

Date: January 14, 2022

To: Commissioner Anson Moran, President
Commissioner Newsha Ajami, Vice President
Commissioner Sophie Maxwell
Commissioner Tim Paulson
Commissioner Ed Harrington

Through: Dennis Herrera, General Manager *DH*
Barbara Hale, Assistant General Manager, Power *BH*

From: Michael Hyams, Deputy AGM, Power – CleanPowerSF *MH*

Subject: CleanPowerSF Quarterly Update

This memorandum serves as the regular quarterly update to the San Francisco Public Utilities Commission (SFPUC or Commission) on the Power Enterprise's CleanPowerSF program.

This *Quarterly Update* focuses on the following topics:

1. Program Service Statistics and Enrollment Activities
2. Communications Update
3. COVID-19 Impacts and Relief Measures
 - a. Rate Payer Relief Measures
 - b. Impacts to Demand and Supply
4. Customer Programs Update
 - a. Peak Day Pricing Pilot Program
 - b. Energy Efficiency Program for Food Service Sector
 - c. Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs

London N. Breed
Mayor

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Vice President

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General Manager

CleanPowerSF is a program of the San Francisco Public Utilities Commission (SFPUC), an enterprise department of the City and County of San Francisco.

CleanPowerSF is committed to protecting customer privacy. Learn more at cleanpowersf.org/privacy.

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.



1. Program Service Statistics and Enrollment Activities

CleanPowerSF remains fully operational, and our clean electricity generation services to San Francisco customers continue successfully. As of January 4, 2022, CleanPowerSF is serving approximately 385,000 active customer accounts.

The program opt-out rate is approximately 4.2% of all enrolled accounts, a 0.05% increase since the last CleanPowerSF quarterly update provided to the Commission on November 9, 2021.

Customer enrollment in SuperGreen, CleanPowerSF's optional 100% renewable energy product, has remained steady since the last quarterly update at 2.1% of active accounts. Staff estimates that these accounts' electricity usage, represents more than 6% of CleanPowerSF's total annual electricity sales.

2. Communications Update

a. New Documents and Meetings Webpages

To improve the public's access to key program information and documents, the Power Communications team has created new pages on the CleanPowerSF website featuring key documents and information about public meetings where CleanPowerSF information is being presented. The intent of these new webpages is to improve transparency to the public and stakeholders by consolidating information about the CleanPowerSF program that may have previously been located across different City or SFPUC webpages.

In addition, CleanPowerSF is working with its state trade association, the California Community Choice Association (CalCCA), to align the content and organization of its key documents webpage with other CalCCA member programs. In August 2021, the CalCCA Board adopted a policy to standardize the presentation of program information across member CCA websites to simplify access and promote transparency. To help the public access its members' information, CalCCA is creating a portal on its website that will link to each of its members' key documents webpages. We anticipate that the CalCCA portal will be completed in early 2022.

In the meantime, CleanPowerSF's key documents and information presented at public meetings, can be accessed at the following addresses.

Key documents page: <https://www.cleanpowersf.org/key-documents>

Public meetings page: <https://www.cleanpowersf.org/meetings>

b. “Be Powerful” Campaign

To strengthen our brand recall and value alignment with our customers, CleanPowerSF published a digital awareness campaign in mid-November 2021. The “Be Powerful” campaign ads, which are primarily found on social media like Facebook and Instagram, deliver a message of appreciation to customers for making the “powerful” choice of clean energy through CleanPowerSF. To supplement the digital campaign, CleanPowerSF also purchased in-language print ads in local newspapers including the Bay View, Wind, and El Tecolote. The ads direct customers to learn more at: <https://www.cleanpowersf.org/bepowerful>.

As part of the campaign, CleanPowerSF also developed a one-minute video to pair with the digital ads. The video delivers a positive, uplifting message that conveys our shared San Francisco values. The video will be marketed to customers through mid-January and will continue to be used after the campaign to promote CleanPowerSF. The video is available for viewing at CleanPowerSF.org or [SFPUC's Youtube Channel](#).

Results from the campaign will be shared in a future update.

c. Commercial Customer Survey

To supplement previous surveys primarily targeted at CleanPowerSF residential customers, staff collaborated with consultants Goodwin Simon Strategic Research on a short survey for commercial customers. The three-minute survey asks businesses about rate sensitives, interests in new programs, potential bill hardships, and more. During the first advertising phase in December, staff sent emails to businesses and followed up directly with key accounts. In January, staff will continue its outreach to businesses to ensure a statistically significant response rate.

d. Community-Based Organization Solicitation (PRO.0218)

CleanPowerSF recognizes the importance of partnering with community-based organizations (CBOs) in San Francisco, particularly with engaging customers who live in underserved communities. To better engage our customers and compensate CBOs for their work and time, CleanPowerSF finalized [PRO.0218 “Community Based Organization Outreach for CleanPowerSF.”](#) The solicitation aims to award up to six CBOs a \$20,000 contract to conduct outreach and

engagement to their community members on behalf of CleanPowerSF. The Pre-Submittal Conference was held on January 4, 2022. Bids are due on February 22, 2022, and staff hope to issue a Notice to Proceed (NTP) to the contract awardees in May 2022.

3. COVID-19 Impacts and Relief Measures

a. Ratepayer Relief Measures

We recognize that the societal response to COVID-19 has required sacrifice and many members of our community are facing economic hardship. The SFPUC and its CleanPowerSF program is here to help our community.

Measures available to help customers at this time include, but are not limited to: a temporary suspension of returning CleanPowerSF customers to PG&E for generation service for nonpayment, through March 2022; new payment plans for customers that are behind on their energy bills; a new debt forgiveness payment plan for low-income customers (e.g., Arrearage Management Plan); and the California Arrearage Payment Program a new COVID-19 debt relief program provided by the State of California. Qualifying customers may also be eligible for up to 35% off their energy utility bills through the California Alternate Rates for Energy (CARE) or Family Electric Rates Assistance (FERA) programs.

To keep our customers informed about these and other relief measures, we are maintaining a COVID-19 information page on our CleanPowerSF website. That page may be found at <https://www.cleanpowersf.org/covid-19>. We continue to update this webpage with the latest information on COVID-19 response and support services.

The two sections (i and ii) that follow below provide updated information on the implementation of the Arrearage Management Plan and the California Arrearage Payment Program.

i. Arrearage Management Plan (AMP) Implementation

To help low income customers with arrears get back on track, the Commission adopted Resolution No. 20-0242 December 8, 2020, authorizing CleanPowerSF to participate in the California Public Utilities Commission's (CPUC) AMP program. The AMP provides qualifying customers with debt forgiveness for past due amounts owed. The cost of customer debt forgiven under the program – for both CleanPowerSF and PG&E charges – is recovered

from Public Purpose Program charge revenues collected by PG&E from all retail customers within its service territory. All customers of CPUC-jurisdictional providers (like CleanPowerSF and PG&E) pay into the Public Purpose Program.¹

CleanPowerSF and PG&E began enrolling eligible customers in the AMP program on February 2, 2021. As of December 31st, approximately 1,350 CleanPowerSF customers have enrolled in the AMP, out of approximately 3,500 eligible customers. Arrearages for enrolled customers total approximately \$371,000.

Staff continue to promote the AMP by providing information about the program on our CleanPowerSF website, via social media, including it with other CleanPowerSF communications and marketing materials, and coordinating with community-based organizations to be sure they are able to inform their respective community members about this important opportunity. Additionally, in late December 2021, the SFPUC's Power Communications team sent follow-up postcards to all eligible customers that had not yet enrolled in the program to notify them about their eligibility for the program. A report out on the enrollment impact of the postcards will be provided in the next quarterly report.

ii. California Arrearage Payment Program (CAPP)

In June, Governor Gavin Newsom signed budget trailer bill Assembly Bill 135, establishing the CAPP, which allocated nearly \$700 million in federal funding to CCAs and investor owned utilities for COVID-related electricity and gas utility bill arrearages to be directly applied to customers' bills. The California Department of Community Services and Development (CSD) has been tasked with the disbursement of funds, while the CPUC will address any implementation issues in the second phase of the COVID-19 debt proceeding.

CleanPowerSF worked closely with CSD and PG&E to validate and submit data on the amounts of CleanPowerSF customer arrearages eligible for CAPP relief. CleanPowerSF's survey and application resulted in the proportional allocation of \$2,432,235 to be disbursed to active residential customers with

¹ The AMP is a CPUC-approved program offered to qualifying low income CleanPowerSF and PG&E customers. For background information on the AMP program see the CleanPowerSF Quarterly Update dated October 28, 2021 and available here (last accessed on January 6, 2022): <https://sfpuc.sharefile.com/share/view/s131203677cb24b238dd8e14213ad96c9>
For more information about applying for the AMP, see: https://www.pge.com/en_US/residential/save-energy-money/help-paying-your-bill/payment-assistance-overview/payment-assistance-overview.page?WT.mc_id=Vanity_amp

past due balances accumulated during the COVID-19 pandemic period (March 4, 2020 – June 15, 2021). Funds will be disbursed to PG&E no later than January 31, 2022, at which point PG&E will apply bill credits directly to CleanPowerSF customers' bills. Customers do not need to apply to receive the assistance, but CleanPowerSF will provide information on its website and through its call center to inform customers of the benefit. In addition, customers cannot be disconnected while CAPP funding is pending and for 90 days after receiving the CAPP benefit regardless of the remaining balance.

b. Impacts to Demand and Supply

i. Demand for Electricity

Since San Franciscans were ordered to shelter-in-place (SIP) on March 17, 2020 CleanPowerSF has seen an overall reduction in customer electricity usage of about 6.9%, relative to pre-SIP usage, an improvement of 0.6% since the last Quarterly Update to the Commission (which reported 7.5% lower usage). Residential customer usage since SIP took effect remains about 5.3% higher than pre-SIP forecasts, while non-residential customer usage is about 14.4% lower than pre-SIP forecasts, which represents an improvement of about 3.6% since the last quarterly update.

Program electricity demand for the first two quarters of Fiscal Year 2022 is 7.2% lower than the pre-COVID-19 baseline forecast. Staff will continue tracking and analyzing our customer usage and demand trends so we can understand the impact to our service and are using this information to support financial planning and on-going procurement needs.

ii. Power Supply

Recall that long-term power purchase agreements were approved by the Commission and Board of Supervisors and executed prior to the pandemic. These power purchase agreements allow the renewable energy project developers to receive financing enabling the projects to proceed to construction.

To date, we have had no problems with our supply of power or our suppliers' ability to operate as a result of COVID-19. However, we have received reports that COVID-19 related disruptions to shipping and manufacturing are causing supply chain disruptions, delaying delivery of key components of projects under construction. As summarized in Table 1 below, CleanPowerSF had three contracts to purchase renewable energy from projects that achieved commercial operation in 2021. The Voyager IV wind project reached

commercial operation on March 30, 2021 following a four-month delay that was described in the March 9, 2021 Quarterly Update. The Oasis wind project reached commercial operation on October 12, 2021, just 11 days later than planned. Lastly, the Maverick Solar 6 solar PV and battery storage facility had a planned on-line date of December 1, 2021. While the solar PV portion of the facility reached commercial operation on December 1, 2021, the battery storage portion of the facility has been delayed due to COVID-19 related supply chain and shipping delays. The current estimate for the commercial operation of the battery storage portion of the facility is during the second quarter of calendar year 2022.

As previously reported, the Blythe IV solar project reached commercial operation on September 11, 2020, three weeks earlier than initially planned. In November 2021, CleanPowerSF amended this contract to include the addition of battery storage to the Blythe IV solar project.² The battery storage portion of the facility is expected to become operational during the third quarter of calendar year 2022.

The status and expected schedule of projects under development with on-line dates in 2021 and 2022 are provided in Table 1 below.

Table 1. Projects³ Under Development

Project Name	Technology	Project Capacity (MW)	Status
Blythe IV	Solar PV + Battery Storage	62 MW (solar) and battery storage	Solar PV portion On-line, 9/11/2020, Battery portion expected on-line in Q3 of 2022.
Voyager IV	Wind	50 MW	On-line, 3/30/2021
Oasis	Wind	60 MW	On-line, 10/6/2021
Maverick Solar 6	Solar PV + Battery Storage	100 MW (solar) 50 MW (battery)	Solar PV portion on-line 12/1/2021, Battery portion expected on-line in Q2 of 2022.

² Contract to add battery storage to the Blythe IV project was executed pursuant to Commission Resolution No. 21-0151 and Board of Supervisors Ordinance No. 510-21.

³ Contracts to purchase energy from these projects were executed pursuant to Commission Resolution Nos. 17-0026 and 18-0028 and Board of Supervisors Ordinance No. 008-18.

4. Customer Programs Update

a. Peak Day Pricing Pilot Program

CleanPowerSF's Peak Day Pricing pilot program is a voluntary demand response program that incentivizes large commercial customers to reduce their electricity consumption between 4pm and 9pm on "Event Days" in the summer and fall when the grid is expected to be strained, typically due to high temperatures. CleanPowerSF concluded the 2021 Peak Day Pricing season at the end of October and applied bill credits to participating customers' December bills, marking the completion of the third year that CleanPowerSF has offered this program.

Program Impacts

A total of 31 accounts enrolled in this year's Peak Day Pricing pilot program, representing a 55% increase compared to 2020.

In total, participants reduced 26.5 megawatt-hours (MWh) of electricity during the 2021 season's six event days, surpassing the 2020 season program total demand response of 13 MWh, which occurred across a total of seven Event Days. On average, participants reduced their electricity demand on Event Days by 11% relative to what their demand was expected to be had an Event Day not been called.

A total of approximately \$47,123 in end-of-season incentives were distributed in the form of bill credits to program participants.

Next Steps

CleanPowerSF staff are continuing to evaluate participants' performance data and will be conducting participant interviews to gather customer feedback. This data will be utilized to inform and further develop the program.

b. Energy Efficiency Program for the Food Service Sector

CleanPowerSF, in collaboration with the San Francisco Department of the Environment, has developed a proposal to launch a new energy efficiency program serving food service businesses and community organizations in San Francisco. The program would be funded through Public Purpose Program charge funds collected from CleanPowerSF ratepayers in PG&E's service territory and administered by the CPUC.

CleanPowerSF submitted its application via Advice Letter 17E to the CPUC in August 2021. On January 13th, the application for funding was approved by the

CPUC to the amount of \$4,579,056 for a three-year period. Staff are working on program implementation, including development of a Request for Proposals from qualified energy service companies to implement the program. Staff are targeting launch of the program in Q1 2023.

c. Disadvantaged Communities Green Tariff and Community Solar Programs

Program Power Supply

In the last Quarterly Update staff shared that PRO.0223, the “2021 Disadvantaged Communities Green Tariff and Community Solar Energy Supplies” solicitation, was issued on September 13, 2021 with bids due on December 15, 2021.⁴ This solicitation aims to secure long-term renewable energy to supply CleanPowerSF’s Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar discount programs. As shared in previous updates to the Commission, these ratepayer-funded programs will allow CleanPowerSF to offer 100% renewable energy to eligible customers in disadvantaged communities at a 20% total electric bill discount.⁵

In response to PRO.0223, CleanPowerSF received two DAC-GT project bids and no Community Solar bids. The notification of shortlisted bidders was released on January 14, 2022 and is available on the SFBid website.⁶ CleanPowerSF plans to begin contract negotiations in the first quarter of 2022 and expects to bring power purchase agreements for approval mid-to-late 2022. The schedule for contract award and approvals is summarized in the table below.

Table 2. PRO.0223 Solicitation Schedule

Event	Date
Deadline to submit bids	December 15, 2021
Notification of shortlisted bidders	January 14, 2022
PPA negotiations and contract award	January – March 2022
Submission of PPA(s) for approval	April – September 2022

⁴ The CleanPowerSF Quarterly Report dated October 28, 2021 is available here: <https://sfpuc.sharefile.com/share/view/s131203677cb24b238dd8e14213ad96c9> (accessed on December 21, 2021).

⁵ More information on the Disadvantaged Communities Green Tariff and Community Solar programs is available at: www.cpuc.ca.gov/solarindacs. (accessed on December 21, 2021).

⁶ For more information see SFBid, PRO.0223 at: <https://sfbid.sfwater.org/opportunity/details/?cid=223> (accessed on January 10, 2021)

CleanPowerSF will also plan to issue a second Disadvantaged Communities solicitation later in the year seeking bids for any remaining DAC Green Tariff and Community Solar program capacity after the close of PRO.0223.

Program Branding and Outreach

Staff have also been working on other implementation activities to make the Disadvantaged Communities Green Tariff program available to customers in mid-March. CleanPowerSF and External Affairs staff collaborated to develop a product name for CleanPowerSF's DAC-GT program: "SuperGreen Saver". SuperGreen Saver emphasizes both the renewable energy content of the product and the cost savings available to participants. As shared in previous updates to this Commission, customers who are currently enrolled in the Arrearage Management Plan (AMP) and located in a SuperGreen Saver-eligible census tract will be automatically enrolled into SuperGreen Saver program. Staff are preparing to send physical and electronic mail notifications to customers in late-January, and a second round will be sent in mid-February. CleanPowerSF expects to auto-enroll approximately 400-500 customers that are also enrolled into the AMP program. Additional customers that are not enrolled in the AMP program but meet all other eligibility criteria will also be able to enroll in SuperGreen Saver, as space in the program permits. A copy of the enrollment notification that will be sent to all eligible customers is provided in Figures 1 and 2 below.

Figure 1. SuperGreen Saver Enrollment Notice (Front)



Figure 2. SuperGreen Saver Enrollment Notice (Inside)

Welcome to SuperGreen Saver!

We are CleanPowerSF, your local, clean electricity provider and a program of the City and County of San Francisco.

Based on your address in San Francisco and enrollment in AMP (Arrearage Management Plan), you have been automatically enrolled into CleanPowerSF's SuperGreen Saver program.

As a program participant, you will receive a 20% discount on your electricity bill and 100% renewable energy every month.

Renewable energy from sources like solar and wind are good for the planet and your health.

SuperGreen Saver Highlights

- ✓ You are already enrolled in the program and do not need to take any action.
- ✓ You will receive **20% off** your monthly bill in addition to other discounts like CARE or FERA beginning in Spring 2022.
- ✓ You will remain in SuperGreen Saver for 20 years or until you move out of an eligible area, whichever comes first.

If you do not wish to participate in the program, call us at (415) 554-0773 or email CleanPowerSF@sfwater.org by March 7, 2022.

Learn more at CleanPowerSF.org/SuperGreenSaver or call (415) 554-0773.

External Affairs and CleanPowerSF staff are also preparing to implement the Marketing, Education, and Outreach plan to support elective enrollment into the program once it is available on March 15, 2022.⁷

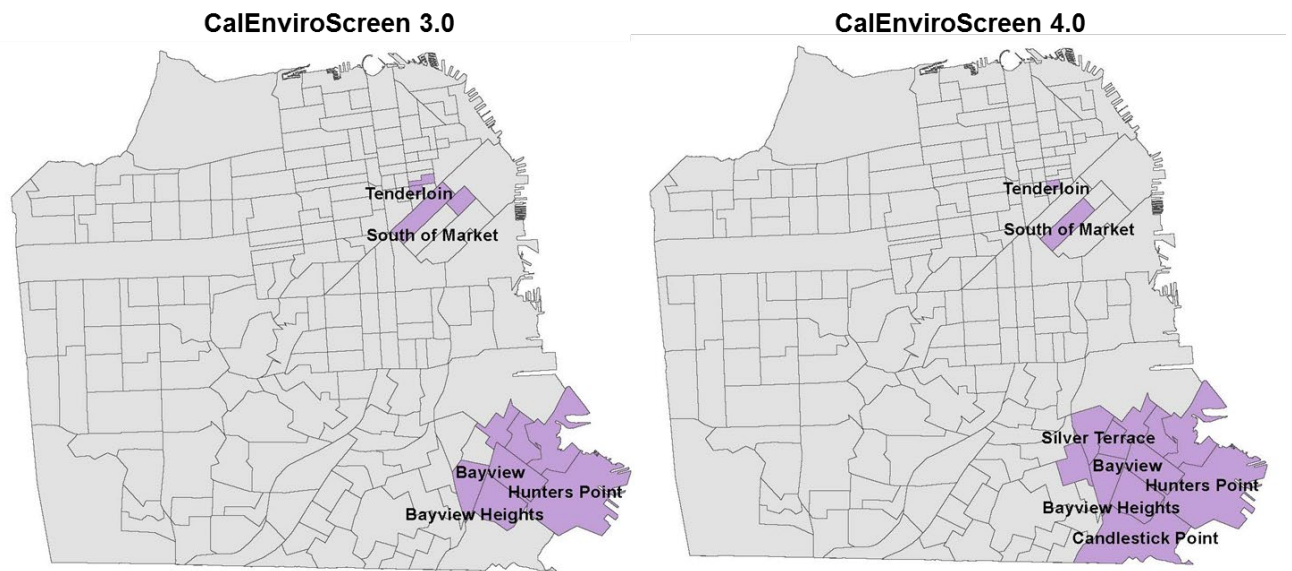
Changes to Eligible Program Census Tracts

Under CPUC rules, SuperGreen Saver eligibility is limited to low-income customers who reside in disadvantaged communities in CleanPowerSF's service territory. For the purposes of the SuperGreen Saver and DAC Community Solar programs, disadvantaged communities are defined as the census tracts with the top 25% CalEnviroScreen scores.⁸ The Office of Environmental Health Hazard Assessment on behalf of the California Environmental Protection Agency released an update of the CalEnviroScreen tool, version 4.0, in October 2021. As a result, CleanPowerSF is required to use the census tracts identified as disadvantaged communities in this latest version when determining program eligibility for SuperGreen Saver this March. Staff analysis has found that the total number of customers eligible for the SuperGreen Saver and DAC Community Solar programs is comparable under CalEnviroScreen 3.0 and 4.0. However, there have been some changes to the eligible census tracts as shown by the purple highlighted areas in the maps below.

⁷ The DAC-GT/SuperGreen Saver Marketing, Education, and Outreach plan was presented during the August 10, 2021 Commission meeting.

⁸ For additional background on how DACs are defined and identified see CleanPowerSF's Quarterly Update to the Commission provided on December 8, 2020.

Figure 3. Comparison of Eligible Census Tracts: CalEnviroScreen 3.0 vs. 4.0



Note, Treasure and Yerba Buena Islands are served by Hetch Hetchy Power so are not shown on these maps.