DOCKETED

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Project Title:	Community Energy Resilience Investment Program
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Document Title:	Presentation - Community Energy Resilience Investment (CERI) Program - September 12
Description:	*** This document supersedes TN 252213 *** - CERI Staff Workshop September 12
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Organization:	California Energy Commission
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Community Energy Resilience Investment (CERI) Program

Staff Workshop
September 12, 2023
10:00 AM – 1:00 PM (Pacific)

Housekeeping

- Zoom recording
- Muting on Zoom
- Comments/Questions

- Today's presentation slides and recording will be posted on the CEC webpage for this event:

  https://www.energy.ca.gov/event/workshop/2023-09/staff-workshop-community-energy-resilience-investment-ceri-program

Workshop Agenda

Agenda:

- Program Background
- Program Structure
- Next Steps
- Discussion Questions
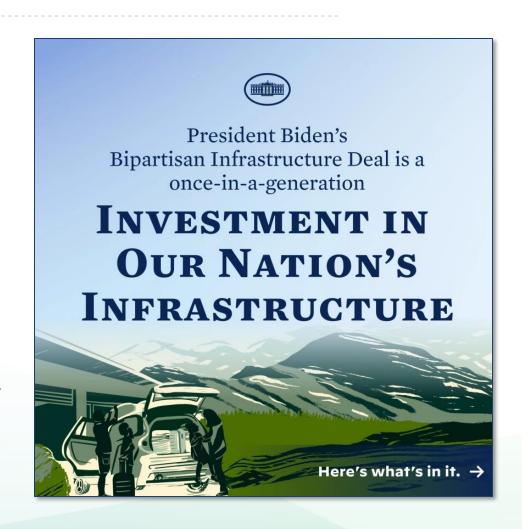- General Comments & Questions
- Ways to Engage
- Adjourn

Program Background

Bipartisan Infrastructure Law (BIL)

- Result of Infrastructure Investment & Jobs Act (IIJA).

- Includes $62 billion to build a more equitable clean energy future that:

  - Invests in American manufacturing and workers.
  - Expands access to energy efficiency and clean energy for families, communities and businesses.
  - Delivers reliable, clean, and affordable power to more Americans.
  - Builds the technologies of tomorrow through clean energy demonstrations.

President Biden's Bipartisan Infrastructure Deal is a once-in-a-generation

INVESTMENT IN OUR NATION'S INFRASTRUCTURE

Here's what's in it. →

The Infrastructure Investment and Jobs Act can be accessed here: https://www.congress.gov/bill/117th-congress/house-bill/3684/text

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 resilience
- Generate community benefit
- Advance equity priorities
- Invest in America's workforce

- CERI Program expects to receive ~$170 million in federal funding over 5 years.

Stakeholder Engagement Activities

- **August 2022:** Program Development Kick Off Workshop

- **Aug 22 – April 23:** Coordination with state agencies and primary eligible entities.

- **April 2023:** Submitted application to DOE.

- **Ongoing:** Stakeholder engagement (e.g., Disadvantaged Communities Advisory Group (DACAG))

- **July 2023:** Awarded Year 1 and Year 2 funding ($67M total)

CERI Program Purpose

Purpose: Increase Energy Resilience and Provide Community Benefits

CERI will prioritize projects that:
- Generate the greatest community benefit
- Reduce magnitude, frequency, duration, and consequences of outages
- Improve capacity to mitigate impact of outages
- Enhance ability of community to function during an outage

CERI Program Goals

Energy Resilience & Reliability

Community Benefit

Decarbonization

Workforce Development and Labor

Program Structure

CERI Funding

	DOE Allocation to CA *Amounts will vary a bit by year*	Large LSEs *109% match req.*	Small LSEs *33% match req.*
Year 1	$33.8M	$27.03M	$6.75M
Year 2	$33.7M	$26.97M	$6.74M
Year 3	~$34.0M	~$27.0M	~$6.75M
Year 4	~$34.0M	~$27.0M	~$6.75M
Year 5	~$34.0M	~$27.0M	~$6.75M
Projected Total	**~$170M**	**~$135M**	**~$35M**

- Large LSEs are entities that sell more than 4,000 GWh per year
- Small LSEs are entities that sell less than 4,000 GWh per year

CERI – Round 1 Solicitation

- Expect at least two solicitations during program term
- First solicitation will have:
  - minimum two years of funding (~$64M)
  - maximum three years of funding (~$96M)

CERI - Eligible Entities

- Electric grid operators
- Electric storage operators
- Electricity generators
- Transmission owners or operators
- Distribution providers
- Fuel suppliers
- Other

CERI - Eligible Measures

- Hardening power system infrastructure

- Weatherizing transmission and distribution system components

- Fire-resistance and fire prevention measures

- Monitoring and controls technologies

- Utility pole management

- Moving power lines above- and below-ground

- Refurbishment or replacement of power lines with advanced conductors

- Vegetation and fuel-load management

- Use or construction of distributed energy resources to enhance system adaptive capacity (incl. battery-storage & microgrid subcomponents)

- Adaptive protection technologies

- Advanced modeling technologies

- Training, recruitment, retention, and reskilling for work required in the project

CERI - <u>Ineligible</u> Measures

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

- Cybersecurity

These measures are specified by the IIJA bill language (DOE Contact: https://www.energy.gov/contact-us)

CERI - Project Location

- Projects must be located within California or within California Tribal Nations

CERI – Regulatory Compliance

- Projects will need to comply with the following:
  - National Environmental Policy Act (NEPA)
  - California Environmental Quality Act (CEQA)
  - Davis-Bacon
  - Research, Technology, & Economic Security (RTES)
  - Build America Buy America (BABA)
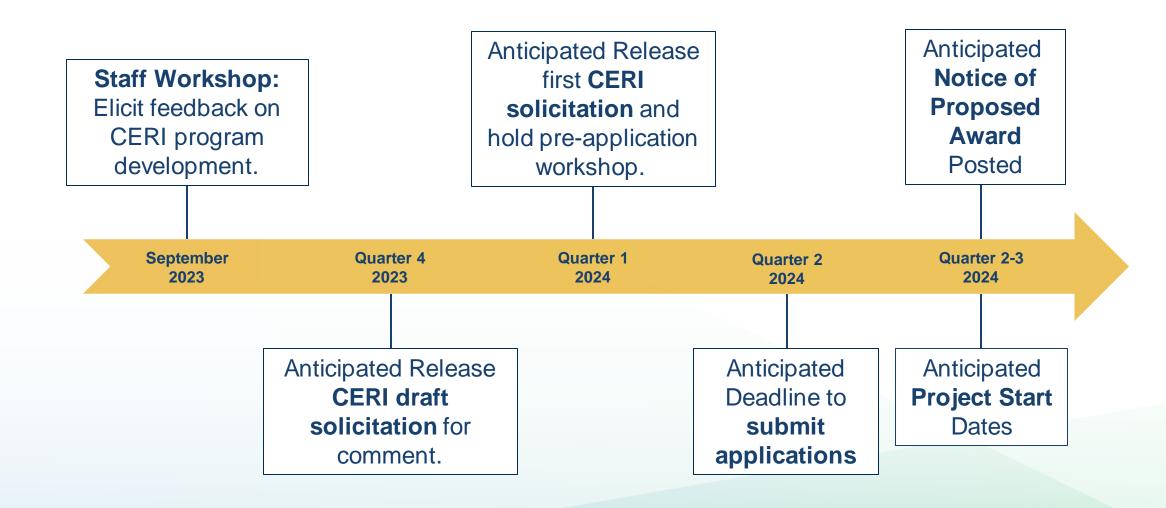 - All other applicable codes, standards, and laws

Next Steps

CERI - Next Steps

Staff Workshop: Elicit feedback on CERI program development.

Anticipated Release first **CERI solicitation** and hold pre-application workshop.

Anticipated **Notice of Proposed Award** Posted

September 2023

Quarter 4 2023

Quarter 1 2024

Quarter 2 2024

Quarter 2-3 2024

Anticipated Release **CERI draft solicitation** for comment.

Anticipated Deadline to **submit applications**

Anticipated **Project Start** Dates

Discussion Questions

Discussion Format

- Questions 1-4
  - Zoom poll
  - Open comment period
    - Please raise hand or type comments into the Q&A window
- Question 5
  - Open comment period
    - Please raise hand or type comments into the Q&A window
- General Discussion Period

- ✓ *Please state your **name** and **affiliation** when providing oral or written comments.*
  - ✓ *Please type comments/questions in the Question & Answer Window*
- ✓ *Please keep oral comments/questions **under 2 minutes** to allow time for others.*
- ✓ Phone participants: press *9 to "raise your hand" and *6 to mute/unmute.

CERI - Per Project Funding
Round 1 Solicitation

Question 1: For large Load Serving Entities, should the proposed minimums and maximums be:
- Increased?
- Decreased?
- Currently appropriate?

Project Group	Round 1 Available Funding	Proposed Minimum	Proposed Maximum	Match Requirement	Anticipated # of Awards
Group 1: Large LSEs	~$51M	$15M	$25M	109%**	2-3

*Reflects years 1-2 of funding with program admin. costs deducted
**Year 2 State Match Requirement (15%) passed onto large LSEs

CERI - Per Project Funding
Round 1 Solicitation

Question 2: For small Load Serving Entities, should the proposed minimums and maximums be:
- Increased?
- Decreased?
- Currently appropriate?

Project Group	Round 1 Available Funding	Proposed Minimum	Proposed Maximum	Match Requirement	Anticipated # of Awards
Group 2: Small LSEs	~$13M	$4M	$9.5 M	33%	1-3

Reflects years 1-2 of funding with program admin. costs deducted

CERI - Resiliency Impact Criteria

Question 3: To determine resiliency impact, our proposed scoring formula includes:

- outage risk,
- high-heat risk,
- and wildfire risk

Do you agree or disagree with this approach?

- Agree?
- Disagree?
- Other?

Projects in Disadvantaged Communities as per CalEnviroscreen will receive additional preference points.

CERI - Technical Assistance Need

Question 4: Will technical assistance be needed in the application phase to ensure equitable participation and project success?
- Yes
- No
- Unsure

Question 4a: If so, what type of assistance?

- *Please type answers into Q&A window or raise your hand.*

CERI – Community Engagement

Question 5: What program criteria should be required to ensure meaningful community engagement?

- *Please type answers into Q&A window or raise your hand.*

General Comments and Questions

- Raise your hand and you will be called on to unmute yourself or type your question in the Question and Answers window.
  - Phone participants: press *9 to "raise your hand" and *6 to mute/unmute.
- Introduce yourself by stating your name and affiliation.
- Keep comments/questions under 2 minutes to allow time for others.
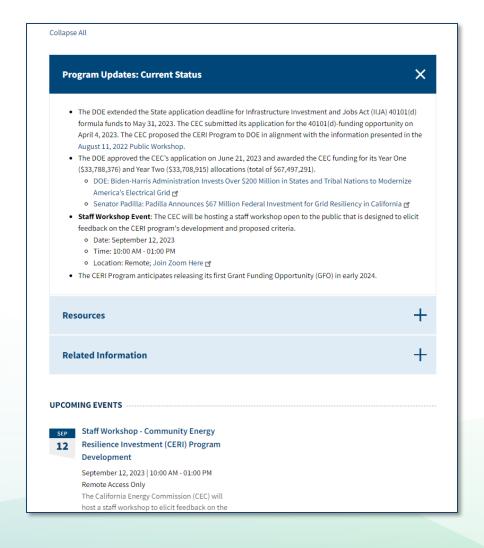
Ways to Engage

CERI - Ways to Engage

✓ **Sign up to receive CERI Program Announcements:**
- https://public.govdelivery.com/accounts/CNRA/signup/31897
- https://www.energy.ca.gov/programs-and-topics/programs/community-energy-resilience-investment-ceri-program

CERI Webpage

- Check out our website to stay up-to-date on program activities and events.
  - Link: https://www.energy.ca.gov/programs-and-topics/programs/community-energy-resilience-investment-ceri-program

Collapse All

Program Updates: Current Status ✕

- The DOE extended the State application deadline for Infrastructure Investment and Jobs Act (IIJA) 40101(d) formula funds to May 31, 2023. The CEC submitted its application for the 40101(d)-funding opportunity on April 4, 2023. The CEC proposed the CERI Program to DOE in alignment with the information presented in the August 11, 2022 Public Workshop.
- The DOE approved the CEC's application on June 21, 2023 and awarded the CEC funding for its Year One ($33,788,376) and Year Two ($33,708,915) allocations (total of $67,497,291).
  - DOE: Biden-Harris Administration Invests Over $200 Million in States and Tribal Nations to Modernize America's Electrical Grid ⤢
  - Senator Padilla: Padilla Announces $67 Million Federal Investment for Grid Resiliency in California ⤢
- **Staff Workshop Event**: The CEC will be hosting a staff workshop open to the public that is designed to elicit feedback on the CERI program's development and proposed criteria.
  - Date: September 12, 2023
  - Time: 10:00 AM - 01:00 PM
  - Location: Remote; Join Zoom Here ⤢
- The CERI Program anticipates releasing its first Grant Funding Opportunity (GFO) in early 2024.

Resources ＋

Related Information ＋

UPCOMING EVENTS

SEP
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Staff Workshop - Community Energy Resilience Investment (CERI) Program Development

September 12, 2023 | 10:00 AM - 01:00 PM
Remote Access Only
The California Energy Commission (CEC) will host a staff workshop to elicit feedback on the

CERI - Ways to Engage

- **Please submit written feedback:**
  - Via e-mail to docket@energy.ca.gov by no later than **5:00 p.m. on September 29, 2023** PDT.
    - 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
    - Include "Community Energy Resilience Investment Program" in subject line.
  - By paper copy to California Energy Commission II Docket Unit, MS-4 II Docket No. 22-ERDD-01 II 715 P Street II Sacramento, California 95814

- **Visit event webpage to view workshop notice, presentation, and recording** (forthcoming):
  - https://www.energy.ca.gov/event/workshop/2023-09/staff-workshop-community-energy-resilience-investment-ceri-program

Thank You

Backup and Reference Slides

Scoring Criteria

Scoring Criteria 1-7	Maximum Points
1. Merit & Need	20
2. Project Management Plan	20
3. Community Benefit	20
4. Resiliency Impact	40
5. Workforce Development Score	20
Total Possible Points for Criteria 1 − 5 (Min. Passing Score is 70% (<u>84 points</u>)	**120**
6. Budget and Cost-Effectiveness	20
7. Project Support Letters	10
Total Possible Points for Criteria 1 - 7 (Min. Passing Score for is 70% (<u>105 points</u>)	**150**

Scoring Criteria (cont.)

- **Preference Points** Applications must meet all minimum passing scores (Scoring Criteria 1-6, 1-7 to be eligible for the additional points.

Scoring Criteria	Maximum Points
8a. Cash Match Funds	5
8b. Exceeding Minimum Cash Match	5
9. Disadvantaged Communities*	10

*For applications proposing projects located in and benefiting disadvantaged communities.

Outage Risk

- EAGLE-I data is collected and managed by Oak Ridge National Lab (ORNL).

- The data set spans November 2014 to the present.

- The data is collected from utilities publicly available outage maps and estimates the number of customers without power by utility in a given county.
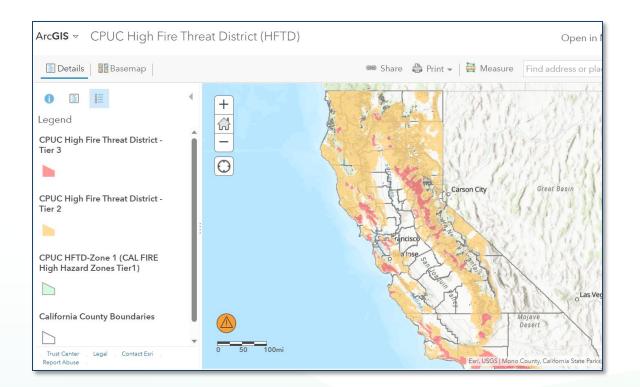
California Heat Assessment Tool

- The California Heat Assessment Tool provides information about extreme heat risks across the state.

- It offers data and tools that help communities, public health officials, and policymakers understand the impacts of extreme heat events and make informed decisions to mitigate the associated risks.

CALIFORNIA

Heat Assessment Tool

California is facing a warmer climate over the next century. More frequent and severe heat events will pose considerable health risks that disproportionately impact frontline populations. This tool allows users to explore and understand how extreme heat will impact specific communities across the state.

Wildfire Risk

- CPUC Fire- threat map: regions at higher risk for ignition and rapid spread of powerline fires due to:
  - strong winds,
  - abundant dry vegetation,
  - and other environmental conditions.

- Environmental conditions associated with the catastrophic powerline fires that burned 334 square miles of Southern California in October 2007.
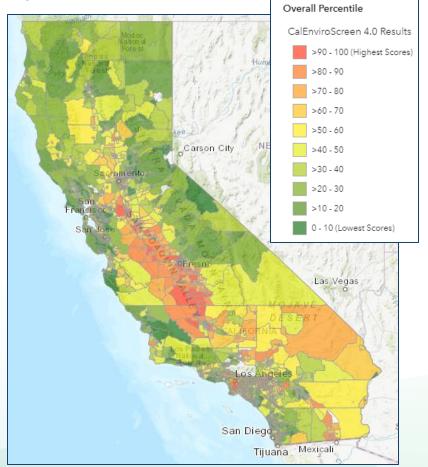
CERI Program Preliminary Criteria

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 50th percentile up to 75th percentile	6
Ranked between 25th percentile up to 50th percentile	3
Ranked below 25th percentile	0

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

Overall Percentile

CalEnviroScreen 4.0 Results

>90 - 100 (Highest Scores)
>80 - 90
>70 - 80
>60 - 70
>50 - 60
>40 - 50
>30 - 40
>20 - 30
>10 - 20
0 - 10 (Lowest Scores)

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

Distributed Electricity Backup Assets (DEBA) Program

- The DEBA program encourages the development of cleaner and more efficient distributed energy resources that will serve as on-call emergency supply or load reduction for the state.

- Eligible projects include:
  - New zero- or low-emission technologies:
  - Fuel cells
  - Energy storage
  - Microgrids, etc.

Courtesy of the Blue Lake Rancheria

- More information can be found at:
  - Distributed Electricity Backup Assets Program | California Energy Commission

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CERI Program Funding

- ~$170 million in federal funding over 5 years.
  - Improve the resiliency of California's grid.
  - The program will prioritize disadvantaged communities and communities with critical energy resilience needs.