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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for the Self-Generation Incentive Program and Related Issues.	Rulemaking 20-05-012

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This Scoping Memo and Ruling (Scoping Memo) sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1[1] and Article 7 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure.

1. Procedural Background

The Commission established the Self-Generation Incentive Program (SGIP) in 2001 in Decision (D.) 01-03-073 in response to Assembly Bill (AB) 970 (Ducheny, Stats. 2000, Ch. 329). AB 970 directed the Commission to provide incentives for distributed generation resources to reduce peak energy demand. Since 2001, the Legislature has refined and extended the SGIP numerous times.[2]

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[1] Hereafter, all references to code are to the Public Utilities Code, unless otherwise indicated.

[2] AB 1685 (Leno, 2003), AB 2778 (Lieber, 2006) and Senate Bill (SB) 412 (Kehoe, 2009) collectively shifted SGIP's focus from peak demand reduction towards reducing criteria pollutants and greenhouse gas (GHG) emissions. SB 861 and AB 1478 authorized SGIP collections through 2019 and administration through 2020 and required a number of other changes. AB 1637 (Low, 2016) authorized the Commission to double annual collections through 2019 as compared to calendar year 2008.

As a result of legislation signed into law between 2001 and 2019, Section 379.6 and Section 379.9 direct the Commission to undertake the following regarding the SGIP:

1. Increase deployment of distributed generation and energy storage systems to facilitate the integration of those resources into the electrical grid; improve efficiency and reliability of the distribution and transmission system; reduce GHG emissions, peak demand, and ratepayer costs; and, provide for an equitable distribution of the costs and benefits of the program (Section 379.6(a)(1));
2. Limit eligibility for incentives to distributed energy resources that reduce GHG emissions (Section 379.6(b)(1));
3. Limit eligibility for incentives under the program to distributed energy resource technologies that meet all of these criteria: (1) shifts onsite energy use to off-peak time periods or reduces demand from the grid by offsetting some or all of the customer's onsite energy load, including, but not limited to, peak electric load; (2) is commercially available; (3) safely utilizes the existing transmission and distribution system; and (4) improves air quality by reducing criteria air pollutants (Section 379.6(e));
4. Ensure that recipients of funds provide relevant data to the Commission and the California Air Resources Board (CARB), upon request, and are subject to onsite inspection to verify equipment operation and performance, including capacity, thermal output, and usage data and to verify criteria air pollutant and GHG emissions performance (Section 379.6(f));
5. Determine minimum system efficiency by calculating electrical and process heat efficiency as set forth in Section 216.6 or by calculating overall electrical efficiency (Section 379.6(d)); and, determine a capacity factor for each generation system technology (Section 379.6(g));[3]

[3] Defined in Section 379.6(l) as the ratio of the electricity generated by the distributed energy resource generation projects receiving incentives from the program to the electricity capable of being produced by these projects.

6. Consider the relative amount and cost of GHG emission reductions, peak demand reductions, system reliability benefits, and other measure factors when allocating program funds between eligible technologies (Section 379.6(h)(2));
7. Ensure that distributed generation resources are made available for all ratepayers (Section 379.6(i));
8. Ensure that SGIP costs are not collected from customers participating in the California Alternate Rates for Energy program (Section 379.6(k));
9. Evaluate the success and impact of the SGIP based on: (1) the amount of GHG emission reductions; (2) the amount of reductions of criteria pollutants; (3) the amount of energy reductions measured in energy value; (4) the amount of reductions of customer peak demand; (5) the capacity factor; (6) the value to the electrical transmission and distribution system measured in avoided costs of transmission and distribution upgrades and replacement; and (7) the ability to improve onsite electricity reliability as compared to onsite electricity reliability before the incented technology was placed in service (Section 379.6(l)); and
10. Allocate at least 10 percent of annual SGIP ratepayer collections for the 2020 calendar year for the installation of energy storage and other distributed energy resources for customers that operate critical facilities or critical infrastructure serving communities in High Fire Threat Districts (HFTDs) to support resiliency during de-energization events, prioritize projects for customers meeting certain criteria when allocating these funds, and evaluate these SGIP projects against these criteria no later than December 31, 2022 (Section 379.9).

SB 700 (Wiener, 2018), authorized the Commission to extend annual ratepayer collections for the SGIP from December 31, 2019 to December 31, 2024 by up to $166 million annually and to extend administration of the program from January 1, 2021 to January 1, 2026, which the Commission did in D.20-01-021.[4]

In 2019 and 2020, the Commission undertook broad SGIP revisions in response to SB 700 and AB 1144 (Friedman, 2019) and to address challenges caused by widespread wildfires and electric grid de-energizations during 2017 and 2018. In D.19-08-001, the Commission established GHG emission reduction requirements for energy storage systems. In D.19-09-027, the Commission established a $100 million equity resiliency budget for energy storage technologies that support resiliency to electric grid de-energizations for equity and medically vulnerable customers located in areas of extreme or elevated fire risk and the critical facilities supporting them. D.20-01-021 expanded the equity resiliency budget to $613 million over five years, established resiliency adder incentives for general market large-scale energy storage systems and renewable generation technologies, and allocated 88 percent of SGIP incentive funds to energy storage. D.19-09-027 and D.20-01-021 together established a $45 million incentive budget for heat pump water heater (HPWH) technologies.

Section 379.6(m) prohibits use of SGIP incentives for distributed generation technologies using non-renewable fuels as of January 1, 2020. To underscore this requirement, the Commission in D.20-01-021 ordered that, "[a]ll new renewable generation projects receiving incentive funds from the Self-Generation Incentive Program must use only renewable fuels on an ongoing basis and for as long as the equipment is in use."[5] In the same decision, the Commission directed SGIP Program Administrators to "pause" acceptance of

[4] Section 379.6(a)(2).

[5] D.20-01-021 Ordering Paragraph (OP) 16.

new incentive applications for renewable generation technology projects using biomethane “flaring” as the GHG emissions baseline. The Commission took this step to respond to concerns raised by parties on the GHG emission impacts, disposition of environmental attributes, and provision of environmental benefits in California of such projects.[6] The record established in the predecessor rulemaking to the current one, Rulemaking (R.) 12-11-005, on SGIP renewable generation and HPWH technologies is incorporated into this rulemaking.

R.12-11-005, included aspects of the California Solar Initiative (CSI) and its sub-programs and the Net Energy Metering (NEM) tariff, including revision of program requirements, evaluation and program oversight functions within scope. The current rulemaking will consider a limited set of CSI sub-program evaluation and program implementation issues.[7]

An OIR in the current rulemaking was adopted on May 28, 2020. A Prehearing Conference (PHC) was held on July 29, 2020 to discuss the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. After considering parties comments and reply comments on the OIR and discussion at the PHC, I have determined the issues and initial schedule of the proceeding as set forth in this Scoping Memo.

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[6] *Id* at 60-69.

[7] NEM policies and evaluation guidance were transferred to R.14-07-002 in the Order Instituting Rulemaking (OIR) for that proceeding. *See* “OIR to Develop a Successor to Existing Net Energy Metering Tariffs Pursuant to Public Utilities Code Section 2827.1, and to Address Other Issues Related to Net Energy Metering,” available here: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M098/K303/98303355.PDF.

2. Issues

The issues to be determined in this rulemaking are:

1. SGIP evaluation and oversight requirements, including but not limited to:
   a. Consideration of GHG estimation methodologies for certain SGIP-eligible technologies; and
   b. Consideration of the comparative GHG emissions reduction performance of storage systems installed using and not using SGIP incentives.
2. Consideration of SGIP program revisions or refinements regarding:
   a. HPWHs, including but not limited to questions of:
      i. The appropriate methods for estimating GHG performance and/or grid impacts;
      ii. Incentive levels, incentive layering, and strategic deployment of HPWH incentives and requirements;
      iii. The need for grid control and/or load shifting requirements;
      iv. Market transformation opportunities; and
      v. Appropriate Program Administrators for HPWH incentives.
   b. Thermal energy storage (TES).
   c. Renewable generation technologies including but not limited to consideration of:
      i. Renewable fuel tracking, verification and permanency requirements;
      ii. Treatment of environmental attributes and/or the provision of environmental benefits to California;
      iii. Review of eligible renewable fuel definitions and requirements, including, pursuant to SB 1369, regarding green hydrogen; and
      iv. Program revisions to reduce barriers to participation, particularly for wind energy technologies.

d. Other program areas as needed, including but not limited to:

  i. Consideration of refinements to the equity resiliency budget and/or general market budget resiliency incentive requirements;

  ii. Consideration of refinements to multifamily building requirements to broaden SGIP participation opportunities, including, potentially, to multi-tenant commercial buildings;

  iii. Consideration of process refinements to streamline and reduce SGIP complexity;

  iv. Consideration of whether electric vehicle (EV) energy storage systems and/or EV supply equipment (EVSE) may be eligible for SGIP incentives, and if so, what rules or conditions should apply;

  v. Consideration of the need for and feasibility of upfront and/or on-bill financing methods and pilot projects;

  vi. Consideration of guidelines for submittal of pilot projects;

  vii. The need for coordination methods and, as needed, coordination with other relevant proceedings including but not limited to R.20-05-003 regarding Integrated Resource Planning, R.19-11-009 regarding Resource Adequacy, and/or R.14-07-002 regarding NEM policies;

  viii. Impacts on environmental and social justice communities, including the extent to which SGIP impacts achievement of any of the nine goals of the Commission's Environmental and Social Justice Action Plan;[8] and

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[8] Available here: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Energy/EnergyPrograms/Infrastructure/DC/Env%20and%20Social%20Justice%20ActionPlan_%202019-02-21.docx.pdf. *See also:* https://www.cpuc.ca.gov/CPUCNewsDetail.aspx?id=6442461331#:~:text=In%20February%202019%2C%20after%20months,to%20targeted%20communities%20across%20California.

ix. Other SGIP program issues as they arise.

3. California Solar Initiative sub-program review and evaluation:

   a. Clarifications regarding program sunset, administrative and evaluation requirements.

3. Questions for Party Comment

A first priority is to consider potential refinements to the equity resiliency budget and other issues addressed in D.19-09-027 and D.20-01-021. Parties shall file comments on question (a) below no later than five days from issuance of this Scoping Memo. Reply comments on question (a) will not be accepted. Parties shall file comments on questions (b) – (k) no later than 30 days from issuance of this Scoping Memo. Reply comments on questions (b) – (k) are due no later than 45 days from issuance of this Scoping Memo.

a. Please refer to Attachment A. Should the Commission consider adopting an income limit or other restrictions for residential equity resiliency budget customers not eligible for the equity budget pursuant to D.19-09-027 and D.20-01-021 and D.20-07-015? Should the Commission consider this for some subset of residential equity resiliency budget customers such as those with eligibility based on reliance on an electric pump water well for water supplies? If so, what eligibility requirements should apply? Please explain.

b. Should the Commission refine guidance regarding prioritization of equity resiliency budget incentive applications, allowable reimbursable costs or cost control guidance beyond that provided in D.19-09-027 and D.20-01-021? If so, what additional guidance should be considered? Please explain.

c. In response to the COVID-19 pandemic, investor-owned utilities (IOUs) have suspended requirements for applicants to provide a medical certification to enroll in a medical baseline rate and may not require this from applicants for up to a year. Given this, should the Commission consider adopting additional eligibility or verification requirements for medical baseline customers wishing to access the equity resiliency incentives adopted in D.19-09-027 and D.20-01-021? Please explain.

d. Should the Commission provide any clarifications to the definition of "discrete Public Safety Power Shutoff (PSPS) event" adopted in D.20-01-021 to address situations where customers experience an electricity outage due to an actual wildfire, are at high risk of a future electricity outage, either from a PSPS event or due to an actual wildfire, and/or are de-energized due to an actual wildfire?[9] Please explain.

e. Should the Commission further refine the multifamily building requirements adopted in D.19-09-027 to facilitate this customer segment's participation in SGIP? If yes, should refinements include extending eligibility for SGIP for multifamily buildings on a Virtual Net Energy Metering (VNEM) tariff to multi-tenant commercial buildings? If so, what refinements should be considered? Please explain.

f. Should the Commission consider revising any SGIP processes or requirements to streamline incentive application, review, approval and other Program Administrator functions? If so, what processes or requirements should be considered? Please explain.

g. Should the Commission consider the requirements for an IOU or other entity to act as Program Administrator for HPWH incentives? What would preclude an IOU or entity from acting as the Program Administrator? Should any IOU be precluded from acting as Program Administrator for HPWH technologies? If an incumbent IOU is not designated as a Program Administrator, what alternative should be adopted? Please explain.

h. How can SGIP incentives facilitate use of EV energy storage systems and/or EVSE to reduce peak load on the grid and/or to charge the storage system when excess electricity is available?

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[9] See also Advice Letters (AL) CSE AL 110-E/-A; SCE AL 4192-E/-A; SoCalGas AL 5619-G/-A; and, PG&E AL 4237- G/-A/5808-E/-A for further refinement to the definition of "PSPS event" for SGIP purposes.

i. How can SGIP incentives facilitate use of EV storage systems and/or EVSE to reduce grid GHG emissions?

j. How can SGIP incentives facilitate use of EV storage systems and/or EVSE to provide other benefits of electric vehicle grid integrations (as defined in Section 740.6)?

k. How can the Commission ensure that EV storage systems and/or EVSE that receive SGIP incentives are used to provide long-term benefits to ratepayers?

Question (a) above seeks comment on potential new rules for eligibility for residential customer equity resiliency budget incentives. If the Commission decides to adopt new eligibility rules for equity resiliency budget incentives in the future, pursuant to Section 1731(a), the Commission might also decide that the new rules will apply to all applications submitted after the date of this Scoping Memo, or on some other date.

4. Establishment of Technical Working Group Subgroup

An SGIP Technical Working Group (TWG) has been active for some years and has contributed to a variety of SGIP processes, including technical studies of projected GHG emissions profiles preceding Commission adoption of D.19-08-001. D.19-08-001 authorized creation of a SGIP TWG subgroup on TES systems, which discussed issues leading up to SGIP Program Administrator submittal of Advice Letters regarding TES systems.[10] SGIP TWG discussions can be useful to refine ideas and build consensus.

With this end in mind, I direct the creation of an SGIP TWG Process Streamlining subgroup. The Process Streamlining subgroup shall identify SGIP process streamline opportunities pertaining to customer eligibility, incentive

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[10] D.19-08-001 at 71; See also SoCalGas AL 5640; PG&E AL 4255-G/5839-E; SCE AL 4223-E; CSE AL 112-E.

application, review, approval and other Program Administrator functions. The subgroup shall meet at least monthly and shall be convened by an SGIP Program Administrator, or, if the SGIP Program Administrators prefer to delegate and a party is willing to take on convening functions, by a non-Program Administrator party. The convener for this subgroup shall prepare and serve a short status report and/or consensus (and non-consensus) recommendations at any time, but no later than December 1, 2020, and, if the subgroup continues beyond December 1, 2020, quarterly thereafter. Participation by Energy Division staff in this TWG subgroup is optional but should be accommodated where feasible. If this TWG subgroup is able to reach a broad set of shared views, the Program Modification Request process may be appropriate as well.[11]

5. Categorization and Evidentiary Hearings

The OIR adopted by the Commission on May 28, 2020 categorized this proceeding as quasi-legislative. I confirm the preliminary categorization of this proceeding as quasi-legislative and determine that evidentiary hearings will not be necessary. We will revisit the categorization and hearing need determinations, if appropriate, in subsequent phases of this proceeding.

6. Oral Argument

Unless comment is waived pursuant to Rule 14.6(c)(2) of Commission's Rules of Practice and Procedure for granting the uncontested relief requested, motion for oral argument shall be by no later than the time for filing comment on the proposed decision.

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[11] SGIP Handbook Section 4.2.7, available here: https://www.selfgenca.com/home/resources/.

7. Schedule

The following schedule is adopted here and may be modified by the assigned Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the rulemaking:

Event	Date
Opening comments on question (a) in section 3 (reply comments not accepted)	5 days from issuance of Scoping Memo
Comments and reply comments on questions (b) – (k) in section 3.	30 and 45 days from issuance of Scoping Memo, respectively
Energy Division completes HPWH staff proposal	September 2020
Renewable generation technology workshop	September 2020
Proposed Decision addressing question (a) in section 3	Q3 2020
TWG Process Streamlining subgroup report /recommendations served	December 1, 2020
Proposed Decision on HPWH, renewable generation technologies, and questions (b) – (k) in section 3	Q1 2021
All party meeting to discuss proceeding 2021 schedule	Q1 2021

Based on this schedule, the proceeding will be resolved within 18 months as required by Section 1701.5.

8. Public Outreach

Pursuant to Section 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter by noticing it in the Commission's monthly newsletter that is served on communities and business that subscribe to it and posted on the Commission's website.

In addition, the Commission served the OIR on the following service lists:

- R.19-01-011, addressing building de-carbonization;
- R.19-09-009, addressing microgrids and grid resiliency strategies;
- R.15-03-010, addressing affordable energy options for San Joaquin Valley disadvantaged communities;
- R.13-11-005, energy efficiency rulemaking;
- R.14-07-002, net energy metering tariff rulemaking;
- A.19-11-003 et al., Southern California Edison's energy savings assistance program, building electrification and new construction pilot;
- R.17-07-007, Rule 21 interconnection rulemaking; and
- R.18-12-005, De-energization procedures.

9. Intervenor Compensation

Pursuant to Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by August 28, 2020, 30 days after the PHC.

10. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

11. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at http://consumers.cpuc.ca.gov/pao/ or contact the Commission's Public

Advisor at 866-849-8390 or 866-836-7825 (TYY), or send an e-mail to public.advisor@cpuc.ca.gov.

12. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4 of the Commission's Rules of Practice and Procedure (Rules).

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail transmitted no later than 5:00 p.m. on the date scheduled for service to occur.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

13. Service of Documents on Commissioners and Their Personal Advisors

Rule 1.10 requires only electronic service on any person on the official service list, other than the ALJ.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

14. Assignment of Proceeding

Clifford Rechtschaffen is the assigned Commissioner and Cathleen A. Fogel is the assigned ALJ.

IT IS RULED that:

1. The scope of this proceeding is described above.
2. The schedule of this proceeding is set forth above.
3. The record established in Rulemaking 12-11-005 on Self-Generation Incentive Program renewable generation and heat pump water heater technologies is incorporated into this proceeding.
4. A Self-Generation Incentive Program Technical Working Group Process Streamlining sub-group is established with the scope, organization and timeline as described above.
5. Evidentiary hearings are not needed.
6. The category of the proceeding is quasi-legislative.
7. Comments on question (a) provided in section 3 shall be filed and served no later than five days from issuance of this Scoping Memo and Ruling. Reply comments on question (a) in section 3 will not be accepted.
8. Comments on questions (b) - (k) provided in section 3 shall be filed and served no later than 30 days from issuance of this Scoping Memo and Ruling. Reply comments on questions (b) - (k) provided in section 3 shall be filed and served no later than 45 days from issuance of this Scoping Memo and Ruling.

Dated August 17, 2020, at San Francisco, California.

/s/ CLIFFORD RECHTSCHAFFEN
Clifford Rechtschaffen
Assigned Commissioner

Attachment A:

Memorandum from Deputy Director Edward Randolph

STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

August 12, 2020

TO: Commissioner Clifford Rechtschaffen
FROM: Edward Randolph, Deputy Executive Director for Energy and Climate Policy/ Energy Division
Nora Hawkins, Senior Regulatory Analyst on the Self-Generation Incentive Program (SGIP), Energy Division

SUBJECT: Energy Division Recommendations Regarding SGIP Equity Resiliency Budget (ERB) Eligibility Criteria

It has come to Energy Division's attention that demand for SGIP ERB incentives from customers relying on electric well pumps for their water supply, an eligibility criterion adopted in Decision (D.) 20-01-021, is much greater than anticipated. As of August 11, 2020, customers relying on electric well pumps for their water supply as their sole source of eligibility comprise approximately 34 percent of SGIP ERB incentive applications in queue on a statewide basis. This equates to approximately $84 million of the total of $249 million in SGIP ERB incentive funding applications submitted as of August 11, 2020.[1] In contrast, less than $48 million or less than 20 percent of SGIP ERB incentive applications in queue as of August 11th rely on the medical vulnerability of the customer as their sole source of eligibility. Notably, since ERB incentives are open to both residential and non-residential customers, electric well pump customers comprise approximately 55 percent and medically vulnerable customer comprise only 31 percent of the residential applications submitted to the ERB.

In accordance with Assembly Bill (AB) 1144, the Commission prioritized allocation of SGIP 2020 to 2024 collections based on equity and resiliency considerations. D.19-09-027 and D.20-01-021 allocated a total of $613 million to the ERB, equal to approximately 63 percent of

[1] Data from confidential SGIP database accessed by Energy Division staff on 8/11/20.

total 2020 to 2024 SGIP ratepayer collections. A wide variety of customers are eligible for the ERB incentives, including the following:

- Non-residential customers are eligible for the ERB if they provide critical facilities or infrastructure to customers with critical resiliency needs located in Tier 2 or Tier 3 High Fire Threat Districts or who have experienced two or more Public Safety Power Shutoff events (collectively customers at high risk from wildfires).
- Eligible residential customers include customers at high risk from wildfires that are also either: (1) eligible for the Equity Budget established in D.17-10-004;[2] (2) have participated in the Multifamily Affordable Solar Housing or Single Family Affordable Solar Homes Programs; (3) are on a medical baseline rate or have reported a serious medical condition to their utility; or, (4) that "rely on electric well pumps for water supplies."[3]

Residential customers eligible for the ERB pursuant to (1) or (2) above are required in D.19-09-027, D.20-01-021 and D.20-07-015 to have a household income that does not exceed 80 percent of Area Median Income. Additionally, in some cases, residential customers eligible for ERB incentives must reside in deed or resale restricted housing that may only be rented or sold to income-qualified residents.[4] However, the Commission in D.19-09-027 and D.20-01-021 did not require that medically vulnerable customers and those relying on an electric well pump for water supply at high risk from wildfires meet an income eligibility requirement.

To address and limit the high demand for ERB incentives from customers relying on electric well pumps for their water supply, and to prioritize access for customers on medical baseline most in need of financial assistance, Energy Division recommends that the Commission consider adopting income-based eligibility criteria for this customer class to match income criteria required for other eligible customers. Notably, AB 1144 specifically states that the Commission should "prioritize funding to projects for eligible customers that . . . demonstrate a financial need."[5] While this is one of several priorities for the ERB, the Energy Division recommends that demonstrated financial need should continue to be a central guiding principle

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[2] D.19-09-027 and D. 20-07-015 revised the Equity Budget program requirements established in D.17-10-004.

[3] D.20-01-021 at Finding of Fact 45.

[4] D.17-10-004, D.19-09-027, D.20-01-021, and D.20-07-015.

[5] Public Utilities Code § 379.9(b)(2).

of the ERB. As ERB funds are being depleted faster than anticipated, prioritization of the remaining funds among customers with the greatest equity and resiliency needs is paramount.[6]

Finally, because of a desire to avoid a rush of applications by electric well pump customers before any new eligibility rule is adopted, we recommend that the Commission consider applying any new eligibility rules that may be adopted for electric well pump ERB customers to all applications submitted after today's date. This would strike a balance between the interest in preserving incentive funds for customers with financial need and the expectations of utility customers who have already submitted applications.

cc: Administrative Law Judge Cathleen Fogel

(End of Attachment A)

[6] Total ERB funding is $613 million. In just the first five months since funds became available, over 41percent of the ERB budget has been requested in incentives. Data on "Allocated Funds" under the ERB accessed by Energy Division staff on 8/11/20. https://www.selfgenca.com/home/program_metrics/