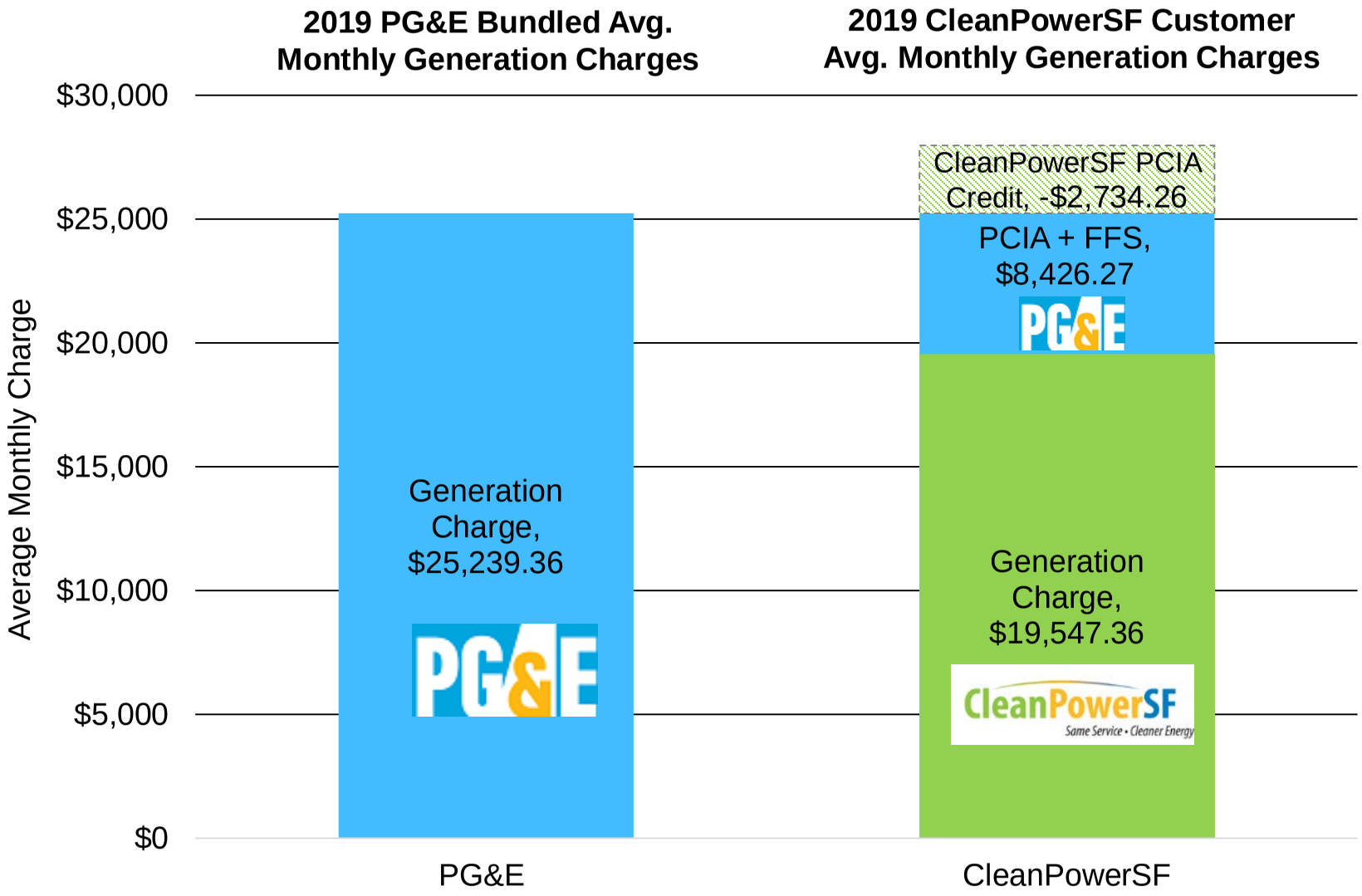
Avg. Large Commercial (E19) Generation Cost Comparison *After SFPUC Rate Action*



Financial Impact of Action

- If the Commission approves this action
  - Combined effect of rate action is a reduction of revenues by approximately 7.5% ($12.5 M) as compared to taking no action
  - CleanPowerSF will still recover costs and contribute to financial reserves
  - Revenue reduction offset by reduced contribution to financial reserves
  - May require staff to prepare a Revised Plan to adjust the target reserve levels for Bank Credit Agreement
  - May impact program's ability to invest in more costly local renewable energy projects

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Financial Projection, FYE 19

Scenario	Total Revenue ($M)	Projected Contribution to Reserves ($M)	Projected Year End Fund Balance ($M, % of Target)	
No Change from Current Rates	$166.9	$22.9	$36.4	65.2%
Budget Projection	$156.6	$17.2	$30.8	55.9%
Rate Proposal (Green rate parity with PG&E)	$154.4	$10.4	$23.9	43.9%

2819

*Rate proposal projects approximately 6-7% higher sales than budget.

Risk Management Approach

Program Risk Areas

- Supply Risk
- Customer Service Risk
- Operational Risk
- Financial Risk
- Regulatory Risk

Enterprise Risk Management (ERM) Framework

SAN FRANCISCO WATER POWER SEWER
ENTERPRISE RISK MANAGEMENT, CLEANPOWERSF
HEAT MAP BY FUNCTIONAL AREA AND STATUS
data as of 11/19/2017

Risk Rating Heat Map, November 2015

Likelihood \ Impact	1	2	3	4	5
5	0	1	2	1	3
4	0	0	5	4	5
3	0	1	4	7	1
2	0	3	0	3	0
1	0	0	0	0	0

Risks by Goals and Objectives		Risk Rating Nov 2017	Risk Rating Aug 2017	Change Nov vs Aug	Target Risk Rating	Risk Owner
1.0 Provide Affordable Service to our Customers						
	1.1 Meet or beat PG&E's generation and CCA non-bypassable charges					
1.1.1	Increased energy supply costs	12	12	0	4	Erin
1.1.2	Inability to procure energy supply and/or professional services in a timely and cost-effective manner	12	12	0	4	Jordan
1.1.3	Unfavorable State action regarding PG&E's rate setting, impacting PG&E's generation rate offerings or increasing non-bypassable charges that apply to CCA customers	16	16	0	4	Manuel
1.1.4	New regulations that increase the cost of program operations	16	16	0	4	Manuel
	1.2 Develop rates and funding mechanisms that support participation in CleanPowerSF by CARE customers					
1.2.1	Program cost of service and margins do not support collecting additional funds to provide rate stability to CARE customers without raising rates to non-CARE customers	8	8	0	6	Michael
2.0 Provide Reliable and Excellent Serice to Our Customers (delight the customer)						
	2.1 Respond to the customer inquiries and requests					
2.1.1	Customer dissatisfaction	6	6	0	4	Julia
	2.2 Meet customers' needs/programs > to PGE's					
2.2.1	Gaps and/or inferior customer program offerings	3	3	0	2	Julia
	2.3 Effective & consistent program management					
2.3.1	Customers are not billed or are billed incorrectly [Additional Risk Owner Mike Hyams]	9	9	0	6	Julia
2.3.2	Recordkeeping, market, regulatory, and/or financial requirements are not met	4	4	0	3	Julia
2.3.3	Inefficiencies among staff, support services, and vendors	?	?	#VALUE!	?	Julia
2.3.4	Contract failure results in energy supply or critical professional service deficiency	12	12	0	6	Erin
3.0 Cleaner Electricity Alternatives						
	3.1 Develop and purchase energy supplies to meet San Francisco's goal of 100% greenhouse gas free electricity supply by 2036					
3.1.1	Develop and purchase energy supplies to meet San Francisco's goal of 100% greenhouse gas free electricity supply by 2030	?	?	#VALUE!	?	Erin
3.1.2	Available GHG-free supplies are not cost-effective	8	8	0	6	Erin
	3.2 Green Product: Exceed the renewable energy content in PG&E's default service offering, principally with bundled/PCC-1					

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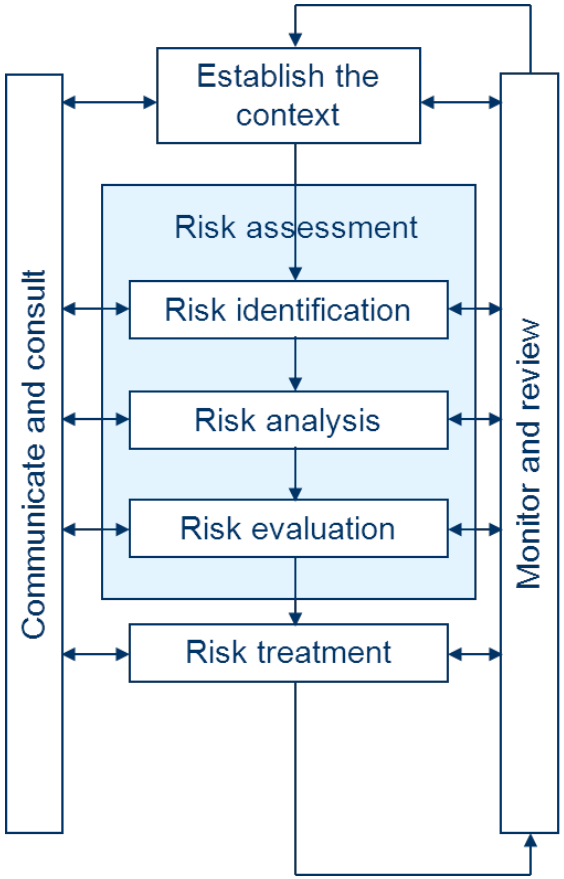
CleanPowerSF
Same Service • Cleaner Energy

What is the ERM Process?

Risks are identified through a Risk Assessment Process



Risk Identification: Recognizing the threats to achieving an organization's objectives (and opportunities for organizational advancement)

Risk Analysis: Considers the original source of a risk (trigger) and its consequences

Risk Evaluation: Converts qualitative risks into quantitative ratings

Risk Treatment: The process of modifying a risk.

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SFPUC ERM is based on ISO 31000:2009 Standards.

Monitor and Review

Communicate and Consult

CleanPowerSF Business Risks
Identified 34 Risks Across Five Categories

Supply Risks	Customer Service Risks	Operational Risks	Financial Risks	Regulatory Risks
Market Price Volatility	Dissatisfied Customers	Load Forecast Error	High Opt-out	Non-compliance
Variable Resource Availability	Gaps in Program Offerings	Scheduling Error	Counterparty Credit	Non-Bypassable Charges (PCIA)
Contract Failure	Insufficient Support for Low Income Customers	Right-Sized Staffing	Inadequate Reserves	Unfavorable Competitor/PG&E Rates
Obsolete Technology		Billing Errors	Unstable Credit Markets	New Regulations Increase Costs
Project Development		IT and Software	Customer Non-Payment	Challenges to Local Authority
Commercial Pace of Contracting		Record Management	Frequent Rate Changes	Access to Ratepayer Funding for Programs
Product Content		Insufficient SOPs	Business Analysis Tools	
Local Energy		Difficult / Slow Procurement	PG&E Payment Remission	
Grid Congestion				

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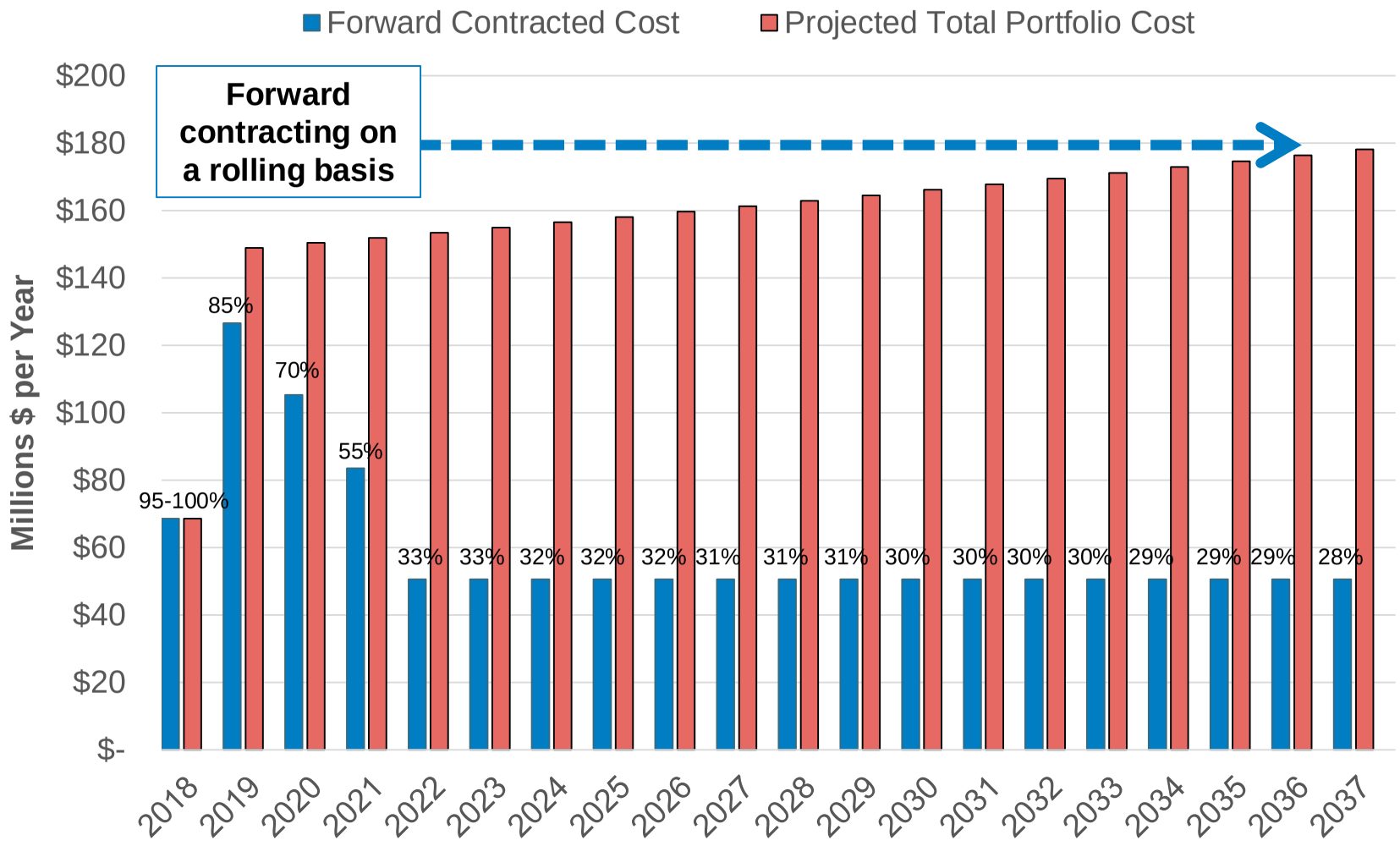
Selected Risks and Mitigations

- High Opt-Out
  - Enroll additional customers
  - Portfolio management (e.g., portfolio “laddering”)
- Non-Bypassable Charges/PCIA & Unfavorable PG&E Rates
  - Regulatory advocacy
  - Lowering rates and charges/reducing costs
  - Changing Green product mix
  - Portfolio management
- Challenges to Local Authority & New Regulations Increasing Costs
  - Legislation

2823

Supply Risk Mitigation Measure: *Portfolio Laddering (Illustrative)*



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Next Steps and Schedule

Key Action Items	Date	Status
Revise Green Product Rates and Methodology for April 2019 Enrollment	December 2018	**PENDING**
Finalize Green Product Rates	January 2019	**PENDING**
Send Pre-Enrollment Notices Required by Statute to Customers	February 2019	**PENDING**
Phase 3 Enrollment Commences	April 2019	**PENDING**

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San Francisco
Water
Power
Sewer
2826

BOARD of SUPERVISORS

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San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

MEMORANDUM

Date: December 21, 2018

To: Members of the Board of Supervisors

From: Angela Calvillo, Clerk of the Board

Subject: San Francisco Public Utilities Commission (SFPUC)
Adoption of CleanPowerSF Community Aggregation Program Electric Generation Rates and Charges

On December 21, 2018, the Office of the Clerk of the Board received:

> Adoption of CleanPowerSF Community Aggregation Program Electric Generation Rates and Charges from the San Francisco Public Utilities Commission.

Under San Francisco Charter Section 8B.125, the SFPUC "shall set rates, fees and charges in connection with providing the utility services under its jurisdiction, subject to rejection – within 30 days (January 20, 2019) of submission – by resolution of the Board of Supervisors. If the Board fails to act within 30 days, the rates shall become effective without further action."

If you would like to hold a hearing on this matter, please let me know in writing by Friday, January 4, 2019 and we will schedule the item as a Committee of the Whole on the January 15, 2019 Board agenda.

c: Alisa Somera - Legislative Deputy
Jon Givner - Deputy City Attorney
Kanishka Cheng - Mayor's Legislative Liaison

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- ☐ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- ☐ 2. Request for next printed agenda Without Reference to Committee.
- ☑ 3. Request for hearing on a subject matter at Committee.
- ☐ 4. Request for letter beginning :"Supervisor [ ] inquiries"
- ☐ 5. City Attorney Request.
- ☐ 6. Call File No. [ ] from Committee.
- ☐ 7. Budget Analyst request (attached written motion).
- ☐ 8. Substitute Legislation File No. [ ]
- ☐ 9. Reactivate File No. [ ]
- ☐ 10. Topic submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Clerk of the Board

Subject:

Hearing - Committee of the Whole - CleanPowerSF Community Aggregation Program Electric Generation Rates and Charges - San Francisco Public Utilities Commission - January 15, 2019

The text is listed:

Hearing of the Board of Supervisors convening as a Committee of the Whole on January 15, 2018, at 3:00 p.m., to consider the CleanPowerSF Community Aggregation Program electric generation rates and charges from the San Francisco Public Utilities Commission, and the Board may reject these rates by resolution, pursuant to Charter, Section 8B.125; scheduled pursuant to Charter, Section 8B.125.

Signature of Sponsoring Supervisor: Alisa Somera for

For Clerk's Use Only

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