



**Date:** July 28, 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   
Barbara Hale, Assistant General Manager, Power 

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

**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. Communications Activities
3. Generation Rates Implementation
4. California Energy Commission's Load Management Standards
5. Customer Programs Update
6. Regulatory Compliance Reporting

**London N. Breed**  
Mayor

**Newsha Ajami**  
President

**Sophie Maxwell**  
Vice President

**Tim Paulson**  
Commissioner

**Tony Rivera**  
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**Kate Stacy**  
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**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 July 20, 2023, CleanPowerSF is serving approximately 384,000 active customer accounts.

The program opt-out rate remains stable at approximately 4.5% of all enrolled accounts, which is the same as what was reported in the last CleanPowerSF quarterly update provided to the Commission on April 11, 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 9% of CleanPowerSF's total annual electricity sales (and growing!).

## 2. Communications Activities

### a. SuperGreen Upgrade Marketing and Outreach Campaign

In April, CleanPowerSF launched a multilingual marketing and outreach campaign focused on encouraging San Francisco residents to upgrade their service to CleanPowerSF's 100% renewable energy option, SuperGreen.

The SuperGreen Upgrade campaign leveraged both digital advertising and in-person activations or events primarily targeting CleanPowerSF renters, especially those that are Limited English Proficient and/or have moderate to low incomes. CleanPowerSF utilized 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.

Through the help of a creative ad agency, CleanPowerSF also developed a 10 foot x10 foot "super" green apartment set for in-person activations or events to engage with San Francisco residents in person. The eye-catching apartment set is painted entirely green and was deployed at a variety of events throughout

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<sup>1</sup> The CleanPowerSF Quarterly Report communicated to the Commission on April 11, 2023 may be accessed here: <https://sfpuc.sharefile.com/share/view/s0ddb57b11834450889d9e6802548f62c> [accessed on July 24, 2023]

San Francisco, including the Cherry Blossom Festival in Japantown, Earth Day in Golden Gate Park, and a San Francisco Giants Watch Party in the Mission, organized by the Latino Task Force. Visitors were encouraged to take a photo inside the apartment set, tag @MySFPUC on social media to share with their networks, and upgrade to CleanPowerSF's 100% California Renewable Portfolio Standard-eligible renewable electricity service.

The unique setup stood out at events but also allowed SFPUC staff to engage with visitors longer than usual. Staff answered questions on everything from how to read power bills to electrification best practices. Interpreters were also available at each event, along with translated materials in Spanish, Chinese, and Filipino. The online advertising component was crafted in partnership with consultants to make sure in-language messaging resonated across different cultures in San Francisco.

While the digital advertising component of the campaign has ended, future events with the green apartment set are being considered later this summer in the Bayview, Castro and Civic Center. After the completion of these events, results from the campaign will be shared in a future CleanPowerSF Quarterly Report.

**Figure 1.** Promoting SuperGreen at the San Francisco Giants Watch Party in the Mission



**Figure 2.** Family-fun in the SuperGreen Apartment at Earth Day in Golden Gate Park



### **b. Break Up with Gas Marketing & Advertising Campaign**

In April, CleanPowerSF launched its first, pro-active, paid advertising campaign focused on raising awareness among San Francisco residents about the benefits of at-home electrification. The campaign theme, “Break Up with Gas”, used playful graphic imagery and messaging to encourage residents to “move on” from their toxic relationship with appliances powered by natural gas, a fossil-fuel that contributes to climate change.

To accelerate the adoption of electric appliances and help San Francisco reach its broader climate action goals, CleanPowerSF offers an incentive program for local contractors to install heat pump water heaters for qualifying customers. Contractors are eligible for a \$1,000 rebate per installation and can pass that incentive on to the customer. In addition, BayREN (Bay Area Regional Energy Network) currently offers up to \$1,000 in rebates to Bay Area residents who choose to install a high-efficiency, heat pump water heater through a BayREN participating contractor. That means CleanPowerSF customers can see up to \$2,000 in savings when making the switch to a heat pump water heater.

To get the word out about this opportunity, the Break Up with Gas campaign leveraged a two-pronged marketing strategy:

1. Target “early adopters”, or those who are more likely to switch to a heat pump water heater. This audience included CleanPowerSF customers with rooftop solar, EV owners, and SuperGreen customers. Additionally, new homebuyers and residents with a natural gas heater that was over

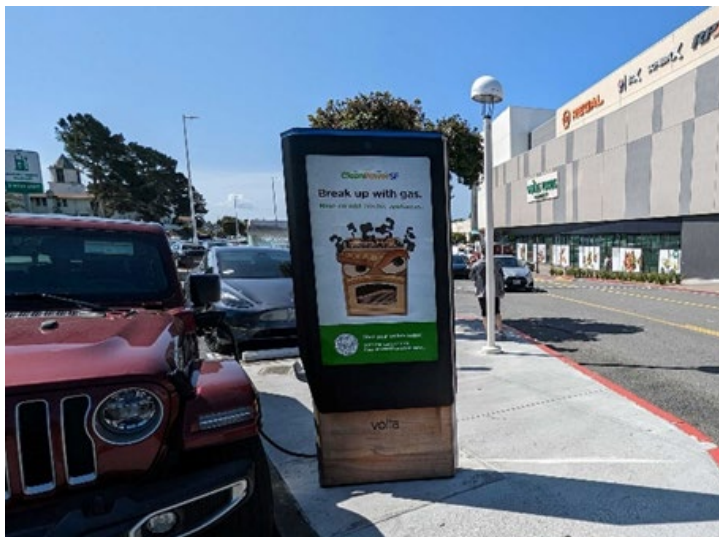
10 years old were included in this target audience. These audiences received direct mail and email promoting available heat pump water heater incentives.

2. Promote at-home electrification to a broader audience in San Francisco through education about the benefits of electric appliances. Advertisements ran on Facebook, Instagram and Reddit, and also at EV charging stations throughout the city.

As a result of the campaign, the CleanPowerSF electrification webpage became the top viewed page on the website, with nearly 10,000 visitors. From the CleanPowerSF website, 700 visitors followed links to contact BayREN and learn more about the incentives. More than one hundred CleanPowerSF customers completed an online form expressing their interest in rebates for heat pump water heater. Additionally, there was high interest from website visitors in calculating their potential savings through tax credits and other rebates made available by the Inflation Reduction Act.

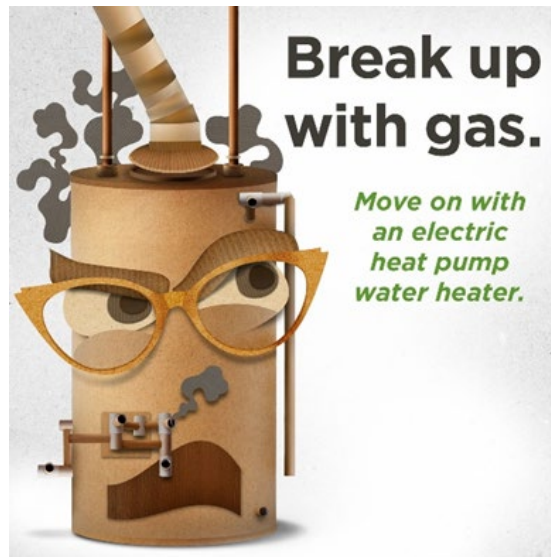
While the paid advertising portion of the campaign has concluded, CleanPowerSF will continue to promote the “Break Up with Gas” message to customers, encouraging them to take advantage of available rebates and incentives and learn more about the overall benefits of electrification.<sup>2</sup>

**Figure 3.** Electric Vehicle Charger Advertisement at Stonestown Galleria



<sup>2</sup> For CleanPowerSF’s “Break Up with Gas” see: <https://www.cleanpowersf.org/goelectric> and for Inflation Reduction Act calculator see: <https://www.rewiringamerica.org/app/ira-calculator> [accessed on July 24, 2023]

**Figure 4.** Example of Social Media and Graphics



### **c. Return to Service Policy Communications**

Starting July 1st, CleanPowerSF reinstated its policy to return customers who are in arrears for more than 60 days to PG&E service pursuant to Resolution No. 22-0157. To ensure advance notification to customers and also provide information about available assistance and support, Power Communications developed a pro-active communications plan to reach impacted customers. CleanPowerSF residential customers in arrears received multiple multilingual notices by mail in addition to email communications informing them of their options for payment and bill relief. CleanPowerSF also set up a dedicated webpage ([www.cleanpowersf.org/billhelp](http://www.cleanpowersf.org/billhelp)) for customers in arrears to get more information about bill support resources. The impact of this outreach to customers is still being evaluated. Customer Service Bureau did report an increase in calls to the call center from customers who received notices requesting information about how to access bill relief.

### **3. New Generation Rates Implementation**

On July 1, 2023, CleanPowerSF implemented its 2023-24 FY rate adjustment, consistent with Commission Resolution No. 23-0101.

Also on July 1, 2023, PG&E implemented an adjustment to its own electric rates.<sup>3</sup> This rate change caused an average total increase of approximately 5.3% for PG&E customers on bundled (generation and delivery) service. Delivery rates, the PG&E portion of the bill paid by CleanPowerSF customers, increased an average of 10.4%.

This increase in PG&E's delivery rates, however, is off-set by the proportionally lower Generation cost for CleanPowerSF customers. On a total electric bill basis, the typical residential customer on CleanPowerSF's Green service will see an average savings of about 2.7% compared to customers taking both generation and delivery from PG&E (about \$3 per month). On CleanPowerSF's SuperGreen service, the average residential customer will see comparable monthly electricity bills to PG&E's standard generation and delivery service (but receive 60% more renewable energy!).

Typical small commercial customers are expected to save 6% on CleanPowerSF Green service (about \$28 per month less) and will see savings of 3% (about \$15 per month) on SuperGreen service, relative to PG&E's standard generation and delivery service.

Figure 5 and Figure 6 below summarize the average monthly bill for the typical residential and small commercial customer.

**Figure 5. Average Residential Monthly Electricity Bill Comparison<sup>4</sup>**

<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>60%</b>	<b>100%</b>	<b>40%</b>
<b>Electricity Generation</b>	<b>\$36.65</b>	<b>\$39.35</b>	<b>\$36.75</b>
<b>PG&amp;E Electricity Delivery</b>	<b>\$57.12</b>	<b>\$57.12</b>	<b>\$57.12</b>
<b>Additional PG&amp;E Fees*</b>	<b>\$1.01</b>	<b>\$1.01</b>	<b>\$3.53</b>
<b>AVERAGE TOTAL COST PER MONTH</b>	<b>\$94.78</b>	<b>\$97.48</b>	<b>\$97.41</b>

\*Additional PG&E Fees refer to the Power Charge Indifference Amount (PCIA) and the Franchise Fee Surcharge (FFS). For more details, view our "[Understanding Your Bill](#)" document.

<sup>3</sup> For more information, see PG&E's Advice Letter ELEC 6968-E, available at: [ELEC 6968-E.pdf \(pge.com\)](#) [accessed July 10, 2023]

<sup>4</sup> This table compares electricity costs for an average residential customer in the CleanPowerSF/PG&E service area with an average monthly usage of 270 kWh. This is based on an E-TOUC rate schedule for CleanPowerSF's and PG&E's published rates as of July 1, 2023. Please note that due to rounding, the sum of each individual component may not exactly match the values in the Average Total Cost Per Month rows.

**Figure 6.** Average Small Commercial Monthly Electricity Bill Comparison<sup>5</sup>

<b>B1</b>	<b>CleanPowerSF Green</b>	<b>CleanPowerSF SuperGreen</b>	<b>PG&amp;E Default</b>
<b>Renewable Energy Content</b>	<b>60%</b>	<b>100%</b>	<b>40%</b>
<b>Electricity Generation</b>	<b>\$152.43</b>	<b>\$165.16</b>	<b>\$169.37</b>
<b>PG&amp;E Electricity Delivery</b>	<b>\$266.83</b>	<b>\$266.83</b>	<b>\$266.83</b>
<b>Additional PG&amp;E Fees*</b>	<b>\$4.44</b>	<b>\$4.44</b>	<b>\$15.54</b>
<b>AVERAGE TOTAL COST PER MONTH</b>	<b>\$423.70</b>	<b>\$436.43</b>	<b>\$451.75</b>

\*Additional PG&E Fees refer to the Power Charge Indifference Amount (PCIA) and the Franchise Fee Surcharge (FFS). For more details, view our "[Understanding Your Bill](#)" document.

To notify customers about the July 1<sup>st</sup> rate change, the Power Communications team updated CleanPowerSF's website with information about the rates including new rate sheets and bill comparisons, published a blog post on CleanPowerSF.org announcing the new rates, and posted about the new rates on social media. Lastly, a message announcing the rate change was added to the CleanPowerSF page of each customer's monthly bill.

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 July 10, 2023].

#### **4. California Energy Commission's Load Management Standards**

On January 25<sup>th</sup>, 2023, the California Energy Commission adopted an update to the state's Load Management Standards. This update supports California's long-standing goal of improving energy efficiency and load or demand flexibility to reduce peak electricity demand by encouraging the development of real-time electricity rates that vary hourly or sub-hourly. It is thought that real time rates will provide better price signals to customers reflecting the actual cost and carbon intensity of electricity production and encourage customers to shift their electricity demand from peak periods to off-peak periods.

A critical component of the Load Management Standard update is the creation of the Market Informed Demand Automation Server (MIDAS) database, a new

<sup>5</sup> This compares electricity costs for an average residential customer in the CleanPowerSF/PG&E service area with an average monthly usage of 1,273 kWh. This is based on a B-1 rate schedule for CleanPowerSF's and PG&E's published rates as of July 1, 2023. Please note that due to rounding, the sum of each individual component may not exactly match the values in the Average Total Cost Per Month rows.



California Energy Commission-developed platform that will provide ratepayers real-time access to time-varying rates, carbon emission signals, and emergency events to help encourage changes in electricity usage away from peak times. The MIDAS system is designed to communicate with “smart” appliances (such as dishwashers and air conditioners) that can receive price and carbon emission signals and automatically adjust operation to minimize cost and environmental impacts.

These new LMS regulations apply to large investor-owned utilities, large publicly owned utilities (only includes the Sacramento Municipal Utility District and the Los Angeles Department of Water and Power and does not include Hetch Hetchy Power), and large community choice aggregators, including CleanPowerSF. All of these entities are required to adopt plans for hourly or sub-hourly real-time electricity rates (or comparable demand response programs), develop a statewide tool to help third-parties access information about time-varying rates, and upload all time-varying rates to the MIDAS database so customers can access their applicable electricity rates in real-time.

CleanPowerSF’s first compliance milestone is to upload all existing time-varying “base rates” to the MIDAS platform by August 1<sup>st</sup>. A subsequent upload of more granular rate “modifiers” (components that modify a base electricity rate such as CleanPowerSF’s SuperGreen product) must be completed by October 1<sup>st</sup>. CleanPowerSF is coordinating with its third-party billing service provider, Calpine Energy Solutions, to upload its existing time-varying rates to meet these compliance deadlines.

By April 1, 2024, CleanPowerSF is required to submit to the SFPUC Commission for adoption, a compliance plan that will address the Load Management Standards requirements, including how CleanPowerSF will:

- Encourage the use of electrical energy during off-peak hours;
- Encourage the control of daily and seasonal peak loads to improve electric system efficiency and reliability;
- Lessen or delay the need for new electrical capacity; and
- Reduce fossil fuel consumption and greenhouse gas emissions.

The compliance plan is required to evaluate the cost effectiveness, equity, technological feasibility, benefits to the grid, and benefits to customers of developing and offering hourly or sub-hourly real-time rates.<sup>6</sup>

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<sup>6</sup> The SFPUC Commission will have until May 30, 2024 (or 60 days after April 1, 2024) to adopt a Load Management Standards compliance plan for CleanPowerSF. If the SFPUC Commission determines that real-time pricing is not in the best interest of CleanPowerSF customers, the Commission may consider adopting alternative programs that enable automated response to cost signals.

If it determines it is cost-effective and beneficial, the SFPUC Commission would require CleanPowerSF to develop, implement, and offer real-time rates by July 1<sup>st</sup>, 2027.

Staff will continue to update the Commission on progress toward complying with the Load Management Standard regulations, including the possible development of real-time rates, in future Quarterly Reports.

## 5. Customer Programs Update

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 July 24, 2023].

- i. *SuperGreen Saver (Disadvantaged Communities Green Tariff)* – CleanPowerSF’s SuperGreen Saver program provides 100% California Renewables Portfolio Standard-eligible renewable energy and a 20% electric bill discount to qualifying low-income residential customers residing in a state-defined Disadvantaged Community (DAC). As of June 30, 2023, there are 783 customers enrolled in the SuperGreenSaver program (288 more since our last Quarterly Report). During the spring, the Communications team conducted outreach at affordable housing sites within DACs to encourage opt-in enrollment. Beginning in early June, CleanPowerSF shifted to a lottery-based process to auto-enroll eligible remaining customers on an opt-out basis until program capacity is reached. There is capacity for approximately 1,237 total customers. For more information see: <https://www.cleanpowersf.org/supergreensaver> [accessed on July 20, 2023].
- ii. *EV Charge SF* – There are currently 4 projects enrolled in the program, 2 large multifamily buildings with 220 and 500 units, 1 lab building, and an 8-unit Habitat for Humanity project. Staff are currently working on addendums to the program handbook to allow existing commercial garages subject to the City’s Commercial Garage EV Charging Ordinance to participate in the program and to show the incentive levels for the City’s new 2022 EV Readiness Ordinance. Staff are also exploring a larger expansion of the program to more existing buildings.

- 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 118 to 160, with 65 projects completed. 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 45 incentives paid out under this program since it began in May 2022. There are now 29 contractors participating in this program who serve CleanPowerSF customers (up from 19 reported in our last Quarterly Report). We anticipate that we will see an increase in the rate of incentives claimed per month this summer following the recent direct outreach on this program to both contractors and CleanPowerSF customers. The Cooperative Agreement between the SFPUC and the Energy Council to participate in the program was extended through March 2025, consistent with the Commission’s approval in Resolution No. 22-0177.<sup>7</sup>
- v. *Peak Day Pricing* – The 2023 Peak Day Pricing (PDP) Program season commenced on July 1. While the 2023 PDP Program season will retain most of the prior years’ program design, the 2023 season includes some changes: 1) Program eligibility has been expanded to include CleanPowerSF customers on the business electric vehicle rate, B-EV-2; 2) the Program will call Event Days if the average of forecasted temperatures for Northern California is expected to be at or above 98 degrees Fahrenheit; and 3) while the Program will continue to offer participants a mid-season performance report after the first two to three Event Days, it will only do so upon request (this is intended to use staff time efficiently as last year many participants did not review the reports that were issued to them).

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<sup>7</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 July 28, 2023]

## 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 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 Q4-FYE 2023, CleanPowerSF submitted a number of annual and milestone reports to the California PUC; they are described below.

### a. Renewables Portfolio Standard

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.

**RPS Procurement Plan.** The RPS Procurement Plan requirement is focused on ensuring that retail sellers – including CleanPowerSF – have engaged in proper planning for procurement to meet their RPS requirements. RPS Plan elements include information on current renewable portfolio information, upcoming solicitation plans for renewable energy, and long-term planning for renewable energy procurement. The plans also include possible compliance delay factors, risk assessment for RPS projects and plans for sales of renewable energy. Per regulation, CleanPowerSF submitted its Draft 2023 RPS Procurement Plan on July 18, 2023. Over the next several months, this Plan will be evaluated by the California PUC and returned to CleanPowerSF for possible revision and finalization.

**RPS Compliance Report.** 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. Compliance is evaluated retrospectively, on an annual and 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. CleanPowerSF will be submitting its 2022 RPS Compliance Report on August 1, 2023. 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.

#### **b. 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 upcoming solicitations to add new long-term clean energy resources that will support CleanPowerSF's future Resource Adequacy compliance.

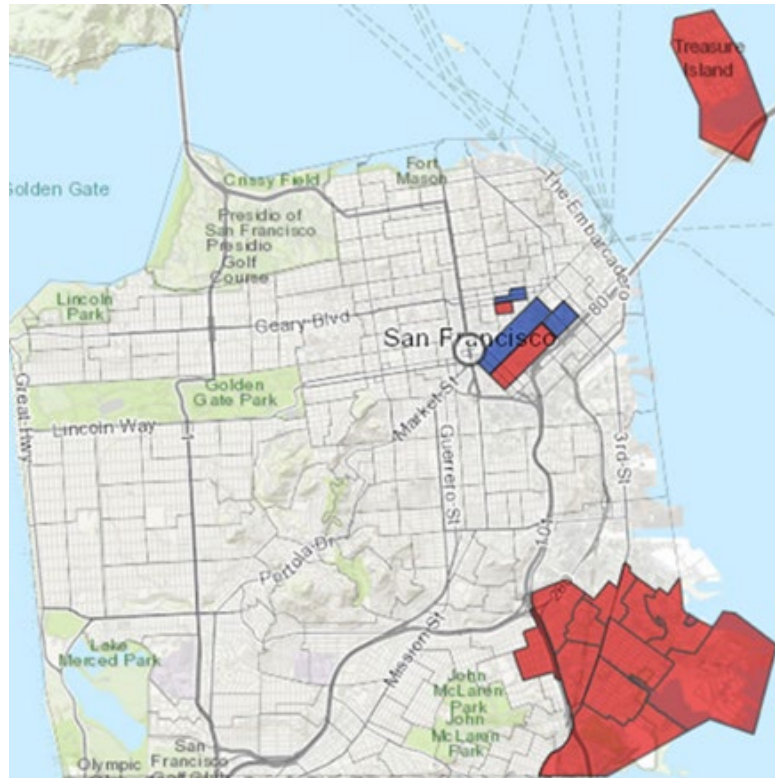
#### **c. Disadvantaged Communities Green Tariff and Community Solar Green Tariff**

In April 2023, CleanPowerSF received approval from the California PUC to expand the eligible geography for the Disadvantaged Communities Green Tariff program, branded locally as SuperGreen Saver, to include the eligible San Francisco census tracts identified in both the CalEnviroScreen 3.0 and CalEnviroScreen 4.0 tools (see Figure 7 below).

Per California PUC directive, CleanPowerSF files quarterly and semi-annual reports on the status of program enrollment and long-term contracting with the California PUC. The most recent Semi-Annual Report was filed on July 24, 2023.

We anticipate that the SuperGreen Saver program will be fully enrolled by Q1 of FY 2024.

**Figure 7.** Map of San Francisco CalEnviroScreen 3.0 (blue) and 4.0 (red) Census Tracts<sup>8</sup>



<sup>8</sup> Treasure Island and Yerba Buena Island are not within CleanPowerSF's CCA-eligible service area and are served by Hetch Hetchy Power.