

Submitted to CAEECC at Ad Hoc Meeting 3-17-17

These comments represent the consensus comments of the following members of the coalition: (1) BlueGreen Alliance, (2) Sierra Club California, (3) The Greenlining Institute, (4) California Community Colleges Chancellor's Office, (5) Joint Committee on Energy and Environmental Policy, (6) Operating and Stationary Engineers, locals 39 and 501, (7) Avery Energy Enterprise, (8) International Brotherhood of Electrical Workers, California Inside Locals, (9) the California Labor Federation, (10) Western States Council of Sheet Metal, Air, Rail and Transportation Workers, (11) California State Pipe Trades Council, (12) National Electrical Contractors Association (California), (13) Carol Zabin, Chair of the Don Vial Center for Employment in the Green Economy; and (14) Center for Sustainable Energy.

Implementation Process and CAEECC's Role in It

- CEE requests that CPUC staff provide a presentation on their (and the Commission's) role in implementation and oversight of the Business Plan –where are the gaps in current guidance; who has what role, what does staff review and provide feedback; what needs staff approval; what is the process for reviewing compliance with BP goals (annual deep dives, performance review, review of metrics etc.) and who does this review; will there be a report for stakeholders to review and provide comments?
 - What is scope of IE/PRG review – should include review of consistency with BP goals and guidance.
 - What is relationship between CAEECC and IE/PRG – will there be a report for stakeholders who don't participate in the PRG?
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Summary of CEE Proposed Recommendations for Implementation of Business Plans

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Annual Budget Authority Advice Letters

- Advice letters to justify annual budget, consistent with Business Plans and the implementation plans.
 - How have program changes or administrative activities changed the budget?
 - How have new contracts changed the role of the administrator, and the associated budget?

Implementation of Business Plans

- Meaningful oversight of procurement process

- Utilization of Independent Evaluator reporting to Energy Division with regular stakeholder meetings to review bidding plans, RFPs, bid evaluations, and final selection. Non-financially interested stakeholders would participate.
- PAs to submit proposed contracts to CPUC for approval. Benefits include:
 - Stakeholder process should reduce party protests, or at least expedite the protest period (no need for extensive data requests).
 - CPUC approval reduces PA and implementer community uncertainty about contracts.
- Regular status updates at CAEECC of PA activities using Business Plans as review point, as described in D.15-10-028. These updates would include activities such as:
 - Examination of PA achievements vs. metrics
 - Implementation of Commission’s direction to put programs out to bid
 - Achievement of savings versus spending
 - Identification of additional needed programs/RFPs, and modifications to existing programs/contracts.
 - Conduct annual reviews of PA activities to assess overall program consistency with state energy goals and policies and to identify any changes that may be necessary to Business Plans, implementation plans, budgets or programs to comply with changes or updates to state energy goals and policies.
 - PAs to prepare annual report demonstrating performance.
 - Stakeholders and staff review report and assess program consistency.
 - Staff may request any additional information needed for assessment.
 - PA’s must propose any necessary amendments to Business Plans, implementation plans, budgets or programs to address issues identified by the annual review.

Implementation Plan Review Process

- Implementation plans should be aligned with terms of signed contracts (e.g., pay-for-performance) with implementers and provide metrics that roll up to the metrics in the Business Plans.
- Implementation plans should be developed with early stakeholder input in a process similar to the use of the CAEECC in the Business Plan adoption process.
 - Stakeholders and staff should be consulted early on for input on general proposal

design and its consistency with Business Plan requirements and applicable state guidance documents and decisions.

- Stakeholders and staff should have an opportunity to review and comment on Implementation Plans before they are finalized. PAs must provide response to any written comments.

Procurement Review Process

The procurement review process for energy efficiency programs should include roles for an Independent Evaluator (“IE”) and a Peer Review Group (“PRG”). The IE and PRG should

1. Review how PAs structure their bids to ensure consistency with Commission guidance and state policy, including proposed budgets, prequalification requirements, scopes of work, performance and M&V requirements, target TRC and PAC, evaluation criteria and each criterion’s respective weight, and RFP distribution lists to be used.
 2. Review the results of the PAs’ evaluation processes (e.g., how many parties responded to each bid, what was the range of scoring results, disqualified respondents, the qualifications of the PA evaluators, etc.).
 3. Assist the PRG in its assessment of the effectiveness of the IOUs’ portfolios.
 4. Provide a written assessment to the Energy Division and the PRG of the RFP processes and results, with possible suggestions for future enhancements.
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