



San Francisco Public Utilities Commission  
Citizens' Advisory Committee  
Power Subcommittee

MEETING AGENDA

Tuesday, October 8, 2024  
5:30 p.m. – 7:00 p.m.  
525 Golden Gate Ave., 3<sup>rd</sup> Floor Tuolumne Conference Room

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Meeting URL

<https://sfwater.zoom.us/j/83303431121?pwd=uBtawv6LeWQs51mq1XYFFykYCqIt39.1>

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Meeting ID / Passcode

833 0343 1121 / 279623

**Mission:** The Power Subcommittee shall review power generation and transmission system reliability and improvement programs, including but not limited to facilities siting and alternatives energy programs, as well as other relevant plans, programs, and policies ([Admin. Code Article XV, Sections 5.140 - 5.142](#)).

Members

Jodi Soboll (M- Eng./Fin.)  
Sally Chen (D3)

Barklee Sanders (D6)  
Caroline Law (D1)

Moisés García (D9)

D = District Supervisor appointed, M = Mayor appointed, B = Board President appointed

**Staff Liaisons:** Lexus Moncrease, & Desiree Almendral  
Staff Email for Public Comment: [cac@sfwater.org](mailto:cac@sfwater.org)

**ORDER OF BUSINESS**

1. Call to order and roll call

Members Present: Sanders, Chen, Law

Members Absent: Soboll, García

2. Discussion and Possible Action: Selection of New Power Chair

\*Chair Garcia, under the CAC Rules of Order, appointed Member Sanders as the Power Subcommittee Chair prior to this meeting. This agenda item topic is removed from the agenda.



**3. Approve [August 13, 2024](#), Minutes**

Motion was made (Sanders) and seconded (Chen) to approve the August 13, 2024, Minutes.

Approved without objection.

Public comment: None

**4. Report from the Chair**

- Welcome members, staff, and the public
- Ohlone Tribal Land Acknowledgement

Public Comment: None

**5. Public Comment: Members of the public may address the Committee on matters that are within the Committee's jurisdiction and are not on today's agenda (2 minutes per speaker)**

Public Comment: None

**6. Presentation and Discussion: [Our City Our Power Campaign and Public Power Week 2024 Update](#), Peter Gallota, SFPUC Power Marketing & Communications Manager**

*Presentation:*

Public Power is not new. It's a growing movement

Public Power is here in California

The SFPUC is San Francisco's local, clean electricity provider.

PG&E continues to make it difficult for us to deliver public power today.

By operating the grid, PG&E remains in the middle.

PG&E has obstructed over 135 local projects.

City projects impacted by PG&E obstruction

PG&E's requirements are unreasonable.

PG&E has cost San Francisco Taxpayers \$35 million

PG&E's recent rate increases are unprecedented.

Local ownership of the grid will be a game changer for all of us.

Our goal: full independence from PG&E

With full public power, San Francisco can achieve its clean energy and climate goals.

While keeping rates affordable for residents and businesses.

Public power vs. Investor-owned utilities

San Francisco is ready for full public power now.

We are taking actions to move public power forward.

Take action to support public power!

Five Actions for Public Power

Next Steps and Ways You Can Support

Public Power Week 2024

Background

Goals for Public Power Weeks 2024

Sharing our Public Power Story

*Discussion:*

- **Member Law** asked which power source is serving the remaining 25% of customers.

**Staff Gallota** responded the 25% is serviced by PG&E, either directly or by something SFPUC calls bundled customers which are customers that are choosing to get their generation and transmission distribution service from PG&E. Clean Power customers also receive transmission and distribution from PG&E but are selecting SFPUC to be their supplier. The other portion is direct access, which is a different mechanism for being able to get energy electric supply. The process is similar to working with a broker dealer and are long-term contracts. The direct access is not a well-known market and usually the customers who select these are entities. Direct Access allows entities to negotiate supply prices more directly and enter longer-term contracts with the supplier. There are four suppliers with the City – Clean Power, Hetch Hetchy Power, PG&E, and Direct Access.

- **Chair Sanders** asked if Treasure Island is considered direct access with Hetch Hetchy Power.

**Staff Gallota** responded that it is considered part of Hetch Hetchy Power.

- **Chair Sanders** asked if when PG&E requirements cause delays on projects, does the SFPUC try alternative power sources such as battery and solar.

**Staff Gallota** responded that it depends on the load demand of the project. The challenge for certain large properties i.e., housing or facilities is that there is more load demand that requires more power than we can get from solar or battery. In terms of reliability, there is a benefit to being connected to the grid. There are also issues with the grid so best practice is to be able to generate power through both a solar/battery option and grid supply. Currently, the City is doing this with municipal facilities – they are installing rooftop solar and exploring battery to rely less on the grid, however, are still needing to interconnect.

**Chair Sanders** commented that in the interim of obtaining the Power grid from PG&E, the city can invest in battery and solar.

- **Chair Sanders** asked when the City takes over the power grid, how will the SFPUC, as a public entity, be held accountable under the General Orders to maintain a grid and what standards are being set forth to measure, whether it be comparing it to PG&E, or outages per month or year, and how will the City hold itself to the highest standard of reliable services considering the power issues on Treasure Island and Treasure Island being a part of the City. General Orders are the highest level of standard. For example, if PG&E did not inspect the transmission line in Paradise the General Orders hold them accountable. If a City-owned public power grid should be overseen by a federal board and have structures of accountability as there will be

ways that the federal government can come in to support public power implementation.

**Staff Gallota** responded that the SFPUC currently looks at industry standards in terms of being a utility provider. SFPUC recognizes that this standard is not being met on Treasure Island. As there are more thread systems being built out in San Francisco, along the eastern waterfront and Treasure Island and Yerba Buena Island, the SFPUC is holding itself to a standard as a service provider. Staff Gallota commented he will find out more from his team as to what the general practice and standards are. SFPUC's public power model will be self-regulated at the local level through its own Commission, the Board of Supervisors and the Mayor as is currently the case with their publicly owned utility side. California's Public Utilities Commission's general order apply to the investor-owned utilities because they regulate the investor-owned but California Public Utilities Commission does not regulate public owned utilities since they are locally regulated. As a utility provider, we cannot guarantee there will never be a service interruption and we are thinking of ways to prevent them through investments to keep key systems operational. There is also the ability to be responsive to the local needs. An example being if a water main breaks in a particular area, the Board of Supervisors can call a hearing where the SFPUC responds at the neighborhood level, reviewing the infrastructure to see what else is needed from an investment standpoint. On a capital investment side, there is the ability for repair dollars to stay within San Francisco to maximize its investment and reliability.

- **Chair Sanders** emphasized the need for accountability, especially as we transition to public power ran by the SFPUC due to the history with the former General Manager of the SFPUC who was convicted for financial crimes while being General Manager.

**Staff Gallota** responded these were great comments and concerns as this is what staff wants to hear in terms of feedback from constituents. With feedback, staff can address the concerns, adapt standards of accountability and reliability for constituents, SFPUC and City leadership. With this feedback, staff is also able to go to members of the public to start these discussions and build confidence and trust demonstrating that as a public entity, we are learning from the issues we have gone through and are committed to accountability and transparency. This is an opportunity to democratize energy and power in the City and there are currently more steps in the process which is why staff has started talking to communities and trusted allies to think through the questions and find areas which are in need of more research. As a public entity, we don't face the same challenges as the private sector, but we are not immune to challenges. We think about how the SFPUC can overcome those challenges and recommit to ourselves based on our values.

- **Chair Sanders** commented that the Board of Supervisors is creating a full City map pinpointing all the power outages so the public can view them and will include Treasure Island similar to what PG&E provides. The data maps and other data points, help instill confidence.

**Staff Gallota** responded that staff to a certain extent is tracking what they are able to. In terms of reliability in the City, there is a lot of unknown because the SFPUC is not the grid operator and there will need to be learning with their system. SFPUC does know that there will need to be system investments due to the infrastructure being some of the oldest owned by PG&E and in the State. There will need to be an evaluation done to see the state of the grid to determine a fair market value for the assets.

- **Chair Sanders** asked if the \$2.5 billion offer to PG&E only include PG&E owned assets.

**Staff Gallota** responded that the offer only includes PG&E owned assets. Treasure Island and Yerba Buena Island are not part of the offer since there is no PG&E infrastructure there. However, with the streetlights in San Francisco, about half of them are owned by PG&E so these would be included as well as poles and wires, and a few substations.

- **Member Chen** asked what PG&E's incentive is to sell its assets.

**Staff Gallota** informed members that from an SFPUC perspective, there is a financial incentive. Currently staff is tracking and following PG&E's request for loans to support their operations. PG&E currently is coming out of bankruptcy and there is a need to be more financially stable. The SFPUC recently learned that PG&E has requested an approximate \$2.5 billion dollar loan which is the same amount the SFPUC is offering to buy the grid. The SFPUC feels that with this offer, they would be helping PG&E financially where PG&E can use the cash to reinvest into bettering their systems and support ratepayers outside of San Francisco since they would no longer be servicing San Francisco which takes up less than 5% of service territory.

Public Comment: None

7. **Discussion:** Power CAC FY 2024-2025 Priorities, Power CAC Chair CAC
  - a. Resource: [SFPUC CAC FY 22-23 Annual Report](#)

*Discussion:*

- **Member Chen** mentioned that the climate change is an important topic as the Climate Action Plan is getting renewed. In the past it has been a topic on agenda items and can be tied into the City's Climate Action Plan.

*Climate change impact and weatherization, and the Climate Action Plan was added to the FY2024-25 priorities list.*

- **Chair Sanders** commented Equitable Power Reliability with a focus on Treasure Island as a subpoint. Naming Treasure Island specifically as a subpoint will be hard for the Commission to ignore Treasure Island as these priorities are presented to the Commission.

*Equitable Power Reliability: Treasure Island and Yerba Buena Island was added to the FY2024-25 priorities list.*

- **Chair Sanders** asked with this priority listed, would the Commission and SFPUC be able to declare a State of Emergency for Treasure Island.
- **Staff Gallota** responded that the City operates in a system of checks and balances, where one entity will not be able to overrule the other. Currently, the only authoritative member to declare a state of emergency is the Mayor. The Commission only is able to make recommendations and still needs to follow the appropriate paths in order to declare a state of emergency.

**Member Chen** commented there should be follow up regarding resolutions that the Citizens Advisory Committee has written. When CAC Chair Garcia presents the resolutions passed this past year as well as present the report to the Commission, other members should echo and highlight through public comment. A priority that should be listed is how does the Power Subcommittee follow up on past resolutions made.

- **Staff Moncrease** mentioned that there are ways to follow up with the resolutions outside of the CAC. One way is showing up at Commission meetings and making public comment mentioning the resolutions to remind them. There is also attending the meeting when Chair Garcia will make a full presentation to the Commission on December 10 and echoing the resolutions through public comment.
- **Chair Sanders** mentioned that City accountability is an important priority.

*SFPUC Power Transparency & Accountability: Reports, Audits, & Information Access was added to the FY2024-25 priorities list.*

**Member Chen** echoed the importance as it currently feels like public does not have good faith and trust with the city government, especially since there is a lot of news with other city officials being investigated or needing to resign due to mismanagement.

- **Chair Sanders** asked if a report can be produced on department audits and the results of those compliance audits. Additionally, another way to hold the government accountable is through Public Records Request and accessing information available to the public.
- **Member Chen** recommended keeping Power Programs Affordability as a priority this year as this is what most community members care about.

*Power Programs and Affordability was added to the FY2024-25 priorities list.*

Public Comment: None

## 8. Staff report

- Full CAC Meeting agenda next week include a presentation on the Emergency Fire Fighting System and there will be a discussion around CAC priorities.

Public Comment: None

## 9. Future Agenda Items and Resolutions

- CleanPowerSF's Battery Storage Project
- IEPR from the CEC
- TI Resolution Report back
- Bayview Power
- Emergency Preparedness
- Power Enterprise Training
- Legislative Update – Federal and State
- Electrification: San Francisco Climate Action Plan
- Municipalization: Interconnection, FERC Order 568, CCSF Purchase Offer
- Electric Rates & Equity
- Power Enterprise Residential & Commercial Power Programs: Heat Pumps, CAP
- California Community Choice Aggregation Residential & Commercial Power Programs
- Redevelopment Projects: Hunter's Point Shipyard & Treasure Island
- Time-of-Use Rates Update
- Reliability: Wildfires and Public Safety Power Shutoffs

### Adopted Resolutions for Follow Up

- Resolution Recommending that the SFPUC Commission Reverses its Position on the "Not to Exceed Rates" for CleanPowerSF, Move Forward with this Important Program, and Allow Staff to Move Forward with its Launch [adopted September 16, 2014](#)
- Resolution in Support of SB 612 Electrical Corporations and other Load-Serving Entities [adopted on July 20, 2021](#)
- Resolution in Supporting of the Transition of CleanPowerSF Residential Customers to Time-of-Use Rates [adopted on July 20, 2021](#)

Public Comment: None

## 10. **Announcements/Comments** Visit [www.sfpuc.org/cac](http://www.sfpuc.org/cac) for confirmation of the next scheduled meeting, agenda, and materials.

Public Comment: None

## 11. **Adjournment at 7:04 pm.**

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