Resolution retroactively authorizing the San Francisco Public Utilities Commission to accept and expend federal funds sourced by the State Budget Act and administered by the California Department of Community Services and Development, in the total amounts of $1,244,798.66 and $103,243.80 respectively, to assist eligible CleanPowerSF and Hetch Hetchy Power residential customer accounts who accrued customer account arrears due to the COVID-19 pandemic between March 4, 2020, through December 31, 2021.

WHEREAS, On February 25, 2020, Mayor London N. Breed declared San Francisco to be in a local state of emergency due to the threat of a novel (new) coronavirus (COVID-19), posing serious health threats to the population; and

WHEREAS, On March 4, 2020, Governor Gavin Newsom declared a state of emergency for all of California to protect against the threat of COVID-19; and

WHEREAS, On March 13, 2020, Mayor Breed issued a second supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency dated February 25, 2020, stating that “the San Francisco Public Utilities Commission (SFPUC) shall suspend for 60 days: (a) the discontinuation or shut off of water service for residents and businesses in the City for non-payment of water and sewer bills, (b) the discontinuation or shut off of power service for SFPUC Hetch Hetchy Power Customers in San Francisco for non-payment of power bills, (d) the imposition of late payment penalties or fees for delinquent Hetch Hetchy Power Customer accounts and (e) the return of delinquent CleanPowerSF Customers to PG&E generation service for failure to pay CleanPowerSF charges”; and

Mayor Breed; Supervisors Safai, Mandelman
BOARD OF SUPERVISORS
WHEREAS, On December 8, 2020, by Resolution No. 20-0238, the SFPUC authorized an extension of the Shutoffs, Liens, and Fines Moratorium through June 30, 2021; and

WHEREAS, On April 17, 2021, by Resolution No. 21-0063, the SFPUC extended its second suspension of shutoffs on water and power service due to late or non-payment and the issuance of associated late penalties and fees through March 31, 2022; and

WHEREAS, The loss of income due to the global COVID-19 pandemic continues to inhibit San Francisco residents and businesses from fulfilling their financial obligations including public utility payments such as water, sewer, and Hetch Hetchy power charges; and

WHEREAS, On July 16, 2021, as part of Assembly Bill No. 135, the requirements of the California Arrearage Payment Program (CAPP) were established; and

WHEREAS, The purpose of the CAPP is to address electric arrearages accumulated during the pandemic and the state legislature allocated $1 billion to electric utilities through Assembly Bill No. 135; and

WHEREAS, Under the CAPP, the SFPUC applied for and received allocations for applicable electric customer arrearages from the California Department of Community Services and Development (CSD), in the amounts of $2,423,598 for the CleanPowerSF Community Choice Aggregator and $1,218,136 for the Hetch Hetchy Power municipal utility, for a total amount of $3,641,734; and

WHEREAS, On June 7, 2022, by Resolution No. 267-22, the Board of Supervisors retroactively approved and authorized the SFPUC to accept and expend the CAPP funding to assist eligible residential and commercial customer accounts who accrued customer account arrears due to the COVID-19 pandemic between March 4, 2020, through June 15, 2021; and

WHEREAS, On February 22, 2022, by Resolution No. 22-0043, the SFPUC extended its third suspension of shut offs on water and power service through June 30, 2022, for commercial customers, July 31, 2022, for residential customers not enrolled in the Customer
Assistance Program (CAP), and August 31, 2022, for residential customers enrolled in the CAP; and

WHEREAS, On June 30, 2022, by Assembly Bill 205, the Legislature established the 2022 California Arrearage Payment Program (2022 CAPP), to be administered by the CSD; and

WHEREAS, The 2022 CAPP authorizes utilities to apply for CAPP funds on behalf of their customers, and requires the utility to use any funds received to offset residential electric customer arrearages that were incurred between March 4, 2020, and December 31, 2021; and

WHEREAS, The State Budget Act of 2022 appropriated $1.2 billion in state General Fund dollars to support the implementation of 2022 CAPP; and

WHEREAS, The Hetch Hetchy Power municipal utility and the CleanPowerSF Community Choice Aggregator were eligible to apply for 2022 CAPP funding; and

WHEREAS, In August 2022, the SFPUC applied to the CSD for the 2022 CAPP and submitted surveys to the State in early October 2022 with information on eligible residential arrearages; and

WHEREAS, On September 13, 2022, by Resolution No. 22-0157, the SFPUC extended its fourth suspension of shutoffs on water and power service ending in October 2022 to June 30, 2023, for residential customers benefiting from the 2022 CAPP as provided under Government Code, Section 16429.10.; and

WHEREAS, The State released final allocations to electric utilities for CAPP funds on November 22, 2022, allocating $1,244,798.66 for CleanPowerSF and $103,243.80 for Hetch Hetchy Power; and
WHEREAS, The SFPUC received the funds for Hetch Hetchy Power on December 5, 2022, and is required to apply these 2022 CAPP bill credits to their residential customer accounts by February 5, 2023; and

WHEREAS, Funds for CleanPowerSF were provided directly to PG&E for application to CleanPowerSF accounts; and

WHEREAS, Some accounts originally eligible for relief at the time of application submission have paid off their arrearages or have become inactive and as a result, any allocated amounts not applied to customer accounts will be returned to the State; and

WHEREAS, The SFPUC disbursed all funds for Hetch Hetchy Power in early January 2023 to ensure adherence to State guidelines, given the 60-day window of disbursement, and the timely issuance of much needed debt relief to customers; and

WHEREAS, Due to this program rule, this item is being brought to the Board of Supervisors retroactively and a delay or denial in approving the resolution will require the SFPUC to reverse credits given to customers to pay off eligible customer electric arrearages, resulting in continued debt owed to the SFPUC and burden on customers impacted by the COVID-19 pandemic; and

WHEREAS, This grant does not include an Annual Salary Ordinance (ASO) Amendment, and does not include funding for new staff members; and

WHEREAS, On January 24, 2023, the SFPUC Commission, by Resolution No. 23-0022, recommended that the Board of Supervisors accept this grant; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the SFPUC to retroactively accept and expend grant funds in the amounts of $1,244,798.66 and $103,243.80, to pay off residential customer arrears accrued between March 4, 2020, and December 31, 2021, under Administrative Code, Section 10.170-1; and, be it

FURTHER RESOLVED, That the SFPUC General Manager is hereby authorized
and empowered to execute, deliver, and perform, in the name of the City and County of San Francisco, all applications, contracts, agreements, amendments and payment requests necessary to secure the State grant funds and implement and carry out the purposes specified in the applicable grant application; and, be it

FURTHER RESOLVED, That the Board of Supervisors ratifies any administrative action taken to date with respect to these grants and grant funds.
RECOMMENDED:

APPROVED: /s/ ____________________

LONDON BREED

/s/ ____________________

DENNIS HERRERA
General Manager of the SFPUC

APPROVED: /s/ ______________

BEN ROSENFIELD
Controller
City and County of San Francisco

Resolution

File Number: 230262  Date Passed: April 18, 2023

Resolution retroactively authorizing the San Francisco Public Utilities Commission to accept and expend federal funds sourced by the State Budget Act and administered by the California Department of Community Services and Development, in the total amounts of $1,244,798.66 and $103,243.80 respectively, to assist eligible CleanPowerSF and Hetch Hetchy Power residential customer accounts who accrued customer account arrears due to the COVID-19 pandemic between March 4, 2020, through December 31, 2021.

April 12, 2023 Budget and Finance Committee - RECOMMENDED

April 18, 2023 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230262

I hereby certify that the foregoing Resolution was ADOPTED on 4/18/2023 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved

4/27/23