

## PUBLIC UTILITIES COMMISSION

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October 2, 2020

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**Subject: Disposition Approving Southern California Gas Company (SoCalGas) AL 5677-G, Pacific Gas and Electric (PG&E) Advice Letter 4294-G/5922-E, Southern California Edison Company (SCE) AL 4277-E, and Center for Sustainable Energy (CSE) AL 116-E Proposed Updates to the Self-Generation Incentive Program (SGIP) Handbook Pursuant to Decision 20-07-015 and Energy Division's Non Standard Disposition Letter for CSE AL 110-E/-A, et al.**

Dear Mr. Ortiz, Mr. Jacobson, Dr. Stern, and Ms. Ninow:

Pursuant to CPUC decision (D.) 20-07-015, on August 20, 2020 SoCalGas filed the following joint advice letter (AL) on behalf of the SGIP Program Administrators (PAs): SoCalGas AL 5677-G, PG&E AL 4294-G/5922-E, SCE AL 4277-E, and CSE AL 116-E (SoCalGas AL 5677-G et al.) (collectively, the "Joint SGIP PAs' AL").

After review, the Energy Division has determined that the Joint SGIP PAs' AL is in compliance with Ordering Paragraph (OP) 6 and OP 7 of Decision (D.)20-07-015 and is approved effective October 2, 2020.

The Joint SGIP PAs' AL addresses the requirements of OP 6 of D.20-07-015 which directed the SGIP PAs to submit an AL proposing changes to the SGIP handbook to implement all modifications adopted in that decision other than those addressed in a prior AL pursuant to OP 4. The Joint SGIP PAs' AL also addresses the requirements of OP 7 of D.20-07-015 by proposing a one-time streamlined process allowing applicants to modify their SGIP application to take advantage of opportunities to follow different requirements on duration of the SGIP energy storage system without losing their priority position in the SGIP application queue.

The Joint SGIP PAs' AL also addresses clarifying edits to the SGIP Handbook that were suggested by the California Solar & Storage Association (CALSSA) in its protest to a previous Joint SGIP PA AL;

CSE 110-E/E-A et al.<sup>1</sup> In the non-standard disposition letter on CSE 110-E/E-A et al., Energy Division staff recommended that the PAs implement some of CALSSA's suggested changes to streamline and improve the clarity of the SGIP Handbook within 60 days of the effective date of that disposition letter (June 29, 2020).

On September 9, 2020 CALSSA filed a timely response to the Joint SGIP PAs' AL. CALSSA's response suggests relatively minor edits to the SGIP Handbook to clarify content and eligibility rules. We agree that some of the clarifications suggested by CALSSA may be helpful, however, we find that these requested edits are not critical for the approval of this AL, nor for compliance with OP 6 and OP 7 of D.20-07-015. We instead recommend that the SGIP PAs consider CALSSA's suggested edits, particularly those related to non-residential equity project eligibility discussed in section 4.1.1.1 of the Handbook, in the next iteration of the Handbook that is submitted to the Energy Division.

In addition to our approval of the Joint SGIP PAs' AL, this disposition letter provides an updated version of the SGIP Equity Resiliency Eligibility Matrices to reflect the eligibility rules described in D.20-07-015. These eligibility matrices update a precursor residential matrix provided to the SGIP PAs through Energy Division's non-standard disposition letter of PG&E AL 4218-G/G-A/5764-E/E-A et al.<sup>2</sup> issued on February 26, 2020 and a precursor non-residential matrix provided to the SGIP PAs through Energy Division's non-standard disposition letter of CSE 110-E/E-A. Energy Division requests that the SGIP PAs use the attached matrices to replace the ones currently posted on the statewide SGIP website to help clarify the SGIP equity resiliency eligibility rules for residential and non-residential customers.

Sincerely,

A handwritten signature in dark ink, appearing to read "ERandolph (for)", is written over a light blue horizontal line.

Edward Randolph  
Deputy Executive Director for Energy and Climate Policy /Director, Energy Division

cc: Scott Murtishaw, Senior Advisor, California Solar & Storage Association  
Service List R.12-11-005

Attachment A: SGIP Equity Resiliency Eligibility Matrix – Residential Customers, version 2  
Attachment B: SGIP Equity Resiliency Eligibility Matrix – Non-Residential Customers, version 2

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<sup>1</sup> CSE AL 110-E, SCE 4192-E, SoCalGas AL 5619-G, and PG&E AL 4237-G/5808-E: Proposed Revisions to the Self-Generation Incentive Program Handbook to Further Incorporate Requirements Pursuant to Decision D.20-01-021 was filed on April 15, 2020. This Joint AL was supplemented on June 5, 2020.

<sup>2</sup> PG&E AL 4218-G/5764-E, SCE AL 4167-E, SoCalGas AL 5589-G, and CSE AL 109-E: Proposed Revisions to the Self-Generation Incentive Program Handbook to Further Incorporate Requirements Pursuant to Decision D.19-09-027 was filed February 18, 2020. The Joint AL was supplement on March 20, 2020.

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

Residential Equity Resiliency applicants must comply with a specified pathway under both criteria 1 & 2 (i.e. an option under 1 & an option under 2):			
Criteria:	Pathways for eligibility:	Description:	Additional Guidance:
1.	<p>a) In HFTD Tier 2 or 3; or,</p> <p>b) Have experienced <math>\geq 2</math> PSPS events.</p>	<p>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>a</sup></p> <p>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>b</sup></p>	<p>Maps available here: <a href="https://www.cpuc.ca.gov/general.aspx?id=6442454972">https://www.cpuc.ca.gov/general.aspx?id=6442454972</a></p> <p>List of circuits with two or more PSPS events posted on SGIP portal. To be updated 30 days after new PSPS event.<sup>c</sup></p>
<b>AND:</b>			
2.	<p>a) Eligible for the equity budget; or,</p> <p>(continued on next page)</p>	<p>Low-income residential customers living anywhere in IOU service territory<sup>d</sup> but must reside in a qualifying multi-family residential deed-restricted building or a low-income single-family residence that conforms with Section 2852 such that: (1) household income does not exceed 80 percent of the median income for the area; AND (2) the residence is subject to a resale restriction or an equity sharing agreement.<sup>e</sup> [See next page: <u>Low-Income Residential Housing</u>]</p>	<p>Residential properties in Indian Country<sup>4f</sup>:</p> <p>1) multi-family housing in California Indian Country is eligible for the Equity Budget if it demonstrates that it has at least five rental housing units where at least 80% of the households have incomes at or below 60% of the area median income. Any customer account in such buildings will be eligible for the Equity Budget.</p> <p>2) Single family residences in California Indian Country are eligible for the equity budget if the customer provides documentation showing that the host customer's household income is 80% of the area median income or less as required in Section 4.6.1.6 of the SGIP Handbook.</p>

<sup>a</sup> D.19-09-027 at 23-24.

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

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

<sup>d</sup> All California Indian Country defined as DACs for purposes of SGIP equity budget. D.19-09-027 at 11.

<sup>e</sup> D.20-07-015 at OP 2.

<sup>f</sup> D.20-07-015 at OP 1 and 2.

	b) Eligible for medical baseline; or,	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>g</sup>
	c) Have serious illness/condition that's life-threatening if disconnected; or,	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 documentation verifying that applicant is approved to participate in listed programs is <b>sole documentation needed</b> . <sup>h</sup>
	e) Household reliant on electric pump wells for water supplies. <sup>i</sup>		No additional criteria, e.g. low-income residential housing requirements <b>do not</b> apply. <sup>j</sup>

<sup>g</sup> D.19-09-027 at 23.

<sup>h</sup> Id at 97-98.

<sup>i</sup> D.20-01-021 at 45.

<sup>j</sup> Id at OP 19.

## Low-Income Residential Housing:

### Definitions:

- **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, including that the household's income does not exceed 80% of the median income for the area<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.

**Attachment B: SGIP Equity Resiliency Eligibility Matrix – Non-Residential Customers, version 2**

Criteria:	Pathways for eligibility:	Description:	Additional Guidance:
1.	a) In HF-TD 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 ≥ 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><u>AND:</u></b>			
2.	Is a critical facility or critical infrastructure provider. <sup>4</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><u>AND:</u></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	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.	

	<p>customers whose electricity was shut off during 2 or more discrete PSPS events, <b>AND</b></p> <p>b) at least one of those communities is eligible for the equity budget.<sup>5</sup></p>
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## Definitions

**California Indian Country** – Per D.19-09-027 all California Indian Country is defined as a Disadvantaged Communities (see definition below) for purposes of the SGIP equity budget.<sup>6</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>7</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>8</sup>

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<sup>1</sup> D.19-09-027 at 20.

<sup>2</sup> D.20-01-021 at OP 19.

<sup>3</sup> Id. at 43.

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

<sup>5</sup> Food banks, homeless shelters, and independent living centers inherently serve low-income and disadvantaged populations thus they need not demonstrate that they provide critical services or infrastructure to one or more communities that is eligible for the equity budget. D.20-07-015 at OP 2.

<sup>6</sup> D.19-09-027 at 11.

<sup>7</sup> D.17-10-004 at 30

<sup>8</sup> Id.





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August 20, 2020

**Advice No. 5677**

(Southern California Gas Company – U 904 G)

**Advice 4294-G/5922-E**

(Pacific Gas and Electric Company – U 39 M)

**Advice 4277-E**

(Southern California Edison Company – U 338 E)

**Advice 116-E**

(Center for Sustainable Energy)

Public Utilities Commission of the State of California

**Subject: Proposed Updates to the Self-Generation Incentive Program (SGIP) Handbook Pursuant to Decision 20-07-015 and Energy Division's Non-Standard Disposition Letter for CSE AL 110-E/-A, et al.**

**Purpose**

Southern California Gas Company (SoCalGas), Pacific Gas & Electric Company (PG&E), Southern California Edison Company (SCE), and Center for Sustainable Energy® (CSE) (collectively SGIP Program Administrators or PAs) hereby jointly submit to the California Public Utilities Commission (CPUC or Commission) this Advice Letter (AL) to incorporate program changes and clarifications into the SGIP Handbook (Handbook) pursuant to Decision (D.) 20-07-015, Ordering Paragraphs (OPs) 6 and 7, and Energy Division's Non-Standard Disposition Letter for CSE AL 110-E/-A, SCE AL 4192-E/-A, SoCalGas AL 5619-G/-A, and PG&E AL 4237-G/-A/5808-E/-A in reference to D.20-01-021.

**Background**

On September 18, 2019, D.19-09-027 established a new Equity Resiliency Budget (ERB) for SGIP, modified existing equity budget incentives and eligibility rules, and directed carry-over of accumulated unspent funds prior to or during 2017-2019 for use through 2025.

Subsequently on January 27, 2020, D.20-01-021 authorized ratepayer collections of \$166 million annually from 2020 to 2024 to fund SGIP for continued administration through 2025<sup>1</sup> and adopted additional program modifications. The PAs were directed to submit a Tier 2 AL to update the SGIP Handbook to reflect all program and budget modifications adopted in D.20-01-021.<sup>2</sup>

On April 15, 2020, the PAs submitted the Tier 2 AL for SGIP Handbook Revisions Pursuant to D.20-01-021.<sup>3</sup> Subsequently on May 5, 2020, several parties submitted Protests<sup>4</sup> to CSE AL 110-E, et al., SGIP Handbook Revisions Pursuant to D.20-01-021. In the May 12, 2020 Reply to Protests, the PAs identified that some of the recommendations provided were for general handbook improvements that could be considered at a later date.

Subsequent to a Supplemental AL filed by the PAs on June 5, 2020, a Non-Standard Disposition Letter to the Joint PA AL was issued on June 29, 2020, approving the PAs' proposed modifications to the SGIP Handbook incorporating the requirements set forth in D.20-01-021. Along with the approval, Energy Division recommended that the PAs submit a future AL to address those items deemed as handbook improvements along with any further edits that would help applicants better understand the recent program modifications.

Concurrent to the disposition of the Handbook modifications pursuant to D.20-01-021, as outlined, on April 1, 2020, the California Solar & Storage Association (CALSSA) filed a Petition for Modification (PFM) proposing modifications to D.19-09-027 and D.20-01-021. The Joint IOUs and CSE responded separately on May 1, 2020, supporting select items that were deemed to improve clarification of the recent program modifications to the Handbook. On July 21, 2020, the Commission issued D.20-07-015 granting some of the modifications to D.19-09-027 and D.20-01-021 from the recommendations in CALSSA's PFM and directed the PAs to submit a Tier 2 AL to incorporate the new handbook language.

This AL incorporates additional handbook improvements and modifications including those recommended in the June 29, 2020 Non-Standard Disposition Letter, in addition to the requirements outlined in OPs 6 and 7 of D.20-07-015, which directed the PAs to submit a Tier 2 AL within 30 days incorporating the handbook edits and asked the PAs to propose a one-time streamlined process allowing applicants to modify their application without losing their position.

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<sup>1</sup> This authorization was established by SB 700, prioritizing allocation of 2020 - 2024 collections in accordance with AB 1144 (Stats. 2019, ch. 394).

<sup>2</sup> D.20-01-021 at OP 5.

<sup>3</sup> CSE 110-E, et al.

<sup>4</sup> CESA, CALSSA & Tesla Protests.

## **Discussion**

Pursuant to D.20-07-015, OPs 6 and 7, the following are proposed modifications to the Handbook, which are summarized below and shown in Attachment A with modifications marked in blue. For reference, previously proposed handbook edits submitted by PAs to the CPUC that have not yet been adopted are marked in red or purple in Attachment A.

### **Equity and Non-Equity Budget Projects Without Backup Capability Can Choose the Legacy Incentive Step-Down Structure Adopted in D.16-06-055**

The CPUC adopted CALSSA's alternate pathway proposal for equity and general market budget projects not providing resiliency.<sup>5</sup> Both Equity and Non-Equity budget projects not intending to provide backup resiliency are eligible using the legacy incentive step-down structure that was adopted in D.16-06-055.<sup>6</sup> Projects pursuing this pathway will not be required to fulfill the eight safety measures adopted in D.19-09-027; however, these projects will be required to demonstrate that the host customers have been informed their systems are not intended to provide backup resiliency.<sup>7</sup>

Projects intending to provide resilient backup power and electing the pathway adopted in D.19-09-027 maintain the reduced step-down structure for longer duration resilient systems adopted in that Decision and, as such, will continue to be required to fulfill the eight safety measures.<sup>8</sup>

Affected Handbook Section(s):  
Section 5.4.1 Reservation Request Requirements, #7

### **Food Banks, Homeless Shelters, and Independent Living Centers Revised Eligibility Requirement for the Equity Resiliency Budget**

Food banks, homeless shelters, and independent living centers are nonresidential entities that will not be required to demonstrate proof that they serve at least one community eligible for the equity budget to be eligible for the Equity Resiliency Budget. However, these customers will still be required to demonstrate they are in a Tier 3 or Tier 2 High Fire-Threat District or that their electricity was shut off during two or more discrete Public Safety Power Shutoff (PSPS) events.<sup>9</sup>

Affected Handbook Section(s):  
Section 4.1.1.3 Eligibility for the Equity Resiliency Budget

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<sup>5</sup> D.20-07-015 at 27.

<sup>6</sup> D.16-06-055 at COL 23 & 24.

<sup>7</sup> D.20-07-015 at OP 1(k), (o), (s) and OP 3(h-j) and (l-m).

<sup>8</sup> D.20-07-015 at COL 3 and OP 1(b-j), (m-n), (r), and OP 3(d-e) and (g).

<sup>9</sup> D.20-07-015 at COL 4 and OP 3(b-c), (k), and (n).

**Equity Budget Eligibility Criteria (as adopted in D.17-10-004)**

D.19-09-027 was corrected by D.19-12-065 to include inadvertent omissions, and the proposed handbook modifications accurately reflect the latest equity budget eligibility requirements as shown in D.20-07-015, OP 2, Table 1: Equity Budget Eligibility Criteria.<sup>10</sup>

Affected Handbook Section(s):

Section 4.1.1.1 Host Customer Eligibility for the Equity Budget

**One-Time Process to Allow Applicants to Modify their Applications Without Losing Their Priority Position**

The PAs were directed to propose a one-time streamlined process to allow applicants to modify their application to take advantage of opportunities created by D.20-07-015 without losing their application priority position if this can be accomplished fairly and without undue program administrative burden. The PAs are able to accommodate this request. Applicants will be able to change the selected step-down structure of the application during the Reservation Request Form (RRF) review period by notifying their PA. If a reservation has already been issued, the Applicant should contact the PA for the next steps for the specific application. Additional details on permissible changes to applications can be found in section 2.6.1 of the 2020 SGIP Handbook.

Affected Handbook Section(s):

Section 2.6.1 Modifications Pre-ICF

**System Sizing for Storage Equipment – Incentives Capped at Host Customer's Historical Peak Load (kW)**

The system size of the equipment seeking an SGIP incentive may not be greater than the 12-month historical peak demand on site.<sup>11</sup> The adoption of D.20-01-021 allows system oversizing only for projects seeking a resiliency incentive when it is necessary due to modular component sizes accommodating the customer's peak load.<sup>12</sup> The PAs clarify that the sizing requirements in the program remain unchanged, and systems may not seek an incentive for the partial capacity of a system that exceeds these sizing limitations.

**Additional Proposed Modifications**

This AL also addresses proposed handbook modifications according to recommendations from the Non-Standard Disposition Letter of the Tier 2 AL for SGIP Handbook Revisions Pursuant to D.20-01-021.<sup>13</sup> The following are proposed modifications to the handbook, which stemmed from recommendations for general handbook improvements that the PAs determined could be considered at a later date. In addition, the PAs have also identified other handbook modifications to provide further clarification to the equity and Equity Resiliency Budget eligibility requirements.

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<sup>10</sup> D.20-07-015, OP 2, "Table 1: Equity Budget Eligibility Criteria."

<sup>11</sup> 2020 SGIP Handbook V.7 Section 5.2.4.

<sup>12</sup> D.20-01-021, OP 30.

<sup>13</sup> Non-Standard Disposition Letter at 7.

The proposed modifications to be reflected in the handbook are summarized below and shown in Attachment A with changes marked in blue.

### **Equity Resiliency Budget Eligibility for Customers Who Depend on Electric Pumps for Water**

Since the Supplemental AL, the PAs have received informal guidance from Energy Division regarding the eligibility of electric well pumps. Specifically, this guidance clarified that the reference to 'household' as identified in D.20-01-021 should be that of a primary and not a secondary residence relying on electric pump wells for water for Equity Resiliency Budget eligibility. The Energy Division letter explains the intent of the CPUC to help mitigate challenges for securing necessary water supplies for rural residents during a PSPS or power outage event and provide Equity Resiliency Budget incentives only for the primary residence of the owner or tenant, not for a secondary home, vacation rental, or any other residence that is not the customer's primary residence.

Pending approval of this AL, the PAs will require applicants who are eligible for the Equity Resiliency Budget with electric well pumps to certify that the project site is the primary residence of the owner or tenant and/or provide documentation meeting this criterion.

Affected Handbook Section(s):

Section 4.1.1.3 Eligibility for the Equity Resiliency Budget

Section 5.4.1 Required Documentation for Reservation Request

### **Party Recommendations for General Handbook Improvements**

The following items are recommendations that were received in response to the Tier 2 AL for SGIP Handbook Revisions Pursuant to D.20-01-021 but considered out of scope or as recommendations for general handbook improvements to be considered at a later date and are included in Attachment A with proposed changes marked in blue.

Section 1.1 Statewide Program Budget and Administrator Allocations

Section 3.1.2 Energy Storage Incentive Rates

Recommendation to provide a link to the current budget reports in the SGIP Handbook. Link added to the current program metrics reports.

Section 3.2.8 Residential Storage "Soft Target"

Recommendation to move subsection 3.1.2.2. Residential Storage "Soft Target" to new Section 3.2.8.

Section 5.4.3 Required Documentation for Incentive Claim

Table 5.4.3, revise item 4 as follows:

Substantiations:

- New Construction or Expanded Load,
- Residential Projects without Access to Approved TOU Rates,
- Equipment Purchased after 2021, and
- VNEM Projects<sup>14</sup>

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<sup>14</sup> CALSSA Protest at 10.

**Section 5.4.3 Required Documentation for Incentive Claim**

Added “(e.g., single-line diagram)” as an example of a plan that could be approved by the local authorities having jurisdiction (AHJs) showing that the system can operate in island mode and identifying if the project’s critical loads are currently isolated.

**Additional Handbook Clarifications**

In addition to minor edits and clarifying language, below is a general summary of additional proposed handbook modifications included in Attachment A with changes marked in blue.

**Section 2.3.2 Lottery Process**

Added footnote clarifying a lottery is not conducted for waitlisted applications

**Section 2.3.6 Waitlist and Program Closure**

Date correction

**Section 2.6.1 Modifications Pre-ICF**

Changes for PA approval to include change in incentive step-down

**Section 3.1 Incentive Rates**

Moved up notice language from Section 3.1.2.3 that vendors/developers shall not sell a residential storage system that receives incentives for a total price (before incentives) that is greater than the price they sell a comparable system that does not receive incentives

**Section 4.1.1 Host Customer**

Restructured and changed Energy Service Provider to System Owner (if not Host Customer) for clarification

**Section 4.1.1.1 Host Customer Eligibility for the Equity Budget**

Added footnote for definition of Tribal Government Agency

Expanded definition in D.19-09-027 that was overlooked in previous handbook versions (see Order of Corrections) to include “any facility owned or operated by a public agency that provides services to DAC or low-income community members for which at least 50 percent of census tracts served are DACs or low-income communities”

Corrected omission of income verification requirement for single family equity budget eligibility

**Section 4.1.1.3 Host Customer Eligibility for the Equity Resiliency Budget**

Added language that equity budget eligibility for customers who rely on electric pump wells is for households as a primary residence

**Section 4.2.3 Permanent Installation**

Added language that the installer of the proposed SGIP system must have an active A, B, or C-10 license, or a C-46 license for the combined installation of solar photovoltaics and energy storage

**Section 5.3.2.1 Incentives for Resiliency Systems**

Added new subsection designated for Resiliency Systems describing “projects with backup capability”

**Section 5.3.2.2 Incentives for Non-resiliency projects (Projects without backup capability)**

Added new subsection designated for Non-Resiliency Systems describing “projects without backup capability”

**Section 5.4.1 Required Documentation for Reservation Request Form**

Added MASH and SOMAH reservation letters to SASH or DAC-SASH reservation letters

Added Description of Certification/Proof of Coordination with Local Government and California Office of Emergency Services for clarification

Electric Well Pump Eligibility – examples of acceptable documentation added for clarification

**Legislation and Regulatory Background**

Added Medical Baseline eligibility for customers without access to an approved TOU rate and (CALSSA PFM) Summary for Recently approved D.20-07-015 to table

**Conclusion**

On behalf of the Joint PAs, SoCalGas respectfully requests the Commission approve the proposed changes to the SGIP Handbook.

**Protests**

Anyone may protest this AL to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date of this AL, which is September 9, 2020. The address for mailing or delivering a protest to the Commission is given below.

CPUC Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). Due to the COVID-19 pandemic and the shelter at home orders, SoCalGas is currently unable to receive protests or comments to this AL via U.S. mail or fax. Please submit protests or comments to this AL via e-mail to the addresses shown below on the same date they are mailed or e-mailed to the Commission.

**For SoCalGas:** Attn: Ray B. Ortiz  
Tariff Manager - GT14D6  
555 West Fifth Street  
Los Angeles, CA 90013-1011  
Facsimile No.: (213) 244-4957  
E-mail: [ROrtiz@socalgas.com](mailto:ROrtiz@socalgas.com)

**For PG&E:** Erik Jacobson  
Director - Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177  
Facsimile No.: (415) 973-3582  
E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

**For SCE:** Gary A. Stern, Ph.D.  
Managing Director – Statewide Regulatory Operations  
Southern California Edison Company  
8631 Rush Street  
Rosemead, CA 91770  
Telephone No.: (626) 302-9645  
Facsimile No.: (626) 302-6396  
E-mail: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

And

Laura Genao  
Managing Director, State Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2030  
San Francisco, CA 94102  
Facsimile No.: (415) 929-5544  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

**For CSE:** Sephra Ninow  
Director, Regulatory Affairs  
Center for Sustainable Energy®  
3980 Sherman Street, Suite 170  
San Diego, CA 92110  
E-mail: [sephra.ninow@energycenter.org](mailto:sephra.ninow@energycenter.org)



**Effective Date**

SoCalGas believes that this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. Therefore, SoCalGas respectfully requests that this submittal become effective on September 19, 2020, which is 30 days from the date submitted.

**Notice**

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service lists in R.12-11-005 and R.20-05-012. Address change requests to the GO 96-B service list should be directed via e-mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov).

/s/ Ronald van der Leeden

Ronald van der Leeden  
Director - Regulatory Affairs



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Gas Company (U 904G)

Utility type:

☒ ELC ☒ GAS ☐ WATER  
☐ PLC ☐ HEAT

Contact Person: Ray B. Ortiz

Phone #: (213) 244-3837

E-mail: ROrtiz@socalgas.com

E-mail Disposition Notice to: Tariffs@socalgas.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 5677, et al.

Tier Designation: 2

Subject of AL: Proposed Updates to the Self-Generation Incentive Program (SGIP) Handbook Pursuant to Decision 20-07-015 and Energy Division's Non-Standard Disposition Letter for CSE AL 110-E/-A et al.

Keywords (choose from CPUC listing): Self-Generation; Storage

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 20-07-015

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? ☐ Yes ☒ No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? ☐ Yes ☒ No

Requested effective date: 9/19/20

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: None

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Ray B. Ortiz  
Title: Regulatory Tariff Manager  
Utility Name: Southern California Gas Company  
Address: 555 West Fifth Street, GT14D6  
City: Los Angeles  
State: California Zip: 90013-1011  
Telephone (xxx) xxx-xxxx: (213) 244-3837  
Facsimile (xxx) xxx-xxxx: (213) 244-4957  
Email: [ROrtiz@socalgas.com](mailto:ROrtiz@socalgas.com)

Name: SoCalGas Tariffs  
Title:  
Utility Name: Southern California Gas Company  
Address: 555 West Fifth Street, GT14D6  
City: Los Angeles  
State: California Zip: 90013-1011  
Telephone (xxx) xxx-xxxx: (213) 244-2837  
Facsimile (xxx) xxx-xxxx: (213) 244-4957  
Email: [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Redwood Coast Energy Authority
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
	Energy Management Service	SCD Energy Solutions
Alta Power Group, LLC	Engineers and Scientists of California	
Anderson & Poole		
Atlas ReFuel	GenOn Energy, Inc.	SCE
BART	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
Barkovich & Yap, Inc.	Green Power Institute	SPURR
California Cotton Ginners & Growers Assn	Hanna & Morton	San Francisco Water Power and Sewer
California Energy Commission	ICF	Seattle City Light
California Public Utilities Commission	IGS Energy	Sempra Utilities
California State Association of Counties	International Power Technology	Southern California Edison Company
Calpine	Intestate Gas Services, Inc.	Southern California Gas Company
	Kelly Group	Spark Energy
Cameron-Daniel, P.C.	Ken Bohn Consulting	Sun Light & Power
Casner, Steve	Keyes & Fox LLP	Sunshine Design
Cenergy Power	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
Center for Biological Diversity		TerraVerde Renewable Partners
		Tiger Natural Gas, Inc.
Chevron Pipeline and Power	Los Angeles County Integrated	TransCanada
City of Palo Alto	Waste Management Task Force	Troutman Sanders LLP
	MRW & Associates	Utility Cost Management
City of San Jose	Manatt Phelps Phillips	Utility Power Solutions
Clean Power Research	Marin Energy Authority	Water and Energy Consulting Wellhead
Coast Economic Consulting	McKenzie & Associates	Electric Company
Commercial Energy		Western Manufactured Housing
Crossborder Energy	Modesto Irrigation District	Communities Association (WMA)
Crown Road Energy, LLC	NLine Energy, Inc.	Yep Energy
Davis Wright Tremaine LLP	NRG Solar	
Day Carter Murphy		
Dept of General Services	Office of Ratepayer Advocates	
Don Pickett & Associates, Inc.	OnGrid Solar	
Douglass & Liddell	Pacific Gas and Electric Company	
	Peninsula Clean Energy	