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### **ACWA Comments on DEBA Draft Guidelines**

Additional submitted attachment is included below.





August 29, 2023

Comment letter submitted via electronic commenting system

California Energy Commission Docket Unit, MS-4 Docket No. 22-RENEW-01 715 P Street Sacramento, California 95814

# Re: Association of California Water Agencies' Comments on Distributed Electricity Backup Assets Program Draft Guidelines and Workshop

The Association of California Water Agencies (ACWA) appreciates the opportunity to provide public comments to the California Energy Commission (CEC) in response to the recent Distributed Electricity Backup Assets (DEBA) Program Draft Guidelines (Draft Guidelines) and DEBA workshop held on August 15, 2023 (workshop) to discuss the Draft Guidelines. ACWA represents more than 460 public water agencies that collectively deliver approximately 90 percent of the water in California for domestic, agricultural, and industrial uses.

Public water agencies' primary mission is to provide a reliable water supply. Our member agencies are positioned to help the State meet its energy policies and support a reliable electric grid, but this can only happen when available programs align with a wide variety of public water agencies' load needs. The comments below are in response to the Draft Guidelines.

# Comment 1- Clarify Draft Guidelines eligibility for proposed projects claiming to benefit disadvantaged communities.

We encourage the CEC to consider disadvantaged community (DAC) benefits attached to proposed projects, either located in a DAC or benefiting a DAC, even if the proposed project is not physically located within a community. This flexibility better enables public water agencies seeking to apply to DEBA, who serve DACs¹ with a project intended to serve disadvantaged households, have the opportunity to participate in DEBA and to incorporate cleaner energy sources into their power loads that will enable uninterrupted water services during disasters and improve air quality for households within their service territories. Based on CEC staff's feedback, the intent of the Draft Guidelines is to provide this proposed flexibility. Therefore, we recommend the following edit to clarify the intent of the Draft Guidelines to enable proposed projects benefiting DACs to be located within a DAC, or benefiting a DAC even if located outside of the identified DAC.

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<sup>&</sup>lt;sup>1</sup> Some public water agencies (often larger ones) serve customers located in neighborhoods/towns/cities with socioeconomic markers consistent with CalEnviroScreen metrics for identifying Disadvantaged Communities, even if the individual public water agency's service territory, as a whole, is not considered to be disadvantaged.

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At least 25 percent of the funding shall be awarded to projects located in local publicly owned electric utility service territory, and at least 25 percent of distributed resource project funding shall be awarded to projects located in or benefiting disadvantaged communities, even if located outside of the identified disadvantaged community.

### Comment 2- Support the proposed approach to ensure DEBA funding upfront for selected projects.

ACWA appreciates the proposed approach discussed at the workshop to allow DEBA funding recipients to receive half of the project scope funding upfront to reimburse project expenses, and the remainder of the funding being available over the course of the project agreement with the CEC based on participation in emergency events. Filling out an application is time-consuming with no guarantee of receiving funds, capitol cost expenditures to develop eligible projects are high, and maintaining public water agencies' essential water services during emergency events (including, but not limited to high heat events, public safety power shutoffs, and wildfires)<sup>2</sup> while reducing load to support California's grid will continue to be challenging. The prospect of receiving significant project funding at the beginning of a proposed project agreement to reimburse project costs removes some barriers for public water agencies to participate in DEBA.

#### Conclusion

ACWA appreciates the CEC's consideration of our comments, and willingness to engage with us during development of the Draft Guidelines. We hope to see a successful DEBA program developed. Please do not hesitate to contact me at <a href="mailto:nickb@acwa.com">nickb@acwa.com</a> or (916) 669-2377 if you have any questions regarding ACWA's input.

Sincerely,

Nick Blair

State Relations Advocate II

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cc: The Honorable David Hochshild, Chair, California Energy Commission

The Honorable Siva Gunda, Vice Chair, California Energy Commission

Mr. Drew Bohan, Executive Director, California Energy Commission

Ms. Deana Carrillo, Director, Renewable Energy Division, California Energy Commission

Ms. Ashley Emery, Manager, Reliability Reserve Incentive Branch, California Energy Commission

Mr. Dave Eggerton, Executive Director, Association of California Water Agencies

Ms. Cindy Tuck, Deputy Executive Director for Government Relations, Association of

California Water Agencies

<sup>&</sup>lt;sup>2</sup> ACWA Comment Letter submitted February 17, 2023 in response to Lead Commissioner Workshop on the Demand Side Grid Support Program and Distributed Electricity Backup Assets Program