



MICROGRID INCENTIVE PROGRAM TOPIC FRAMING DOCUMENT

Workshop #6: Program Evaluation

Background

As described in Joint Advice Letters 3700-E-A, 6098-E-A and 4424-E-A, Workshop #6 (“Program Evaluation”) will feature a discussion about the MIP Program Evaluation Process and Requirements. Track 2 of the Microgrid OIR Decision directs the IOUs to develop a method for evaluating the effectiveness of the Microgrid Incentive Program. Effectiveness can be determined by assessing how well microgrid projects developed under the program achieved desired benefits and outcomes. These can include how well microgrid projects under the program were able to: increase electricity reliability and resiliency for critical facilities in communities that are at higher risk of grid outages; prioritize serving communities with higher proportions of low-income residents, access and functional needs residents, and electricity dependents; enable communities with lower ability to fund development of backup generation to maintain critical services during grid outages; and provide an opportunity for testing new technologies or regulatory approaches to inform future action to the benefit of all ratepayers.

Critical Questions for Stakeholders:

To support the development of MIP Program Evaluation Process and Requirements and to facilitate a robust dialogue at the workshop, the following questions/issues are offered for stakeholder consideration:

- How should the “increase” in electrical reliability provided by the microgrid for critical public facilities be measured? What pre- and post-microgrid reliability metrics should be used?
- How should the “increase” in resiliency provided by the microgrid for critical facilities be measured? What pre- and post-microgrid resiliency metrics should be used?
- What measures should be used to establish the degree to which communities with higher proportions of (i) low-income residents, (ii) access and functional needs residents, and (iii) electricity dependents were “prioritized” for purposes of receiving incentive funds?
- What information should be considered in determining whether the microgrid enabled communities with “lower ability to fund development of backup generation” to maintain critical services during grid outages? How should such enablement be evaluated if there are no grid outages?
- What performance requirements should be placed on projects?
- What are the metrics for determining project effectiveness?
- How long after microgrid project completion should program evaluation occur?
- What reporting requirements should there be to support evaluation of MIP effectiveness? Which entities should report what information, and to whom should the reports be submitted?
- What metrics should be used to determine whether the MIP provided an opportunity to test (i) new technologies, and (ii) regulatory approaches that will help achieve desired ratepayer benefits and outcomes in the future?