

THE ACCELERATE GROUP | LLC

Policy+Innovation Partnership Area Identification Process Proposal

Policy+Innovation Coordination Group

February 12, 2020

PICG Status

Kick-Off Meeting



Workplan Development



PIPA Identification Process



PIPA Selection



3-5 PIPA Meetings



Database/Results Transparency



Policy+Innovation Forum



Next Steps



PIPA Identification Process

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- 1) Confirm Commissioner participation and availability for an in-person meeting on April 15, 2020
- 2) Formal comment on PIPA Identification Process Proposal due February 11, 2020
- 3) Comments and edits to the draft interview questions found in The Appendix of this document due February 11, 2020
- 4) One-on-One interviews with the Project Coordinator

What is the PICG?

Overseen and monitored by the CPUC and paid for by California ratepayers, EPIC funds are currently administered by four administrators: the California Energy Commission (CEC), which administers 80% of EPIC funds, Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E), which together administer the remaining 20% of EPIC funds.

In Decision 18-10-052, the CPUC established the Policy + Innovation Coordination Group to increase the alignment of California's Electric Program Investment Charge (EPIC) investments and program execution with CPUC and California energy policy needs through increased coordination among program administrators and between program administrators and the CPUC.

The PICG is dedicated to (1) the technical, complex coordination task of identifying timely opportunities for substantive feedback and coordination among EPIC investments and California's energy innovation needs and goals, and (2) providing the support functions to allow this feedback and coordination to occur effectively.

PICG Goals:

In Decision 18-10-052, the California Public Utility Commission established the overarching goal of the PICG: to ensure that EPIC investments are optimally aligned with and informed by key Commission and California energy innovation needs and goals. Building off of these requirements, the PICG established the group's objectives as follows:

1. **To identify Policy+Innovation Partnership Areas (PIPAs).**
2. **To create transparency of EPIC program results.**
3. **To ensure alignment between policy and programs.**
4. **To center equity in process and programs.**

The Workplan presented by the Project Coordinator and finalized by the PICG outlines the path to achieving these goals. The first area that the Project Coordinator and PICG must focus on is Identifying the Policy+Innovation Partnership Areas (PIPAs.)

Policy+Innovation Partnership Areas (PIPAs)

What is a PIPA?

Policy + Innovation Partnership Areas (PIPAs) are “issue areas of common interest and substantive opportunity, around which the PICG will engage in targeted coordination.”

The PICG and Project Coordinator will further define what a PIPA is and how a PIPA is used through the process outlined in the Identification Proposal.

What is the purpose of PIPAs?

- **Connecting R&D to Policy.** PIPAs will allow stakeholders to track or identify key goals or research needs in the Commission's energy-related proceedings that may be informed by EPIC investments. This objective would also ask PICG members to leverage technical and program expertise to determine which innovations or policy gaps are “ripe,” and “timely.”
- **Coordination.** The role of RD&D under the EPIC program is on overcoming challenges to help California reach policy goals. The PIPAs will be focused on finding areas where targeted coordination can lead to improved results and achievement of policy goals.

How will the CPUC identify PIPAs?

The Project Coordinator is presenting the process for identifying and narrowing PIPAs in the below PIPA Identification Process. The process will follow the following overall steps:

1. **Developing the PIPA Framework**
2. **Map Framework into Possible Partnership Areas**
3. **Narrow Partnership Areas into top 3-5 PIPAs**

Developing the PIPA Framework. The Project Coordinator will work to gather input on the top opportunities for coordinating R&D work in the EPIC program, and to help EPIC program results inform energy-related proceedings, from the CPUC and EPIC Program Administrators. The input is focused on first identifying the top energy and climate policy **goals** of the state and CPUC, the specific policy **strategies** aimed at impacting those goals, and the key **obstacles** to those strategies that RD&D is intended to overcome. This work will include existing efforts and work product by PICG members to identify goals, strategies, and R&D needs. The Project Coordinator will then work to identify where clusters of EPIC programs may exist around overcoming these obstacles or pursuing the strategies.

Map Framework into Possible Partnership Areas. Where there is an opportunity to connect results to policy, and where improved coordination can increase results, a potential PIPA may be identified. The Project Coordinator will use the agreed qualification criteria for PIPAs to identify those areas. The Project Coordinator will also review existing projects and map them to the PIPA Framework. The resulting potential PIPAs may be an individual, or group, of obstacles, strategies, or top-line goals, or a combination thereof, and may not all be at the same level.

Narrow Partnership Areas into top 3-5 PIPAs. An initial list of potential PIPAs will be narrowed to the top 3-5 PIPAs by the CPUC Energy Division for 2020. Those PIPAs will then be used for coordination activities in 2020.

How long do PIPAs last?

PIPAs will be identified for each year in order to have a relevant set of PIPAs that can be updated over time. The first set of PIPAs will be identified for calendar year 2020, and will be used to start coordination activities and project tracking from among projects already underway. The PICG Members, and CPUC Commissioners, will review the progress of the PICG, the identified PIPAs, and the coordination work to-date at the first annual PICG Forum in Fall 2020. The first adjustment to the PIPAs may be made after the first PICG Forum based on that input, and would apply for calendar year 2021. The second opportunity for amending or changing the PIPAs will be at the second PICG forum in Summer or Fall 2021, if the work of the PICG is continued past this initial term.

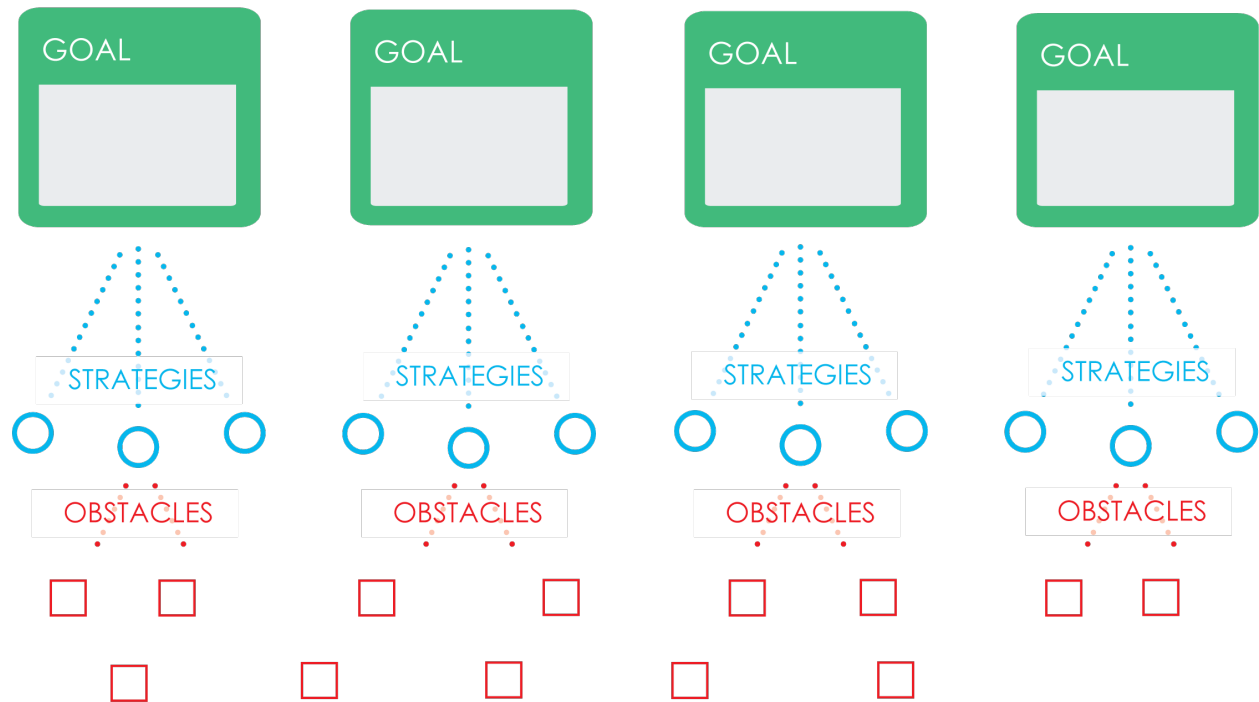
PIPA Framework

The PIPA Framework will be a tool to help the PICG Project Coordinator outline and identify key policy goals, strategies, and obstacles, or combinations thereof, that would be ripe for identification of PIPAs.

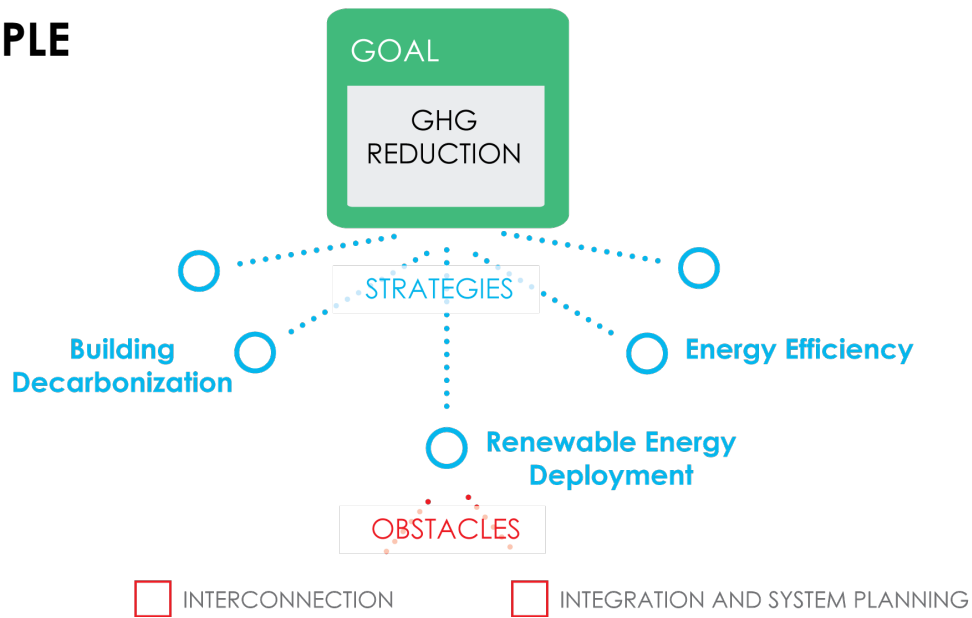
In order to develop and complete the PIPA Framework, the Project Coordinator will first gather input from one-on-one interviews with CPUC Commissioners, CPUC Staff, CEC Commissioners, and PICG Members, and then perform background research, and a regulatory assessment to map goals, strategies, and obstacles into the PIPA framework.

The PIPA framework is intended to present a wholistic view of California's energy policy goals as well as the specific policy strategies which can impact those goals and the obstacles or challenges to the identified strategies. This visualization will help the Project Coordinator easily group or cluster obstacles and strategies and see potential areas where RD&D can be a solution and further coordination may be helpful.

Below is an example diagram of the PIPA framework:



EXAMPLE



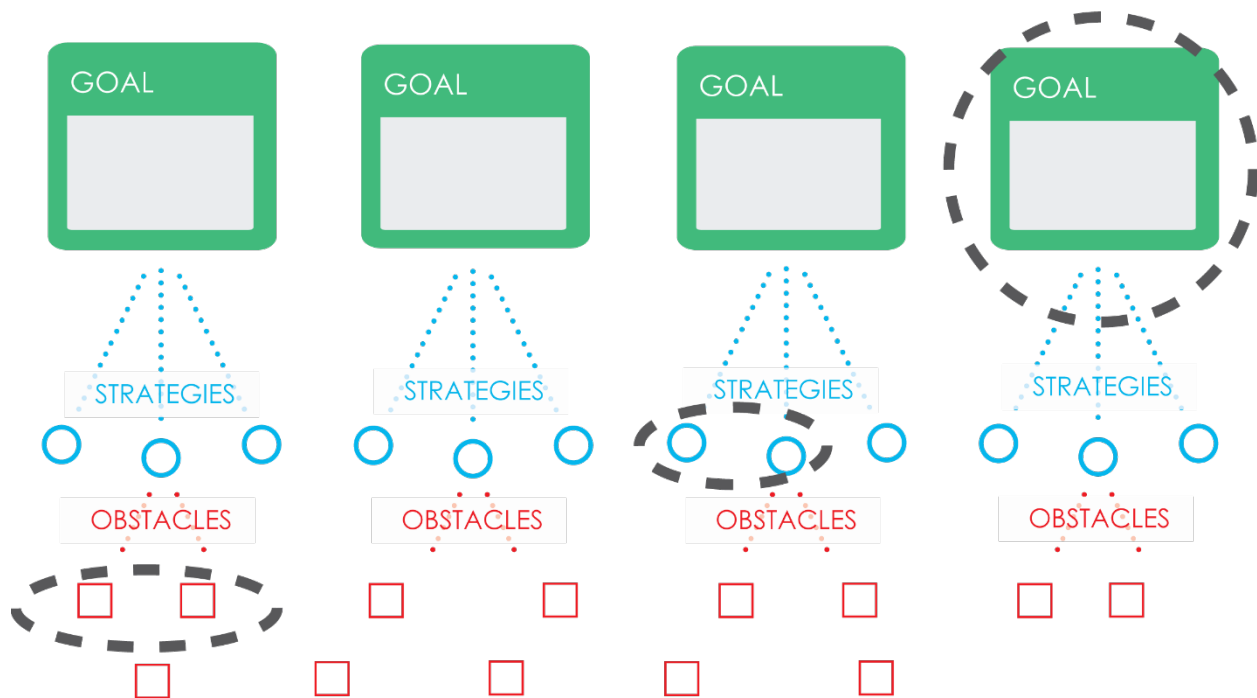
POTENTIAL PIPA SCENARIOS

The PICG Project Coordinator will then work with program administrators to identify where clusters of EPIC projects may exist around overcoming these obstacles or pursuing the strategies.

Where there is an opportunity to connect results to policy, and where improved coordination can increase results, a potential PIPA may be identified. The resulting PIPAs may be an individual or group of obstacles, strategies, or top-line goals.

The Project Coordinator's initial PIPA framework may uncover numerous goals, strategies, and obstacles. The Project Coordinator will use thematic grouping or clustering of strategies and obstacles to help shape potential PIPAs. If PIPAs are focused at too high a level, they will be meaningless. If too specific, they may not have the desired impact.

The dotted lines below represent possible ways to identify PIPAs, based on the specific obstacles, strategies, and goals being evaluated.



PIPA Identification Process

PIPA Identification Steps:

1. Develop PIPA Framework (Identify Goals, Strategies, and Obstacles)
2. Redefine obstacles into possible PIPAs
3. Narrow partnership areas into top 3-5 PIPAs

1. Develop PIPA Framework (Identify Goals, Strategies, and Obstacles)

A) Project Coordinator Conducts One-On-One Interviews with CPUC Commissioners, CPUC Staff, CEC Commissioners, CEC Staff, and the IOU PICG Members (Due: March 2, 2020)

- The questions which may be asked in the one-on-one interviews are included in the Appendix to this document.
- **Summary of Opportunity for PICG Member Input:** The PICG members should review the list of questions found in the Appendix and provide feedback and comments by **February 11, 2020**. Upon receipt of these comments the interview questions will be finalized. The PICG member organizations are encouraged to create their own internal processes for coordinating interviews with the Project Coordinator and to ensure the correct participants are involved throughout the PICG process.

B) Project Coordinator Conducts Regulatory Assessment and Develops Background Materials (Due: March 16, 2020)

- Regulatory Assessment and Background Materials. The Project Coordinator will perform a regulatory and background materials assessment/analysis to develop an understanding of overall state **policy goals** and the associated **policy strategies**, as well as the **obstacles** to overcome through R&D as outlined in the above PIPA Framework diagram. The state legislative and regulatory policy, as well as reports and other key information, to be included in the Regulatory Assessment will be derived and prioritized from the one-on-one interviews with the CPUC Commissioners, CPUC Staff, CEC Commissioners, CEC Staff, and the IOU PICG Members.
- Completed PIPA Framework. The Project Coordinator will synthesize the results of the regulatory and background assessment/analysis into the PIPA Framework, which will allow for policy goals, strategies, and

key obstacles to be easily tracked and updated. The methodology of this trackable format will use the PIPA Framework outlined in the above diagram:

- Overall Policy Goals
- Strategies for Achieving Policy Goals
- Obstacles to Implementing Strategies

- **Summary of Opportunity for PICG Members Input:** The Project Coordinator will look to the PICG member organizations and their expertise to advise and provide feedback as the Project Coordinator prepares the Regulatory Assessment and prepares background materials. The PICG members are expected to coordinate with and reach out to/invite any additional persons of expertise from their organization as necessary throughout the feedback period.

C) PIPA Identification Status Meeting Deliverable (Meeting: March 23, 2020)

- Review Completed PIPA Framework. The Project Coordinator will present the completed PIPA Framework to the PICG members for review and feedback. This framework will include:
 - Initial results of the regulatory and background assessment.
 - A completed initial PIPA Framework diagram derived from thematic grouping during the regulatory and background assessment/analysis
- Review Rubric for Identifying PIPAs. The Project Coordinator believes a methodical approach is necessary to narrowing the large group of identified goals, strategies, and obstacles into potential PIPAs, and then further for prioritizing the PIPAs down to 3-5. The Project Coordinator will develop and present a rubric for potential PIPAs that includes:
 - A definition of a PIPA, and the qualifications for an obstacle, strategy, goal, or combinations thereof, to be defined as a PIPA.
 - A proposed rubric for narrowing potential PIPAs.
- **Summary of Opportunity for PICG Members' Input:** The PICG members will provide their expert feedback on the Project Coordinator deliverables from the March 23, 2020 meeting and will return formal comments **March 30, 2020**. The comments should be focused on:
 - Recommendations or feedback on the regulatory and background assessment/analysis results
 - Suggestions for obstacles, strategies, goals, or combinations thereof, that could be identified as PIPAs.
 - Comments on the proposed rubric for narrowing potential PIPAs.

2. Map framework into possible partnership areas

A) Map Existing EPIC Projects to PIPA Framework.

- Once the Framework has been completed, the Project Coordinator will review the EPIC Program Administrator Annual Reports, as well as project data from EPIC Program Administrators, to map current EPIC projects to obstacles, strategies and goals in the PIPA framework. The Project Coordinator will identify where clustering and opportunity for coordination emerges from the project mapping, and include that analysis in the development of the initial set of PIPAs.

B) Develop an Initial Set of PIPAs (Due: April 8, 2020)

- The Project Coordinator, in consultation with CPUC staff, will take all the feedback from the March 23rd PICG Meeting and March 30th PICG Comments, and the Existing EPIC Project Mapping, and apply the PIPA definition and qualification methodology to the large set of obstacles, strategies, and goals in the PIPA Framework. This will create the preliminary PIPAs. The Project Coordinators goal is to refine the list to no more than 10 but at least 5 preliminary PIPAs for the PICG to review. This will be distributed by April 8, 2020, in advance of the Preliminary PIPA Presentation Meeting on April 15, 2020.

C) Preliminary PIPA Presentation (Publicly-Noticed Meeting: April 15, 2020)

- The Project Coordinator will present the following to the PICG members for review and feedback at a publicly-noticed meeting, involving PICG Members, CPUC Commissioners, CEC Commissioners, and others:
 - Preliminary PIPAs: An estimated 10 preliminary PIPAs. This will include a description of each PIPA and how it qualified.
- **Summary of Opportunity for PICG Members' Input:** The PICG members will discuss the above deliverables in the meeting on April 15th and will also have time for formal comments after the meeting. The PICG member formal comments are due in-writing on **May 6, 2020**, but the expectation is that the PICG members provide feedback and input at the in-person meeting. The PICG members are expected to coordinate with and reach out to/invite any additional persons of expertise from their organization as necessary throughout the feedback period. Questions to be considered:
 - Which of the preliminary PIPAs do the PICG members think are the most important to focus on, and why?

D) Initial Outreach to Disadvantaged Communities

- As part of the effort to ensure members of disadvantaged communities and representatives of community-based organizations have a voice in the process and are included and aware of what the PICG is doing, the Project Coordinator in tandem with PICG members will work to actively recruit leaders from community organizations, including the Disadvantaged Community Advisory Group and other members suggested in the internal questionnaire and through interviews performed by the Project Coordinator.
- This outreach will be centered around advising these groups of the PICG and the work that has been done to date. This outreach will be less about input and feedback on potential PIPAs and more about making them aware of the work being done and discussions around future opportunities for engagement, and vehicles for feedback. Outreach will take place in the language and methods most appropriate for the communities being reached.

3. Narrow partnership areas into top 3-5 PIPAs:

- A) PIPA Q&A and Comments Review (Meeting: May 12, 2020)
- The Project Coordinator will review the PICG member formal comments due on May 6, 2020 and summarize all the comments for the PICG members. These comments will be used to further narrow the preliminary PIPAs to the 3-5 required by D.18-10-052.
 - The Project Coordinator will present the summarized PICG comments to the PICG Members, and facilitate a Q&A session to dive into the comments in detail. This will allow the CPUC the chance to ask clarifying questions of the administrators.
 - **Summary of Opportunity for PICG member Input:** The PICG members will provide additional input into the narrowing of PIPAs into the final 3-5.
- B) Finalize PIPAs with CPUC and Energy Division (Due: First week in June)
- The Project Coordinator and the CPUC Energy Division will narrow the PIPAs to a final set of 3-5 PIPAs for 2020. This will be an in-person meeting between the Project Coordinator and the CPUC Energy Division.
- C) Present Final PIPAs to the PICG (Due: mid-June)
- The Project Coordinator will present the finalized 3-5 PIPAs which were approved by the CPUC Energy Division to the PICG, along with final descriptions.
 - The Project Coordinator will share a list of existing EPIC Projects that may be mapped to the final 3-5 PIPAs.
 - The PICG Meeting will focus on the next steps of the PICG process: Coordination of work around the PIPAs.
 - **Summary of Opportunity for PICG Member Input:** Once the 3-5 PIPAs have been finalized with the Energy Decision, the PICG members will be asked to provide input and feedback on Phase II: PIPA Coordination. This feedback and input will include:
 - Disadvantaged Community Outreach
 - External Stakeholder Outreach
 - 3-5 PIPA Meetings
 - Annual PICG Forum
 - Ongoing PICG Coordination

APPENDIX

EPIC Program Interview

Background

Overseen and monitored by the CPUC and paid for by California ratepayers, the Electric Program Investment Charge (EPIC) invests in scientific and technological research to accelerate the transformation of the electricity sector to meet the state's energy and climate goals.

EPIC funds are currently administered by four administrators: the California Energy Commission (CEC), which administers 80% of EPIC funds, Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E), which together administer the remaining 20% of EPIC funds.

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Purpose of this Interview

As the Policy + Innovation Coordination Group and the CPUC are working to develop a list of priority areas around which coordination efforts can be most effective, the Project Coordinator is conducting one-on-one interviews with key stakeholders to help pinpoint the focus of the effort. The one-on-one interviews will be used to help identify stakeholders' perspectives of a) critical emerging policy challenges and opportunities, b) ripe opportunities for research, development, and demonstration to help inform or achieve energy policy objectives, and c) gaps and data needs.

The input from the interviews will be used to build out a policy + innovation policy area framework which will help guide coordination efforts and allow for a better connection of EPIC efforts to policy activities.

Interview Questions:

- (1) Identifying Energy Policy Goals and Strategies
 - What are the key electricity policy areas that you are working on?
 - What are your highest priority energy policy goals, and why?
- (2) Identifying Obstacles
 - For the areas you work on, what are the challenges where do we not have a firm grasp on the technical or policy needs to meet those goals?
 - For the areas you work on, what are the challenges where we do have a pretty firm grasp on the technical, policy, or market needs to meet those goals?
 - What are the greatest technical challenges to implementing the state's energy goals

and key strategies? (starting with areas in which you are most familiar)

- Are there areas where we have specific legislative or regulatory mandates, but the path to get there is unclear (e.g. SB 100)?
- What is needed to accelerate scale-up in the marketplace for the most promising technologies?
- What is needed to ensure that underserved communities also benefit from the development and adoption of cutting edge technologies?

(3) Identifying Critical Issues and Timeliness

- Are there certain programs or proceedings that you are working on now that are at a crossroads, meaning that we need to make a decision soon and we need additional information or collaboration/brainstorming to make the best decision?
- Do you have ideas for any specific data, analysis, or research that would be necessary for timely decision-making process?

(4) Identifying Gaps

- Are there key electricity policy areas that you are not focused on, but that you think are important to the state?
- What are some open policy questions that are not ready to be addressed now, but can be informed by future RD&D work?

(5) Identifying Relationships

- Are there other areas of policy that you do not focus on which directly or indirectly impact your policy work and proceedings?
- Is there RD&D happening in other policy areas, or outside of EPIC funding altogether, where there are results that could directly or indirectly impact your work or state policy decision-making?

(6) Identifying Metrics and Data Needs

- Where is RD&D being used effectively today to overcome obstacles or challenges California faces in achieving policy goals?

Where can RD&D be better used to help California achieve policy goals?

- Is there information, results, or data that would help to inform policy work today?
- Is there information, results, or data that you may not know of or have access to today but could help inform future energy policies and proceedings?

(7) Prioritization

- While there are many issues on which the PICG can coordinate, the PICG will need to select 3 – 5 PIPAs. What criteria do you feel are the most critical for selecting the final list of PIPAs?