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June 24, 2020

To the California Public Utilities Commission,

The Disadvantaged Communities Advisory Group (DACAG) opposes the proposal by the California Energy Storage Alliance (CESA) to siphon $150 million out of the Self-Generation Incentive Program (SGIP) Equity Resiliency Budget to the non-residential Equity Budget.[1] The Commission established the Equity Resiliency Budget to provide critical resilience solutions to vulnerable customers who need it most: those living in regions that are highly impacted by wildfires and days-long power shutoffs. The low-income and medically vulnerable residential customers eligible for the Equity Resiliency Budget are on the front lines of economic injustice, and they must maintain access to energy storage at the scale originally determined by the Commission in Decision 20-02-021, a budget of more than $600 million over five years.[2]

CESA proposes that the $150 million taken from the Equity Resiliency Budget should be used to increase funds to the non-residential Equity Budget, a budget intended to support the market for energy storage serving state and local government agencies, educational institutions, non-profits, and small businesses located in DACs.[3] While the DACAG would not necessarily oppose additional funds injected into to the non-residential Equity Budget, those additional funds should not come at the expense of the Equity Resiliency Budget.

The Equity Resiliency Budget is needed now more than ever before.

In its Motion, CESA cites the widespread economic impact of the shelter-in-place orders necessary to stop the spread of the Covid-19 pandemic, even acknowledging that low-income customers will "suffer…the largest brunt of the economic fallout."[4] DACAG agrees, and adds that economic fallout from Covid-19 measures is likely to exacerbate challenges that low-income families already face, including high energy burdens, housing insecurity, lack of resources to address medical needs, and food insecurity.

However, in the same Motion, CESA seeks to take SGIP funding *away* from low-income and medically vulnerable households and tribal communities and put those funds into the hands of businesses.[5] This is exactly the wrong action needed at this time; funding for critical resilience solutions should remain accessible to the households that stand to benefit the most.

[1] Motion of the California Energy Storage Alliance to Issue a Ruling that Transfers Funds to the Equity Budget, June 9, 2020; and California Energy Storage Alliance's Petition for Modification of Decisions 20-01-021 and 16-06-055, June 10, 2020

[2] Decision 20-01-021, p.27, January 27, 2020

[3] Decision 17-10-004, p.2, October 12, 2017. DACs are defined in that Decision as census tracts with the top 25% CalEnviroScreen pollution burden scores, plus those census tracts that score within the highest 5% of CalEnviroScreen pollution burden but do not receive an overall CalEnviroScreen score.

[4] CESA Motion, p.3

[5] The Equity Resiliency Budget is available to both residential and non-residential customers. By definition, the non-residential Equity Budget is only available to non-residential customers.

As of this filing in June 2020, the climate is becoming increasingly hot and dry, and the 2020 fire season is upon us. The Equity Resilience Budget must remain at its full funding level of $600+ million to address the wildfire and power shutoff risks facing millions of Californians.

Equity Resiliency Budget customers should be given adequate time to apply for incentives.

The Equity Resilience Budget has only been available to residential customers for eleven weeks,[6] and to all eligible customers for *only one month*.[7] This is not nearly enough time for these historically underserved customers to learn about the opportunity to gain critical resilience solutions, select a storage provider and apply for incentives. As of this filing, the customized Marketing, Education and Outreach (ME&O) plans for the Equity Resilience Budget are still under consideration and have not yet been approved by the Commission; thus hard-to-reach communities have likely not received meaningful and accessible information about this opportunity. The Commission should provide adequate time for all customers eligible for the Equity Resilience Budget to learn about and to act on this important opportunity to gain energy storage for resilience, without jeopardizing these customers' access to funds.

There is healthy interest and adoption in the Equity Resiliency Budget.

In the brief amount of time that the Equity Resiliency Budget has been open, and even without a dedicated and customized ME&O plan in operation, the initial Equity Resiliency Budget funds have been reserved in all but one investor-owned utility (IOU) territory, and the program has a waitlist.[8] There is already healthy interest and strong adoption in the Equity Resiliency Budget. Customer interest in the Equity Resiliency Budget will only increase as time allows for customers to learn about the opportunity, and the Program Administrators (PAs) can begin implementing their ME&O plans. The Commission should not remove funds from the Equity Resiliency Budget when there is proven market demand.

For these reasons, the DACAG urges the Commission to reject CESA's proposal to remove funds from the Equity Resiliency Budget.

Sincerely,

SB 350 Disadvantaged Communities Advisory Group

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[6] https://www.selfgenca.com/home/program_metrics/, queried June 12, 2020. On June 15, 2020, the Equity Resiliency Budget will have been open for residential customers for 91 days but there was a one month pause from April 3, 2020 to May 1, 2020.

[7] The Non-Residential customers eligible for the Equity Resiliency Budget opened on May 12, 2020.

[8] https://www.selfgenca.com/home/program_metrics/, queried June 12, 2020. SoCal Gas is the only IOU with SGIP Equity Resiliency Budget open with no waitlist.