BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PacifiCorp (U901E) for Approval of its Emergency Services Resiliency Programs (2019).

Application 19-10-003 (Filed October 1, 2019)

COMMENTS OF PACIFICORP IN RESPONSE TO THE PUBLIC ADVOCATES OFFICE'S PROTEST TO THE APPLICATION OF PACIFICORP FOR APPROVAL OF ITS EMERGENCY SERVICES RESILIENCY PROGRAMS

Jessica Buno Ralston PacifiCorp d/b/a Pacific Power 825 NE Multnomah Street, Suite 2000 Portland, OR 97232

Telephone: (503) 813-5817 Email: Jessica.ralston@pacificorp.com

November 22, 2019

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PacifiCorp (U901E) for Approval of its Emergency Services Resiliency Programs (2019).

Application 19-10-003 (Filed October 1, 2019)

COMMENTS OF PACIFICORP IN RESPONSE TO THE PUBLIC ADVOCATES OFFICE'S PROTEST TO THE APPLICATION OF PACIFICORP FOR APPROVAL OF ITS EMERGENCY SERVICES RESILIENCY PROGRAMS

In accordance with Rule 2.6(e) of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, PacifiCorp, d.b.a. Pacific Power (PacifiCorp) submits this Reply to the November 12, 2019 Protest of the California Public Advocates Office (Cal PA) to Application (A.) 19-10-003 (Protest), the Application of PacifiCorp for Approval of its Emergency Services Resiliency Programs, filed on October 1, 2019.

I. <u>INTRODUCTION</u>

PacifiCorp's A. 19-10-003 requests the use of the company's remaining California Solar Incentive Program funds to implement two programs in order to support emergency services and improve resiliency for its California customers and the communities it serves.

II. <u>BACKGROUND</u>

In its Protest, Cal PA identified four issues to be addressed in the scope of this proceeding and requested that PacifiCorp file a supplemental filing to its application by December 16, 2019. The Protest also suggests a modification to PacifiCorp's proposed schedule in order to include an opportunity for Comments and Reply Comments. The company is generally amenable to the suggestions of Cal PA's Protest but supports maintaining a procedural schedule as close as possible to PacifiCorp's proposed schedule in order to maximize time needed to begin program

implementation. In order to facilitate the company's preferred procedural schedule, PacifiCorp has addressed the items identified in Cal PA's Protest in an attachment provided together with this reply. The company anticipates that providing this additional information prior to the prehearing conference could eliminate the need for a supplemental filing thereby shortening the procedural schedule proposed in the Protest.

III. RESPONSES TO THE PROTEST OF PUBLIC ADVOCATES OFFICE

A. Supplemental Filing

The Protest of Cal PA recommends that PacifiCorp file an update or a supplement by December 16, 2019, in order to provide additional clarifications related to:

- eligibility requirements and scope of feasibility studies to be funded through the proposed program;
- criteria to be used when evaluating storage grant applications;
- whether or not applications to pair non-renewable generation with storage would be within the scope of the grant program; and
- further detail on program reporting to the Commission.

These comments include as Attachment A, a supplement addressing the aforementioned issues identified in the Protest.

B. Timing and Proposed Schedule

The Protest of Cal PA proposes to extend the timeline of the proceeding by approximately one month relative to PacifiCorp's proposal. PacifiCorp is supportive of adding an opportunity for Comments and Reply Comments following the issuance of a scoping memo; however, due to the company providing the attached supplement to its application now rather than on December 16, 2019, the company proposes the following schedule:

Prehearing Conference – December 3, 2019

Scoping Memo – December 10, 2019

Comments – January 8, 2019

Reply comments – January 22, 2019

Proposed Decision – February 19, 2020

Final Decision – March 2020

This revised schedule proposes that a final decision be issued in March 2020. This is still

one month later than proposed in the initial application filed by the company but earlier than would

be feasible under the schedule proposed by Cal PA. The company proposes this balancing to ensure

that all parties have an opportunity to provide meaningful feedback while allowing implementation

of the program as soon as possible to address an identified need in PacifiCorp's service territory.

The company is also open to discussing whether comments are needed in light of the supplemental

information provided together with this response; as indicated in Cal PA's Protest, it may be

possible to narrow the scope of issues and PacifiCorp welcomes any additional requests for

supplemental information from Cal PA that could lead to a shorter procedural schedule.

IV. Conclusion

PacifiCorp appreciates the opportunity to provide these comments and information to

supplement its Application for Approval of its Emergency Services Resiliency Programs and

respectfully requests the Commission's consideration of its concerns as outlined above.

Respectfully submitted,

/s/

November 22, 2019

Jessica Buno Ralston PacifiCorp d/b/a Pacific Power

825 NE Multnomah Street, Suite 2000

Portland, OR 97232

Telephone: (503) 813-5817

Email: Jessica.ralston@pacificorp.com

3

Attachment A

PacifiCorp Supplement to Application 19-10-003 Emergency Services Resiliency Programs Application November 22, 2019

1. PacifiCorp should be required to clarify the eligibility requirements and scope of the feasibility studies to be funded through the proposed energy storage grant program.

A. Eligibility Requirements:

The requirements for receiving funding for a feasibility study by the Emergency Services Resiliency pilot include a) the facility must be a critical facility as defined by the <u>Federal Emergency Management Association</u> (FEMA); and b) the recipient must be a willing and active participant committed to the community as a central facility for disaster response.

FEMA defines critical facilities as facilities that provide services and functions essential to a community including the following:

- Police stations, fire stations, critical vehicle and equipment storage facilities, and emergency operations centers needed disaster response;
- Medical facilities, including hospitals, nursing homes, blood banks, and health care
 facilities (including those storing vital medical records) likely to have occupants who
 may not be sufficiently mobile to avoid injury or death during a disaster;
- Schools and day care centers, especially if designated as shelters or evacuation centers;
- Power generating stations and other public and private utility facilities vital to maintaining or restoring normal services;
- Drinking water and wastewater treatment plants; and
- Structures or facilities that produce, use, or store highly volatile, flammable, explosive, toxic, and/or water-reactive materials.¹

B. Scope of Feasibility Studies:

The funding award would be granted for the completion of a feasibility study to investigate the technical and economic feasibility of installing a storage resource at the facility. The feasibility study will include a desktop review and on-site audit with participant support. The studies will:

- Investigate current electricity usage, load profiles, peak loads and costs of current operations;
- Identify critical loads that will need to be backed-up during a disaster event;
- Determine appropriate sizing and requirements for energy storage, site availability, electrical system upgrades, interconnection requirements and relevant operations and maintenance;

¹ https://www.fema.gov/media-library-data/1436818953164-4f8f6fc191d26a924f67911c5eaa6848/FPM 1 Page CriticalFacilities.pdf.

- Assess opportunities for distributed generation (such as solar) for facilities without such installations:
- Identify the benefits and costs of energy storage and value streams the participant can monetize; and
- Evaluate potential financial resources available to leverage for implementation of energy storage.

2. PacifiCorp should be required to clarify the criteria it intends to use when evaluating storage grant applications.

The PacifiCorp grant application criteria will be based on the criteria established in Decision 19-09-027 issued in Rulemaking 12-11-005. This decision establishes customer definitions and eligibility criteria for the equity resiliency budget of the Self-Generation Incentive Program (SGIP). Non-residential customers within the PacifiCorp service territory eligible for the grant are defined as customers that serve as critical facilities or critical infrastructure to a community located in Tier 2 (Elevated) or Tier 3 (Extreme) High Fire-Threat Districts (HFTD), Public Safety Power Shutoff (PSPS) areas and/or located in/or near a tsunami inundation zone. These customers are further limited to the following:

• Police stations; fire stations; emergency response providers as defined in Decision19-05-042; 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 PacifiCorp to provide assistance during PSPS events; cooling centers designated by state or local governments; and, homeless shelters supported by federal, state, or local governments.

The grant application for eligible customers receiving an incentive reservation for a resiliency pilot project will require developers/applicants to:

- Indicate whether a project's critical loads can and will be isolated;
- Provide an estimate of how long a project's fully charged battery will provide electricity for the relevant facility's average load during an outage (Department of Homeland Security emergency preparedness advice recommends 72 hours);
- Provide an estimate of how long the project's fully charged battery will provide electricity to critical uses during an outage;
- Provide an estimate of how long the project can operate in less-than-favorable circumstances, such as if an outage occurs when the battery has been discharged or during the winter (if paired with solar);
- Summarize information given to the customer about how they may best prepare the storage system to provide backup power, in the case of a PSPS event announced in advance; and
- Demonstrate that the approved plans show the system can operate in island mode.

In addition to the quantitative and technical review criteria above, the following additional qualitative measures will be reviewed:

Evaluation Criteria	High-level Summary of Criteria				
	Technology – How appropriate is the proposed storage technology/design for				
Project	the site?				
Feasibility/	Readiness – How far along is the storage project in the development process?				
Readiness	How feasible is the project plan and installation timeline?				
	Capability – How adept and motivated is the project team?				
Costs, Financing and Additionality	Cost – How complete and competitive is the budget? Is the storage grant funding request reasonable?				
	Financing – How feasible is the financing model? What is the level of				
	confidence that the project will be fully financed in the required timeframe?				
	Additionality – Is a PacifiCorp grant fund required for the project to be				
	successful?				
Community	Community impact – How much will the storage project benefit the				
Benefits	community, local economy and storage/renewable energy industry?				

The above criteria are recommended for evaluating the storage grant applications. The development of robust program requirements will be established after approval from the Commission. These requirements will include installation and performance verification requirements—much of this will mimic the current SGIP program in California.

3. PacifiCorp should be required to clarify whether applications to pair non-renewable generation with storage would be within the scope of the grant program;

The PacifiCorp storage grant program evaluation criteria will be designed to prioritize projects that are co-located with renewable generation facilities. PacifiCorp anticipates that most, if not all, of the projects that receive funding will have a renewable generation component. However, PacifiCorp shall not prohibit facilities that currently have diesel generation from expanding their capabilities through the addition of storage and renewables. The company does not wish to prohibit creativity in the design of a project's engineering solution, or the incorporation of potential new technologies that could be used to achieve the primary goal of the program which is to increase the resiliency of the communities in which our customers reside.

4. PacifiCorp should be required to provide further details regarding how it proposes to report to the Commission on grant awards and program implementation in order to ensure sufficient transparency as well as spending accountability.

PacifiCorp offers to provide status reports pursuant to the following timeline:

PacifiCorp will submit its first report within sixty (60) days following completion of the first round of application selection. The company will submit additional status reports on an annual basis until funds are exhausted or returned to customers.

These reports would include information regarding the status of the proposed program (number of applications received, applications selected, proposed levels of funding, funds spent and funds remaining, etc.) as well as an explanation for how applications are selected. For selected applications, the company will provide a brief summary of the application including expected operational dates, storage type, size, renewable generation characteristics, etc. On an ongoing basis, the reports will provide an update on funding (funds spent and funds remaining) and status of projects awarded funding for both programs – feasibility studies and storage grants as well as small generator funding.

Similar to reporting on the company's Blue Sky Community Project program, annual reports will include a list of projects funded in the previous year with the following details: project name, technology, planned size, location, and entity description (e.g. "community center, police station, etc."). The company envisions a similar report for the energy resiliency program but with added discussion of funding status. Specifically, the company would include the funding level for each selected application together with a summary of remaining, available funds.

A sample of the proposed tables to be included in the report are below:

Sample Project Summary Table

Project Type	2020	Project	Storage	Location	Funding	Funding
	Projects	Description	Size		Requested	Awarded
- Feasibility	Applicant					
Study	Name,					
- Battery	Project					
Storage	Type,					
Resource	Entity					
- Portable	Description					
Generators						

Funding Summary Table

Beginning Balance	
Consulting Fees	
Total Paid in 2020 for Feasibility Studies	
Total Paid in 2020 for Installation of Battery Resources	
Total Paid in 2020 for Portable Renewable Generators	
Amount Committed But Unpaid	
TOTAL SPEND IN 2020 FUNDING CYCLE	
Year End Balance	

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PacifiCorp (U901E) for Approval of its Emergency Services Resiliency Programs (2019).

Application 19-10-003 (Filed October 1, 2019)

CERTIFICATE OF SERVICE

I hereby certify that I have this day served, the following document in A.19-10-003, COMMENTS OF PACIFICORP IN RESPONSE TO THE PUBLIC ADVOCATES OFFICE'S PROTEST TO THE APPLICATION OF PACIFICORP FOR APPROVAL OF ITS EMERGENCY SERVICES RESILIENCY PROGRAMS on all known parties to the attached service list by transmitting an e-mail message with the document attached to each person named in the official service list.

A paper copy is also being provided via FedEx to the following recipient:

ALJ Stephanie Wang California Public Utilities Commission Division of Administrative Law Judges Room 5041 505 Van Ness Avenue San Francisco, California 94102

Executed on November 22, 2019, at Portland, Oregon.

Katie Savarin

Coordinator, Regulatory Operations



CALIFORNIA PUBLIC UTILITIES COMMISSION

Service Lists

PROCEEDING: A1910003 - PACIFICORP - FOR APP

FILER: PACIFICORP LIST NAME: LIST

LAST CHANGED: NOVEMBER 22, 2019

<u>Download the Comma-delimited File</u> About Comma-delimited Files

Back to Service Lists Index

Parties

CATHERINE RUCKER
CALIF PUBLIC UTILITIES COMMISSION
LEGAL DIVISION
ROOM 4107
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214
FOR: PUBLIC ADVOCATES OFFICE

JESSICA BUNO RALSTON SR. ATTORNEY PACIFICORP 825 NE MULTNOMAH, SUITE 2000 PORTLAND, OR 97232 FOR: PACIFICORP

.....

.....

Information Only

PACIFICORP EMAIL ONLY EMAIL ONLY, CA 00000 AARON LOUIE
CALIF PUBLIC UTILITIES COMMISSION
SAFETY BRANCH
AREA
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

CHLOE LUKINS
CALIF PUBLIC UTILITIES COMMISSION
ENERGY INFRASTRUCTURE BRANCH
ROOM 4102
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

DANIELLE DOOLEY
CALIF PUBLIC UTILITIES COMMISSION
ENERGY INFRASTRUCTURE BRANCH
AREA
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

JOYCE STEINGASS

JOYCE STEINGASS

CALIF PUBLIC UTILITIES COMMISSION

INFRASTRUCTURE PLANNING AND PERMITTING B

LUCY MORGANS

CALIF PUBLIC UTILITIES COMMISSION

SAFETY BRANCH

AREA 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3214

MATTHEW A. KARLE
CALIF PUBLIC UTILITIES COMMISSION
SAFETY BRANCH
ROOM 4108
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

STEPHANIE WANG
CALIF PUBLIC UTILITIES COMMISSION
ADMINISTRATIVE LAW JUDGE DIVISION
ROOM 5041
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

POOJA KISHORE
MGR - REGULATORY AFFAIRS
PACIFICORP
825 NE MULTNOMAH, STE. 2000
PORTLAND, OR 97232

AREA
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

NATHANIEL SKINNER
CALIF PUBLIC UTILITIES COMMISSION
SAFETY BRANCH
AREA 4-A
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

ANDREW B. BROWN
ATTORNEY AT LAW
ELLISON SCHNEIDER & HARRIS LLP
2600 CAPITOL AVENUE, SUITE 400
SACRAMENTO, CA 95816-5905

TOP OF PAGE BACK TO INDEX OF SERVICE LISTS