

DOCKETED

Docket Number:	16-OIR-06
Project Title:	Senate Bill 350 Disadvantaged Community Advisory Group
TN #:	247890
Document Title:	FINAL DACAG Meeting Minutes 11-18-22
Description:	N/A
Filer:	Chester Hong
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	12/2/2022 12:35:03 PM
Docketed Date:	12/2/2022

NOVEMBER 18, 2022 - DACAG Meeting Minutes

ITEM 1: WELCOME

Member Attendance		
<i>* Write arrival time next to member name if member is late.</i>		
Member	Present	Absent
Adrian	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Andres	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fred	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jana	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roger (1:15pm)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stephanie	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Curtis	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Elena	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Julia	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Group can move forward with voting items. [Quorum of members is needed to move forward. 6 members.]

ITEM 2: GENERAL PUBLIC COMMENT

- None

ITEM 3: OPENING COMMENTS BY THE CEC AND CPUC COMMISSIONERS OR THEIR ADVISORS

Commissioners in Attendance:

**Write any opening remarks below or next to their names*

- CEC Commissioners
 - Chair Hochschild
 - Vice Chair Gunda
 - Commissioner Vaccaro
 - In the role since March 2022
 - Has been following DACAG since its creation; legal counsel at the Commission, Advisor to Commissioner Douglas.
 - Expressed gratitude for DACAG service to the CEC, PUC, and all of California.
 - Offshore Wind Energy is one of her lead areas; it can help the state advance its climate and clean energy goals. How do we do it scale but ensure that it's multidimensionally beneficial and aligned with California values and priorities. Currently at a pivotal moment for coastal wind; first-ever lease sale for the federal waters in the Pacific off the coast of California. Five different lease areas will be auctioned off – Humboldt Bay and Morro Bay.

- Commissioner Monahan
- Commissioner McAllister
- Other:

- CPUC

- President Reynolds
- Commissioner Houck
- Commissioner Rechtshaffen
 - Looking forward to the discussion today. This or December may be his last DACAG meeting; his term expires at the end of next month. Deeply appreciates the work of the DACAG, one of the hardest-working, most ambitious advisory group in state government.
 - Adopted a transportation electrification investment plan of \$1 billion in rebates for 2025-29, 65% of which will go to underserved communities, and with higher rebates available for low-income consumers, and a set-aside for tribes. 70% of the funds will go to medium and heavy-duty vehicles, and 30% in residential – specifically multifamily units. Rebates will be customer-owned, not owned by the utilities, to save ratepayers money. Strong workforce development requirements, including prevailing wage, workforce training standards for contractors, no health and safety violations.
 - DACAG members expressed their gratitude to Commissioner Rechtshaffen for his leadership, commitment, and hard work at the PUC, and for his dedication to equity and the DACAG, which has translated into real investment into communities that need it most, including for tribal nations. Rare to be able to look at a period of time and being able to say that we moved the needle, and he has been a major part of that. Several members mentioned the Environmental Justice Action Plan and his key role in creating that and giving it teeth.
- Commissioner Shiroma
- Commissioner Reynolds
- Other:

New staff announcements: N/A

ITEM 4: PREVIOUS MONTH'S MEETING MINUTES FOR OCTOBER 21, 2022.

- Public Comment
 - Helen Marie Gordon, Vallejo, CA
 - I would like to know more information about how this information can be put into the public sector. The topic itself is powerful and we want the community to know more about ensuring everyone gets equal services and everyone is connected to this information. As residents, we get a bill, it's always high, and people are struggling to pay. How can we get this information out to the public.
- Motion to approve Item 4, the Previous Month's [Meeting Minutes October 21, 2022](#).

Member who makes motion	Adrian
--------------------------------	--------

- Member to seconds motion to approve.

Member who Seconds	Elena
---------------------------	-------

Member Votes				
Member	Aye	Nay	Abstain	Not Present During Vote
Adrian	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Andres	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fred	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jana	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roger	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephanie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Curtis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Elena	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Julia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion	Passes	Doesn't Pass	If not unanimous, include vote count
ITEM 4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6 aye, 1 abstention, 3 absent

ITEM 5: CPUC STAFF TO PRESENT UPDATE ABOUT SELF-GENERATION INCENTIVE PROGRAM (SGIP) [R.12-11-005]

Presentation Title: Assigned Commissioner’s Ruling Seeking Comments on Improving Self-Generation Incentive Program Equity Outcomes and Assembly Bill 209 Implementation, Gabe Petlin, CPUC

Notes:

- Full presentation linked [here](#).
- Seeking comments on improving Self-Generation Incentive Program (SGIP) equity outcomes and implementing AB 209
- SGIP Equity Outcomes are underperforming – how can SGIP do better?
 - Of 56,000 residential projects, only about 1,000 low-income projects across all budget categories and all application stages
 - Equity Resiliency Budget has seen over 6,100 projects completed and funds are exhausted. Low-income households are about 1% of all paid residential Equity Resiliency projects; Medical Baseline accounts for 66% of projects
 - The separate SGIP budget category, the Equity Budget, is not fully subscribed
- Opportunity: AB 209 adds \$900 million to SGIP, with 70% to low-income customers for new, behind-the-meter solar-plus-storage or new standalone energy storage systems.

- Large-scale storage, small residential storage, residential storage equity, equity resiliency are four budget categories impacted by AB 209. (see website for most current updates on funding availability)
- SGIP Assigned Commissioner’s Ruling (ACR): 8 issue areas, 38 questions
- Known barriers:
 - Requirement that participants reside in a resale restricted house and the associated documentation is onerous
 - Paying for upfront system costs
- Opening comments due 12/2; reply comments due 12/16
- Hope for seamless integration of AB 209 funding into existing SGIP program

Public Comment

- Adria Tinnin, The Utility Reform Network (TURN)
 - A few of the barriers to raise up:
 - For single-family homes; low-income folks live in older buildings that may not be as well kept. May have an additional barrier of having to replace your roof before you even get to
 - Multi-family housing: concerns re: gentrification. Threshold was neighborhoods w/80% of households falling below median income. May have full buildings, households, with very low-income residents (perhaps in housing with rent control) living in a gentrified neighborhood.
- Helen Gorden, Vallejo, CA
 - Received a letter stating that though her household is on medical rates, she’ll need to pay higher rates sometime in 2023.

Q&A

- What do outreach and education efforts currently look like to increase participation?
- How might a case management approach be taken to guide customers through the process and avoid cancellations?
 - May be that customers can’t provide sufficient verification – such as for income, deed verification, etc. Expecting a program administrator review report that may provide additional detail on the administration side.
- Who are the developers and are they doing outreach/customer acquisition?
 - Over 600 developers participating. Must meet certain criteria to be eligible. Requires use of a certified contractor and a developer who can understand and navigate the program standards; highly technical. Some developers may be doing outreach and customer acquisition. Have heard that some developers won’t go to hard-to-reach customers because they’re harder to serve.
- Recommendation to refer back to the recommendations in the SB 350 Barriers report.
- Important to work with developers who are trusted by the communities we’re targeting, including developers in/from those communities. Explore opportunities to provide technical assistance to small contractors so that they can access and participate in this program and serve communities.

- Concerns about the higher burden of proof put on low-income customers in equity programs like this. Can signal a lack of trust of these residents and seems disproportionate, while also preventing people want to participate from participating.
- Simplify as much as possible; reduce requirements to only those that are strictly necessary.
- Is financing currently available?
 - The program pays the incentive once the program is completed. You do apply and reserve your funding, but you don't get payment until the project is completed. Some pilots are out there where a 3rd party can provide bridge funding, which have been successful.
 - Consider
- Agree with burden of proof – reducing that seems important; self-attestation has been shown to work and you can do random audits.
- Survey Disadvantaged Communities Single-family Solar Homes (DAC-SASH) customers and ask what it would take for them to take the extra step and go for the SGIP budget and why they didn't?
- [GRID Marketing, Outreach, & Education for DAC-SASH report](#) – has some good examples and lessons learned for successfully reaching priority customers, including not relying on developers for outreach and partnering more with local customers.
- Can community-based organizations (CBOs) help with income verification to address trust barriers (if we need to verify income, which maybe we don't)
- Can we go back to the Equity and Social Justice (ESJ) Plan for the low-income definition; could reduce need for some of the verification.
- Bassett/Avocado Heights example discussed
- Dramatic difference between medical baseline uptake vs. low-income uptake – were there any different supports provided for medical baseline customers?
 - Not that we're aware of, though the application pathway is easier for medical baseline than for low-income, which should be explored. We also don't know if developers are steering customers to the easiest pathway and we don't know about the overlap between medical baseline and low-income customer. The two "buckets" of funding aren't currently separated – one single pot of funding.
- Strict guidelines to ensure non-exploitative terms for any third-party involvement is incredibly important, especially on financing.
- Small contractors, especially in rural areas, have trouble qualifying to participate. Regional technical assistance support to help small contractors qualify, participate, and access these incredible resources is incredibly important.
- Sizing of the systems and what the project includes should also be looked at – having a mechanism to look at future growth of electrical service for a residence is important so it can take on additional electrical load (for electric vehicle (EV) charging, electrification, etc.), as is attention to service panel upgrades.
- Look at medical baseline adoption data and compare to the total distribution for a full, more complete picture.
- Focus in on ESJ Communities as a priority. How do we better prioritize these communities and focus on a need-based approach – areas where there's been limited adoption – vs. first-come, first-served. Get super-targeted in our outreach, especially through trusted sources, and we should see an increase in participation. Think about who's providing the service for the

household, too. Exhaust all funds in our priority areas before we start going to the broader. Income verification – remove those extra hurdles and the disproportionate burden through a neighborhood-based approach and other mechanisms.

- Group should consider written comments. Jana and Elena volunteer to draft a letter for review at the 12/2 meeting for submission that day.
- Commissioner Rechtshaffen: We've learned over the course of this program that traditional approaches don't work. Providing upfront payment or avoiding customers needing to pay upfront is a really important thing to do. In a competition between low-income customers and market-rate customers, low-income customers will lose out in a first-come, first-served approach.

Public Comment

- Why not put the information about how to save money on your bill on the monthly billing envelopes?

ITEM 6: CEC DISCUSSION OF ASSEMBLY BILL (AB) 525 (CHIU, CHAPTER 231, STATUTES OF 2021) AND DECEMBER 6, 2022 BUREAU OF OCEAN ENERGY MANAGEMENT (BOEM) LEASE SALE.

Presentation Title: CEC Presentation on Assembly Bill 525 and 2022 Bureau of Ocean Energy Management Lease Sale, Rhetta deMesa

Notes

- Full presentation is available [here](#).
- Commissioner Vaccaro:
 - Prior to issuing the final sale notice, BOEM had issued a proposed sale notice, which was publicly available. The CEC, along with other State agencies, came together to inform BOEM's process, stressing the importance of BOEM increasing the bid credit amount to include a bid credit for onshore impacts and to increase the total bid credit to 30%, the highest BOEM has ever gone. The Community Benefits Agreement is a result of this as well and an essential element for California.

Q&A

- N/A

Public Comment

- N/A

DACAG Member Discussion:

- Appreciation for Commissioner Vaccaro's leadership. This is an extraordinary set of circumstances and we've already made progress by partnering across State agencies, with tribal nations, with regional considerations, to avoid some of the mistakes in the past that have been made around energy resources.
 - California State Agency comment letter available here: <https://www.regulations.gov/comment/BOEM-2022-0017-0043>

- Regional Humboldt Wind Area network comment letter available here (additional strong comment letters in this docket): <https://www.regulations.gov/comment/BOEM-2022-0017-0068>
- The regions that will be impacted are in parts of California that are largely rural and tribal, which lack the capacity to engage as fully as needed with a new set of international developers coming in to develop transmission lines, ports, infrastructure upgrades. There are opportunities to invest a portion of the federal tax revenues into the communities most impacted. More work remains to be done.
- There's work being led by PUC, CEC, and others on how to upgrade the electrical grid to bring this new wind power onshore, which opens up opportunities and impacts for communities and DACs across the State.
- In parallel to the State planning taking place near-term, how is the State thinking about tag-teaming with regional efforts and regional strategic planning around offshore wind and are there ways we might think about how the DACAG can socialize some of that work to realize the full benefits stack that's equitable and fully reviewed. Readiness is a critical component, and experienced regions sharing lessons learned with new regions as this expands over time.
 - Commissioner Vaccaro: We see regional engagement as critical. There's been outreach and engagement with a variety of agencies – tribal engagement, fishing; more to do, especially as we get closer to the permitting. Ports and port retrofits and possible new waterfront facilities become increasingly important too, beyond the wind energy areas, and this is key in environmental justice – want to find ways to make this positive and beneficial rather than the historical impact ports have had on frontline communities.
- Have you already begun tribal outreach and tribal consultation?
 - Yes, have started; letter went in May to all the tribes across the State, not just those in the coastal region, to see who was interested in consultation. Have had meetings and started that process and there's still the opportunity to engage. Aware that a single letter isn't always sufficient; Commissioner Vaccaro will speak with the CEC tribal liaison and do a second round of outreach.
- If tribes aren't already aware of who you are (CEC, PUC), they may discard a letter or other communication. Front-end work needs to be done to build familiarity so that they'll respond to a letter.
- Track back to where transmission, distribution upgrades go – think beyond the coastal groups and encourage outreach along those planned lines.
- A transmission workshop was just held with informative presentations around some of the transmission line thinking: <https://www.energy.ca.gov/event/workshop/2022-11/workshop-assembly-bill-525-assessing-transmission-upgrades-and-investments>
- Think of offshore wind as a whole industry cluster, not just the turbines. Electrical transmission, the port system, workforce development, all of the components.
- How do we get ahead of the potential impact of things like ports and transmission lines, and how can we reach out to these communities now. SB 617 Advisory Committee for the San Diego Port is an example, or reaching out to Community Emission Reduction communities now and getting their guidance.
 - Commissioner Vaccaro: Still in a stage where we're doing assessment – what might a multi-port strategy look like, what are the ports that could benefit from a retrofit, where might new ones be developed. Just had a workshop on that, but agree that it's the right

time, even if there isn't anything definitive, to start outreach for the communities around the potential areas. Will bring that back to the CEC team and other collaborating agencies. My office and our staff are accessible for anyone seeking offline conversation and additional engagement around this area and would welcome those conversations.

ITEM 7: CPUC STAFF TO PRESENT UPDATE ABOUT 2020 ANNUAL AFFORDABILITY REPORT [R.18-07-006]

Presentation Title: CPUC Annual Affordability Report, DACAG Briefing, Ankit Jain

Notes:

- Full presentation available [here](#).
- Metrics
 - AR = Affordability Ratio (high AR = less affordable, low AR = more affordable)
 - Essential services bill divided by household income minus non-discretionary expenses (slightly different than energy burden); focus on households at the lowest 20th percentile of income.
 - Look at electricity, natural gas, water, and telecommunications
 - Hours worked at minimum wage (required to afford essential services)
 - CalEnviroScreen
- Predict electricity service to become less affordable across the three large electric investor-owned utilities (IOUs) over the next few years, especially in the hotter climate zones, which also tend to have lower incomes and greater energy needs
- California Alternate Rates for Energy Program (CARE) and Family Electric Rate Assistance Program (FERA) do provide significant relief where affordability concerns are most severe; CARE participation rates are high (near 100%); FERA enrollment (14-33%) can improve based on eligibility estimates
- Areas of Affordability Concern (AAC) – new designation
- Affordability issues greater with electricity vs. natural gas because rates are higher

We know this is going to happen – what are our levers for preventing or mitigating? Especially as we electrify our grid.

Q&A

- N/A

Public Comment

- N/A

DACAG Member Discussion:

- What's being done to reach additional FERA participants, knowing the impact it can have on affordability?
 - Have requested CARE/FERA participation broken down by geography to get a more granular perspective and identify discrepancies.

- May also want to look more closely at utility models that predict eligibility, to ensure those are working accurately.
- On the AR analysis for CARE and FERA, did you also look at impact for (Percentage of Income Payment) PIP? Would love to see the impact of PIP program on AR.
 - Started after 2020, and this analysis was mostly focused on 2020. Now starting 2021 and we could try to take a harder look at the impact of PIP on affordability.
 - Could we design PIP with AR values in mind? Trying to capture affordability for a representative household, whereas PIP is more focused on specific households. May be able to think about it to geographically target.
 - Thought housing costs would be a significant factor, but the results show that the highest AR are mostly driven by low income values.
- When you look at CARE, are those customers who are currently on CARE or who were on CARE at one point?
 - It looks at customers currently on CARE.
- Use these metrics to challenge the Commission to push for just and reasonable rates – for customers. Even justifying lowering the return on equity so we can reach our climate goals.
- What are the levers to improve affordability?
 - A goal was to make these metrics affordable so that parties can objectively point to increases in AR values and have the actual data – by how much they’re becoming unaffordable. Lend objectivity to the claim that rates are becoming less affordable and make it more possible to push back against rate increases.
 - Looking at a recent proposal to look at income-qualified fixed charges. AB 205 adopted this and are actively pursuing through the demand flexibility proceeding.

ITEM 8: CEC STAFF PRESENT THE 2022 INTEGRATED ENERGY POLICY REPORT (IEPR) UPDATE, FOCUSING ON THE ENERGY EQUITY INDICATORS TOOL AND THE DRAFT EQUITY AND ENVIRONMENTAL JUSTICE FRAMEWORK

CEC staff requests to reschedule Item 8 IEPR Update presentation from today to January DACAG meeting. Staff will seek meeting with IEPR subject matter experts (SMEs) to consider preparing written comment for DACAG approval. There’s still time to submit individual comments on the IEPR report by 11/30. Comments on the Equity and Environmental Justice (EJ) Framework, though, particularly from the DACAG, aren’t due until end of January. No vote required to move items to a different meeting.

Acknowledged Noemi’s transition from serving as the Public Advisor to now serving as Chief of Staff for Chair Hochschild, and members gratitude for all of her work putting this group together, and for her impactful leadership and support. The DACAG also welcomed Mona Badie as the new Public Advisor. Dorothy Murimi will continue to support the DACAG.

ITEM 9: DACAG MEMBERS PROVIDE UPDATES AND ANNOUNCEMENTS, AND MAY REPORT ON AND DISCUSS 2022 PRIORITY AREAS:

- **TRANSPORTATION ELECTRIFICATION**
- **BUILDING DECARBONIZATION & ELECTRIFICATION**
- **WORKFORCE TRAINING & DEVELOPMENT**

- **RELIABILITY**
- **GAS TRANSITION**
- **DISTRIBUTED ENERGY RESOURCES**
- **ELECTRIC PROGRAM INVESTMENT CHARGE (EPIC) PROGRAM**
- **INTEGRATED ENERGY POLICY REPORT (IEPR)**
- **AFFORDABILITY**
- **COMMUNITY ENGAGEMENT**

Q&A:

- N/A

Public Comment:

- N/A

Priority Area Developments:

- Community Engagement
 - Chris Moore (CPUC) shared information on the CBO compensation/engagement pilot. [Slides are here.](#)
 - Explored barriers to CBO outreach.
 - Legislature has provided \$30M to provide capacity and technical assistance grant program for CBOs. Aggressive timeframe (spring 2023). Proposed rolling grant programs include:
 - Public Participation Grants (\$250-\$5,000)
 - Equity, Engagement, and Education Grants (\$5,000-\$100,000)
 - Clean Energy Access and Initiatives Grants (\$100,000-\$1,250,000)
 - Have done internal stakeholder engagement and are moving to external stakeholder engagement.
 - Available to tribes, 501(c)3, tribal entities.
 - Warrants a future conversation on a future agenda – January.
 - Timing is always an issue, and something we intend to discuss at the December meeting overall.
 - Continue to engage with SMEs on Community Engagement for feedback in the interim.
 - Is this annual or one-off funding?
 - One-off period of funding to be committed by June 30, 2025, to be spent by June 30, 2027. No website yet.

ITEM 10: DACAG MEMBER(S) PROVIDE UPDATE REGARDING ENGAGEMENT, IF ANY, WITH THE LOW-INCOME OVERSIGHT BOARD (LIOB).

Member Update: Did reach out but haven't been able to coordinate yet. Keep this item here as a reminder to continue to reach out. Next outreach may wait till after December – early 2023, especially when our 2023 priorities are identified.

Q&A:

- N/A

Public Comment:

- N/A

DACAG Member Discussion:

- N/A

ITEM 11: CEC AND CPUC STAFF PROVIDE AGENCY UPDATES AND ANNOUNCEMENTS.

- CEC Updates
 - [Draft IEPR](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=22-IEPR-01) is available and [comment](#) are due 11/30, with Equity and EJ comments taken until the end of January 2023. Submit here:
<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=22-IEPR-01>
 - Clean Transportation Program Community Benefits Workshop Coming up on 11/29:
<https://www.energy.ca.gov/event/workshop/2022-11/clean-transportation-program-community-benefits-workshop>
 - Clean Energy Hall of Fame Awards – event coming up virtually and in-person.
- CPUC Updates
 - N/A

Adrian Martinez left @ 4:10pm.

ITEM 12: GENERAL PUBLIC COMMENT.

Public Comment

- Helen Marie-Gordon, Vallejo, CA
 - Representing herself as a resident. Thank you for this meeting. Very enlightening. Can tell that those who are representing have low-income stakeholders interests in mind. Hope we can talk in the future about the future burden of electric vehicles on low-income customers. Also concerned about funds not being fully utilized – want to be sure that people are fully getting all the information. I can't imagine people knowing about those types of programs and not taking advantage of them. Are we making it more difficult because of a lack of trust, as one of the members said?

ITEM 13: DACAG MEMBERS DETERMINE FUTURE MEETING FORMAT, DATES, LOCATIONS, AND TOPICS.

- The next meeting is scheduled for **December 2 at 1:00 p.m.** and will be VIRTUAL.
- December
 - Administrative meeting, primarily.
 - Because we identified so many items for December, we know that we can't address it all. So we will also lay out a plan for 2023 so that we make the time to address all of our priorities.

- Objections
 - None
- Possible Agenda Items
 - See previous lists
- January 20th meeting – location and format?
 - Great enthusiasm for hosting up on the North Coast in Jana’s region – March might be better (weather and more prep time).
 - Decided to keep January VIRTUAL and push March to IN-PERSON and potentially in Humboldt County.
 - Can discuss further in December meeting.

ITEM 14: ADJOURN

Time Adjourned: 4:19pm