

**Date:** March 31, 2023

**To:** Commissioner Newsha Ajami, President  
Commissioner Sophie Maxwell, Vice President  
Commissioner Tim Paulson  
Commissioner Tony Rivera  
Commissioner Kate Stacy

**Through:** Dennis J. Herrera, General Manager *DJH*  
Barbara Hale, Assistant General Manager, Power *CS*

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

**Subject:** CleanPowerSF Quarterly Update

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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. Generation Rates
3. Communications Activities
4. Renewable Energy Ordinance Activities
5. Customer Programs Update
  - a. Net Billing Tariff
  - b. Peak Day Pricing 2022 Season End Evaluation
  - c. Other Program Updates
6. Regulatory Compliance Reporting

**London N. Breed**  
Mayor

**Newsha Ajami**  
President

**Sophie Maxwell**  
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Commissioner

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**Kate Stacy**  
Commissioner

**Dennis J. Herrera**  
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](https://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 March 24, 2023, CleanPowerSF is serving approximately 384,000 active customer accounts.

The program opt-out rate is approximately 4.5% of all enrolled accounts, which is approximately 0.03% more than what was reported in the last CleanPowerSF quarterly update provided to the Commission on January 10, 2023.<sup>1</sup>

Customer enrollment in SuperGreen, CleanPowerSF's optional 100% renewable energy product, has also remained steady since the last quarterly update at 2.1% of active accounts. Staff estimates that these accounts' electricity usage represents more than 8% of CleanPowerSF's total annual electricity sales.

## 2. Generation Rates

On January 1, 2023, PG&E implemented its 2023 Consolidated Electric Rate Changes.<sup>2</sup> In this rate change, PG&E increased its total electricity rates by 1.2% to 11.1%, depending on the rate schedule, and its generation rate component increased by about 3%. Meanwhile, PG&E's Power Charge Indifference Adjustment (PCIA) decreased by approximately 86% for the 2018 PCIA vintage that most CleanPowerSF customers pay.

CleanPowerSF's rates were last adjusted on July 1, 2022, consistent with Commission Resolution No. 22-0094. With PG&E's recent rate changes, CleanPowerSF service is providing even more bill savings for participating customers. On a total electric bill basis, typical residential customers are saving approximately 8.6% on an average monthly bill on CleanPowerSF's Green service (\$8 per month less) and 5.7% on CleanPowerSF's SuperGreen service (\$5.30 per month less). Similarly, small commercial customers on

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<sup>1</sup> The CleanPowerSF Quarterly Report communicated to the Commission on January 10, 2023 may be accessed here: <https://sfpuc.sharefile.com/share/view/seafbc2e30e5f4adeb79ff05267660dbe> [accessed on March 27, 2023]

<sup>2</sup> For more information see PG&E's Advice Letter ELEC 6805-E, available at: [https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC\\_6805-E.pdf](https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6805-E.pdf) [accessed on March 24, 2023]

CleanPowerSF's Green service are saving approximately 10.5% on an average monthly bill on CleanPowerSF's Green service (\$44.82 per month less) and 9% on CleanPowerSF's SuperGreen service (\$38.46 per month less).

Figure 1 and Figure 2 below, summarize the average monthly bill for the typical residential and small commercial customer.

**Figure 1. Average Residential Monthly Electricity Bill Comparison**

<b>E-TOU C</b>	<b>CleanPowerSF Green</b>	<b>CleanPowerSF SuperGreen</b>	<b>PG&amp;E Default</b>
<b>Renewable Energy Content</b>	<b>54%</b>	<b>100%</b>	<b>38%</b>
<b>Electricity Generation</b>	<b>\$31.52</b>	<b>\$34.22</b>	<b>\$36.71</b>
<b>PG&amp;E Electricity Delivery</b>	<b>\$51.97</b>	<b>\$51.97</b>	<b>\$51.97</b>
<b>Additional PG&amp;E Fees*</b>	<b>\$1.01</b>	<b>\$1.01</b>	<b>\$3.81</b>
<b>AVERAGE TOTAL COST PER MONTH</b>	<b>\$84.49</b>	<b>\$87.19</b>	<b>\$92.49</b>

**Figure 2. Average Small Commercial Monthly Electricity Bill Comparison**

<b>B1</b>	<b>CleanPowerSF Green</b>	<b>CleanPowerSF SuperGreen</b>	<b>PG&amp;E Default</b>
<b>Renewable Energy Content</b>	<b>54%</b>	<b>100%</b>	<b>38%</b>
<b>Electricity Generation</b>	<b>\$139.98</b>	<b>\$146.34</b>	<b>\$172.16</b>
<b>PG&amp;E Electricity Delivery</b>	<b>\$237.54</b>	<b>\$237.54</b>	<b>\$237.54</b>
<b>Additional PG&amp;E Fees*</b>	<b>\$4.56</b>	<b>\$4.56</b>	<b>\$17.20</b>
<b>AVERAGE TOTAL COST PER MONTH</b>	<b>\$382.08</b>	<b>\$388.44</b>	<b>\$426.90</b>

Additional information regarding CleanPowerSF rates and cost comparisons with PG&E may be found on CleanPowerSF's website at:

<https://www.CleanPowerSF.org/rates> [accessed on March 28, 2023].

### 3. Communications Activities

#### a. Community Power Update Meeting, Feb. 9

In partnership with the Power Enterprise, Communications helped coordinate and facilitate the first Community Power Update meeting of 2023 with community-based organizations and partners. During this meeting, which was held virtually on February 9<sup>th</sup>, CleanPowerSF presented a high-level recap of SFPUC Power projects from 2022, including the submission of

CleanPowerSF's Integrated Resource Plan and timely updates of interest to CleanPowerSF customers, such as the additional \$1.24 million in funding from the California Arrearage Payment Program that CleanPowerSF secured on behalf of its qualifying customers.

The meeting was attended by eleven community members representing several different organizations, including Quit Carbon, Local Agency Formation Commission, Tenderloin Neighborhood Development Corporation, District 2 Supervisor's Office, Garden for the Environment, Reclaim Our Power, and the SFPUC Power Citizens Advisory Subcommittee.

Launched in 2020, Community Power Update meetings are held quarterly by the SFPUC and are open to all community-based organizations to attend. At each meeting, SFPUC staff provide regular updates to the community about the Power Enterprise's activities and can also hear directly from stakeholders and customers to better meet their needs. The next Community Power Update Meeting is currently scheduled for Thursday, May 11<sup>th</sup>.

**b. SuperGreen and SuperGreen Saver Prospective Product Content Labels**

CleanPowerSF SuperGreen and SuperGreen Saver customers will receive their annual Prospective Product Content Label by April 1<sup>st</sup>. CleanPowerSF is required by the Center for Resource Solutions, the administrator of the Green-e Energy Program, to annually notice our Green-e certified SuperGreen and SuperGreen Saver 100% renewable energy customers via email or regular mail on how we plan to source their electricity for the year. Communications assisted in developing the design and messaging for this year's Prospective Product Content Label.

Figure 3. Front of Prospective Product Content Label 2023 Postcard



Figure 4. Back of Prospective Product Content Label 2023 Postcard

**Clean electricity is on the way!**  
 Hi SuperGreen customer! The label below highlights CleanPowerSF's plan to power your home or business with 100% renewable energy in 2023. Thank you for helping to build a clean energy future!

**2023 PROSPECTIVE PRODUCT CONTENT LABEL<sup>1</sup>**

SuperGreen matches 100% of your electricity usage. In 2023, SuperGreen will be made up of the following new renewable resources averaged annually.

Green-e <sup>®</sup> Energy Certified New <sup>2</sup> Renewables in SuperGreen in 2023		
Resource Type	Total Certified Renewables	Generation Location
Solar	50%	California
Wind	50%	California

**Total Green-e<sup>®</sup> Energy Certified Renewables: 100%**

1. These figures reflect the renewables that we have contracted to provide. Actual figures may vary according to resource availability. We will annually report to you before August 1 of next year in the form of a Historical Product Content Label the actual resource mix of the electricity you purchased.

2. New Renewables come from generation facilities that first began commercial operation within the past 15 years.

For comparison, the current average mix of resources supplying California includes: Eligible Renewables (33.6%), Large Hydroelectric (9.2%), Coal (3.0%), Natural Gas (37.9%), Nuclear (9.3%), Other (0.2%), and Unspecified Power (6.8%). This resource mix was estimated by the California Energy Commission based on the electricity sold to California consumers during 2021.

The average home in San Francisco uses 270 kWh per month. Source: CleanPowerSF/PG&E Joint Rate Comparison

For specific information about this product, please contact CleanPowerSF at 415-554-0773, CleanPowerSF@sfwater.org, or visit cleanpowersf.org.

**Energy**  
CERTIFIED

SuperGreen is Green-e<sup>®</sup> Energy certified, and meets the environmental and consumer protection standards set forth by the nonprofit Center for Resource Solutions. Learn more at [green-e.org](https://green-e.org).

Heat your water at home with your SuperGreen energy!  
 Learn more at [cleanpowersf.org/WaterHeater](https://cleanpowersf.org/WaterHeater).

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

CleanPowerSF.org (415) 554-0773 @CleanPowerSF

### **c. Upcoming CleanPowerSF Marketing Campaigns**

Throughout this past quarter CleanPowerSF has been preparing two marketing and advertising campaigns to promote customer programs and increase awareness of CleanPowerSF. Both campaigns are slated to go public in April 2023.

The “Break Up with Gas” campaign is a five-week direct mail and digital advertising campaign to promote CleanPowerSF’s Heat Pump Water Heater Regional Contractor Incentive Program and at-home electrification. The creative concept and call to action of the campaign is focused on encouraging customers to “break up” with their gas water heater and “move on” with an electric heat pump water heater.

The campaign also seeks to raise awareness among San Francisco residents about the benefits of electrification and encourages San Franciscans to learn more about going all-electric in their home. The campaign will leverage various tactics including direct mail and e-mail marketing, paid social media advertising on Facebook, Instagram, and Reddit, and paid digital advertising at EV charging stations in various places in San Francisco.

The second marketing campaign will promote CleanPowerSF’s SuperGreen 100% renewable energy option and encourage San Francisco residents to upgrade their service during Climate Action Month in April.

The SuperGreen Upgrade campaign will consist of both digital advertising and in-person activations or events that focus primarily on CleanPowerSF renters, especially those that are Limited English Proficient and/or have moderate to low incomes. CleanPowerSF will utilize culturally competent messaging and a variety of advertising tactics like paid Facebook and Instagram posts, in-language spots on Sing Tao Chinese Radio, and translated ads on Univision.com.

CleanPowerSF will also utilize a 10x10 green apartment set for in-person activations or events to engage with San Francisco residents in person. CleanPowerSF will attend community events in various neighborhoods to encourage upgrades to SuperGreen and/or SuperGreen Saver. Staff will encourage residents to take pictures with the apartment set and post on their social media channels. Interpretation services and translated materials will be available, along with swag giveaways.

#### **4. Renewable Energy Ordinance Activities**

CleanPowerSF has concluded initial outreach activities in connection with San Francisco Environment Code Chapter 30<sup>3</sup> (Ordinance 220-19), which requires large commercial buildings to obtain electricity from 100% renewable energy sources. The ordinance sets a series of deadlines for compliance, with an initial deadline of December 31, 2022 for commercial buildings over 500,000 square feet. Commercial buildings over 250,000 square feet are required to comply by December 31, 2024.

In early October, CleanPowerSF began reaching out to current CleanPowerSF Green service customers and other customers impacted by the December 31, 2022 deadline. Outreach was conducted via e-mail marketing, direct mail, and personalized outreach from Power's Customer Engagement Group.

As a result of this campaign, 28 customer accounts opted up to SuperGreen service, including 11 large commercial/industrial accounts. In total, CleanPowerSF increased its annual SuperGreen sales volume by approximately 33%.

CleanPowerSF continues to engage customers that have upgraded to SuperGreen on a variety of co-marketing opportunities to promote their sustainability commitment and the CleanPowerSF program. Examples include business features in the CleanPowerSF e-newsletter, customized digital signage for their property lobbies, co-lead press releases, and Lunch and Learn presentations for building tenants.

#### **5. Customer Programs Update**

##### **a. Net Billing Tariff**

On December 15, 2022, the California Public Utilities Commission adopted a successor to the long-standing Net Energy Metering program offered by investor-owned utilities to rooftop solar customers, known as the Net Billing Tariff (NBT). The goals of the NBT program are to incentivize customers to

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<sup>3</sup> For more information see:

[https://codelibrary.amlegal.com/codes/san\\_francisco/latest/sf\\_environment/0-0-0-48519](https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_environment/0-0-0-48519) [accessed on March 27, 2023]

install energy storage with rooftop solar, address equity and affordability concerns, and improve the alignment of costs and benefits for rooftop solar.

The most significant change under NBT is that excess generation exported to the grid from rooftop solar projects will be credited to a customer's bill at a rate that reflects the wholesale value of the electricity generation rather than the retail rate, which has been the practice under Net Energy Metering. NBT export compensation rates will be set using the California PUC's Avoided Cost Calculator and will vary based on month, day of the week, and hour of the day.<sup>4</sup>

The last date for new solar customers to enroll in Net Energy Metering with PG&E will be April 14<sup>th</sup>, 2023. Customers who apply to interconnect their rooftop solar project after the April 14<sup>th</sup> deadline will be enrolled in PG&E's NBT program, which it calls the Solar Billing Plan. Existing NEM customers will remain on their current plan for 20 years from the date their system was connected to the electric grid. After that 20-year period, customers will be enrolled in NBT or the successor tariff in place at that time.

PG&E currently anticipates starting NBT on or around December 2023 for residential customers and June 2024 for non-residential customers. Customers that apply to interconnect their rooftop solar systems after April 14, 2023 will receive temporary service under the NEM program until that time.

CleanPowerSF is in the process of evaluating the impacts of the California PUC's NBT decision on our NEM tariff as the implementation details are still being released. We will report to the Commission as more information becomes available.

#### **b. Peak Day Pricing 2022 Season End Evaluation**

CleanPowerSF's Peak Day Pricing program is a voluntary demand response program that incentivizes large commercial customers to reduce their electricity consumption between 4pm and 9pm on "Event Days" from July 1 until October 31; this is the period when the grid is expected to be most strained, typically due to high demand related to high temperatures.

The 2022 program rules continued the 2021 program design. For program marketing and recruitment, Power's Customer Engagement Group focused on

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<sup>4</sup> For more information on the Avoided Cost Calculator, see: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/energy-efficiency/idsm> [accessed on March 31, 2023]



existing large commercial SuperGreen customers, and those commercial customers required to comply with the City's Renewable Energy Ordinance by the end of 2022.

CleanPowerSF concluded the 2022 Peak Day Pricing season at the end of October and applied bill credits to participating customers' January bills. Staff conducted post-season interviews with key participants, assessed performance data to evaluate the success of the program, and derived lessons to inform future iterations of the program. Staff recently completed an evaluation of the 2022 PDP Program.

Overall, Staff considers the 2022 Peak Day Pricing Program to be a success, with the following highlights:

- Customers in the Program participated in 61 percent of Event Day hours, which is similar to 2020 program participation rates.
- Estimated greenhouse gas emissions reductions from participating customer demand response was approximately 21.2 metric tons of carbon dioxide equivalents.
- Of interviewed participants:
  - 100% reported a positive customer experience; and
  - 100% indicated they would remain in the program for the 2023 season.

Key lessons learned:

- Interviewed customers generally expressed satisfaction with the incentive structure, which is more simplified and transparent than CleanPowerSF's previous Peak Day Pricing structure, which was designed following PG&E's version of the program.
- The most common challenge reported by customers was managing their tenants' concerns with reducing building electricity demand (e.g., increasing building thermostats or reducing the number of elevators running during an event day).
- For the 2022 season, CleanPowerSF targeted large commercial customers for enrollment that Power's Customer Engagement team had previously engaged with SuperGreen. This was significantly more effective than reaching out to a more general pool of customers as was done in previous years. In 2022, 50 percent of customers contacted for enrollment ended up enrolling their accounts in the program in comparison to only a 16 percent enrollment rate for customers targeted in 2021.
- For Event Day notifications, text messages are the most popular method of communication with email messages as a close second. Some customers expressed interest in website forecasts but were

largely unaware that Event Day notifications and forecasts were available on CleanPowerSF's Peak Day Pricing Program webpage.

### **c. Other Program Updates**

CleanPowerSF continues to develop and offer programs that help customers manage their energy costs, reduce their carbon footprint, and align with City and State environmental goals. Below are some highlights from this past quarter. For more detail, please reference past Commission updates or visit [cleanpowersf.org/customer-resources](https://www.cleanpowersf.org/customer-resources) [accessed on March 26, 2023].

- i. SuperGreen Saver (Disadvantaged Communities Green Tariff) – CleanPowerSF's SuperGreen Saver program provides 100% California Renewable Portfolio Standard-eligible renewable energy and a 20% electric bill discount to qualifying low-income residential customers residing in a state-defined Disadvantaged Community. As of March 22, 2023, there are 495 customers enrolled in the SuperGreenSaver program. For more information see: <https://www.cleanpowersf.org/supergreensaver> [accessed on March 27, 2023].
- ii. EV Charge SF – Staff have begun meeting with developers to identify projects that are subject to the City's EV Readiness Ordinance, will receive electric generation supply from CleanPowerSF, and may participate in EVChargeSF. Direct outreach to developers has been a successful approach to bring attention to the program. Program staff are also exploring an expansion to existing buildings later in 2023.
- iii. Solar Inverter Replacement Program – The Solar Inverter Replacement Program, available to low-income customers with GoSolarSF-funded solar systems, continues to see strong participation due to the need to repair and update many old and less reliable solar inverters that are now out of warranty. Since our last update, the program's total number of applicants has risen from 65 to 118. The program helps these low-income CARE and FERA rate households meet a difficult solar ownership financial maintenance challenge and helps assure their GoSolarSF systems will deliver lower energy bills for years to come.
- iv. Heat Pump Water Heater Regional Contractor Incentive Program – CleanPowerSF has seen 39 incentives paid out under this program since it began in May 2022. There are now 19 contractors participating in this program who serve CleanPowerSF customers, with plans to do

some direct outreach on this program to both contractors and CleanPowerSF customers starting in April. The Cooperative Agreement between the SFPUC and the Energy Council to participate in the program was recently extended through March 2025, consistent with the Commission's approval in Resolution No. 22-0177.<sup>5</sup>

## **6. Regulatory Compliance Reporting**

CleanPowerSF is under the regulatory jurisdiction of a number of state entities responsible for achieving California's clean energy and carbon emissions reduction goals. These agencies include the California Public Utilities Commission (California PUC), California Energy Commission (Energy Commission), and California Air Resources Board (CARB). Though a non-governmental entity, the California Independent System Operator also sets rules and requirements by which CleanPowerSF must abide as a market participant. Together, these entities require CleanPowerSF and other electric service providers (ESPs) to file at least two dozen separate reports multiple times annually documenting our plans and progress toward meeting California's electric supply and clean energy mandates.

During Q3-FYE 2023, CleanPowerSF submitted a number of annual and milestone reports to the California PUC; they are described below.

### **a. Supplier Diversity 2022 Annual Report and 2023 Plan**

On March 1<sup>st</sup>, CleanPowerSF submitted its 2022 Supplier Diversity Annual Report and 2023 Plan. This report and plan describe CleanPowerSF's procurement of goods and services from small, local and diverse business enterprises, including woman, minority, disabled veteran business enterprise, persons with disability business enterprise, and lesbian, gay, bisexual and transgender business enterprises, in accordance with Senate Bill 255 (Bradford, 2019). This bill, passed into law in October 2019, expanded the California PUC supplier diversity reporting program from energy service providers to include community choice aggregators. California PUC General Order 156 established Supplier Diversity program guidelines to promote utility recruitment and use of women and minority-owned business enterprises.

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<sup>5</sup> For more information see Agenda Item 11a from the Commission meeting of October 24<sup>th</sup>, available at:

<https://sfpuc.sharefile.com/share/view/se57a12bb8a82441a964c1caeca3a525>  
[accessed on March 27, 2023]

In compliance with Proposition 209, CleanPowerSF may not give preferential treatment to bidders on public contracts based on a bidder's race, sex, color, ethnicity, or national origin. Nonetheless, there is still much that San Francisco is doing to support small, local and diverse businesses, as detailed in the report and plan. The report and plan can be found on CleanPowerSF's webpage: [Key Documents — CleanPowerSF](#) (Accessed March 10, 2023).

#### **b. Renewable Portfolio Standard 2017-2020 Compliance Period Three Final Report**

California's Renewable Portfolio Standard (RPS) program was established in 2002 by Senate Bill 1078 (Sher, 2002) with the initial requirement that 20% of electricity retail sales must be served by renewable resources by 2017. Since then, the legislature and Governor have accelerated the state's energy transition, requiring that 60% of electricity retail sales be sourced from renewable resources by 2030, and that all of the state's electricity come from carbon-free resources by 2045.

The California PUC implements and administers RPS compliance rules for certain California retail sellers of electricity, which include large and small investor-owned utilities (IOUs), electric service providers, and CCAs. Compliance with the RPS program is measured in eligible renewable energy credits (RECs), which represent that 1 megawatt-hour of eligible renewable energy was generated, and is evaluated on a multi-year compliance period basis. CleanPowerSF -- as well as other CCAs, IOUS and electric services providers -- submits reports to the California PUC on its compliance with annual and multi-year RPS targets. The Energy Commission is responsible for the certification of electrical generation facilities as eligible renewable energy resources and adopting regulations for the enforcement of RPS procurement requirements of publicly-owned utilities. The third RPS compliance period (2017-2020) recently concluded with the Energy Commission validating all CleanPowerSF reported RECs as sourced from bona fide renewable energy. As a result, CleanPowerSF submitted its final report for this RPS compliance period on March 3<sup>rd</sup>.

#### **c. Resource Adequacy**

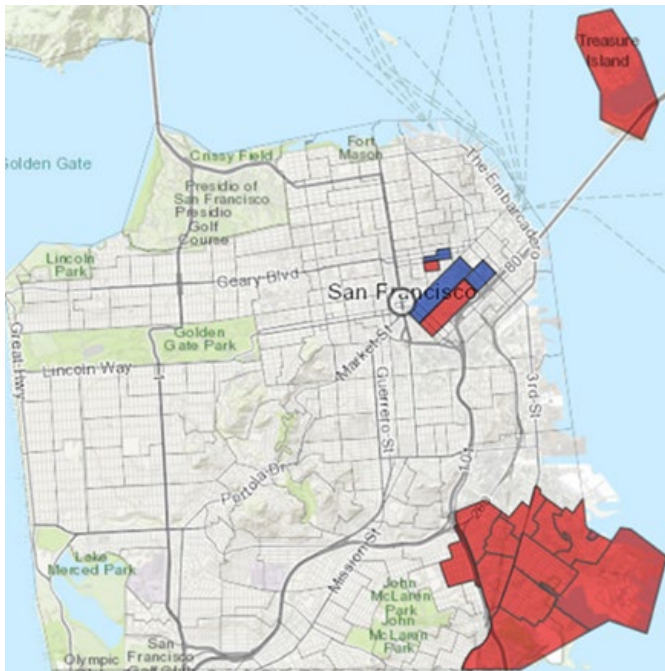
CleanPowerSF continues to file its monthly Resource Adequacy compliance reports to show that it has procured sufficient electric generating capacity to reliably meet its customers' peak demand in each month of 2023. The California PUC, in concert with the California Independent System Operator, requires that electric service providers report their Resource Adequacy

annually and monthly. The California PUC may fine electric service providers that fail to meet their Resource Adequacy requirements on either a year-ahead or month-ahead basis. The market for electric generating capacity has significantly tightened in California over the past few years – particularly for the summer months of July through October – putting significant upward pressure on capacity costs and challenging all electric service providers to maintain compliance. Staff intends to use the PRO.0236 and PRO.263 solicitations to add new long-term clean energy resources that will support CleanPowerSF’s future Resource Adequacy compliance.

#### d. Disadvantaged Communities Green Tariff and Community Solar Green Tariff

CleanPowerSF filed an advice letter with the California PUC seeking approval to expand the eligible geography for the Disadvantaged Communities Green Tariff program, branded locally as SuperGreen Saver. Per directive, CleanPowerSF files quarterly and semi-annual reports on the status of program enrollment and long-term contracting with the California PUC. We anticipate that the program will be fully enrolled by Q4 of FY 2023

**Figure 5.** Map of San Francisco CalEnviroScreen 3.0 (blue) and 4.0 (red) Census Tracts<sup>6</sup>



<sup>6</sup> Treasure Island and Yerba Buena Island are not within CleanPowerSF’s CCA-eligible service area and are served by Hetch Hetchy Power.