

California Public Utilities Commission Overview

Commissioner Darcie L. Houck
March 2, 2023



California Public
Utilities Commission

Presentation Summary

- CPUC Overview – Darcie Houck, Commissioner
- Tribal Land Transfer Policy – Michael Rosauer, Energy Division
- Tribal Order Instituting Rulemaking (Tribal OIR) – Judge Valerie Kao
- Broadband – Karen Eckersley
- Clean Energy and Resiliency for Tribal Communities, Rosanne Ratkiewich, Energy Division
- Equity Initiatives and Clean Energy Access Grant Program, Stephanie Green, Executive Division and Eric Sawyer Public Advisors Office

CPUC Regulation, Mission, Policies

- The CPUC regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies, in addition to authorizing video franchises.
- Our five Governor-appointed Commissioners, as well as our staff, are dedicated to ensuring that consumers have safe, reliable utility service at reasonable rates.
- The CPUC has created the Environmental and Social Justice (ESJ) Action Plan to serve as both a commitment to furthering ESJ principles, as well as an operating framework with which to integrate ESJ considerations throughout the agency's work.

Tribal Consultation Policy Goals

- Recognize and respect tribal sovereignty
- Encourage and facilitate tribal government participation in CPUC proceedings
- Give meaningful consideration to tribal interests in issues within the CPUC's jurisdiction
- Encourage and facilitate tribal government participation in CPUC approved utility programs
- Protect tribal cultural resources
- Encourage investments by tribal governments and tribal members in onsite renewable energy generation, energy efficiency; low carbon transportation and energy storage.

A close-up, low-angle shot of solar panels, showing the grid pattern and the mounting structure. The image is overlaid with a semi-transparent orange filter.

Rulemaking

A woman wearing a white hard hat and a dark jacket, looking off to the side. In the background, several wind turbines are visible against a bright sky. The image is overlaid with a semi-transparent orange filter.

Applications

A close-up shot of a wooden power line tower with several cross-arms and insulators. The image is overlaid with a semi-transparent orange filter.

Complaints

A large offshore oil rig structure in the middle of the ocean. The rig is a complex of metal platforms and towers. The image is overlaid with a semi-transparent orange filter.

Investigations

HOW ARE PROCEEDINGS INITIATED?

CPUC Tribal Land Transfer Policy

CPUC Tribal Land Transfer Policy (TLTP)

December 5, 2019: CPUC adopts a **Tribal Land Transfer Policy** after an extensive public participation process

January 14, 2021: CPUC adopts **implementation guidelines** for the Tribal Land Transfer Policy

February 10, 2022 Commission opened R.22-02-002 rulemaking to address revisions to TLTP; Tribal Consultation Policy and address support for tribal participation in CPUC proceedings.

2022-2023- Commission has or will hold series of tribal consultations and workshops within Tribal OIR.



Tribal Land Transfer Policy

- December 5, 2019, the CPUC adopted a Tribal Land Transfer Policy establishing a CPUC preference for the transfer to Tribes of utility real property within a Tribe's ancestral territory.
- Utilities should offer the tribe a right of first offer before putting the property on the market.
- Utilities should affirmatively consult with tribes to determine whether there is interest to purchase or a need to protect cultural resources.

Tribal Land Transfer Policy Implementation Guidelines (2021)

- On January 14, 2021, the CPUC adopted guidelines for CPUC and utility implementation of the Tribal Land Transfer Policy (TLTP).
- TLTP is now mandatory for some utilities, including energy companies and large water companies.
- When a utility seeks CPUC approval to dispose of real property within a Tribe's ancestral territory, the utility must:
 - request the Native American Heritage Commission identify Tribal entities where the real property is located;
 - provide written notice to the Tribal Chairperson or their designee of the utility's intent to sell property, including a request to consult with the Tribe;
 - Document communication between the utility and the Tribe regarding whether the Tribe is interested in acquiring the real property.

CPUC Tribal Order Instituting Rulemaking (R) 22.02.002

Tribal OIR Areas of Focus

- Review and update requirements set out in TLTP Implementation Guidelines and other TLTP related issues raised by parties;
- Assess data and information exchange;
- Protection of sacred sites and places of cultural importance;
- Review and update the Tribal Consultation Policy;
- Mechanisms and processes to assist with capacity building and access for Tribal participation in Commission proceedings and programs; and

Next step in rulemaking

- Issue scoping memo that identifies the issues to be determined in the proceeding; provides an initial schedule for addressing each issue; and confirms the proceeding category (quasi-legislative).
- Ongoing consultations throughout proceeding
- Hold workshops on specific topics
- Staff issue proposal
- Comments on staff proposal
- Proposed decision
- Adopt decision

Broadband Programs

Last Mile Broadband Initiatives Snapshot

	TECHNICAL ASSISTANCE	LOAN LOSS RESERVE FUND	FEDERAL FUNDING ACCOUNT	CALIFORNIA ADVANCED SERVICES FUND
Amount	\$50 million	\$750 million	\$2 billion	\$150 million/year
Summary	Assist local governments & Tribes to prepare for broadband infrastructure investments	Enable local governments & nonprofits to secure financing for broadband infrastructure	Fund last-mile broadband infrastructure projects in every county	Assist with broadband infrastructure deployment & adoption in public housing, Tribes, & unserved areas
Target	Apply monthly now	Proposed Decision in first half of 2023	Evaluate the priority areas and prepare to apply	Apply in the next cycle for adoption, public housing, & line extension accounts

Broadband Equity, Access, and Deployment (BEAD) Program Overview

- Funding from the federal government to expand high-speed internet
 - Can include **planning, infrastructure deployment** and **adoption**
- California will be allocated money based on how many households lack broadband access
- California will provide funds to subgrantees based on rules to be determined in the new **Rulemaking on BEAD** opened on February 23, 2023.

Clean Energy and Resiliency in Tribal Communities

Clean Energy Programs

- Self-Generation Incentive Program
- Microgrid Programs
 - NEW: PG&E --Community Microgrid Enablement Program (CMEP) and Microgrid Data Portal
 - New: Community Microgrid Incentive Program
- Local Government Renewable Energy System Bill Credit Tariff (RES-BCT)
- Equity in Grid Planning

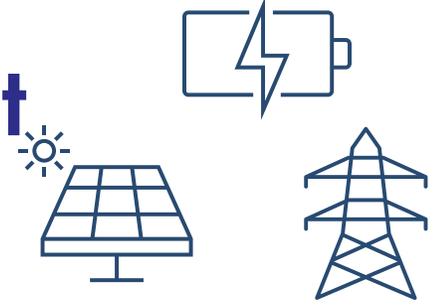
Self-Generation Incentive Program



What is it?

- Direct incentives for customers of Investor-Owned Utility who install certain equipment at their property. Not available for customers served entirely by a municipal utility.
- ❑ **Battery energy storage** - Onsite energy storage and solar designed to “island” from the grid can provide electricity to residence/business during a grid outage, including Public Safety Power Shutoff. “Island” means the battery or onsite generation only delivers electricity to the customer’s site, and no electricity can flow onto the grid (this protects people working to repair the grid outage from injury)
 - Existing SGIP incentives are available now for standalone storage for residential and non-residential customers (funding first come, first served). As of August 2022, 39 tribal government projects have reserved incentive funds
- ❑ **Heat Pump Water Heaters** - Efficient electric heat pump water heating with capability to pre-heat water to avoid need to use electricity at peak times
 - About \$80 million incentives available
 - Incentive Amounts: up to \$3800 for a residential customer; up to \$4885 for a low-income residential customer; various amounts for non-residential customer projects
 - Incentives also available for electric panel upgrades, if needed: \$4000 for low-income customers; \$2000 for other customers
- ❑ **Onsite Electricity Generation** - using 100% renewable fuel, such as small wind turbines; fuel cells, microturbines, linear generators, or internal combustion engines using biomethane. Can deliver electricity during a grid outage if designed to “island” from the grid.

NEW: PG&E --Community Microgrid Enablement Program (CMEP) and Microgrid Data Portal



Community Microgrid Enablement Program (CMEP)

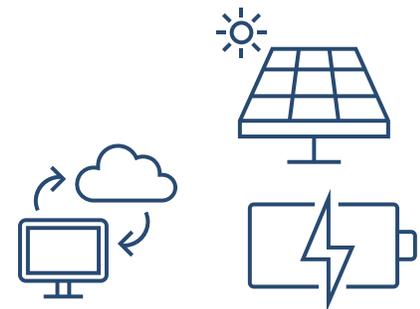
- Microgrid: interconnected system of electricity loads, generation and/or storage that can operate connected to the utility grid or isolated from the grid during an electricity outage.
- PG&E's Community Microgrid Enablement Program helps communities seeking critical facility energy resilience for extreme weather, Public Safety Power Shutoffs or other events. Can assist your community in taking its resilience ideas from concept to reality.
- PG&E has a "Resilience Coordinator" to provide technical support to communities. PG&E provides cost offsets for certain electric distribution system upgrades.
- Critical Facility "Fact Sheet" lists eligible facilities (includes manufacturing, communication, emergency services, government, health care, transportation, water & wastewater)
- PG&E provides a "Community Resiliency Planning Guide": Resiliency Planning Guide (pge.com) and a webpage: [Community Microgrid Enablement Program \(CMEP\) \(pge.com\)](#)

Microgrid Data Portal

- PG&E and SCE have launched a data portal for Tribes and local governments to access for planning purposes as ordered in Track 1 of the Microgrid proceeding.
- The Data Portal indicates transmission and distribution lines, has data layers showing High Fire Threat Districts, areas subject to past PSPS events and utility infrastructure projects that have been completed or are underway.

New: Community Microgrid Incentive Program

- A Community Microgrid development program being developed in Rulemaking 19-09-009; ~ \$200M available;
- Will provide technical support and project management to help communities plan and implement microgrid projects that promote public health & welfare in preparation for wildfires & grid outages
- Who is eligible: (pending final Commission vote) Interested parties, Local & tribal governments developing community microgrids to serve critical facilities located in outage prone areas
- Eligible applicants may also request \$25,000 “Application Development Grant”; paid as a reimbursement
- ❑ On 12/3/21, utilities filed “Microgrid Incentive Program Proposed Implementation Plan” containing details
- ❑ On 07/06/2022 Administrative Law Judge’s ruling requested comment on the Microgrid Incentive Program Staff Proposal
- ❑ Commission issued Proposed Decision to approve Implementation Plan on 02/09/23. Comments and Reply Comments due March 2023.
- Next steps:
 - Pending Final PUC Decision of Approval (expected 2023)
 - Program anticipated to launch in 2023 with the issuance of Handbook
 - for potential applicants
- Click on [this link](#) for future updates and more information.



Local Government Renewable Energy System Bill Credit Tariff (RES-BCT)

- In 2021, the program was amended to include tribal governments

Allows local or tribal governments with a renewable generating facility to export energy to the grid and receive generation credits to benefit other electric accounts of the same government

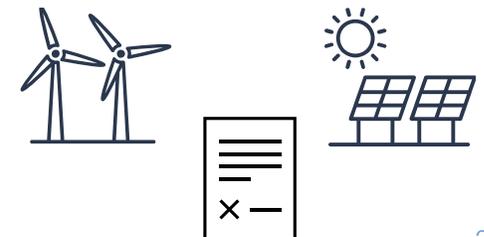
A local or tribal government with a renewable generating facility at one location may use the earned credits for electric bills of buildings in another location

Allows installation of a renewable facility where there is space to accommodate it, and credits the excess electricity to offset usage at other facilities without space

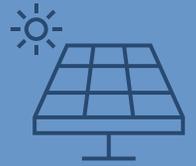
- Allows economies of scale by installing one large renewable energy facility, rather than multiple small facilities



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Equity in Grid Planning



The Environmental and Social Justice (ESJ) Action Plan 2.0: Adopted in April 2022, the ESJ Action plan serves as a guide to ensure the CPUC's regulatory authority continues to advance equity throughout the state.

- Promotes high road careers for economically or environmentally disadvantaged communities
- Outlines a workplan to achieve each of the identified 9 goals and objectives centered on themes of:
 - Equity
 - Access
 - Engagement
 - Resiliency
 - Safety and enforcement
 - Metrics
 - Accountability
 - Staff training



Climate Adaptation proceeding (R.18-04-019): In Decision 20-08-046 of the Climate Adaptation proceeding (R.18-04-019), the utilities were ordered to identify and prioritize actions to address climate change related needs of vulnerable and disadvantaged communities for utility climate-related assessment, planning and decision making.

High DER Proceeding- examines grid planning processes to ensure grid is prepared for high deployment of electric vehicles and decarbonization efforts.



Equity Initiatives and Clean Energy Access Grant Program

Background

AB 179 (Ting) signed by Governor Gavin Newsom appropriates \$30,000,000 in funding to expand the scope of public participation to include **community-based organizations and tribes that have not historically engaged with matters before the California Public Utilities Commission.**

The purpose of the funding is to increase the breadth and depth of voices providing input on issues affecting state residents, especially those in diverse and low-income communities, hard to reach customers, individuals with access and functional needs, and frontline communities experiencing the impact of climate change.

The funds shall be available for encumbrance or expenditure until June 30, 2025, and shall be available for liquidation until June 30, 2027.



Equity Initiatives and Clean Energy Access Grant Programs

The grant programs are:

1. Public Participation Grants
2. Equity, Engagement, and Education Grants
3. Clean Energy Access Grants

Summary of Proposed Funding		
Category	Maximum Award	Total Available
Public Participation Grants	\$15,000	\$2,500,000
Equity, Engagement, and Education Grants	\$100,000	\$8,000,000
Clean Energy Access Grants	\$1,250,000	\$17,000,000
Dedicated Tribal Funding*		\$1,000,000
Administration	N/A	\$1,500,000
Total:		\$30,000,000

* applicable to California Native American Tribes



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Eligible Applicants

Applicants eligible to apply for the CPUC's Equity Initiatives and Clean Energy Grant Program include:

- A California tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code;
- A California Native American Tribe. For the purposes of this grant, this includes all Federally Recognized Tribes, and other California Native Americans, as defined by Public Resources Code Section 21073 "California Native American tribe" means a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.
- Tribal entities organizations incorporated under tribal law and wholly owned by the tribe, Tribal Section 17 Corporations, Tribal utilities and authorities operated under tribal law.



Public Participation Grants

Total proposed funding: \$2,500,000

Per-grant proposed funding: Up to \$15,000

Application and funding cycle: Rolling

Grants up to \$15,000 per activity for an eligible entity to participate in defined and discrete activities. e.g. speaking on a workshop panel, service on working group or participation in other decision-making processes.

Provides prompt payment for these discrete engagements.

Applications accepted on a rolling basis. Total funding for the Public Participation Grants portion of this program will be \$2.5 million. Payments dispersed after completion of activities identified in approved application.

Annual program cap and cap per organization to ensure even distribution over time and fair distribution across many organizations.

Awardees for these grants will not be eligible for Intervenor Compensation for the same activities.



Proposed Eligible Activities

Activities below will be compensated at \$150/hr.
Includes meeting prep, meeting, and post-meeting follow-up.

Activity	Description
Working Group Meeting	Working Groups are given a specific scope of work to discuss topics ranging from broad policy goals to details on program implementation. Usually part of a proceeding.
Focus Group	Focus Groups are used by CPUC staff to test proposed program implementation concepts, ideas, and rules.
Workshop/Event Panelist	CPUC staff form a panel on specific topics to receive feedback and educate other stakeholders on certain policies, programs, or service already in place.
Workshop/Event Featured Speaker	Featured speaker may be invited to speak to discuss their unique experience or offer best practices on programs/services.
Advisory Board/Committee Member	Appointed roles that advise on program development, implementation or administration.
En Banc Meeting Panelist	CPUC staff form a panel on specific topics to receive feedback and educate other stakeholders on certain policies, programs, or service already in place.

Equity, Engagement and Education Grants

Total proposed funding: \$8,000,000

Per-grant proposed funding: Up to \$100,000

Application and funding cycle: Awards in Summers of 2023 and 2024

This program will provide grants up to \$100,000 for the purposes of building CBO, Tribal, and community capacity to understand and engage with CPUC decision-making processes.

Activities in this category may include hiring staff, engaging consultants or technical experts, community engagement and outreach related to CPUC proceedings, education, training and curriculum development, and partnership and coalition development.

Method of distribution of grants to be determined (example payments dispersed by completion of project milestones identified in approved application).



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Examples of Eligible Activities

Building the capacity of less engaged organizations representing disadvantaged communities and acting as a resource to these organizations. E.g. education on CPUC processes, preparation of document templates, assistance with filing a Notice of Intent to File Intervenor Compensation and changing bylaws.

Hiring consultants and staff for activities necessary for active participation in decision-making processes at the CPUC, e.g. to gain party status and actively engage in a proceeding.

Educating and/or organizing communities for participation in active matters before the CPUC.

Clean Energy Access Grants

Total proposed funding: \$17,000,000

Per-grant proposed funding: \$100,000 to \$1,250,000

Application and funding cycle: Award Agreement with Technical Assistance Provider(s) in Early 2024, Awards to CBOs and Tribes through June 2027

This program will provide grants up to \$1.25 million for the purpose of developing equity initiatives and clean energy access opportunities for eligible applicants.

Provides funding to develop plans and bridge gaps in clean energy access programs at the community level.

Program does NOT pay for infrastructure buildout. i.e. hardware or equipment.

Grants to third party technical assistance provider or providers who will provide subgrants to CBOs and tribes

Projects limited to activities:

- supporting the Microgrid Incentive Program (MIP)

- increasing subscriptions to income-qualified battery backup under the Self-Generation Incentive Program (SGIP)

Projects are required to be in areas served by investor-owned utilities.

How Grant Funding Gets to CBOs and Tribes

- ❑ CPUC will award a master grant to technical assistance (TA) provider(s).
- ❑ Tribes or CBOs request assistance from TA provider(s) for microgrid or SGIP projects.
- ❑ Designated TA provider evaluates these requests and provides technical assistance and funding to conduct work.
- ❑ TA provider provides metrics and reports on work completed to the CPUC.
- ❑ Additional details will be developed with grant award to TA provider(s).



Tribal Funding Considerations

Dedicated tribal funding of \$1 million

- Public Participation Grants: \$100,000
- Equity, Education, and Engagement Grants: \$250,000
- Clean Energy Access Grants: \$650,000

Please note: The \$1 million is a Tribal carve out solely available to the tribes, however, tribes are also eligible to apply for any of the \$27.5 million in general grant funding.



How to Participate



Public Advisor's Office

Public.Advisor@cpuc.ca.gov | 1-866-849-8390

Participation in the Decision-making Process

- Comments on a Draft Resolution
- Party Status in a Proceeding
- Informal Comments



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