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Staff Report IOU Progress Implementing
Requirements of D2111028

Energy Division Staff Report on IOU Administrator Progress in Implementing the Additional Requirements of D.21-11-028 for the Electric Program Investment Charge (EPIC) Program

Fredric Beck
Senior Analyst
Climate and Equity Initiatives, Energy Division
California Public Utilities Commission

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**Energy Division Staff Report on IOU Administrator Progress in
Implementing the Additional Requirements of D.21-11-028 for the
Electric Program Investment Charge (EPIC) Program**

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Executive Summary

Energy Division (ED) submits this Staff report in compliance with Commission Decision (D.)21-11-028, Ordering Paragraph 1, in Rulemaking (R.)19-10-005, the Electric Program Investment Charge (EPIC) proceeding. Ordering Paragraph 1 states:

“Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) shall continue to administer its portion of Electric Program Investment Charge, in accordance with Commission-approved investment plans and subject to the conditions adopted herein.”¹

The conditions adopted by the decision regarding continuation of EPIC program administration by the investor-owned utilities (IOUs) – PG&E, SDG&E, and SCE – include:

“...we only authorize the IOUs’ budget in this decision through 2025. We intend that a review of their performance occur prior to any continuance for the EPIC 5 cycle of the IOUs’ budgets. The forthcoming decision in this proceeding will address the evaluation schedule and scope and we can address that process at that time. Thus, we adopt an EPIC revenue collection of \$185,000,000 annually, and reinstate the budget for the IOUs, through 2025.”²

“...we adopt a requirement that Energy Division Staff review, assess, and report to the Commission on the IOUs progress in implementing the additional requirements one year and three years after IOU EPIC 4 applications are approved.”³

and,

“We intend to consider and adopt specific review requirements that will enable us to evaluate performance before 2025. Continuance past this date will be reconsidered based on IOU performance.”⁴

The decision adopted heightened administrative criteria⁵ for further improving IOU performance in EPIC administration.⁶ The decision identified specific recommendations addressing IOU deficiencies in administrative performance in three areas:

- portfolio optimization,
- stakeholder engagement, and
- benefits quantification.

To determine whether each IOU has demonstrated progress in all three of these areas, ED staff (Staff) reviewed and assessed evidence provided in the IOUs’ EPIC 4 applications, EPIC 4 Advice Letter (AL) submissions, EPIC annual reports, project data uploaded to the EPIC

¹ D.21-11-028 at Ordering Paragraph (OP) 1.

² D.21-11-028 at 45-46.

³ D.21-11-028 at 24.

⁴ D.21-11-028 at 25.

⁵ D.21-11-028 at 18-22.

⁶ R.19-10-005. Administrative Law Judge’s Ruling on Staff Proposal at 9-13. March 2, 2021.

database, participation in the 2023-2024 EPIC Strategic Goals and Strategic Objectives public process, responses to ED data requests, and the record of R.19-10-005 post-D.21-11-028. This Staff review and assessment forms the basis of this Staff report and its findings.

Staff finds each IOU has demonstrated significant progress in improving administrative performance in portfolio optimization, stakeholder engagement, and benefits quantification in the year following IOU EPIC 4 application approvals. This demonstration of progress addresses the Commission's criteria upon which it made contingent authorization of IOU participation beyond 2025.

Background

D.12-05-037 required an independent evaluation of the EPIC program to commence in 2016.⁷ The evaluation was issued publicly in 2017 (2017 Evaluation). D.18-01-008 provided a summary of the 32 recommendations made by the EPIC Evaluation Final Report,⁸ and required the IOUs to prepare and serve a joint application containing a Research Administration Plan (RAP) identifying changes they would make to their administrative processes in response to the evaluation's recommendations. The Commission's determinations in D.20-02-003 on the IOUs' response to three of these recommendations are the subject of this Staff review and assessment. Based on the 2017 Evaluation, D.20-02-003 determined for all IOUs that:

- Project portfolio alignment with the Commission's policy goals, though demonstrating incremental improvement, fell short of the Commission's expectation.⁹
- Meaningful stakeholder engagement fell short of "best practices," lacking specific commitment on the substance of the EPIC information they will share with stakeholders.¹⁰
- Benefits quantification was technically compliant, but the response did not provide an ideal framework for quantifying benefits.¹¹

D.21-11-028 adopted heightened administrative criteria to address these deficiencies¹² and directed Staff to review, assess, and report to the Commission on IOU progress in implementing these additional administrative requirements one year and three years after IOU EPIC 4 applications are approved.¹³ The IOUs filed EPIC 4 investment plans on October 3, 2022 which were approved on December 4, 2023 by D.23-11-086.¹⁴

⁷ D.12-05-037 at Finding of Fact (FOF) 12 and at 30.

⁸ D.18-01-008 at Appendix B.

⁹ D.20-02-003 at 13. 2017 EPIC Evaluation recommendation 2b.

¹⁰ D.20-02-003 at 17-18. 2017 EPIC Evaluation recommendation 2e.

¹¹ D.20-02-003 at 20-22. 2017 EPIC Evaluation recommendation 4c.

¹² D.21-11-028 at 18-22.

¹³ D.21-11-028 at 24.

¹⁴ D.23-11-086 at OP 1, at OP 3, and at OP 5.

This section details Staff's review and assessment of EPIC IOU administrator progress in implementing the additional administrative requirements of D.21-11-028. The review is organized by the three areas in which the Commission requires improvement. Progress in each area is assessed by applying the criteria of D.21-11-028, and as applicable D.23-04-042, to each Commission requirement.

1. Portfolio Optimization

Requirement 1: The IOUs are required to collaborate in categorizing and summarizing projects (such as by technology type and/or policy area) and review projects by topic areas to ensure that the portfolio of projects effectively support key policy goals.¹⁵

- **Criteria 1.1:** IOUs must detail clearly in IOU investment plans, and where possible quantitatively, each project's¹⁶ strategic value in the portfolio, providing detailed explanations of how the projects support State goals.¹⁷
 - **Finding:** Based on Staff review of each IOU's EPIC 4 investment plans and each IOU's EPIC 4 Tier 2 advice letters, each IOU has complied with this criterion by providing significant details on their proposed Strategic Objectives, Strategic Initiatives, and Research Topic Areas.
 - **PG&E** provides clear and detailed justification for each of its three Strategic Objectives, five Strategic Initiatives, and 23 Research Topic Areas. PG&E does not provide quantification of Research Topic Area strategic value to the portfolio.
 - **SCE** provides clear and detailed justification for each of its three Strategic Objectives, six Strategic Initiatives, and 15 Research Topic Areas. SCE does not provide quantification of Research Topic Area strategic value to the portfolio.
 - **SDG&E** provides clear and detailed justification for each of its two Strategic Objectives, two Strategic Initiatives, and six Research Topic Areas. SDG&E does not provide quantification of Research Topic Area strategic value to the portfolio.
 - **The IOUs** coordinated their respective EPIC 4 Plans to align with the Strategic Objectives and Initiatives of the CEC's EPIC 4 investment plans relevant to the technology development and demonstration program area.¹⁸
- **Criteria 1.2:** IOUs must clearly justify why each project is a priority in the investment plan.¹⁹

¹⁵ D.21-11-028 at 18-19.

¹⁶ Because D.21-11-028 at OP 8 requires all administrators to now file investment plans at the Strategic Initiative level, the smallest unit of analysis in IOU EPIC 4 investment plans is the Research Topic Area, an area under which individual projects will be later defined and funded by administrators. For the purpose of this Staff report, in Criteria 1.1 and Criteria 1.2 only, the term "project" in the requirements and criteria should be substituted with the term "Research Topic Area."

¹⁷ D.21-11-028 at 18.

¹⁸ Application (A.).22-10-001 (SCE) at 4; AL 7145-E (PG&E) at 2; and A.22-10-002 (SDG&E) at 1.

¹⁹ D.21-11-028 at 18.

- **Finding:** Based on Staff review of each IOU's EPIC 4 investment plans and each IOU's EPIC 4 Tier 2 advice letters, each IOU has complied with this criterion by providing significant details on their proposed Research Topic Area descriptions.
 - **PG&E** provides clear justification of project priority for each of 23 Research Topic Areas.
 - **SCE** provides clear justification of project priority for each of 15 Research Topic Areas.
 - **SDG&E** provides clear justification of project priority for each of six Research Topic Areas.
- **Criteria 1.3:** Each IOU must work with CPUC Staff to ensure data and descriptions needed to characterize investments across administrators are supplied in a form compatible with the combined EPIC database that will be developed through the EPIC Policy + Innovation Coordination Group (PICG).²⁰
 - **Finding:** Based on Staff review of the online public EPIC database, discussion with the contractor responsible for design and operation of the EPIC database,²¹ and IOU responses to an ED data request,²² each IOU has complied with this criterion.
 - **IOU Participation in EPIC Database development:** Each IOU participated cooperatively by working closely with the PICG coordinator, fellow EPIC administrators, and the CPUC over the course of a year to define the EPIC database, the information contained within it, and the processes and timing for updating various data elements within the database. The effort involved developing the framework of the database, ensuring it could accommodate all necessary data fields, and making it user-friendly for data entry. During the development of the database, the IOUs held regular weekly meetings to discuss database progress, address any issues, and ensure alignment on data requirements and formats. The IOUs also conducted ad-hoc meetings with the PICG and ED Staff as needed to resolve specific issues or to provide updates on urgent matters, especially to develop the framework of the database fields. The IOUs verified the accuracy of the data, ensured it was in a format that could be easily entered into the EPIC database, and uploaded project data for each project.
 - **IOU Participation in EPIC Database updates:** The IOUs update the EPIC database manually via the database portal interface on a quarterly basis with project data as required by the internal EPIC Database Update Guide. If a technical issue is encountered during this process, the IOUs coordinate with the PICG coordinator to

²⁰ D.21-11-028 at 18-19. D.18-10-052 established the Policy + Innovation Coordination Group (PICG) - comprised of a Project Coordinator, the four Administrators, and the CPUC - to increase the alignment and coordination of EPIC investments and program execution with CPUC and California energy policy needs.

²¹ The Accelerate Group is under contract to develop, operate, and maintain the CPUC's EPIC database.

²² On September 17, 2024, ED Staff sent a Data request to the EPIC IOU administrators entitled "Data Request to Southern California Edison, Pacific Gas and Electric, and San Diego Gas & Electric regarding Electric Program Investment Charge (EPIC) IOU administrator progress in implementing the requirements of D.21-11-028," with responses due Tuesday October 1, 2024.

resolve them. PG&E engaged in technical coordination in February 2024, April 2023, October 2022, and April 2022. SCE had seven email exchanges and held three conference calls to resolve any issues with database functionality and data reporting from October 2022 through April 2024.

2. Stakeholder Engagement

Requirement 2: The IOUs are required to engage stakeholders earlier in the investment planning process.²³

- **Criteria 2.1:** At the time of investment plan filing, each IOU must file a summary of all stakeholder feedback received during investment plan formulation and explain how this feedback was considered the investment plan.²⁴
 - **Finding:** Based on Staff review of each IOU's EPIC 4 investment plans and IOU responses to an ED data request, each IOU has complied with this criterion by including summaries of stakeholder input to their EPIC 4 investment plans and how this feedback was considered in investment plan formulation. Each IOU provided the following:
 - **Investment Planning Stakeholder Engagement:** The IOUs jointly conducted four public workshops to gain stakeholder input for consideration in their respective EPIC 4 investment plans. The first public workshop included an initial overview of each IOU's proposed initiatives, presented with thematic panel-led discussions by the Electric Power Research Institute (EPRI).²⁵ The second public workshop provided a more detailed review of each IOU's topics, presented thematically by Strategic Objective. Two additional workshops with Disadvantaged Communities discussed how these communities can engage in each IOU's EPIC 4 investment plan, sought to understand these communities' challenges and priorities for technology innovation, and obtained feedback to inform the IOUs' EPIC 4 investment plans. The IOUs state the workshops, as a whole, were well attended with a broad spectrum of participants, including academia, industry, and research institutions, as well as environmental, customer advocates and community-based organizations.
 - **Stakeholder Feedback Summaries:** All three IOUs filed the required stakeholder workshop summaries as part of their EPIC 4 investment plans.²⁶
 - **Consideration of Stakeholder Input:** The IOUs solicited public workshop participant questions and held discussions to identify technology innovation priorities and/or missing IOU candidate topics. Comments from stakeholders focused on general programmatic information as well as technology gaps and priorities. SCE acknowledged utility-owned communications platforms for Distributed Energy

²³ D.21-11-028 at 19-20.

²⁴ D.21-11-028 at 19.

²⁵ EPRI is an independent, non-profit organization based in Palo Alto, CA and in operation since 1972. EPRI is recognized as a leader in conducting electric utility industry research and development.

²⁶ A.22-10-003 (PG&E) at 132. Appendix A - Summary of Stakeholder Feedback; A.22-10-001 (SCE) at 56. Appendix C - Stakeholder Engagement; and A.22-10-002 (SDG&E) at 1, Appendix B – EPIC Public Workshop Summaries.

Resources (DER) owners identified by stakeholders as a technology gap and incorporated this feedback into its EPIC 4 investment plan under SCE's Energy Management Foundational Technologies Strategic Initiative. SCE describes its internal analysis of how it plans to meet the State's climate goals in alignment with the proposed EPIC 5 strategy incorporating both internal and external strategy insights to contribute to a more cohesive plan.

- **Consideration of Stakeholder Input on Equity:** The IOUs incorporated feedback from the Disadvantaged Communities Advisory Group (DACAG) into their second disadvantaged community (DAC) workshop presentation to expand on how Disadvantaged Vulnerable Communities (DVCs) and under-resourced communities can help provide feedback and shape EPIC 4 projects at project public workshops. The IOUs additionally accounted for DACAG input by stating they would incorporate the DACAG Equity Framework into their EPIC 4 investment plans.²⁷
- **Criteria 2.2:** Prior to conducting stakeholder workshops, the IOUs must provide specific commitments in investment plans and any other project filings to the CPUC on the type of project content that will be shared with stakeholders.²⁸
 - **Finding:** Based on Staff review of EPIC 4 applications, EPIC 4 proposed project workshop notices, 2023 IOU administrator Annual Reports, and IOU responses to an ED data request, SDG&E, SCE, and PG&E have not yet complied with this criterion.
 - **PG&E** states it did not specify in its EPIC 4 investment plan what project-specific content would be shared with stakeholders prior to conducting workshops. In practice, PG&E states it shares project scope, demonstration approach, and other rationale for a potential project in its EPIC Workshops at least one month prior to a project launch. In its EPIC 4 investment plan, PG&E commits to employing a project selection process that presents the resultant subset of candidate projects from internal scoring to the public for feedback and use that feedback to update project scope and inform the relative priority among projects.²⁹ PG&E additionally commits to engaging with DVCs and other communities through PG&E's equity team, PG&E's Community Perspectives Advisory Council (C-PAC), and other channels to incorporate broader community feedback and identify opportunities to partner with communities to host projects that will have field demonstration components.³⁰ PG&E states it will continue efforts to improve its stakeholder engagement practices, including the sharing of information leading up to workshops.
 - **SCE** states it plans to perform targeted outreach to DACs, as well as widely broadcasting announcements for its EPIC 4 project workshops to create meaningful engagement to help ensure the technologies being reviewed and evaluated are

²⁷ A.22-10-001 (SCE) at 8-10; A.22-10-002 (PG&E) at 13-16; and A.22-10-003 (SDG&E) at 6-7.

²⁸ D.21-11-028 at 19.

²⁹ A.22-10-002 (PG&E) at 125, Project Portfolio Governance Process to Leverage EPIC Investments.

³⁰ A.22-10-002 (PG&E) at 125, Project Portfolio Governance Process to Leverage EPIC Investments.

applicable to community interests and responsive to these communities' needs.³¹ In its Tier 2 Advice Letter 5195-E, SCE states it plans to create an overarching EPIC community advisory board that will advise SCE generally on siting and community benefits opportunities and provide input on project design.³² The board would be comprised of individuals either from or representing different environmental and social justice (ESJ) community segments to allow for a range of input from differing points of view. SCE states it is actively recruiting members of the community for a paid advisory board position and in the process of hiring a facilitator for board meetings. Each EPIC 4 project, even those not currently planned to be sited in disadvantaged communities, will be presented to the board for their input.

- **SDG&E** states it has not explicitly committed in CPUC EPIC-related filings the type of project content that will be shared with stakeholders prior to conducting stakeholder workshops. SDG&E states it is dedicated to (1) maintaining transparency by openly sharing relevant project information with stakeholders to foster collaboration and informed decision-making, (2) sharing comprehensive knowledge gained from projects including detailed descriptions of project objectives, methodologies, and outcomes, (3) disseminating lessons learned from the projects to help stakeholders understand both the successes and challenges encountered, and (4) ensuring final project reports are made available to stakeholders via the EPIC database, SDG&E's webpage and emailed to interested stakeholders. SDG&E states it commits to sharing preliminary project content prior to conducting stakeholder workshops, including project proposals, progress updates, and any interim findings that can help stakeholders prepare for meaningful participation in the workshops.
- **Criteria 2.3:** Prior to conducting stakeholder workshops, the IOUs must provide to stakeholders comprehensive information about what projects are being planned through all outreach channels. This should include detailed information on the planned project's focus, demonstration approach, needed partner expertise, and other relevant considerations. Identify and use additional outreach channels to reach a broader range of communities.³³
 - **Finding 2.3.1:** Based on Staff review of the PG&E January 16, 2024 EPIC 4 workshop presentation³⁴ and PG&E responses to an ED data request, PG&E has partly complied with this criterion by providing much but not all the required detailed information. While PG&E stakeholder workshops included detailed information on planned project goals, demonstration approach, needed partner expertise, and other relevant considerations,

³¹ SCE EPIC 4 investment plan, Section IV, Summary of stakeholder engagement in investment planning process.

³² Advice Letter 5195-E Attachment A at 3, at 7, and at 16. Electric Program Investment Charge (EPIC) 4 investment plan: Additional Information Regarding Research Topics & Environmental Social Justice Integration. Southern California Edison Company. January 16, 2024.

³³ D.21-11-028 at 19.

³⁴ EPIC 4 Wave 1 Public Workshop. January 16, 2024. Pacific Gas and Electric Company. Available online at: <https://www.pge.com/content/dam/pge/docs/about/corporate-responsibility-and-sustainability/EPIC-4-Workshop-Jan-2024.pdf>

PG&E provided less detailed information prior to the workshops. Partner expertise needs are very briefly mentioned in advance for only a few projects.

- **PG&E** hosted or participated in three workshops presenting its proposed EPIC projects to public stakeholders, encouraging stakeholders to comment or ask questions and creating a space for discussion and dialogue. Prior to its January 2024 workshop, PG&E presented many projects' goals and demonstration approach at its C-PAC meeting in December 2023 and prompted the organization representatives to indicate interest in partnering. For the PG&E-hosted workshop in January 2024, the agenda was shared four weeks prior to the workshop across a variety of channels.
 - **PG&E** states it employs several outreach channels to share information about EPIC and invite a broad range of communities to EPIC workshops. Beyond the proceeding service lists, PG&E regularly reaches out to its own EPIC-specific stakeholder list, its Supplier Diversity service list, and its Community Perspectives Advisory Council. PG&E also invited participating community-based organizations from PG&E's Education Advocacy Grant Workshop to attend the January 2024 EPIC Workshop. PG&E also maintains a contact list of individuals who have engaged with the EPIC program and/or have demonstrated interest in partnering on projects. This list includes individuals from academic institutions, industry research consortia, national research labs, innovation organizations, as well as business, environmental, municipalities, and community-based organizations.
 - **PG&E** indicated that its Supplier Diversity team shared the announcement of the public EPIC workshop with 73 unique community-based organizations (CBOs) and Chapters of CBOs four weeks prior to PG&E's January 16, 2024 EPIC Workshop. PG&E's Supply Chain Responsibility Team developed this contact list of diverse CBOs to send Contract Opportunity Announcements, PG&E special supplier events such as matchmaking and networking and provide information about PG&E's technical assistance programs. In many cases, PG&E states it supports the CBOs through sponsorships, scholarships, and PG&E Foundation Grants.
- **Finding 2.3.2:** Based on Staff review of the SCE March 27, 2024 EPIC 4 workshop presentation³⁵ and IOU responses to an ED data request, SCE has partly complied with this criterion by providing much but not all required detailed information. Partner expertise needs are very briefly mentioned in advance for only a few projects.
- **SCE** issued its workshop invitation including the names of the five SCE projects to be discussed with external stakeholders one month prior to the March 27, 2024 workshop.
 - **SCE** is in the process of creating an overarching EPIC Community Advisory Board that will advise SCE on siting and community benefits opportunities and provide

³⁵ EPIC 4 CPUC Project Workshop. Grid Technology Innovation. March 27, 2024. Southern California Edison. Available online at: <https://www.sce.com/sites/default/files/custom-files/GTI-%20EPIC4%20CPUC%20Project%20Workshop.pdf>

input on project design.³⁶ The board will be comprised of individuals either from or representing different ESJ community segments to allow for a range of input from differing points of view. SCE states it will use the Community Advisory Board and any connected public discussions for further communication of SCE projects prior to stakeholder workshops, in order to gain insight, refine ideas, and broaden the potential reach of its EPIC projects. It will also provide a description of its expected project focus, demonstration approach, and needed partner expertise in invitations to workshops.

- **SCE** indicates that it provides information to a broad range of stakeholders about its upcoming EPIC efforts, including the Vehicle to Grid Technical Advisory Board (V2G TAB) working group, the US Driving Research and Innovation for Vehicle efficiency and Energy sustainability (USDRIVE) government-industry R&D partnership, the Department of Energy and its National Laboratories, and SCE's Clean Energy Access Working Group (CEAWG) comprised of community- and faith-based organizations representing disadvantaged communities. SCE has convened the CEAWG to support, inform, and shape its decarbonization-focused clean energy transition work since 2017.
- The [SCEIdeas.com](https://www.sceideas.com) website allows stakeholders to request letters of support, commitment, or opportunities for collaboration on demonstration projects with requests reviewed by SCE's Grid Technology Innovation team.
- **Finding 2.3.3:** Based on Staff review of the SDG&E April 24, 2024 EPIC 4 workshop presentation³⁷ and IOU responses to an ED data request, SDG&E has partly complied with this criterion by providing much but not all required detailed information. Partner expertise needs are very briefly mentioned in advance for only a few projects, and information on broader outreach channels is lacking.
 - **SDG&E** states that it began its internal governance process to develop, approve, and fund EPIC 4 projects after approval of its EPIC 4 investment plan. SDG&E hosted a public workshop on April 24, 2024 to present to stakeholders and solicit feedback on potential projects.³⁸ SDG&E explains each of the project presentations included project focus, forecasted budget, and potential outcomes from performing the project. Prior to the April 24, 2024 Public Workshop, SDG&E shared the potential research projects to the registered guests and the EPIC service list and posted the slides to SDG&E's EPIC webpage. As of Fall 2024, SDG&E had not launched any EPIC 4 projects, and as SDG&E approves and further develops the EPIC 4 projects, it should identify if partner expertise is needed and what that would entail.

³⁶ Advice Letter 5195-E Attachment B at 7. Electric Program Investment Charge (EPIC) 4 investment plan: Environmental Social Justice Action Plan, DER Action Plan, Federal Justice 40 Initiative & Revised Equity Matrix. Southern California Edison Company. January 16, 2024.

³⁷ EPIC 4 Public Workshop - SDG&E Proposed Projects. April 24, 2024. Available online at: <https://www.sdge.com/sites/default/files/2024%20SDGE%20EPIC%204%20Public%20Workshop%20FINAL.pdf>

³⁸ See SDG&E's EPIC 4 Public Workshop on Proposed Projects at: <https://sdge.com/sites/default/files/2024%20SDGE%20EPIC%204%20Public%20Workshop%20FINAL.pdf>.

- **Criteria 2.4:** IOUs must clarify how outside stakeholder responses will be considered.³⁹
 - **Finding 2.4.1:** Based on Staff review of EPIC 4 applications, EPIC 4 proposed project workshop notices, 2023 IOU administrator Annual Reports, and IOU responses to an ED data request, PG&E has complied with this criterion. PG&E incorporated feedback from the DACAG to apply their Equity Framework to its EPIC 4 investment plan.⁴⁰ However, PG&E's EPIC 4 investment plan Summary of Stakeholder Feedback is framed strictly as Q&A, not as stakeholder recommendations to be considered.⁴¹
 - **PG&E** presented 23 EPIC 4 Project proposals at three different public workshops.⁴² During these workshops, PG&E received 46 questions or responses. PG&E states each response was documented and addressed in the meeting. Additionally, PG&E received four additional follow-up emails. Questions or responses can be summarized into the following categories: EPIC Process Clarification (1); PG&E Capabilities outside of EPIC (7); Project Scope Clarification (17); Technical Clarification (17); and Vendor Opportunities (8).
 - **PG&E** states all presentations are intended to be understood by a wide-ranging, non-technical audience. PG&E also shares contact information to allow participants to reach out directly if they have additional feedback, questions, or comments.
 - **Finding 2.4.2:** Based on Staff review of EPIC 4 applications, EPIC 4 proposed project workshop notices, 2023 IOU administrator Annual Reports, and IOU responses to an ED data request, SCE has complied with this criterion. In its EPIC 4 application, SCE states it acknowledged public workshop stakeholder feedback that utility-owned communications platform for Distributed Energy Resources (DER) owners is a technology gap and incorporated this feedback into the EPIC 4 investment plan. SCE states it also incorporated feedback from the DACAG to apply their Equity Framework to its EPIC 4 investment plan.⁴³ SCE explains that it addresses this criterion in the following ways:
 - **SCE** provides time for questions and answers during project workshops and joint IOU workshops, as well as easily accessible forms to provide feedback after workshops to stakeholders.⁴⁴
 - **SCE** is creating an overarching EPIC community advisory board that will advise SCE generally on siting and community benefits opportunities and provide input on project design. The board will be comprised of individuals either from or representing

³⁹ D.21-11-028 at 19.

⁴⁰ A.22-10-003 (PG&E) at 13.

⁴¹ A.22-10-003 (PG&E) at Appendix A.

⁴² PG&E SMEs presented twenty EPIC proposals at PG&E's January 16, 2024 EPIC Workshop; two EPIC proposals at the SCE-hosted March 27, 2024 EPIC Workshop; and one EPIC proposal at the July 31, 2024 Joint IOU EPIC Workshop.

⁴³ SCE EPIC 4 Application at 7-8.

⁴⁴ A.22-10-001 (SCE) at Section IV, Summary of Stakeholder Engagement in Investment Planning Process, and at Appendix C, Stakeholder Engagement.

different ESJ community segments to allow for a range of input from differing points of view.⁴⁵

- The [SCEIdeas.com](https://www.sceideas.com) website allows stakeholders to ask for review of a product or service idea related to front-of-the-meter (grid-side) technologies or keeping communities resilient and safe from wildfires.⁴⁶ Every request submitted to SCEIdeas.com is reviewed by SCE's Grid Technology Innovation team.
- **SCE** states it includes all relevant stakeholder input when conducting project ideation and planning processes.
- **Finding 2.4.3:** Based on Staff review of EPIC 4 applications, EPIC 4 proposed project workshop notices, 2023 IOU administrator Annual Reports, and IOU responses to an ED data request, SDG&E has complied with this criterion.
 - **SDG&E** states that during its EPIC 4 public workshop all clarification questions were addressed during the workshop. In addition, none of the questions or comments required any further action by SDG&E. Within the workshop slides, SDG&E provided contact information for its EPIC program manager, as well as EPIC 4 project leads, which were shared with stakeholder participants prior to the workshop beginning. SDG&E states if it receives any follow-up inquiries, it will respond promptly and appropriately.
- **Criteria 2.5:** At least one month prior to project launch, the IOUs must share detailed project proposals and budgets with stakeholders to allow stakeholders to fully understand and formulate input on the proposed projects.⁴⁷
 - **Finding:** Based on Staff review of EPIC 4 proposed project workshop notices, workshop presentations, and IOU responses to an ED data request, each IOU has complied with this criterion.
 - **PG&E** states it shares EPIC project proposal information with stakeholders during its public EPIC workshops, at least one month prior to launching projects. Based on PG&E provided data, Staff finds an average of 160 days from public workshop presentation to project launch for the 18 EPIC 4 projects PG&E launched as of September 2024. To facilitate robust discussions within the workshops, for each project, PG&E subject matter experts (SMEs) present (1) the concern or problem the EPIC proposal addresses, (2) project description and scope, (3) estimated cost, (4) object(s) of the demonstration; (5) scaling beyond demonstration, (6) potential ratepayer benefits, (7) how the proposed technology different than what's available today, and (8) why PG&E should prioritize the demonstration. All PG&E workshop presentations are intended to be understood by a wide-ranging, non-technical

⁴⁵ Advice Letter 5195 -E at 7, Attachment B, Environmental Social Justice Action Plan, DER Action Plan, Federal Justice 40 Initiative & Revised Equity Matrix.

⁴⁶ For more information see: <https://www.sceideas.com/Home#SubmitYourIdea>

⁴⁷ D.21-11-028 at 19.

audience. PG&E also shares contact information to allow participants to reach out directly if they have additional feedback, questions, or comments.

- **SCE** states it first wave of EPIC 4 projects, presented at the March 27, 2024 EPIC 4 Project Workshop, were launched more than a month after the workshop in late May and early June. Workshop presentations by SCE engineering managers included (1) project overviews, (2) estimated budgets, (3) the problem to be solved, (4) project objectives, (5) potential industry advancement, (6) customer benefits, and (7) community engagement and disadvantaged community benefit outcomes. The workshop included time for questions as well as a request for questions, comments, and additional feedback.
- **SDG&E** hosted its EPIC 4 Public Workshop on April 24, 2024 to present to stakeholders the potential projects SDG&E's EPIC 4 will fund and to solicit feedback from stakeholders.⁴⁸ Each of the proposed projects included (1) project focus, (2) forecasted budget, and (3) potential outcomes from performing the project. Prior to the workshop, the presentation slides were posted to SDG&E's website. As of September 2024, SDG&E had not yet launched any EPIC 4 projects in order to assess progress in implementing the criteria of providing public project information at least one month prior to project launch.
- **Criteria 2.6:** During all workshops, each IOU must provide abundant time for stakeholders to provide and discuss input. IOUs must examine how to provide technical assistance to diverse participants during and before workshops.⁴⁹
 - **Finding:** Based on review of IOU EPIC 4 workshop agendas and presentations and IOU responses to an ED data request, each IOU has complied with this criterion by providing abundant time for stakeholders to provide and discuss input. The IOUs explained that they addressed this criterion in the following ways:
 - **PG&E** SMEs present each EPIC project proposal for three-to-five minutes, followed by audience Q&A. Participants can physically raise hands in-person, use the online "Raise Hand" function, or submit written questions in the online Q&A. While the workshop agenda allows for five minutes of audience Q&A at the end of each project presentation, PG&E organizers also build in significant buffer time to ensure all feedback is heard and engaged with meaningfully. PG&E states there was a high degree of participation in its workshops and PG&E was able to listen to all participant feedback and answer all questions. All participants were able to contribute, without time constraints.
 - **PG&E** did not receive any requests to provide technical assistance to diverse participants before and/or during workshops. In its ongoing effort to proactively engage ESJ Communities, PG&E presented 20 initial EPIC Projects to its C-PAC in December 2023, ahead of its January 2024 EPIC 4 workshop. This provided the

⁴⁸ See SDG&E's EPIC 4 Public Workshop on Proposed Projects at: <https://sdge.com/sites/default/files/2024%20SDGE%20EPIC%204%20Public%20Workshop%20FINAL.pdf>.

⁴⁹ D.21-11-028 at 20.

CBO members of the C-PAC an opportunity to ask questions and provide feedback in a smaller group meeting. No technical assistance was requested in this meeting.

- **SCE** solicited questions from stakeholders in the audience during each of its five EPIC 4 project presentations at the March 27, 2024 workshop. At the conclusion of its presentation, SCE also provided both a QR code and a link to a form that interested stakeholders could fill out with any further questions or comments. At the August 5, 2024 Annual Joint IOU Workshop, each panel included time for a question-and-answer session both in person and online after the initial discussion.
- **SCE** has not received any requests to provide technical assistance to diverse participants before or during EPIC 4 workshops. Should SCE receive such a request, it has the ability to provide a range of assistance types to participants.
- **SDG&E** states each IOU-led EPIC workshop provides a robust amount of time for stakeholder input. In order to facilitate that, the IOUs allow for questions and answers following each panel discussion, as well as at the end of the workshop. In addition, the IOUs encourage the stakeholder to ask any follow-up questions by emailing the panelist whose contact information is provided within the workshop presentation.
- **SDG&E** has not received any requests to provide technical assistance to diverse participants (particularly ESJ Communities) before and/or during workshops. SDG&E is committed to making itself available if a technical need arises.
- **Criteria 2.7:** Throughout the project process, the IOUs must provide relevant, timely, detailed, and appropriate technical information to interested stakeholders upon request.⁵⁰
 - **Finding:** Based on review of IOU responses to an ED data request, each IOU has complied with this criterion by being available to respond to stakeholder requests for technical information.
 - **All IOUs:** At each public workshop stakeholders are informed as to how they can be a part of the EPIC process and were given IOU contact information to provide further input beyond the question-and-answer section of each workshop.
 - **PG&E** had not yet received any requests to provide technical assistance to interested stakeholders during EPIC project execution. PG&E has launched 18 EPIC projects in the last seven months and anticipates that most of these projects will take several years to complete.
 - **SCE** had not yet received requests to provide detailed technical information on EPIC 4 projects to interested stakeholders. However, through the SCEIdeas.com website, the company has received 379 requests for letters of support or commitment and 100 idea submissions since D.21-11-028 was issued, each of which has been reviewed by SCE Grid Technology Innovation personnel.

⁵⁰ D.21-11-028 at 20.

- **SDG&E** had not yet received any requests to provide detailed technical information to interested stakeholders through its EPIC 4 projects development and launch. SDG&E is committed to making itself available if a technical need arises.

3. Benefits Quantification

Requirement 3: The IOUs are required to better quantify and report on project benefits.⁵¹

- **Background:** The criteria detailed by D.21-11-028 associated with Requirement 3 on benefits quantification and impact analysis⁵² are superseded by the broader EPIC Strategic Goals and Strategic Objectives process, applicable to all administrators, ordered by D.23-04-042.⁵³ The 2023 decision states that impact methodologies and metrics will be considered by the Commission in Phase 2-D of this proceeding.⁵⁴ The Commission states the EPIC Strategic Goals and Strategic Objectives process will lead to significant improvement from existing practice because Administrator strategic initiatives and research topic areas would now be planned to support clear and measurable goals at the inception of investment plans.⁵⁵ The Commission states such program-wide goals are needed to evaluate the progress of investments and the extent to which investment plan portfolios maximize ratepayer benefits and impacts in achieving the state's clean energy and climate goals.⁵⁶ Further Commission guidance on benefits analysis and impact assessment will be considered in this and future EPIC proceedings.
- **Criteria 3.1:** The Commission requires the administrators to participate in a series of public workshops to inform Commission guidance for measurable program level strategic goals and Administrator level strategic objectives aligned with achieving the State's climate goals. The strategic goals adopted by D.24-03-007 informed a 2024 public stakeholder process to establish the strategic objectives. The Commission may consider a proposed decision adopting strategic objectives for EPIC 5 (2026-2030) in a subsequent decision..⁵⁷
 - **Finding:** Based on Staff engagement with the Commission-directed 2023 Strategic Goals and 2024 EPIC Strategic Objectives public workshop processes,⁵⁸ the record of R.19-10-005, and IOU responses to an ED data request, each IOU has complied with this criterion by significantly engaging in the public workshop processes to inform development of EPIC Strategic Goals, EPIC Strategic Objectives, and measurement of progress toward these goals and objectives. The Strategic Goals process included 88 panelists and over 700 participants, and the Strategic Objectives workshops included 12 meetings and over 530 participants. These workshops were open to the public and attended by potential demonstration site hosts like community and tribal organizations, as well as potential vendors, suppliers and other contributors to EPIC.

⁵¹ D.21-11-028 at 20-21.

⁵² D.21-11-028 at 20-21.

⁵³ D.23-04-042 at OP 1, at OP 3, and at 12.

⁵⁴ D.23-04-042 at OP 1.

⁵⁵ D.23-04-042 at 14.

⁵⁶ D.23-04-042 at 14-15.

⁵⁷ D.23-04-042 at OP 3 and at 12.

⁵⁸ D.23-04-042 at 12.

- **PG&E** attended in-person at various EPIC workshop locations throughout California for five separate PICG-coordinated Strategic Goal setting workshops. PG&E also presented at and coordinated virtual speakers from SDG&E for certain EPIC 5 Strategic Goal workshops.
- **SCE** engaged its internal expert stakeholders because of their insight into the needs of its customers and community stakeholders. SCE's Customer Service organization provided its understanding of the needs of residential, small and medium business, and industrial customers. SCE's Climate Adaptation and Resilience Planning organization contributed its understanding of the need to prioritize deployment of technology based on a community's resilience to climate-driven outages and the specific climate variables to be faced by customers across California. SCE's Local Public Affairs organization added its own understanding of customer needs based on their direct connections and conversations with community leaders across SCE's service territory.
- **SDG&E** attended in-person at various EPIC workshop locations throughout California for five separate PICG-coordinated Strategic Goal setting workshops. SDG&E also presented at and coordinated virtual speakers from SDG&E for certain EPIC 5 Strategic Goal workshops. SDG&E further participated in the EPIC 5 Strategic Objectives workshops and technical working groups. Altogether, SDG&E sent 10 SMEs for all the EPIC 5 workshops. In addition to workshop attendance throughout this process, SDG&E provided written feedback to help develop and shape EPIC 5's Strategic Goals and Objectives which will help shape the forthcoming CPUC proposed decision on EPIC 5.

Summary

This section summarizes Staff findings from review and assessment of each EPIC IOU Administrator's progress in implementing the additional administrative requirements of D.21-11-028. Table 1 indicates to what extent each IOU has demonstrated progress in meeting the additional administrative requirements for each criterion. The table is color-coded to indicate at a glance the status of IOU administrator progress in addressing the requirements of D.21-11-028 as follows:

- Green: Progress in implementing the additional administrative requirements is demonstrated.
- Yellow: Progress in implementing the additional administrative requirements is not yet demonstrated, but clear plans to do so going forward are provided.
- Orange: Progress in implementing the additional administrative requirements is demonstrated, but room for improvement remains.

No cases were found of an IOU not demonstrating progress in implementing the additional administrative requirements of D.21-11-028 with no plan for improvement. Overall, each IOU has demonstrated significant progress for nine of 11 (82%) criteria.

**Table 1. IOU Progress in Meeting Additional EPIC Administrative Requirements
One Year After Approval of IOU EPIC 4 Investment Plans**

		Progress Demonstrated Dec 2023 - Nov 2024			Color Key
Requirement	Criteria	PG&E	SCE	SDG&E	
Portfolio Optimization	1.1	Yes	Yes	Yes	Progress demonstrated
	1.2	Yes	Yes	Yes	
	1.3	Yes	Yes	Yes	
Stakeholder Engagement	2.1	Yes	Yes	Yes	Progress not yet demonstrated but clear plans to do so going forward
	2.2	In Process	In Process	In Process	
	2.3	Partial	Partial	Partial	Room for improvement
	2.4	Yes	Yes	Yes	
	2.5	Yes	Yes	Yes	
	2.6	Yes	Yes	Yes	
	2.7	Yes	Yes	Yes	
Benefits Quantification	3.1	Yes	Yes	Yes	

Conclusion

Staff finds each IOU has demonstrated significant progress in implementing all three administrative requirements— Portfolio Optimization, Stakeholder Engagement, and Benefits Quantification:

- Each IOU demonstrates progress in providing specific commitments in investment plans and other CPUC filings on the type of project content that will be shared with stakeholders prior to stakeholder workshops.
- Each IOU can improve on providing detailed and comprehensive information on planned projects to stakeholders prior to conducting stakeholder workshops.
- Each IOU demonstrates engagement in the Commission's processes to develop robust, program-wide benefits quantification tools and techniques. Further IOU progress on implementing CPUC benefits quantification and impact analysis guidance is concomitant on the outcome of the next decisions in the EPIC proceeding.

List of Acronyms

Acronym	Definition
AL	Advice Letter
CBO	Community-Based Organization
CEAWG	Clean Energy Access Working Group
C-PAC	Community Perspectives Advisory Council
DAC	Disadvantaged Community
DACAG	Disadvantaged Communities Advisory Group
DER	Distributed Energy Resources
DVC	Disadvantaged Vulnerable Community
ED	Energy Division
EPIC	Electric Program Investment Charge
EPRI	Electric Power Research Institute
ESJ	Environmental and Social Justice
IOU	Investor-Owned Utility
PG&E	Pacific Gas & Electric Company
PICG	Policy + Innovation Coordination Group
RAP	Research Administration Plan
SCE	Southern California Edison Company
SDG&E	San Diego Gas and Electric Company
SME	Subject Matter Expert
USDRIIVE	US Driving Research and Innovation for Vehicle efficiency and Energy sustainability
V2G TAB	Vehicle to Grid Technical Advisory Board