BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding
Policies, Procedures and Rules for the
California Solar Initiative, the Self-
Generation Incentive Program and Other
Distributed Generation Issues. Rulemaking 12-11-005
(Filed November 8, 2012)

COMMENTS OF RURAL COUNTY REPRESENTATIVES OF CALIFORNIA TO THE SELF-GENERATION INCENTIVE PROGRAM REVISIONS PURSUANT TO SENATE BILL 700 AND OTHER PROGRAM CHANGES PROPOSED DECISION

John Kennedy
Legislative Advocate
Rural County Representatives of California
1215 K Street, Suite 1650, Sacramento, CA 95814
Tel: (916) 447-4806

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E-mail: jkennedy@rcrcnet.org
In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the Rural County Representatives of California (RCRC) hereby submits these comments on the Self-Generation Incentive Program Revisions Pursuant to Senate Bill 700 And Other Program Changes Proposed Decision, issued by Assigned Commissioner Clifford Rechtschaffen on December 11, 2019. The presiding Administrative Law Judge granted an extension of time for parties to comment on the proposed decision in a December 18, 2019 email ruling.

I. Introduction

On behalf of RCRC, I am pleased to offer these comments on the Self-Generation Incentive Program Revisions Pursuant to Senate Bill 700 And Other Program Changes Proposed Decision. RCRC submitted a Motion for Party Status on December 30, 2019 and submits these comments in anticipation of being granted party status. RCRC is an association of thirty-seven rural California counties and its Board of Directors is comprised of elected supervisors from those member counties. RCRC member counties comprise the vast majority of the state’s
forested lands and high fire hazard severity zones. As such, our communities have borne the majority of destruction caused by high severity wildfires and experienced most of the state’s Public Safety Power Shutoff (PSPS) events.

RCRC supports the Proposed Decision and believes that energy storage is an important PSPS resilience tool; however, we acknowledge its inherent technological limitations and recognize that storage is just one part of a diverse portfolio needed to effectively mitigate the impacts of prolonged power outages. In addition to energy storage, RCRC believes that there continues to be a need for additional investments in backup generation for critical facilities and infrastructure and in expanding the use of microgrids. Furthermore, RCRC supports efforts to ensure that applicants are fully informed of the capabilities and limitations of the energy storage systems during PSPS events.

II. RCRC Supports the Proposed Decision’s Dedication of Significant SGIP Funding to Increase Local PSPS Resiliency

RCRC acknowledges the significant risk of wildfire danger in many parts of the state and supports a wide variety of efforts to reduce that risk and improve wildfire resiliency. We understand and appreciate the role that expertly informed, surgical PSPS events play in avoiding catastrophic wildfires like the one that devastated the town of Paradise. While we acknowledge that post-PSPS inspections identified a number of instances of equipment damage that could have potentially caused fires had that equipment been energized, RCRC believes that the execution of last-years PSPS events were flawed with respect to their scope, planning, coordination, and mitigation of impacts for sensitive customers and critical facilities and infrastructure. As such, RCRC views increased investments in energy storage deployment as a way to partially mitigate the adverse impacts of PSPS events.

A. The frequency and duration of PSPS events have had a significant impact on the operation of RCRC member counties and their constituents.

RCRC’s member counties operate many critical facilities that pose a danger to public safety should they lose power. These include law enforcement facilities, fire stations, jails, emergency dispatch centers, water and wastewater treatment and distribution infrastructure, etc. Rural communities often lack the resources necessary to fully mitigate PSPS impacts on critical infrastructure and sensitive populations. Our communities are home to a higher percentage of
elderly and low-income individuals who are least able to bear the impacts of PSPS events. Furthermore, our residents are more likely to rely on private groundwater wells and may not have the resources to acquire the backup generation necessary to maintain access to something as basic as water for drinking, bathing, and sanitation. With respect to residents relying on groundwater wells, RCRC appreciates that the Proposed Decision clearly makes those residents eligible for funding under the Equity Resiliency Budget.

The 2018 and 2019 PSPS events highlighted the need to improve resiliency of critical facilities and infrastructure in the event of a long-duration power outage. There were numerous instances where public safety personnel and critical facilities were hamstrung in their ability to provide essential services. Those challenges were often exacerbated by widespread communications outages in rural areas that inhibited the notification process and precluded individuals from being able to reach out for help in the event of an emergency. In addition to over 450,000 customers losing landline communications services during the late October PSPS event, 39% of cell towers went down in Calaveras County and over 19% went down in Humboldt, Lake, Napa, and Sonoma Counties. Telecommunications system resiliency is absolutely vital for ensuring that residents can make emergency calls, coordinating deployment of public safety resources, disseminating information about PSPS events, and providing notices about and coordinating evacuations. These communications outages were particularly challenging for local fire departments, who sometimes lost the ability to communicate with crews and provide situational reports. Even when mobile telephone networks were operational in the late October events, internet outages prevented the dissemination of critical information to residents through emergency alerts.

RCRC suggests that the CPUC slightly expand the Proposed Decision’s amendments to the definition of “non-residential general market customers with critical resiliency needs” to additionally include county elections offices. County elections officials operate under tight timelines and can ill afford the confusion and delays that would result if a PSPS occurs on or near Election Day. Regardless of whether a county conducts an election at polling places or vote centers, those operations require electricity. While some voting machines may have batteries, their printers usually must be plugged in to operate. Lack of electricity could also compromise the timelines for counting ballots and reporting of elections results to the state. Counties utilizing the “vote center” model must provide one vote center for every 50,000 registered voters
starting ten days before Election Day and one vote center for every 10,000 registered voters beginning on the Saturday prior to Election Day. Those “vote center” counties include Amador, Butte, Calaveras, El Dorado, Fresno, Los Angeles, Madera, Mariposa, Napa, Nevada, Orange, Sacramento, San Manteo, Santa Clara, and Tuolumne Counties. Vote centers will need uninterrupted power to fulfil their obligations to accept ballots, facilitate in-person voting, provide replacement ballots, register voters, and update voter registration information, among other things. The late October PSPS event coincided with Nevada County’s early voting process for a special election for Assembly District 1. There, local officials had to wear headlamps to work in the ballot room.

**B. RCRC supports the Proposed Decision’s dedication of SGIP program proceeds to improve the resiliency of sensitive populations and critical infrastructure to PSPS events.**

RCRC was a vocal advocate for Assembly Bill 1144 (Friedman, Chapter 394, Statutes of 2019), which directed the CPUC to allocate $16.6 million in 2020 to support PSPS resiliency projects at critical facilities. RCRC believes that utilizing the SGIP’s existing revenue stream to fund resilience projects will help connect those who are in greatest need with on-site energy storage systems that will mitigate the impacts of PSPS events. Combined with several important changes included in the Proposed Decision, RCRC believes that these investments will improve program effectiveness and utilization.

RCRC supports the Proposed Decision’s allocation of 63% of SGIP proceeds collected from 2020-2024 to the Equity Resiliency Budget and the resiliency adder incentives for the other budgets. There is a significant need for deployment of energy storage systems throughout high fire risk areas and those areas that have already experienced multiple PSPS events. Combined with proper disclosure of the capabilities of energy storage systems and education on how to reduce energy consumption during a PSPS event, these investments will certainly help mitigation adverse PSPS impacts. Those mitigation capabilities could be significantly increased if energy storage systems are installed to complement on-site renewable or backup generation. To the extent feasible, the CPUC should explore whether other existing programs can be leveraged to help fund the installation of renewable energy systems or backup generation and coordinate those efforts to maximize the resiliency of medically sensitive customers and critical facilities and infrastructure.
SGIP Equity Resiliency Budget investments can also be utilized to back-up critical facilities when on-site back-up generation fails. Several critical facilities with on-site backup generation experienced generator failures and had to quickly devise and execute contingency plans to continue providing essential services. Having on-site energy storage at facilities with existing backup generation could also buy those facilities additional time to secure replacement power in the event of a generator failure.

III. Revisions Will Improve Program Effectiveness and Improve Access for Customers with Limited Resources

The Proposed Decision includes several program changes that will increase program effectiveness, PSPS resiliency, and reduce barriers to entry for residential and nonresidential customers with limited financial resources.

RCRC supports the Proposed Decision’s expansion of the Equity Resiliency Budget to include customers whose electricity was shut off during two or more PSPS events. While many of those customers are already within a Tier 3 or Tier 2 High Fire Threat District, this important change will simplify the process for determining if a customer is eligible for the program. The change will also enable those in greatest need to qualify for the SGIP Equity Resiliency Budget if they are outside the highest fire threat districts but have already been subject to multiple PSPS events.

RCRC also supports the Proposed Decision’s extension of Equity Resiliency Budget eligibility for residential customers whose households rely on electric pump wells for domestic water supplies if they are located either in a Tier 3 or Tier 2 High Fire Threat District or have had their power shut off during two or more PSPS events. Residents in our rural counties are more likely to rely on private groundwater wells and often lack the resources to acquire the backup generation necessary to maintain access to something as basic as water for drinking, bathing, and sanitation. Connecting those residents with energy storage solutions will help ensure that they can meet their basic sanitary needs during power outages.

RCRC similarly supports the Proposed Decision’s extension of nonresidential customer Equity Resiliency Budget eligibility to independent living centers and local food banks. Ideally, these facilities could be equipped with onsite backup or renewable generation to complement and extend the durational capacity of the energy storage system. These types of facilities provide the
basic necessities to some of the state’s neediest residents and have been hard hit by recent PSPS events. Food banks in particular can ill afford to lose refrigeration and the ability to feed residents who may have already had their personal food supplies spoiled by the power outage. Extending eligibility to these types of facilities will have derivative benefits by helping to protect the health, safety, and welfare of some of the state’s most vulnerable residents.

Finally, RCRC supports program changes that increase subsidy levels for SGIP projects and increase funding for longer duration storage systems. Many of the communities hit hardest by recent PSPS events have limited financial resources to invest in energy storage technologies and are already hard pressed by having to invest in new backup generation resources and deploy additional public safety, social services, and health workers to address the myriad communication, emergency response, transportation, and life-sustaining needs brought about by PSPS events. Increasing subsidy levels for the equity resiliency budget will reduce one of the largest barriers for rural participation in the SGIP program. Furthermore, increasing funding for longer duration energy storage systems will improve access to the types of technologies that will be better able to help mitigate the impacts of PSPS events. While appreciative of these changes, RCRC also urges the CPUC to explore other pathways to spur development and increase deployment of energy storage systems that will meet the longer duration demands associated with prolonged power outages.

IV. Clear Communication of the Capacity and Limitations of SGIP-Funded Energy Storage is Crucial to Avoid Unintended Health and Safety Challenges

RCRC supports efforts to ensure that customers utilizing energy storage systems to increase PSPS resiliency are fully informed of the capabilities and limitations of those systems. RCRC acknowledges the strides made to that effect by the CPUC in its September 18 Decision Establishing a Self-Generation Incentive Program Equity Resiliency Budget, Modifying Existing Equity Budget Incentives, Approving Carry-Over of Accumulated Unspent Funds, and Approving $10 million to Support the San Joaquin Valley Disadvantaged Community Pilot Projects. Similarly, RCRC supports the Proposed Decision’s extension of those disclosure requirements to general market energy storage and renewable energy generation projects applying for resiliency adder incentives. There are significant public health and safety costs associated with misinformed customers who mistakenly believe that their new energy storage system will fully
insulate them from the impacts of a prolonged energy outage. These costs are even more serious and life-threatening for medically sensitive populations planning to rely on the energy storage system to meet critical life-support needs (powering medical devices, keeping medications refrigerated, maintaining proper indoor temperatures, etc.). To avoid these problems and optimize the resilience potential of energy storage systems, the CPUC should consider how best to pair installation of SGIP-funded energy storage systems with onsite renewable energy or backup generation systems.

V. Energy Storage is One Part of a Diverse Portfolio of Strategies Needed to Create Resiliency and Effectively Mitigate the Impacts of Prolonged Energy Outages

RCRC supports the use of energy storage technology to improve resilience of residential and nonresidential customers who are at greatest risk of deenergization; however, storage is not and cannot be the sole method used to achieve local resiliency. While energy storage is suitable for many applications, others require more power or a longer discharge period than storage systems can feasibly provide. RCRC believes that SGIP-funded energy storage systems will help improve residential and non-residential customer flexibility, especially during power outages, and that these devices can be complimentary of other forms of backup generation. While outside the scope of this Proposed Decision, RCRC believes it is important to recognize the need for additional investments in backup generation to ensure that critical facilities and infrastructure are able to maintain service during periods of extended power outages. This includes installation of new backup generation for those facilities currently without backup power and the replacement of older, less reliable backup generation equipment. Furthermore, making medically sensitive populations eligible for SGIP-funded energy storage systems should supplement, not replace, emerging efforts to create pools of portable battery devices that can be quickly deployed to those populations in the event of a PSPS or other type of emergency. Finally, RCRC believes that microgrids could also play a key role in keeping the power on in certain communities where the circumstances are appropriate. Ultimately, RCRC believes that a well-balanced portfolio of strategies is needed to maintain customer resiliency and that the Proposed Decision’s allocation of SGIP resources to resiliency is a significant step toward attainment of that goal.
VI. Conclusion

RCRC believes that SGIP provides a unique opportunity to deploy energy storage systems to those residential and nonresidential customers who are at greatest risk of deenergization and often least able to afford the associated costs. RCRC’s respectfully requests that the Commission adopt the Proposed Decision and allocate significant SGIP resources to increase the resilience of residents and critical infrastructure to PSPS events.

Dated: January 3, 2020

Respectfully submitted,

/s/ John Kennedy
John Kennedy
Legislative Advocate
Rural County Representatives of California
Tel: (916) 447-4806
E-mail: jkennedy@rcrcnet.org