

# PG&E's Community Microgrid Enablement Program

## Outreach Plan for Disadvantaged and Vulnerable Communities

May 2021

### 1. Background/Introduction

PG&E proposed the Community Microgrid Enablement Program (CMEP) in Track 1 of the Microgrid OIR<sup>1</sup> in order to support those communities looking for ways to safely keep the power on during extreme weather, Public Safety Power Shutoffs (PSPS) and other events. The program helps communities design permanent, multi-customer microgrids by providing incremental technical and financial support on a prioritized basis for qualifying projects in areas with the greatest resilience needs. The program was approved by the California Public Utilities Commission on March 18, 2021. Further information about the program can be found at [www.pge.com/cmep](http://www.pge.com/cmep).

The CMEP supports communities in a number of ways. The program provides:

- Web-based tools and information for resilience planning, at [www.pge.com/resilience](http://www.pge.com/resilience)
- A 3-stage enhanced technical support process to guide community microgrid development from initial concept development through to project execution
- Tariff and agreements in support of the program
- Cost offsets for distribution upgrades to enable the safe islanding of a community microgrid

PG&E noted in its CMEP Implementation Plan<sup>2</sup> that low-income and disadvantaged communities may not have the resources available to prioritize exploration of resiliency solutions. For this reason, CMEP adopts a more proactive stance towards disadvantaged and vulnerable communities. This Outreach Plan describes those specific strategies intended to facilitate awareness among disadvantaged and vulnerable communities of the CMEP, and where possible, of other resilience funding opportunities. In this way, PG&E hopes to enable the greatest possible access to community microgrid planning and implementation support. By supporting communities with both financial and technical assistance, PG&E intends for communities to be able to bring forward locally driven resilience solutions in a partnership model with the utility.

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<sup>1</sup> R.19-09-009

<sup>2</sup> Advice Letter 5918-E, August 17, 2020

At the time of this writing, a regulatory proceeding focused on microgrids remains active at the CPUC.<sup>3</sup> New programs and tariffs may be approved in that proceeding which will significantly change the landscape for microgrid development in California. Of particular note, the CPUC has directed the three major California investor-owned utilities to develop a new Microgrid Incentive Program targeted towards disadvantaged and vulnerable communities. That program will be developed in 2021 through a collaborative stakeholder workshop process and may be approved as early as 2022. While that program may ultimately play a bigger role than CMEP in the financing of community microgrids, communities which begin the exploration and planning process now may find themselves better positioned to develop a community microgrid than those which wait.

## **2. Strategic Approach**

PG&E will employ the following strategies in fulfillment of its outreach to disadvantaged and vulnerable communities.

### **a. Focus on Rural, Tribal, and Low-income Communities**

CMEP's approved eligibility criteria and the criteria for prioritization of Disadvantaged and Vulnerable communities intersect in such a way as to highlight the importance of rural, tribal, and low-income communities to the success of the program. CMEP is focused on supporting projects in communities with the greatest resilience needs. As such, the program requires that a project must include a Critical Facility plus at least one additional customer, and that at least one customer to be served by the microgrid must be located either:

- In a Tier 2 or Tier 3 High Fire Threat District (HFTD) at the time of CMEP application, or
- In an area that has been impacted by a Public Safety Power Shutoff (PSPS) event in the past, or
- In an area prone to outages, as defined for this purpose<sup>4</sup>

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<sup>3</sup> Microgrid OIR, Rulemaking 19-09-009

<sup>4</sup> Defined for this purpose as the top 1% Worst Performing Circuits excluding Major Event Days as shown in PG&E's Annual Electric Reliability Report, in either the Average Interruption Duration Index ("AIDI") or Average Interruption Frequency Index ("AIFI") category, in either of the last two years.

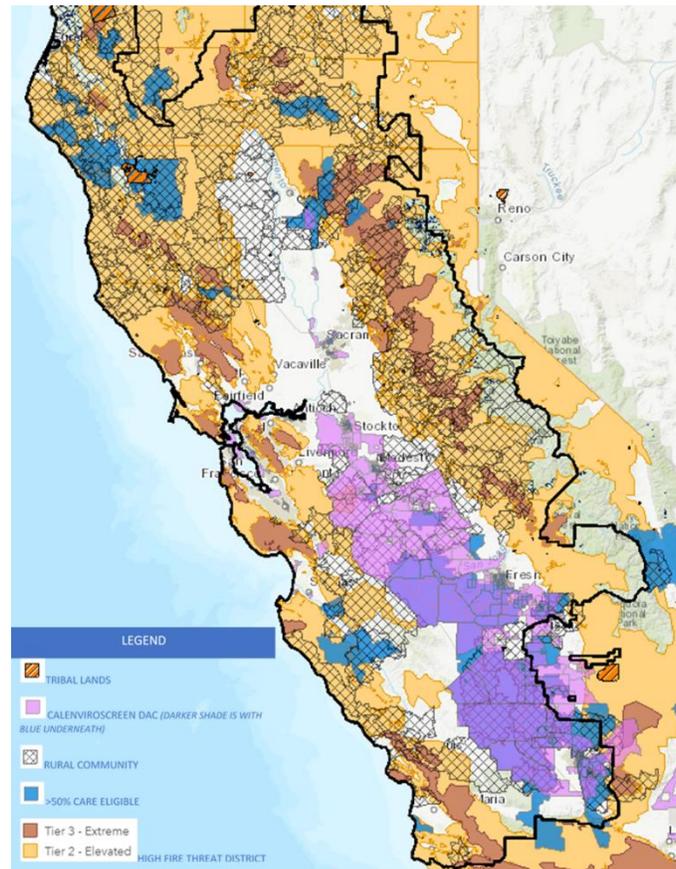
PG&E consulted with advocates for low-income and disadvantaged communities in creating the criteria for prioritization of these communities. For purposes of CMEP, PG&E identifies disadvantaged and vulnerable communities as those in which at least one customer to be served by the microgrid is located in an area that meets at least one of the following criteria:

- Disadvantaged Communities as defined by the CalEnviroScreen<sup>5</sup>
- Tribal Lands
- Zip codes with more than 50% of residents enrolled or eligible for the California Alternate Rates for Energy (“CARE”) rate
- Zip codes identified as “Rural”, per the Goldsmith Modification<sup>6</sup>

The map in Figure 1 shows the location of these four criteria in PG&E’s service area, as well as the location of Tier 2 and 3 High Fire Threat Districts<sup>7</sup>.

In examining the map, one can see that the rural and tribal communities in particular have significant overlap with the Tier 2 and 3 High Fire Threat Districts. Many of the “>50% CARE eligible” communities are also located in High Fire Threat Districts. These areas will be of particular importance in the rollout of outreach for the CMEP.

**Figure 1: CMEP Disadvantaged and Vulnerable Communities and High Fire Threat Districts**



<sup>5</sup> CalEnviroScreen is a screening tool used to identify California communities by census tract that are disproportionately burdened by, and vulnerable to, multiple sources of pollution. See <https://oehha.ca.gov/calenviroscreen>.

<sup>6</sup> Rural areas are generally defined as those isolated from larger metropolitan areas, by distance or other physical features. The Goldsmith Modification was created to recognize small towns and rural areas found in large metropolitan counties. <https://www.ruralhealthinfo.org/topics/what-is-rural#goldsmith-modification>.

<sup>7</sup> Prior PSPS-impacted areas are largely located within High Fire Threat Districts.

### **b. Identify Complementary Funding**

Multi-customer community microgrids are new and highly complex. The Redwood Coast Airport Microgrid in Humboldt County, launching in Q4 2021, will be the first such microgrid in PG&E's service area. They can also be quite expensive. A 2018 National Renewable Energy Lab (NREL) study found that while overall costs vary by project complexity and the market segment which the microgrid serves, community microgrids have an average cost of \$2.1M per MW of distributed energy resources installed<sup>8</sup>.

CMEP covers the cost of distribution upgrades necessary to enable the safe islanding of a community microgrid, but it does not cover the cost of generation and storage for the microgrid. The same NREL study finds that generation and storage components represent on average 79% of the cost of a microgrid.<sup>9</sup> As such, communities seeking to develop a community microgrid project will need to identify alternate funding sources for these components. In development of its outreach to disadvantaged and vulnerable communities, PG&E will assist communities in the identification of potential sources of alternate resilience funding which could be complementary to that of CMEP. These sources may include federal, state, and local agencies, community-based organizations (CBOs) and non-profits.

### **c. Execute a Multi-layered Outreach Approach**

PG&E's outreach will aim to facilitate awareness among disadvantaged and vulnerable communities of the CMEP as well as of other potential resilience funding sources and opportunities, so that they may be brought to bear on specific energy resilience projects.

In order to accomplish this, CMEP outreach will consist of two primary approaches. The first approach involves outreach to federal, state, and county agencies such as county planners and county Offices of Emergency Services, Community Choice Aggregators (CCAs), and community-based organizations (CBOs) that serve tribal, rural, and low-income areas. Particular focus will be paid to organizations which provide complementary resilience services or funding to disadvantaged and vulnerable communities. The purpose of this outreach is to: a) understand

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<sup>8</sup> NREL Phase I Microgrid Cost Study: Data Collection and Analysis of Microgrid Costs in the United States, p.vi.

<sup>9</sup> Ibid, p.25.

the community’s needs and desires in regard to energy resiliency, and b) identify potential sources of complementary resilience funding and potential partnership opportunities. It is PG&E’s hope that by combining its grid knowledge with this on-the-ground knowledge, that new relationships can be formed that will help further resilience planning in the communities. PG&E will incorporate feedback and learnings from these exchanges into the program and its outreach plans. This outreach will be conducted using internal teams as appropriate and will take place primarily via phone calls and emails.

The second approach involves outreach directly to tribal and rural communities, via local government leadership and CCAs. The purpose of this outreach is to ensure awareness of CMEP, and any complementary funding opportunities identified. PG&E will deliver clear, simple, and accessible messaging about the program. PG&E will work through its Local Public Affairs, Division Leadership, Local Customer Relationship Managers, and CCA relations teams as appropriate, and will coordinate to the extent possible with other scheduled outreach for PG&E’s PSPS and Community Wildfire Safety Programs so as to be respectful of the demands on communities’ time. PG&E will utilize email, phone calls, and webinar(s) for this outreach.

**Communications Approach and Timeline**

PHASE / TIMING	ACTIVITY	AUDIENCE
<p><b>Preparation and Initial Outreach</b> Q2 2021</p>	<ul style="list-style-type: none"> <li>• Prepare messaging to be responsive to the needs of critical and vulnerable communities, including:               <ul style="list-style-type: none"> <li>○ Fact Sheets</li> <li>○ Presentations</li> </ul> </li> <li>• Identify potential partner agencies/CBOs/CCAs and begin outreach to them</li> <li>• Discuss local needs and desires in regard to energy resiliency</li> <li>• Identify complementary sources of resilience funding, where possible</li> </ul>	<ul style="list-style-type: none"> <li>• Federal, state, and county agencies</li> <li>• CCAs</li> <li>• CBOs</li> </ul>

<p><b>Engagement and Feedback</b> Q3 2021</p>	<ul style="list-style-type: none"> <li>• Outreach directly to tribal and rural communities, via local government leadership and CCAs <ul style="list-style-type: none"> <li>○ Channels: PG&amp;E Local Public Affairs, Tribal Affairs, CCA relations, Division Leadership, Local Customer Relationship Managers. Utilize emails, phone calls, and webinar(s).</li> <li>○ Deliver clear, simple, and accessible messaging and collateral for disadvantaged and vulnerable communities.</li> <li>○ Discuss local needs and desires in regard to energy resiliency</li> </ul> </li> <li>• Continue outreach to partner agencies/CBOs, particularly those providing complementary funding or services to DVCs <ul style="list-style-type: none"> <li>○ Identify opportunities for collaborative approach to providing energy resiliency.</li> <li>○ Channels: Internal teams as appropriate, utilizing emails, phone calls</li> </ul> </li> <li>• Incorporate feedback into the program and its outreach plans, and as appropriate into the development of MIP.</li> </ul>	<ul style="list-style-type: none"> <li>• Tribal governments</li> <li>• Rural and low-income community governments</li> <li>• CCAs</li> <li>• Federal, state, and county agencies</li> <li>• CBOs</li> <li>• CPUC’s Disadvantaged Community Advisory Group</li> </ul>
<p><b>Ongoing Engagement and Support</b> Q4 2021 and beyond</p>	<ul style="list-style-type: none"> <li>• Continue outreach as described under “Engagement and Feedback”, incorporating feedback thus far.</li> <li>• Continue to provide technical and financial assistance to communities interested in multi-customer microgrids. <ul style="list-style-type: none"> <li>○ Communities can connect with their PG&amp;E Local Public Affairs or Local Customer Relationship Manager, or CCA liaison, or may directly email <a href="mailto:communitymicrogrids@pge.com">communitymicrogrids@pge.com</a>.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Same as above</li> </ul>

### 3. Summary

Through this plan, PG&E attempts to address the barrier that low-income and disadvantaged communities may experience in not being able to prioritize exploration of resiliency solutions due to lack of resources. PG&E will adopt a more proactive stance towards disadvantaged and vulnerable communities by engaging in dialogue to understand local resilience needs, and by facilitating awareness of the CMEP and where possible of other resilience funding opportunities. In this way, PG&E hopes to forge new relationships and partnerships in support of locally driven energy resilience solutions.