

DOCKETED

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Pacific Gas and Electric_CPUC CEC Joint DACAG Proposal

Additional submitted attachment is included below.

August 15, 2017

VIA ELECTRONIC FILING

California Energy Commission
Dockets Office MS-4
Re: Docket No. 16-OIR-06
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Pacific Gas and Electric Company Comments on California Public Utilities Commission/California Energy Commission Joint Staff Draft Proposal: Senate Bill 350 Disadvantaged Communities Advisory Group Structure and Framework

I. INTRODUCTION

In accordance with the instructions provided in the August 1, 2017 *California Energy Commission (CEC) Notice of Availability and Request for Comments on California Public Utilities Commission/California Energy Commission Joint Staff Draft Proposal: Senate Bill 350 Disadvantaged Communities Advisory Group Structure and Framework*, Pacific Gas and Electric Company (PG&E) hereby provides its responses to the questions listed in the Joint Staff Draft Proposal.

As noted in the Joint Staff Draft Proposal, SB 350, the Clean Energy and Pollution Reduction Act of 2015, requires that the CPUC and the Energy Commission create a Disadvantaged Communities Advisory Group (DACAG) to provide advice on programs proposed to achieve clean energy and pollution reduction. PG&E has long been a supporter of programs that achieve clean energy and pollution reduction for all of its customers. In 2016, PG&E delivered some of the nation's cleanest energy, with nearly 70 percent of its energy deliveries coming from greenhouse-gas free resources. Additionally, through innovative energy efficiency programs, PG&E helped customers save \$258 million on their energy bills in 2016 alone. PG&E provides monthly bill discounts to 1.4 million income qualified customers through its CARE program – equal to 89% of the eligible population. PG&E also achieved industry-leading supplier diversity results, directing \$2.85 billion or 44.4 percent of our total procurement toward diverse certified firms. PG&E is also using innovative technology, like the state-of-the-art Picarro mobile gas leak detection technology, to detect methane leaks on its natural gas system and then repair those leaks faster than ever, further reducing methane emissions. PG&E's community engagement is also visible through its calendar year 2016 contributions of \$28 million to charitable organizations through its Better Together Giving Program and nearly

97,000 employee volunteer hours. PG&E has also launched the Better Together Resilient Communities grant program, a shareholder-funded initiative that will invest \$1 million over five years to support local climate resilience planning efforts. PG&E's Local Government and Community Partnerships team is also expected to deliver nearly \$1.5 million in support to local governments' climate action planning and greenhouse gas inventory activities. These initiatives, and many others, help PG&E deliver clean, reliable, and affordable energy to its customers across California and are helping the state achieve its climate goals.

It is important to note that since the DACAG is to advise on clean energy as well as pollution reduction, other industries and government entities (e.g., the California Department of Public Health) may need to be included in the discussion. For example, the transportation sector is the largest greenhouse gas emitting sector in the state; discussions that do not include the transportation sector may not yield the greatest pollution reduction activities for these communities. Accordingly, as noted in PG&E's responses below, the DACAG should serve as the "umbrella" organization to review and advise on disadvantaged community issues, and its representatives should include a representative from each of other boards or committees considering disadvantaged community issues.

PG&E first provides the question as shown in the Joint Staff Draft Proposal, and then provides its response.

II. RESPONSES TO QUESTIONS FROM JOINT STAFF DRAFT PROPOSAL

1. In what ways should the Straw Proposal be modified to better align with the mandates of SB 350, including PU Code 400, PU Code 454.52(a)(1), PU Code 740.8, and PU Code 740.12(a)(1) and other mandates related to disadvantaged communities?

PG&E has no recommendations at this time on ways to better align the Joint Staff Draft Proposal with the various mandates listed.

2. Are there other ways in which the Disadvantaged Communities Advisory Group can provide advice to CPUC and CEC (e.g., informal written comments to the CPUC and CEC, providing reports to the CPUC and CEC, etc.)?

PG&E supports the Joint Staff Draft Proposal's that the DACAG summarize its review and advice in written reports. The DACAG may wish to issue such reports after each meeting, rather than providing only one annual report. Each individual report, prepared closer in time to an individual meeting, could then be gathered and submitted annually with just a cover letter to each Commission. Preparing reports closer in time to an individual meeting, rather than one annual report, could reduce any later uncertainty or unclear recollections about individual meeting results. Other means of providing advice to the CPUC and CEC should be considered by the DACAG once it is formed.

3. Are there specific programs and policy areas related to SB 350 which the Disadvantaged Communities Advisory Group should focus on? If so, please name.

Unless precluded by law or regulation, the DACAG should be able to focus on any programs or policy areas related to SB 350.

4. In light of Disadvantaged Communities Advisory Group's responsibility to review SB 350 programs, are there additional areas of knowledge or expertise that should be sought in candidates beyond those described on page three?

While the selection of candidates may be based on the criteria found on page 3 of the Joint Staff Draft Proposal, once appointed to the DACAG, all DACAG members should be required to take training on utility program orientation (i.e., "Utility 101") so that they understand utility regulatory compliance obligations in SB 350 programs, as well as utility funding capacity, operational constraints, and cost-effectiveness criteria, among other policies that govern utility programs. An overview on the roles and responsibilities of the regulatory agencies should also be provided. This training should be provided prior to the first DACAG meeting and any new members appointed over the life of the DACAG should receive the orientation prior to participating in their first meeting. The orientation should be provided by the CPUC's Energy Division.

5. The Advisory Group may review technical information regarding proceedings and programs related to integrated resource planning, transportation electrification, and other clean energy technologies. Should prospective members be recruited who have an interest or background/experience in one or more of the following subject areas? Explain your response. a. Clean energy technologies, such as distributed generation, energy efficiency, renewables, etc. b. Transportation electrification; c. Electric or Natural Gas resource planning; d. Local economics (including job and training potential) with respect to clean energy development; e. Air quality and related health impacts; or f. Greenhouse gas and/or air pollutant controls from a technical or policy perspective.

DACAG members should have an interest in the subject areas (i.e., clean energy technologies, transportation electrification, resource planning, local economics, and air quality and related health impacts). PG&E makes this recommendation because each of the listed subject areas (with the exception of "f") are either core energy concerns or environmental concerns related to energy generation and delivery. Because concerns regarding greenhouse gas (GHG) reductions and air pollution control extend beyond issues relating to energy generation and delivery, this area should not be a primary area of focus.

Members should also have some degree of knowledge of the issue areas from a policy perspective to provide useful and timely advice to the CPUC and the CEC. Members who require extensive issue education may be unable to participate at the level required to provide

meaningful advice to the CPUC and the CEC, need more time to learn, deliberate, and advise, or have greater difficulty reaching consensus on issues.

6. Are there any other subject area backgrounds that the Commissions should seek out in prospective applicants?

No. There may not be equal interest among qualified members in all the issue areas and qualified members may not be equally distributed throughout the state. While geographic and issue diversity is desirable, selection needs to allow that members may be more interested in one or two issues.

7. Should the Advisory Group charter assign specific roles to the eleven 4 member positions based on policy, issue or geographic areas, such as “air quality/health impacts designee” or “transportation electrification designee”?

No. As PG&E noted in its response to Question 6, selection needs to allow that members may be more interested in one or two issues, given qualified members in all the issue areas may not be equally distributed throughout the state.

8. Should any leadership positions be designated in the Group’s charter, other than Chair, and Secretary? Should the officers’ roles be assigned to particular specialties or represented particular communities, rather than be open to any interested members? Are there additional responsibilities desired for each position?

Yes, PG&E would recommend that one additional leadership position should be designated in the Group’s charter – that of Vice Chair. This person will take the role of Acting Chair in the Chair’s absence and until the Chair returns.

The CPUC and CEC may also wish to appoint a professional facilitator or designate a facilitator from one of their staffs. This person would be responsible for facilitation of meetings and ensuring advisory board members understand their meeting objectives, plan for meetings, and adhere to the processes and plans laid out to reach consensus and advise when appropriate. While it would be helpful for the facilitator to be knowledgeable about the subject matter(s), it may be more important for the facilitator to advance consensus building and work in consultation with the Chair to create and follow outcomes-based agendas for each meeting.

PG&E does not have a position on officers’ roles being assigned to particular specialties or representatives of particular communities. There are no additional responsibilities desired for each position beyond those articulated above.

9. If the CPUC and CEC cannot find willing candidates with the desired qualifications, how should they proceed to establish the Advisory Group?

Should the CPUC and CEC encounter such a situation, it could be the result of organization capacity or specific issue indifference. The CPUC and CEC may need to invest in community organization capacity to encourage applications from qualified candidates (e.g., provide staff grants). The agencies could also devote staff resources to the issue areas and require staff to meet with community groups/leaders in key communities of concern. Finally, the agencies may need to offer compensation in addition to that for travel expenses for participation, given work on the DACAG may require time away from their usual employment and require the DACAG member to incur other costs. This could include a “per diem” payment for attending a DACAG meeting along with travel reimbursement or some other form of compensation as determined by the CPUC and CEC.

Finally, as set forth in PG&E’s responses to Questions 10 and 11, while the DACAG composition should include one member from the LIOB and the EJAC, the DACAG should have its own distinct members and voice. Allowing multiple representatives from the LIOB and EJAC to serve on the DACAG may diminish the DACAG’s relevance as a voice for disadvantaged communities.

10. How can the work of the Disadvantaged Communities Advisory Group and the Low Income Oversight Board (LIOB) be best coordinated?

As outlined in PG&E’s Introduction, the DACAG should serve as an ‘umbrella’ organization to review and advise on disadvantaged community issues and be the single, overarching body to connect other advisory boards like the LIOB. PG&E suggests a member (possibly Chair) of the LIOB hold a seat on the DACAG and be the main conduit for the flow of information between the boards. The LIOB should include a standing agenda item for updates from the Chair regarding DACAG business. In turn, DACAG meetings should include a standing agenda item for updates from the LIOB at its meetings. This reciprocal flow of information will help keep participants informed of business happening at each board. This process should be duplicated for any other existing, critical advisory boards such as Air Resources Board’s Environmental Justice Advisory Committee.

11. How can the work of the Disadvantaged Communities Advisory Group and the Air Resources Board’s Environmental Justice Advisory Committee (EJAC) be best coordinated?

As outlined in PG&E’s Introduction, the DACAG should serve as an ‘umbrella’ organization to review and advise on disadvantaged community issues and be the single, overarching body to connect other advisory boards like ARB’s EJAC. PG&E suggests a member (possibly Chair) of the EJAC hold a seat on the DCAG and be the main conduit for the flow of information between the boards. The EJAC should include a standing agenda item for updates from the Chair regarding DACAG business. In turn, DACAG meetings should include a standing agenda item for updates from the EJAC at its meetings. This reciprocal flow of information will help keep

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participants informed of business happening at each board. This process should be duplicated for any other existing, critical advisory boards such as the Low Income Oversight Board.

III. CONCLUSION

PG&E appreciates the opportunity to provide this information to the CEC. Please contact me if you have any questions or wish to discuss matters further.

Sincerely,

/s/

Valerie J. Winn