

DOCKETED	
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Project Title:	Research Idea Exchange
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Document Title:	Proposed Evaluation Criteria for Benefits and Impacts to Low Income and Disadvantaged Communities in EPIC Grant Funding
Description:	This Request for Comments is to solicit input on the proposed revisions to the Electric Program Investment Charge (EPIC) Grant Funding Opportunity evaluation criteria to incorporate considerations for project benefits and localized health impacts to low-income and disadvantaged communities.
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CALIFORNIA ENERGY COMMISSION

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CEC-70 (Revised 10/18)



In the matter of:)	Docket No. 19-ERDD-01
)	
Research Idea Exchange)	REQUEST FOR COMMENTS
)	RE: Electric Program Investment
_____)	Charge

**Notice of Request for Comments
Proposed Evaluation Criteria for Benefits and Impacts to
Low-Income and Disadvantaged Communities in
Electric Program Investment Charge Grant
Funding Opportunities
February 1, 2019**

Purpose of Request:

This Request for Comments is to solicit input on the proposed revisions to the Electric Program Investment Charge (EPIC) Grant Funding Opportunity evaluation criteria to incorporate considerations for project benefits and localized health impacts to low-income and disadvantaged communities.

Background:

The EPIC Program is an electricity ratepayer surcharge established by the California Public Utilities Commission (CPUC) in December 2011. The purpose of the EPIC program is to benefit ratepayers by funding clean energy technology projects that promote greater electricity reliability, lower costs, and increased safety. In addition to providing ratepayer benefits, funded projects must lead to technological advancements and breakthroughs to overcome barriers that may prevent the achievement of the state's statutory energy goals. The program has an annual budget of \$162 million, 80 percent of which is administered by the Energy Commission and 20 percent of which is administered by the three major investor-owned utilities: Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company. All EPIC projects must fall within the following program areas identified by the CPUC:

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

In addition, projects must fall within one of the general focus areas (strategic objectives) identified in the Energy Commission's EPIC Investment Plan and within one or more specific focus areas "funding initiatives" identified in the plan. More information on EPIC is available at <http://www.energy.ca.gov/research/epic/>

State policy provides direction for increasing equity and diversity in the EPIC program. Assembly Bill 865 (Alejo, Chapter 583, Statutes of 2015) directed the Energy Commission to take steps to increase the diversity of under-represented businesses in EPIC. In addition, the Clean Energy and Pollution Reduction Act (de León, 2015) directed the Energy Commission to conduct a study (SB 350 Barrier Study) on barriers that prevent low-income customers, including those in disadvantaged communities, from participating and benefiting from California's transition to a low-carbon economy. One of the recommendations that came out of the SB 350 Barrier Study is that 25 percent of EPIC technology demonstration and deployment funding goes to projects located in and benefiting disadvantaged communities. Assembly Bill 523 (Reyes, Chapter 551, Statutes of 2017) codified that recommendation into law and added two new requirements for EPIC:

- Ten percent of EPIC TD&D funds must go to projects located in and benefiting low-income communities.
- The Energy Commission must consider the localized health impacts of proposed projects to the greatest extent possible.

Requested Comments:

Energy Commission EPIC program staff seeks input on the proposed references, requirements, and criteria pertaining to low-income and disadvantaged communities that will be included in EPIC Grant Funding Opportunity solicitation manuals in the near future.

Solicitation Manual Language

New text to be included in the EPIC Solicitation Manual template will provide the following reference materials for applicants:

- The CalEnviroScreen 3.0 tool, developed by the California Environmental Protection Agency, identifies disadvantaged communities as areas representing census tracts scoring in the top 25 percent.
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>
- The mapping tool developed by the California Air Resources Board to determine low-income communities.
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

- State Area Designation maps representing air quality by region, including data on ten criteria pollutants. <https://www.arb.ca.gov/desig/adm/adm.htm>
- National Area Designation maps, including data on six criteria pollutants. <https://www.epa.gov/green-book>

The standard EPIC Solicitation Manual template will also include the following new language:

- For EPIC TD&D projects where the target site is in a disadvantaged community, proposed projects shall not have any net increase in nonattainment criteria pollutants designated by state and national standards, as referenced in the State and National Area Designation maps above.
- For EPIC TD&D projects where the target site is in a low-income community, Energy Commission staff encourage projects that will reduce criteria pollutants in the project area.

Evaluation Criteria

For applications proposing EPIC TD&D projects in low-income and disadvantaged communities, the following new criteria will be evaluated during the scoring process:

8. Benefits to Low-Income/Disadvantaged Communities and Localized Health Impacts
<p>8.1 Benefits to Low-Income/Disadvantaged Communities</p> <ul style="list-style-type: none"> a) Identifies the energy and economic needs of the community based on project location, what steps the applicant has taken to identify those needs, and how the community input was considered in the design of the project. b) Identifies how the project will increase access to clean energy or sustainability technologies for the local community. c) Identifies how the proposed project will improve opportunities for economic impact including customer bill savings, job creation, partnering and contracting with micro-, local, and small-businesses, economic development, and expanding community investment.
<p>8.2 Localized Health Impacts</p> <ul style="list-style-type: none"> a) Summarizes the net potential localized health benefits and impacts of the proposed project and provides reasonable analysis and assumptions. b) Identifies how the proposed project will reduce or not otherwise impact the community's exposure to pollutants and the adverse

	environmental conditions caused by pollution. If projects have no impacts in this criterion, provide justification for why impacts are neutral.
	c) Identifies health-related Energy Equity indicators and/or health-related factors in CalEnviroScreen that most impact the community, and describes how the project will reduce or not otherwise impact the indicators or factors. If projects have no impacts in this criterion, provide justification for why impacts are neutral.
8.3	Identifies how the project, if successful, will lead to increased deployment of the technology or strategy in other disadvantaged or low-income communities.
8.4	Includes letters of support from technology partners, community based organizations, environmental justice organizations, or other partners that demonstrate equity, feasibility, and commercial viability in low-income and disadvantaged communities.

These new criteria (Criteria 8, Sections 8.1 to 8.4) will be evaluated and scored in addition to the standard scoring criteria for Technical Merit, Technical Need, Team Qualifications, Budget, etc. However, the new criteria will require a minimum passing score of 70 percent on criteria 8.1 to 8.4 alone, in addition to the requirement for a minimum passing score of 80 percent for criteria 1 through 4, and 70 percent for criteria 5 through 7. This evaluation methodology will ensure that projects will be awarded based on both strong technical content and strong positive impact to low-income and disadvantaged communities.

How to Comment:

Comments on the proposed additions to the EPIC Grant Funding Opportunity solicitation manual and evaluation criteria should be submitted by **5:00 p.m. on Friday, February 15, 2019.**

Written and oral comments, attachments, and associated contact information (e.g. address, phone number, email address) become part of the viewable public record. This information may also become available via any Internet search engine.

Respondents to this Request for Comments should not include any proprietary, sensitive, or confidential information. This Request for Comments will not consider the merits of individual projects or any requests for funding.

The Energy Commission encourages use of its electronic commenting system. Visit <https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=19-ERDD-01>, which links to the comment page for this docket. Select or enter a proceeding to be taken to the "Add Comment" page. Enter your contact information and a comment title

describing the subject of your comment(s). Comments may be included in the “Comment Text” box or attached as a downloadable, searchable in Microsoft® Word (.doc, .docx) or Adobe® Acrobat® (.pdf) file. Maximum file size is 10 MB.

Written comments may also be submitted by email. Include the docket number 19-ERDD-01 and “Proposed Evaluation Criteria” in the subject line and send to docket@energy.ca.gov.

If preferred, a paper copy may be sent to:

California Energy Commission
Docket Unit, MS-4
Docket No. 19-ERDD-01
1516 Ninth Street
Sacramento, California 95814-5512

Media inquiries should be directed to the Media and Public Communications Office at mediaoffice@energy.ca.gov or (916) 654-4989.

Questions on the subject matter of this request for comments, should be directed to Lorraine Gonzalez at lorraine.gonzalez@energy.ca.gov or (916) 445-5295.

Mail Lists:

EPIC listserv

Research listserv

Diversity listserv

Barriers