

Southern California Edison
SCE EE Business Plan A.17-01-013

DATA REQUEST SET A.17-01-013-CEE-SCE-001

To: CEE
Prepared by:
Title:
Dated: 03/24/2017

Question 009:

On page 174, the SCE 2018-2025 Energy Efficiency Rolling Portfolio Business Plan asserts that “prevailing wage requirements, Disadvantaged Business Enterprise (DBE), Veteran Business Enterprise (VBE), and Women & Minorities Business Enterprise (WMBE) goals and statutes may create additional barriers for Public Sector customers.”

- (a) Identify and explain the basis for this claim.
- (b) Please provide any studies, reports, data or other evidence relied upon to support this claim.
- (c) Has SCE evaluated and identified the benefits that prevailing wage, DBE and WMBE provide to the public or to Public Sector customers? If yes, please provide a copy of this evaluation.

Response to Question 009:

(a) SCE clarifies the the statement in SCE's Business Plan, to mean that these requirements may create two barriers: (1) lengthening of time to solicit work and (2) ability to use certain SCE programs. This statement was not made as a judgement on any of the bidder qualifications highlighted, except to say that Public Sector customers may face regulatory restrictions that traditional business customers do not.

(b)The main justification for this statement is the Public Contract Code (*See generally* California Public Contract Code - PCC, available at <http://codes.findlaw.com/ca/public-contract-code/>.) and other related municipal contract codes, such as Santa Monica's Prevailing Wage Code (Santa Monica Municipal Code Article 7, Chapter 7.28. “Prevailing Wages shall be paid by contractors on public works projects.”). Evergreen Economics' draft “*Process Evaluation of the Riverside County Local Government Partnership Program* ” highlights the challenges Riverside County has had replacing a commissioning program contractor and utilizing SCE's direct install program. (Pg. 4, Evergreen Economics, “Process Evaluation of the Riverside County Local Government Partnership Program”, draft report due March 2017.) Additionally, this claim was made after talking with key public sector customers, account managers and program managers. The barrier was also discussed and vetted through the CAEECC process, Local Government All Partners meetings, and other ad hoc stakeholder meetings.

(c) As explained above, this statement was not made as a judgement on any of the bidder qualifications highlighted, except to say that Public Sector customers may face regulatory restrictions that traditional business customers do not. Therefore, SCE did not evaluate the benefits of these bidder qualifications.