

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking Regarding Microgrids)
Pursuant to Senate Bill 1339 and Resiliency Strategies) Rulemaking 19-09-009
(Filed September 19, 2019)
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**REPLY COMMENTS OF THE JOINT CCAS
ON TRACK 1 PROPOSALS**

David Pepper
BRAUN BLAISING SMITH WYNNE P.C.
555 Capitol Mall, Suite 570
Sacramento, CA 95814
Tel: (916) 326-5812
E-mail: pepper@braunlegal.com

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On Behalf Of:
Clean Power Alliance
Peninsula Clean Energy Authority
Marin Clean Energy
Sonoma Clean Power Authority
Redwood Coast Energy Authority
San Jose Clean Energy
Pioneer Community Energy
Lancaster Choice Energy
Monterey Bay Community Power
East Bay Community Energy

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) and the January 21, 2020 *Administrative Law Judge’s Ruling Requesting Comments On Track 1 Microgrid And Resiliency Strategies Staff Proposal* (the “ALJ Ruling”), the Joint CCAs¹ hereby submit the following Reply Comments addressing parties’ Opening Comments on Track 1 Proposals.

I. REPLY TO COMMENTS ON STAFF PROPOSALS

A. Interconnection Proposals And Options Recommended In The Staff Proposal

The Energy Division’s recommended Interconnection Proposal 1, Option 1 would require that the investor-owned utilities (“IOUs”) use pre-approved designs and templates in the interconnection application process. These pre-approved designs and templates are to be developed by the IOUs, consulting informally with industry.²

¹ The Joint CCAs consist of the following Community Choice Aggregation (“CCA”) programs: Clean Power Alliance (“CPA”); Peninsula Clean Energy Authority (“PCE”); Marin Clean Energy (“MCE”); Sonoma Clean Power Authority (“SCP”); Redwood Coast Energy Authority (“RCEA”); San Jose Clean Energy (“SJCE”); Pioneer Community Energy (“Pioneer”); Lancaster Choice Energy (“LCE”); Monterey Bay Community Power (“MBCP”); and East Bay Community Energy (“EBCE”).

² Staff Proposal at 7-8.

In its Opening Comments, Pacific Gas & Electric Company (“PG&E”) stated that it already provides template single line diagrams for Standard Net Energy Metering (“NEM”) interconnections with nameplate capacities of under 30 kW, and that it supports providing pre-approved templates for: 1) stand-alone non-export storage less than 10 kW; and 2) NEM solar+storage systems with installed solar of less than 30 kW and installed batteries of less than 10kW.³ PG&E’s list does not include NEM Solar projects 30 kW and above, and PG&E explicitly requests that the Commission make such projects ineligible for pre-approved designs and templates. PG&E’s sole justification for this request is the assertion that “solar without battery does not support resiliency.”⁴ This assertion is plainly incorrect. During a public safety power shutoff (“PSPS”) outage, islanded solar-only resources with the appropriate equipment could provide facilities with electricity during daylight hours. This electricity could be used by businesses to continue operation during daylight hours, could provide individuals and communities with places to charge their phones and other electronics, and could power refrigerators and freezers during the hottest part of the day in order to delay spoilage of perishable goods. Solar-only projects can significantly reduce the environmental, public health, and wildfire ignition risks associated with backup diesel generation by reducing the number of hours each day that a facility has to rely on diesel generators.

That said, the Joint CCAs recognize that as a general matter, solar-only resources provide less of a resiliency benefit than combined solar+storage resources. The Joint CCAs also have a number of questions regarding the cost of the upgrades necessary to make solar-only resources greater than 30 kW islandable. As such, the Joint CCAs recommend that the Commission defer consideration of this question to Track 2 of this Rulemaking. In Track 2, the Commission should

³ PG&E Opening Comments at 5, 17-18.

⁴ *Id.* at 18-19.

consider: 1) how to weigh the relative resiliency benefits provided by solar-only systems versus combined solar+storage systems in determining eligibility for expedited interconnection, including pre-approved templates; and 2) the cost-effectiveness of this resiliency in light of the cost of required upgrades.

The Joint CCAs also support, as a general principle that should apply to all interconnection and tariff proposals, the Placer County Air Pollution Control District's ("Placer APCD") statement that "it is critical that all phases of this effort include all technology options so that reliable non-intermittent renewable power can support the use of solar and wind resources."⁵ The Joint CCAs note that NEM may provide the fastest route in some cases to meeting the needs of communities; however, Placer APCD does make the point that the staff proposal may be limiting the discussion of improvements too much. The Commission should look not only at the NEM tariffs but also at the BioMAT tariff which could more quickly dispatch bioenergy projects for the communities that seek to implement non-intermittent technologies.⁶

B. The Commission Should Reject PG&E and SCE's Proposed Modifications To Local Government Proposal 1 – Outreach And Communication

The Energy Division's Local Government Proposal 1 would require that each IOU take a number of steps to ensure effective communication with local governments, including:

- Developing internal communication processes for managing interfaces with local governments.
- Informing local governments about projects intended to minimize the use of PSPS (including project name/type; project location, scope, schedule, cost,

⁵ Placer APCD Opening Comments at 4.

⁶ *Id.* at 8.

and number of customers impacted; and the project’s potential for PSPS reduction).

- Holding face-to-face workshops twice a year to inform local jurisdictions (city, county, tribal, and CCA personnel) about the electric transmission and distribution infrastructure serving their communities.⁷

The Joint CCAs agree, as a general matter, with the significant number of parties that argued in support of Local Government Proposal 1 in their Opening Comments. For instance, the Rural County Representatives of California (“RCRC”), an organization which represents the interests of 37 rural counties in California,⁸ highlights the importance of efforts “to increase information sharing with local governments about transmission and distribution assets and maintenance and improvement projects intended to upgrade those facilities, reduce fire risk, and reduce the likelihood of future PSPS events.”⁹ RCRC further states that “the IOUs should disclose those projects, what improvements are being made, the cost and benefits of each project and how each will reduce the risk of fires or PSPS events.”¹⁰ The Joint CCAs agree that meaningful communication, useful information sharing, and true collaboration require meeting with local governments as partners in the development of solutions to PSPS and resiliency, not informing local governments of plans that are already in place.

In contrast to the broad support for Local Government Proposal 1 expressed by many parties, both PG&E and Southern California Edison Company (“SCE”) request modifications that would *significantly undermine* Proposal 1. The Joint CCAs ask that the Commission reject these modifications.

⁷ Staff Proposal at 22-24.

⁸ RCRC Opening Comments at 1.

⁹ *Id.* at 5.

¹⁰ *Id.*

PG&E requests that the Local Government Proposal 1 be modified to limit the “local jurisdictions” that IOUs are required to include in their information sharing workshops. As recommended by the Energy Division, Proposal 1 would require that each workshop include “representatives from city, county, tribal, and community choice aggregator personnel.”¹¹ PG&E recommends that this be reduced to *county and tribal governments only*, eliminating the requirement that the IOUs include CCA and city representatives in the workshops.¹² PG&E does not provide a clear justification for excluding CCAs and city governments from the required workshops, stating only that county and tribal Offices of Emergency Services (“OES”) play a “significant” role in PSPS events, and suggesting that each OES could work with PG&E to determine the appropriate invitees from its respective area.

The Commission should reject PG&E’s request. As explained in the Joint CCAs’ Opening Comments, *CCA programs are local government agencies*,¹³ and as such, all IOU communication and outreach requirements under Local Government Proposal 1 should apply equally to CCAs as well as city, county, and tribal governments. There is no reason to believe that guaranteeing CCAs a “seat at the table” in the required workshops would create any additional administrative burden on the IOUs or reduce the IOUs’ ability to satisfy the workshop requirement.

More importantly, PG&E’s proposal should be rejected because it undermines the purpose of Local Government Proposal 1. CCAs, as local governments, offer support and resources during emergencies to their communities through coordination with their local County OES as directed by their locally-elected Boards. With PSPS events, there are two areas of

¹¹ Staff Proposal at 23.

¹² PG&E Opening Comments at 44-45.

¹³ Joint CCA Opening Comments at 20-21.

responsibility: (1) *PSPS-related emergency planning and emergency response* and (2) *planning and developing resiliency resources and programs to reduce the impact of PSPS events*.

The core mission of both local OES and the California OES is to coordinate and provide emergency response during natural and human-made disasters per the State Emergency Management System (“SEMS”) defined in Government Code Sections 2403 and 2407. This mission involves both developing emergency response plans prior to emergencies, and engaging in and coordinating emergency response during an emergency. It is not in the scope of the regulations for an OES office to look for, plan and investigate ways of *preventing or mitigating emergencies* unless specifically directed to do so (i.e., coordinate with CalFire for fire prevention actions). OES agencies thus are not responsible for resiliency planning, resource development, nor project implementation.

CCAs, in contrast, are local government agencies whose core mission is to provide power to their communities through the procurement of electricity, the development of generation resources, and the implementation of generation-related projects. Integral to this core mission is the goal of ensuring that CCAs’ procurement supports and (to the extent that each CCAs’ resources and abilities allow) improves reliability and resiliency of their customers’ electricity supply. Thus, resiliency planning (including planning for, mitigating, and preventing PSPS events in their communities) is a function that falls squarely within CCAs’ core mission. While emergency response and emergency planning are very important, the basic purpose of the Energy Division’s Local Government Proposals is to “plan, design, budget, and implement cost-effective and efficacious resiliency solutions for their communities”¹⁴ and each Proposal 1 workshop is to conclude with a “collaborative planning session about enhancing grid reliability.”¹⁵ In their

¹⁴ Staff Proposal at 21.

¹⁵ Id. at 23.

service areas, CCAs have been tasked by their Boards with facilitating community resiliency planning efforts. PG&E's request will result in the exclusion of a knowledgeable local public agency that the community has determined should be engaging in efforts to increase resiliency. Such an outcome is fundamentally against public policy as it undermines the ability of local governments to protect their communities by mitigating the impacts of PSPS and other grid events that result in the loss of power.

PG&E's request also needlessly undermines the ability of localities to engage in meaningful collaboration with PG&E. It simply makes no sense to exclude an entity with knowledge and financial resources that can be brought to bear on the urgent problem of de-energization. Given the profound impacts PSPS events have had on California, PG&E's request seems contrary to the outcome everyone seeks: resiliency and reliability in California's electric grid. As the Joint CCAs noted in their Opening Comments, California needs all hands on deck to increase resiliency.

For similar reasons, the Commission should reject both PG&E's request to eliminate the requirement that workshops be held twice a year, and PG&E's request to limit initial workshops to county and tribal governments in Tier-2 or Tier-3 high fire-threat districts ("HFTDs").¹⁶ As the Staff Proposal recognizes¹⁷ and as the Joint CCAs have experienced first-hand, CCAs and other local government agencies are currently facing *a significant information access problem* that has limited their ability to effectively plan and implement resiliency projects and programs. Both of PG&E's requests would reduce the effectiveness of the Government Proposal 1 workshops, thereby undermining the workshops' value as a solution to the information access problem.

¹⁶ PG&E Opening Comments at 44-45.

¹⁷ Staff Proposal at 21-22 (defining the "information access problem").

SCE also opposes the workshop requirement, arguing that the requirement is unnecessary in light of the “regular and extensive” outreach to local governments that SCE already conducts, and that “[c]onducting semi-annual meetings with each local government agency in SCE’s territory would be overly burdensome on all parties.”¹⁸ While SCE raises a valid point about the need for efficiency and the value of avoiding redundant requirements, the Joint CCAs still see the value of semi-annual meetings as a venue that brings a wide range of stakeholders together for problem-solving, and believe that efficiency is best achieved by consolidating overlapping communication requirements, not eliminating them. To reduce the burden, the Commission should allow the IOUs to coordinate these two semi-annual workshops with other resiliency and PSPS-mitigation and response meetings, such as meetings of the Energy Division’s proposed de-energization advisory board.¹⁹ Again, the IOUs need to be looking for partners and embracing formal, Commission-supervised mechanisms to ensure adequate information-sharing, not excluding parties or relying on existing, informal information-sharing mechanisms that have proven inadequate.

C. The Commission Should Reject The IOUs’ Arguments Against And Proposed Modifications To Local Government Proposal 5

Local Government Proposal 5 would require that each IOU create a secure data portal to allow local governments access to transmission and distribution system and operational information relevant to resiliency resource planning.²⁰ In Opening Comments, the Joint CCAs strongly supported this proposal, but noted that the Proposal should be amended to “support equitable access to utility information across local government agencies”²¹ by eliminating the

¹⁸ SCE Opening Comments at 48-50.

¹⁹ See, R.18-12-005, *Administrative Law Judge’s Ruling Requesting Comments on Proposed Additional and Modified De-energization Guidelines* (issued January 30, 2020) at 1-2.

²⁰ Staff Proposal at 25-26.

²¹ Staff Proposal at 22 (Guiding Principle 3).

requirement that CCAs execute an unnecessary non-disclosure agreement (“NDA”) with its IOU to gain access to the same information as other local government agencies.²²

In general, parties’ Opening Comments demonstrated broad support for Local Government Proposal 5. RCRC, for instance, notes that it “supports the staff proposals to build into the portals information about areas impacted by 2019 PSPS events, data about IOU PSPS mitigation initiatives and the areas impacted by those activities, and predicted locations of future PSPS events based upon predictive modeling and climatology analysis.”²³ The BioEnergy Association supports Proposal 5 and recommends that it be expanded to include access by emergency and essential service providers.²⁴ The California Energy Storage Alliance (“CESA”) supports Proposal 5 and identifies additional data categories that should be shared through the data portal.²⁵ Center for Accessible Technology (“CforAT”) argues that the Proposal 5 data portal “should be implemented immediately, building from the portal that was developed during the 2019 wildfire season.”²⁶ Clean Coalition supports Proposal 5 and offers a number of valuable recommendations regarding data format and additional categories of data that should be provided through the portal. Clean Coalition also provides an example of why Proposal 5 data access is so important, describing an exciting tool that it is developing to leverage data to identify the best regions for microgrids and resiliency projects.²⁷ Other parties that support Proposal 5 include

²² Joint CCA Opening Comments at 21-23.

²³ RCRC Opening Comments at 6.

²⁴ BioEnergy Association Opening Comments at 15.

²⁵ CESA Opening Comments at 32-34.

²⁶ CforAT Opening Comments at 24.

²⁷ Clean Coalition Opening Comments at 6-9.

the Microgrid Resources Coalition,²⁸ the Public Advocates Office,²⁹ the Sierra Club,³⁰ and Vote Solar.³¹

In contrast to this broad support, only a handful of parties opposed proposal 5, with SCE and PG&E stand out its most outspoken opponents. SCE opposes Proposal 5 in its entirety, claiming that “there are significant issues in determining what information can be shared... what technology can be used [to implement the portal]... and for what purpose.”³² Instead of the specific, concrete information-sharing mechanism established in Proposal 5, SCE makes the vague offer to “work with stakeholders” to “determine what information they need as well as to determine methods that can be used to provide that information.”³³

SCE’s objections to Local Government Proposal 5 are groundless and should be rejected by the Commission. None of the “significant issues” identified by SCE stand up to scrutiny. Neither SCE nor PG&E have identified any specific state or federal statute, regulation, or requirement that would be violated by sharing this information with CCAs and other local governments. The question of “what technology can be used” to develop the information portal is a straightforward implementation question, and the IOUs can rely on existing data portals as a starting point. The purpose of the data portal is not in question – the portal is intended to provide local agencies with all information needed to plan and implement their own resiliency projects. There is no reason to believe that local governments would, could, or have any incentive to use the information provided through the data portal for any other purpose.

²⁸ Microgrid Resources Coalition Opening Comments at 16.

²⁹ Cal PA Opening Comments at 13-14.

³⁰ Sierra Club Opening Comments at 3-4.

³¹ Vote Solar Opening Comments at 9.

³² SCE Opening Comments at 50-51.

³³ *Id.*

PG&E does not directly oppose Local Government Proposal 5. Instead, PG&E requests that the Commission adopt a significantly weakened, watered-down version of the data portal required by Proposal 5. As PG&E correctly notes, Proposal 5 requires a “data visualization tool” that allows a resiliency project planner/developer “to access all information necessary to independently develop a fully engineered community-level microgrid using utility infrastructure.”³⁴ PG&E argues against providing this “data visualization tool” (the full Proposal 5 data portal) on the grounds that doing so would raise significant security and cost concerns.³⁵ PG&E also argues that the Proposal 5 data portal may be duplicative of existing data portals, or that the amount of data provided may be “confusing” to local agencies.

PG&E instead requests that the IOUs only be required to provide a “visualization tool” that “will help to identify and visualize PSPS impacts to the distribution system and the investments utilities are making to minimize those impacts.”³⁶ PG&E argues that this visualization tool is sufficient to allow local agencies to identify geographic boundaries for proposed microgrid projects, after which the agencies should take their proposals to their IOU for implementation.³⁷

The Commission should reject PG&E’s “visualization tool” counter-proposal in its entirety. The purpose of Proposal 5 is to *require* that the IOUs provide local agencies with up-front access to all information that they need to *independently* develop their own resiliency projects. PG&E’s proposal would deny local agencies access to this information, making them

³⁴ PG&E incorrectly states that the intent of the Proposal 5 data visualization tool is to allow “a third-party developer” access to information necessary to develop a microgrid project. To clarify, the purpose of the data portal is to provide local government agencies (including CCA programs) the information they need to develop their own resiliency projects, including microgrids.

³⁵ PG&E Opening Comments at 47.

³⁶ *Id.*

³⁷ *Id.* at 47-49.

entirely dependent on the IOUs for resiliency solutions. Local agencies interested in accessing the information needed to design and implement a resiliency project would either be required to participate in IOU programs (PG&E “helpfully” suggests that interested local agencies participate in its Community Microgrid Enablement Program (“CMEP”) program),³⁸ or rely on the IOUs to willingly provide the necessary information, without an underlying information sharing mandate and mechanism. This is a continuation of the status-quo, not a solution to the pressing information access problem.

In fact, it appears that PG&E’s proposed “visualization tool” would be little different than the Photovoltaic and Renewable Auction Mechanism Map (“PVRAM”) that is already available to PG&E customers on PG&E’s website. PVRAM provides transmission line information, substation information, circuit information, and number of customers. PVRAM also provides, to a limited extent, circuit mapping and load information.

PVRAM, while somewhat helpful as a “visualization tool,” falls far short of the detailed transmission and distribution system information that local agencies need to plan, develop, and implement resiliency resources and strategies. Pioneer staff has attempted to use the limited information available on PVRAM (not all circuits are delineated properly and the data is not updated) to create concept plans for its Board to begin discussions on possible locations for PSPS mitigation / resiliency projects and resources, including microgrids.³⁹ However, without additional information that was not available on PVRAM, Pioneer staff could not develop these plans any further beyond the rough “concept” phase. Although all information identified in the Staff Proposal and Joint CCA Opening Comments is needed to efficiently develop and

³⁸ *Id.* 48.

³⁹ *See*, Pioneer Community Board Agenda February 3, 2020. *Available at:* http://pioneercommunityenergy.ca.gov/?post_type=links&p=1935&preview=true

implement resiliency resources, Pioneer’s lack of access to the following information was particularly problematic:

- Other infrastructure capacity information including, but not limited to, individual circuit mapping.
- Substation mapping, numerical and alpha identification, peak and minimum load data.
- Circuit load data, including circuit load by number of customers with minimum load, and summer and winter peaks.
- Interconnection constraints.
- Latitude and longitude of service points.
- Clear circuit identification both numerical and name designation.
- Transmission line mapping for lines most frequently vulnerable to PSPS.
- Criteria for shutting off specific substations or circuits.
- Updates on vegetation management and infrastructure hardening plans in PG&E service areas.
- Target substations and generation resources for backup generation and target transmission and distribution lines for line hardening.
- Lists of specially designated accounts such as “LS” life support, critical facility, and essential service accounts.
- Behind-the-meter generation assets, including load and tariff information.

Pioneer’s experience with PVRAM illustrates both: 1) the need for the full Proposal 5 data portal with all proposed information fields included; and 2) the fact that the IOUs have the resources and the ability to implement the full Proposal 5 data portal. The full data portal is not

unreasonable or impractical, and PVRAM demonstrates that some of the information that local governments are requesting has already been gathered, fed into a visual mapping tool, and made available to PG&E customers. This existing tool can be expanded and adapted to provide the visual/mapping portion of the data portal.⁴⁰

PG&E's other arguments against providing the full Proposal 5 data portal should be rejected. Regarding CCAs in particular, PG&E's security and privacy concerns are entirely misplaced. CCAs regularly handle sensitive information in a secure manner, and are subject to regular cybersecurity audits.⁴¹ CCAs also regularly handle large amounts of confidential customer information, and are already subject to the Commission's customer privacy rules.⁴² Similarly, PG&E's vague concerns about the cost, implementation challenges, and potential for confusion associated with Proposal 5 are unsubstantiated and, to a significant extent, contradicted by PVRAM, and should be rejected.

All information access proposals, particularly Proposal 5, must be guaranteed by a Commission-imposed mandate with clear compliance deadlines.⁴³ Relying on the IOUs to share information at their discretion (as proposed by PG&E), or relying on existing "data portals" (PG&E) or existing information-sharing practices (SCE) is entirely inadequate, as the IOUs have proven that they cannot be relied upon to share the information needed for resiliency planning. For instance, CCA programs have a statutory right to access information regarding all customers within their service areas through regular reports from the IOUs known as "4013s." Exercising

⁴⁰ As noted in the Joint CCA Opening Comments, many data fields should be provided as in both visual/map format and tabular format.

⁴¹ D.12-08-045, Attachment B.

⁴² D.11-07-056, *Attachment D: Rules Regarding Privacy and Security Protections for Energy Usage Data*, at 2 (Rule 1(c)(3)).

⁴³ The Joint CCAs reiterate their request from Opening Comments that the IOUs be given one month from the issuance of a final decision to fully implement and populate their data portals.

this right, in *early 2018* MCE requested that PG&E start providing customer latitude and customer longitude data as part of MCE’s 4013 reports.⁴⁴ MCE reiterated this request on multiple occasions and through various channels, and even suggested interim solutions to receive latitude/longitude information outside of the 4013 report. To date, this information has not been provided.

Similarly, as early as March 2019 Pioneer sent PG&E data requests seeking sectionalization and hardening information along with circuit information for possible switching based upon information in PG&E’s Wildlife Mitigation Plan, in anticipation of PSPS events. To date, the requested information has not been provided. Pioneer’s approach to resiliency focuses on determining and prioritizing greatest community need and evaluating potential areas for generation support from microgrids. The lack of needed circuit and substation loading and customer information was a significant barrier to Pioneer’s ability to deploy resources in 2019 in advance of the late-2019 PSPS events, and remains a barrier to developing resources for deployment in the 2020 wildfire/PSPS season.

PG&E’s Opening Comments include a table that provides “notes” on many of the data fields that the IOUs would be required to provide through the Proposal 5 data portal.⁴⁵ To the extent that these “notes” would restrict access to any of the Proposal 5 data fields they should be rejected, as each of the listed data fields is necessary for resiliency resource planning. For instance, PG&E notes that a number of data fields are relevant “only if attempting to island the entire substation.” This is problematic, as these fields include information that is critical to

⁴⁴ As noted in the Joint CCAs’ Opening Comments, customer coordinates are important for resiliency planning, as they are needed to determine if a customer is located in a Tier 2 or Tier 3 HFTD or in another important locational designations such as a disadvantaged communities. This information is essential for CCAs to develop appropriate resiliency programs, projects and activities for the customers most affected by future PSPS events.

⁴⁵ PG&E Opening Comments at 53-56.

parties implementing other types of microgrid and resiliency projects, including substation rating, substation max load, and substation load profile. Similarly, PG&E provides notes indicating that lines 10, 11, and 12 should not be included in Proposal 5. As set forth in the table below, each of these data fields is important for microgrid and resiliency project implementation:

Line #	Description	Joint CCA Note
Line 10	Substation – is a transmission line feeding the substation through a high fire threat district? What tier?	Although we understand that the transmission system is dynamic and complex, flagging substations with direct connections to transmission through HFTD would allow parties to efficiently screen and prioritize microgrid opportunities. A more detailed study could be done to validate the PSPS impact before moving forward with any specific microgrid project.
Line 11	Substation – substation PSPS history	We understand that PSPS events can be triggered both upstream and downstream of substations. Sharing whether a PSPS event at a substation is caused by transmission, distribution, or both would be extremely valuable in evaluating a microgrid opportunity. This should be able to be shared tabularly, although visualizations would also be welcome.
Line 12	Substation – other planned work.	It is important to understand if PG&E is already pursuing steps to harden a particular substation or re-route power flow. If these types of activities are going on in parallel with an evaluation of microgrid opportunities, they could directly impact prioritization.

II. REPLY TO COMMENTS ON IOU PROPOSALS

Parties’ Opening Comments underscore the need for real collaboration between the IOUs and local agencies on resiliency projects, and the inadequacy of the IOUs definition of “collaboration.”

In Opening Comments, PG&E asserts that that it is actively collaborating with local governments.⁴⁶ This assertion raises two issues. First, despite the fact that CCAs are the local

⁴⁶ PG&E Opening Comments at 59 (“It is critically important that the IOUS continue to engage local governments regarding plans to mitigate PPS impacts. PG&E has detailed its historic actions and

government agencies with the primary resiliency resource planning role in their service areas, neither PG&E’s proposals nor PG&E’s Opening Comments make any mention of collaborating with CCAs. The Commission must clarify that IOUs are *required* to collaborate with CCAs to at least the same extent that they are required to collaborate with other local government agencies, and that IOUs may not exclude CCAs from any resiliency-related information access or planning activities.

Second, it appears that PG&E and the CCAs are using very different definitions of “collaboration.” To PG&E, collaboration involves informing local governments of PG&E’s unilateral decisions, and allowing these local governments to provide feedback, which PG&E may choose to act upon or disregard at its discretion. The Joint CCAs strongly agree with the LGSEC’s description and analysis of PG&E’s approach:

In this context, it is no longer acceptable for IOUs to conduct “outreach” to LGs [local governments] to “educate” them on how regulated utilities intend to proceed with place-based resiliency and reliability efforts. Nor should the IOUs be excused from their obligations to fully engage LGs in *ex ante* planning processes for “lack of time” or other explanations. Instead, IOUs’ relationships with LGs needs to transform into one that reflects mutual respect and comprehensive collaboration: an association of equals, with overlapping goals, planning and investment tools, assets, knowledge, and authority.⁴⁷

PG&E’s unilateral approach to “collaboration” is particularly problematic in the context of IOU resiliency projects that involve either placing IOU generation in CCA territory or the

plans for such engagement in its prepared testimony.... This engagement includes discussing with local governments the siting of temporary or permanent microgrids within their communities that may employ emergency temporary generation.”)

⁴⁷ LGSEC Opening Comments at 2.

IOUs providing generation service to CCA customers. Under statute, CCAs have the exclusive right to provide their customers with generation service and procure generation resources on their customers' behalf. Resiliency projects intended in CCA service areas or intended to serve CCA customers must respect this role, and any such projects must be *jointly developed* by the IOUs and relevant CCAs *as equal partners*. This partnership must involve the full consent and engagement of both parties, and must start at the very beginning of the planning phase and continue through project implementation.

A perfect example of the CCAs' definition of "collaboration as equal partners" is the Redwood Coast Airport Microgrid ("RCAM") project. From its inception, the RCAM was developed as a joint *and equal* partnership between RCEA, the Schatz Energy Research Center, and PG&E. The project primarily serves RCEA customers. RCEA selected, owns, and operates the generation resources that supply the microgrid. Each of the project partners worked in an open, positive manner on design and implementation issues. This is the model that the IOUs need to follow in implementing all resiliency microgrid projects, particularly those involving CCAs customers.

The practical importance of the "collaboration as equal partners" model is plainly demonstrated in the strong negative reaction that PG&E's Distributed Generation Enabled Microgrid Services ("DGEMS") and CMEP proposals received in many parties' Opening Comments. Each of the two main objections to these programs is the direct result of PG&E's decision to unilaterally develop and attempt to impose its preferred resiliency programs. In many cases, these issues could have been avoided if PG&E had developed its proposed programs using the "collaboration as equal partners" model.

First, a number of parties raised significant environmental concerns about PG&E’s DGEMS proposal and associated DGEMS permanent generation procurement. California Environmental Justice Alliance / Communities for a Better Environment (“CEJA/CBE”) objected to the procurement of any permanent fossil generation as part of DGEMS as contrary to California’s loading order, the short-term greenhouse gas (“GHG”) reduction targets adopted in SB 100, renewable energy procurement mandates from the IRP proceeding, and a range of other environmental policies and requirements.⁴⁸ In their respective comments, both the Climate Center and CEJA/CBE object to PG&E’s fossil-fueled DGEMS proposal as being incompatible with SB 1339, which requires that microgrid projects meet well-established Air Resources Board (“ARB”) Distributed Generation (“DG”) emissions standards.⁴⁹ Clean Coalition questions the actual resiliency benefits provided by gas generation, and argues that “rather than using gas generation near substations, it would be far more effective to rely on renewable generation in combination with energy storage.”⁵⁰ Placer APCD points out that PG&E’s plans for the creation of “plug and play” infrastructure, especially when the intended deployment is for diesel generators, has raised local government concerns. Placer APCD states that “the idea of spending close to 200 million dollars on temporary fixes that includes fleets of diesel generators seems to be a band aid approach that will undermine not only the clean energy and climate change goals of the state, but also does not provide for energy reliability.”⁵¹

These objections likely could have been avoided if PG&E had collaborated with CCAs, other local government agencies, and local community and advocacy groups in developing its proposals. Of the 20 substations that PG&E is proposing to include in the initial round of

⁴⁸ CEJA/CBE Opening Comments at 12-15.

⁴⁹ Climate Center Opening Comments at 10; CEJA/CBE Comments at 13-15.

⁵⁰ Clean Coalition Opening Comments at 9-11, 15.

⁵¹ Placer APCD Opening Comments at 13.

DGEMS upgrades, 14 are located in CCA territory and either primarily or exclusively serve CCA customers – 7 in MCE territory and 7 in SCP territory. Both MCE and SCP have renewable energy and GHG reduction targets and green procurement requirements that are significantly more aggressive than the State’s targets. For example, by 2022, MCE is planning to provide customers in its base rate (i.e., the “Light Green” rate) with electricity that is 99% GHG-free Collaborating with MCE and SCP and allowing these CCAs to identify and procure resiliency resources would have steered procurement towards greener solutions that are acceptable to their communities and consistent with their procurement requirements, while also bringing additional technical and financial resources to the table. Moreover, collaboration by PG&E in the development of its proposals would have fostered trust within communities that have been deeply impacted by PSPS events. PG&E desperately needs to press the reset button in the PSPS impacted areas. If it will not do so voluntarily, it is vital that the Commission force it to do so.

Second, a number of parties raised significant cost reasonableness objections to PG&E’s DGEMS proposal. In particular, TURN objects to PG&E’s failure to present the DGEMS proposal, in its entirety, in a single proceeding, where it can be compared side-by-side with other alternatives, including transmission hardening and safety upgrades already approved in PG&E’s \$4.5 billion wildfire mitigation activities under its General Rate Case.⁵² TURN advocates for a substation-by-substation review to ensure that ratepayers are not funding long-term generation in areas where the de-energization risk will be quickly mitigated with grid hardening.⁵³ The Office of Public Advocates (“Cal PA”) similarly argues the need for the Commission to compare the DGEMS proposal as a whole (including the DEGMS permanent generation proposal) to

⁵² TURN Opening Comments at 8.

⁵³ TURN Opening Comments at 21.

alternative options for achieving the same results, including seeking alternative resource adequacy sources to meet PG&E's IRP Procurement Track capacity procurement mandate and relying on line hardening for resiliency.⁵⁴ The Center for Accessible Technology objects to PG&E's plans to include nearly all requested capital costs in its ratebase, characterizing this as PG&E "turning its response to a crisis largely of its own making into a profit-making opportunity."⁵⁵ Again, PG&E could have mitigated at least some these cost objections by collaboratively developing its DGEMS proposal with CCA partners from the outset. CCAs, as a group, plan to procure significant amounts of generation from new renewable resources in coming years to serve their load. It may be possible to site and design some of these resources (which need to be procured anyway) so as to provide resiliency benefits as well, without incurring significant additional costs.

PG&E has stated that it will not deploy DGEMS temporary or permanent generation resources where a community does not want them. This makes PG&E's lack of collaboration in developing its proposals particularly problematic, as the unilateral nature of the development process, and the fact that DGEMS generation is very likely to consist of diesel temporary generation and natural gas permanent generation installed at – or very close – to substations (some of which are located in neighborhoods and even densely populated areas) makes community opposition based on pollution, noise, and aesthetic concerns very likely. With just a little more effort, just a little more listening, and a more thoughtful response by PG&E, we can begin to have the partnership we need to move towards resiliency as fast as possible

⁵⁴ Cal PA Opening Comments at 26.

⁵⁵ CEJA Opening Comments at 26.

The desire for collaboration and partnership does not just relate to the information for microgrids, but also to other aspects of PSPS mitigation and resiliency like the siting and development of Community Resource Centers (“CRC”), and the development of resiliency projects at CRCs. RCRC “believes that a local government should be free to site and operation one or more CRC within its own jurisdiction.”⁵⁶ CRCs placement and the potential for behind the meter generation has been a primary target of several CCAs which have already embarked upon efforts to create other resiliency projects in their service areas. For instance, SJCE, in coordination with San José Public Works and other City departments, intends to establish CRCs that are supported by appropriate resiliency resources, are sited in locations accessible to communities most likely to experience PSPS outages, and effectively and promptly respond to the needs of San José’s residents during PSPS outages. SJCE is planning to issue a Request for Proposals in late Spring or early Summer, pending allocation of funding. Similarly, PCE is in the process of identifying the best locations to deploy CRCs and the resiliency resources that CRCs will need. MCE has identified approximately 60 “critical facilities” sites (including evacuation centers and key community and senior resource centers) in its service area, and is exploring options to support these critical facilities in implementing on-site distributed energy resource projects and increasing their resiliency before the next fire season. These CRC projects are critical to the public health and safety, and are an area ripe for collaboration between IOUs and CCAs.

III. CCAS ARE MOVING TO ADDRESS COMMUNITY RESILIENCY NEEDS

Included with these Reply Comments as Attachment A, the Joint CCAs are providing a number of CCAs’ responses to a PG&E data request regarding CCAs’ past and current efforts to

⁵⁶ RCRC Opening Comments at 8.

increase resiliency in their communities. The responses to PG&E's discovery requests collectively illustrate two clear points. First, CCAs are moving to design programs that will increase resiliency in their communities by bringing local expertise, community knowledge, and their own and diverse funding streams to address the problem. Second, CCAs have struggled, many for over a year, to secure the critical data to bring these projects to fruition to the benefit of broad swaths of California.

Collaboration and robust information sharing by the IOUs would greatly speed up the development of these programs, lower overall costs of any programs deployed by the CCAs and/or IOUs, eliminate duplication of efforts reduce the inefficient allocation of resiliency resources, and result in projects and programs that reflect community needs. Robust collaboration by the IOUs with CCAS could foster new, innovative approaches born of a partnership and trust built through working together to achieve a common set of goals: an end to PSPS events, reduction in wildfire threats, and increased resiliency of the grid. CCAs, as local governments, have Board members from all of their member jurisdictions. The composition of CCA boards makes them uniquely positioned to work quickly and facilitate the process required to secure local government approvals for resiliency projects. To make this process as speedy as possible communities need a seat at the table in developing solutions and the data needed for resiliency efforts.

IV. CONCLUSION

The Joint CCAs thank the Commission for their consideration of the matters discussed herein.

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Respectfully submitted,

/s/David Peffer

David Peffer
BRAUN BLAISING SMITH WYNNE P.C.
555 Capitol Mall, Suite 570
Sacramento, CA 95814
Tel: (916) 326-5812
E-mail: peffer@braunlegal.com

On Behalf Of:

Clean Power Alliance
Peninsula Clean Energy Authority
Marin Clean Energy
Sonoma Clean Power Authority
Redwood Coast Energy Authority
San Jose Clean Energy
Pioneer Community Energy
Lancaster Choice Energy
Monterey Bay Community Power
East Bay Community Energy