

Notes from Energy Efficiency Industrial Subcommittee Meeting #1

3/17/2016 9:00AM to 12:30pm

Location: ABAG, Oakland

Meeting Co-Chairs: Darren Hanway, SCG; Richard Jett, ICF

Facilitator/Notes: NRDC

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

Welcome – Jenny Berg, BayREN

Meeting Opening – Facilitator Ted Pope

- Facilitators help the Coordinating Committee (also “CC”) Co-Chairs lead and document the CC process
- Goal is for an impartial, transparent process which is not unreasonably influenced by one or more interest group
- Ground Rules
- Decisions of CC require full consensus of all 20 members. We are looking for as much consensus as possible but it is okay if agreement is not reached on issues. Plan is to submit a Comparison Document to the CPUC documenting open issues.
- Program Administrators (“PAs”) are required to prepare Business Plans for filing with CPUC
- Non-PAs need to provide input and constructive comments
- Introductions around the room

Session 1: PG&E presentation on Industrial Sector gaps

See slides.

- Note: data doesn’t match up; demand data from CEC categorizes industrial different than PG&E (e.g., food processing is agricultural for CEC; it’s industrial for PG&E).

Question and Comments

Question: What about strategic energy management?

Answer: Plan to leverage rules set forth in AB 802, including the ability to claim savings from O&M. Also will work to ensure customers understand to ensure persistency through training for O&M. There is continuous energy improvement but haven’t done a lot with it within current rules.

Question: Are the PAs working with staff on this?

Answer: Yes. See barriers in current policy, but new legislation will open the thinking about that. Value in expanding this program, will better track influence, will be less controversy over estimating free ridership. Better for customers to learn about their energy intensity and will learn to manage their energy use.

Session 1 cont: SoCalGas presentation on Industrial Sector gaps

See slides.

Question: Does the price of oil impact participation?

Answer: Not as much of an impact with changes in the price of natural gas.

Session 2: SCE presentation on Industrial Sector gaps

See slides.

No questions.

Session 2 cont: SDG&E presentation on Industrial Sector gaps

See slides.

No questions

Session 3: Discussion re: presentations

Question: There are near term barriers to getting custom programs. There are various levels of challenges, including CPUC rules but also communication from the IOUs re: rule changes.

There was also direction to engage stakeholders to draft a solution to custom challenges.

Answer: SCG is leading the charge on a whitepaper on that issue, but so much else going on for the filing, that unlikely will get to it until the filing is done. PG&E developed a customer rulebook for IOUs ex ante team, shared with CPUC staff ex ante, socializing that document, and also the PAs are creating a disposition database to keep track of all of the dispositions. Also need the implementers to read the rules like the PAs do and work together on this. Suggest including the plan for addressing this issue, even if the solution isn't in the plan.

Question: Do we look at what customers did – e.g., are 95% of projects having no impact? Or this is what we're contributing to spillover, etc.

Answer: There are some market assessment, some industry standard practice studies, but it's hard to study industrial end uses.

Question: Do you look at the Consortium for EE studies for this, stage 2, etc.?

Answer: yes, but those are the least common denominator b/c a lot are for national and California Is already doing more.

Response: would be good to note the documents the PAs read to inform their plans.

Question: Can we queue up policy issues to discuss at CC and put in BPs? Also, can we include interim proposals to address the issues while we're waiting for Phase 3 of R1311005?

Answer: Yes to queueing up. Struggle with time to create proposals in the BP and likely not the right place b/c it's not in scope just yet. However, an alternative is to provide a uniform prioritization for consideration by the Commission.

Question: Can we put legislative approaches in the business plan?

Answer: Suggest not doing that. Nearly all of the policy issues are in Phase 3. This group should focus on resolving them through this process before going the legislative route.

Question: Are PAs working w/ water utilities given high water use in some industrial processes.

Answer: Yes. LADWP/SCG partnership starting to work on joint industrial programs. Other utilities are also partnering with water utilities.