

September 3, 2016

To: California Energy Efficiency Coordinating Committee

Attn: Ted Pope, Meghan Dewey, and Lara Ettenson

Re. Response to Agenda for the 9/8/2016 Ad Hoc Working Group Discussion

We ask that the agenda for the 9/8/2016 Ad Hoc Working Group Discussion be expanded to encompass additional issues relating to the Decision Providing Guidance for Initial Energy Efficiency Rolling Portfolio Business Plan Filings (“Guidance Decision”).

The Guidance Decision is much more comprehensive than the list of topics listed in the proposed agenda for September 8th meeting and fails to address a number of critical issues that we have raised on behalf of the Coalition for Energy Efficiency (BlueGreen Alliance; Sierra Club, California; The Greenlining Institute; Joint Committee on Energy and Environmental Policy; California Operating and Stationary Engineers; California Community Colleges Chancellor’s Office; Sheet Metal, Air, Rail, and Transportation Industry; The Utility Reform Network - TURN; International Brotherhood of Electrical Workers; The California Labor Federation; California Advanced Lighting Control Training Program; National Electrical Contractors Association; California State Pipe Trades Council; Center for Sustainable Energy).

While we support maintaining the current agenda items regarding the mechanics of implementing statewide program transitions and third party outsourcing, the Coalition wants to ensure that the business plan authors comply with the full decision, and do not just pick and choose which topics to address.

Toward that end, the following additional issues also need CAEEC feedback and should be included in the agenda:

1. *Meter-based EM&V*

The Coalition’s comments called for: Incentive programs to measure real energy savings and to develop automated metering infrastructures to favor more cost-effective programs

From the Decision:

- P. 61: We will not order that all statewide programs be implemented on a pay-for-performance basis, but we encourage the administrators to utilize this contractual option as much as possible, when it makes sense to do so.
- P. 113: “Energy Savings Performance Incentive scores shall be weighted for the utility program administrators based on the proportion of deemed savings and custom measures in each utility’s portfolio.”

2. Workforce Qualifications/Highly skilled workforce/Opportunities for Workers from Disadvantaged Communities

The Coalition's comments called for: "the business plans to include clear and detailed descriptions of how incentive programs will ensure energy efficiency measures are installed by a trained, skilled and diverse workforce, and amended to include actual metrics to assess the achievement of these goals." The 2008 Long Term Energy Efficiency Strategic Plan requires that, by 2020, "California's workforce is trained and fully engaged to provide the human capital necessary to achieve California's economic energy efficiency and demand-side management potential." The Plan also includes a goal to "ensure that minority, low-income and disadvantaged communities fully participate in training and education programs at all levels of the demand-side management (DSM) and energy efficiency industry." D.12-11-015, Decision Approving 2013-2014 Energy Efficiency Programs and Budgets to develop a comprehensive approach to increasing the demand for skilled workers through skills standards and certification requirements for utility incentive programs.

From the Decision:

- P. 63: We clarify that nothing in this decision modifies any of those prior directives [Long Term Energy Efficiency Strategic Plan and D.12-11-015], and the Commission still expects the business plans and program designs to address the issue of ensuring and continuously improving workforce and installation quality for energy efficiency measures.
- P. 92: We clarify that nothing in this decision contradicts those prior directives [Long Term Energy Efficiency Strategic Plan and D.12-11-015], and the Commission continues to emphasize the need to address these issues in the business plan filings and energy efficiency program design in general.
- P. 111: "Each utility program administrator shall include in its business plan filing the objectives and metrics that will be met with each statewide or third-party program or subprogram...."

3. Worker Education and Training (WE&T): Statewide Coordination

The Coalition's comments called for: "statewide coordination of WE&T programs without eliminating or changing the roles of the IOU energy center WE&T programs, apprenticeship programs, and community college programs that implement WE&T at the local level. Statewide coordination should be used to identify statewide WE&T goals and to harmonize these goals with the programs of the various WE&T providers. "

From the Decision:

- P. 109: Statewide defined as: Uniformly delivered and consistent across all IOU territories; single program administrator, but there could be one or more implementers

across the state under contract to the lead administrator. Local/regional variations generally not allowed save for weather-related differences.

- P. 110: At least 25% of portfolio budget must be statewide.
- P. 110: Specific programs called out as being statewide including: WE&T; Government Partnerships (CCC); Residential HVAC Up-/Midstream and new construction; Commercial HVAC Up-/Midstream and Savings by design; Lighting innovation and market transformation; and other programs.

Early CAEECC feedback on the meaning and implementation of all aspects of the Guidance Decision is critical to ensure that the CAEECC process is effective. We look forward to working with the PAs to ensure that the Business Plans accurately reflect the intent of the Guidance Decision and the feedback of the CAEECC stakeholders.

Sincerely,

Bernie Kotlier
Executive Director, Sustainable Energy Solutions
Labor Management Cooperation Committee
IBEW-NECA California

Co-authored with
Ross Nakasone
California Policy Organizer
BlueGreen Alliance

cc: Commissioner Carla J. Peterman
David Gamson, Chief of Staff
Pete Scala, Energy Division
Hazlyn Fortune, Energy Division
Michael Campbell, Office of Ratepayer Advocates