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# Self-Generation Incentive Program (SGIP)

## Quarterly Workshop

*Friday, April 17, 2020*  
*Skype Meeting*

*Hosted by Pacific Gas & Electric Company (PG&E), SoCalGas, Southern California Edison (SCE), and Center for Sustainable Energy (CSE)*



**SoCalGas:** Jason Legner, Laura Crump, Adrian Martinez

**CSE:** Andi Woodall, Joe Bick, Ebony Arendt

**SCE:** Jim Stevenson, Vicky Velazquez

**PG&E:** Brian Bishop, Andrew Ace, Ron Moreno

**AESC:** Dara Salour

**Energy Solutions:** Andrea Vas, Kenzie Marx



- **Welcome and Introduction**
- **Equity Resiliency and Equity Budget requirements**
- **Pause of Equity Resiliency and Equity Budget for Residential Projects**
- **Virtual Inspections**
- **Stakeholder Q&A**

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# **Equity and Equity Resiliency Budget Requirements**

## Equity Budget Background

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In October of 2017, the California Public Utilities Commission directed SGIP to establish an **Equity Budget** to ensure that a significant portion of the SGIP budget will be reserved for projects located in disadvantaged and low-income communities and for customers that meet specific eligibility requirements. The objective is that these investments will\*:

- 1) Bring positive economic and workforce development opportunities to the state's most disadvantaged communities
- 2) Help reduce or avoid the need to operate conventional gas facilities in these communities, which are exposed to some of the poorest air quality in the state, and
- 3) Ensure that low-income customers, and non-profit or public sector organizations in disadvantaged or low-income communities have access to energy storage resources incentivized through SGIP

## Equity Resiliency Budget Background

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In September of 2019, to help deal with critical needs resulting from wildfire risks in the state, the Commission has directed SGIP to establish an **Equity Resiliency** budget. The Equity Resiliency budget sets aside funds for\*:

- 1) Vulnerable households located in Tier 3 and Tier 2 High Fire Threat Districts
- 2) Customers affected by 2 or more Public Safety Power Shutoff (PSPS) events
- 3) Critical services facilities serving those districts
- 4) Customers located in those districts that participate in low-income solar generation programs.

## Residential Equity Eligibility

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The following residential customers may qualify for the Residential Equity Budget:

1. Customers residing in multifamily low-income residences
  - a. The residence must be located in a Disadvantaged Community OR
  - b. Households in building have incomes at or below 60% of the area median income (defined in subdivision (f) 5002.5 of the Health and Safety Code)
2. Customers that have received a reserved incentive status from SOMAH, MASH, SASH or DAC-SASH
3. Low income customers residing in single-family low-income residences that are subject to a resale restriction or equity sharing agreement
4. Customers that reside in California Indian Country and meet the definition of low-income housing

## Residential Equity Resiliency Eligibility

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The following residential customers may qualify for the Equity Resiliency Budget:

1. Customers residing in a Tier 2 or Tier 3 High Fire Threat District (HFTD) OR
2. Customers affected by 2 discrete PSPS events prior to the date of SGIP application

AND must qualify as ONE of the following:

1. Eligible for the Equity Budget
2. Customer that has notified their utility of a serious illness or condition that could become life threatening if electricity is disconnected
3. Eligible for a medical baseline program
4. Customer that relies of electric pump well for water supplies



## Non-Residential Equity Eligibility

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The following customers may qualify for the Non-Residential Equity Budget:

1. Host Customers located in a low income or disadvantaged community (including Indian Country) that meets one of the following customer criteria:
  - a. Local Government Agency
  - b. State Government Agency
  - c. Educational Institution
  - d. Non-Profit Organization
  - e. Small Business
  
2. Public Entities (Government Agency [State, Local, or Tribal), Educational Institution or Non-Profit) that provide service to DAC or low-income community members for which at least 50% of the census tracts served are DACs or low income.

## Non-Residential Equity Resiliency Eligibility

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The following non-residential customers may qualify for the Equity Resiliency Budget:

1. Customers residing in a Tier 2 or Tier 3 High Fire Threat District (HFTD) OR
2. Customers affected by 2 discrete PSPS events prior to the date of SGIP application

AND

1. Customer must qualify as a critical facility or critical infrastructure provider

AND

1. Customer provides critical services or infrastructure to one or more communities in a Tier 3 or Tier 2 HFTD OR a community with customers whose electricity was shut off during 2 or more discrete PSPS events AND
2. At least one of those communities is eligible for the Equity Budget (DAC or Low-Income Community)

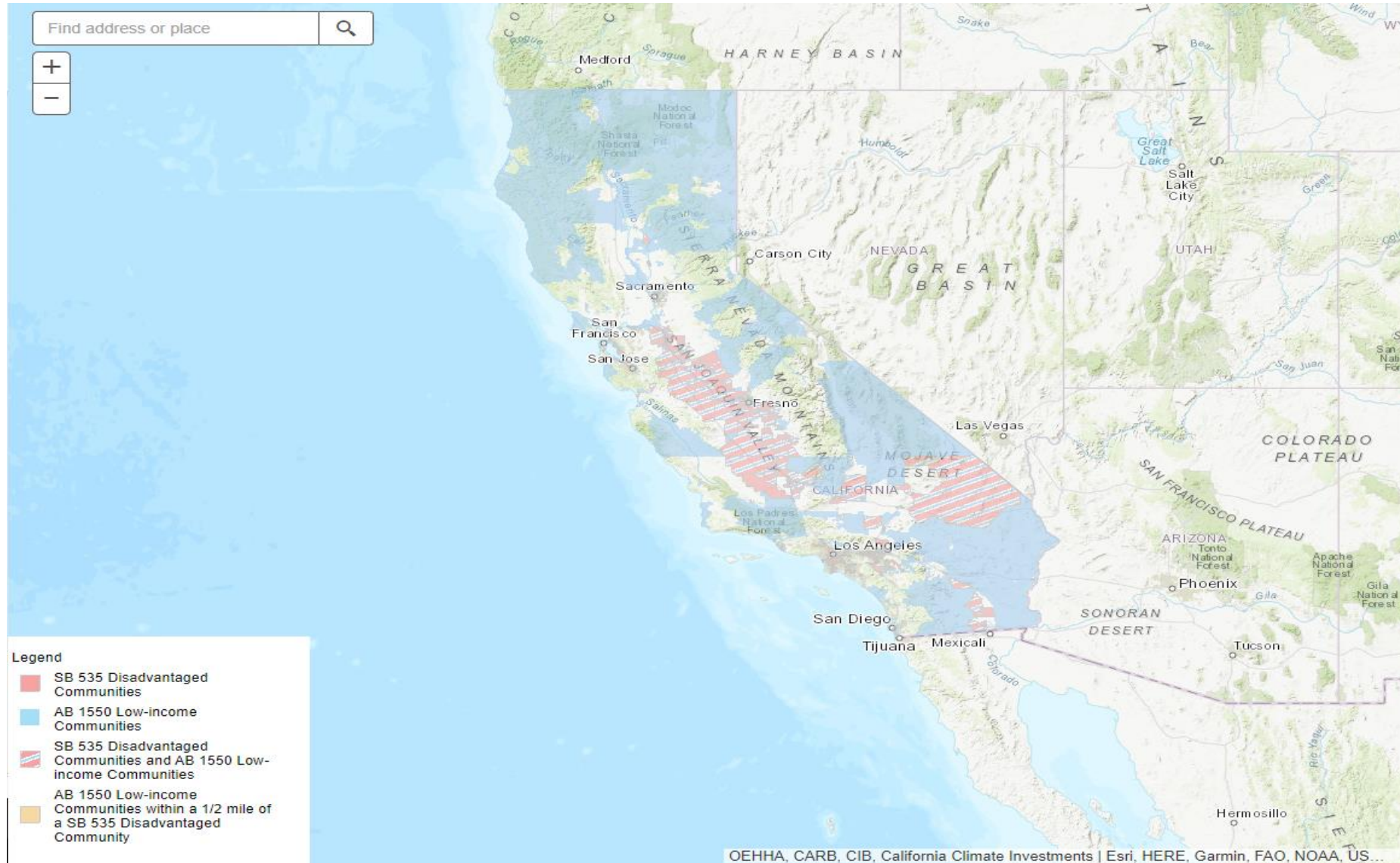
## Non-Residential Equity Resiliency Eligibility : Critical Resources Providers

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- i. Police stations; or
- ii. Fire stations; or
- iii. Emergency response providers with the addition of tribal government providers; or
- iv. Emergency operations centers; or
- v. 911 call centers (also referred to as Public Safety Answering Points); or
- vi. Medical facilities including hospitals, skilled nursing facilities, nursing homes, blood banks, health care facilities, dialysis centers and hospice facilities; or
- vii. Public and private gas, electric, water, wastewater or flood control facilities; or
- viii. Jails and prisons; or
- ix. Locations designated by the IOUs to provide assistance during PSPS events (CRCs); or
- x. Cooling centers designated by state, local or tribal governments; or
- xi. Homeless shelters supported by federal, state, or local, or tribal governments; or
- xii. Grocery stores, corner stores, markets and supermarkets that have average annual gross receipts of \$15 million or less as calculated at the single location applying for SGIP incentives; or
- xiii. Independent living centers; or
- xiv. Food banks

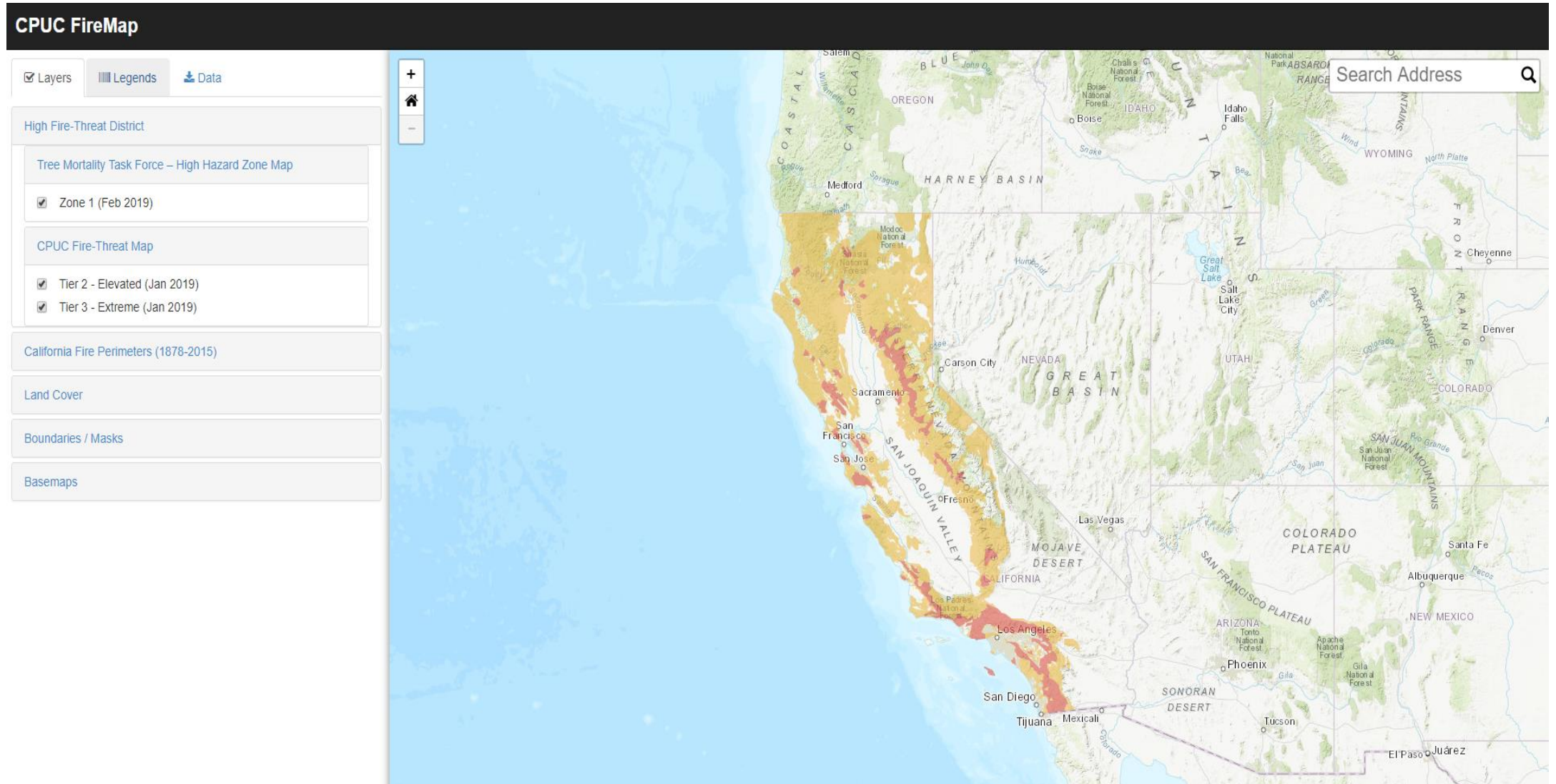
# Low Income and Disadvantaged Communities Map

<https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>



# High Fire Threat District (Cal Fire) Map

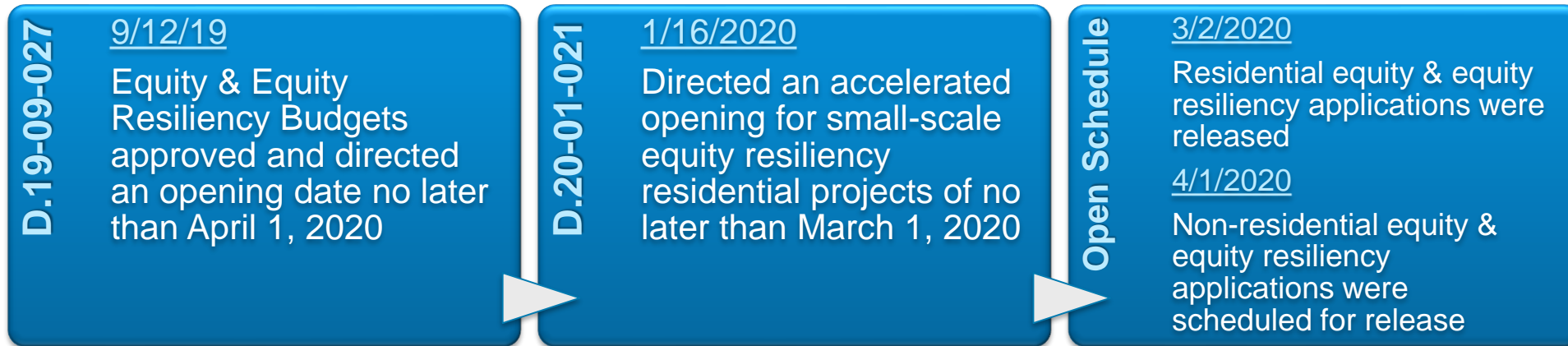
<https://ia.cpuc.ca.gov/firemap/>



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# **Pause of Equity Resiliency and Equity Budget Projects**

# Equity & Equity Resiliency Budget - Pause



- ❑ **3/27/2020** Energy Division request to pause acceptance of all equity & equity resiliency applications:
  - ✓ Concerns from database vendor re: accelerated development risk and potential negative customer experience
  - ✓ Covid-19 Shelter-in-Place impacts (particularly medical baseline customers)
  - ✓ Enable PA focus on database updates required to deploy virtual inspections (Covid-19 relief)
- ❑ **3/30/2020** CPUC Exec Director grants a one-month extension to open the full equity and equity resiliency database and pause acceptance of equity and equity resiliency applications until May 1, 2020.
- ❑ **Today** - What does this mean:
  - ✓ New non-residential equity & equity resiliency applications scheduled for release May 1, 2020 were not released and acceptance of residential equity resiliency applications have been paused.
  - ✓ Expect to release the new non-residential equity & equity resiliency applications May 1, 2020 to enable application package preparation for submission starting May 12, 2020.
  - ✓ Expect to un-pause residential equity & equity resiliency applications effective May 1, 2020 to resume acceptance of application submissions.

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# Virtual Inspections



## COVID-19 Has Impacted SGIP

### Virtual Inspections May Be An Option For Some Projects

- PA Goal; discuss virtual inspections with stakeholders – they could facilitate completion of projects, payment of customers and give industry additional options.
- Safety; primary concern. Virtual inspections facilitate no-visit project inspection and completion.

# Approved Virtual Inspection Protocol

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## Current Virtual Post-Installation Inspection (approved by CPUC August 28, 2019)

If a project qualifies for a virtual Post-Installation Inspection, virtual inspections may be conducted by the Host Customer, System Owner, Applicant, or Developer of the project. In lieu of an on-site inspection requiring a site visit, the PA or its 3rd party consultant will require a video along with geotagged photos from the Host Customer site. The video and associated photos may be completed on any day after the Permission to Operate (PTO) has been issued by the utility's interconnection department. The Applicant will have a 20-day period to submit the required material once the notification of virtual Post-Installation Inspection has been issued by the PA.



# Virtual Inspection Protocol Details

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## **Virtual Post-Installation Inspections must provide the following:**

1. A continuous video of the project site, battery, and other electrical equipment; and
2. Individual geotagged photos of the project site, battery, and other electrical equipment associated with the energy storage system (see below for more detailed information regarding requirements for video and photograph capture).

## **The following information must be included in all virtual Post-Installation Inspections:**

- a. Continuous video to include street view of the house or building with the address number clearly visible.
- b. Continuous video to include overall layout of the system. If the entire system is not in one place, the video and photographs must capture the overall layout of each subsystem, followed by the close-up shots of each piece of equipment in that subsystem.
- c. Continuous Video along with Geotagged still photo of Nameplate confirming make and model of the battery.
- d. Continuous Video along with Geotagged still photo of Nameplate confirming make and model of the inverter (if applicable).  
Continuous video along with Geotagged still photo of serial number for battery.
- e. Continuous video along with Geotagged still photo of serial number for inverter (if applicable).
- f. Continuous video along with Geotagged still photo of equipment display panels showing power, energy, or battery/inverter charge status readings for battery.
- g. Continuous video along with Geotagged still photo of equipment display panels showing power and/or energy for solar PV (if applicable).
- h. Continuous video along with Geotagged still photo to include exterior view of all the electrical panels (e.g., the subpanel, backup loads panel, protected loads panel, and main service panel) and a view of the inside of each panel.
- i. Continuous video along with Geotagged still photo of Utility Smart Meter with the meter ID number clearly visible.



# Virtual Inspection Protocol Potential Alternatives

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SGIP PAs are working with Energy Division in consideration of additional virtual inspection streamlining measures to further assist during the current shelter-in-place CA guidelines.

## Potential Temporary Changes:

- Customer/applicant *email* photos and/or video.
- Fewer required photos/video:
  - Street view of house with house number visible.
  - Overall layout of system; if entire house is not in one place, capture the overall layout of the subsystem followed by close-up shots of each equipment, repeat for all the subsystems.
  - Serial numbers of batteries and inverters, captured clearly.
  - Utility Smart Meter with the meter clearly visible.
- Thoughts? Feedback? Other Concerns?



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# Q & A



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# Appendix

Attachment 2: SGIP Equity Resiliency Eligibility Matrix – Residential Customers

| All residential Equity Resiliency Incentive applicants must meet both criteria 1 & 2 through one of the specified pathways: |  |   |  |
|---|--|---|--|
| Criteria:   | Pathways for eligibility:  | Description:  | Additional Guidance:   |
| 1.  | a) In HFTD Tier 2 or 3; or,  | Located in a High Fire Threat District (HFTD) Tier 2 or Tier 3. Process initiated in D.17-01-009 and modified by D.17-06-024. <sup>1</sup>  | Maps available here: <a href="https://www.cpuc.ca.gov/general.aspx?id=6442454972">https://www.cpuc.ca.gov/general.aspx?id=6442454972</a>                                 |
|   | b) Have experienced $\geq 2$ PSPS events;                                    | Customers whose electricity was shut off during two or more discrete Public Safety Power Shutoff (PSPS) events prior to the date of application for SGIP incentives. <sup>2</sup>   | List of circuits with two or more PSPS events posted on SGIP portal. To be updated 30 days after new PSPS event. <sup>3</sup>  |
| <b>AND:</b>   |  |   |  |
| 2.  | a) Eligible for the equity budget;   | Residential customers living anywhere in IOU service territory <sup>4</sup> but must reside in a qualifying multi-family residential deed-restricted building or a single-family home subject to resale restrictions or presumed resale restrictions. [See pg 2 <u>Low-Income Residential Housing</u> ] | Residential properties in Indian Country <sup>4</sup> <b>must</b> meet definition of low-income residential housing. <sup>5</sup>  |
|   | b) Eligible for medical baseline;  | Eligible for the medical baseline program as defined in D.86087, 80 CPUC 182.   | Low-income residential housing requirements <b>do not</b> apply. <sup>6</sup>  |
|   | c) Have serious illness/condition that's life-threatening if disconnected;   | Customer that has notified their utility of a serious illness or condition that could become life-threatening if electricity is disconnected, as defined in D.12-03-054.  | Low-income residential housing requirements <b>do not</b> apply. <sup>6</sup>  |
|   | d) Have SASH, DAC-SASH, MASH, or SOMAH incentives reserved; or,              | SGIP applicants who can demonstrate they have received an incentive reserved status in the SASH, DAC-SASH, MASH, or SOMAH programs are deemed eligible for the SGIP equity budget.  | Incentive reservation letter or equivalent document verifying applicant is approved to participate in listed programs is <b>sole documentation needed</b> . <sup>7</sup> |
|   | e) Household relying on electric pump wells for water supplies. <sup>8</sup> |   | No additional criteria, e.g. low-income residential housing requirements <b>do not</b> apply. <sup>9</sup>   |

## Attachment 2: SGIP Equity Resiliency Eligibility Matrix – Residential Customers

### Definitions:

#### Low-Income Residential Housing:

- **Multifamily residential building<sup>i</sup>** of at least five rental housing units that is operated to provide deed-restricted low-income residential housing (described in clause (i) of subparagraph (A) of paragraph (3) of subdivision (a) of § 2852 of the Public Utilities Code<sup>ii</sup>) **and** is either:
  - 1) In a **Disadvantaged Community**; or
  - 2) A building where at least 80% of the households have incomes at or below 60% of the area median income, as defined in subdivision (f) of § 50052.5 of the Health and Safety Code.<sup>iii</sup> Any customer account in such buildings will be eligible for the SGIP Equity Budget.
- **Single-family homes<sup>iv</sup>** are also eligible regardless of location if they are a low-income residence, as described in subparagraph (C) of paragraph (3) of subdivision (a) of § 2852 of the Public Utilities Code.<sup>v</sup> Per the SGIP Handbook, a presumed resale restriction may also be demonstrated to meet the resale restriction eligibility requirement, such as single-family homes located in IRS-defined Qualified Census Tracts<sup>vi</sup> and other designated areas eligible for the Single-Family Affordable Solar Homes (SASH) program.<sup>vii</sup>

**Disadvantaged Community:** Any census tract that ranks in statewide top 25% most affected census tracts in most recent version of CalEnviroScreen or census tracts that score within highest 5% of CalEnviroScreen’s pollution burden, but do not receive an overall CalEnviroScreen score.<sup>viii</sup>

<sup>i</sup> Defined in AB 693. See D.17-010-004 at 14-15.

<sup>ii</sup> Public Utilities Code § 2852(a)(3)(A)(i): The rents of the occupants who are lower income households do not exceed those prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance.

<sup>iii</sup> Health and Safety Code § 50052.5(f): For purposes of this section, “area median income” shall mean area median income as published by the department pursuant to Section 50093. Health and Safety Code § 50093: As used in this section, “area median income” means the median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. In the event these federal determinations of area median income are discontinued, the department shall establish and publish as regulations income limits for persons and families of median income for all geographic areas of the state at 100 percent of area median income, and for persons and families of low or moderate income for all geographic areas of the state at 120 percent of area median income. These income limits shall be adjusted for family size and shall be revised annually.

<sup>iv</sup> D.17-10-004 at 15.

<sup>v</sup> Public Utilities Code § 2852(a)(3)(C): An individual residence sold at an affordable housing cost to a lower income household that is subject to a resale restriction or equity sharing agreement, for which the homeowner does not receive a greater share of equity than described in paragraph (2) of subdivision (c) of Section 65915 of the Government Code, with a public entity or nonprofit housing provider organized under Section 501(c)(3) of the Internal Revenue Code that has as its stated purpose in its articles of incorporation on file with the office of the Secretary of State to provide affordable housing to lower income households.

<sup>vi</sup> Qualified Census tracts are defined by Internal Revenue Code Section 143(j)(2) as “a tract in which 70 percent or more of the families have income which is 80 percent or less of the statewide median family income” [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)

<sup>vii</sup> Decision 15-01-027 allows presumed resale restrictions within the SASH program, such as those found in federally-designated Empowerment Zones, Enterprise Communities, certain Neighborhood Revitalization Areas, Targeted Employment Areas, and Qualified Census Tracts.

<sup>viii</sup> Decision 17-10-004 COL 2.



| Criteria:   | Pathways for eligibility:   | Description:  | Additional Guidance:   |
|-------------|---|---|--|
| 1.          | a) In HFTD Tier 2 or 3; or,   | Located in a High Fire Threat District (HFTD) Tier 2 or Tier 3. Process initiated in D.17-01-009 and modified by D.17-06-024. <sup>12</sup>   | Maps available here: <a href="https://www.cpuc.ca.gov/general.aspx?id=6442454972">https://www.cpuc.ca.gov/general.aspx?id=6442454972</a> |
|             | b) Have experienced $\geq 2$ PSPS events;   | Customers whose electricity was shut off during two or more discrete Public Safety Power Shutoff (PSPS) events prior to the date of application for SGIP incentives. <sup>13</sup>  | List of circuits with two or more PSPS events posted on SGIP portal. To be updated 30 days after new PSPS event. <sup>14</sup>           |
| <b>AND:</b> |   |   |  |
| 2.          | Is a critical facility or critical infrastructure provider. <sup>15</sup>   | Police stations; fire stations; emergency response providers with the addition of tribal government providers; emergency operations centers; 911 call centers (also referred to as Public Safety Answering Points); medical facilities including hospitals, skilled nursing facilities, nursing homes, blood banks, health care facilities, dialysis centers and hospice facilities; public and private gas, electric, water, wastewater or flood control facilities; jails and prisons; locations designated by the IOUs to provide assistance during PSPS events; cooling centers designated by state, local or tribal governments; homeless shelters supported by federal, state, local, or tribal governments; grocery stores, corner stores, markets and supermarkets that have average annual gross receipts of \$15 million or less as calculated at the single location applying for SGIP incentives over the last three tax years; independent living centers; and food banks. |  |
| <b>AND:</b> |   |   |  |
| 3.          | a) Provides critical services or infrastructure to one or more communities in a Tier 3 or Tier 2 HFTD or a community with customers whose electricity was shut off during 2 or more discrete PSPS events, <b>AND</b><br>b) at least one of those communities is eligible for the equity budget. | Equity budget eligible community refers here to a disadvantaged community or low-income census tract as defined in D.17-10-004 or California Indian Country as defined in D.19-09-027.  |  |

<sup>12</sup> D.19-09-027 at 20.

<sup>13</sup> D.20-01-021 at OP 19.

<sup>14</sup> Id. at 43.

<sup>15</sup> D.19-09-027 and D.19-12-065 at 4-7.

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## Definitions

California Indian Country - Per D.19-09-027 all California Indian Country is defined as Disadvantaged Communities (see definition below) for purposes of the SGIP equity budget.<sup>16</sup>

Disadvantaged Community (DAC) - Under the SGIP Equity Budget, a disadvantaged community is defined as any census tract that ranks in the statewide top 25% most affected census tracts in the most current version of the environmental health screening tool, CalEnviroScreen, plus census tracts that score within the highest 5% of CalEnviroScreen's pollution burden but do not receive an overall CalEnviroScreen score.<sup>17</sup>

Low-Income Community - For the purpose of the SGIP Equity Budget, a low-income community pursuant to section 39713(d)(2) of the Health and Safety Code. "Low-income communities" are census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093.<sup>18</sup>