

DOCKETED	
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ITEM 5

CEC staff present update about initial scoping and development of the Community Energy Resilience Investment (CERI) program to seek verbal feedback



Community Energy Resilience Investment (CERI) Program

CEC Preliminary Approach - DACAG
September 16, 2022



Grid Resilience Formula Grants – 40101d

Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Tribes (Section 40101(d) of the IIJA):

- Improve the all-hazards resilience of the electric grid against disruptive events.
- Generate the greatest community benefit in reducing the likelihood and consequences of disruptive events.
- Advance DOE's equity, environmental and energy justice priorities, including the Justice40 Initiative.
- Invest in America's workforce.





Eligibility for Grid Resilience Formula Grants

Eligible DOE Formula Grant Applicants

- States
- Indian Tribes
- U.S. Territories
- Eligible applicants may further subgrant to “eligible entities” as defined in the IJA

Subgrant Eligible Entities

- an electric grid operator
- an electricity storage operator
- an electricity generator
- a transmission owner or operator
- a distribution provider
- a fuel supplier



Grid Resilience Formula Grants – 40101d

Funding Amount:

- Legislation set 5-part formula based on population, area, probability of disruptive events, severity of disruptive events, and expenditure on mitigation efforts.
 - **Allocation to CA in year 1: \$33,788,376** (~\$170M total over 5 years).

Match Requirements:

- States and Tribes (DOE Applicants) required to match 15% of DOE funds received.
 - **CA year 1 match requirement: \$5,068,256**
- Eligible entities that receive a subgrant from CEC required to match at minimum 100% of the subgrant.
 - UNLESS a subgrant entity sells 4M megawatt hours of electricity or less per year, the required match is one-third of the amount awarded to the subgrantee.

Small Utility Set-Aside:

- A State or Tribe receiving a grant under the DOE program will ensure the percentage made available to eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year is not less than the percentage of all customers in the State or Tribe that are served by those eligible entities.



Eligible activities under the Grid Resilience Formula Grant program

- weatherization technologies and equipment
- fire-resistant technologies and fire prevention systems
- monitoring and control technologies
- the undergrounding of electrical equipment
- utility pole management
- the relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors
- vegetation and fuel-load management
- the use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including:
 - microgrids; and
 - battery-storage subcomponents
- adaptive protection technologies
- advanced modeling technologies
- hardening of power lines, facilities, substations, of other systems; and
- the replacement of old overhead conductors and underground cables.

Resilience measures **that are not allowed** include:

- Construction of a new - a) electric generating facility; or b) large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events; or Cybersecurity



CA Application Focus

- **Community Energy Resilience Investment (CERI) program** will invest in projects across California that increase community energy resilience and reliability, promote decarbonization of the energy system, improve energy justice and equity, and create good-paying jobs. Disadvantaged communities and communities with critical energy resilience needs will be prioritized.
- Competitive Grant Program





Community Energy Resilience

Qualities of Community Energy Resilience

- Reduce magnitude, duration, and consequences of disruption
- Speed recovery
- Improve capacity to mitigate impact of disruptive events
- Enhance ability of community to function during a disruptive event



The term “disruptive event” means “an event in which operations of the electric grid are disrupted, preventively shut off, or cannot operate safely due to extreme weather, wildfire, or a natural disaster.”
42 U.S.C. 18711(a)(1).



CERI Program Objectives



Energy Resilience & Reliability:

Reduce the frequency and duration of power outages and strengthen communities' ability to function during outages.



Community Benefit & Equity:

Ensure the benefits of clean, safe, affordable, and reliable energy are enjoyed by all Californians, particularly those in DACs and communities with critical energy resilience needs.



Clean Energy: Advance California's goal of achieving 100 percent clean energy through resilience solutions that deploy zero-carbon energy resources and reduce reliance on fossil fuels.



Quality Jobs: Create high-quality jobs with strong labor standards and protections that attract and train a skilled workforce for careers in the clean energy industry.



CERI Program Preliminary Criteria

Energy Resilience & Reliability

- Reduce risks within project areas from disruptive events.
- Contribute to grid and community energy resilience.
- Go beyond current resilience measures.

Community Benefit

- Provide greatest community benefit in reducing the likelihood and consequences of disruptive events.
- Provide other co-benefits.
- Undertake engagement efforts.



CERI Program Preliminary Criteria

Decarbonization

- Advance CA's decarb goals.
- How resilience solutions reduce GHG emissions.

Workforce Development & Labor

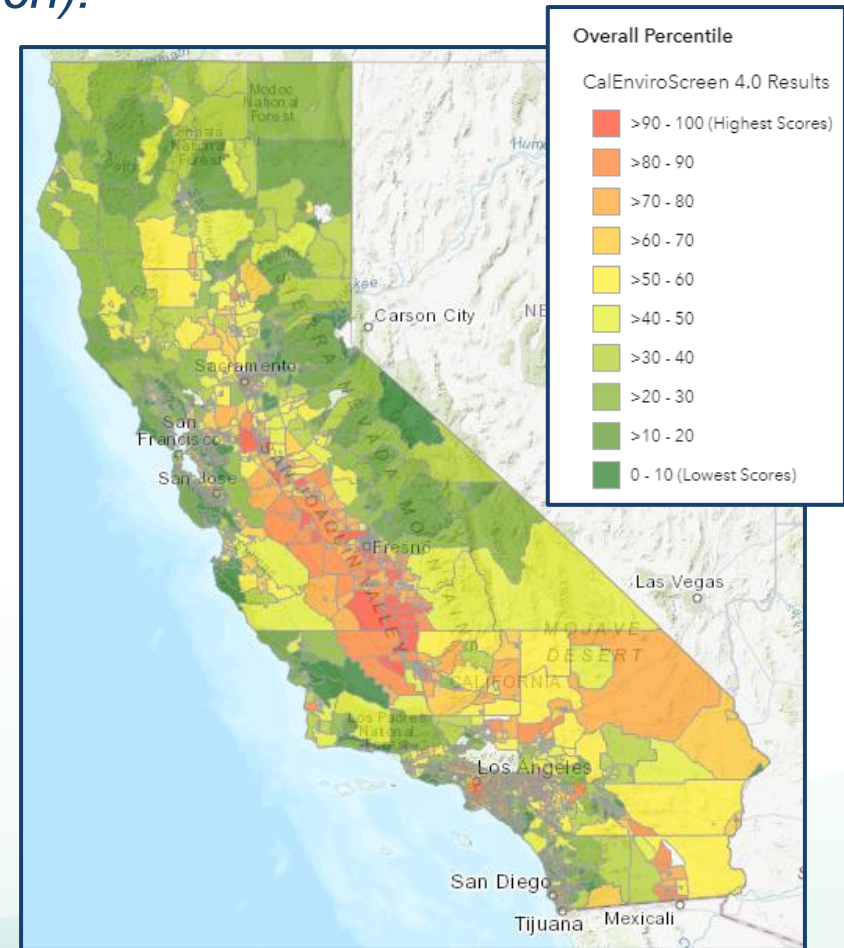
- Use strong labor standards and protections.
- Attract, train, and retain an appropriately skilled workforce.
- Provide workforce opportunities.



CERI Program Preliminary Criteria

Preference for Priority Communities (*preliminary approach*):

CalEnviroScreen 4.0 ranking or SB 535 DAC	Points Awarded (example point amounts)
Classified as a disadvantaged community according to SB 535	10
Ranked between 50 th percentile up to 75 th percentile	6
Ranked between 25 th percentile up to 50 th percentile	4
Ranked below 25 th percentile	2



For more information on CalEnviroScreen and DACs visit:
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

- Resiliency and other energy- or climate-related challenges are captured in other evaluation criteria.



CERI Program Preliminary Metrics

Energy Resilience & Reliability

- Frequency of electricity service disruptions.
- Duration of outages.
- Number of customers impacted.
- Qualitative measures of energy resilience following a disruptive event.

Community Benefit

- Amount of funds spent in DACs.
- Extent of stakeholder engagement events (# participants, \$ spent).
- Access clean energy technology.
- Qualitative measures of experienced community benefits.



CERI Program Preliminary Metrics

Decarbonization

- Direct GHG emissions reductions achieved.
- Zero-carbon energy resources deployed.

Workforce Development & Labor

- Number of jobs created.
- Number of people who received training.
- Amount spent on workforce development programs.
- Number of clean energy jobs.



Future Engagement Opportunities

- **Listening sessions:** Elicit feedback on CERI program development. Target four geographic regions and a tribal session.
- **Release CERI program draft guidelines** for public comment and host draft guideline workshops.
- **Present CERI program guidelines at CEC Business Meeting** for public comment and formal approval.
- **Release first CERI funding opportunity** and hold pre-application workshop.





Ways to Engage

- ✓ **Sign up to receive CERI Program Announcements:**
 - <https://public.govdelivery.com/accounts/CNRA/signup/31897>

- ✓ **Visit CEC website to view past presentations on the CERI program:** <https://www.energy.ca.gov/event/workshop/2022-08/staff-workshop-kickoff-development-community-energy-resilience-investment>

- ✓ **Submit comments to the docket:**
 - Include docket number 22-ERDD-01 and “Community Energy Resilience Investment Program” in subject line.
 - Directly to the docket: <https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=22-ERDD-01>
 - Via e-mail to: docket@energy.ca.gov

- ✓ **Guideline Development:**
 - Promote through network
 - Attend listening sessions
 - Submit public comment



Engagement Focus Areas



- Priority communities
- Program criteria and metrics
- Funding range for grants
- Technical assistance needs
- Small utility set aside
- Resources for applicants



Upcoming Opportunities in IIJA

Grid Resilience and Innovation Partnerships (GRIP) – \$10.5 billion (FY 22-26)

DOE Program	Goals	Eligible Applicants
Preventing Outages and Enhancing the Resilience of the Electric Grid (Sec. 40101(c) Grid Resilience Grants)	<ul style="list-style-type: none">Reduce the likelihood and consequence of impacts to the electric grid due to extreme weather, wildfire, and natural disaster.Generate the greatest community benefit in reducing the likelihood and consequences of disruptive events.	Electric grid operators; electricity generators; electricity storage operators; transmission owners or operators; distribution providers; and fuel suppliers
Upgrading Our Electric Grid and Ensuring Reliability and Resiliency (Sec. 40103(b) Grid Resilience Research, Development, Demonstration)	<ul style="list-style-type: none">Deploy and catalyze technology solutions that increase the flexibility, efficiency, reliability, and resilience of the electric power system.	Institutions of higher education; for-profit entities; non-profit entities; and state and local governmental entities, and tribal nations.
Deployment of Technologies to Enhance Grid Flexibility (Sec. 40107 Smart Grid Grants)	<ul style="list-style-type: none">Demonstrate innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability; andDemonstrate new approaches to enhance regional grid resilience.	State; combination of two or more States; an Indian Tribe; unit of local government; public utility commission



Thank You!

Discussion

For more information reach out to:

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