

Notes from Energy Efficiency Coordinating Committee Meeting #9
9/21/2016 9:00AM to 5:00PM Location: Bay Area Metro Center, San Francisco
Meeting Co-Chairs: Lara Ettenson, NRDC, Meghan Dewey, PG&E
Facilitator/Notes: 2050 Partners, Inc.

Notes: Presentations are generally not summarized in these notes. Please see presentation slides and other meeting materials on www.CAEECC.org website for context. Lack of attribution for meeting participant comments is intentional by agreement of Coordinating Committee.

Welcome and Background – Jenny Berg

- Welcome to the Bay Area Metro Center.
- Intro to building and safety message.

Facilitator: Thank you to Jenny and ABAG for hosting meeting.

- Introductions around the room – CC members on the phone.
- Meeting evaluation form and comments forms available.
- Process rules: Members of CC have priority to speak. Public comments will also be allowed.
- CC is to provide input to PAs on BPs, but no ultimate decisions will be made. No voting.

Standing Topics

None.

Announcements

EM&V goals and potential forecasting – Carmen Best

- CPUC wants to gather feedback from stakeholders on how we are doing on Evaluation Plan roadmap.
- We can use feedback to imbed in continuing studies or to help in designing new studies.
- Chapters are organized by historic strategic plan; not aligned with BPs yet, but will be next year.
- Mona Dzvova is leading this process.
- Please submit comments on overarching needs or for specific chapters.
- Webinars happening through October – [see schedule](#). See also [Plan Update Process Flow](#) and [Update Process for December Update \(V7\)](#)
- Public webinars on roadmap provide open forum for discussion.
- Tips to prepare: read roadmap, then look at your sector for what needs to be studied next.
- We are looking to solicit ideas; we will not be making presentations.
- Think about how things are changing.
- Consider “No Regrets” strategies.

- Our roadmap is not pre-defined. This is an open field. Come with your ideas and thoughts.
- This is not a consultant-led process. This is the public process. Please weigh in and give your ideas.
- After public webinars we will pull it all together and provide findings in December meeting. Then we will prepare update for this year.
- We'll do it again next year and re-align with the BPs.
- You can also provide feedback informally by going directly to section contact with comments.

LGP statewide proposal – Angie Hacker and Craig Perkins

- PUC has directed that LGSEC submit a draft BP.
- Will provide on October 18.
- Still in development but moving quickly.
- We think it is best to hold discussion until stakeholders get all details.
- Discussion will take place at CAEECC CC meeting on October 19.

Agenda Review - Facilitator

Session 1: PA Updates and Discussion: Statewide Program Transition Plan

Facilitator: PAs have been working on response to Final Decision which calls for a significant shift to Statewide programs. Commission also asked for proposals for four pilot programs to assess how Statewide approach could work on downstream programs. Commission opened door to re-define upstream programs.

Statewide lead assignments – Matt Evans

- IOUs met several times, had many discussions.
- Brought proposals to directors.
- Ratified by PAs for upstream and mid-stream Statewide programs as defined in Decision.
- See Statewide Lead Proposal [presentation slide](#)

Question: Is this final or still under evaluation?

Response: It is pretty much final but looking for input if there are things we haven't thought about.

Question: What does "lead PA" mean? What roles will other PAs have?

Response: We are still working on roles and responsibilities for lead PA and coordinating PAs.

Comment: Part of the idea was to reduce the amount of administrative overhead by having one Statewide lead. If all PAs are still working on these, it is not what we are looking for.

Response: Coordinating PAs may just be providing guidance.

Comment: Shouldn't this be governed by the bidding process? I thought the Commission gave strong directive on this issue.

Question: What about agricultural and industrial sectors?

Response: Everything is downstream for those sectors.

Comment: Thank you for the presentation. At last *ad hoc* meeting, NRDC was very supportive of PG&E leading Codes & Standards. It is not clear what the benefit is of splitting up Codes & Standards.

Comment: I thought you would provide more analysis for these decisions. Examples of criteria would be: which PAs exceeded their goals for the past few years; which utilities have won national awards. Can you explain why you think each PA will exceed goals in the areas for which it will now be Statewide lead? I'd like to see analysis of why PAs were chosen for each particular area. Can you provide this next time?

Response: SCE looked at quantitative and qualitative data to analyze programs. If you look at Emerging Technologies, Savings by Design and Building Code Advocacy, that is the optimum combination for SCE to reach State goals. That is a natural grouping. Plug loads and appliances is another strategic grouping.

Response: It is important to remember that the Decision makes it clear that implementers will really help shape design of Statewide programs going forward. Sure it matters who is lead PA, but implementers will also play strong role in helping develop these programs. Many of the programs will not look the same as they look today because we will have a strong voice from the market in designing programs going forward.

Comment: Traditionally there has been a similar connection between appliance and codes. I'm not sure why there are different leads for these programs. If we have two PAs and two implementers working on different tracks, that may not relieve administrative burden.

Response: Edison has had strong leadership in state for Title 24 . SCE has optimum mix to reach 2030 ZNE goals.

Response: There is an opportunity to rationalize implementers. It will be critical to bringing economies of scale.

Comment: PG&E response to this issue is unsatisfactory. I expected that there would be a lead for each program. I didn't expect the programs would get broken up. If this stays the same, I expect ORA will oppose what has been proposed. It is not what the Commission proposed in the Decision. I think the Commission was clear that programs would be put out to bid and that third parties would help design programs. This looks potentially to me like you won't get benefits of having a single administrator. It looks similar to what we have now.

Comment: I'd like to see a matrix with criteria for scoring who would be lead for each program. What were bases for these decisions? What data was used to determine who would lead?

Response: That is a great idea but I don't want us to get stuck in analysis paralysis. All PAs have exceeded goals in certain aspects. I'm not sure this will tell you anything that will be very helpful. We can pull savings achievements from our annual reports.

Response: Certain combinations of programs work well to support California's goals.

Comment: I'd like to understand the logic here. It would be nice to understand the value that a PA brings to a certain set of programs. Also, what are the efficiencies that you think you are bringing from these groupings?

Comment: I agree with these comments. I'm concerned that this appears to be more division and complication, than less. I'm concerned with lack of analysis or lack of presentation of analysis. I'd like to see a bottom up approach to midstream activities in keeping with the Decision (at p. 56) which encourages that type of analysis. This sort of extreme mincing of Statewide programs precludes the opportunity for that to happen.

Response: Request is duly noted.

Downstream pilots – Matt Evans

- General agreement in some areas among PAs
- This is a work in progress, but generally, [see Downstream Pilots Program presentation slide](#)
- PAs will continue discussions.
- Maybe we can come back on September 30 for a short webinar with final presentation.
- We are welcome to suggestions for final approach.

Comment (from PA): We want stakeholder feedback on downstream pilots. We are set to submit first drafts of chapters. We want feedback on when you want final list of downstream pilots. We don't want surprises.

[WE&T Pilot Program Draft Concept](#) – Brandi Turner and Sam Jensen Augustine

- This is a Career and Workforce Readiness Program
- We are brainstorming. We want initial stakeholder feedback.
- Not sure if it will be a local or Statewide program.
- After we get feedback, we will explore further with WE&T Subcommittee.
- One issue is how WE&T as an energy savings program should complement efforts of other agencies that do workforce training. We have had feedback from both sides. We think this idea strikes a balance; it supports efficiency and workforce training. It also provides opportunity to work with third party implementers on program design.

- We are taking direction from Final Decision to heart and asking for ideas from implementers.
- We view this as an opportunity to look to third party implementers to address energy efficiency dollars while supporting disadvantaged communities.
- We are looking to third party implementers to help with providing WE&T and EE funding to enhance green EE programs. Some agencies are already doing this.
- We are leveraging job and workforce development.
- There is a need for a qualified workforce.
- We are looking to affect disadvantaged communities.
- Program will likely be launched 2018.
- Sample requirements:
 - What EE career/skills is being addressed in addressing California's Energy Goals and why?
 - What services are being offered to address the EE gaps identified by the bidder?
 - What are the additional non-EE services provided by bidders?
 - How is success measured?

Comment: I like the concept. I would like to see more details before I can comment fully.

Response: This is just in concept form. A lot of detail on how it would work operationally will come from potential bidders. We want to rely on what already exists in this area.

Response: We will keep working on it.

Comment: Regarding disadvantaged communities, do you have a set piece to look at disadvantaged communities? What is your definition?

Response: Great question. We submitted definition as part of advice letter a few years ago: A high unemployment zip code where the unemployment rate is either at least 150 percent of the median unemployment rate for the county or the state, or a low income zip code where the average household income is 50% below Area Median Income. We also take referrals from outside organizations.

Comment (from CCA): I support the general concept. I have a concern that selection of implementers or entities who will receive funding may not have appropriate awareness of local characterizations. We'd like to see local PA in role of selecting winning bids for services in their area.

Response: All of this is still on the table. We are looking for implementers to bring in local knowledge as well. It makes sense to have MCE or other local providers at the table. We also want to look for efficiencies for the program.

Co-Chair: There needs to be a balance: we want more details from PAs on programs, but PAs are trying to get details coming from implementers.

Response: If we move forward, we will provide more details in BPs.

Co-Chair: We are working on setting up a peer review group/independent evaluator dedicated to figuring out the process and approach for RFPs.

Question: What does independent evaluator do?

Response: Great question. That is what this group will address when it meets. We will take the concepts provided by Bernie Kotler for independent evaluator and will meet and vet ideas in the hopes of ultimately providing a proposal.

Facilitator: Provide written comments by 9/26 to facilitator@caeec.org. We will post on website and also provide to Sam and Brandi.

Co-Chair: For statewide SEM programs, will there be multiple third parties competing in the market?

Response: This may depend on the bidding process. It will be open to multiple bidders across the state. Bidding process will take care of efficiency issues.

Comment: MCE does not support agricultural or industrial sector strategic management as Statewide programs. We think customer interface should happen on a local level. *Dicta* from Final Decision discusses attribution to all PAs. Non-utilities may not be able to get attribution for Statewide programs. We have concerns about cost-effectiveness and how attribution will work.

Response: The local issue will still exist.

Facilitator: This is a great opportunity to provide input on Statewide assignments. Now is the opportunity for non-PAs to ask question and provide input.

Comment: For clarification, the Decision doesn't say these are "pilots." It calls for piloting downstream approach for downstream programs.

[Downstream Pilots for Statewide Administration: Programs, Approaches and Elements](#) – Mike Callahan

Question: Are you thinking that this set would substitute for one of the four?

Response: Instead of four separate programs, maybe there would be four separate elements.

Comment: I see a value to development of work papers for Statewide programs. There is a value in thinking about this logically.

Comment: BayREN supports this analysis and proposal. We have a concern about downstream programs going Statewide given local touch. One quick idea is Statewide training and curriculum -- to support the upgrade program (e.g., the training will be the same even if the individual programs are slightly different for local needs).

Comment (from PA): This does have a benefit for things that are consistent across the State. There is a lot of movement to make these things uniform across the state. For example, with respect to work papers and deemed values, there is CalTF to work through this. To the extent that MCE is interested, please participate. With respect to metered analysis, SDG&E wants to work together for consistent methodology. Some of these things are happening already, not necessarily in formal downstream programs. Reciprocity is one of the more useful things to consider to make programs consistent. Making processes across programs consistent will be valuable.

Response: This isn't just about making everything consistent. We want one entity working on programs for consistency and efficiency.

Facilitator: Overall questions on Statewide administration? Concerns about disruption? Thoughts on re-categorizing or packaging these issues?

Co-Chair: What about consolidation of all upstream/midstream? SDG&E has HVACs and Edison and SDG&E has lighting. Has that been addressed?

Response: I don't think we discussed in detail. For lighting innovation and lighting market transformation, SCE has reduced budget and eliminated some of those programs for 2017-2018. SCE may be in a different position from other PAs.

Co-Chair: A lot of upstream/midstream strategies often follow a similar recipe. I'm wondering if you were strategically trying to divide to make this more efficient? A lot of dividing up makes more challenges. It would be great if there was a consistent effort to make this more efficient.

Facilitator: Sandy Goldberg provided written comments before the meeting:

- Include \$1 million annual funding for a new partnership with Administrative Office of Courts (AOC). AOC owns/operates about 300 office buildings and has requested that IOUs establish a special partnership dedicated to its facilities. CA Department of General Services is not involved in ownership, operation or contracting for the AOC facilities. AOC buildings present huge potential for efficiency retrofits. AOC can act quickly because it does not contract through DGS, it has done many successful direct install retrofits, it has obtained audits at numerous buildings, and has plans to implement ZNE retrofits at as many facilities as possible. A preliminary proposal for the AOC Partnership is attached.

- Include additional funding for in depth audits. State facility managers have determined that in many cases the energy audits offered by the IOUs are too cursory and not helpful to act on (the exception is when the IOU provides funding for a targeted, more detailed audit).

Comment: Regarding transition issues, I think it is important to hear from PAs how they plan to minimize transition as they move to one PA. This may not be in BPs. Maybe PAs can provide supplemental documents on possible issues and proposal for resolution.

Comment: All assignments on slide are for upstream and midstream. This does not include downstream programs?

Response: Correct.

Question: What is the timeline for release of proposals for downstream programs?

Response: We plan to provide a webinar on September 30 to present proposal. UPDATE: This has been rescheduled to October 14th.

Comment (from PA): With respect to request for a one-page document regarding transition issues, this dovetails into how PAs divided up the work. In order to move programs into the market, we divided the work so that we can get it done. We want to minimize the disruption into the market. Division of the work is part of the transition plan. This is not necessarily set in stone as we move forward. We can re-arrange as we get a better understanding of the inefficiencies at issue.

Comment: This issue belongs in BPs. PAs need to set forth plan for how they will put things out to bid. It would be insufficient to say, "We plan to do it this way, but we'll adjust it as we go."

Comment: Currently, we don't have a program implementer for our [UC] partnership. I see no value in introducing a program implementer. I'd like to know more about the process for introducing program implementer for our partnership.

Response: Great question, noted for the record. Someone needs to follow up.

Comment: The September 30 webinar is just an idea. It is up to this group if we want this meeting. PAs should have something nailed down to present for downstream Statewide programs by September 30. Issue is what is best venue to further communicate the plan. Do people want a webinar on September 30?

Comment: We may not have a lot of downstream pilots on that that date – or maybe we will have a non-consensus list.

Facilitator: There needs to be interest from non-PAs for this webinar. I'm seeing enough interest for webinar on September 30 at noon.

Comment: On Statewide issue, I started mapping out which utilities have which areas. Looks like lighting innovation and market transformation will be terminated in 2017-2018. SDG&E will be left with HVAC. It makes sense to group HVAC with other upstream or midstream programs. I'd like to see more on reasoning for why HVAC is going to SDG&E.

Facilitator: Provide written comments to facilitator by September 26. We will give to PAs to prepare for webinar. This was a big, complex task. It is not easy to work out. We have appreciation for what has been accomplished and the work that lies ahead.

Session 2: Discussion: CAEECC Conflict of Interest Procedures – Evelyn Lee

- Providing overview of where legal teams are on conflict of interest issue and next steps.
- I am the Energy Efficiency attorney for PG&E. I have worked with colleagues at Edison and SDG&E on guidance from May. ED BP guidelines set out concerns that CAEECC process with stakeholders might allow an environment for influence of BP process which results in conflict of interest.
- What are legal standards for COI? You know it when you see it.
- We need to avoid situations where market actor has inside knowledge from attending meetings to get advantage to influence process of program development or bidding.
- Main issues are non-public knowledge and potential for influence.
- We have come with a policy document followed by implementation plan which addresses undue influence over BPs, insider knowledge and selection of implementers.
- Rather than exclude market actors and implementers from meetings, we think Co-Chairs and Facilitators should take responsibility for prohibiting sharing of non-public information at meetings. Meetings need to be at high enough level so no non-public information is shared. People need to identify who they are so Facilitator can exclude them from certain situations where non-public information will be provided.
- [See Joint IOU Proposal Conflict of Interest Plan](#)
- We would like to get questions and comments over the next month or so.

Comment: It would be good to establish a follow up process.

Comment: Where you refer to selecting and adopting IPs, do you mean program design or selection of implementers? This is confusing and needs to be clarified before people can comment.

Response: Selection of implementers. People can be involved with program design as long as they disclose they are implementers.

Comment (from implementer): I am confused by some of this direction, specifically the definition of implementers. The vast majority of money goes to implementers. Also, the notion of non-public information being discussed in a public forum is confusing. These conversations

should all be public. CAEECC should be public. I also have a clarifying question: when we discuss implementers not being in the room, what is a public versus non-public CAEECC meeting?

Response: All CAEECC meetings are public. PAs do not benefit personally from administration of EE programs. However, implementers do benefit financially. Scoring is generally not public information. Where competing implementers have different business plans, information about their programs is generally proprietary to their businesses. Implementers would not be in room when others are providing confidential proprietary information.

Comment: Thank you for preparing this proposal. I'd like to provide comments and ask for clarification. In public meetings, where something non-public may be discussed, can implementer participate as long as implementer declares its position?

Response: We are trying to keep agenda at higher level so no need for conflict to be addressed in meeting. We appreciate your "real world" comments about how this will work.

Facilitator: Maybe we can talk about this further at the October 19 meeting. Not sure we can do that all in one meeting.

Comment: That sounds fine but can you please send these documents to everyone, we need to get these documents in advance to review.

Facilitator: Yes, we will post on website. Written comments will be due to facilitator on Wednesday, 10/5. Then IOUs will provide a revised draft. We will post comments on website.

Comment: To clarify, I volunteer my time to this process for the benefit of energy efficiency programs in California. I think the CAEECC process should be reviewed if there are issues. We should not be reviewing bids in this forum rather than differentiating implementer roles.

Comment: I want to confirm that we are continuing to operate under rules that we have been using, as per Hazlyn comment, until final policy is agreed to and posted.

Response: Yes.

[Lunch]

Session 5: Short Topics

Implications of RFOs/Diablo Canyon for Business Plans

Facilitator: How do PAs envision handling those issues in BPs?

Comment: In general Edison will have in BPs that we need to be mindful of locational targeting, but we do not expect to provide a lot of detail on this issue now.

Co-Chair: Reminder that this is an issue on our tracker. This issue came up a long time ago. How does what we do fit into broader picture? How does Energy Efficiency fit into the broader puzzle? How are we going to see that in BPs? Testimony? What we are expecting to see?

Comment: We included comments from Decision that solicitations by utilities that happen outside EE-funded programs should be reflected in documents that deal with EE programs. Not a lot of detail since much will be speculative but it would be valuable to have total budget, what activities are, etc. so stakeholders can look at BPs and see the big picture, not just EE.

Comment: Agreed.

How budgets will be organized and presented in the BP drafts

Facilitator: This issue is from ED checklist for BPs. Are PAs planning to include program level budgeting in view of ED guidance?

Comment: Program level budgets should be in annual advice letters. Cost effectiveness should be in advice letter. Program level requirements was a remnant of the guidance prior to the 9/1 filing. Originally, the BP cost information was going to be filed at the same time as the programmatic annual advice letter. We assume they will be merged at some point.

Comment: It would be good to have sector level budgets even though duplicated in CEDARS, not just program level.

Session 3: Discussion: Approaches for Transitioning to Third Party Outsourcing given 60% minimum by 2020

Facilitator: Directive from Commission for PAs to include in BPs how they intend to meet 60% or more stipulation for third party outsourcing.

Under new decision, third party means program designed and proposed by non-PA. Statewide is different from third party. Most Statewide administered contracts may be bid out on a third party basis. Just because program is Statewide does not necessarily make implementer a third party [*subsequently disputed per Ordering Paragraph 5, which states "For energy efficiency program purposes, "statewide" shall be defined as: A program or subprogram that is designed to be delivered uniformly throughout the four large investor-owned utility service territories. Each statewide program and/or subprogram shall be consistent across territories and overseen by a single lead program administrator. One or more statewide implementers, under contract to the lead administrator, should design and deliver the program or subprogram."* (p.109, D16-08-019)].

This is an opportunity for stakeholders to weigh in with comments and seek clarity on this issue. It will be a radical switch from where we are now to where we need to be in 2020. Don't ask about specific programs today. Those need to be worked out as part of IP process. Today we can address more general issues:

- What kind of conversation will there be in BPs that address issue of meeting 60% goal?

- Gap regarding actual definition of third party in practice. Commission requires “designed and proposed.” What about programs that were designed and proposed 10 years ago? What do we mean by third party?
- Is outsourcing likely to happen on program-by-program basis or on a sector basis?
- PAs are not in position to lay out a lot of detail today. What time frame are we on for resolution?

Comment: Decision addresses third party programs on p. 70. Presumption is that things will be put out to bid. 60% is not the limit. (Decision, p. 73.) It would be problematic for a party to think that 60% is the limit.

Facilitator: Yes, 60% is the minimum.

Facilitator: Can PAs share level of what will be included in BPs on how issues will be handled?

Comment: It makes me nervous in practicality what it means to scale from 20% (current) to 60%. This will require a lot of bidding out. What can we expect to see? Is there any strategy?

Comment: My expectation is that BPs would look at market segments and include areas where its best to put bids out first. That would be an initial part of each BP chapter: here’s our general strategy for when we will put these programs out to bid and timeline for doing that.

Comment (from PA): We are still giving thought to how this will be included in timeline. In our BPs we outline our tactics (existing, modified and new – short, mid and long term). Those that are existing and short term are obvious choices for first wave of solicitations. We have a long way to go on this.

Comment: We appreciate the extent that you can make it chart-like and explain how you plan to go out. Also, how long do you anticipate it will take to issue RFPs and actually make a change for customer? Just as clear as you can be will be helpful.

Facilitator: Sounds like this will not be totally resolved in October 18 drafts?

Co-Chair: If program is already in play and had been designed completely by a third party, seems like that can just stay. If there is a program that was designed by a third party and PA wants to see if they can get it cheaper, and bids it out, then it would not be compliant.

Facilitator: Does anyone disagree with that?

Response (from PA): I agree with that. If we have an existing third party program, and there is no need to re-bid, then it qualifies. SDG&E reviews and vintages programs. I get your point that we can’t just re-bid the same programs. If third parties come in with new ideas or variations on the theme, that is different. If program is same, and we re-bid just to get a better price, then it wouldn’t count. But where would such a program sit?

Response: Not in the third party category.

Comment (from PA): Our strategy is to go out no sooner than the fourth quarters for our third party programs. We also want to see new ideas. General strategy: we want to get the most bang for the buck with currently existing program. We may ask for new designs, and if nobody comes up with anything better, we can work with what we have.

Comment: If you come up with solicitation with a scope, that should probably not be a third party.

Comment: If we bid program we already have and ask for other ideas, then doesn't count as third party. But if we say we are looking for ideas in this area and our current program looks like this, then it moves over the third party.

Comment: I agree.

Co-Chair: When do IOUs think they can come to CAEECC with proposal?

Facilitator: Who thinks they will have a proposal in BP draft?

Response: SoCalGas most likely to propose at November 16 meeting. We may provide in some draft chapters on October 18.

Co-Chair: Can other PAs commit to November 16?

Comment: I agree. This is a central cornerstone to what we are doing. We need this to be able to evaluate the rest of the plans. November is already too late.

Comment: Coalition for Energy Efficiency feels sooner is better.

Comment (from PA): BPs must have bid process, what aspects will be in bid, and a timeline. To the extent that drafts do not have these components, then there is a significant piece missing from BPs.

Comment: Agreed.

Facilitator: Then we will pick this up on November 16.

Comment (from PA): Understanding the need and where we are today, I appreciate that the timeline we are thinking about is to accommodate PAs. It seems like it is incumbent on PAs to think about a schedule that will accommodate vetting and managing our internal schedules.

Comment (from PA): We will have some of this in our chapters on October 18. Rest will spill over to November.

Facilitator: Can PAs commit to a schedule for discussion on September 30?

Comment (from PA): I don't know.

Comment: Plan for bidding out should be included in BP drafts on October 18th.

Facilitator: We are going to start our discussion of Voluntary Draft BP Chapters.

- Drafts are not complete.
- Please be constructive in comments.
- [See Discussion Guide for 9/21 CAEECC Meeting Session Nos. 6-10.](#)
- Comments due to facilitator@caeec.org on September 28.

Co-Chair: I have a general structural comment. We need to take another look at organization and checklist to make BPs more streamlined and easier to understand. Would it be beneficial for Ted and I to streamline the checklists or provide mapping? Every chapter looked different. ED checklist was very simple. Would it be beneficial to make ED checklist simpler?

Comment: SDG&E provided an appendix that was helpful for mapping.

Co-Chair: PG&E also provided compiled document at end of chapter which was helpful.

Response: Further guidance from Co-Chair and Facilitator would be very helpful.

Session 6: Single BP Chapter Review: Residential – BayREN

Comment: I expect BayREN to provide its plan for third party solicitations strategy, including schedule for solicitations, approximate size of budgets, etc. It helps the market to prepare for what will be offered and provides transparency.

Response (from CCA): My understanding of Decision is that it does not require CCAs and RENs to do third party solicitations.

Comment: The market would do best if information was provided by all PAs about what they intend to bid out and when.

Question: Should this all be decided up front and in BPs?

Co-Chair: Are you asking for information that maybe belongs in IPs?

Comment: I am asking that third party solicitations should also be included in BPs for RENs and CCAs. BayREN is more program-by-program than any of the other draft chapters. Since they are providing programs, it would be good to provide information about when these will be bid out or if they are not going to be bid out.

Response: BayREN can provide that information.

Response: SoCalREN is planning to provide a general statement about solicitation process.

Comment: Excellent chapter with lots of detail. Your programs are largely downstream. How do you anticipate this changing?

Response: Currently Statewide issue will not really affect BayREN's programs. Home upgrade is not appropriate for Statewide program. But there maybe a couple elements that would be appropriate.

Co-Chair: After discussing whether multi-family would be appropriate for downstream, we decided not to propose that at this time.

Co-Chair: Thank you Jenny and everyone for these drafts.

- BayREN's chapter felt slightly implementation-y. Not sure how to reconcile this with others.
- For evaluation studies – for all PAs – nearly every PA could do a better job of explaining how they use each evaluation they rely on. Edison summarized how they used the evaluation, which was helpful. Others should do the same so we don't have to guess how you are connecting the two. You could make it clearer that you reviewed evaluations and what you got out of them.
- Nice list of key partners but not sure what you are doing with them. Please provide more detail about what you are planning to do with key partners.

Comment: Thank you. ORA wants other PAs to emulate your vision.

- The plan for market transformation (p.6) doesn't line up with the budget provided. It is not clear how they are connected.
- Everyone provided a fair amount of strategies that are vague and not the types of things that can be evaluated. As an example, on p. 22, BayREN talks about introducing policies to influence decision making. I don't know that that means. Going forward, ORA wants to be able to look at how PAs are doing on their goals.
- We want evidence supporting assertions. Several assertions are not substantiated.
- If citing to a document, please include a page number so we can find it.
- Biggest action items are including a budget that tracks to your vision and including measureable metrics.

Co-Chair: Please make sure metrics track things that were suggested as part of strategies (example, p. 34). We need to be able to have a way to track what is in table.

Comment: Going back to identifying problem and intervention strategies, it looks like we are ending up with same program. I understand uniqueness of RENs, and their looking at problems

and intervention strategies based on past experiences. I would like to see more explanation for why a proposed program is the best solution.

Comment (from CPUC): I have several general observations regarding content:

- I'm still confused how BPs work within the greater energy planning in the territory. It is not clear how BayREN's strategies distinguish its vision for how to tap into the market. Is there any coordination with PG&E and the overall market in the State of California? How do we know that these are the right strategies?
- Page 5 – figure 1: single family market doesn't look good compared with multifamily. Is any of this the right approach for the single family market? Should we spend money on this at all, and why?
- Pages 6 -7: Vision and intervention strategies - I liked this but when I looked at strategies, only two are strategic, three are more supporting and more like tactics. Seems like they are not all equal.

Response: BayREN has a long term vision with regard to single family market.

Co-Chair: With regard to definitions of "strategy" and "tactics," it would be helpful for everyone to be using the same definitions in all BPs.

Response: There is a document but it needs to be updated.

Questions: Is the expectation that this will be uniform across all PAs?

Response: Yes.

Comment (from CPUC): Please check the math in sector metrics summary (p. 8) re 5% of single family market. I would like to see more information on how BayREN determined at 6 years that rebates would go away and the market would be self-standing. How did BayREN determine that 10% of market would be the tipping point? What number of contractors would need to have improved training to reach that point? I want to see more evidence that supports the vision.

Facilitator: Written comments due by September 28 to facilitator@caeee.org. We have provided a [comments template](#) which is posted on CAEECC website.

Comment:

- I liked BayREN's mention of market transformation. But, it seems to be taking up 2008 strategic plan goals for market transformation and operational goals.
- Doesn't seem like there is reference to 2014 white papers issued by ED.
- I looked at realistic-ness of increasing mass targets (p.8). Seems like ambitious goals. I know this is promoted by strategic plan but I didn't see enough explanation of how that was achievable.
- How would you break down the budget to meet those goals?

Comment: I support definition sheet and if there are other terms that people want defined, please share. It is a spectrum: intervention strategies, tactics, etc.

Response: Thank you to everyone for feedback. BayREN would like to get more specific examples from ORA.

Comment:

- Great issue raised about whether it makes sense to use whole house residential. Several years ago PG&E made a proposal to improve metric results. This is a critical issue that needs to be up front. Residential whole house discussion also provides an interesting regulatory issue that needs to be addressed. Picking up PG&E's home upgrade program (p.2), I'd like to hear more about this – issues, transition logistics, benefits to BayREN expanded role. Also, has BayREN considered PG&E's approach to whole house residential that they are stepping out of?
- TURN really appreciates the notion of transitioning out of ratepayer incentives (p.3). I don't recall seeing financing opportunities for single family. Still getting landlords and building owners to finance multi-family.
- With regard to metrics (p.8), how do you arrive at these numbers, particularly single family savings and participation rates?
- We would like to get away from common area lighting. It would be great to look at program eligibility over three-year period, without having to open and close programs multiple times.

Session 7: Single BP Chapter Review: Commercial – SDG&E

Comment: Thank you to all PAs for drafts. We appreciate opportunity to look and comment. On behalf of the Coalition on Energy Efficiency, we are providing the following Comments on Draft Business Plan Chapters:

The draft Business Plan chapters are lacking in sufficient detail or content to allow for meaningful stakeholder input on these plans. Moreover, they fail to address all the issues set forth in the applicable guidance decisions and raised by the CAEEC stakeholder process.

We have [four] global comments that apply to each of the draft chapters.

(1) The draft chapters fail to address (or even identify) all the issues set forth in the applicable guidance decisions and raised by the CAEECC stakeholder process. All the business plans should begin with a preface that describes all of the Commission and state policy goals that the business plans are supposed to achieve (e.g., capture all cost effective energy efficiency, implement AB 802, implement SB 350, implement the various Commission directives in D. 16-08-019 and previous decisions, etc.).

- For example, in D.14-10-046, *Decision Establishing Energy Efficiency Savings Goals and Approving 2015 Energy Efficiency Programs and Budgets*, the CPUC directed the IOUs to

describe in their business plans how they would incorporate the UCB-DVC Report recommendations for increasing the demand for skilled workers through skills standards and certification requirements for utility incentive programs. This is missing from the draft chapters.

- Nothing meaningful on disadvantaged workers
- Nothing meaningful on addressing the gap between real and expected savings
- Nothing meaningful on implementing a responsible contractor policy as required by Senate Bill 350
- Nothing meaningful on plans to achieve the doubling of energy savings in buildings as directed by Senate Bill 350
- Business plan chapters do not include transition plans to effectuate the minimum level of third party design and delivery required by the Guidance decision. (Guidance Decision D.16-08-019 at p. 74.) (Plans must include the concrete steps and budgeting decisions that will be taken to achieve this goal, not simply make unsupported assertions.)

(2) Business plan chapters need to be much more specific. These are ten year plans that are supposed to be specific enough to allow for a streamlined implementation process. They are not supposed to be vague blank checks allowing the PAs unfettered discretion in spending over a billion dollars per year in ratepayer funds (more than \$10 billion over the business plan lifespan).

- A streamlined implementation process will only be effective if clear direction, standards and metrics are set forth in the business plans.
- For example, the business plans need to include clear and detailed descriptions of how incentive programs will ensure energy efficiency measures are installed by a trained, skilled, and diverse workforce.
 - This description should include the metrics that will be adopted for assessing the business plan's success in meeting these goals.
- The business plans need to include clear and detailed guidance for determining what sort of EM&V will be applicable, where it will be applicable and to what extent.

(3) Because the historic public and commission review process for implementation plans is lacking at present time, the business plans need to address what new process will be provided to (a) provide stakeholder input and Commission oversight on how IOUs structure their specific incentive programs and procurement process to ensure consistency with Commission guidance and state policy; and (b) provide stakeholder input and Commission oversight in the assessment of the effectiveness of the IOUs' portfolios. A process also needs to be identified for addressing

complaints that implementation plans are not consistent with or compliant with the business plans, Commission guidance or state policy.

This is consistent with the Guidance Decision (D.16-08-019) which encouraged the development of a collaborative approach between administrators and implementers in program design and stated that “in the contract negotiation and implementation of successful proposals, the expertise of the utility personnel and the third parties should be brought to bear to ensure the best possible results.” (Decision, page 74-75) The decision looked favorably on the development of a process that included procurement review groups and/or independent evaluators and encouraged the IOUs to work with stakeholders to bring forward a workable proposal for such oversight. (Guidance Decision D.16-08-019 at p. 75.)

(4) The WE&T and other cross-cutting chapters are missing. When will there be an opportunity for review and CAEECC input on those chapters?

Thank you for the time to comment.

Co-Chair: The rest of the chapters will be posted on October 18 for discussion at CAEECC meeting on November 2. CAEECC needs to discuss how the next step of this process will work regarding IPs and how metrics will be met, not the PAs in their BPs. This is very much on our radar for issues we need to address. We are still trying to get meeting going on Independent Evaluator as well.

Co-Chair: To SDG&E, thank you for visuals.

- You told a clear story about why you are focusing where you are. You provided a sufficient level of detail for what I expect. You have a lot of good thinking about how to move forward, and the visuals really help.
- I’m still not clear about the rationale around EM&V. We would like to see why these things make sense and examples of where these things have worked before.
- I will also provide specific recommendations regarding substance and organization separately.

Comment:

- There are still opportunities for gas savings. TURN would like to see more focus on gas savings.
- On split incentives issue for landlords and small commercial, the proposal misses the point on limited and competing capital needs. Landlords are strapped on capital so SDG&E suggests they can just raise the rent to cover the costs. This is not really what we should be promoting.
- I would like more detail regarding tactics (p. 19).
- Regarding improving finance opportunities (p.20), I didn’t pick up changes to that.
- I appreciate the concierge approach.

- With regard to integrating incentives (p.17), I'm assuming there will be more about specific tactics in next draft.

Comment: ORA team has reflected that the Decision talks about process that BPs are filed as application and IPs are just posted.

- Effective oversight of actual activities is not clear. There needs to be something more like the energy procurement model. BPs are sort of like long-term procurement plans. Independent Evaluator and stakeholders would participate in that process. Utilities should file something before they sign contracts. Otherwise, not enough oversight of BPs. There is potentially a place for utilities to say, "we are best to handle program."
- To SDG&E, draft provided high level discussion. BPs for utilities need to be guidance for characterization of sector, what strategies were used in the past, and where the potential really is. SDG&E sort of missed this.
- It looks like bids are too constrained.
- We will provide more detailed comments in writing. Also need to substantiate assertions, use specific metrics, etc.

Co-Chair: I read it as these are the kinds of things that we want addressed.

Comment: To the extent utilities provide too much specificity in RFP, I would think that a market player would be constrained in creativity.

Co-Chair: If we go too far in other the direction, we may not get the types of bids that we need. What kind of language can we put in RFP to guide but not constrain?

Comment: I'm interested in understanding better how much we want to see BPs address ZNE in terms of emulating the vision. SDG&E did a good job of integrating ZNE in its strategies and tactics.

Comment (from CPUC): I endorse a number of points already made. New points:

- P. 13, middle of page: It is important to recognize that SDG&E will complement and not replace its existing programs, but I thought these BPs were supposed to tackle entire sector and not just discuss incremental plans as SDG&E has done.
- I saw three different statements about targets for the sector (p. 13: lessees, p. 14: asset value to landlords, p. 15: property managers). Three different targets need to be woven together somehow. I'm trying to understand strategy and how it is going to work.
- p. 20, solutions: On-bill financing seems like sole solution. But this won't work for issues with landlords and property managers. On same page, talks about timing of payment, but no strategy.
- I'm looking for given profile of market and barriers. What are strategies for trying to overcome?

Comment: Two issues:

- With regard to increasing RFOs, I'm seeking clarification of measure of success for solicitations.
- There was also mention of online data platform. How will this interlink with statewide platforms?

Comment: In commercial sector, goals (p.12) and appendix with commercial goals alignments: provides tremendous opportunity for people with experience in market to work with IOUs – offering broader bandwidth, working with underserved communities, access through professional architects and engineers who have direct contact with building owners. That facilitation provides tremendous opportunity to increase utilities' opportunity to have real impact on the market.

Comment (from ED): Primary focuses on downstream strategies and tactics. The Decision identifies that Statewide programs should be designed to achieve market transformation. SDG&E is tentatively assigned Statewide administrators for non-residential and residential HVVAC. Where will Statewide strategies appear in this BP?

Co-Chair: Today was the first presentation of who will do what. I think there is a placeholder in draft for Statewide. We should see more in October 18 drafts.

Session 8: Single BP Chapter Review: Public – SCE

Comment (from PA): People are asking for citations and references to support strategies and tactics. It is difficult in California because we like to try new things. We don't want to limit big, bold, new strategies and tactics.

Co-Chair: There is a balance in providing some explanation for stakeholders who don't have as much context.

Facilitator: For commenters, wherever possible, please provide prototypical examples of what you are looking for.

Comment: Savings goals increase by 50% after first year, but budgets remain essentially the same. What is change attributable to?

Response: If I recall correctly, the public sector now includes what had traditionally been in commercial sector (the way sectors are now divided).

Further response: We are trying to drive down costs and trying to get more cost effective. We have cut a lot of internal costs. We have cut some programs. We also looking for move toward more third party programs. We are looking for sector or segment solutions, and hoping to get economies of scale from that. We hope that as we continue down the road of public sector, we can drive up TRC and drive down costs. We expect to achieve some result from economies of

scale. We expect this mostly from the third party portfolio, agricultural and industrial, pay for performance. There is a new definition of third party programs and we are looking at bundling.

Co-Chair: Are these going out for bidding in 2018 before BPs are approved? How is this working?

Response: Intent is for 2018 implementation. What we will award depends on what gets approved in IPs. There is risk that not everything we want will get approved. We are trying to address current challenges. BP should be high level enough that most should match up.

Further response: Our philosophy is to try to get the most savings at the lowest cost. Depending on what we get back, you'll see a little bit of outsourcing. But most of our discussion about outsourcing will be in overarching chapter.

Comment: With regard to bundling, we want to make sure PAs make room for smaller implementers. Hopefully smaller contractors will also have a voice.

Response: Yes, we want entrants from all levels

Comment: Regarding transition from commercial to public sector, is this something that will be consistent across all PAs, or just for Edison?

Response: PAs have worked on defining "public sector" so this should be consistent.

Comment:

- The draft chapter can be made shorter. What is the pitch? Why should ratepayer dollars be used toward public sector?
- Regarding goals (p. 24): you need to have specific goals that are relatively concrete so we can see if you are achieving them.
- Budgets don't appear to align with 10 year plan for sector (p. 23). Budgets are stable but should be declining. There is a disconnect between increasing programs and budgets.
- Assertions need to be fully supported – not just simply stated (example, p. 4).

Co-Chair: I see you have included private and public schools. What about hospitals?

Response: 90% of schools are public. We have opposite in health care where 80+% are private.

Co-Chair:

- I also agree there was some content in the draft chapter that was unnecessary. You could skim through definitions.
- Goals are not totally clear, uncertain what you are actually aiming to do.
- Maybe forgot column on baseline on table (at p. 34?).

- It's hard to reconcile the various comments – either there isn't enough info or there is too much and it could be constraining. This raises the issue of what is the right level of information necessary to relay what PA is doing and where it is going?

Comment: I didn't see comments from Coalition for Energy Efficiency as inconsistent with mine. BPs in general, and Edison for example, lack defining sector and lack information that is needed to evaluate plans. But I wouldn't want specificity for each program.

Response: One of the challenges is that there is not a lot of data on public sector. This is one of the gaps we have that needs to be addresses. One of the expectations for today was to understand what level of detail and definitions is expected in BPs. I'd like to know how we are going to get clarity on these issues.

Co-Chair: When you met to make this table, did you attempt to update definitions sheet that Grounded Research started with?

Response: We have started to update it.

Co-Chair: Who is finishing it and by when?

Response: We can define all we want but another issue is that people need to agree to use the definitions. This is an issue with how we apply the definitions. PAs apply definitions differently in BPs.

Co-Chair: I don't know what you are doing in intervention strategies in table 6. What are your goals? How can you ensure you are making progress toward objectives?

Response: We are trying to understand the expected level of detail for BP v. IP? This feedback is helpful.

Comment: I don't think there has been any substantial disagreement between comments made by ORA and what Coalition for Energy Efficiency wants. My comments were global for all chapters. In terms of level of detail in BPs, we're talking about 10 years and \$10 billion and the Coalition wants to see a lot of detail in BPs. The Coalition is concerned about how there will be public oversight over IPs over the next 10 years.

Response: We view BPs as high level and directional. There is opportunity for oversight. If you look at the Decision, annual budget advice letter requires program changes, plan for next year, etc. This provides an opportunity for oversight.

Comment: One of ORA's expectations will be a bottom up budget including detailed description of continuing programs as they are, internal staff and administration and overhead. Program budgets need to get built from bottom up every once in a while. Annual advice letters will address incremental changes based on what has transpired from bottom up budget. Bottom up

budgets will follow for BP sector chapters. It has been a really long time since utilities provided accounting for what makes \$1billion/year. Annual advice letters are not enough.

Comment: I think implementers need to have input on BPs. I strongly agree that implementers should have the ability to have substantive input into IPs.

Comment: I'd like to second comments of CPUC that BPs should start with market estimate from available data. First, always start with an estimate of what the market is. There are other evaluations besides Navigant studies. Second, PAs need to set up what the target market is. Third, PAs need to make an overarching statement about what kind of investment is required to capture the target market and what the benefits will be. If you go through this process, you will see that Southern California Edison public sector program is off by 1-2 orders of magnitude. We very much support comments of the Coalition for Energy Efficiency about draft chapter lacking mandates and specifics about what is required to be included.

Comment: I have high level comments:

- I didn't see comments about gas usage. There needs to be a partnership between the electric and gas company in the public sector.
- p. 25: for all BPs, when you make your projections of savings, need to clarify if gross or net, annual or cumulative.

Comment: SCE has done a great job in capturing barriers faced by public sector.

- One technical barrier to address is search costs. Because of a lack of capital funding, the State of California borrows for all of these programs which extends pay back periods. But there are no funds for analyzing this issue.
- SCE should include funding for not only remote audits, but for analyzing data and finding opportunities to get results from smart meter to help us sell new technology.
- Should also address barriers to financing options. Lack of construction financing is a deal breaker for construction.
- Also concerned that OBF is only available for incentivized measures. There is huge potential in buildings.
- I love SCE's use of "hassle costs." We have lengthy approval process. It seems reasonable that same services could be offered within programs.
- I would like to see more direct control of programs to get to deeper energy savings.
- In general, because of these barriers, the State of California has not been getting projects going.
- Utility revenue (e.g., PG&E) type projects should be in scope
- ZNE goals should be supported and controls plus HVAC and DR all integrated
- Proposal to frontload spending to unlock programs.
- Proposed budget is too low.
- Urge utilities to include some of these touch points in BPs so that when IPs are developed they will be included. I am looking forward to working with PAs to reach aggressive goals.

Comment:

- p. 37 includes a large list of to dos. IOU/PA coordination should be customer driven partnerships, not market driven programs.
- When you have institutional partnership, Statewide process is more difficult. I would like to know why institutional partnerships were included in Statewide. This doesn't work with institutional partnerships.
- Clarifications: p.38, SCE goes out for bid for majority of programs, to clarify, it is not a requirement that all statewide partnerships necessarily go out for third party implementer?

Comment: Commission does not require that all statewide programs be third party programs

Response: Decision requires that all statewide programs be third party

Response: Up to PAs to decide what will be included as third party.

Response: We need clarification on this issue. Default is that we must go out to implementers in all cases. But does it need to be third party?

Comment: ZNE energy goals for state buildings has not been acknowledged at all in this draft chapter. That should be added. There should be coordination with C&S in advancing that goal. It is problematic to leave this issue out of draft chapter.

Question: Can ED provide clarification on that?

Response: "Implementer" is a non-Program Administrator.

Comment: There is a lot for clarification. If it is ordered that 25% of portfolio budgets need to be Statewide by January 1, 2018, potentially 45% will be third party.

Comment (from CPUC): Curiously missing from SCE's draft chapter is any reference to lessons learned from SoCalREN experience on buildings

Comment: Ordering Paragraph 10 of Decision defines third party program. Third party bids have to be solicited. Statewide programs need to meet this definition. In Ordering Paragraph 5, Statewide programs must be designed and delivered by implementers. The difference is that if a program is "proposed" by a third party then it would be both third party and Statewide. Statewide programs have to be designed and delivered by non-PA implementers.

Facilitator: An issue is whether an implementer can be the customer at the same time?

Comment: There are rules governing project costs which might limit a customer's ability to be an implementer.

Session 9: Single BP Chapter Review: Industrial - SoCalGas

Co-Chair: Draft is easy to follow.

- I love tables. Every PA had a different table that should be replicated in each BP.
- Draft references an appendix regarding EM&V, but I was disappointed to find only a list of EM&V studies – and they were not connected to what they are doing.
- The more you can give to us in tables and visuals that really make connections, the better.
- Also, I really liked table on p. 21 regarding types of programs. I was confused if you meant generalities, but I liked descriptions. Maybe include what is new versus modified.
- I would like more information describing what you intend to do for leverage. You need to tie what will happen to get leverage.
- Also I also like description of what you intend to try to do with your key partners (example, p. 27 made sense).
- Please make sure strategies are measurable.

Comment:

- The draft chapter could be shorter.
- The list of applicable legislation is not really tied to anything. Maybe you can eliminate this list, unless you say what you want to do because of the legislation.
- P. 17 has an example of a problem statement where the metric isn't really linked to the issue.
- I also found description far too prescriptive. It leaves little discretion for third parties to be able to develop and propose programs.
- I think the discussion about retaining customer service representatives is fine. It is probably appropriate for customer service reps to help deliver programs, but PA should say they want to use customer service reps and how they will use them.
- I would like to see brighter line between implementer and administrator.

Co-Chair: Are you saying strategy descriptions are too prescriptive? NRDC likes left-hand level (example, p. 21). I don't take program intervention strategies as too prescriptive in the context of a Business Plan. I wasn't assuming these would be cut and pasted into the RFP. If so, I agree they could be too prescriptive.

Comment: My concern is that these are the types of things that would result in narrow program offerings (example, p. 25). They seem prescriptive. I'm not sure what the market might come up with but I don't want to miss out on potential for creativity.

Co-Chair: What is SoCalGas' intent? If these are prescriptions, you have cut out creativity.

Response: Our intent is not to be prescriptive.

Comment: What do you mean when you discuss customer service offered by implementers?

Comment: I am mostly reflecting on remarks from *ad hoc* discussion on September 8 that customer service reps provide valuable service in getting programs going. I want to keep this as an option. Implementers should be able to include using utility customer service reps as part of their programs, but it should be part of implementation costs of programs. I want a clear distinction between implementer and administrator. This does not conflict with tariff rules.

Comment: Implementers depend on account reps when we work with customers. We rely on account reps as long term trusted advisors for customers. Account reps are there before and after we implement our projects. Customer service reps don't want projects to disrupt customer relationships. I have a concern with using implementer budgets for customer service reps. This is not the direction we want to go. It creates a conflict.

Comment: With regard to account reps, recording requirements and reporting of costs, this will start to create unforeseen dynamic if we change all this.

Comment: From the stakeholder's perspective, we want balancing. I'm struggling with account reps helping with implementation but don't want them to be part of implementation budget. I guess they should be in overhead budget.

Comment: Implementers do see account reps as helpful in recruiting customers. It needs to be clear however this issue gets resolved.

Facilitator: What are next steps?

Co-Chair: Is this an implementation issue?

Response: Yes. We need to keep thinking about this and address further later.

Comment:

- We want an assessment of the efficacy and integration with IDER, cogen, , etc.
- Have you done that already?
- Questions about the cost effectiveness of small and medium DI, which are not likely to be cost effective. Is that what we really need?
- More coordination and collaboration on water
- Interested in upstream incentives, which seems like a good idea
- Clarification on how projects in the pipeline will be handled during transition.

Comment: I have a few comments on draft chapter.

- It is interesting that 30% of gas is consumed by a large percentage of customers. It would be helpful to hear assessment of potential remaining in that segment. It would be a shame to miss if largest customers have done all that they can to make it happen (public shaming or other inducement).

- Proposal for standard direct install seems to go in a non-cost effective direction. Is this really needed in industrial sector?
- Upstream incentives are interesting. This is really helpful and progressive and in line with Decision calling for look at new programs.
- I would love to hear more about coordination of program delivery (p.19).
- There is not enough discussion about gas and SoCalGas.

Comment: Several pieces stuck out to us.

- Barriers to financing confusing.
- I'm not clear on AMI data to disaggregate gas usage.
- We would like to see some clarification of how existing large pipeline of project will resolve so that customers don't lose projects so that they are accused of having not participated. We don't want customers to get burned by loss of programs through transition.

Session 10: Single BP Chapter Review: Agricultural – PG&E

Comment:

- PG&E provided great background and good examples. It demonstrates a lot of thought about the sector and provides information that would be useful to bidder.
- Some proposals are too vague. For example, strategic partnerships (p. 6). The partnership is not well defined and I don't understand how it will work.
- Metrics also can be better defined.
- With regard to the plan for how things will be bid out, it is important for the Commission to have expected dollars on annual basis and expected savings. Information about size of programs would also be useful in developing RFPs by implementers.
- To the extent targets are changing from current performance, I'd like to see discussion of why you are making changes (ex. p .39). I'd like to see clear substantiation for all numbers included.

Question: Can ORA provide some feedback (maybe through examples) if it thinks strategies are too specific or if they are at high enough level?

Response: We will provide more detailed comments.

Co-Chair:

- I thought the comparison from before and after stood out as compared with other draft chapters.
- PG&E may be the only one that provided analysis of "modified" versus "new." I really liked this. It makes it clear for reader where you are going. I would like other PAs to highlight when things are new or modified.
- With regard to mid-term programs, I didn't understand why they would take so long. Perhaps PG&E can provide more information about why they will take so long.

- I like maps of agriculture.
- Some of trends and challenges could be combined. Some seemed redundant.
- PG&E also had a good comment table. It cited tracker number which makes it extremely easy for us to get back and confirm that you considered the issue.
- It would also be good if you could consolidate mapping a little more.

Question: With regard to the checklist you mention, is that the one that came from ED?

Response: We provided a combined version of all guidance, including the excel checklist. We are thinking of cleaning it up so it makes more sense and is easier to follow. It feels a little clunky now.

Comment: I enjoyed this chapter.

- I have an issue regarding water conservation vs Energy Efficiency (p. 14). Improving Energy Efficiency relative to water conservation (p. 27) needs to be a pivotal element of Energy Efficiency in the state going forward.
- I appreciate the discussion regarding on-bill financing, not just in Agriculture but across all sectors.
- I really appreciate early statistics.
- It would be helpful to know what we have accomplished over time in pump overhauls, etc.
- Regarding changes in baseline pump inefficiencies, I hope that water conservation matter and how Energy Efficiency fits in as a complement to that can be addressed further in this sector.
- I'd also like to see more discussion of pump efficiency.

Comment (from CPUC): I'm responsible for working with utilities on agricultural and industrial sectors. I thought this chapter was very well put together. I have to approve budget and BP without really knowing what programs will be. Seems aspirational because nothing really underlying it. I like the maps. I have some anxiety about how this will turn out in the end.

Comment: There was a lot of conversation of pump overhaul measure going away. We know that in California the average pump operates at about 53% efficiency. I'm assuming this is why we are talking about expanding existing pump programs in this chapter.

Response: Our predominant load in agricultural sector is from pumps. Pump overhaul has been a fraught issue. It is not getting easier to deal with this. We want to make every drop count. We do not want to waste water. This is why I want to maintain pump overhauls. This is all we have to offer to customers so we can achieve energy savings through water savings.

Comment: I totally agree that pumps are the link to customers in this sector. Irrigation optimization is the future. If incentives go away, then irrigation optimization will be offered with bad pumps.

Response: We need to move away from pump overhaul only to looking at the system as a whole. We have not addressed the delivery system. There is a lot of room to grow here.

Facilitator: I thought you were not allowed to do pump overhauls because of ISP.

Response: This is to be determined.

Question: Is this adding load through the irrigation proposal?

Response: We are trying to address existing irrigation systems as well as new irrigation systems. I know that customers dealing with drought are installing bigger, deeper pumps. This is almost a mitigation strategy.

Comment (from CPUC): I like the comprehensive approach.

Comment: There was little in BPs or discussion today addressing the Guidance Decision ordering directive that Statewide programs are also designed to achieve market transformation (Op., p. 106). The logistics of setting up the Rolling Portfolio, and moving Statewide PAs are overshadowing this question right now, understandably, but it will need to be addressed over time. I hope to provide comments on how Statewide MT approaches could begin to be advanced in a way compatible with the Energy Division Market Transformation Program Design and Policy Framework White Papers (2014) in the Business Plans by September 28.

Response: We don't want to give impression that everything we are doing is market transformation. We are trying to help our agricultural customers deal with the drought.

Comment: Where does finance fit into this? It is an important piece that needs to get woven into the plan.

Co-Chair: Financing is supposed to be woven in and also included in the cross-cutting chapter.

Comment: It doesn't feel like it was addressed enough in draft chapters for each sector. A robust discussion of financing should be addressed in each sector chapter.

Facilitator: Most of drafts discuss financing. When you provide comments, please specifically identify where you think discussion is lacking.

Facilitator: Synthesis of general issues raised in comments to BPs (Easel Paper):

- Need adequate level of justification for existing interventions
- More detailed citations are needed
- Need to fully address guidance from CPUC Decisions
- Are we sufficiently addressing the move to procurement future in these drafts?
- Stronger connections between assertions, strategies and targets, metrics are essential

- Need concrete goals
- Tension between detail versus flexibility (are BP statements about intervention strategies to be treated as restricting/definitive or more descriptive and illustrative)
- Need more detail on how key partnerships will work
- Need more justification for changing strategies
- Need more justification for timing of programs (near, mid, long term)