BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking to Implement Electric Utility Wildfire Mitigation Plans Pursuant to Senate Bill 901 (2018).

Rulemaking 18-10-007 (Filed October 25, 2018)

JOINT OPENING COMMENTS OF PENINSULA CLEAN ENERGY AUTHORITY AND SUNRUN INC.

Tim Lindl Scott Dunbar Keyes & Fox LLP 436 14th Street, Suite 1305 Oakland, CA 94612

Telephone: (510) 314-8385 E-mail: <u>tlindl@keyesfox.com</u>

sdunbar@keyesfox.com

David A. Silberman
Matthew J. Sanders
Maggie V. Tides
San Mateo County Counsel's Office
400 County Center, 6th Floor
Redwood City, CA 94063-1662
(650) 363-4461
dsilberman@smcgov.org

dsilberman@smcgov.org mjsanders@smcgov.org mtides@smcgov.org

Attorneys for Sunrun Inc.

Attorneys for Peninsula Clean Energy Authority

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Introduction and Summary

Pursuant to the Assigned Commissioner's Scoping Ruling dated December 7, 2018, the Peninsula Clean Energy Authority ("PCE") and Sunrun Inc. ("Sunrun"), respectfully submit the following opening comments on Pacific Gas & Electric's Wildfire Mitigation Plan.¹ This proceeding is one of several addressing electricity generation, safety, and other critical wildfire-related issues in California.

PCE is the fifth Community Choice Aggregation ("CCA") program formed in the State of California pursuant to Section 366.2 of the Public Utilities Code. PCE is a Joint Powers Authority formed on February 29, 2016, pursuant to the California Government Code (§ 6500 *et seq.*) by the County of San Mateo and each of the County's twenty incorporated cities. PCE commenced service in October 2016, and, as of January 2019, PCE supplies electricity to approximately 300,000 customer accounts, including 97.5 percent of all residential and commercial accounts in San Mateo County.

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¹ PCE's Motion for Party Status, filed on February 20, 2019, remains pending. Sunrun's Motion for Party Status, filed on January 10, 2019, was granted on February 14, 2019.

Sunrun is the largest residential solar, storage and energy services provider in the United States. Headquartered in San Francisco, Sunrun has offices located throughout California. Since establishing the "solar as a service" model in 2007, Sunrun continues to lead the industry in providing clean energy to homeowners with little to no upfront cost.

PCE and Sunrun are submitting these comments to the Commission to highlight the need for Pacific Gas & Electric ("PG&E") to collaborate with CCAs and customer-sited energy service providers in its efforts to increase resiliency within the communities we all serve. CCAs and customer-sited energy service providers have the expertise necessary to address the challenges facing the state in collaboration with PG&E, yet PG&E's current Wildfire Mitigation Plan does not include wildfire risk mitigation strategies that include CCAs or customer-sited distributed energy resources. We encourage the Commission to ensure PG&E implements its Wildfire Mitigation Plan in collaboration with CCAs and customer-sited energy service providers.

This proceeding implements Senate Bill ("SB") 901 (2018) related to electric-utility Wildfire Mitigation Plans ("WMPs").² The December 7, 2018 Scoping Memo explains that this proceeding's scope includes: (1) the items that utilities must include in their WMPs under Public Utilities Code Section 8386 (added by SB 901); (2) whether the WMPs should include additional elements beyond those required by statute; (3) how to interpret and apply the statute's list of required WMP elements; (4) the meaning of the provisions listed in the statute; (5) other provisions of SB 901 that may affect the Commission's consideration, interpretation, or approval

² R.18-10-007, Order Instituting Rulemaking at 1 (Oct. 25, 2018).

of WMPs; and (6) the utility practice of proactive de-energization of power lines under high firerisk conditions.³

In the WMP submitted by PG&E on February 6, 2019 (with amendments submitted on February 12 and 14, 2019, and additional information on February 25, 2019), PG&E explains that the plan's purpose is to offer "enhanced, accelerated, and new programs that PG&E is and will aggressively continue to implement to prevent wildfires," as well as "new ways to reduce [de-energization] impacts to first responders and vulnerable customers, including those with medical needs." To this end, PG&E's WMP includes "Section 4.6 – Public Safety Power Shutoff Program," a program to maintain essential energy services during wildfire-related electricity shutoffs. The program includes "resilience zones," or locations where affected customers could go during a shutoff to receive services and shelter using mobile generation sources, microgrids, and pilot programs for testing these and other protocols.

PCE provides electricity generation services to its 300,000 customers via PG&E's transmission and distribution infrastructure. As such, PCE (and PCE's customers) have an abiding interest in ensuring the availability of robust, durable protocols for maintaining essential electricity services during de-energization events, including wildfires. A sizable portion of San Mateo County is designated as Tier 2 and Tier 3 fire-threat areas on the CPUC's Fire-Threat

³ R.18-10-007, Assigned Commissioner's Scoping Memo and Ruling at 23 (Dec. 7, 2018) ("Scoping Memo").

⁴ See Pacific Gas & Electric's Wildfire Mitigation Plan at 1 (Feb. 6, 2019) ("PG&E WMP").

⁵ PG&E WMP at 94-109. Pub. Util. Code Section 8386(c)(6) requires that a WMP include "[p]rotocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety, as well as protocols related to mitigating the public safety impacts of those protocols, including impacts on critical first responders and on health and communication infrastructure."

⁶ PG&E WMP at 99-100; *see also* Pacific Gas & Electric's Response to Administrative Law Judge's Ruling Seeking Additional Information on Wildfire Mitigation Plans, at B-5 (Feb. 26, 2019) ("PG&E Response").

Map.⁷ As San Mateo County's local CCA program, PCE has unique expertise regarding which protocols are available and make sense for electricity customers in different places and communities in San Mateo County.

Sunrun designs, installs, finances, insures, monitors, and maintains the solar panels on a homeowner's roof, while families receive predictable pricing for 20 years or more. Sunrun's BrightBox energy storage solution combines the company's solar power generation with smart inverter technology and home battery storage to provide California customers with clean energy and backup power day and night. Sunrun's systems are also capable of supplying ratepayers with valuable grid services from behind customers' meter, avoiding the need for long-term capital expenditures on centralized fossil-fuel-based generation, distribution, and transmission.

As discussed below, PG&E's WMP relies in the near-term on mobile generation sources for ensuring electric-service resilience during fires and other de-energization events. However, PCE and other CCAs have already demonstrated that low- or no-carbon alternatives to mobile generation sources, such as microgrids and associated storage, are just as reliable, feasible, and cost-effective in many circumstances, and also provide a long-term solution. Given their connection and investment in the communities they service, it is in the best interest of all electricity customers to have PG&E and CCAs be close partners in developing these and related aspects of PG&E's WMP.

Further, behind-the-meter ("BTM") solar and storage providers such as Sunrun can work with CCAs and utilities to ensure homes and businesses, including vulnerable customers, have power during de-energization events. Solar and storage resources are typically paid for and maintained by customers for offsetting their home electricity use, backup power, and time-of-use

⁷ California Public Utilities Commission, CPUC Fire Safety Rulemaking Background, *available at* http://cpuc.ca.gov/firethreatmaps/.

rate management. However, these systems may have additional battery capacity and capabilities that may remain untapped and could be more fully utilized for the public benefit. We encourage PG&E to include BTM solar and storage solutions as it implements its WMP in this and future years.

1. Meaning of Plan Approval

2. Overall Objectives and Strategies

3. Risk Analysis and Risk Drivers

4. Wildfire Prevention Strategy and Programs

In Section 4.6.2.2 of its WMP, PG&E sets forth a plan to develop "resilience zones," or "projects that will allow PG&E to safely provide electricity to central community resources when PSPS [Public Safety Power Shutoff] is activated during Extreme-Plus conditions." PG&E proposes to use pre-installed interconnection hubs to connect "temporary mobile generation to energize the isolated Resilience Zone." These hubs "may evolve into Resilience Zone Microgrids over time, as preferred resource combinations begin to meet technical requirements, and as PG&E's capability to operate these systems matures." Importantly, PG&E notes that "Resilience Zones are still in a pilot phase, which will inform and dictate how the program should evolve in the future to better serve the needs of our customers."

As discussed above, PCE and other CCAs have a keen interest in increasing electricservice resilience in the communities they serve. PCE is the primary energy service provider in

⁸ PG&E WMP at 99.

⁹ *Id.*; see also PG&E Response, at B-5.

¹⁰ PG&E WMP at 99; *see also* PG&E Response, at B-5. PG&E also references Section 4.7.3 of its WMP, where PG&E explains that "[m]icrogrids also continue to be a point of interest and optionality for both our customers and our internal operations in multiple contexts. The ability to island (to disconnect completely from the centralized grid) at key times can allow for sustained backup generation to critical facilities in communities working to respond and recover from wildfires and other natural disasters." PG&E WMP at 112.

¹¹ PG&E WMP at 99; see also PG&E Response at B-5.

San Mateo County (as are the other California CCAs in their service territories), making them especially well-positioned to (1) know which solutions will most improve resilience and (2) then implement those solutions. Local generation through microgrids and associated storage will be especially important, and CCAs are already moving forward to implement them in their communities.

For example, PCE is supporting the California Energy Commission's Peninsula Advance Energy Community Project, of which PG&E is a partner. 12 PCE has funded a pilot project to locate and install small solar and storage projects at local faith organizations to support resilience locations within neighborhoods. PCE and East Bay Community Energy, the CCA serving Alameda County, are partnering on a project funded by the Bay Area Air Quality Management District to identify resilience locations in their respective territories. And Redwood Coast Energy Authority, the CCA serving Humboldt County, is developing a microgrid intended to improve resilience while reducing reliance on diesel-fired back-up generation. These activities demonstrate CCAs' strong interest in developing, and current ability to develop, the means to provide electricity to their communities in critical times and in ways that further California's efforts to decarbonize its energy supply. The recent passage of SB 1339 (Stern) makes clear that customer development of microgrids is a legislative priority, and that microgrids will be offered via a tariff once threshold questions are addressed. 13 CCAs developing expertise in these critical emerging technologies and how they can be implemented in their communities can and should be leveraged for the benefit of our customers and California energy consumers generally.

In short, PCE, CCAs generally, Sunrun, and PG&E want to accomplish the same goal: develop and implement reliable electricity sources for their customers during catastrophic events.

See http://clean-coalition.org/peninsula-advanced-energy-community/.
 See SB 1339 (Stern), § 2 (§ 8371(d)), available at https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1339.

PCE and other CCAs, which have unique expertise in identifying and implementing local electricity resilience solutions, are already showing that microgrids and associated storage are feasible, reliable options in many circumstances (and are, of course, open to exploring others). While mobile battery storage units may be suitable in some scenarios, microgrids informed by local needs would be far superior in others. PCE is the party most attuned to the de- (and re-) energization needs, conditions, and challenges in San Mateo County (as are other CCAs in their communities), and has an obligation to its customers to ensure that PG&E's WMP adequately accounts for them.

In addition, Sunrun has on-the-ground experience with providing solar and storage resiliency solutions. For example, in 2017, when nearly all of Puerto Rico lost power in the aftermath of Hurricanes Irma and Maria, Sunrun partnered with the not-for-profit organizations Empowered By Light and GivePower to equip fire stations with solar and battery systems that allowed them to provide emergency services during the longest blackout in American history. In 2018, Sunrun began offering solar and energy storage to households in Puerto Rico. Sunrun is currently engaged in discussions in Puerto Rico and in California about aggregating energy storage to provide power in times of power outages or periods of peak demand.

For these reasons, PCE and Sunrun respectfully request that the Commission require PG&E to coordinate with CCAs on its plans and activities related to electricity-service resilience during de-energization events, as well as provide opportunities for BTM solar and storage companies to provide power to its customers during periods of de-energization, as it moves forward to develop more robust solutions in the coming years. This coordination will ensure a holistic approach that maximizes de-carbonization and minimizes cost for customers while also advancing state energy goals regarding utilization of clean distributed energy resources.

5. Emergency Preparedness, Outreach, and Response

6. Performance Metrics and Monitoring

7. Recommendations for Future WMPs

8. Other Issues

Conclusion

PCE and Sunrun look forward to working with the Commission and the parties in this proceeding to develop the best plans for providing electricity customers in San Mateo County and throughout California safe and reliable electric service during and following fires and other high-risk de-energization events.

Respectfully submitted,

/s/ Matthew J. Sanders

/s/ Tim Lindl

David A. Silberman
Matthew J. Sanders
Maggie V. Tides
San Mateo County Counsel's Office
400 County Center, 6th Floor
Redwood City, CA 94063-1662
(650) 363-4461
dsilberman@smcgov.org
mjsanders@smcgov.org
mtides@smcgov.org

Tim Lindl Scott Dunbar Keyes & Fox LLP 436 14th Street, Suite 1305 Oakland, CA 94612 Telephone: (510) 314-8385

E-mail: tlindl@keyesfox.com sdunbar@keyesfox.com

Attorneys for Peninsula Clean Energy Authority

Attorneys for Sunrun Inc.

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