## **BEFORE THE PUBLIC UTILITIES COMMISSION**

# OF THE STATE OF CALIFORNIA

Application of PacifiCorp (U 901 E) for Approval of its Emergency Services Resiliency Programs

Application 19-10-\_\_\_\_

# APPLICATION OF PACIFICORP (U 901 E) FOR APPROVAL OF ITS EMERGENCY SERVICES RESILIENCY PROGRAMS

PACIFICORP Jessica Buno Ralston Senior Attorney 825 N.E. Multnomah St., Suite 2000 Portland, OR 97232 Telephone: (503) 813-5817 Email: jessica.ralston@pacificorp.com

Dated: October 1, 2019

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## I. INTRODUCTION

In response to the California Public Utilities Commission Decision (D.) 19-05-042, issued on May 30, 2019 adopting de-energization guidelines for investor owned electric utilities, and the Commission's Rules of Practice and Procedure, PacifiCorp d/b/a/ Pacific Power (PacifiCorp or company) submits this Application for Approval of its Emergency Services Resiliency Programs (Application). PacifiCorp respectfully asks the Commission to approve its Emergency Services Resiliency Programs (Programs).

As detailed below, PacifiCorp proposes two Programs designed to build energy resiliency by enabling access to power during outages. The proposed Programs would award grant funding to non-residential customers and emergency responders serving the communities in PacifiCorp's California service territory with a high risk of exposure to wildfire or other devastating natural disasters. The first program will facilitate the completion of technical feasibility studies and/or the installation of battery storage resources and the second program will provide funding for emergency response agencies to purchase portable renewable generators. In light of increasingly devastating wildfire seasons in California, the Commission instituted a rulemaking to create guidelines for the de-energization of powerlines in an effort to mitigate the ignition of wildfires from electrical equipment. PacifiCorp, in response to the adoption of de-energization guidelines set forth in Decision 19-05-042,<sup>1</sup> seeks to find solutions for communities to help maintain essential and critical services and improve resiliency for all customers including those with access and functional needs, when a public safety power shut-off event occurs or during other prolonged emergency power outages.

Implementation of these Programs would not result in any rate impact because PacifiCorp is proposing to fund these Programs with the remaining monies from the company's California Solar Incentive Program (CSIP).<sup>2</sup> In March 2011, the Commission issued Decision 11-03-007 authorizing PacifiCorp's CSIP and stated that unspent collections from PacifiCorp's CSIP "shall be rolled over annually for the first four years until further order of the Commission either directing use of the funds or return of the money to PacifiCorp's ratepayers."<sup>3</sup> On June 30, 2017, PacifiCorp filed an application for its transportation electrification programs, docketed as A.17-06-031, requesting the use of CSIP funds to pay for customer outreach as well as demonstration and development programs. PacifiCorp's transportation electrification program filing also noted that the company would evaluate different options for the remaining CSIP funds and would make a separate filing with the Commission when a determination was made on how to best spend the remaining funds. The Commission issued Decision 18-09-034 authorizing PacifiCorp to use

<sup>&</sup>lt;sup>1</sup> D. 19.05.042, Appendix A (May 30, 2019).

<sup>&</sup>lt;sup>2</sup> PacifiCorp's solar incentive program ended on March 10, 2016, and no further applications will be accepted for the program. Residential applications submitted on or before March 10, 2016, had one year to install their systems. Non-residential applications submitted on or before March 10, 2016, had 18 months to install their systems. The time to complete installation has concluded and therefore no additional spending will occur related to the CSIP.

<sup>&</sup>lt;sup>3</sup> D, 11-03-007, Docket A.10-03-002 at 21 (Mar. 10, 2011). The Commission approved the extension of PacifiCorp's California Solar Incentive Program through March 10, 2016, in Advice Letter 515-E.

unspent funds from PacifiCorp's CSIP to fund the proposed transportation electrification programs.<sup>4</sup> As described in this Application, PacifiCorp proposes to use the remaining unspent CSIP funds to support two programs proposed by the company: 1) fund technical feasibility studies and/or fund the capital costs to enable the installation of battery storage systems at facilities offering critical services during emergencies; and 2) fund portable renewable generators for emergency responders.

These proposed Programs should be considered for priority review because of the unique benefits they offer PacifiCorp's communities and customers. Furthermore, the proposed Programs do not have a rate impact to customers and are designed with a fixed budget. To maximize program benefits, the company requests time-sensitive treatment and priority review of this Application, in order to facilitate implementation of the first grant cycle process before the next wildfire season.

#### II. SUMMARY OF PROPOSED PROGRAMS

The proposed Programs would allow PacifiCorp to award grant funding to nonresidential customers operating facilities that are critical to community emergency management<sup>5</sup> in order to facilitate the installation of on-site battery storage and to award grant funding to emergency responders for the deployment of portable, renewable generators.

Part of a grant recipient's eligibility will include a determination that the facility installing (or conducting a study regarding feasibility) battery storage or entity receiving funding for a portable generator will use the storage or generator to assist the public during outages. As an example, a local community center would be eligible for funding to install (or study

<sup>&</sup>lt;sup>4</sup> D. 18.09.034, at 85 (September 27, 2018).

<sup>&</sup>lt;sup>5</sup> See, e.g. <u>https://www.fema.gov/media-library-data/1436818953164-</u> 4f8f6fc191d26a924f67911c5eaa6848/FPM\_1\_Page\_CriticalFacilities.pdf.

installation) of a battery storage resource only if its application states that it will be able to provide essential services for area residents during an outage event such as shelter, recharging stations for communication devices or portable medical equipment, and refrigeration for cool water or medicine. Similarly, an applicant seeking grant funding for the deployment of portable, renewable generators would be required to show that the generators will be used to assist emergency responders treating the public during an outage. An example could be using the generators to treat individuals who have limited mobility and might otherwise be unable to reach localized meeting locations.

### a. Battery Storage Program

The battery storage grant program is intended to minimize the cost of storage technologies as a barrier limiting the adoption of battery storage in the company's California service area. PacifiCorp provides electric service to approximately 45,000 customers in three Northern California counties: Siskiyou, Modoc, and Del Norte. The risk of wildfires and other natural disasters touches all areas of the company's service territory; however, the Tier 3 area<sup>6</sup> with the highest fire risk, is located in Siskiyou County, which also has the highest concentration of customers in the company's California territory. Siskiyou County's median income ranks 55<sup>th</sup> out of 58 counties at \$40,446,<sup>7</sup> with an estimated poverty rate of approximately 35 percent of the population. Resources in the community are limited and redirecting these available CSIP funds to build energy resiliency invests in an area with limited funding access and significant need. Applicants can request funding for any of the following through the battery storage program:

a) Technical feasibility study for the installation of a battery storage resource;

<sup>&</sup>lt;sup>6</sup> Tier 3 fire-threat areas depict areas where there is an extreme risk (including likelihood and potential impacts on people and property) from utility associated wildfires.

<sup>&</sup>lt;sup>7</sup> <u>https://www.census.gov/search-results.html?searchType=web&cssp=SERP&q=median income.</u>

b) Capital costs of installing a battery storage resource which has already completed a technical feasibility study; or

c) Technical feasibility study and capital costs of installing a battery storage resource.<sup>8</sup>

If the battery storage program is approved, PacifiCorp will prioritize customers within a high fire threat district or other area subject to prolonged power outages—specifically targeting customers that are critical to community emergency management agencies (*e.g.*, hospitals, emergency shelters, etc.).

PacifiCorp's customers will benefit from the battery storage program in several ways. First, deployment of battery storage resources will provide essential resiliency benefits for critical services during extreme events. Second, deployment of battery storage resources will increase customer awareness of and access to battery storage technologies. Third, grant recipients will be required to share project cost information with the company, which will help PacifiCorp better understand the economics of battery storage in different market segments and better plan for the adoption of battery storage technologies.

The proposed battery storage program is complementary to the grant funding process under the company's Blue Sky Community Renewable Energy Project Program (Blue Sky). Since 2006, Blue Sky has helped fund nearly 100 community-based renewable energy projects in over thirty Pacific Power communities. Blue Sky funding awards cover up to 100 percent of the capital costs to install qualifying renewable energy systems for non-residential, non-profit community-based customers in Pacific Power's service area.<sup>9</sup> Customers may be eligible to receive both Blue Sky funding and funds under the proposed battery storage grant program,

<sup>&</sup>lt;sup>8</sup> In order to receive funding for the installation of a battery storage resource, a recipient must have completed a supportive technical feasibility study.

<sup>&</sup>lt;sup>9</sup> For a list of projects funded through the Blue Sky program, *see* <u>https://www.pacificpower.net/blueskyprojects</u>.

allowing them to leverage Blue Sky grants to install new renewable energy systems together with complementary battery storage systems.

PacifiCorp will engage an independent, third-party grant evaluator to review and score the battery storage grant program funding applications against established criteria. The company will work with the selected third-party grant evaluator to develop criteria weighting and metrics that reflects the objectives and priorities of the battery storage grant program for the initial funding solicitation.

These criteria will include project feasibility/readiness, expected utilization of the resource, and the potential community benefit. Preference will be given to projects that are able to leverage alternative funding sources in addition to the company's proposed battery storage grant program and projects that offer an education component of storage and other resiliency technologies. PacifiCorp will work closely with the grant evaluator to ensure that applicant evaluation tools and practices align with the battery storage program's objectives.

After approval of the proposed battery storage program, the company expects a sixmonth period will be necessary to build customer interest and develop solicitation and application materials. After this initial implementation period, the company anticipates two oneyear application cycles to take place subject to funding availability.<sup>10</sup> Applicants selected for funding will have up to two years to install their projects.

#### b. Portable Renewable-Powered Generators

In addition to the battery storage program, the company proposes to award grants to emergency responders within the high fire risk areas to enable the purchase of portable renewable-powered generation for customers with access and functional needs. This would allow

<sup>&</sup>lt;sup>10</sup> If all available funds are used during the first cycle, a second cycle will not be offered.

emergency responders to bring portable generators to these at-risk customers to operate critical devices such as oxygen concentrators, c-pap machines, lights, chargers for communication devices or other small electronic devices in the event of an outage. Small portable generators using fuel cells or solar panels are becoming more affordable and eliminate the dangers of harmful fumes, excessive noise, and storage of gas or diesel necessary to operate traditional generators. The intent of this proposal is to provide these generators to emergency responders to deploy to customers who have the most critical need to energy access during an emergency. PacifiCorp plans to reach out to emergency responders, particularly in the designated public safety power shut-off areas, to encourage them to apply for eligible portable generators.

## III. PROGRAM FUNDING

PacifiCorp intends to use all of the remaining monies from the company's CSIP, consistent with D.11-03-007, to fund these proposed Programs, and is not asking for a rate increase as part of this Application. The proposed Programs are of a limited duration (two years) and a limited budget (\$623,230), and are in line with the Commission's objectives to increase the support of critical service resiliency programs.

## III. SUMMARY OF RELIEF AND AUTHORITY SOUGHT

PacifiCorp respectfully asks the Commission to:

- 1. Approve PacifiCorp's proposed Emergency Services Resiliency Programs; and,
- 2. Authorize PacifiCorp to fund the proposed Emergency Services Resiliency Programs using the remaining funds from PacifiCorp's California Solar Incentive Program.

# IV. STATUTORY AND REGULATORY REQUIREMENTS

# A. Applicant and Correspondence (Rules 2.1 (a) and (b))

PacifiCorp is a public utility organized and existing under the laws of the state of Oregon.

PacifiCorp engages in the business of generating, transmitting, and distributing electric energy in

portions of northern California and in Idaho, Oregon, Utah, Washington, and Wyoming.

PacifiCorp's principal place of business is 825 NE Multnomah Street, Suite 2000, Portland,

Oregon 97232.

Communications regarding this Application should be addressed to:

Pooja Kishore Regulatory Affairs Manager, PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, Oregon 97232 Telephone: (503) 813-7314 Email: <u>pooja.kishore@pacificorp.com</u> <u>californiadockets@pacificorp.com</u>

Jessica Buno Ralston Senior Attorney, PacifiCorp 825 NE Multnomah Street, Suite 2000 Portland, Oregon 97232 Telephone: (503) 813-5817 Email: jessica.ralston@pacificorp.com

Additionally, PacifiCorp respectfully requests that all data requests in this case be

addressed to:

By e-mail (preferred):	datarequest@pacificorp.com
By regular mail:	Data Request Response Center PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232

## **B.** Statutory and Procedural Authority (Rule 2.1)

#### 1. **Proposed Category of Proceeding**

PacifiCorp proposes to categorize this proceeding as "ratesetting."

#### 2. Need for Hearing

PacifiCorp does not believe that approval of the priority review project will require hearings because of the limited duration, budget, and scope of the proposal.

## Issues to be Considered and Relevant Safety Considerations

In D. 16-01-017, the Commission amended Rule 2.1(c) to require that applications clearly state the "relevant safety considerations." The company is committed to promoting the health, safety, comfort, and convenience of customers and the public at large. Safety for PacifiCorp customers, employees, and stakeholders is one of PacifiCorp's six core principles. PacifiCorp has developed and implemented various programs to help customers, employees, and stakeholders understand their own personal safety. In 2012 PacifiCorp received Prestigious Member Recognition from the National Safety Council for holding safety as a core value and making safety a priority in business. In 2013, 2015, and 2016 PacifiCorp received the Occupational Excellence Achievement Award from the National Safety Council for working to reduce on the job injuries. PacifiCorp was recognized for its safety achievement by the Edison Electric Institute by being in the top 1% of the safest electrical utilities in America for 2015. PacifiCorp also holds its contractors to a high standard of safety by requiring its contractors to register with a third-party evaluator of the contractor's safety performance.

The company complies with all applicable safety codes, including, but not limited to, the National Electric Safety Code, the Occupational Health and Safety Act, and any applicable state health and safety act requirements, at all of its generation facilities. Certain safety codes may also be applicable to the operation of the company's transmission and distribution facilities.

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PacifiCorp has developed standards that meet or exceed the National Electrical Safety Code. Employees are trained in work practice regulations along with Company construction standards to the highest standards and consistency.

The company also works to develop teamwork to mitigate safety risks and has developed and implemented programs to continue improvement in safety. The Company continuously communicates safety goals in order to stay consistently on message across the organization. These programs include training and communicating from the top down, consistently delivering the same safety message and programs to all locations, and auditing the communications and programs. The company sends daily emails to all of its employees noting accident reports and containing general reminders about safety. Other examples of the company's commitment to safety include periodic emails with general safety tips for workplace and personal safety, safety committees for each floor of its corporate offices and field offices, annual safety training requirements which are linked to each employee's performance review, daily hazard assessment meetings for field offices, and annual evacuation drills.

The company prioritizes safety for all resources and to the benefit of all employees, customers, and stakeholders.

## 3. **Proposed Schedule**

Event	Estimated Timeline
Application Filed	October 1, 2019
Protests/Responses Due	Due 30 days after it appears on the Commission's
	daily calendar.
Response to Protests Due	Due within 10 days of the protest deadline.
Prehearing Conference	November 15, 2019
Scoping Memo	December 16, 2019
Proposed Decision	January 20, 2019
Final Commission Decision	February 2019

PacifiCorp proposes the schedule below:

## C. Organization and Qualification to Transact Business (Rule 2.2)

A certified copy of PacifiCorp's Articles of Incorporation, as amended and presently in effect, was filed with the Commission in A.97-05-011, which resulted in Commission issuance of D.97-12-093 and is incorporated by reference under Rule 2.2.

## D. Authority to Increase Rates (Rule 3.2)

Rule 3.2 (a) requires applications for authority to increase rates or implement changes that would result in increased rates to provide additional information. PacifiCorp's Application does not seek authority to increase rates or implement changes that would result in increased rates.

## E. List of Appendices, Testimony, and Exhibits

PacifiCorp's submission to support this Application does not include any appendices, testimony, or exhibits.

## V. CONCLUSION

PacifiCorp respectfully requests the Commission approve PacifiCorp's proposed Emergency Services Resiliency Programs.

Respectfully submitted October 1, 2019 at San Francisco, California.

PACIFICORP Jessica Buno Ralston Senior Attorney 825 N.E. Multnomah St., Suite 2000 Portland, OR 97232 Telephone: (503) 813-5817 Email: jessica.ralston@pacificorp.com

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# VERIFICATION

I am an officer of the applicant in the above-captioned proceeding and am authorized to make this verification on its behalf. The statements in the foregoing document are true on my own knowledge, except as to matters which are stated therein on information or belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 1, 2019, at Portland, Oregon.

Etta Lockey

Vice President, Regulation

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day caused a copy of the foregoing

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to be served on Chief ALJ Anne Simon via e-mail and overnight delivery.

Chief ALJ Anne Simon California Public Utilities Commission Division of Administrative Law Judges 505 Van Ness Avenue San Francisco, California 94102 Email: <u>anne.simon@cpuc.ca.gov</u>

Executed on October 1, 2019, at Portland, Oregon.

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Katie Savarin Coordinator, Regulatory Operations