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September 16, 2022

California Public Utilities Commission
Energy Division
505 Van Ness Avenue
San Francisco CA 94102

Re: Comment on Electric Program Investment Charge 4 (EPIC-4) Applications

To the CPUC Energy Division,

The SB 350 Disadvantaged Communities (DAC) Advisory Group (DACAG) provides the following comment on the “Joint IOU EPIC 4 Presentation to the DAC Advisory Group by PG&E, SCE and SDGE” on August 19, 2022. We thank the IOUs for their time and presentation and request that the Assigned Commissioner and Administrative Law Judge in [proceeding(s)] consider the following recommendations in review of the EPIC-4 Applications.

I. EPIC 4 Projects Should Prioritize DAC and ESJ communities.

AB 523 requires the CEC to allocate at least 25% of the EPIC fund for technology demonstration and deployment at sites located in, or and benefiting, disadvantaged communities, and at least an additional 10% for technology demonstration and deployment at sites located in and benefiting low-income communities. The IOUs should follow suit, and at least meet these same targets. This recommendation is consistent with Goal 2 of the CPUC’s Environmental and Social Justice (ESJ) Action Plan (“increase investment in clean energy resources to benefit ESJ communities.”)

The ESJ Action Plan also recommends coordinating programs in order to achieve Goal 2.¹ Specifically, the IOU’s EPIC 4 projects should coordinate with CPUC and CEC distributed energy resources (DER)-related efforts.² For instance, PG&E’s Interconnection Enablement objective (solutions to avoid costly upgrades & streamline connection of renewables) can be met by targeting investment to DAC’s and ESJ communities that face “Inequitable Access to the Grid.”³ Similarly, the CPUC’s “High DER” proceeding is currently seeking to determine how to maximize the value of DERs, in line with PG&E’s EPIC-4 objective, “Advanced Distribution Powerflow Management Use,” to maximize value of customer DERs, and compensate them for their energy export. The CEC is also determining how to maximize the benefits, including non-energy benefits, of DERs in both a specific proceeding and the 2022 Integrated Energy Policy Report Update. The CEC, CPUC and the IOUs should coordinate DER deployment efforts,

¹ See e.g. ESJ Action Plan, Action Item 2.1.1 (“Leverage ongoing work across a multitude of investor-owned utilities (IOU) initiatives and programs to create synergy and deepen impact in ESJ communities.”)

² Including, but not limited to CPUC R.21-06-017 (“High DER proceeding”); CEC, In the Matter of Distributed Energy Resources in California’s Energy Future, Docket No. 22-OII-01, Order Instituting Informational Proceeding; and the CEC 2022 Integrated Energy Policy Report Update.

³ Brockway, A.M., Conde, J. & Callaway, D. Inequitable Access to Distributed Energy Resources Due to Grid Infrastructure Limits in California. *Nat Energy* 6, 892–903 (2021) *available at* <https://doi.org/10.1038/s41560-021-00887-6>

particularly prioritizing DAC and other ESJ communities to build a high DER future “from the ground up.” In this regard, to the extent that EPIC-4 projects consider clean energy pilots in DACs or other ESJ communities, the CPUC should require replicating those pilots in the same and other DAC and ESJ communities.

II. EPIC Projects Must Exclude Carbon Capture, Utilization and Sequestration (CCUS) Projects

Also in line with Goal 2 and other recommendations included in the ESJ Action Plan, the IOU’s EPIC-4 projects must not increase local impacts (such as local air or water pollution) in DACs or ESJ communities. The CPUC should reject PG&E’s “Carbon Capture and Re-Use” proposal. Overall, CCUS projects harm DAC and environmental and social justice (ESJ) communities.⁴ Biomass energy projects similarly emit significant greenhouse gases, worsening the climate crisis, harm vulnerable communities, are ineffective for protecting communities during wildfires, and are expensive and dependent on subsidies that take resources away from truly clean energy alternatives.⁵

III. EPIC Projects Should Prioritize No Combustion Resources

Each of the IOUs’ applications detail a strategic objective to “inform California’s transition to an equitable zero carbon energy system.” In order to meet the state’s climate and equity goals, the CPUC should prioritize no combustion resources over zero carbon resources in selection of EPIC-4 projects. Quite simply, the state should seek to replicate clean energy solutions and not bridge fuels. This is especially the case given the disproportionate funding and subsidies available to clean energy solutions in ESJ communities, compared to that available for dirty energy resources that require combustion and produce significant local impacts.⁶

IV. Conclusion

The DACAG again thanks the IOUs for their presentation and respectfully requests that the CPUC include the above recommendations in its review of the EPIC-4 applications.

Sincerely,

The Disadvantaged Communities Advisory Group

⁴ See generally, 128 California Academics Respond to California Air Resources Board 2022 Scoping Plan (June 14, 2022) available at <https://caleja.org/wp-content/uploads/2022/06/Academics-Scoping-Plan-Letter-6.14.22-.pdf> (“CCUS, promoted by the oil and gas industry, has been disproven over decades of use, with recent studies showing that 80% have ended in failure and most of the carbon that was captured was used to produce more climate-polluting fossil fuels.”)

⁵ See e.g. Center for Biological Diversity, Forest Biomass Energy is a False Solution (March 2021) available at https://www.biologicaldiversity.org/campaigns/debunking_the_biomass_myth/pdfs/Forest-Bioenergy-Briefing-Book-March-2021.pdf

⁶ See e.g. CEC Hydrogen Blending and Lower Oxides of Nitrogen Emissions in Gas-Fired Generation Grant Funding Opportunity (October 2022-January 2023), Funding Amount: \$8,500,000.