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2024 Report of the Disadvantaged Communities Advisory Group

February 17, 2025

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Purpose of the Disadvantaged Communities Advisory Group

Purpose of the Disadvantaged Communities Advisory Group The purpose of the Disadvantaged Communities Advisory Group (DACAG), pursuant to Section 400(g) of the California Public Utilities Code, is to advise the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) regarding the development, implementation, and impacts of proposed programs related to the Clean Energy and Pollution Reduction Act of 2015, also known as Senate Bill (SB) 350, in disadvantaged communities. The DACAG will review and advise the CPUC and CEC on policies and programs designed to benefit disadvantaged communities and effectively reach low-income households, small businesses, and hard-to-reach customers (including rural and tribal communities) within disadvantaged communities. Specifically, the DACAG will provide advice on programs related to renewable energy, energy efficiency, transportation electrification, distributed generation and clean energy research and development programs and determine whether those proposed programs will be effective and useful in disadvantaged communities.

- Disadvantaged Communities Advisory Group Charter

2024 DACAG Members

The DACAG members represent many of the communities that make up California's richly diverse population, including urban and rural, cultural and ethnic, and geographic diversity as well as a diversity of subject matter expertise. The following members served during 2024.

- Fred Beihn
- Abimael Chavez-Hernandez*
- Stephanie Chen
- Senait Forthal*
- Jana Ganion *
- Julia Mary Popolizio Hatton (Vice Chair)
- Sahara D. Huazano*
- Chelsea Kirk*
- Elena Krieger
- Roger Lin *
- Adriano Martinez
- Roman Partida-Lopez (Chair)
- Andres Ramirez
- Sarah Sharpe (Secretary
- Curtis Silvers

*Denotes partial year served, due to term expirations and new appointments.

Background

In early 2018, the CPUC and the CEC jointly approved members of the DACAG that consists of representatives of disadvantaged communities who provide advice about state programs proposed to achieve clean energy and pollution reduction. The creation of the DACAG fulfills a requirement in SB 350, the Clean Energy and Pollution Reduction Act of 2015.

The DACAG's work is guided by its Equity Framework, adopted in 2018 as one of the DACAG's first formal actions. The Equity Framework was updated by the DACAG in 2024 (Appendix A).

The framework defines disadvantaged communities for purposes of the DACAG's scope as including:

- Disadvantaged communities as defined by the CalEnviroScreen,
- Tribal lands,
- \bullet Census tracts with median incomes at or below 80% of area median income or state median income; and
- Households with incomes less than 80% of area median income (AMI)

This definition aligns with the CPUC's Environmental and Social Justice Action Plan, as adopted by the CPUC in 2019, and the CEC's Inclusion Diversity Equity Access (IDEA) Initiative, established by the CEC in 2019.

The framework highlights the following priorities regarding climate and clean energy programs to guide the DACAG's work and focus:

- Health and Safety
- Access and Education
- Financial Benefits
- Economic Development
- Consumer Protection Both the CPUC and CEC designate lead commissioners to be the primary points of contact for the DACAG at the Commissioner level.

During the 2024 period, the CEC's lead commissioners were Patricia Monahan and Noemí Otilia Osuna Gallardo, and the CPUC's lead commissioners were Darcie Houck and Karen Douglas.

2024 Priorities

Every year, the DACAG adopts priority areas that the agencies are working on to help narrow the scope of the group's focus. For 2024, the following were priority areas:

As of December 2024, the following were the priority areas with leads and subject matter experts (SMEs):

- 1. Affordability.
 - SMEs: Stephanie Chen, Chelsea Kirk, Abimael Chavez-Hernandez, Senait Forthal
- 2. Building, Industrial, Gas System Decarbonization, and Clean Renewable Hydrogen. SMEs: Román Partida-López, Elena Krieger, Stephanie Chen, Chelsea Kirk, Sarah Sharpe
- 3. Electric Program Investment Charge Program (EPIC). SMEs: Román Partida-López, Senait Forthal
- 4. Electricity Reliability, Resiliency, and Load Flexibility (Including Distribution and Transmission Grid Planning and Distributed Energy Resources).

 SMEs: Stephanie Chen, Román Partida-López, Elena Krieger, Senait Forthal
- Long-term Planning (SB 100, SB 350, IEPR, Offshore Wind, Lithium Valley Vision, Long-term Natural Gas, Smart Grids and Broadband).
 SMEs: Román Partida-López, Elena Krieger
- 6. Transportation Electrification and Zero Emission Transportation. SMEs: Román Partida-López, Sarah Sharpe, Senait Forthal
- 7. Tribal and Community Engagement and Participation.
 SMEs: Curtis Silvers, Julia Hatton, Fred Beihn, Abimael Chavez-Hernandez
- 8. Workforce Training and Development.
 SMEs: Fred Beihn, Julia Hatton, Curtis Silvers, Abimael Chavez-Hernandez

Below is a summary of how many Subject Matter Expert meetings were held at agency request.

Priority Area	SME Meetings
Affordability.	2
Building, Industrial, Gas System Decarbonization, and Clean Renewable Hydrogen.	8
Electric Program Investment Charge Program (EPIC).	0
Electricity Reliability, Resiliency, and Load Flexibility (Including Distribution and Transmission Grid Planning and Distributed Energy Resources).	1
Long-term Planning (SB 100, SB 350, IEPR, Offshore Wind, Lithium Valley Vision, Long-term Natural Gas, Smart Grids and Broadband).	3
Transportation Electrification and Zero Emission Transportation.	9
Tribal and Community Engagement and Participation.	1

2

(NB: The two affordability and workforce are one meeting alongside two building SME meetings.)

Summaries of DACAG Actions or Recommendations Related to Priority Areas

Support for Petition for Rulemaking to Integrate Non-Energy Benefits and Social Costs into Resource Planning and Investment Decision-Making (Letter submitted March 8, 2024)

The CEC accepted this petition and issued an Order Instituting Informational Proceeding, 24-OIIP-03, to integrate non-energy benefits ("NEBs") and social costs (collectively "Non-Energy Impacts" or "NEIs") into energy planning and investment decisions ("NEI OIIP").

The letter is Appendix C-1

Updated Equity Framework -integration into CPUC/CEC Decision-making

The DACAG provided recommendations and explored options for how the updated Equity Framework could be more integrated into decision-making of both agencies.

The letter is Appendix C-2

Governor Newsom's Executive Order N-5-24:

The DACAG submitted a letter to the CPUC and CEC leadership, Governor Newsom and California Legislature on December 9, 2024 expressing our concerns about the potential impacts of the response to this EO. The DACAG members share the Governor's concerns regarding electric rate affordability and responsible stewardship of ratepayer dollars. However, we're concerned about the possible unintended impacts of this EO on the individuals and communities the DACAG is bound by Charter to prioritize. The EO has the potential to impact programs specifically targeted towards and benefiting disadvantaged and hard-to-reach communities, CPUC environmental and social justice communities, and CEC

Justice, Access, Equity, Diversity, & Inclusion (JAEDI) communities, working against both the State's equity and climate goals.

The DACAG requested:

- that a process for public feedback and engagement be incorporated into the program analyses conducted pursuant to Governor Newsom's Executive Order N-5-24.
- that CPUC and CEC ratepayer programs designed for, targeting, and benefiting disadvantaged communities be prioritized for preservation in recognition of the broad range of both energy and societal benefits they provide, and
- that the DACAG Framework be utilized to inform decision-making regarding program efficacy and benefits.

The letter is Appendix C-3

Appendices

Appendix A - DACAG EQUITY FRAMEWORK

Appendix B – Summary of DACAG Meeting Minutes

Appendix C- Letters