



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

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

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

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:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss 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

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
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Email:

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



February 1, 2022

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

Advice Letter CPA 0014-E

SUBJECT: Clean Power Alliance of Southern California’s Disadvantaged Communities Green Tariff Program and Community Solar Green Tariff Program Budget Estimates for 2023

PURPOSE

Pursuant to California Public Utilities Commission’s (“Commission”) Resolution E-4999,¹ Resolution E-5102,² and Resolution E-5125,³ Clean Power Alliance of Southern California (“CPA”) respectfully submits this Advice Letter (“AL”) for approval of its program budget estimates and marketing, education, and outreach (“ME&O”) plan for CPA’s Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs.

BACKGROUND

On June 21, 2018, the Commission issued Decision (“D.”) 18-06-027 adopting new programs to promote the installation of renewable generation among residential customers in Disadvantaged Communities (“DACs”), as directed by the California Legislature in Assembly Bill 327 (Perea), Stats. 2013, Ch. 611. Pursuant to D.18-06-027, Community Choice Aggregators (“CCAs”) may develop and implement their own DAC-GT and CSGT programs. CCA programs must abide by all DAC-GT or CSGT rules and requirements adopted in D. 18-06-027. D. 18-06-027 provides that CCAs must file a tier 3 advice letter to implement the CCA DAC-GT and CSGT programs and allows CCAs to combine DAC-GT and CSGT proposals into one tier 3 advice letter. Resolution E-4999 further stipulates that such advice letters must be filed on or before January 1, 2021 or the capacity allocated to the CCA will be reverted to an IOU or another CCA. Accordingly, CPA filed its tier 3 advice letter on December 27, 2019 to create DAC-GT and CSGT programs consistent with all provisions in D.18-06-027, D.18-10-007, Resolution E-4999, and guidance received from the Commission’s Energy Division.

¹ CPUC Resolution E-4999 at 67 (Ordering Paragraph (“OP”) 2) and 68 (OP 4).

² CPUC Resolution E-5102 at 7-8.

³ CPUC Resolution E-5125 at 11 (OPs 2 and 3).

Subsequently, the Commission approved CPA’s DAC-GT and CSGT programs by issuing Resolution E-5102 on November 5, 2020. Resolution E-5102 requires CPA to “submit an annual program budget estimate and an annual ME&O plan by February 1st of every year, starting in 2021, for the next program year.”⁴ Resolution E-4999 provides similar reporting and budgeting requirements and outlines the descriptions to be provided for each budget line item.⁵ In Resolution E-5125, the Commission ordered program administrators to submit any above-cap program administration costs and ME&O expenses with an accompanying rationale for why an exceedance is warranted in a tier 2 advice letter. Accordingly, CPA files this tier 2 AL in compliance with Resolution E-4999, Resolution E-5102, and Resolution E-5125 and submits the annual budget estimate detailed herein for Commission approval.

DISCUSSION

1. Program Year 2021 Unspent Balance

On February 1, 2021, CPA submitted Advice Letter 0008-E, which was subsequently modified by supplemental Advice Letter 0008-E-A, dated as of March 1, 2021 (collectively, the “2021 Budget AL”), which included budget projections for CPA’s DAC-GT and CSGT programs for Program Year (“PY”) 2021 and PY 2022. The proposed budgets set forth in the 2021 Budget AL were subsequently approved by the Commission. A summary of CPA’s approved PY 2021 and PY 2022 budgets are presented below in Table 1.

Table 1. CPA’s Approved PY 2021 and PY 2022 Budgets

Category	DAC-GT			CSGT			Overall Total
	2021	2022	Total	2021	2022	Total	
Above Market Generation Costs	\$89,279	\$1,571,524	\$1,660,803	\$-	\$35,557	\$35,557	\$1,696,360
20% Bill Discount	\$324,591	\$1,119,006	\$1,443,596	\$-	\$12,328	\$12,328	\$1,455,925
Program Administration	\$335,713	\$362,544	\$698,257	\$335,713	\$362,544	\$698,257	\$1,396,513
Marketing, Education & Outreach	\$427,000	\$355,000	\$782,000	\$75,000	\$155,000	\$230,000	\$1,012,000
Independent Evaluator	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Total	\$1,176,583	\$3,408,073	\$4,584,656	\$410,713	\$565,429	\$976,142	\$5,560,798

⁴ Resolution E-5102 at 8.

⁵ Resolution E-4999 at 8 and OPs 2-4.

In PY 2021, CPA spent less than the previously requested amounts for the DAC-GT and CSGT programs. CPA’s PY 2021 approved budget, actual expenses, and unspent balance are indicated in Table 2 below.

Table 2. CPA’s PY 2021 Expenses and Unspent Balance

	DAC-GT	CSGT	Total
Above Market Generation Costs ⁶	\$37,338	\$0	\$37,338
20% Bill Discount	\$119,515	\$0	\$119,515
Program Administration	\$111,138	\$111,138	\$222,276
Marketing, Education & Outreach	\$411,930	\$10,756	\$422,686
Independent Evaluator	\$0	\$0	\$0
PY 2021 Actual Expenses Total	\$679,921	\$121,894	\$801,815
PY 2021 Approved Program Budget	\$1,176,583	\$410,713	\$1,587,296
PY 2021 Unspent Balance	\$496,662	\$288,819	\$785,481

CPA’s Above Market Generation Costs figures include all realized and accrued expenses for 2021 as of the date of this AL.⁷ CPA anticipates receipt of additional invoices that may alter the calculation of the PY 2021 Above Market Generation Costs and reserves for further adjustments to this figure along with corresponding balancing account treatment, which shall be reflected in a subsequent DAC-GT budget advice letter.

2. Program Budget Estimates for Program Year 2023

For PY 2023, CPA is proposing a total budget of \$3,379,812 for the DAC-GT and CSGT programs. This includes \$2,818,993 for DAC-GT and \$560,819 for CSGT. Table 3 shows the proposed program budgets using the budget categories required in Resolution E-4999. The specific budget categories are discussed further below along with detailed budget information for both programs.

Table 3. CPA’s Proposed Budgets for DAC-GT and CSGT for PY 2023

Category	DAC-GT	CSGT	Total
Above Market Generation Costs	\$365,361	\$0	\$365,361
20% Bill Discount	\$2,051,413	\$0	\$2,051,413
Program Administration	\$255,219	\$484,819	\$740,038
ME&O	\$147,000	\$76,000	\$223,000
Independent Evaluator	\$0	\$0	\$0
PY 2023 Budget Total	\$2,818,993	\$560,819	\$3,379,812

⁶ Reflects realized and accrued expenses for PY 2021 as of February 1, 2022.

⁷ “Above Market Generation Costs” refers to “net renewable resource costs in excess of the otherwise applicable class average generation rate that will be used to calculate DAC-GT and CSGT customers’ bills” (Resolution E-4999, at 27, FN 61).

For PY 2023, CPA requests \$2,594,331 in total remittances, which shall be the total amount of CPA’s requested PY 2023 budget less CPA’s PY 2021 unspent funds. Of this amount, CPA requests \$313,420 to be applied toward Above Market Generations Costs and \$2,280,911 to be applied to the remaining budget items, as detailed in Table 4 below.

Table 4. CPA’s Remittance Request for DAC-GT and CSGT for PY 2023

Category	DAC-GT	CSGT	Total
<i>Above Market Generation Costs</i>			
Generation Cost Delta	\$365,361	\$0	\$365,361
Subtract PY 2021 Unspent Funds	\$51,941	\$0	\$51,941
Remittance Request for Above Market Generation Costs	\$313,420	\$0	\$313,420
<i>Other Budget Items</i>			
20% Bill Discount	\$2,051,413	\$0	\$2,051,413
Program Administration	\$255,219	\$484,819	\$740,038
Marketing, Education & Outreach	\$147,000	\$76,000	\$223,000
Independent Evaluator	\$0	\$0	\$0
Other Budget Items Subtotal	\$2,453,632	\$560,819	\$3,014,451
Subtract PY 2021 Unspent Funds	\$444,721	\$288,819	\$733,540
Remittance Request for Other Budget Items	\$2,008,911	\$272,000	\$2,280,911
<i>Total Remittance Request</i>			
PY 2023 Budget Total	\$2,818,993	\$560,819	\$3,379,812
Subtract PY 2021 Unspent Funds	\$496,662	\$288,819	\$785,481
PY 2023 Remittance Request	\$2,322,331	\$272,000	\$2,594,331

a. Budget Details

Resolution E-4999 requires that annual budget submissions include the following:⁸

- Line items for Above Market Generation Costs
- 20 percent bill discount for all participating customers (“20 Percent Bill Discount” or “20% Bill Discount”)
- Program administration costs (“Program Administration Costs”)

⁸ Resolution E-4999 at 67 (OP 2).

- ME&O funding (“ME&O Costs”)
- Independent evaluator

CPA addresses these five requirements in the following subsections.

i. Above Market Generation Costs

CPA entered into its first power purchase agreement in connection with a DAC-GT project (such project, the “Minneola Project”) on September 3, 2021, with an initial delivery date for project energy scheduled to begin on December 31, 2023.⁹ DAC-GT customers will continue to be served by interim DAC-GT resources in PY 2022 and PY 2023.

CPA does not anticipate having new CSGT projects online in PY 2023 due to lead times of permitting, construction, and interconnection processes. The first CSGT project is estimated to reach commercial operation in PY 2024.

The Above Market Generation Costs for DAC-GT and CSGT in PY 2023 will be calculated by comparing the generation cost for DAC-GT and CSGT resources to the generation cost for the base product – CPA’s “Clean Power” product – that customers would otherwise receive if they were not participating in the programs. The generation cost for the base product is a weighted average of the generation costs of the product’s renewable and non-renewable content, including Resource Adequacy. The delta between this weighted average cost and the generation cost of the DAC-GT resource was then multiplied by the forecasted volume to be served each month to arrive at the total Above Market Generation Costs from the program. The budget estimates for the Above Market Generation Costs in PY 2023 are summarized in Table 5.

Table 5: CPA’s Estimated Above Market Generation Costs for DAC-GT and CSGT for PY 2023

	DAC-GT	CSGT	TOTAL
Total customer load (kWh)	30,979,538	0	30,979,538
Total unsubscribed output (kWh)	0	0	0
Total volume (kWh)	30,979,538	0	30,979,538
Above Market Generation Costs	\$365,361	\$0	\$365,361

ii. 20 Percent Bill Discount

As described in this advice letter, program participants will receive a 20 percent discount on the otherwise applicable rate, to be applied as a bill credit to their CPA utility charges. CPA’s PY 2023 budget includes the estimated total amount of the customer bill discount to be recovered, as summarized in Table 6. The budget estimates are based on forecasted monthly enrollment in the DAC-GT program and average monthly CARE customer bills in CPA’s service territory.

⁹ See CPA Advice Letter 0010-E, dated as of October 29, 2021.

Table 6: CPA’s Estimated 20 Percent Bill Discount Costs for DAC-GT and CSGT for PY 2023

Category	DAC-GT	CSGT	Total
Total New Customer Enrollment PY 2023	1,568	0	1,568
Cumulative Customers Enrolled	6,800	0	6,800
20 Percent Bill Discount	\$2,051,413	\$0	\$2,051,413

iii. Program Administration Costs

Administration costs are broken into Program Management, Information Technology (“IT”), Billing Operations, Regulatory Compliance, and Procurement. These cost categories are discussed further in the following subsections. Resolution E-4999 adopts a cap of 10 percent of each program’s total annual budget to be allocated to Program Administration Costs.¹⁰ However, Resolution E-5125 acknowledges that delayed implementation of DAC-GT and CSGT programs may lead to no or low implementation costs, resulting in a high percentage of Program Administration Costs relative to the overall program budget.¹¹

For PY 2023, CPA estimates total Program Administration Costs of \$255,219 for DAC-GT, which is 9% of the total DAC-GT budget of \$2,818,993. For CSGT in PY 2023, CPA estimates total Program Administration Costs of \$484,819, which is 86% of the total CSGT budget of \$560,819.

The percentage of the CSGT Program Administration budget compared to the overall program budgets is currently higher than the 10 percent cap because we anticipate no enrollment for the CSGT program in PY 2023, and therefore the total program budget for PY 2023 does not include fully enrolled costs for the 20 Percent Bill Discount or Above Market Generation Costs. The CPUC recognized in Resolution E-5125 that “[u]ntil a program begins delivering customer benefits and accruing implementation costs, the program administration and ME&O costs will automatically exceed the 10 and 4 percent thresholds.”¹² Resolution E-5125 further recognized that full enrollment into the DAC-GT and CSGT programs may take longer than two start-up years and found that budget caps for Pacific Gas and Electric Company and Southern California Edison Company (“SCE”) were unnecessary when their respective programs did not have any Above Market Generation Costs or 20 Percent Bill Discounts.¹³ CPA requests that the Commission applies the same logic in consideration of CPA’s request to exceed the 10 percent cap on Program Administration Costs for its CSGT program.

Table 7 shows the total proposed Program Administration Costs for the two programs for PY 2023 and the estimates are discussed in further detail as follows.

¹⁰ Resolution E-4999 at 57 (Findings and Conclusions ¶ 41).

¹¹ Resolution E-5125 at 6-7.

¹² *Id.* at 10 (Findings and Conclusions ¶ 12).

¹³ *Id.* at 7

Table 7: CPA's Proposed Program Administration Budgets for DAC-GT and CSGT for PY 2023

Category	DAC-GT	CSGT	Total
Program Management	\$215,819	\$215,819	\$431,638
Information Technology	\$14,400	\$72,000	\$86,400
Billing Operations	\$0	\$72,000	\$72,000
Regulatory Compliance	\$0	\$0	\$0
Procurement	\$25,000	\$125,000	\$150,000
Total	\$255,219	\$484,819	\$740,038

1. Program Management

CPA estimates program management costs of \$431,638 in PY 2023 for staff time to design and initiate program implementation, marketing, procurement, and ensure coordination with SCE and the Commission for budgetary and regulatory compliance. Program management costs are shared across the two programs and split evenly between the two program budgets. Table 8 shows the details of the program management budget proposed for PY 2023.

Table 8: Program Management Budget Details

Position	2023 Fully Loaded Hourly Rate	2023 % Yr	2023 Hours	2023 Total Labor Spend
Program Manager	\$150.71	80%	1,664	\$250,780
Program Associate	\$84.90	25%	520	\$44,150
Financial Manager	\$162.88	10%	208	\$33,878
Procurement & Contracts Manager	\$81.77	15%	312	\$25,512
Procurement/Contracts Associate	\$139.18	10%	208	\$28,949
Marketing Manager	\$116.27	20%	416	\$48,369
Total			3328	\$431,638

2. Information Technology (IT)

CPA estimates costs of \$14,400 for the DAC-GT program and \$72,000 for the CSGT program in PY 2023 for vendor services related to information technology. For the DACT-GT program, these costs will cover building out a system to provide automated messaging to customers. For the CSGT program, these costs will cover the development of the enrollment website and the integration of new features into our Customer Relationship Management system to track customers.

3. Billing Operations

CPA does not expect to incur any incremental billing operations costs for the DAC-GT program during PY 2023 beyond the website enhancements that are included in the ME&O budget. CPA estimates costs of \$72,000 for the CSGT program in PY 2023 for vendor services related to billing operations, including implementation of rates and 20% bill discount credits.

4. Regulatory Compliance

CPA does not estimate any specific regulatory compliance costs associated with the DAC-GT and CSGT programs. CPA assumes the regulatory support for these two programs will be absorbed in its general Regulatory Affairs budget.

5. Procurement

CPA estimates total procurement costs of \$150,000 for DAC-GT and CSGT programs in PY 2023, as set forth in Table 9. Procurement cost estimates were determined by taking actual costs from prior CPA distributed resource solicitations and adjusting them based on the size, scope, and complexity of the solicitations for these programs. With the exception of the Community Solar Consulting expense, which is allocated only to the CSGT program, these costs are shared among the two programs and are spread evenly across the two programs for purposes of setting program-specific budgets.

Table 9: Procurement Budget Details for PY 2023

Category	DAC-GT	CSGT	Total
RFO Administration	\$0	\$0	\$0
RFO Valuation	\$0	\$0	\$0
Community Solar Consulting	\$0	\$100,000	\$100,000
Legal	\$25,000	\$25,000	\$50,000
Total	\$25,000	\$125,000	\$150,000

RFO Administration represents costs for a third party to conduct RFO administration services, including a web-based platform to take in bids, manage communications from and with bidders, and ensure the RFO is conducted in conformance with the RFO Protocol. RFO Valuation represents costs for a third party to conduct RFO valuation services, including ensuring that bid submissions are in conformance with the RFO project eligibility requirements and performing analysis to determine quantitative and qualitative assessment of bids.

There are no current costs reflected in RFO Administration and RFO Valuation because CPA anticipates conducting these activities using in-house resources, rather than using a third party, which is reflected in this budget. In-house resource costs are detailed in the Program Management Budget. In addition, CPA will partner with its member jurisdictions to take an active role in identifying community solar sites within its service territory. The Community Solar Consulting

line item represents third-party costs for site and project sponsor identification and site feasibility analysis. Legal includes costs for external legal counsel to support PPA negotiations, assuming use of the standard pro forma contract with minimal edits.

iv. ME&O Costs

For PY 2023, CPA estimates total ME&O Costs of \$147,000 for DAC-GT, which is 5% percent of its total budget of \$2,818,993. For CSGT for PY 2023, CPA estimates total ME&O Costs of \$76,000, which is 14% percent of its total budget of \$560,819. Resolution E-4999 adopts a cap of 4 percent of each program's total annual budget to be allocated to ME&O.¹⁴ Resolution E-5125 requires Program Administrators to include a rationale for why an exceedance of the 4% ME&O budget cap is warranted, which is provided below for both programs.¹⁵

The percentage of the CSGT ME&O Costs is higher than 4% of the overall CSGT budget because CPA anticipates no enrollment for the CSGT program in PY 2023, and therefore the total program budget for PY 2023 does not include fully enrolled costs for the 20 Percent Bill Discount or Above Market Generation Costs. Resolution E-5125 acknowledges that delayed implementation of DAC-GT and CSGT programs may lead to no or low implementation costs, resulting in a high percentage of ME&O Costs relative to the overall program budget.¹⁶ As mentioned in discussion of CSGT Program Administration Costs above, Resolution E-5125 recognizes that budget caps may be unnecessary in such scenarios and CPA requests that the Commission applies the same logic in consideration of CPA's request to exceed the 4 percent cap on ME&O Costs for its CSGT program. Furthermore, CPA underspent its CSGT ME&O budget in PY 2021 due to the continuing COVID-19 pandemic. For example, CPA elected not to deploy \$60,000 of CBO grants for grassroots marketing as previously anticipated due to concerns that the pandemic and public safety measures would hamper the effectiveness of a grassroots effort. CPA will plan to conduct such activities in PY 2023 instead and shift associated costs accordingly.

The percentage of the DAC-GT ME&O Costs is higher than 4% of the overall DAC-GT budget because (1) lower than anticipated Above Market Generation Costs and 20 Percent Bill Discount costs increase the proportion of the ME&O budget relative to the overall DAC-GT budget and (2) a delay in fully enrolling customers and procuring resources beyond the initial two years of the program requires a sustained ME&O budget to market the DAC-GT program in a manner consistent with extended procurement and enrollment timeframes.

First, lower than anticipated participant enrollment figures have resulted in lower estimates for Above Market Generation Costs and 20% Bill Discount expenses in PY 2023. CPA enrolled fewer participants in PY 2021 than previously forecasted, which results in fewer 20% Bill Discount costs than previously projected. This change in projected enrollment also impacts the customer load inputs in calculating the Above Market Generation Costs. Furthermore, there will be no DAC-GT projects online until December 31, 2023 and CPA has procured less capacity than previously anticipated, which resulted in a lessened budget for Above Market Generation Costs in PY 2023 than previously projected. The combination of these factors results in the ME&O budget

¹⁴ Resolution E-4999 at 57 (Findings and Conclusions ¶ 41).

¹⁵ Resolution E-5125 at 11 (OP 2).

¹⁶ *Id.* at 6-7.

comprising a larger proportion of the overall DAC-GT budget.

Second, the delays in customer enrollment and power procurement requires further ME&O expenditures to support our RFO and enrollment efforts. As the Commission acknowledged in Resolution E-5125, it may take much longer than two years to reach full procurement and enrollment capacity and found it reasonable for Program Administrators to adopt extended procurement and enrollment timeframes with ME&O budgets that exceed the 4 percent budget cap set forth in Resolution E-4999.¹⁷ Unlike some other Program Administrators, CPA is not automatically enrolling its customers into the DAC-GT program and is finding that the start-up period of two program years forecasted in Resolution E-4999 must be extended into a third program year or beyond in order to fully enroll customers into the program. Similarly, CPA has entered into one power procurement agreement with respect to the DAC-GT program (other than for interim resources) and requires additional ME&O funding beyond the first two program years to support its RFO launches and ensure that project sponsors are aware of contracting opportunities. For these reasons, CPA requests that its DAC-GT ME&O Costs exceed the 4% budget cap in PY 2023.

CPA plans to implement the proposed ME&O efforts with a combination of third party creative and digital agencies and other print and media vendors. These vendors will be awarded contracts in accordance with all CPA procurement policies and procedures. To determine the budget estimates for ME&O Costs for DAC-GT and CSGT, CPA worked with its current third party vendors to develop proxy estimates based on detailed estimated and/or actual spend for similar ME&O activities for similar programs. These estimates include costs for graphic design and production, translation, printing and mailing, website design, and social media and paid media buys. Further details are included in CPA's annual ME&O plan, which is attached hereto as Appendix A.

The ME&O Costs also include a line item for outreach grants to community-based organizations ("CBOs") (including eligible Community Sponsors) with whom CPA will collaborate to support customer outreach, education, and enrollment in DACs. A detailed account of the PY 2023 ME&O Costs is available in Table 10 below.

¹⁷ "It is expected that PAs will eventually reach full procurement and enrollment capacity. However, this may take much longer than the two-year start-up period that the original program design and Resolution E-4999 envisioned" (*Id.* at 7). The CPUC found that "[u]ntil a program begins delivering customer benefits and accruing implementation costs, the program administration and ME&O costs will automatically exceed the 10 and 4 percent thresholds" (*Id.* at 10, Findings and Conclusions ¶ 12).

Table 10: CPA’s Proposed ME&O Budget for DAC-GT and CSGT for PY 2023

Category	DAC-GT	CSGT	Total
Grassroots Marketing			
CBO grants	\$22,500	\$40,000	\$62,500
Event display materials/ handouts/supplies	\$2,250	\$10,000	\$12,250
<i>Subtotal</i>	<i>\$24,750</i>	<i>\$50,000</i>	<i>\$74,750</i>
Targeted Marketing			
Direct mail postage/printing	\$37,500	\$6,000	\$43,500
Ethnic media radio ads	\$15,000	\$0	\$15,000
Ethnic media print ads	\$11,250	\$0	\$11,250
Graphic design	\$7,500	\$15,000	\$22,500
Translation services	\$1,875	\$5,000	\$6,875
<i>Subtotal</i>	<i>\$73,125</i>	<i>\$26,000</i>	<i>\$99,125</i>
Broad-based Marketing			
Social media ads	\$13,500	\$0	\$13,500
Digital ads	\$19,875	\$0	\$19,875
Graphic design	\$7,500	\$0	\$7,500
Flyers/fact sheets printing	\$1,500	\$0	\$1,500
Translation services	\$2,250	\$0	\$2,250
Website graphic design	\$3,750	\$0	\$3,750
Web page translations	\$750	\$0	\$750
<i>Subtotal</i>	<i>\$49,125</i>	<i>\$0</i>	<i>\$49,125</i>
Research			
Customer focus groups (participant incentives)	\$0	\$0	\$0
Translation services	\$0	\$0	\$0
Focus group meeting expenses (childcare)	\$0	\$0	\$0
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
TOTAL	\$147,000	\$76,000	\$223,000

v. Independent Evaluator Funding

Resolution E-4999 requires IOUs to include a budget for a proportional share of funding for an independent evaluator to review the DAC-GT and CSGT programs every three years beginning in PY 2021¹⁸ and to review the CSGT program after the first year that customers are able to subscribe

¹⁸ Resolution E-4999 at 68, OP 5.

to the program.¹⁹

Resolution E-5102 states that “responsibilities for funding the independent evaluator review remain with the IOUs for each service territory in which a CCA resides.”²⁰ Pursuant to Resolution E-5102, CPA will not budget any funds for the statewide independent evaluator.

b. Program Capacity and Customer Details

Resolution E-4999 states, “for each program, the budget submission must include details on the program’s existing capacity, the capacity targeted for procurement in that program year, the number of customers currently served, and the number of additional customers estimated to be served.”²¹ Table 11 provides this information for the PY 2023 budget.

Table 11. CPA Targeted DAC-GT and CSGT Program Capacity and Enrollment

Program Detail	DAC-GT		CSGT	
	PY 2022	PY 2023	PY 2022	PY 2023
Existing Capacity at beginning of period ²²	0 MW	0 MW	0 MW	0 MW
Incremental Capacity targeted for procurement	3 MW	3 MW	0.5 MW	1 MW
Number of customers served at beginning of PY	2095	5772	0	0
Number of additional customer enrollments estimated	4186	1568	0	0
Total customer load	18,713 MWh	30,980 MWh	0 MWh	0 MWh

c. GHG Revenue and Public Purpose Program Fund Set Asides

Upon approval of this AL, SCE will include CPA’s PY 2023 program budget in its 2023 ERRRA Forecast in June 2022. Going forward, SCE will remit program funds to CPA in quarterly installments (by January 1, April 1, July 1 and October 1 of each year).

In accordance with Resolution E-4999, once received, CPA will track the program funds in separate accounts for CSGT and DAC-GT programs and will record all generation cost deltas, customer bill discounts, and program expenses for each program.²³ CPA’s 2023 Annual Budget Advice Letter will include a reconciliation of the PY 2021 budget estimate if necessary (with respect to adjusted Above Market Generation Costs for PY 2021) and PY 2022 budget estimate with actual expenditures, along with its PY 2024 budget forecast.

¹⁹ *Id.* at 31.

²⁰ Resolution E-5102 at 8.

²¹ Resolution E-4999 at 27.

²² DAC-GT program participants will be serviced using interim resources. CPA has entered into a contract with a facility that has a nameplate capacity of 3 MW and has an expected online date of December 31, 2023 (*see* CPA AL 0010-E for additional details).

²³ Resolution E-4999 at 26-27.

CONCLUSION

For the reasons stated in this AL, CPA requests approval of its PY 2023 budgets for its DAC-GT and CSGT programs. In accordance with Resolution E-5125, CPA further requests that its PY 2023 budget to be exempt from the 4% budget cap for ME&O Costs for the DAC-GT and CSGT programs and the 10% budget cap for Program Administration Costs for the CSGT program.

APPENDICES

Appendix A: Annual Marketing, Education, and Outreach Plan

TIER DESIGNATION

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2, Resolution E-4999, Resolution E-5102, and Resolution E-5125, this AL is submitted with a Tier 2 designation.

EFFECTIVE DATE

This AL will become effective on March 3, 2022, which is the 30th calendar day after the date of its submission.

NOTICE

Anyone wishing to protest this AL may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received by the Energy Division and CPA no later than 20 days after the date of this AL. Protests should be submitted to:

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

In addition, protests and all other correspondence regarding this AL should be sent by letter or transmitted electronically to the attention of:

C.C. Song
Director of Regulatory Affairs
Clean Power Alliance of Southern California
801 S. Grand Ave., Suite 400
Los Angeles, CA 90017
Email: csong@cleanpoweralliance.org

Francis Choi
Regulatory Analyst
Clean Power Alliance of Southern California

801 S. Grand Ave., Suite 400
Los Angeles, CA 90017
Email: fchoi@cleanpoweralliance.org

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with General Rule 4 of GO 96-B, CPA is serving copies of this AL to the interested parties shown on the R.14-07-002 and A.16-07-015 service lists. Pursuant to the March 20, 2020 order (as updated on September 18, 2020) from the Executive Director of the Commission waiving the hard copy filing requirements for advice letters pursuant to GO 96-B Rule 1.3, CPA will not be filing a hard copy of this AL. For changes to these service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Appendix A: Power Share Program Marketing, Education and Outreach Plan
Power Share Program Marketing, Education and Outreach Plan (ME&O Plan)
February 1, 2022

Overview

In January 2021, Clean Power Alliance (CPA) launched its Disadvantaged Communities – Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs, which provide 20 percent bill discounts and renewable energy to eligible Disadvantaged Community (DAC) customers. Funded through the California Public Utilities Commission (CPUC), these programs are meant to advance energy equity by providing affordable access to clean energy in underserved communities.

Prior to launching the program, CPA branded the programs as Power Share (for DAC-GT) and Community Solar (for CSGT) to be better understood by the public.

CPA submits an Advice Letter with the budget and planning documents each year for CPUC review and approval. The initial Advice Letter served in 2021 included an ME&O budget and plan for 2020 and 2021. However, because the program did not launch as planned due to issues associated with the COVID-19 Pandemic, the initial ME&O plan was scaled back and approved funds were not fully utilized for both the DAC-GT and CSGT programs.

This ME&O plan includes an outline of objectives, strategies, and tactics for program years 2022 and 2023.

Program Objectives

The Power Share program will provide eligible low-income customers living in disadvantaged communities with access to 100% renewable energy as well as a 20 percent discount on their electricity bills. CPA will achieve the following program objectives:

- Support energy equity and help to build sustainable communities by allowing eligible residents in disadvantaged communities to receive renewable energy and a 20% discount on their electricity bills.
- CPA will enroll approximately 6,800 eligible customers as part of the DAC-GT component of the program. These customers will receive 100% renewable energy at a 20% discount accounting for the 12.19 megawatts allocated by the CPUC.
- Increase awareness about how DAC-GT benefits the community.

The Community Solar program will provide low-income customers living in disadvantaged communities with access to locally generated, 100% renewable energy as well as a 20 percent discount on their electricity bills. CPA will achieve the following program objectives:

- Increase awareness about how the CSGT program benefits the community
- CPA will work with communities and energy developers to support the development of small-scale solar projects in Southern California DACs as part of CPA’s capacity allocation of 3.37 megawatts of solar for the CSGT program.
- CPA will sign up approximately 1,400 eligible customers located anywhere in the census tracts within five miles of the project to receive 100% renewable energy at a 20% discount.

Target Audiences

<p>DAC-GT An estimated 95,000 CPA eligible customer accounts in DACs Customers include:</p> <ul style="list-style-type: none"> • Renters • CARE and FERA recipients • Individually metered residents of affordable housing complexes • African American customers (4.19% of CPA customers) • Asian customers (15% of CPA customers) • Latino customers (44% of CPA customers) • Monolingual speakers (including Spanish, Chinese, or Tagalog) 	<p>CSGT</p> <ul style="list-style-type: none"> • Energy developers • DAC communities within five miles of CPA service area • Board Members • Member Agencies • Community Advisory Committee Members • Elected Officials and Community Leaders • Eligible residential customers who are five miles from the Community Solar sites • Non-profit sponsors and site host • For profit buildings who can participate as site host. • Media <p>Customers include:</p> <ul style="list-style-type: none"> • Renters • CARE and FERA recipients • Individually metered residents of affordable housing complexes • African American customers (4.19% of CPA customers) • Asian customers (15% of CPA customers) • Latino customers (44% of CPA
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	<p>customers)</p> <ul style="list-style-type: none"> • Monolingual speakers (including Spanish, Chinese, or Tagalog)
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Key Messages

<p>DAC-GT</p> <ul style="list-style-type: none"> • OVERARCHING MESSAGE – Qualifying customers save 20% off their monthly electric bill and receive 100% renewable power. • CARE and FERA customers, you qualify for additional 20% discount off your monthly bill. • The CPA program makes clean energy more affordable to low-income communities which otherwise may not have access to solar, wind, or other clean energy sources. • CALL TO ACTION – Find out if you qualify today, learn more at SaveWithCPA.org or call 1-888-585-3788. • Economic benefits: Meaningful monthly electric bill savings for eligible customers; No need to purchase or install any equipment. • Equity: Access to clean power in underserved communities. • Environmental: Customers will benefit from local renewable energy, while helping lead the way to a greener future for all. 	<p>CSGT</p> <ul style="list-style-type: none"> • Economic: Non-profit site sponsors as well as eligible customers receive 20% discounts. • Local pride: Clean energy projects located in customers’ neighborhoods and supported by community stakeholders. • Equity: Access to clean power in underserved communities. • Environmental: Customers will benefit from local renewable energy, while helping lead the way to a greener future for all.
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Strategies

Overarching	
<ul style="list-style-type: none">• Provide Toolkits to partner agencies so they can assist in the distribution.• Emphasize 20% discounts for customers, as well as site sponsors.• Market other programs including demand response programming to DAC-GT/CSGT customers in an effort provide additional energy and cost savings opportunities.	
DAC-GT <ul style="list-style-type: none">• Use broad reach media to build stronger program awareness and build trust combined with a highly targeted outreach and use of paid media to customers in eligible communities to increase enrollments in Power Share.<ul style="list-style-type: none">○ Leverage our customer database to specifically target our CARE and FERA customers○ Monthly results will be closely monitored to ensure efforts are effective in reaching eligible communities and optimized as needed based on the learnings.• CPA will look to build strong relationships with the Community Based Organizations (CBOs) and community leaders.	CSGT <ul style="list-style-type: none">• ME&O efforts will initially support recruiting efforts for developers, community sponsors, site hosts and, then shift to end-user marketing and community outreach where projects are being placed.• CPA Team Members and Member Agencies will be assigned DAC community CBOs to reach out to, build relationships with and work towards identifying sponsors, site locations, and developers.• To educate communities and developers about the CSGT program, as well as learn communities, CPA will supplement internal outreach staff with CBOs focused on specific communities.• Because this program beneficiaries will be local, there is an opportunity to engage local elected officials and advocacy group leaders to promote this program to their communities.

Tactics

<ul style="list-style-type: none"> • Overarching • Press Releases for milestones such as new projects or reaching enrollment goals. • CPA staff will continue to work with its board members and member agencies to identify key CBOs in their district to achieve stronger support and commitments to promote the Power Share programs. • CPA will continue to target CARE and FERA customers via targeted marketing tactics. • CPA will work to seek stronger support and commitments of the member agencies/elected officials to use their platform and influence in support of the Power Share programs. • CPA staff will continue to publicize the Power Share programs via online events, presentations, and workshops in coordination with its member agencies and board members. • CPA’s Community Advisory Committee will be given additional materials on how to do outreach and enrollment within their community networks. • CPA will continue to monitor and refresh outreach materials, messaging, social media, and website content and create communication kits for the member agencies and coordinate with their Public Information Officers to disseminate. The content will be available to be placed on city and board members’ websites, newsletters, social media channels, public television channels, and bulletin boards and accessible to use in co-branded mail and email to their contact lists and networks in DACs (e.g., via neighborhood councils). 	
<p>DAC-GT</p> <ul style="list-style-type: none"> • Focus Groups • Paid Media: <ul style="list-style-type: none"> ○ Direct mail ○ Targeted emails ○ Print ads/newspaper ○ Social media ○ Search ○ Digital ○ Native ads ○ Peer-to-Peer texting ○ Videos ○ Targeted Out-of-Home ○ Interviews/Endorsements ○ In-Language Partnerships • Partners 	<p>CSGT</p> <ul style="list-style-type: none"> • Paid Media: <ul style="list-style-type: none"> ○ Video ○ Targeted emails ○ Search ○ Newspaper • Owned media including social media, website updates, emails, webinars • Pairing Tool to help developers, hosts, and sponsors to find each other. • Partners <ul style="list-style-type: none"> ○ CBOs ○ Member Agencies • Presentations at Chambers or other groups to identify sponsors and

<ul style="list-style-type: none">○ CBOs○ Member Agencies● Landing page updates● Owned media including social media, website updates, monthly emails to CPA list● Attending community fairs and events.	developers
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