



Services of the San Francisco
Public Utilities Commission



CleanPowerSF

Residential Time-of-Use Rate

Transition

Rate Fairness Board Presentation

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Overview

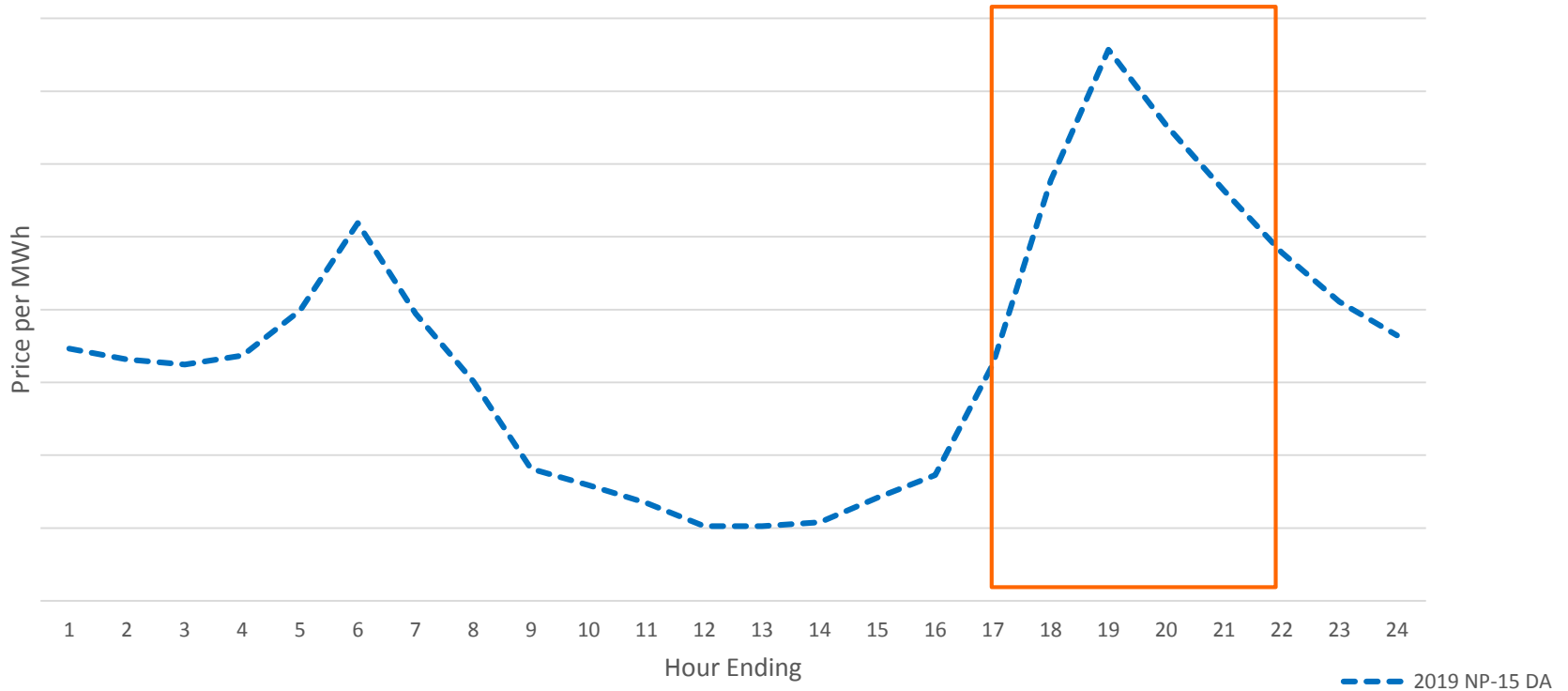
- Assembly Bill 327 directed Investor Owned Utilities to make Time-of-Use (TOU) rates the default for residential customers
- Community Choice Aggregators are being asked to decide whether to participate in the transition
- Staff is seeking Rate Fairness Board's support for an "Intent to Participate," to be presented to the Commission at the December 10th meeting

Background

- “TOU-C” will become the default but optional rate for all residential customers
- Designed to shift energy use away from peak hours of 4 p.m. to 9 p.m.
- Bill Protection = an incentive to try the TOU rate
 - If a customer pays more on TOU in their first year, they receive a credit for the difference.
- Transition in PG&E territory will begin in October 2020, with the majority of San Francisco customers transitioning in July 2021

TOU Peak Hours Align with Highest Power Costs

Illustrative Power Supply Prices

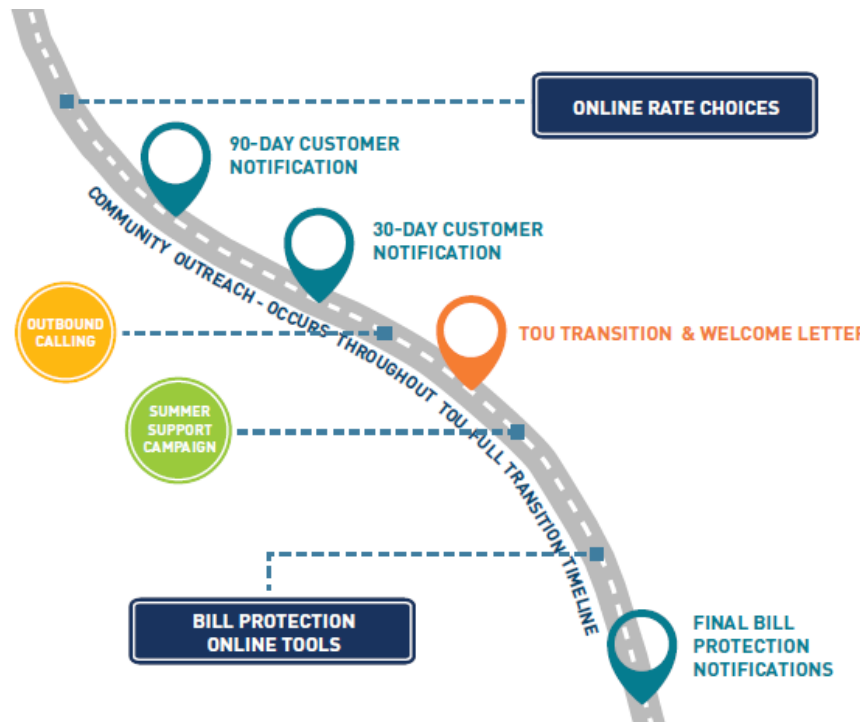


Illustrative TOU-C Rates



Customer Outreach & Education

- Personalized notifications, showing potential bill impacts based on past usage
- Online rate comparison tools
- Statewide marketing and community org. outreach



energyupgradeca.org/time-of-use/

Decision Points

- Will we transition customers to TOU generation rates?
 - PG&E will transition customer rates for delivery
 - The Commission must decide whether CleanPowerSF will match the rate structure for generation

- Will we offer Bill Protection?
 - PG&E will offer full bill protection to bundled customers, and delivery-charge bill protection to CCA customers
 - The Commission must decide whether CleanPowerSF will offer the same benefit

Customer Cost Impacts

Impact	% of Customers	Avg. Annual Bill Impact (All)	Avg. Annual Bill Impact (CARE)
Benefiter	66%	-\$5.22	-\$5.69
Neutral	20%	\$0.00	\$0.00
Non-Benefiter	14%	\$2.52	\$2.21

- Findings account for voluntary rate changes and 4% reduction in peak usage
- Most customers benefit, but the bill change is minimal (<1%)
- CARE customers fare slightly better than average



CleanPowerSF Financial Impacts

- TOU transition is expected to result in 0.4% revenue reduction in FY 2021
- Partially offset by lower supply costs

Net Revenue Reduction	(\$994,000)
Less: Lower Supply Costs	\$275,000
Plus: Bill Protection Costs	(\$113,000)
Equals = Total TOU Transition Costs	(\$832,000)

Considerations

Transitioning to TOU-C default will result in:

- Alignment of City and State goals to reduce greenhouse gas emissions and integrate renewables
- Benefitting from PG&E's marketing and outreach efforts; consistency in messaging

Not transitioning will result in:

- Differences in rates or bill protection; disparity between PG&E bundled and CleanPowerSF customers



Recommendation: Current Commission Action

Staff recommends participating in TOU transition:

- SFPUC Commission adopting resolution stating an intent to participate in the statewide default residential TOU rate transition on December 10, 2019
- Staff requests RFB support for the transition to default residential TOU rates for CleanPowerSF customers



Future Commission Action

- Before October 2020, CleanPowerSF will return to the Commission for approval of TOU-C Rates.

Questions & Comments?