Expanding public power in San Francisco is good for you, the City, and the planet.

Commission on the Environment
December 7, 2021
What is public power?

- Public power utilities are not-for-profit, community-owned providers of electric service (supplies & grid delivery).

- They are governed locally by elected officials and accountable to their communities.

- About 1 in 7 electricity customers in the United States is served by a public power utility.
Public power in California

40+ publicly-owned electric utilities in California

25% of California’s electrical supply
Public power in San Francisco

- **Hetch Hetchy Power** is San Francisco’s public power utility.

- We have been providing public power services (supply and delivery) to San Francisco for over **100 years**.

- Hetch Hetchy Power and CleanPowerSF provide over **70%** of the electricity consumed in SF.
Hetchy Power and CleanPowerSF rely on PG&E for distributing electricity.

- Hetch Hetchy distributed through wholesale agreement.
- CleanPowerSF distributed at PG&E retail.
# How do CCAs differ from POUs?

<table>
<thead>
<tr>
<th>Services provided</th>
<th>Community Choice Aggregators (CCAs)</th>
<th>Publicly-Owned Utilities (POUs)</th>
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<tbody>
<tr>
<td></td>
<td>Electric supply &amp; customer programs</td>
<td>Electric supply, delivery, customer programs, billing, metering, outage response</td>
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<tr>
<td>CPUC regulated</td>
<td>Yes</td>
<td>No (locally regulated)</td>
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<tr>
<td>Surcharges</td>
<td>Exit fees (e.g. PCIA)</td>
<td>Set by local priorities</td>
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<tr>
<td>Rate structure</td>
<td>Dictated by investor-owned utility (i.e. PG&amp;E)</td>
<td>Set by local priorities</td>
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<td>Local grid access</td>
<td>Investor-owned utility controls</td>
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<tr>
<td>Grid-dependent innovation</td>
<td>Investor-owned utility controls</td>
<td>Set by local priorities</td>
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<tr>
<td>Other differences</td>
<td>Program offerings dominated by investor-owned utility &amp; CPUC</td>
<td>Set by local priorities</td>
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What would expanding public power mean for the City?

- San Francisco would purchase Pacific Gas & Electric Company (PG&E)’s electric grid assets in the City and control the local electric grid.

- Hetch Hetchy Power AND CleanPowerSF supplies would be delivered via City-owned power lines.
There are a lot of benefits to expanding public power in the City.

- Cleaner energy
- Affordable rates
- Community investment
- Safe, reliable service
- Local accountability
There are also ongoing challenges with PG&E service in San Francisco...

- Unnecessary delays
- Unreasonable equipment requirements
- Demands for costly and unnecessary upgrades

**EXAMPLE OF PG&E’S UNREASONABLE REQUIREMENTS**

For a new transit worker restroom, PG&E tried to require the City to install equipment that takes up 600 square feet and costs half a million dollars.

- **SFMTA RESTROOM**
  - CAPITAL COST: $60,000
- **APPROPRIATE ELECTRICAL EQUIPMENT SPACE**
  - CAPITAL COST: $5,000
  - LIFETIME OPERATING COST: $3,000
- **PG&E REQUIRED EQUIPMENT SPACE**
  - CAPITAL COST: $500,000
  - LIFETIME OPERATING COST: $150,000

*Elephant for scale only, not currently required by PG&E
...and PG&E’s new requirements are making things even worse.

- Doubling of rates
- Elimination of streetlight and traffic signal service without very large equipment
- Elimination of small interconnections
- Prohibition of any connections in the downtown area
PG&E has obstructed over 70 projects in San Francisco to date.
What steps have we taken to make public power expansion a reality?

Options Report (May 2019)

PG&E Offer #1 (Sept. 2019)

PG&E Offer #2 (Aug. 2020)

Valuation Petition (July 2021)
What happens next?

- Proceed with San Francisco’s valuation petition at the California Public Utilities Commission
- Continued outreach to PG&E regarding the sale of PG&E’s assets in San Francisco
- Continued analysis of the effects of a potential acquisition
What can YOU do to help support public power expansion in San Francisco?

Learn
American Public Power Association
publicpower.org

Visit
SF Public Power
publicpowersf.org

Engage
Ask questions
Share your priorities
Spread the word