

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: AUGUST 11, 2025

SUBJECT: CALIFORNIA ENERGY COMMISSION'S COMMUNITY ENERGY RELIABILITY AND RESILIENCE GRANT APPLICATION FOR WILDFIRE MITIGATION PLAN PREVENTION STRATEGIES FOR A GRANT AMOUNT OF \$5.25 MILLION AND GRANT MATCH FUNDS OF \$2.0 MILLION – SUPPLEMENTAL APPROPRIATION

ISSUE:

Consider authorization for the submittal of a Community Energy Reliability and Resilience Investment Program grant application to the California Energy Commission in an amount up to \$5.25 million and grant match funds of \$2.0 million from Riverside Public Utilities to implement the Wildfire Mitigation Plan prevention strategies and reduce ignitions risks from electrical infrastructure in High Fire Threat Districts.

RECOMMENDATIONS:

That the Board of Public Utilities approve and recommend that the City Council:

1. Authorize the Public Utilities Department to submit a Community Energy Reliability and Resilience Investment application to the California Energy Commission in an amount up to \$5.25 million and grant match funds of \$2.0 million for deployment of the Wildfire Mitigation Plan prevention strategies;
2. Upon grant award, authorize the City to receive \$5.25 million from the California Energy Commission Community Energy Reliability and Resilience Investment Grant Program for deployment of the Wildfire Mitigation Plan prevention strategies;
3. With at least five affirmative votes, and upon receipt of grant of award, authorize the Chief Financial Officer, or designee, to record an increase in revenues and a supplemental appropriation in the amount of \$5.25 million, or the actual award amount, in the Electric Fund Federal Operating Grants revenue and CERRI Grant – Wildfire Mitigation Plan Project Grant portion expenditure accounts;
4. Authorize the City Manager, or designee, to execute all documents and instruments necessary related to the application for grant funding to participate and take all necessary actions required or advisable to implement, administer and carry out the responsibilities under the California Energy Commission Community Energy Reliability and Resilience Investment Grant Program, including making minor and non-substantive changes and to execute corrections and amendments as necessary.

LEGISLATIVE HISTORY:

On November 15, 2021, the United States of America Congress authorized and enacted the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, Public Law 117-58. The Act includes Section 40101(d), which provides funding to prevent outages and enhance electric grid resilience through formula grants administered by the U.S. Department of Energy (DOE).

The California Energy Commission was designated as the sole entity to administer the State of California's share of these funds, totaling approximately \$170 million. The CEC established the Community Energy Reliability and Resilience Investment (CERRI) Program to distribute this funding to qualified entities across the state.

BACKGROUND:

The DOE's funding under Section 40101(d) aims to enhance grid resilience, support economic development, and promote infrastructure improvements, including grid modernization. The CEC's CERRI Program enables entities such as Riverside Public Utilities (RPU) to access these funds for projects that align with these objectives.

RPU creates an annual Wildfire Mitigation Plan (WMP) that is a structured protocol to mitigate the risk of their electric utility infrastructure causing a wildfire. The WMP is submitted annually to the Board of Public Utilities for approval before it is sent to the Wildfire Safety Advisory Board (WSAB). RPU's most recent WMP was approved by the Board on June 9, 2025 and submitted to the WSAB on June 25, 2025. This complies with the requirements of Public Utilities Code Section 8387 for publicly owned electric utilities. The primary objective of the WMP is to protect public safety, and includes an actionable, measurable, and adaptive plan to reduce the risk of potential wildfire causing ignitions associated with electrical infrastructure in High Fire Threat Districts (HFTD) through enhanced system hardening, situational awareness, and operational practices.

RPU's electric facilities are designed and constructed to meet or exceed the relevant federal, state, or industry standard. CPUC General Order (GO) 95 is a key industry standard for design and construction standards for overhead electrical facilities. RPU meets all standards in GO 95. Additionally, RPU monitors and follows the Institute of Electrical and Electronics Engineers (IEEE) standards and National Electric Safety Code, as appropriate. RPU designs and specifies materials to meet or exceed industry standards. RPU continuously evaluates and makes modifications to existing designs to address any potential threats.

Wildfire Mitigation Strategies

To implement the WMP effectively, RPU is focusing on targeted infrastructure upgrades to enhance system reliability and reduce wildfire risks in HFTDs. These upgrades include the strategic deployment of advanced protective devices and materials designed to minimize fault-related ignitions.

RPU's proposed initiatives, if funded by the CERRI grant and matching funds, aim to strengthen the electrical grid in HFTDs through the following measures:

1. Protective devices

The protective devices on the distribution system are responsible for limiting short circuits on the system. Short circuits can cause fires or explosions and further damage utility equipment. While these devices cannot prevent the fault from occurring, they can limit the number of customers who experience an outage due to a fault. When there are many well-coordinated protective devices deployed on a circuit, the customer power interruptions are even further reduced.

a. Fuse Replacement

Fuses are devices that protect electrical lines and equipment during fault or overload conditions. Historically, RPU, as well as most of the electric industry, standardized conventional type fuses to protect their system. During overload or fault conditions, a conventional fuse will operate and can expel hot particles and gases, which could ignite nearby vegetation.

RPU is developing projects to replace these existing fuses with CALFIRE approved fuses that suppresses and contains the arc. These fuses substantially reduce the risk of initiating wildfires. In addition, these fuses clear faults faster and reduce the fault energy. This minimizes electrical arcs and sparks during fault events and minimizes the impact of a fault on electrical equipment along the circuit. Any new fuse added or replaced in the HFTD service territory will be CALFIRE approved fuses.

b. Fuse Saver

RPU constructs its overhead electrical lines in alignment with industry standards by installing bare wires spanned on top of insulators on wooden poles. These lines are constructed at a certain height above the ground and a certain distance from adjacent objects based on appropriate design criteria to prevent contact and faults. Unfortunately, foreign objects such as animals and mylar balloons can still occasionally come into contact with overhead electrical lines. Animals and mylar balloons are highly conductive and could result in a fault when contact is made with overhead electric lines. In a worst-case scenario, this could also cause the conductor to fail and land in an energized mode, causing a fire ignition.

RPU is developing projects to install "Fuse savers," designed to rapidly clear electrical faults on power lines in the HFTD. This will significantly reduce the risk of arcing and sparking that could ignite wildfires by acting much faster than traditional fuses when a fault occurs. It minimizes the duration of an electrical arc, drastically lowering the chance of igniting nearby vegetation.

2. Reconductoring

Replacement of existing #6 bare copper conductor in the HFTD. For new construction, RPU utilizes #2 aluminum conductor steel reinforced (ACSR) as a standard for local circuit segments that branch off from a main backbone. The increased strength gained from this steel reinforcement will help reduce "wires down" events in the HFTD. RPU is also evaluating the use of ACSR covered conductor as a replacement option. Covered conductors have a layer of insulation around the main high strength ACSR conductor. This insulation would prevent outages from wire-to-wire contact and wire contact with foreign objects or vegetation.

DISCUSSION:

The CERRI Program invests in grid hardening and grid resilience projects across California that increase community energy reliability and resilience, support California's resilience and energy policies, and create good-paying jobs. The CERRI Program is a competitive grant program that is designed to prioritize projects that will generate the greatest community benefit by reducing the likelihood and consequences of electrical system outages. The program objectives are oriented around four main themes:

1. Reduce the frequency, duration, and magnitude of power outages and strengthen communities' ability to function during power outages by providing day-to-day and emergency services for constituents.
2. Ensure that the benefits of clean, safe, affordable, and reliable energy are shared by all, particularly priority communities (low-income, disadvantaged, and tribal) and communities with critical energy reliability and resilience needs.
3. Support California's energy and resilience goals.
4. Create high-quality jobs with strong labor standards and protections that attract and train a skilled workforce for lasting careers in the clean energy industry.

On May 8, 2025, the CEC released the (CERRI) Program Round 2 grant funding opportunity. Proposed activities must strictly adhere to eligible activities and aim to improve the reliability and resilience of the electric grid against "disruptive events". Per Bipartisan Infrastructure Law (BIL) section 40101(a)(1), a disruptive event is "an event in which operations of the electric grid are disrupted, preventively shut off, or cannot operate safely due to extreme weather, wildfire, or a natural disaster." Disruptive events do not include threats from human causes (e.g., vehicle collisions, mylar balloons), nuisance pests (e.g., squirrels) or other non-environmental factors.

Eligible CERRI Program Funds activities:

1. Fire-resistant technologies and fire prevention systems
2. Utility pole management
3. Relocation of power lines or reconductoring of power lines with low-sag, advanced conductors
4. Adaptive protection technologies
5. Hardening of power lines, facilities, substations, and other systems
6. Replacement of old overhead conductors and underground cables

Applicants must provide cost matching contributions that will be used towards the proposed project. Small entities such as Riverside must match at least 33.33% of the requested funding. Most recipients from the prior round of funding provided a higher match than required.

RPU will seek up to \$2.0 million for the project's grant match funding. These funds will be used to exceed the required 33.33% cost match for this grant with an estimated project cost of \$5.25 million as the requested grant fund application amount. Grant matches that exceed \$1.0 million require Board and City Council approval prior to submitting the grant application.

Compressed timeline for Board and Council consideration

The deadline to apply for this grant funding opportunity is August 29, 2025. The City Council has limited meeting dates in August for the summer schedule. In order to meet the grant submission deadline, the City Council consideration of this item is scheduled for August 19, 2025 with an agenda publication date of August 7, 2025, which is prior to this staff report's Board of Public Utilities meeting. Staff will revise the report with the Board's recommendation and action prior to

the City Council's consideration. If the Board does not approve the grant submittal, then the item will be removed from Council consideration.

FISCAL IMPACT:

The total fiscal impact of this action is an increase in revenue and expenditures in the amount of \$5,250,000, or the actual award amount, plus a required 33.33% match of \$2,000,000. The total grant award is up to \$5,250,000, with matching funds of \$2,000,000 which exceeds the required 33.33% match. Sufficient funds are available for the required match and will be transferred from the Electric Fund Public Utilities Line Rebuilds Account No. 6130100-470603 to the Electric Fund CERRI Grant - Wildfire Mitigation Plan Project Account 6900300-440301. Upon Council approval and receipt of the grant award, an increase in revenue will be recorded and an equal amount of expenditures will be appropriated in an amount up to \$5,250,000 in the Electric Fund, CERRI Grant - Wildfire Mitigation Plan Project, Revenue and Expenditure accounts listed in the table below.

Fund	Program	Account	Amount
Electric Fund	<i>Revenue</i>		
	CERRI Grant - Wildfire Mitigation Plan Project	6900300-331300	\$5,250,000
	<i>Expenditures</i>		
	CERRI Grant - Wildfire Mitigation Plan Project – Grant	6900300-440120	\$5,250,000
	CERRI Grant - Wildfire Mitigation Plan Project – RPU	6900300-440301	\$2,000,000
	Total Expenditures		\$7,250,000

Prepared by:	Daniel E. Honeyfield, Utilities Assistant General Manager/Energy Delivery
Approved by:	David A. Garcia, Utilities General Manager
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachment: Presentation