CleanPowerSF
FY 2023-24 Rates Setting

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Agenda

1. CleanPowerSF Rates Landscape
2. CleanPowerSF Rate Schedules
3. Rate Study Process
4. FY 2023-24 Rates Setting
5. Upcoming Milestones
6. Open Floor for Feedback/Suggestions
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
  - completed and 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 Rate Schedules

- **CleanPowerSF Customers**
  - receive power supply (generation services) from CleanPowerSF
  - receive delivery services from PG&E
  - billed by PG&E

- **CleanPowerSF suite of rate schedules**
  - matches PG&E offerings
  - provides alternative option of cleaner energy for customers
Assumes 270 kWh monthly usage. Customers’ bills on time-of-use rates can vary significantly based on usage patterns.
Rate Study Process

STEP 1: Determine the revenue requirements of the utility

STEP 2: Unbundle costs by functions and services (production, transmission, distribution, etc.)

STEP 3: Classify costs (demand, energy, customer costs, etc.)

STEP 4: Allocate cost among customer classes

STEP 5: Design rates
FY 2023-24 Rates Setting: Completed/Near Completion

Revenue Requirement

1. Operating and Capital Budget
   • Commission-adopted FY 2023-24 Operating Budget
   • Commission-adopted FY 2023-24 to FY 2032-33 10-Year Capital Plan and Financial Plan

2. Total Projected Volumes
   • Commission-adopted FY 2023-24 to FY 2032-33 10-Year Financial Plan

Cost Allocation

1. FY 2023-24 Power Contracts
   • Classification: energy and capacity, green/supergreen

2. FY 2021-22 Weighted Energy Price
   • Allocation: cost of service for customer classes
FY 2023-24 Rates Setting: In Process

Rate Design
FY 2023-24

1. Bill Impact Analysis
   - FY 2022-23 to FY 2023-24 Change for CleanPowerSF customers
   - Comparison to PG&E

2. Revenues Analysis Ensuring:
   - revenue requirement met
   - on path to meet reserves policy target
Upcoming Milestones

- Management Review: 03/23/2023
- Power Rates Steering Committee: 04/06/2023
- Rate Fairness Board: est. week of 04/10/2023
- SFPUC Commission: 05/09/2023
- Board of Supervisors Submission: est. 05/12/2023
Open Floor: Feedback and Suggestions

Thank You