



June 11, 2020

VIA EMAIL

Ms. Ann O'Leary, Chief of Staff
Mr. Tom Steyer, Co-Chair, Task Force on Business and Jobs Recovery
Office of Governor Gavin Newsom
1303 10th Street, Suite 1174
Sacramento, CA 95814

Re: Community Energy Resilience for COVID-19 Equitable Recovery and Wildfire Preparedness

Dear Ms. O'Leary and Mr. Steyer:

First and foremost, thank you for your leadership in a time of extreme uncertainty for Californians. California is proving that it will emphasize supporting its residents, both economically and through public health and safety, now more than ever.

We are a coalition of mission-driven nonprofits that focus on decarbonization and accelerating a just transition to clean energy. In this letter, we offer solutions for preparing California for wildfires and climate change while creating pathways to economic recovery and sustainable public health. We would be remiss if we did not acknowledge the uprisings happening across the State and the nation. Our coalition recognizes the systemic racism that is plaguing our society, and our sector has not been immune to this. [With COVID-19 disproportionately impacting Black and Brown communities](#), especially those [living in areas burdened by higher levels of air pollution](#), we clean energy advocates and industry leaders vow to do our part to address and remedy injustices through actions that are equitable, respect the lived experience of communities of color, and are led by the input from these communities.

As near-term economic recovery becomes front and center for policymakers, the State must also contend with the imminent threat coming this summer: wildfires. Not only will wildfires worsen air quality, which may in turn increase the risk stemming from COVID-19, but they will also aggravate the State's existing economic and climate-related challenges. It is vital that the State protect the environmental, equity, and resilience gains that we have made and ensure that future economic stimulus rebuilds California in the right direction to meet our climate and clean air goals, particularly in disadvantaged and low-income communities of color, as well as tribal communities. To help California simultaneously address COVID-19 impacts while mitigating the risk of wildfires, the State should focus its rebuilding efforts on enhancing community energy resilience. By prioritizing local planning for effective, shovel-ready infrastructure projects and pairing near-term economic stimulus and local job creation with long-term greenhouse gas reduction, community energy resilience ensures wildfire risk reduction remains at the forefront during these times.

We believe it is vital that the State adopt the following policies and approaches in support of this vision, particularly emphasizing equity across communities of color:

Emphasize community-centric, local resilience planning

The devastating financial impact of the 2019 Public Safety Power Shutoff events underscored the importance of energy resilience to California communities. Planning for clean, long-term energy resilience requires thinking from a community-wide perspective rather than just a facility-specific basis. Furthermore, it necessitates thinking about life-cycle costs and long-term local health and financial benefits over the lifespan of the project. Local governments lead the charge for new energy infrastructure, ensuring local land use and planning requirements are met. Therefore, local governments need to work with their residents and partner with community-based organizations to make engaged and educated clean energy decisions that create resilience solutions and meet the needs identified by communities. By empowering local governments to take the lead on local energy resilience planning to deploy clean local energy resources, these community-centric solutions will push for health, safety, and financial security during the inevitable wildfire season and resulting Public Safety Power Shutoff events.

Leverage microgrids to serve critical facilities, support clean emergency back-up power, and address community resilience needs

Microgrids fortify resilience in local communities by creating critical, energy-secure facilities during Public Safety Power Shutoff events and other disasters. Developing microgrids and the associated infrastructure will stimulate economic growth by creating new, local jobs, helping restore the [more than 100,000 clean energy jobs lost in California](#) since the beginning of COVID-19. Even more, microgrids will deploy clean energy services that provide direct energy and financial savings for these facilities. Lastly, microgrids will help reduce the need for new expensive, climate-vulnerable transmission lines that pose a significant wildfire risk. To support the growth of microgrids and ensure their availability during times of greatest need, California should guarantee there is non-discriminatory access to the grid, such as by exempting community microgrids that serve critical facilities from departing load charges. Additionally, California should assure financing for a School Resilience Initiative that supports the installation of resilient clean energy resources, such as photovoltaic solar systems paired with energy storage, at K-12 public schools in areas at risk of power outages due to wildfires or public safety power shutoffs. These recommendations will provide local communities with safe and reliable access to power and address community-identified resilience needs.

Commit to California's clean transportation transition to reduce the State's largest source of greenhouse gases

While wildfires remain an imminent threat this summer, the long-term greenhouse gas and air pollution impacts from the transportation sector cannot be overlooked. In fact, [emissions from transportation in California are higher than those from wildfires](#), especially in communities disproportionately burdened by air pollution and socio-economic challenges. Community energy resilience encompasses planning for Public Safety Power Shutoff events as well as climate change, and California now more than ever cannot waver from its ambitious clean transportation goal of 5 million zero-emission vehicles (ZEVs) by 2030. The State's ZEV programs have streamlined consumer access to incentives for electric vehicles and created shovel-ready ZEV infrastructure projects. These projects are especially important as California is striving to stimulate its economy and create career-track quality jobs across the green economy supply chain. California therefore needs to continue its commitment to an equitable clean

transportation transition to ensure progress towards State goals on economic development, emissions reductions, and public health. This will ensure California will continue leading on climate policy while creating jobs, elevating equity, improving air quality, and cultivating the growing ZEV market.

In closing, community energy resilience provides a sustainable, local path to economic recovery and public health using clean, local energy resources and zero-emission vehicles that help the State stay steadfast in its climate and air quality goals. California needs to prioritize these initiatives and target programs that have immediately available funding for deploying resilient infrastructure, particularly in disadvantaged and low-income communities of color, as well as tribal communities. Only then will the State be truly and adequately prepared for California's upcoming wildfire season.

Thank you in advance for your attention to this critical issue and thank you again for your leadership during this challenging time. Please contact Raghav Murali at Center for Sustainable Energy (raghav.murali@energycenter.org) and Kurt Johnson at The Climate Center (kurt@theclimatecenter.org) with any questions related to these recommendations and to discuss specific items in more detail. We look forward to working together to develop a 21st century electricity system in California that is clean, affordable, resilient, equitable, and safe.

Sincerely,

Raghav Murali
Center for Sustainable Energy

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The Climate Center

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CC: The Honorable Gavin Newsom, Governor of California
The Honorable Toni Atkins, Senate President Pro Tempore
The Honorable Anthony Rendon, Speaker of the Assembly
The Honorable Holly Mitchell, Senate Budget Committee Chair
The Honorable Phil Ting, Assembly Budget Committee Chair
The Honorable Jared Blumenfeld, Secretary for Environmental Protection
Ana Matosantos, Cabinet Secretary, Governor's Office

Deep Dives on Policy Recommendations

Emphasize community-centric, local resilience planning

To avoid future power shutoffs, local governments are unfortunately using diesel generators because they have had neither time nor resources to do the necessary planning for clean, long-term energy resilience alternatives. These fossil fuel-powered generators, which are only useful during a grid outage, are in direct opposition to the State's greenhouse gas reduction goals and exacerbate air pollution in local communities, posing an increased health risk during the COVID-19 pandemic. With rapidly declining prices for solar and battery storage as well as advances in fuel cell technology, bioenergy, and energy efficiency technologies, distributed clean energy can provide a more sustainable, community-based path to resilience while [creating revenue and capturing system benefits on an ongoing daily basis](#).

California should empower local governments to take the lead on energy resilience planning to deploy clean energy resources in collaboration with local communities. These community-centric solutions will push for health, safety, and financial security during the inevitable wildfire season and resulting Public Safety Power Shutoff events.

Leverage microgrids to serve critical facilities and address community resilience needs

Microgrids fortify resilience in local communities by creating critical, energy-secure facilities during Public Safety Power Shutoff events and other disasters. Over the past 5 years, the CEC has funded over [\\$84.5 million in successful microgrid projects](#), demonstrating their value to California. Developing microgrids and the associated infrastructure will stimulate economic growth by creating new, local jobs. These jobs should of course be "high-road" jobs: ones that provide training and middle-class wages with benefits. Additionally, microgrids will deploy clean energy services that provide direct energy and financial savings at these facilities. Lastly, microgrids will help avoid the need for expensive, climate-vulnerable transmission and distribution lines that pose a significant wildfire risk.

Create a School Resilience Initiative supporting clean emergency back-up power and other benefits.

Financing for a School Resilience Initiative would support the installation of resilient clean energy solutions, such as photovoltaic solar (PV) systems paired with energy storage, at K-12 public schools in areas at risk of power outages due to wildfires or public safety power shutoffs. PV combined with energy storage systems will provide back-up power to allow schools to remain in session during power outages. These systems will also reduce energy costs throughout the year, reduce greenhouse gas emissions and provide schools with greater on-site load management capabilities to provide school operational flexibility. Public schools that have installed resilient clean energy systems can also serve as community refuge centers when wildfires or other disasters result in area power losses. Schools are in many cases not eligible for funding through the Self-Generation Incentive Program at the CPUC, especially those in rural forested regions. We propose that the State issue revenue bonds that would fund low- or no-interest loans to school districts; the loans would be repaid via the energy savings generated by the systems throughout the year.

Support sustainable renewable energy programs designed to increase equitable access to local, distributed resources.

Clean, distributed energy resources (DERs) provide a sustainable, community-based path to resilience. DERs can be promoted through [Feed-In Tariffs \(FITs\)](#), an approach that has been proven to unleash community-scale DERs, a vastly underserved clean energy market segment that can bring our State unparalleled economic, environmental, and resilience benefits.

A FIT is a standardized, long-term, guaranteed contract that allows smaller local renewable energy projects to sell power to the local utility or other load-serving entity. Market-responsive, state-of-the-art FITs like the one the Clean Coalition [designed for the City of San Diego last year](#) allow clean local energy projects to be installed in underutilized built environments such as rooftops, parking lots, and parking structures.

A statewide FIT for local renewables that could be jump-started immediately is the Renewable Market Adjusting Tariff (ReMAT) program. ReMAT was halted about two and a half years ago, stranding hundreds of megawatts (MW) of community-scale renewable energy projects with capacity of up to 3 MW each. By reopening the program, about 250 MW of local renewables capacity would become available. Many of these ReMAT projects are shovel-ready and are ready to beat the impending Investment Tax Credit (ITC) step-down and Production Tax Credit (PTC) sunset.

We urge the Governor's office to work with the CPUC to ensure that ReMAT be reinstated as soon as possible, along with reforms to improve the program, to help mitigate the worst economic impacts of COVID-19. [Analyses have shown](#) that local solar plus storage brings significant numbers of jobs and other economic benefits to communities. Reopening and improving ReMAT will support the near-term deployment of about 250 MW of community-scale renewables, which will support direct investment of about \$250 million and provide significant indirect benefits to the communities that host these projects across the State.