



California Public Utilities Commission
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PRESS RELEASE

Docket #: R.19-09-009

CPUC CHARTS COURSE FOR MICROGRID INCENTIVE PROGRAM TO INCREASE COMMUNITY RESILIENCE

SAN FRANCISCO, April 6, 2023 – The California Public Utilities Commission (CPUC), in ongoing efforts to build community resilience against power outages and in the face of climate change, today approved rules for the new Microgrid Incentive Program (MIP) for Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E).

Today’s Decision approves the program rules for the MIP, a \$200 million program previously authorized by the CPUC to support the development of community microgrids in disadvantaged and vulnerable communities, as well as tribal communities, who have experienced and are likely to experience power outages. It allocates \$79.2 million for PG&E, \$83.3 million for SCE, and \$17.5 million for SDG&E to build complex projects that can operate independently for extended periods and serve multiple customers in disadvantaged and vulnerable communities. Projects selected under the MIP can receive up to \$15 million in award funding. The Decision aims to advance microgrid resiliency technology, distribute the benefits of microgrids equitably across these vulnerable communities, and provide insights for future actions that can enhance the resilience of the power system to benefit all customers.

“The Microgrid Incentive Program will provide valuable support to disadvantaged and vulnerable communities towards ensuring they are not left behind in the broader statewide resiliency effort,” said Commissioner Genevieve Shiroma, who is assigned to the proceeding. “These communities tend to be located in more electrically isolated areas with greater distances to essential services, experience more outages, and have less accessibility to entities with backup power. This program will also provide the funding and education many communities need to meaningfully participate in the program.”

“The Microgrid Incentive Program is a huge win for Californians, clean energy, and the advancement of equity,” said CPUC President Alice Reynolds. “It’s strategically designed such that the benefits of large-scale, complex, and clean microgrids can be brought, in a targeted fashion, to the communities and areas that need them the most.”

Today’s Decision not only creates the program rules for the Microgrid Incentive Program but also directs PG&E, SCE, and SDG&E to conduct outreach and provide consultation to potential MIP applicants, including helping successful applicants develop their community microgrid. The Decision requires the utilities to create and post a Handbook to utility webpages within 180 days that will guide applicants through the program and explain how potential projects will be evaluated. The three utilities must also submit to the CPUC program and project status reports each quarter until the MIP funding is exhausted.

In response to Senate Bill (SB) 1339 (Stern, 2018), the CPUC initiated this proceeding to facilitate the commercialization and deployment of microgrids while prioritizing system, public, and worker safety, and avoiding shifting costs between ratepayers.

The proposal voted on is available at

docs.cpuc.ca.gov/PublishedDocs/Published/G000/M505/K481/505481057.PDF.

Documents related to the proceeding are available at apps.cpuc.ca.gov/p/R1909009.

More information on the CPUC’s microgrids efforts are available at

www.cpuc.ca.gov/resiliencyandmicrogrids.

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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