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

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

San Francisco Public Utilities Commission
Citizens' Advisory Committee

MEETING MINUTES

Tuesday, May 18, 2021
5:30 p.m. – 7:00 p.m.

PARTICIPATE VIA BLUEJEANS VIRTUAL CONFERENCE SOFTWARE

Meeting URL
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Meeting ID
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This meeting is being held by Teleconference Pursuant to the Governor's Executive Order N-29-20 and the Sixteenth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25,2020

During the Coronavirus Disease (COVID-19) emergency, the San Francisco Public Utilities Citizens Advisory Committee's (SFPUC CAC) regular meeting room, 525 Golden Gate Ave., 3rd Floor Tuolumne Conference Room, is closed. CAC Members and SFPUC staff will convene CAC meetings remotely by teleconference. Members of the public are encouraged to submit their public comment on agenda items in advance of the teleconference meeting by emailing comments to cac@sfwater.org. Comments submitted no later than 12 PM Tuesday the day of the meeting will be read into the record by SFPUC CAC Staffing Team members during the teleconference meeting and will be treated as a substitute to providing public comment during the meeting. Persons who submit written public comment in advance on an agenda item or items will not be permitted to also provide public comment on the same agenda item(s) during the meeting.

Mission: The purpose of the SFPUC CAC is to provide recommendations to the SFPUC General Manager, the SFPUC Commission, and the Board of Supervisors regarding the agency's long-term strategic, financial, and capital improvement plans (Admin. Code Article XV, Sections 5.140 - 5.142)

Members:
Anietie Ekanem, Chair (D10)
Marria Evbuoma (D1)
Suki Kott (D2)
Steven Kight (D3)
VACANT (D4)
Emily Algire (D5)
Amy Zock (D6)
VACANT (D7)
Amy Nagengast (D8)
Moisés García (D9)
Jennifer Clary (D11)
VACANT (M-Environmental Org.)
Nicole Sandkulla (M-Regional Water Customers)
Mark Tang (M-Engineering/Financial)
Eliahu Perszyk (M-Large Water User)
VACANT (B-Small Business)
Michelle Pierce (B-Environmental Justice)

London N. Breed
Mayor

Sophie Maxwell
President

Anson Moran
Vice President

Tim Paulson
Commissioner

Ed Harrington
Commissioner

Newsha Ajami
Commissioner

Michael Carlin
Acting
General Manager

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.

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

Staff Liaisons: Mayara Ruski Augusto Sa
Staff Email for Public Comment: cac@sfwater.org

ORDER OF BUSINESS

1. **Call to order and roll call at 5:40 pm**

   Members present at roll call: (10) Ekanem, Evbuoma, Kott, Algire, Nagengast, García, Clary, Tang, Perszyk, Pierce

   Members absent: (3) Kight, Zock, Sandkulla

   Staff: Michael Perlstein; Simone Hudson; Carmen Iton; Rocquel Mason; Stephen Robinson

2. **Approve April 20, 2021** Minutes

   Motion was made (Nagengast) and seconded (García) to approve the April 20, 2021 Minutes

   AYES: (10) Ekanem, Evbuoma, Kott, Algire, Nagengast, García, Clary, Tang, Perszyk, Pierce

   NOES: (0)

   ABSENT: (3) Kight, Zock, Sandkulla

   Public Comment: None

3. **Report from the Chair**

   - Welcome members, staff, and the public
   - Thank you to members for their dedication and attendance
   - CAC comments regarding the UWMP were submitted as public comment
   - Welcome new member, Michelle Pierce

     Public Comment: None

4. **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

   Public Comment: None

5. **Presentation and Discussion: Customer Affordability Initiatives**

Speakers:

- Mike Perlstein, Special Projects Analyst, External Affairs
- Simone Hudson, Acting Senior Workforce Analyst, Community Benefits, External Affairs
- Carmen Iton, Youth Workforce Program Associate, Community Benefits, External Affairs

Presentation:

- Agenda
- Collections & Delinquencies (Water/Wastewater): delinquency has increased, but still less than to 2% of revenue
- Unpaid Bills - Water/Wastewater/Power Delinquency Data: increase for all customers, especially single family residential
- Emergency Programs Overview: all programs expire March 31, 2022
- Emergency Programs Current Status: customers enrolled and average monthly benefit
- Shutoffs/Liens/Fines Moratorium
- Racial Equity and Affordability: communities of color are more likely to need assistance.
- Water, Power, Sewer as Human Rights: vision and mission
- Racial Equity and Affordability: five working groups – priorities still being defined
- Upcoming Work Overview: Outreach; Consultant Support; Community Organization Survey
- Upcoming Work: Deeper Discount & Debt Relief Program Pilot
- Quantifying the Need: average water and wastewater arrears and increase numbers
- Quantifying the Need: highest rates of bill and debt in Southeast neighborhoods (zip codes 94112, 94134, 94124)
- Pilot Goals: provide support to customer who have accrued burdensome arrears
- Pilot Structure: three groups of customers and different strategies
- Eligibility, Discounts, Selection of Applicants via lottery
- Example Customer Bills
- What is Success?
- CAC Support - How Can You Help? Community Organization Survey (recommend organizations) and share with Consultant

Discussion:

- **Member Nagengast** commented that it was stated that customers that do not pay their power bill do not get shutoff, but instead get routed to PG&E. If that is true, why is that?

  Staff Perlstein answered that this is true for CleanPowerSF customers. CleanPowerSF does distribution and customers are sent to PG&E and they might lose their power. The SFPUC is not the organization that shutoffs.

  Member García added that the SFPUC has not sent customers back to PG&E. There is a moratorium on that since last year. Mike Hyams said it is unlikely that there will be shutoffs in the next months.

Member Nagengast commented that we should be mindful of what is being done if the SFPUC is sending customers over to PG&E.

Member García offered to further discuss this with Member Nagengast.

- **Chair Ekanem** asked what the actual timing is and what was agreed to between SFPUC and PG&E and is the timeframe.

  Staff Perlstein answered that this is part of the extension of the moratorium and the March 2022 deadline applies to power as well. There is a provision that the SFPUC might change the deadline for CleanPowerSF.

- **Member Kott** asked if the only difference between Group B and Group C is the lottery system.

  Staff Hudson answered that we are using a randomized lottery to select 150 customers for the Pilot (Groups A, B, and C) from those who apply and will be randomly assigning three groups of 50 as A, B, and C. Groups B and C will receive the deeper discounts. Additionally, what distinguishes group C is the debt relief incentive. If they can make six payments, up to a thousand dollars of their debt will be forgiven. The City Attorney's Office recommended using a randomized lottery to ensure fairness.

  Member Kott asked if customers will know that they are being entered into this randomized lottery for debt relief.

  Staff Hudson responded that the outreach if framing it as testing of a new program and that different types of support are being offered. Group C customers will be notified that they will receive a debt relief.

- **Chair Ekanem** asked if it is randomized from the 3 zip codes that need the relief the most.

  Staff Hudson answered that those three zip codes are the ones with the highest rates of debt and shutoffs prior to the moratorium.

  Staff Perlstein added that the outreach is limited to the identified zip codes.

- **Member Clary** commented that she was thrilled to hear that the SFPUC has acknowledged water as a human right and hopes other agencies follow PUC's lead. Member Clary commented that is hard to separate the organizations from its people for purposes of outreach.

  Staff Perlstein clarified that the idea is to hear from individuals, but the time constraint requires focusing on organizations to make it more manageable. The hope is that the organizations might be able to speak on behalf of the people that they serve based on their knowledge.

  Member Clary thinks of reaching out as reaching out to people.

Staff Perlstein responded that reaching out to individuals is fine as long as they respond on behalf of the community, and not based on their personal experience.

- **Member Clary** asked about the CAP enrollment progress and if it is still increasing or not.

  Staff Perlstein answered that he cannot speak about the specific numbers but believes that enrollments have been slowing down. It is still low compared to what was expected. Offered to share the data. There was an increase in enrollment on the emergency programs.

- **Member García** mentioned that the number seen on the slides is only for power charges. A PG&E bill includes transmission and gas charges. It is likely that arrearages are probably two to three times that number. The portion related to the SFPUC is the $262, but the arrearages are bigger than that. With the May revise that proposed 2 billion for utility arrearages, how engaged is the SFPUC? Is there any clarity on what that would look like? And how that money gets through the budget process?

  Staff Perlstein asked Member García to clarify if he is referring to the proposition on the State level to cover utility debt, to which Member García confirmed. Staff Perlstein answered that the Policy and Government Affairs team is working on how that money gets distributed.

  Member Clary added that her organization submitted a letter in support to the budget chairs. The lead is some groups in Los Angeles, and they are interested in energy debt and Los Angeles County has a lot of debt. Member Clary suggested contacting legislators.

- **Chair Ekanem** commented that he is concerned about food insecurity and recommended connecting to those folks, since who need food, usually needs utilities.

Public Comment: None

6. **Presentation and Discussion: Wastewater Capital Plan and Sewer System Improvement Program (SSIP) Update**, Stephen Robinson, Wastewater Capital Program Director, Infrastructure

Presentation:

- Wastewater Capital Plan & Sewer System Improvement Program
- Two Questions: (1) What are the key milestones for Wastewater Capital/SSIP Phase II Planning that the CAC should be aware of? (2) What is the status of planning for upcoming Wastewater Capital Projects/SSIP Phase II? Is the list of the projects assembled and prioritized? Has the group of projects been submitted to CEQA?
- SSIP Phased Implementation Focused on Highest Priorities – timeline and overlap
- An Evolution of Change Since SSIP Workshops in 2010
- Asset Management Policy – asset lifecycle
- Move from One-time Large Investment to a More Sustainable Strategic Capital Planning Approach

- Adaptive Managed (moving forward)
- Adaptively Managed for Sustainable Delivery: 20-year planning horizon – continuity of projects. CEQA and environmental process considered on a project by project basis.
- Question: From Greg Norby's presentation to the Wastewater CAC close to 2 years ago, the Wastewater Enterprise was re-evaluating the prioritization criteria and collecting additional data. Has there been an update to the SFPUC Commissioners on that front?
- The Commission has not been updated, but there is a working draft document called "The Capital Planning Framework" that will be tested soon
- Asset Management: identifying assets, evaluating its condition, and prioritizing
- Priority Score Definition: identifiable metrics
- Program Scheduling Guidance: priority and timing plus factors that usually delay and factors that usually accelerate projects
- Questions: What mechanisms are in place to control costs for SSIP Phase I projects to ensure overages are minimized? Additionally, how are lessons learned incorporated from one project to another?
- There are lots of mechanisms n place to control cost, but it can still be an issue.
- Lessons learned: could be more formal
- Biosolids Project Cost Increase: attributed to market conditions
- Mechanisms for Cost Control and Lessons Learned
- Questions: (1) common tradeoffs and impacts between projects and programs in the current SSIP Phase 1 or future SSIP Phase 2 compared and quantified? (2) Does the SFPUC use a comprehensive life cycle cost analysis or some other approach? Can this approach be described?
- Triple Bottom Line for the SFPUC
- Triple Bottom Line Assessment Model
- Life Cycle Cost Analysis

Discussion:

- **Chair Ekanem** asked what is the list of projects? Have they been mapped out physically? Which sit in each quadrant of your priority and time graph?

  Staff Robinson answered that there is a list of projects that were originally established in Phases 1, 2, and 3. These projects were imagined 10 years ago. That list is now re-examined to identify the current needs to reprioritize. The SFPUC is currently going through this process.

- **Chair Ekanem** clarified that he is looking for the actual list to understand what is in each bucket. Additionally, the measurement of the triple bottom line is complex and how are the soft pieces being factored in? How are they correlated and affect construction?

  Staff Robinson answered that the list of projects does not exist yet. The process of identifying the needs should start in June. Staff Robinson offered to come back when the list is finished. The financial affordability analysis has less quantifiable scenarios and it needs more work.

- **Member Nagengast** would like to learn more about the movement from one large investment to adaptive management and make it more manageable and consumable, and where in that process is SFPUC and is there more depth in that first slide that would better explain the transition.

  Staff Robinson answered that it is complicated, political, and not easy. The slides come from the baseline presentation to the Commission. The Quarterly reports still refer to the three phases and it will change as the model is tested and it will become more formal.

- **Member Nagengast** commented that it supports a more proactive than reactive reaction to assets. Hopefully, the SFPUC can forge the charge. Member Nagengast commented that SFO is moving to triple bottom line tools in decision making and prioritization of projects. It adds the softer costs in a more quantifiable way and information can be shared when it makes sense.

  Staff Robinson commented that he would love to hear more.

- **Chair Ekanem** commented that the projects need to consider how they affect people. For instance, if flooding happens in one of those areas, the project has failed.

  Staff Robinson commented that he understands that there is a need to humanize the decisions.

Public Comment: None

**Member Algire left at 6:40 pm

7. **Presentation, Discussion and Possible Action: Resolution in Support of SB 612,** Moisés García, Power CAC Chair

Discussion:

- Brief Introduction of SB 612 by Power CAC Chair García. The bill intends to give customers access to the energy resources they are paying for.
- Member Nagengast wanted more information on the impact of the Senate Bill is and what is does for consumers.
- Power CAC Chair García added that the Mayor, the Board of Supervisors, CalCCA have supported the bill. The goal of the Senate Bill is to give CCA's access to assets that consumers paid for. Consumers that left PG&E continue to pay fees for long-term contracts even though they cannot partake in long-term contracts.
- Member Nagengast asked if it would be only renewables and if it would make service cheaper.
- Power CAC Chair García responded that it is a mix of things.
- Member Nagengast asked what ate the pros of the Senate Bill to the consumers.
- Power CAC Chair García responded that it would give access to something that consumers are paying for.
- Chair Ekanem commented that consumers are paying the charge and they would be given access to a more diverse supply into our own system.

- Member Clary asked if consumers would pay for the power again. And San Francisco already committed to green power and that would limit what we can get. commented .
- Power CAC Chair García responded that San Francisco is already in a trajectory to use renewables only.
- Member Clary commented that it does reduce cost.
- Member Tang agreed with Clary. Member Tang commented that we are paying for this now and it will offset cost in the future. It will be part of our energy mix and it does not need to be paid for in the future.
- Chair Ekanem commented that it might not decrease cost at all.

The resolution was tabled to allow further discussion.

Public Comment: None

8. **Presentation, Discussion and Possible Action: Resolution in support of transition of CleanPowerSF residential customers to time-of-use rates,** Moisés García, Power CAC Chair

   Due to the time, the Full CAC Chair removed this item from the agenda. This resolution will be agendized for next month's meeting.

9. **Staff report**
   - Update from External Affairs staff Tracy Zhu
   - Reminder for CAC seats seeking members
     - District 3
     - District 4
     - District 6
     - District 7
     - Small Business Seat appointed by Board of Supervisors' President
     - Environmental Justice appointed by the Mayor

10. **Future Agenda Items and Resolutions**

    - Drought and Bay Delta Discussion
    - CleanPowerSF and Hetch Hetchy Power Study Rates
    - Agency-wide Planning & Policy on Climate Change & Adaptation
    - Interagency Working Group on Sea Level Rise
    - Contracting Process
    - Education Resolution
    - PUC Properties and City Department Partnerships
    - Water Equity and Water Access for Homeless
    - Workforce Programs
    - Water Rights and Raker Act
    - Water Use and Parks
    - Flooding Protection
    - Water Quality Report
    - Green New Deal
    - Micro Hydroelectric Power
    - Prop A Bond Funding
    - Commissioner Visits

    Adopted Resolutions for Follow Up

- Resolution in Support of the Southern Skyline Boulevard Ridge Trail Extension project **adopted April 20, 2021**
- Resolution in Support of Interim Emergency Rate Assistance Program and Revised Community Assistance Program **adopted July 21, 2020**
- Resolution in Support of a Skilled and Diverse Utility Workforce **adopted February 19, 2019**
- Resolution Honoring the Life, Activism, and Contributions of Dr. Espanola Jackson to the Local Community **adopted on April 19, 2016**
- Resolution on Balboa Reservoir **adopted March 15, 2016**

11. **Announcements/Comments** The next FULL CAC meeting will be on June 15, 2021. Visit **www.sfpuc.org/cac** for confirmation of the next scheduled meeting, agenda and materials.

12. **Adjournment**

    Motion was made (Clary) and seconded (Kott) to adjourn the meeting.

    Meeting was adjourned at 7:30 PM