



DAC-GT and CSGT Stakeholder Workshop

September 16, 2019

California Public Utilities Commission (CPUC)

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CPUC Energy Division**





Safety and Emergency Information

- In the event of an emergency, please calmly proceed out the glass doors to the courtyard.
- In the event that we do need to evacuate the building:
 - Head through the courtyard, and down the front steps.
 - Continue south on Van Ness Ave toward the Memorial Court.
 - Our assembly point is the Memorial Court directly across from City Hall and just north of the Opera House.





Evacuation Map





Webex and Call-in Information

Webex:

<https://centurylinkconferencing.webex.com/webappng/sites/centurylinkconferencing/meeting/info/136873706772271291?MTID=m317e4c01b2a059ba0b064f32c2034d17>

-Meeting number: 717 031 339

-Meeting password: !Energy1

Call-in:

Number: 1-866-628-9975

Access code: 157 08 76

- Remote callers will be placed on listen-only mode by default.
Please submit questions/comments via the WebEx chat.





Other Useful Information

WiFi Access

- network: cpucguest
- login: guest
- password: cpuc13119

Workshop Materials are Available Online

- All workshop materials are available online at:
<https://www.cpuc.ca.gov/solarindacs/>

Restroom Location

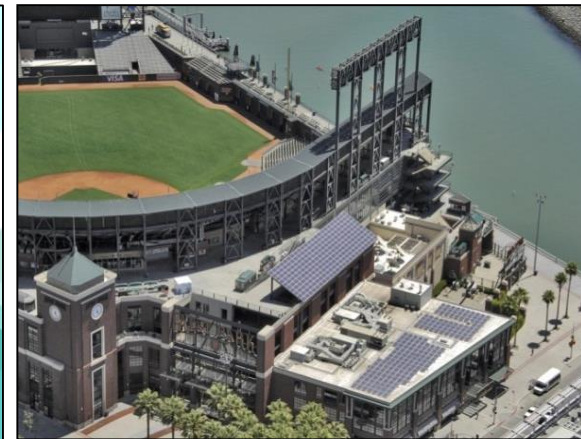
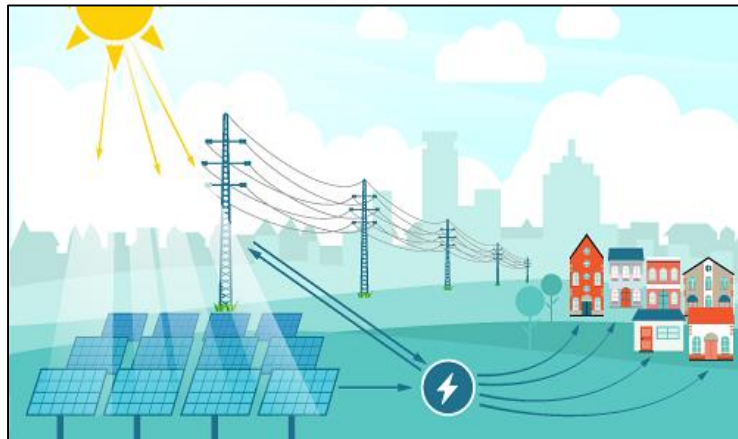
- Restrooms are located to the left of the lobby toward Mocha Cafe.





Introductions

- Please state your name and your organization.
- Mention specific issues you work on relevant to today's workshop.





Workshop Objectives

- Address CCA questions about implementing the DAC-GT and CSGT programs.
- Discuss potential solutions to CCA implementation challenges.
- To the extent possible, address potential conflicts between CCAs and IOUs in implementing the programs prior to when the CCAs submit their implementation advice letters.





Agenda: Morning Sessions

WORKSHOP AGENDA

- 10:00am – 10:10am** **Welcome, Safety, Introductions, Objectives, Scope** | Energy Division Staff
- 10:10am – 10:20am** **Directives Established in the Decision and Guiding Principles for Workshop Dialogue** | Energy Division Staff
- 10:20am – 10:40am** **Applying the Cost Cap to CCA Programs with Q&A** | Energy Division Staff
- 10:40am – 11:20am** **Capacity Allocations and Ability for CCAs to Share or Trade Capacity** | Energy Division Staff.
CCA Expansion Proposal presented by CCAs, response by IOUs, general discussion facilitated by Energy Division Staff
- 11:20am – 12:00pm** **CCA Expansion Impact on Existing IOU Projects** | Proposal presented by CCAs, response by IOUs, general discussion facilitated by Energy Division Staff

Lunch Break (60 minutes – food is not provided)





Agenda: Afternoon Sessions

1:00pm – 2:30pm **ERRA Review Process for CCA Programs and Customer Billing Rolls** | Proposal presented by CCAs, response by IOUs, general discussion facilitated by Energy Division Staff

Break (10 minutes)

2:40pm – 3:40pm **Opportunity to Revisit Previously Discussed Agenda Items and Summarize any Conclusions Reached** | Facilitated by Energy Division Staff

3:40pm – 4:10pm **CCA Tier 3 AL Process** | Energy Division Staff

4:10pm – 4:50pm **Discuss any CCA Questions on DAC-GT and CSGT Program Implementation that have not been Addressed** | Facilitated by Energy Division Staff

4:50pm – 5:00pm **Wrap Up and Next Steps** | Energy Division Staff





Out of Scope for the Workshop

- Initial capacity allocations provided in Resolution E-4999.
 - Future capacity allocations will be discussed at 10:40 am.
- The methodology used to develop the CCA CSGT price cap.
 - The value of the CCA price cap should **not** be discussed at this workshop or disclosed at any time.
- Any future capacity expansion of the DAC-GT and/or CSGT programs beyond what is authorized in Decision 18-06-027.





Ground Rules

- Please mute your cell phone.
- Keep comments focused on the agenda topic being discussed.
- State your name and organization before speaking.
- If there's a queue to speak, do not speak out of turn.





Directives Established in the Decision & Resolution and Guiding Principles for Workshop Dialogue

10:10 am – 10:20 am



Glossary of Terms

- **The Decision:** unless specified otherwise, Decision (D.) 18-06-027, adopted by the CPUC in June 2018, which created the DAC-GT and CSGT programs.
- **DAC:** Disadvantaged Community. Defined in D. 18-06-027 using current version of CalEnviroScreen, as among the top 25% of communities statewide as well as 22 census tracts in the highest 5% of CalEnviroScreen's Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data.
- **DAC-GT:** Disadvantaged Community Green Tariff program.
- **CSGT:** Community Solar Green Tariff program.
- **CARE:** California Alternate Rates for Energy. Provides a 30-35% discount on customer's electric bill. <https://www.cpuc.ca.gov/General.aspx?id=976>
- **FERA:** Family Electric Rate Assistance Program. Provides a 12% discount on customer's electric bill. <https://www.cpuc.ca.gov/General.aspx?id=976>





Summary of DAC-GT and CSGT Program Requirements

	DAC-GT:	CSGT:
Eligible customers:	CARE/FERA eligible, residential DAC customers	Residential DAC customers: 1) $\geq 50\%$ CARE/FERA eligible 2) Remainder to non-income qualified
Customers receive:	100% renewable energy 20% off OAT	100% renewable energy 20% off OAT
Project location:	In DACs	In DACs & within 5 mi of DAC(s) where subscribing customers reside (SJV: 40 mi)
Project size:	500 kW – 20 MW	No minimum ~ 3 MW
Community sponsor(s):	NA	Required, can subscribe to $\leq 25\%$ of project's capacity & receive 20% discount on that subscribed amount
Cost cap:	$\leq 200\%$ of max executed contract price in previous PV/RAM as-available peaking or GT program	$\leq 200\%$ of max executed contract price in previous PV/RAM as-available peaking or GT program
RFO bids:	See above.	Sponsor letter, workforce development required for all projects, prioritize top 5% DACs & SJV, projects w/ other gov't funding

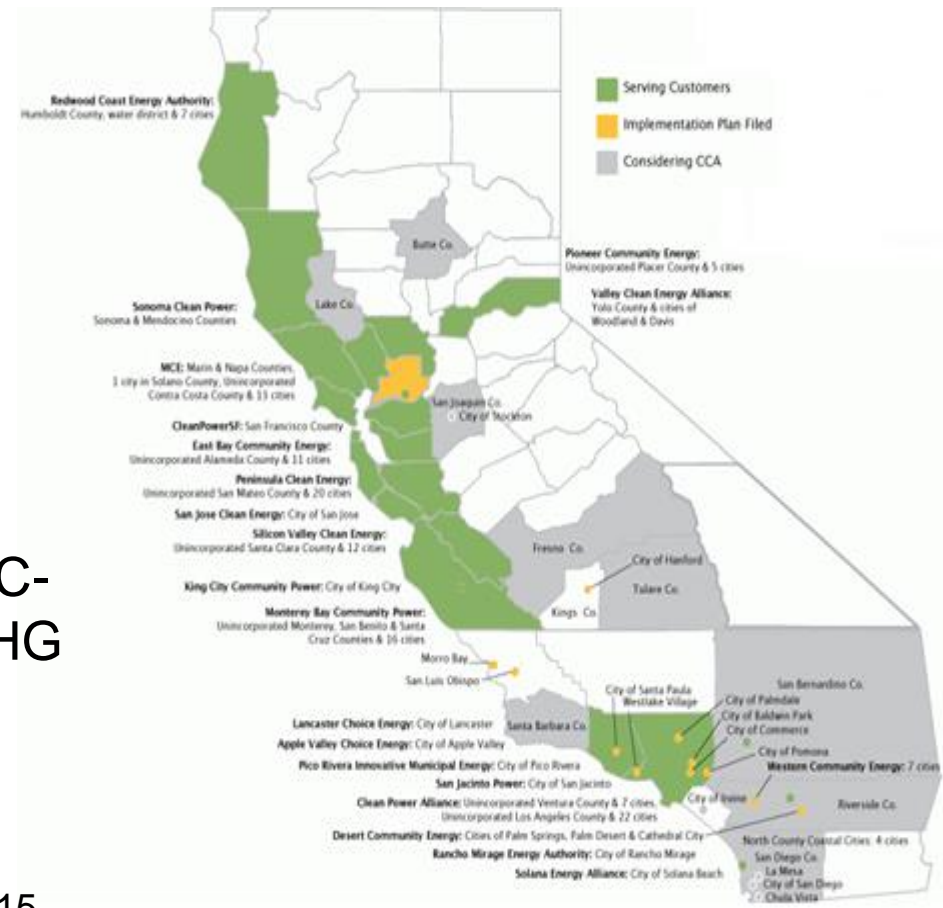


CCAs can launch their own DAC-GT and CSGT Programs

- D.18-06-027 OP 17:
“CCAs may work with Energy Division and the IOU that provides distribution service to its customers to develop and implement their own DAC-Green Tariffs or Community Solar Green Tariff consistent with the requirements of this decision.”

Each CCA must:

- 1) Establish mechanism to track DAC-GT/CSGT discounts to access GHG revenue and PPP funds
- 2) File a Tier 3 advice letter with implementation plans





Guiding Principles for Workshop Dialogue

- Shared goal of promoting the expansion of renewable energy in DACs and reducing the energy burden experienced by residents of DACs.
- Consensus may not be reached on all items. There will be opportunity to continue dialogue. Feedback should also be provided through the advice letter process.
- CCAs proposals are a starting point for discussion. The proposals have not been approved by the Energy Division. Constructive feedback and alternative proposals welcome.





Applying the Cost Cap to CCA Programs

10:20 am – 10:40 am



CSGT Cost Cap

- D.18-06-027 established a cost cap for the CSGT program that limits contract awards to projects whose bid price is \leq the higher of 200% of the maximum executed contract price in either the Renewable Auction Mechanism's (RAM) as-available peaking category or the Green Tariff program. (84)
- On September 5, 2019, Energy Division provided the statewide CCA cost cap to each CCA via email. CCA contract awards should be limited to CSGT projects whose unadjusted bid price is \leq that number.
- The CCA price cap will change when all three IOUs' price caps change due to procurement of new projects.





DAC-GT Cost Cap

- D.18-06-027 did not establish a cost cap for DAC-GT but Resolution E-4999 established that the CSGT cost cap should also apply to the IOUs' DAC-GT programs (OP 1.dd).
- In comments on the Resolution, CCAs sought clarity on whether the DAC-GT price cap would apply to their DAC-GT solicitations.
- The Resolution established that CCA-solicited DAC-GT projects may be located in any eligible DAC within the relevant IOU's service territory (E-4999, p.46) but did not decide the cost cap question.





CCA Cost Cap Discussion

- Should the cost cap apply to CCAs' DAC-GT programs?
- Any questions about the CSGT cost cap and how it is to be used to evaluate project solicitations?





Capacity Allocations and Ability for CCAs to Trade or Share Capacity

10:40 am – 11:20 am



Resolution E-4999 Capacity Allocations

IOU/CCA in PG&E's service territory	DAC-GT (MW)	CSGT (MW)
PG&E	54.82	14.20
Clean Power SF	1.49	0.38
San Jose Clean Energy	1.40	0.36
MCE	4.31	1.11
EBCE	5.39	1.39
PCE	0.90	0.23
Sonoma Clean Power	0.50	0.06
Monterey Bay Community Power	0.68	0.18
Silicon Valley Clean Energy	0.50	0.09
Valley Clean Energy	0.01**	0.0
Total	70	18

IOU/CCA in SCE's service territory	DAC-GT (MW)	CSGT (MW)
SCE	56.50	14.63
Apple Valley Choice	0.00	0.00
Clean Power Alliance	12.19	3.13
Lancaster Choice Energy	0.05**	0.01
Pico Rivera Prime	0.76	0.20
San Jacinto Power	0.50	0.03
Total	70	18





Resolution E-4999 Allows CCAs to Share or Trade Capacity

- For DAC-GT, two or more CCAs located in same service territory may pool capacity allocations to offer a shared RFO for projects to serve both CCAs' DAC customers.
- For CSGT, two or more CCAs located in same service territory may elect to pool capacity allocations for the CSGT program, as long as the CSGT projects procured meet the locational eligibility requirements such that the projects can serve eligible customers from all participating CCAs.
- If a CCA does not wish to launch its own DAC-GT or CSGT program, it may designate other CCA(s) located in same service territory to receive its program capacity allocation.





Resolution E-4999 Established a Capacity Clawback Provision

- CCA capacity can revert back to the IOUs if CCAs do not file Tier 3 ALs with their DAC-GT and/or CSGT implementation plans that state the capacity they will procure for each program (including any capacity allocated to it by other CCAs or shared with other CCAs), by January 1, 2021.
- Determination of whether it is appropriate and necessary to use this clawback option, and whether it may instead be appropriate to reallocate the unused capacity to participating CCAs, is to be made through the proceeding on each IOU's application for review due by January 1, 2021.





Discussion on Capacity Allocations, Ability for CCAs to Trade/Share Capacity

- The total capacity for the DAC-GT and CSGT programs must remain the same in each IOU's service territory as the caps set in D.18-06-027.
 - A CCA can not combine its DAC-GT and CSGT capacity under one program.
- CCAs may elect to launch one, both, or neither program.
- Questions about capacity allocations?
- Questions about trading or sharing capacity?





CCA Expansion Proposal (Presentation by CCAs)



CCA Expansion Impact on Existing IOU Projects (Presentation by CCAs)

11:20 am – 12:00 pm



Lunch Break

Please be back promptly at 1:00 PM



ERRA Review Process for CCA Program and Customer Billing Rolls (Presentation by CCAs)

1:00 pm – 2:30 pm



Break

Please return promptly by 2:40 PM



Opportunity to Revisit Previously Discussed Agenda Items

2:40 pm – 3:40 pm



CCA Tier 3 Advice Letter Process

3:40 pm – 4:10 pm



CCAs Required to File Tier 3 Advice Letters

- D.18-06-027 OP 17:
CCA DAC Green Tariffs and Community Solar Green Tariff programs receiving funds consistent with this decision shall be implemented by Tier 3 advice letter.
- To receive funding each CCA must:
 - 1) Establish mechanism(s) to track DAC-GT/CSGT discounts and,
 - 2) Explain how its implementation plan meets all the rules and requirements adopted in D.18-06-027.





Advice Letter Process

- Rules governing advice letters (ALs) are contained in GO 96-B.
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M023/K381/23381302.PDF>
- On the date AL is sent to Energy Division, it also must be served on the service list (R.14-07-002).
- Include cover sheet stating that a response or protest must be submitted within 20 days of the date the AL was filed. (See §4.6-7)
- If an AL is protested, the AL filer shall reply to each protest and may reply to any response.
 - Replies must be submitted to Energy Division within 5 days after the end of the protest period and must be served on each person who submitted a protest or response.





Advice Letter Process

- Tier 3 ALs require an official resolution by the Commission
 - The ALs will not become effective until a resolution is issued.
- Resolution E-4999 (pg 16) indicates that a CCA that wishes to share, trade, or reallocate its programmatic capacity must detail its proposal in its Tier 3 AL filing.
 - Filing must be affirmed in writing through comments by any CCA whose program capacity is implicated in the proposal.
- CCAs elect to not participate in the DAC-GT and CSGT programs won't file Tier 3 ALs and therefore may simply provide written authorization to transfer their capacity through the Tier 3 AL filing of the CCA receiving the capacity.
- Questions?





Other CCA Program Implementation Questions

4:10 pm – 4:50 pm



Wrap Up and Next Steps

4:50 pm – 5:00 pm



Wrap Up: Status of Topics Discussed

Points of agreement:

- 1)
- 2)
- 3)
- 4)

Open points that warrant further discussion:

- 1)
- 2)





Next Steps

- CCA Tier 3 Advice Letters should be filed by 12/31/20 to avoid potentially losing any capacity through the clawback provision.
- No informal comments will be filed after the workshop as there will be opportunities for written feedback during the AL process.





Thank you

Thank you for your participation and for everyone's efforts to advance California's goal of promoting renewable energy expansion in DACs and reducing the energy burden of residents of DACs.

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