



### Staff Report Item 18

**TO:** East Bay Community Energy Board of Directors  
**FROM:** JP Ross, Sr. Director of Local Development, Electrification and Innovation  
**SUBJECT:** Medical Baseline Customer Program Development Budget (Action Item)  
**DATE:** November 20, 2019

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#### Recommendation

Adopt a Resolution to add \$500,000 in funding to the Fiscal Year 2020 Local Development Program budget to develop and fund a program to address Medical Baseline / electricity dependent customer needs during Public Safety Power Shutoffs (PSPS).

#### Background

In early 2019, PG&E announced that it would expand its PSPS program in order to prevent wildfires across the state. These events increase Greenhouse Gas (GHG) emissions, threaten our customer's safety, and disrupt operations throughout the County. PG&E initiated multiple PSPS events in October 2019, cutting power to almost 1 million accounts and 3 million people across California. Economic losses from these events are still being calculated and could total billions of dollars.

October's PSPS event was the largest to date and the first to impact EBCE's customers. However, it was not PG&E's first PSPS event and will not be the last to impact EBCE customers. This may be the new normal during California's expanding fire season.

In total 50,000 EBCE customers were affected by the second October PSPS event. More than 1,000 of those customers were on PG&E's Medical Baseline program, which is for people with special energy needs because of a medical condition. EBCE has 10,000 customers on a Medical Baseline rate, which indicates they require special notification when power shut offs may occur and provides them special privileges if they are at risk for being disconnected for lack of payment. It is important to note however that Medical Baseline enrollments may not accurately capture all of EBCE's vulnerable, electricity dependent customers as they do not all have the same needs and risks.

Unfortunately, PG&E has offered few solutions to customers affected by PSPS events. EBCE now has the opportunity to lead by offering solutions to those customers who will be most at risk in future PSPS events, especially those who are reliant on electricity for their medical needs.

EBCE is currently developing solar and battery energy storage solutions for municipal critical facilities in our services area, as well as municipal facilities in Peninsula Clean Energy's service area. Funded by a Bay Area Air Quality Management District (BAAQMD) grant, this project has identified sites designated to serve the community in time of emergency and will size solar and battery energy storage systems to serve critical loads and enhance resilience during power outages. The grant will conclude Spring 2020 at which point EBCE will move to the procurement stage in collaboration with its participating municipal partners to deploy solar and battery energy storage systems across our service territory.

The scope of this grant funding does not enable EBCE to assess the need of individual Medical Baseline residents who are medically dependent on electricity service. In turn, staff recommends that EBCE's Board of Directors (Board) allocate an additional \$500,000 to our FY2020 budget to initiate a program that enables EBCE to better understand its Medical Baseline / electricity dependent customers, assesses their individual needs and develop a set of solutions to mitigate critical impacts to this customer segment as a result of PSPS events.

Staff will develop a set of recommendations and pilot projects with this funding, which will inform a comprehensive plan for Medical Baseline customers that we will bring to the Board during the FY'21 planning cycle for approval.

### **Discussion**

Currently, the most common electricity back-up option in the event of a power outage is a diesel or gasoline fueled generator. In the days leading up to this PSPS event, and during the event, there was an increase in generator sales, with some stores even selling out.

Fossil fuel powered generators are a fire hazard and produce significant air quality impacts including GHG emissions and nitrogen oxide, which can combine with other compounds to form ozone. Generators also emit particulate matter resulting in serious human health impacts. The proliferation of back-up generators significantly impacts EBCE's mission to reduce GHG emissions in Alameda County and impacts statewide goals to improve air quality.

Generators are costly, and aside from providing power during PSPS events do not provide any economic or environmental benefits for customers or the grid. Solar and battery energy storage systems are a cleaner, more economical alternative to back-up generators for energy resiliency. These systems are capable of disconnecting from the grid during an outage to serve critical loads.

When not being utilized for backup power, these systems can save customers money on their electricity bills through mitigation of demand charges. Additionally, these distributed systems have the ability to aggregate together for use in the wholesale energy market. This in turn can help EBCE hedge against peak energy prices in the summer and winter months.

A real time example of how EBCE is pursuing this type of distributed energy resource programming includes the recently released Request for Proposal that will procure Resource Adequacy from customer sited solar and storage systems. This RFP was issued in partnership with three (3) additional Load Serving Entities to achieve economies of scale while delivering comprehensive resilience solutions throughout the Bay Area.

Grid outages are inconvenient and expensive for residents and businesses. However, for Medical Baseline customers dependent on equipment like ventilators or oxygen concentrators,

a grid outage can be life threatening. These residents need back-up power and/or an alternate risk mitigation plan in place prior to a prolonged power outage.

In total EBCE has approximately 10,000 known Medical Baseline customers. During the most recent PSPS event, approximately 1,000 of EBCE's 50,000 accounts affected by the grid outage were Medical Baseline customers. This total however may not accurately capture all of EBCE's vulnerable, electricity dependent customers as they do not all have the same needs and risks.

The requested funding will support completion of three activities during FY20:

- 1) EBCE will partner with local public health institutions such as hospitals and municipal emergency services agencies to identify customers with critical, electricity dependent medical needs in our service territory. EBCE will work with community partners to identify these customers, assess their individual needs, and develop the appropriate PSPS solutions.
- 2) EBCE will partner with other CCAs and the private sector to deploy solar and battery energy storage systems on homes of at least 30 Medical Baseline / electricity dependent customers to deliver immediate relief and test the approach and pricing for this solution. These back-up power systems will allow customers that are unable to leave their homes to safely stay at home during a power outage. It could also reduce power outage-related calls that these customers place to emergency services.
- 3) EBCE will take the learnings from the first two activities and contract with a consultant to develop a comprehensive solution for all types of Medical Baseline / electricity dependent customers.

The output of these efforts will be a suite of solutions for Medical Baseline / electricity dependent customers EBCE will implement going forward. EBCE will provide the Board with a comprehensive plan and the associated budget required to fund and deliver support this customer segment. The cost of these programs will be included in future Local Development Program Budget budgets.

### **Fiscal Impact**

The total value of this request is \$500,000 of additional funds to be allocated to Local Development budget for 2020.

### **Attachments**

- A. Resolution Authorizing the addition \$500,000 in funding to the Fiscal Year 2020 Local Development Program budget; and
- B. Medical Baseline Resilience Program Presentation



## Medical Baseline Program

PRESENTED BY: JP ROSS  
Senior Director of Local Development, Electrification  
and Innovation

NOVEMBER 18, 2019

# MEDICAL BASELINE BACKGROUND & PSPS

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## Medical Baseline Allotment

- Program to provide medically dependent customers with an extra allotment of 500kWh/month at tier 1, lower cost, electricity
- Provides extra protections before customers can be shut-off for non-payment
- Provides extra notification before PSPS events

## PSPS impacts to EBCE Medical Baseline Customers

- 2 Public Safety Power Shutoffs (PSPS) events in October
- 10/10 impacted 30,185 customers, with 816 medical baseline without power
- 10/26 impacted 49,119 customers, with 1038 medical baseline without power
- 18,972 customers and 570 medical baseline were without power for both events – so these events may not always be concentrated on the same customers



PSPS Outage  
PSPS Non-Outage  
Possible-Outage

# MEDICAL BASELINE PROGRAM REQUEST

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Requesting additional \$500k for FY '20 LDBP budget to develop Medical Baseline resilience program to:

- Partner with local public health institutions such as hospitals and municipal emergency services agencies to identify customers with critical medical needs in our Service Territory.
- Identify medically dependent patients where the installation of a solar+storage system can provide immediate relief from PSPS events. EBCE will partner with other CCAs and private solar companies to install solar + storage systems on at least 30 of these homes to test the approach and pricing for this solution.
- Contract with a consultant to develop a comprehensive solution for all types of medically dependent customers.