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California Energy Commission
Dockets Office, MS-4
Re: Docket No. 16-0IR-02
1516 Ninth Street Sacramento, CA 95814-5512

RE: Comments of Environmental Defense Fund on *SB 350 Low Income Barriers Staff Draft Recommendations*

Introduction

Environmental Defense Fund (EDF) has reviewed the draft recommendations released by the staff of the California Energy Commission (CEC) as an addendum to the *Study of Barriers and Solutions to Energy Efficiency, Renewables and Contracting Opportunities*. Overall, EDF supports the ambitious and wide-ranging list of eleven recommendations that the CEC has put together, and is gratified that the CEC has clearly endeavored to incorporate the guidance of stakeholders in shaping these concepts.

That being said, while the CEC has indicated that the recommendations released reflect solutions that are “scalable, sustainable...[and] address low-income consumers’ inability to access traditional financing mechanisms available to most Californians, and that are mindful of public funding limits,”¹ it is not clear that that is the case, as the evaluation rubric and weighting criteria used to determine the recommendations is not provided. EDF therefore encourages disclosure of more detail on how these recommendations were determined to meet the CEC priorities. In addition, EDF asks that the CEC more adequately analyze the greenhouse gas impacts associated with the various recommendations.. This information on the value and impact of the proposed recommendations can then better assist in determining how best to prioritize strategies.

Comments on Recommendations

¹ *SB 350 Low Income Barriers Staff Draft Recommendations*, California Energy Commission at 1 (Oct. 2016), http://docketpublic.energy.ca.gov/PublicDocuments/16-OIR-02/TN214134_20161021T133719_SB_350_LowIncome_Barriers_Study_Draft_Recommendations.pdf

EDF offers the following comments on specific recommendations referenced below by the number indicated in the report:

Recommendation 1 – EDF was encouraged to see the CEC’s recognition of the role community solar can play in addressing barriers to access. However, the recommendations would be further strengthened by including an inventory of current community solar installations that have the potential to further development of the renewable energy market. In addition, given that “community solar” can encompass many different resource, while the publicly-owned utilities (POUs) should have flexibility in determining what qualifies as a pilot (i.e. pursuing a rooftop leasing program versus as ground installation), they should be given more concrete guidelines – in other words, they should be developing pilots that meet standards of affordability, demonstrate benefit in disadvantaged communities and communities of color, , as well as the distribution system, and provide space for third parties and market innovation.

Recommendation 2a – EDF appreciates the CEC’s recognition of on-bill financing as a means of getting energy upgrades in place in at risk communities. EDF reiterates that it is important to look at models of inclusive financing and energy efficiency programs from other states, notably in the service territories of rural cooperatives in North Carolina, Arkansas, Kentucky and Kansas.

Recommendation 5 – EDF believes it appropriate that the CEC proposed the Legislature require program delivery agencies to set metrics that firmly place energy equity and access as core to the performance and operations of services. However, such action must also come with requirements that the data and information be open and readily available to the public, and is reported out and evaluated by the CPUC and the Governor’s Office of Management and Budget I via scheduled and standardized public reporting process similar to how an agency might typically report out its operational and performance metrics. In addition, EDF urges the CEC to consider the viability of requiring energy equity indicators (similar to those being developed by LADWP²) from POUs and investor-owned utilities (IOUs) across the state.

Recommendation 8 – As the CEC recognizes here, it is critically important to require state agencies to work closely with local community-based organizations (CBO) to improve the penetration and usage of clean energy programs, especially among disadvantaged communities and communities of color. It is similarly critical that the

² Los Angeles Department of Water and Power, *Board of Water and Power Commissioners Approves Initiative to Ensure Equity of Water & Power Services across Los Angeles* (Aug. 16, 2016), <http://www.ladwpnews.com/go/doc/1475/2875333/Board-of-Water-and-Power-Commissioners-Approves-Initiative-to-Ensure-Equity-of-Water-Power-Services-across-Los-Angeles>.

Legislature require an open and transparent process with clear outcomes and expectations for both agencies and potential CBO partners around performance.

Recommendation 9 – EDF was encouraged that the CEC suggested strong action to protect consumer interests and welfare via a consumer protection taskforce. In addition to having prosecutorial authority EDF advises that this taskforce be charged with general consumer education on clean energy solutions, make available information on any systemic misbehavior and predatory entities, coordinate with state clean energy programs and local governments, and regularly convene and monitor the market providers, among other actions. A watchdog and protection taskforce of this kind can learn from similar consumer protection bureaus set up to monitor other industries and economic sectors.

In EDF's comments in response to the *Draft Study* report released on September 9, 2016, we outlined a number of critical barriers that serve to restrict broad penetration of clean energy among disadvantaged communities. While we will not repeat those statements, we believe it is worth emphasizing the importance of state policy that furthers universal broadband access and objectives, and the value of easy and reliable access to data.

Conclusion

The *Barriers Study and Recommendations* document is an important and necessary step to ensuring that the promise of Senate Bill 350 extends to all Californians. EDF appreciates the speed and inclusiveness in which CEC has taken up this effort and believes that, with the modifications suggested above, the recommendations presented provide a robust set of ideas and initiatives aimed at achieving energy equity.

Sincerely,

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