Proposed CleanPowerSF Rates
Fiscal Year 2023-2024

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Agenda

1. CleanPowerSF Rates Landscape
2. FY 2023-24 Rates Setting
3. Revenue Requirement
4. Cost of Service Rates
5. Rate Design
6. Proposed CleanPowerSF Generation (Green) Rates
7. Bill Impact
8. Rate Fairness Board
9. Upcoming Milestones
CleanPowerSF Rates Landscape

• SF City Charter requirement
  • rates study at least every five years by independent consultant

• 2022 Power Rates Study
  • CleanPowerSF’s first rates study
  • Adopted FY 2022-23 cost of service (COS) rates in May 2022

• Key outcomes of rates study
  • ensure financial sustainability: program’s COS, no longer follow PG&E
  • prioritize customer needs
  • support City’s climate action goals
  • CleanPowerSF FY 2022-23 rates decreased from FY 2021-22 rates
FY 2023-24 Rates Setting

• Revenue Requirement
  • Commission adopted 10-Year Financial Plan

• Cost Functionalization, Classification, and Allocation
  • Leverage 2022 SFPUC Power Rates Study
  • Update FY 2023-24 power supply contracts
  • Update with FY 2021-22 weighted energy price

• Rate Design
  • Analyze FY 2023-24 bill impact for CleanPowerSF customers
  • Compare bills of CleanPowerSF customers to PG&E customers
  • Analyze rate schedules for rebalancing
Revenue Requirement

Power supply is the biggest driver!
Cost of Service Rates

• 15% rate increase for CleanPowerSF generation rates proposed in Commission-adopted 10-Year Financial Plan
Rate Design

• “Effective rate” = all-in $/kWh or $/kW rate
  • Rate schedules with no demand charge allocate all costs to energy effective rate, even if they have different time-of-use or seasonal periods
  • Rate schedules with a demand component (kW) have separate energy and demand effective rates

• Calculate % change in effective rate for green rates needed for each rate schedule to get to customer class COS
  • for example, residential class has energy effective rate; medium commercial (high demand) class has effective energy rate and effective demand rate

• Scale effective rate up/down for each line item of rate schedule (i.e. season/TOU)

• Evaluate rebalancing base rates
### Proposed CleanPowerSF Generation (Green) Rates

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>FY 2023-24 Rates ($/kWh)</th>
<th>% Gen Rate Change</th>
<th>% Total Bill Change for Avg Customer*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$0.13748</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>Small General Service</td>
<td>$0.12431</td>
<td>13%</td>
<td>4%</td>
</tr>
<tr>
<td>Medium General Service – Low Demand</td>
<td>$0.12099</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>Medium General Service – High Demand</td>
<td>$0.11936</td>
<td>17%</td>
<td>8%</td>
</tr>
<tr>
<td>Large General Service</td>
<td>$0.10586</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>$0.09065</td>
<td>8%</td>
<td>**</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>$0.12559</td>
<td>21%</td>
<td>**</td>
</tr>
<tr>
<td>Traffic Control</td>
<td>$0.12559</td>
<td>14%</td>
<td>**</td>
</tr>
</tbody>
</table>

*Total bill change for the default rate schedule in each customer class

**Very few customers

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All average CleanPowerSF customers (except Streetlights) are projected to have **lower total bills than** comparable current (effective March 2023) **PG&E rates.**

*Total bill change for the default rate schedule in each customer class

**Very few customers
Assumes 270 kWh monthly usage on default E-TOU-C rate schedule. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Assumes 1304 kWh monthly usage. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Bill Impact: Medium Commercial - Low (B-10)

Assumes 12,941 kWh monthly usage. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Assumes average of higher demand customers with 335,250 kWh and 673 kW monthly usage. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Assumes 645.5 MWh and 1,445 kW monthly usage. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Rate Fairness Board (RFB)

• RFB established by
  SF Charter Section 8B.125.7

• Public committee to provide report and recommendation to the Commission on rate proposals

• Website: https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board

• Sign up for email notifications
# CleanPowerSF Milestones

<table>
<thead>
<tr>
<th>Date</th>
<th>Item</th>
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<tbody>
<tr>
<td>03/17/2023</td>
<td>RFB: FY 2023-24 Rates Setting</td>
</tr>
<tr>
<td>04/11/2023</td>
<td>RFB: Proposed CleanPowerSF Rates</td>
</tr>
<tr>
<td>04/11/2023</td>
<td>Citizens’ Advisory Council: Proposed CleanPower SF Rates</td>
</tr>
<tr>
<td>05/09/2023</td>
<td>SFPUC Commission: Proposal for FY 2023-24 Rates Adoption</td>
</tr>
<tr>
<td>05/12/2023 (est.)</td>
<td>Board of Supervisors Submission</td>
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