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THE CALIFORNIA ENERGY COMMISSION

AB 523 and EPIC Program

What is the EPIC Program?

The Electric Program Investment Charge (EPIC) program is the California Energy Commission's research and development (R&D) investment in the 21st century electric power system.

The EPIC program is charged with funding projects that:

- Lead to technological advancement and breakthroughs
- Overcome barriers that prevent achievement of the state's energy goals
- Provide benefits to California ratepayers

What types of projects are eligible for funding?

EPIC projects must fall within at least one of the following program areas:

- Applied Research and Development
- Technology, Demonstration and Deployment (TD&D)
- Market Facilitation

Projects must also fall within one or more of the strategic objectives and funding initiatives identified in the Energy Commission's EPIC Investment Plan. The most recent plan can be found at:

<http://www.energy.ca.gov/research/epic/17-EPIC-01/>

What Strategy is Being Implemented to Increase Diversity and Equity in EPIC?

The Energy Commission is using a three-pronged strategy to increase diversity and equity in the EPIC program:

- Increase awareness of R&D funding opportunities to underrepresented business enterprises and disadvantaged community organizations.
- Provide preference points or reserved funding for projects benefiting low-income or disadvantaged communities.
- Scope solicitations around the specific needs of low-income and disadvantaged community customers.

What is Assembly Bill (AB) 523 and How Does It Apply to EPIC?

AB 523 requires the Energy Commission to:

- Allocate 25 percent EPIC TD&D funding for projects located in and benefiting disadvantaged communities.
- Allocate 10 percent EPIC TD&D funding for projects located in and benefiting low-income communities.
- Take into account adverse localized health impacts of proposed EPIC projects to the greatest extent possible.

How Does the Energy Commission Intend to Meet the Targets of AB 523?

Moving forward, some EPIC TD&D solicitations will set aside funding for certain groups. Potential groups may include:

- Projects located in and benefiting disadvantaged communities within investor-owned utilities (IOU) service territories.
- Projects located in and benefiting low-income communities within IOU service territories.

How Will the Energy Commission Evaluate TD&D Projects to Meet AB 523 Targets?

EPIC project proposals will need to meet the overall goal of the EPIC program by providing ratepayer benefits such as greater reliability, increased safety, and lower costs. EPIC TD&D proposals for projects located in low-income/disadvantaged communities will also need to demonstrate how the project will benefit the targeted communities. These proposals will respond to questions in the application about how the project will directly benefit the communities they are located in. Applicants will be provided guidance at a later time.

What Tools Will the Energy Commission Use to Identify Low-Income and Disadvantaged Communities?

The low-income mapping tool, developed by the California Air Resources Board, will be used to identify low-income communities: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

The CalEnviroScreen 3.0 tool, developed by the California Environmental Protection Agency, will be used to identify disadvantaged communities: <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>

What types of projects benefit low-income and disadvantaged communities?

Examples of EPIC-funded projects that can provide benefits to low-income/ disadvantaged communities include:

- Improving critical and public services
- Improving affordability, health, and comfort in residential homes
- Supporting local economy and businesses

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