

Comments on Marin Clean Energy's Draft Business Plan

Submitted by: Center for Sustainable Energy

RULEMAKING R.13-11-005, Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues.

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Prepared by

Center for Sustainable Energy (CSE)

Contents

- I. Introduction 3
- II. Commercial Sector 4
- III. Residential Sector 6
- IV. Codes and Standards Sector 6
- V. Finance Sector 6
- VI. Emerging Technology Sector 7
- VII. Public Sector 7

I. Introduction

As a mission-driven nonprofit organization, the Center for Sustainable Energy works with policymakers, regulators, public agencies and business as an expert implementation partner and trusted information resource. We help drive the adoption of clean, sustainable energy solutions.



Energy Programs

CSE designs and implements market development programs and provides policy guidance on future investments.



Public Sector Services

CSE provides sustainable energy planning assistance for local/ regional/ national governments, agencies and organizations.



Workforce Training

CSE provides community education, professional training on energy codes, standards and best practices.

II. Commercial Sector

Overarching Commercial Sector Feedback:

- While the commercial sector includes large, medium, and small commercial buildings, CSE encourages all PAs to empower building owners, of all sizes, to more effectively manage the energy of their buildings. CSE feels there are complementary roles to play among the PAs serving owners in the same territory, specific to building size and customized tools for a specific building subset (e.g., if BayREN and MCE are to focus on the smaller buildings, then how can PG&E's offerings support medium and larger buildings).
 - In particular, large commercial building owners (and large portfolio owners) are already quite sophisticated when it comes to energy management, so the focus becomes how to continue to engage with them effectively to: 1) get persistent savings; and 2) share their stories of success with medium and small business owners.
- As much as PAs are equipped to do so, and CSE would argue that PAs are uniquely equipped (the IOUs in particular), business plans should align with the market as it relates to energy efficiency in the commercial sector. The commercial sector craves standardization and continuity. As such, the business plans play an integral role in laying the groundwork for and enabling continued participation by the commercial sector in improving energy efficiency in their buildings.
 - CSE encourages all of the PAs to engage CRE stakeholders (BOMA, IREM, USGBC) more regularly and uniformly, so as to better understand the needs and opportunities of the commercial sector in improving building performance.
- While numerous business plans touched on AB 802 specific to efficiency standards, few plans elevated the importance of and opportunity in the state's [new benchmarking program](#).
 - The forthcoming statewide benchmarking program has an unprecedented opportunity to weave together building-level information with business plan goals for the commercial and multifamily sectors.
 - The IOUs should create online benchmarking portals allowing them to provide and collect building information; an even more robust data set can be accessed when using Portfolio Manager Web Services as utilities can pull building profile information back from Portfolio Manager submissions.
 - The implementation of the new benchmarking program will require commercial and multifamily buildings (larger than 50,000 sq. ft. according to current draft regulations) to benchmark their buildings. This act, to happen annually, will foster an already growing industry practice to track building performance. Business plans can best serve the commercial sector by not duplicating program offerings, but rather making sure key services (i.e., audits) can be accessed statewide.

- While there will be statewide programs for the commercial sector specific to HVAC (up/midstream) and Savings by Design, CSE strongly encourages PAs and the Commission to consider additional statewide coordination in working with commercial buildings. CSE feels that PG&E included several excellent ideas for engaging commercial owners [e.g., complementing energy audits with project development assistance and partnering with large customers to develop long-term strategic energy management plans. (Pg. 26)], and CSE would like to see those offerings implemented throughout the state. CSE is disappointed that PAs did not choose downstream pilots, such as the Commercial Energy Advisor, as suggested in D.16-08-019.
- CSE was encouraged that several business plans incorporated ideas for elevating the tie between energy efficiency in buildings and grid reliability. In particular, SCE wrote about its IDSM Grid Reliability Rapid Response Pilot, where “this pilot will supply a rapid response set of EE, DR, Solar, and IDSM solutions to help alleviate grid restraints” (Pg. 24). Given the recently published Phase III scoping memo and mention of “locational targeting or sourcing of energy efficiency”, it certainly seems that business plans looking to incorporate and emphasize this strategy are correctly anticipating the strength of these pilots and the potential for scalability.

Specific Comments:

1. CSE encourages MCE to include more information about coordination between PG&E and BayREN in working with small businesses.
2. **Pg. 9**, “MCE utilizes its local knowledge to effectively develop innovative programs that are well tailored to specific regions and result in high levels of customer participation (e.g., point-based incentives and project phasing in the multifamily sector). This approach has created points of entry for projects that were not well served under current statewide programs, while at the same time creating new models that can be implemented in other communities.”
 - Please include more information about the projects to which MCE refers as being well-served by its local approach.
3. **Pg. 9**, “MCE will closely track market transformation indicators and adjust incentives to increase cost effectiveness over time.”
 - Please provide more information on the market indicators to which MCE refers, and, if possible, provide information in a table format. If MCE chooses some market indicators over others, please provide an explanation as to why those indicators are prioritized.

III. Residential Sector

CSE does not have comments to provide on the MCE Residential Sector chapter.

IV. Codes and Standards Sector

MCE did not provide a Codes & Standards Sector section to review.

V. Finance Sector

Overarching Finance Sector Feedback:

1. CSE wants to underscore the importance of a concierge or coach when it comes to financing. Regardless of the quantity of financial product offerings, if there are not consistent resources or points of contact to help customers learn about and understand how different financial offerings are best suited for their needs, then uptake of energy efficiency financing (regardless of quality) may suffer.
2. CSE encourages all PAs to include more information on how they will plan to integrate financing into their portfolios broadly and on how they intend to allocate money to better fund marketing, education, and outreach. Furthermore, CSE encourages all PAs to pair with that information regarding how energy savings associated with financing can be tracked and claimed toward goals.
3. CSE wonders why there is no mention of leveraging Go Green Financing resources. Moreover, CSE finds it problematic that there is no mention of the REEL Financing Program or integrating a financing message into overall program design. Market research has shown that financing cannot be successfully promoted as a stand alone effort; rather, it must be part of the consumer engagement strategy for energy efficiency program participation. States that have had successful uptake in financing have had an interwoven strategy promoting energy efficiency concept benefits with incentives and financing solutions in a way that customers could best achieve their objectives for accessing energy efficiency improvements.

VI. Emerging Technology Sector

MCE did not provide an Emerging Technology Sector section to review.

VII. Public Sector

MCE did not provide a Public Sector section to review.

VIII. Workforce Education and Training Sector

Overarching WE&T Sector Feedback:

- While PG&E is the assigned statewide program administrator for WE&T specific to K-12 Connections and Career and Workforce Readiness, local WE&T efforts, as proposed in other plans, do not focus on similar elements for outreach and engagement, making it very difficult to compare and understand how the different WE&T offerings in IOU territories will complement one another.

Specific Comments:

1. Overall, CSE felt references to WE&T in the MCE Business Business plan are quite vague. There is no mention of budget or resources. There is no clear description of what MCE intends to include under WE&T (e.g., targeting market actors vs. decision makers), and there was no mention of disadvantaged communities.
2. **Pg. 50**, “To date, MCE has contracted more than \$250,000 with RichmondBUILD, the Marin City Community Development Corporation, Rising Sun Energy Center, and others to train and provide local workers to implement energy upgrades for our energy efficiency programs.”
 - Without more information, it is hard to know if this is a significant sum relative to a total budget for WE&T efforts.
3. While CSE finds the Workforce Program Diagram (Figure 24) and the Workforce Diagram Logic Model (Figure 25) to be clear and helpful illustrations in showing the alignment of workforce education and job creation, it is less clear what MCE’s proposed role will be in these efforts. What are the gaps MCE can fill? What is already being done in its territory?



As a mission-driven nonprofit organization, CSE works with energy policymakers, regulators, public agencies and businesses as an expert implementation partner and trusted information resource. Together, we are the catalysts for sustainable energy market development and transformation.

HEADQUARTERS

9325 Sky Park Court, Suite 100 - San Diego, CA 92123 - 858.244.1177 - www.energycenter.org

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| LOS ANGELES, CA

| OAKLAND, CA

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