

From: [Bijit Kundu](#)
To: [Anderson, Mary](#)
Subject: Regulatory Reform RFI - Call Notes
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[DOE RFI SW IOU call notes_062617.docx](#)

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Notes from the call on Monday.

We weren't sure if Craig Tyler was with PG&E or a consultant.

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DOE RFI on Regulatory Reform

June 26, 2017

Call Participants:

- Daniela Garcia (SoCalGas)
- John Barbour (SDG&E)
- Craig Tyler (PG&E)
- Ed Elliot (PG&E)
- Jeremy Reeve (SoCalGas)
- Charles Kim (SCE)
- Mary Anderson (PG&E)
- Bo (Negawatt)
- Bijit (Energy Solutions)
- Erin (Energy Solutions)

Notes

1. Jobs

- a. Daniela: Did Charles comment's get included?
 - i. Mary: His comment was on rethinking potentially reducing jobs in the G&E industry
 - ii. Charles: The angle is regulatory reform. ID regulations that eliminate jobs, etc. The whole reform is the executive order which has a lot of ill intentions against EE and GHG. We need to be careful because they are not looking for support for EE and GHG. They are trying to address EO. If we want to counterbalance, we need to have strong point. Such as EE reduces bill for households by x%, instead of general statement.
 - iii. Mary: We have some of those numbers nailed down. The intention was to identify comments for this document. I'm comfortable that we can provide the actual details (commercial and res)
 - iv. Charles: Generation forces (coal, nuclear, etc.) DOE needs to look at any barrier to generation of energy resources. If they can't sell coal due to EE and GHG movement, other utilities rely on the sale of these resources.
 - v. Mary: this doesn't change the mix of generation. We have higher population, plug loads, etc. this potentially changes the need to create new power plants and incur those costs.
 - vi. Craig: do you see any appliance EE regulations that place burden?
 1. Charles: this is not only for EE. It's for all of DOE. The EO looks at any burden on industry. DOE trying to find how they can cut costs of operations and maintain same. Through the process improvement we can do the same thing. What can they do to improve processes that doesn't eliminate jobs or burden to nonrenewable sources?
 2. Craig: So you're going to focus on EE?
 3. Charles: There are 11 questions in RFI. This is the starting point of conversation, not the final set. It would helpful to look at questions with EE angle, for example ASAP paper.
 4. Charles: The EO 2-for-1 is also not favorable to IOUs. The total new regulation cost can not be greater than zero. Any new regulations must be offset by two.
 - vii. Mary: if we are specific that we are only addressing appliances, not overarching, but specific, would you be comfortable?
 1. Charles: I am more comfortable addressing their questions, knowing they want to look at process improvements.
 2. Mary: PG&E wants to put in potential benefits. We could submit several letters that would be the same, but PG&E would have an additional piece with

specific numbers. The letters would not be contradictory. Is the rest of the team comfortable?

3. Charles: We all value DOE and EE, we aren't contradictory. I'm uncomfortable not answering the questions that DOE is asking.
4. Mary: I didn't mean contradictory. What about the other IOUs?
5. John B: Yes
6. Jeremy: Yes
7. Mary: SCE isn't interested in overall benefits. Is SDGE or SoCal Gas interested in going overall benefits.
8. Daniela: Enhancements – is this an opportunity to streamline the TP and standards Rulemaking process. Discourage simultaneous test procedure and standards.
9. John: I'm okay saying benefits to DOE, rather what DOE is asking for harmful regulations.
10. Mary: I will send out 2 letters
11. Daniela: LCC issues and TDV. I have a write up that I can send around. SoCalGas will include in our letter.
12. John: SCE is leaning towards answering questions and PGE is adding benefits as to mitigate any negative comments, is there a advantage to be statewide with the benefits part? Charles could you ask policy department?
 - a. Charles: If we provide info they aren't asking for, it's less impactful. The environment that created this regulatory reform is anti-EE and renewable sources. DOE needs to respond to this.
 - b. John: When we answer questions, can we do it in a way that says for an example, "there isn't an impact on jobs, plus, we create jobs"
 - i. Charles: Yes, if we do it in that way it will be stronger point.
 - ii. John: I think one document would be better.
 - iii. Mary: Statewide letter: This is federal and we can differentiate. If we are in the same direction, I consider that to be statewide. It doesn't concern me if we aren't on the same letter head but going in the same direction.
 - iv. John: So it'd be better to submit separate letters?
 - v. Daniela: SoCalGas would add in LCC/TDV that not everyone would agree with,
 - vi. Charles: Does the LCC does it improve the DOE process? Can they cut cost and produce same result?
 - vii. Daniela: I don't think it's a cost improvement, it'd be an improvement to the process. I think my understanding it said enhancements. So we're suggesting an enhancement for more effective procedures.
 - viii. Charles: quoted DOE RFI intent. This is DOE's attempt to address EO to reduce costs. One example is the labels with new regulations. If we can cut costs, that will be helpful for DOE. I don't think they are looking for ways to improve TP.
 - ix. Bo: This comment is related to some of the DOE ?s. The LCC method results are the savings values. If they're more accurate, you'll know better how the country is affected by cost.
 - x. Mary: this is not addressing whether we should do this or not. I don't think PG&E is comfortable stating LCC issues. This doesn't really support where PG&E has gone or where we'd like to go.

- xi. Daniela: We'll vet the draft and see where we stand. Historically it supports SoCalGas comments, but maybe not PG&E's. Good point.

- 2. General benefits
 - a. Mary: Added SoCalGas comments
- 3. Question 1
 - a. Mary: Are people comfortable with these comments or additional?
 - i. No comments.
- 4. Question 2
 - a. Jeremy(?): Why do you want to raise the issue of voluntary standards? This could dilute DOE standards?
 - b. Charles: I support both voluntary and DOE standards, due to DOE bandwidth. For example, TVs. There's a DOE TP and ES standard. What standard should DOE prioritize – suggest that DOE should check if there is an effective standard and which is more effective – voluntary or standard.
 - c. Mary: that makes me nervous because it's easy in certain instances. But DOE is asking about prioritizing not new rules. This could move us away from mandatory and would hurt the program because there wouldn't be a floor.
 - d. Charles: We aren't asking them to create new rules, we're suggesting what "factors" to consider. If a customer purchases an appliance that is either DOE standard or ES, both save energy.
 - e. Mary: Concerned to bring up because most of ES standards are successful and that could push back upcoming rulemakings where there are still movement that would be helpful to industry. What about other IOUs?
 - i. Ed: Use an example in the letter. Isn't it true DOE is trying to modify TV TP? If DOE establishes new standards, EPA would be voluntary.
 - ii. Charles: yes, to accommodate new technologies. ES updated new TP. ES TP takes about 2 years, less industry pushback.
 - iii. Daniela: Mary, you suggest to move the 4th bullet about a "product cycle"
 - iv. Mary: yes, I'm struggling with if there other successful voluntary standards and pushing back mandatory standards. For example, no DOE
 - v. Craig: are there any unsuccessful voluntary standards? If it doesn't set a bottom, and anything can be put on the market
 - vi. Mary: Standards - they push up the bottom. This helps low income households reduce appliance energy costs. This also pushes the incentive for landlords to install
 - vii. Daniela: There is where DOE can save money, is that your point Charles? I agree. If there's already a voluntary standard, why should DOE spend money to develop.
 - 1. Charles: yes. Key word is selecting and prioritizing. If there's a successful voluntary, prioritize others.
 - 2. John: Computers was a successful voluntary standard example
 - 3. Charles: Yes, there was a successful market transformation for computers with the voluntary standards. Almost 100% of printers is EnergyStar.
 - 4. John: If there are only voluntary standards, there isn't a bottom. ES is high performers. In the code there's mandatory or prescriptive. Is there a hybrid. If we had voluntary standards for lights, we'd still have incandescent. So products voluntary wouldn't work well for.
 - 5. Charles: CEC uses criteria when evaluating what to pursue. We're providing some factors to consider when prioritizing.
 - 6. John: As long as there's successful/effective voluntary standards, then others we should do mandatory.
 - 7. Daniela: Reword to say that "in selection process"
 - 8. Mary: I think this the position of the industry.
- 5. Question 3:
 - a. Charles: Field research data from IOUs may be utilized. If IOU data collectors are mindful of DOE needs, we can collect differently.

- b. Mary: PG&E field study did consider the needs of DOE. We can leverage our data and NEEA's data. In Northwest, we can provide data to support rulemaking. We do have lab data. While it isn't publicly available, the point is that the utilities are a source of data.
 - c. John: Can we add in the benefits here? Put it all in here rather than other sections.
 - d. Charles: yes. The tone of the questions needs to be accurate and portray benefits of existing regulations. Note "burden" in the question. For example, industry will comment about the labeling and costs. We need to comment about the benefits of EE here.
 - e. John: provide with specific and a list of products where we have detailed info. Is too much better?
 - f. Charles: open to putting more in an appendix to not overburden.
 - g. Mary: agreed.
6. Question 4
- a. Charles: I don't want to say anything unless we know statutory DOE requirement to look at unnecessary rules.
 - b. Daniela: PG&E would you keep in your letter?
 - c. Mary: I'm comfortable deleting and not answering number 4.
 - d. Charles: Can Energy Solutions look at DOE statutory requirements to look at unnecessary or ineffective rules.
 - e. Mary: I assumed that if a rulemaking went through, it met burden to make rule.
 - f. John: Maybe there are some old rules that don't need to be around because they're excessive. If we could find a regulation that we think is that way, it may be beneficial to show we've considered.
 - g. Charles: I'm open to that.
 - h. Ed: Doesn't DOE have an obligation to reevaluation standards after a x number of years.
 - i. Bijit: yes, review every 6 – 7 years.
 - j. Charles: State that DOE already has this statutory requirement.
 - k. Mary: I believe the time frame should be shortened, but comfortable citing current language.
7. Question 5
- a. No comments
8. Question 6
- a. Everyone agrees with Charles's comment.
9. Question 7
- a. Mary: Recommendation to be silent on this one. I agree
 - b. John: I agree as an EE program we should be silent.
 - c. Daniela: I will get back to the group.
 - d. John: the problem is that we aren't in position to comment on this. Should we reach out to other departments to comment on this.
 - e. Mary: IF we're only talking about appliance standards, I'm not sure this will apply. I don't want to negotiate this for our whole company.
 - f. John: Agreed. If other people feel the need to comment, they should do so separately.
10. Question 8
- a. Craig: You're implying that DOE is in some way collecting insufficient info and making bad decisions.
 - b. Mary: Ok, delete "does not collect sufficient info"
 - c. Daniela: Agreed.
 - d. Charles: Agreed.
 - e. John: Agreed
11. Question 9
- a. Mary: Charles, we may need to do more research here.
 - b. John:
 - c. Charles: My son thinks labels looks messy. Carrier has issue with printing new labels as new requirements even though same product. We can participate is to say "yes, labeling requirement can be simplified" I'm ok not answering. If we are making comments that only are advantageous to us, DOE may not take us seriously. We could ask DOE to collaborate with FTC on labeling, so some could be in database.

- d. Mary: We need to be specific on where there could be collaboration. Energy Solutions can point out points in process for collaboration.
- e. Charles: Yes.
- f. Bijit: FTC and DOE do collaborate (Energy Guide). We can see if there are statutory requirements.
- g. Charles: way to simplify? Is it necessary to update the label after new standards/tp? What are the optional features on the label.
 - i. Bijit: we'll look into. For this comment, we'll focus on improvements to Energy Guide label.
 - ii. Charles: point out if different way to achieve same thing. Possibly database
 - iii. John: Labels with safety should be included. Other things could be on a website rather than on the product.