



1 **SAN FRANCISCO PUBLIC UTILITIES COMMISSION**
 2 **RATE FAIRNESS BOARD**
 3 **CITY AND COUNTY OF SAN FRANCISCO**

4
 5 **Draft Minutes of Special Meeting**
 6 **Tuesday, February 4, 2025, 10:00 AM – 12:00 PM**
 7 **(Approved _____)**

8
 9 Members of the Rate Fairness Board will attend this meeting in-person. Members of
 10 the public are invited to observe the meeting in-person or remotely online as described
 11 below. Members of the public attending the meeting in person or remotely online will
 12 have an opportunity to provide public comment on every item. It is possible that not
 13 every person in the queue will have an opportunity to provide remote public comment.

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 15 **In-person Meeting:** San Francisco Public Utilities Commission (SFPUC), 525 Golden
 16 Gate Avenue, 2nd Floor, O’Shaughnessy-C Conference Room, San Francisco, CA
 17 94102

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 19 **Virtually Via Zoom:**

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 21 **1. Modern Browser (WebRTC) [Best]**

22 *Please join with a modern browser such as Google Chrome or Microsoft Edge*
 23 *(no additional installation required)*

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 25 **2. Mobile Apple iOS or Android devices:** Mobile users can also join with Zoom
 26 Cloud Meetings App on [Apple App Store](#) for iOS or [Google Play Store](#) for
 27 Android

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 29 **3. Meeting Link**

30 **Meeting ID: 825 7116 3389**
 31 **Passcode: 104434**

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 33 **4. Join by Telephone [Audio only]:** US: +1 669 219 2599 or +1 669 900 6833
 34 or +1 213 338 8477 or +1 646 518 9805

 Meeting ID: 825 7116 3389
 Passcode: 104434

35
 36 *Meeting will be recorded for minutes only and will not be published. By joining this*
 37 *meeting, you agree to be recorded during the duration of this meeting.*

Daniel L. Lurie
 Mayor

Kate H. Stacy
 President

Joshua Arce
 Vice President

Avni Jamdar
 Commissioner

Steve Leveroni
 Commissioner

Dennis J. Herrera
 General Manager



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MEETING AGENDA

Materials Distributed: Special Meeting Agenda for February 4, 2025; Draft Special Meeting Minutes of January 14, 2025; “FY 2025-26 Hetch Hetchy Power” Presentation, Correspondence Log

1. Call to Order

The special meeting of the SFPUC Rate Fairness Board (RFB) was called to order at 10:02 AM in-person and via teleconference.

2. Roll Call

Member Name/Title	Appointed By
Howard Ash, Chair, Residential City Retail Customer	Board of Supervisors
Masood Samereie, Vice Chair, City Retail Large Business Customer	Mayor's Office
Trisha McMahan, Budget and Planning Manager	City Administrator
Calvin Quock, Budget and Revenue Analyst	Controller's Office
Vishal Trivedi, Financial Analyst of Office of Public Finance	Controller's Office
<i>Vacant</i> , City Retail Small Business Customer	Board of Supervisors
Eric Dew, Residential City Retail Customer	Mayor's Office

Roll Call:

- Present: Chair Ash, Vice-Chair Samereie, Member McMahan, Member Trivedi, Member Quock*

3. General Public Comment

Members of the public may address the Rate Fairness Board (RFB) on matters that are within the Board’s jurisdiction but not on today’s agenda.

Public Comment: No public comment

4. Approval of the Special Meeting Minutes of January 14, 2025
(Discussion and Action)

Chair Ash asked Board for comments, questions, or concerns.

Chair Ash requested to correct spelling to “year-long” on line 103.

Public Comment: No public comment.

The minutes of the special meeting of January 14, 2025, were adopted upon a motion by Member Trivedi.

Roll Call Vote:

- *Ayes: Chair Ash, Vice-Chair Samereie, Member McMahon, Member Trivedi, Member Quock*

5. Report of the Chair (Discussion)

a. FY 2025-26 Hetch Hetchy Power

Presented by Matthew Freiberg, Rates Manager

Presenter reviews the agenda for the presentation with the main goal of soliciting feedback from the board on the implementation activities and upcoming schedule.

Staff is working on finalizing rates by February 14th. Once rates are finalized, staff will begin to work on implementations and proceed with the communications plan. Once rates are finalized, staff will begin the commission routing with goal to have rates approved in April.

Staff has finalized the 10-year plan, reflecting changes in O&M, changes in load growth projections, and including more conservative projections. Chair Ash asks if the load growth is due to the municipal or redevelopment areas. The presenter confirms that the largest load growth is due to the Airport and their future projects. Staff is preparing the final rate plan which includes a 10% increase in retail rates for FY 25-26.

The Hetch Hetchy Power rate plan balances revenue and operating expenditure growth. The plan targets financial metrics higher than in the previous plan. There will be an average of 6.4% average annual rate increase between FYE 2026 and FYE 2035.

Member Trivedi asks if the Hetch Hetchy customer demand is greater than the power that is generated by Hetch Hetchy. Erin Corvinova, Financial Planning Director, explains that power supply levels depend on the time of the year. There is usually a surplus of power in the spring and summer. In the fall, the enterprise purchases power. However, over the entire year, more power is produced than the demand.

Chair Ash asks what the power purchase forecasts are. Erin Corvinova explains that projections for power purchases show a yearly increase. The power market and pricing are volatile and expensive with possible changes to contracts and tariffs.

The largest Hetch Hetchy Power energy sales are attributed to the power consumed by the industrial customers although the residential customers make up the largest portion of the customer count.

122 The proposed rates that will be sent to the Commission include
123 maintaining a \$0.03/kWh rate increase for GUSE and Tuolumne
124 customers and advancing the 10.0% retail rate increase. The
125 continuation of the rate increase for GUSE and Tuolumne customers
126 will help move toward achieving cost of service.

127
128 In comparison to PG&E rates, Hetch Hetchy Power rates are lower
129 currently and are projected to be lower in FY25-26. Staff is working on
130 future PG&E forecasts and latest reports from analysts are more
131 uncertain than usual. Due to the new framework for resource adequacy,
132 there have been large shifts in their costs and how charges are
133 distributed in bills.

134
135 The rates communication plan commenced this year in January with
136 updating the landing webpage for power rates. In the following months,
137 there will be additional methods of communication including on-bill
138 messaging, bill inserts, newsletters, postcards, and webinars.
139 Communications will alert customers of the rate process and the
140 proposed rate changes that will be effective July 1st.

141
142 Member McMahon asks if a memo to city rate payers will be sent this
143 year as was done last year. Erin Corvinova confirms that staff will work
144 on a memo to circulate this year.

145
146 *Public Comment: No public comment.*

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148 **6. Communications (Information Only)**

149 **a. Correspondence Log**

150
151 Member Trivedi asks how stormwater charge is calculated for
152 customers and properties. Matthew Freiberg, Rates Manager, explains
153 the stormwater charge for residential customers is a fixed monthly
154 charge throughout the year. The stormwater charge is not a new charge
155 on customer bills, the distribution on the bill has changed.

156
157 Staff and board members agree that the email received should be
158 forwarded to customer service staff to reach out to the customer.

159
160 *Public Comment: No public comment.*

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162 **7. Announcements, Comments, Questions (Discussion)**

163
164 Chair Ash reminds board and staff that officer elections should be held
165 the first meeting of February according to the bylaws and requests to
166 add the item to the agenda for the next meeting.

167
168 Member McMahon asks for an electronic copy of the file containing
169 historical Hetch Hetchy Power and CleanPowerSF rates. Erin
170 Corvinova, Financial Planning Director, confirms an updated copy will
171 be ready in the next meeting.

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Public Comment: No public comment.

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8. Adjournment

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Meeting adjourned at 11:20 AM.

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180 **Accessible Meeting Policy:** To obtain meeting materials in alternative format, please
181 contact the Rate Fairness Board Secretary at 415-487-5254 or via email at
182 RateFairnessBoard@sfwater.org. Providing at least 72 hours notice will help to
183 ensure availability. Written reports or background materials for calendar items are
184 available on-line at [http://www.sfmta.com/about-sfmta/organization/divisions-and-](http://www.sfmta.com/about-sfmta/organization/divisions-and-units/board)
185 [units/board- https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board)
186 [board](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board).

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188 **Meeting Procedures:** Public Comment will be taken before or during the
189 Board's consideration of each agenda item. Speakers may address the Board
190 for up to three minutes on that item. During General Public Comment,
191 members of the public may address the Board on matters that are within the
192 Board's jurisdiction and are not on the agenda. Procedures do not permit: 1)
193 persons in the audience to vocally express support or opposition to statements
194 by Board Member, by other persons testifying; 2) ringing and use of cell
195 phones, pagers, and similar sound-producing electronic devices; 3) bringing in
196 or displaying signs in the meeting room; and 4) standing in the meeting room.
197 The ringing of and use of cell phones, pagers and similar sound-producing
198 electronic devices are prohibited at this meeting. Please be advised that the
199 Chair may order the removal from the meeting room of any person(s)
200 responsible for the ringing or use of a cell phone, pager, or other similar sound-
201 producing electronic devices.

202 **Know your rights under the Sunshine Ordinance:** Government's duty is to
203 serve the public, reaching its decisions in full view of the public. Commissions,
204 boards, councils, and other agencies of the City and County exist to conduct
205 the people's business. This ordinance assures that deliberations are conducted
206 before the people and that City operations are open to the people's review. For
207 information on your rights under the Sunshine Ordinance (Chapter 67 of the
208 San Francisco Administrative Code) or to report a violation of the ordinance,
209 contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett
210 Place, Room 244, San Francisco, CA 94102; phone at (415) 554-7724; fax at
211 (415) 554-7854; or by e-mail at sotf@sfgov.org.

212 Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter
213 67 of the San Francisco Administrative Code on the Internet, at
214 <http://www.sfbos.org/sunshine>.

215 **311 Free Language Assistance:** 免費語言協助/ Ayuda gratuita con el idioma
216 / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí /
217 Assistance linguistique gratuite / 無料の言語支援/ 무료 언어 / 지원 / ทว“มทว
218 ยเหลลลล ท“งภ“ษ“โดยไมคํ สยคทลจจ าย / Libreng tulong para sa wikang Tagalog ยเหลลลล

219 **Lobbyist Registration and Reporting Requirements:** Individuals and entities
220 that influence or attempt to influence local legislative or administrative action
221 may be required by the San Francisco Lobbyist Ordinance [SF Campaign &
222 Governmental Conduct Code Sec. 2.100] to register and report lobbying
223 activity. For more information about the Lobbyist Ordinance, please contact the

224 San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San
225 Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site
226 at www.sfgov.org/ethics.

227 **Explanatory documents** that have been provided to the Board in connection
228 with this agenda are available for public inspection online at
229 [https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board)
230 [board](https://sfpuc.org/about-us/boards-commissions-committees/rate-fairness-board).

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