

**DOCKETED**

<b>Docket Number:</b>	19-ERDD-01
<b>Project Title:</b>	Research Idea Exchange
<b>TN #:</b>	223647
<b>Document Title:</b>	19-ERDD-01 AB 523 Implementation
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	California Environmental Justice Alliance /Roger Lin
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	6/1/2018 3:00:36 PM
<b>Docketed Date:</b>	6/1/2018

*Comment Received From: Roger Lin*  
*Submitted On: 6/1/2018*  
*Docket Number: 19-ERDD-01*

**19-ERDD-01 AB 523 Implementation**

*Additional submitted attachment is included below.*

June 1, 2018

California Energy Commission  
Docket Office  
1516 Ninth St.  
Sacramento, CA 95814

VIA DOCKET  
Energy Commission Docket 19-ERDD-01

Re: 19-ERDD-01 AB 523 Implementation

Dear Commissioners:

The California Environmental Justice Alliance (“CEJA”), the Greenlining Institute (“Greenlining”) and GRID Alternatives (“GRID”) submit the following comment regarding the proposed implementation plan for Assembly Bill (“AB”) 523. We respond to the following stakeholder questions posed during the May 8, 2018 and May 17, 2018 Workshops.

I. Proposed Tools for Identifying Disadvantaged Communities

*Are the proposed tools for determining disadvantaged and low-income communities sufficient for the requirements detailed in AB 523? If not, are there other tools to consider?*

CEJA, Greenlining and GRID support the use of CalEnviroScreen 3.0 and the AB 1550 Low-Income Mapping tools, pursuant to AB 523.<sup>1</sup> In addition, CEJA, Greenlining and GRID emphasize the need to target the most vulnerable communities within such identifications, whether on a pollution exposure or economic basis. Such targeting could be accomplished with reference to two recent Public Utilities Commission decisions: D.17-12-022, which outlines the program design for the Solar on Multifamily Affordable Housing (“SOMAH”) and D.18-02-018, setting requirements for load serving entities filing Integrated Resource Plans, both include CalEPA’s designation of 22 census tracts in the highest 5% of CalEnviroScreen’s pollution burden, but that do not have an overall CalEnviroScreen score. In addition, CEJA, Greenlining and GRID encourage the Energy Commission to apply the CalEnviroScreen designation of disadvantaged communities to the top 25% of CalEnviroScreen census tracts either statewide or within each utility’s territory, whichever is broader. This designation of disadvantaged communities, adopted in two Public Utility Commission Electric Vehicle Proceedings,<sup>2</sup> will encourage participation from geographically diverse communities statewide. Finally, CEJA, Greenlining and GRID encourage the Energy Commission to solicit feedback from low-income

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<sup>1</sup> Pub. Resources Code § 25711.6(a).

<sup>2</sup> D.16-01-045, January 28, 2016, p.138; D.16-01-023, January 14, 2016, p.40

and disadvantaged community residents on regional areas and specific communities they should prioritize for AB 523 beneficial projects.

## II. Proposed Method for Evaluating and Selecting TD&D Projects Located in and Benefiting Disadvantaged and Low-Income Communities

*Do the proposed questions for applicants adequately account for project impacts for disadvantaged and low-income communities? If not, what specific changes would you make?*

CEJA, Greenlining and GRID generally support the proposed questions for applicants. In identifying and describing project impacts to low-income and disadvantaged communities, CEJA, Greenlining and GRID are pleased to see a focus on community needs, as well as goal of replicating successful projects in other similarly situated communities. In this respect, we suggest refining the question, “[w]hat specific action or efforts is the applicant planning during the project timeframe to ensure the proposed technology or strategy meets the needs of the community,” to require an actual demonstration of primary purpose, beyond mere actions or efforts that may only address a secondary purpose, to meet the needs of the community. Therefore, we recommend amending the question to read: “[w]hat specific action or efforts is the applicant planning during the project timeframe to ensure the proposed technology or strategy **meaningfully addresses an important need** of the community?” (emphasis added). In order to guide applicants on the next question, which asks “[w]hat steps has the applicant taken to identify those needs?”, we recommend supplementing this question with a recommendation for applicants to meet identified community needs primarily through community engagement and outreach and offer examples of direct engagement, consistent with the Air Resources Board’s Funding Guidelines.<sup>3</sup> Similarly, CEJA, Greenlining and GRID support questions geared towards determining local hire benefits, but suggests refinement to establish certain goals or metrics by which scoring criteria are more easily applied. For instance, rather than asking, “how the proposed project improves opportunities for local hire,” which could result in several subjective, hard to compare answers, the application could simply request, “does the application guarantee an X% local hire milestone?” Although EPIC projects may be temporary, the Commission should also focus on the quality of these local hires, ensuring fair wages and more long term economic benefits and jobs. The Commission should prioritize projects that provide jobs with competitive wages, job security, upward mobility. “[D]eveloping local workforce participation in

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<sup>3</sup> Draft Revised Funding Guidelines for Agencies that Administer Climate Investments, CARB recommends that “[t]o determine community or household needs, applicants and/or funding recipients directly engage local residents and community-based groups to identify an important need for that community along with steps to meaningfully address that need. Examples of direct engagement include hosting community meetings, workshops, consulting community-based organizations or focus groups, conducting community surveys, or other outreach efforts to gather local input on important community needs.”

clean energy programs is integral to enabling the full range of benefits for low-income customers.”<sup>4</sup>

In addition, and especially for projects targeted for low-income communities, CEJA, Greenlining and GRID suggest the inclusion of an additional question requiring applicants to quantify expected bill savings or rate impacts. Although one question asks, “how the proposed project improves energy service or reduces the energy burden of a community,” the question should be more specific to request a quantification of expected bill and rate impacts. This is particularly the case for demand response technologies that could negatively impact a low-income customer’s monthly bill, despite also improving energy service and theoretically reducing energy burden (which may not prove the case in hot climate zones or poorly marketed projects).

CEJA, Greenlining and GRID also support the proposed weighting of answers to those questions, in particular that half of all points (100 out of 200) address potential impacts of projects on low-income and DAC communities.

*What criteria can Energy Commission staff use to evaluate various community-based organizations (CBO) to ensure that there is a good fit between the CBO and the research team?*

Evaluation of CBOs should consider: the mission of the CBO, its population served and how the organization’s service location and demographic profile overlaps with the project’s geographic scope and targeted buildings/facilities, years of operation, record of service and references/letters of support from other local entities. The SB 350 DAC Advisory Group should also assist Energy Commission staff in determining the best fit between CBOs and the research team.

Greater coordination with current Public Utilities Commission (“PUC”) proceedings will also assist Energy Commission Staff in evaluating various CBOs. For instance, CBOs are already working with identified communities and energy service providers in the PUC’s current rulemaking to implement Assembly Bill 2672, to increase access to affordable energy in the San Joaquin Valley.<sup>5</sup> In that proceeding, the Commission has established a “Pilot Team” of CBOs to engage with community residents to determine the most needed affordable energy programs best suited for those communities. The Pilot Team has so far facilitated successful workshops in potential pilot communities, seeking input from the communities regarding desired energy solutions, and the CBOs in turn solicit potential projects from the utilities or other developers to meet those needs. Those developers have similarly contracted with other CBOs to meet other

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<sup>4</sup> Low-Income Barriers Study, Part A: Overcoming Barriers to Energy Efficiency and Renewables for Low-Income Customers and Small Business Contracting Opportunities in Disadvantaged Communities, Low-Income Barriers Study, Part A: Overcoming Barriers to Energy Efficiency and Renewables for Low-Income Customers and Small Business Contracting Opportunities in Disadvantaged Communities, (Dec. 2016), [http://www.energy.ca.gov/sb350/barriers\\_report/](http://www.energy.ca.gov/sb350/barriers_report/)(hereinafter “CEC Barriers Study”), Executive Summary, at p. 1.

<sup>5</sup> Rulemaking 15-03-010.

project needs, for instance, a viable job-training program leading to a complete local hire program to construct and maintain the project. Similarly, here, the EPIC Program Administrators can collaborate with relevant CBOs and design projects that are specifically tailored to specific communities with the intent to increase deployment in the particular community as well as provide economic and environmental benefits. As detailed in our prior comments, the community engagement process the California Energy Commission conducted through the SB 350 study also provides an example of how to successfully seek input from communities and coordinate with CBOs.

*What references can the Energy Commission include in solicitations to help applicants find trusted and qualified CBOs to consult with?*

The Energy Commission could include reference to other active proceedings that have also successfully engaged CBOs and the community. For instance, reference to the current PUC proceeding implementing AB 2672 would allow applicants to directly contact Pilot Team CBOs or other CBOs focused on each stage of project implementation for discussion of best practices, or what strategies have or have not proven successful. As the solicitation process grows, the Energy Commission should also make evaluations of projects public so that other applicants can also improve projects based on lessons learned from other projects within the program. The Energy Commission could ultimately, with the assistance of an independent body, such as the DAC Advisory Group, document best practices or provide other guidance.

The Acknowledgements (pg. i – ii) and Appendix B (pg. B-3 – B-5) of the SB 350 Barriers Study also lists a number of CBOs and nonprofits that hosted community meetings and participated in advocates meetings to inform the study. Although the Study is a starting point, we recommend expanding this list by disseminating a survey among past and prospective applicants to create a publicly accessible inventory of eligible project partners, including, but not limited to, CBOs and nonprofits interested in partnering on EPIC funding solicitations, with accompanying information including community and/or region served, type of organization (i.e. CBO, nonprofit, service provider, etc.), and short description of interested technologies or projects.

*How can the Energy Commission and other stakeholders best facilitate connecting community members, community-based organizations, and project researchers to ensure that community needs are accounted for when developing projects?*

Once the Energy Commission has determined a viable project to conduct, it should endeavor to facilitate in-person meetings between stakeholders, past and potential future applicants, CBOs, local entities, and in particular, identified community residents. These meetings should be focused on listening to community needs and interests and connecting researchers to interested community members.

Additionally, the current program only provides three months notice prior to active solicitations. The Energy Commission should extend this notice period to allow for meaningful outreach and engagement, at the same time, provided in languages and formats that are easily understandable. This is important, as a community participant viewing a final project without

evidence of their input from the initial design phase weakens their trust in the program and discourages future participation.

The Energy Commission should also consider dedicating a specific webpage for this program that is also easily navigable and available in appropriate languages. Information should be community-facing, avoid the use of technical jargon or acronyms and clearly explain energy and non-energy benefits of potential projects. One element of the website could be a regularly updated database that lists contact information as well as survey responses (as described above) for a variety of categorized partners. To go beyond simply maintaining organizational lists, the CEC could also develop an online platform that is more interactive, accessible, and user friendly to more successfully introduce and connect diverse, and often siloed, prospective partners to collaborate on specific active solicitations. This platform could host webinars, online meet-and-greets, and discussion threads to facilitate interdisciplinary teams and community partnerships. The website could also include more transparent information about awarded projects for past solicitations including team members, geographic area served, project overview, and benefits delivered. This will support prospective applicants to learn from successful projects.

In order to support the meaningful involvement and active participation of CBOs and other local partners like nonprofits and service providers in the longer-term, the Commission should offer technical assistance in the form of funding for consultants, capacity-building workshops and training and/or resource specialist within the CEC to help community stakeholders effectively engage and understand the application process. After a solicitation has ended and the notice of proposed awards has been released, the CEC should prioritize scheduling debrief meetings with first-time community-based applicants including CBOs and non-profits in order to strengthen their technical capacity and facilitate improvement for future solicitations.

Finally, the Commission should also facilitate in-person opportunities for CBOs, agency staff, researchers and technology developers to build relationships with one another and learn more about opportunities within EPIC. The Commission may do so by collaborating with CBOs, researchers and technology developers. learnings

*Are there other objectives to consider when funding TD&D projects to benefit low-income or disadvantaged communities?*

We agree with the objectives of TD&D projects noted by the Energy Commission: improving critical services, improving affordability, health and comfort in residential homes, and supporting local economy and business.

When funding TD&D projects to benefit low-income and disadvantaged communities, the Energy Commission should also aim to achieve mechanisms to ensure that projects are prioritized by community input. This simultaneously encourages greater community and eventual customer participation, allowing projects to become more affordable and economically feasible. This also ensures that particular projects are matched with communities that most desire the particular benefits from projects. Sufficient community interest will also allow for the most accurate evaluation of a project and whether its intended community benefits are realized.

The Energy Commission should also endeavor to utilize the program to eliminate SB 350 barriers to participation. In that respect, the Commission should also prioritize achieving all non-energy benefits or co-benefits of clean energy in DACs and low-income communities as outlined in the SB 350 Barriers Study. Those include but are not limited to: local jobs, economic development, increased property values, educational opportunities, improved public health, improved air quality, lowering customer energy costs, reliable and safe access to energy services, ownership of assets and local control, access to new technologies, community wealth-building, enhanced climate resilience, and a sense of community pride.

*What are unique attributes of disadvantaged communities vs. low-income communities that should be accounted for?*

Although both of these factors apply to both DACs and low-income communities, the Energy Commission should ensure that there is no additional pollution burden in DACs and no financial burden in low-income communities. The language of AB 523 reads, “The commission shall give preference for funding pursuant to this chapter to clean energy projects that benefit residents of low-income or disadvantaged communities.”<sup>6</sup> The word “benefit” requires projects, as a whole, do not burden statutorily defined over-burdened communities. AB 523 further requires that, beyond not harming communities, these projects positively contribute to their host communities. In addition, the Energy Commission should also be cognizant of not only the benefits, but also the drawbacks of tools used to identify these communities. For instance, the SOMAH program excludes residences receiving Section 8 housing assistance, and CalEnviroScreen may not adequately consider unincorporated communities that are then meshed with census tracts that include less pollution and environmental burdens. Close coordination with relevant CBOs could avoid such deficiencies and promote beneficial projects in the communities that need them the most.

Please do not hesitate to contact us should you require any additional information or have any questions regarding these comments. We look forward to continue working with the Commission to ensure the adequate implementation of AB 523.

Sincerely,

Deborah Behles  
Roger Lin  
On behalf of California Environmental Justice Alliance

Madeline Stano  
On behalf of the Greenlining Institute

Elise Hunter  
On behalf of GRID Alternatives

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<sup>6</sup> Pub. Resources Code § 25711.6(a).