

# Microgrid Incentive Program Implementation Plan Workshop

Resiliency and Microgrids Team, Energy Division  
October 26, 2021



California Public  
Utilities Commission

# WebEx and Call-In Information

## Join by Computer:

<https://cpuc.webex.com/cpuc/onstage/g.php?MTID=e9f15cfc37b1a6ff21c4c42ee66743f58>

Event Password: MIP2021 (case sensitive)

Meeting Number: 2488 865 8950

## Join by Phone:

- Please register using WebEx link to view phone number.  
(Staff recommends using your computer's audio if possible.)

## Notes:

- Today's presentations are available in the meeting invite (follow link above) and will be available shortly after the meeting on <https://www.cpuc.ca.gov/resiliencyandmicrogrids>.
- The presentations will be recorded. The question and answer segments will not be recorded. There will not be meeting minutes.

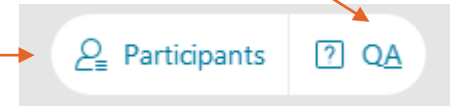
# WebEx Logistics

- All attendees are muted on entry by default.
- Questions can be asked verbally during Q&A segments using the “raise hand” function.
  - The host will unmute you during Q&A portions [and you will have a maximum of 2 minutes to ask your question].
  - Please lower your hand after you’ve asked your question by clicking on the “raise hand” again.
  - If you have another question, please “re-raise your hand” by clicking on the “raise hand” button twice.
- Questions can also be written in the Q&A box and will be answered verbally during Q&A segments.

## WebEx Tip

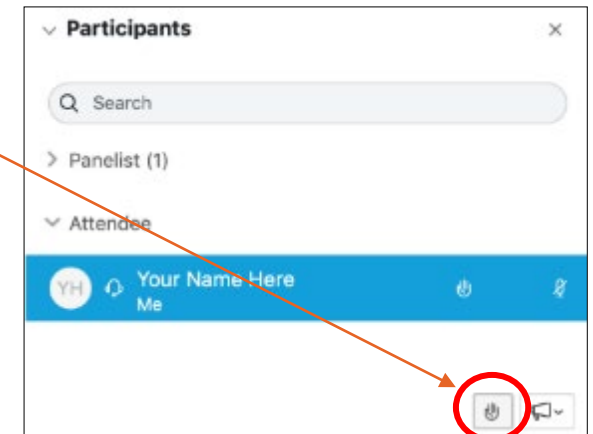
**1. Click here to access the attendee list to raise and lower your hand.**

**Access the written Q&A panel here**

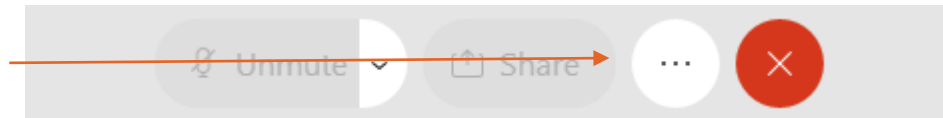


**2. Raise your hand by clicking the hand icon.**

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# WebEx Event Materials

## Event Information: Resiliency and Microgrids Working Group Meeting

Registration is required to join this event. If you have not registered, please do so now.


[English](#) : [San Francisco Time](#)

**Event status:** Not started ([Register](#))

**Date and time:** Tuesday, March 2, 2021 9:30 am  
Pacific Standard Time (San Francisco, GMT-08:00)  
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**Duration:** 1 hour

**Description:**



**Event material:** [RMWG Meeting Material\\_EXAMPLE.docx](#) (31.7 KB)

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# Agenda

## **I. Introduction** *(CPUC Staff)*

**10:00a – 10:05a**

- WebEx logistics, agenda review

## **II. Opening Remarks** *(Commissioner Shiroma)*

**10:05a – 10:15a**

## **III. Overview of Program Framework** *(Program Administrators)*

**10:15a – 12:15p**

- Presentation
- Q&A

## **IV. Closing Remarks, Adjourn** *(CPUC Staff)*

**12:15p – 12:20p**

- Provide information on the next steps

# Microgrid Incentive Program Overview of Program Framework

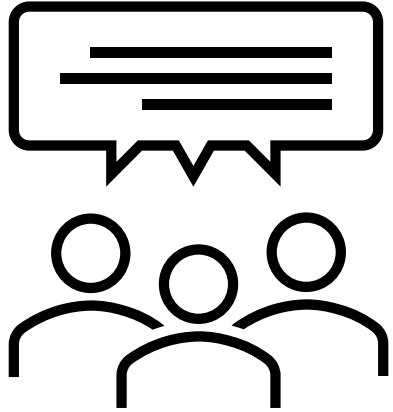
October 26, 2021

# Agenda



Topic	Presenter(s)
Welcome and Safety	PG&E
Background and Overview	SCE
Community Benefit and Engagement Program Design	SCE
Application and Review Process Program Evaluation	PG&E
Eligibility and Scoring Prioritization	SDG&E
Open Discussion and Q&A	All

# Workshop Participation Guidelines



## Friendly Reminders

The IOUs seek stakeholder suggestions and perspectives regarding implementation details to advance the broader public interest<sup>1</sup>

Workshops are not an opportunity to relitigate issues or positions settled in the Track 2 Decision or disrupt program development<sup>1</sup>

Please keep discussion and comments on the agenda topics

<sup>1</sup> D.21-01-018 at 67-68



# Stakeholder Workshop Recap

Per Advice Letters 3700-E-A, 6098-E-A, the joint IOUs hosted 6 stakeholder workshops regarding microgrid incentive program, encouraging broad participation to discuss various program elements. Many stakeholders participated in the workshop discussions via providing presentations or comments.

## Laying the Foundation

- Objectives & Goals
- Guiding Principles
- Community Benefit

July 7

## Eligibility Criteria

- Eligibility Criteria
- Community Engagement

July 21

## Application and Review Process

August 4

July 14

## Program Design

- Program Structure
- Program Timing

July 28

## Project Evaluation/Selection

- Prioritization/Scoring
- Cost-Effectiveness

August 11

## Program Evaluation

- Project Performance
- Evaluation Criteria

# Goals for Today's Workshop



## **An initial preview into the IOUs' current plan for the MIP Implementation Plan.**

- The following slides provide a snapshot of *current* thinking for program design elements.
- Where relevant, the IOUs will provide insights and key takeaways from the stakeholder workshops and explain how they are planned to be incorporated into the implementation plan.
- The MIP Implementation Plan is still actively under development, and so all items are subject to change.

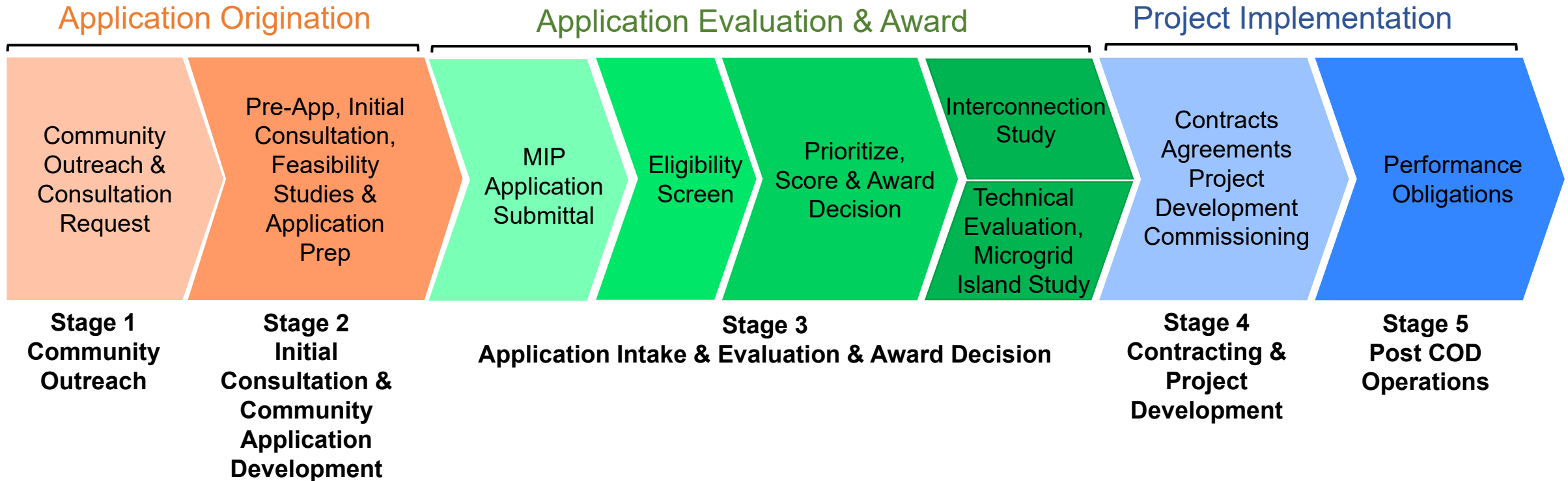
## **Hear stakeholder feedback!**

- The IOUs are looking for feedback and discussion on the content presented today.
- Your comments and suggestions will be considered as we continue to develop and revise the implementation.

## **Inform and refine the final MIP Implementation Plan that will be filed on December 3<sup>rd</sup>.**

- Parties will have an opportunity to comment

# Process Overview



# Community Benefit and Engagement

*Educating and Empowering Community Applications*



**What we heard:** Need for the IOUs to make program details accessible and understandable so that communities are empowered to engage.

- The IOUs will conduct proactive community engagement and build relationships with local governments and community leaders to 1) identify in-need residents and 2) potential project opportunities.
- Communities eligible to participate in the MIP include those with vulnerable populations, disadvantaged populations, and those located in low-income areas. These factors will be balanced with the likelihood for those areas to be impacted by grid outages and PSPS events.
- The IOUs will make program information publicly available on the web.

# Program Design

## *Incentive Funding Allocation Structure*



**What we heard:** Project developers do not want project revenues to be included in the project application and scoring. Communities may also need more time to bring projects to operation.

- Per the Decision, MIP funding for project applications can only be used for in-front-of-meter (IFOM) technologies. Behind-the-meter (BTM) technologies are not eligible to be funded in project applications as there are numerous existing IOU programs that offer incentives form BTM technologies, including Self Generation Incentive Program and Net Energy Metering.
- Applicants will specify a requested incentive level necessary to make the project financially viable. Applicants will be required to include a project budget to support the requested incentive level.
- IOUs considering modifying the 24-month timeline to begin from the MOA execution date.

# Application and Review Process

## *Financial Support For MIP Application Development*



**What we heard:** Stakeholders request grants to enable a community to procure additional technical support for completing a full application.

- The IOUs are committed to providing consultative support early in the process to help a community discern which resilience approach may best meet the community's specific needs.
- The IOUs will also share relevant information to support communities' efforts to develop microgrid project proposals.
- For communities which meet specific Disadvantaged Vulnerable Community (DVC) criteria, additional support will be made available for third-party assistance in the development of a full MIP application.

# Application and Review Process

## *Technical Support For MIP Application Development*



**What we heard:** Pre-application technical support is needed to support the DVC and its partners in planning and designing a robust multi-customer community microgrid

The IOUs will provide technical consultation prior to application to share key information about the electrical conditions of the distribution system at the proposed location and information necessary to design a community microgrid project that meets MIP eligibility and design standards. At the end of the technical consultation, the Applicant should:

- Have the information needed to submit an interconnection and MIP application
- Understand Community Microgrid eligibility and design standards.
- Understand constraints, opportunities, and requirements specific to their project



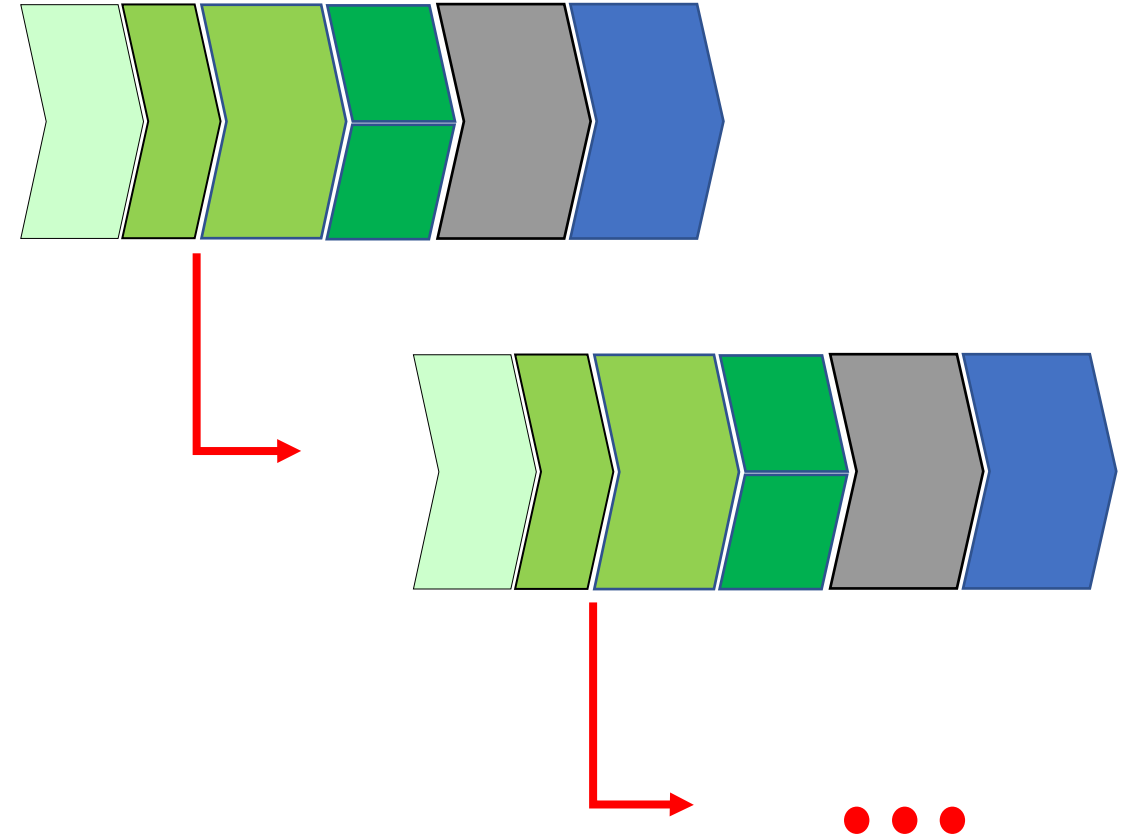
# Application and Review Process

## *Multiple Application Windows*



**What we heard:** Create application windows and extensions for applicants who need more time and support to develop projects.

- PG&E and SCE plan to have multiple application submittal windows with MIP incentive funding allocated to each window.
- SDG&E plans to have one application submittal window due to smaller load-share and therefore lower volume.





# Eligibility and Scoring: What We Heard



Consider a two-stage project evaluation process - one for eligibility and one for scoring.

Include vulnerable populations and critical infrastructure as an eligibility criteria.

Projects need to show at least one type of emergency service (qualitative consideration) to be eligible.

Address the party differences when it relates to a DAC carve-out versus a DAC scoring adder.

Regarding emissions, consider including an eligibility requirement for air pollution and emissions to be equal or less than the grid and a scoring boost for projects with no pollutants or emissions.

Consider duration of outage and history of past outages as a scoring criteria, not an eligibility requirement.

Define cost-effectiveness as benefits divided by ratepayer costs and a general scoring criteria with weighting.

# Community Eligibility Criteria

Projects must meet A, and some combination of B and/or C (AB; AC; ABC):

A

B

C

Vulnerable to Outages

Located in either:  
1. Tier 2 or 3 HFTD,  
2. Prior PSPS event outage,  
3. Locations with natural hazard risk for longer outage:  
    a) Earthquake: California Earthquake risk zone map  
    b) Flood: On FEMA map, place with a 1% chance or higher chance of a flood each year  
4. Locations with lower historical level of reliability

+

Disadvantaged Vulnerable Community

Eligible community either:  
1. Census tracts with median household incomes less than 60% of state median,  
2. Is a federally recognized Tribal community,  
3. Is a community with highest risk as identified in the current version of CalEnviro Screen  
4. Is in a rural area

and/or

Serving Critical Facilities

Critical facilities that primarily serve geographically DVC are eligible, including both:  
1. Critical Facilities defined as such by the CPUC and  
2. Facilities that provide important Community Services

# Preliminary Scoring Table



Evaluation Category	Subcategory	Scoring Parameter/Criteria	Scoring Specification	Scoring Weight
<b>Customer &amp; Community Benefits</b>	<b>Low Income Customers</b>	# CARE/FERA customers in CMG	# of customers or % population	50%
	<b>Vulnerable Customers</b>	# AFN/Medical Baseline/Life Support customers in CMG	# of customers or % population	
	<b>Critical Facilities (CF)</b>	Number of Critical Facilities in CMG	Each CF in CMG Each CF serving DVC	
	<b>Community Services</b>	# Community Services in CMG	Each facility	
<b>Resilience Benefits</b>	<b>Vulnerable to Outages</b>	HFTD/HFRA Prior PSPS Earthquake/flood-prone Lower Reliability	Hazard Exposure	30%
<b>Environmental Benefits</b>	<b>Clean Energy</b>	% Clean Energy Used	Installed renewable capacity (MW) divided by peak load	20%
	<b>Fossil Fuel Displacement</b>	# Critical Facilities in CMG	Each CF displacing fossil fuel BUG as primary back-up	

# Open Items:



## Clean Energy Requirement

- Is the clean energy requirement only under Islanding Mode or should the requirement hold for Blue Sky operations as well?

## Islanding Duration

- Should duration be rewarded in scoring?
- Should there be a minimum and/or maximum duration of islanding capability?

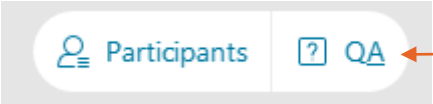
## Eligibility

- How do we define "Important Community Service"? What documentation should be required to demonstrate compliance with this definition?

# Q&A and Discussion

## WebEx Tip

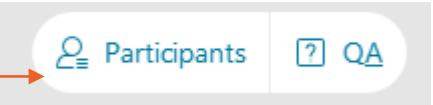
Option 1:



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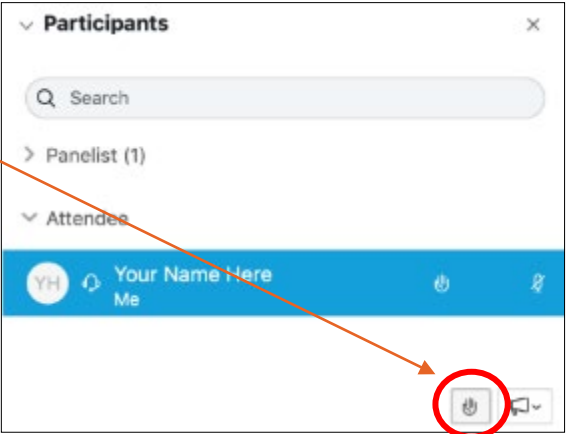
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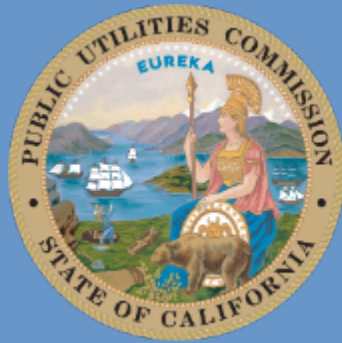
2. Raise your hand by clicking the hand icon.

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# Next Steps

- **Friday, December 3, 2021**
  - Implementation Plan filed and served
- **Monday, January 3, 2021**
  - Opening Comments on the Implementation Plan
- **Friday, January 21, 2021**
  - Reply Comments on the Implementation Plan
- **Date TBD** *Released in accordance with the Rules of Practice and Procedure*
  - Proposed Decision



# California Public Utilities Commission

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<https://www.cpuc.ca.gov/resiliencyandmicrogrids/>