California Energy Efficiency Coordinating Committee

Meeting #19

December 6th, 2018 10:00 to 12:15

Natural Resources Defense Council, 111 Sutter St # 20, San Francisco, CA 94104

Meeting Summary

Facilitator: Dr. Jonathan Raab, Raab Associates, Ltd. & Meredith Cowart, CONCUR

On December 6, 2018, the California Energy Efficiency Coordinating Committee (CAEECC) convened a quarterly meeting of the full CAEECC at the Natural Resources Defense Council (NRDC) office in San Francisco. Thirty individuals participated in-person, and over forty more participated via BlueJeans (webinar). A full list is provided in Appendix A: In-Person and Webinar Participation.

Meeting facilitation was provided by Dr. Jonathan Raab (Raab Associates Ltd) and Meredith Cowart (CONCUR Inc). Meeting materials, including presentations, are provided on the CAEECC website at <https://www.caeecc.org/12-6-18-caeecc-working-group-meetin>.

In this document, the majority of the discussion is captured without attribution. In some cases, the affiliation of the speaker is identified, because their affiliation is relevant to the comment. Presentations are summarized only if the presenter’s PowerPoint is not available on the meeting webpage (see link above).

Following the presentations, key clarifying questions or comments are listed and relevant *responses to questions* are noted in *italics*. Where multiple responses were given, these responses are listed as sub-bullets. Next Steps, at the end of this document, list all next steps discussed at the meeting.

**Session 1: Introductions**

The CAEECC Facilitator J. Raab opened the meeting and reviewed the agenda. He explained that the goals of the meeting are to:

* Receive an update on the development and roll-out of the third party (3P) solicitations, including Procurement Review Groups (PRGs) and important milestones;
* Provide opportunity for a brief discussion on the four issues raised by the California Efficiency Demand Management Council (CEDMC) and the IOU response to those issues;
* Provide a brief update on major CPUC decisions and rulings related to Energy Efficiency in California since the last CAEECC meeting; and
* Conduct planning for future CAEECC meetings. Meeting attendees then introduced themselves.

**Session 2: Third Party Solicitations & Procurement Review Groups (PRGs)**

***Third Party Solicitations Update – Angela Taglinao, Southern California Edison***

This presentation is available on the CAEECC website (see link above).

Clarifying Questions and Comments on 3P Solicitations Update:

* Could you clarify whether the federal programs will be statewide or local? *We don’t have any federal programs.*
* Please provide a link to the EE-PRG Independent Evaluator Handbook. [Note: the Handbook is available on the CAEECC website (see <https://www.caeecc.org/third-party-solicitation-process>)].
* Please provide at least one-month notice of RFP deadlines so that 3Ps have time to put together a robust response.
* Coordination across the schedules of the variety of solicitations would be tremendously useful for small companies that cannot respond as nimbly. *Please keep in mind that each IOU has a monthly meeting with PRG members, all of which are performing on a volunteer basis.*
* Was participation in the workshops on development of workpapers for new deemed measures adequate? *We had two full days of workshops with strong participation.*
* Regarding the IOU communication plan, a training on the custom workpaper development would be helpful, with considerations of workforce training.
  + *For clarification, the workpaper process is separate from the solicitation. The timeframe is dependent on the technology, methodology, and type of data collected. Approval of a newer technology that requires collection of new manufacturing data may take longer that an existing technology that needs an updated work paper.*
  + *Some utilities do not require that workpapers be in place before the RFA. Workpapers are only for deemed measures.*
  + *For custom measures, there are technical trainings for bidders on the CPUC website*
  + *CAEECC co-chair: Technical materials that PAs want to share or that bidders need provided can be posted to the CAEECC website*
* The IOU Solicitation Information slide lists the incorrect website for PG&E solicitation approval and submittal – it should be http://marketing.poweradvocate.com/. *CAEECC Co-Chair:* *Thank you, we will check with PG&E and make needed changes to the CAEECC website.*

***Procurement Review Groups Update – Dan Buch, Public Advocates Office***

D. Buch provided an update on recent PRG activities and progress. He reported that the Independent Evaluators (IEs) have been selected and all utilities now have IEs under contract. The primary focus of the PRG has been to develop the EE-PRG Independent Evaluator Handbook, and the Public Advocates Office is pleased with the product. Participation in the PRG has been robust, with 6-12 parties at any meeting, robust conversation, and a strong effort to participate in good faith. The PRG priority now is to work for more standardization and uniformity in the solicitation documents where appropriate, in order to make responding to solicitations easier for market participants. PRG members welcome feedback from bidders on improvements to solicitations. L. Ettenson (also a PRG member) added that the updated PRG member list is now available on the CAEECC website (available at <https://www.caeecc.org/third-party-solicitation-process>). She also noted that the PRG is currently considering methods for bidders to offer anonymous feedback, and that PRG members welcome any ideas on how to do this.

Clarifying Questions and Comments on PRG Update:

* CodeCycle Representative: Would an RFA related to compliance improvement be reviewed by the statewide PRG or an IOU-specific PRG? *IOUs:* *Compliance improvement is a local program and not statewide, so does not appear on this schedule - we will check and get back to you.*
* If two IOUs review a solicitation and one accepts and the other does not, how do they communicate? *An IOU is obligated to explain why a solicitation is rejected.*
* There is a lengthy update schedule for deemed measures, so implementers will likely be running Cost-Effectiveness Tools (CETs) in Q1 for projects that will be evaluated in Q2 using updated CETs. *Proposals will be evaluated based on current information, and should take into account the fact that the CET will change.*
* DEER updates are also needed and 3Ps may be designing programs that do not match the current updates*. CPUC: There will be guidance on the RFPs on how to work with DEER. We are very interested in moving in the direction of what is most useful for the grid, but can only make updates as quickly as the data becomes available. If you have some idea of the load shape you may be able to anticipate the updates.*
* Does the PRG make a recommendation or a decision on the Solicitations? *IEs score and PRGs make recommendations to IOUs (?). The process for settling any disagreements would be at the Advice Letter stage.*

***IOU Response to CEDMC Topics – Erin Brooks, SoCalGas***

E. Brooks reminded CAEECC members that the IOUs have collectively responded to the four concerns raised by the CEDMC, and that this response has been posted on the CAEECC website (see link above) and circulated via email. Members then made comments and posed clarifying questions.

Clarifying Questions and Comments on IOU Response to CEDMC Topics:

* CEDMC: What are the parameters of sole sourcing, so that members don’t waste time and resources on bids or other preparations that in fact have no real opportunity to be successful?
  + *CPUC: The Energy Division has reached out to IOUs to better understand the triggers that lead to the need for sole sourcing. Sole source contracts need to be presented to and approved by the PRG in advance.*
  + *Public Advocates Office: We will make any concerns public if we think a sole sourcing proposal does not comply with CPUC decisions.*
  + *SoCalGas: Refer to the Overview of the 3P solicitation Schedule – if something is on this list it won’t be sole sourced; if not on the list then it won’t be bid.*
  + *CEDMC: It’s not clear to us that this is true for all IOUs.*
  + *SoCalGas: This is true for SoCalGas.*
* Public Advocates Office: There are concerns about market participants understanding the geographic size of their market. A bidder needs to understand which parts of the service territory they have access to. There needs to be a plan to let market participants know the geographic restrictions of sole sourcing.
* Implementer: Regarding transparency, we’ve been told that the IOUs cannot directly assist local governments with Codes and Standards (C&S), but in conversations at CAEECC with IOU representatives we’ve heard a more open discussion of that process. *If there is something the IOUs are not eligible to enforce, it is appropriate for the IOUs to make this clear ahead of time. Generally if there are regulations governing what would or would not be considered, it should be disclosed in advance otherwise it wastes everyone’s time.*
* Implementer: Recently we’ve been encouraged to bid into other categories but we are hesitant to share software as we cannot be sure the information will not be shared or copied by the IOUs. It appears that IOUs have shared information that was confidential, so some members are very concerned about intellectual property and confidentiality.
  + *IOUs: IOUs have a requirement to show why we are going out to bid. If we issue a solicitation then there is no intention that we will later decide to run the program ourselves.*
  + *CPUC: The CPUC’s intention is to bring innovation to the marketplace. There is language in the modifiable contract section of the 3P section of D.18-10-008 that would speak to your concern.*
  + *Utilities need to make a clear justification as to why a program is kept in house v. put out to bid in order to alleviate this problem.*
  + *Implementer: We are concerned and think it important that IOUs train their staff to ensure strict compliance with Non-Disclosure Agreements and intellectual property rights.*
  + *It does not seem this issue has been fully addressed. Let’s keep this on our radar as the transition to 3P implementation continues.*
  + *CPUC: These are good questions, but we don’t currently have staff in the room to address these issues. We will address them and get back to you. CAEECC could be a good venue for a more detailed discussion on intellectual property.*

**Session 3: CAEECC Relevant CPUC Decisions and Rulings**

CPUC staff then provided a two-part presentation on *D.18-100-008 – Decision Addressing Work Force Requirements and Third-Party Contract Terms and Conditions*. The individual presentations are listed below. Clarifying questions and comments were made following both presentations.

***Contract Terms and Conditions for Third-Party Energy Efficiency Programs – Cheryl Wynn, CPUC***

This presentation is available on the CAEECC website (see link above).

***Workforce Standards for Third-Party Energy Efficiency Programs – Jordan Christenson and Joanna Perez-Green, CPUC***

This presentation is available on the CAEECC website (see link above).

Clarifying Questions and Comments on 3P T&Cs and 3P workforce standards:

* Attachment B – Workforce Standards of D.18-100-008 includes a statement that has to do with more global workforce requirements that we deem very important. This is a critical portion of the workforce overview, but was missing from the overview you provided. The PRG will be looking to make sure IOU solicitations include language on those requirements. IEs have specific expertise in workforce standards and requirements.
* Please be aware that some contractors hire individuals with licenses so they can circumvent workers compensation and other requirements.
* Does the July 1, 2019 requirement on workforce standards apply to all IOU and non-IOU programs?*Yes.*
* Per the requirement that CAEECC Convene stakeholders by July 1, 2020 to discuss workforce standards and additional applications, why was that date picked and can this begin earlier? *We wanted to gain some experience first with the current new standards. However, this can start earlier than July 1, 2020.*
* On the subject of transparency, we’d like IOUs to put out RFAs that include the modifiable contract terms.
* Another item not discussed in this presentation is the hiring best practices for disadvantaged workers. We have recommendations for the CAEECC to develop vetted strategies for creating a pipeline to get disadvantaged workers into these programs. We’d like to open that discussion now if appropriate or a later time if not.

***CPUC Market Transformation Update – Christie Torok, CPUC***

This presentation is available on the CAEECC website (see link above).

Clarifying Questions and Comments on MT Update:

* Could you clarify the relationship of the staff proposal to the formal docketing process? *Procedurally, nothing was adopted. The staff proposal went out in a ruling, parties filed comments, and the CPUC hosted 2 workshops on MT. The next phase of work is through the CAEECC, and there is a possibility of a joint proposal from all parties, which would go out via a ruling for filed comments. However this could move forward a number of ways, depending on what the MT Working Group develops.*

**Session 4: CAEECC Planning**

***Session IV: CAEECC Planning – 12.6.18 – Jonathan Raab, Raab Associates Ltd.***

This presentation is available on the CAEECC website (see link above).

Key Discussion Points on Dates for Full Quarterly CAEECC Meetings in 2019:

* There was general agreement that Option 1 (a single CAEECC meeting on August 7, 2018 for ABAL review) is preferable, as Option 2 (a meeting to review drafts on July 24, 2018 and a second meeting to review updates to the drafts on August 14, 2018) may not allow IOUs sufficient time to develop robust draft ABALs in advance of July 24, 2018. IOUs will have strong drafts available for CAEECC review at least one week prior to the August 7th meeting, and this will also allow more time for PAs to incorporate feedback into the early September ABAL filings.
* A CAEECC meeting on June 27 presents a conflict with a Statewide Energy Efficiency Collaborative conference, so this date will need to be adjusted.

Key Discussion Points on CAEECC Workplan 2019:

Members provided feedback on the proposed CAEECC 2019 workplan. The updated PPT slide including potential workplan topics is now posted on the meeting webpage (see link above) and is also copied here:

* Full Quarterly CAEECC Mtgs. (ABALs, progress in 3rd Party RFPS, other topics TBD)
* Market Transformation Working Group
* Intellectual Property (internal fire wall issue & ED potential request)
* Disadvantaged Workers/Workforce Standards
* EM&V/M&V
* Other Full CAEECC/Workshop/Working Group Topics TBD

Key Discussion Points on Evaluation Framework:

* Agenda setting is critical to CAEECC and should be added to the evaluation framework. *Agenda items for the next meeting are discussed at the end of each meeting, the items are discussed with Co-Chairs, and then a draft is circulated to the CAEECC prior to the meeting. CAEECC members should all feel free to email facilitators with proposed agenda items. This subject can be addressed in January interviews if needed.*

**Next Steps**

* CAEECC Members:
  + Fill out post-CAEECC meeting #19 evaluation survey by COB Friday, December 14, 2018.
  + Participate in evaluation interviews with CAEECC facilitators.
  + Provide PRG any ideas on how bidders can offer anonymous feedback to the PRG.
* Facilitation Team:
  + Develop CAEECC #19 Draft Meeting Summary (this document) for member review and finalization by December 13, 2018 COB.
  + Hold evaluation interviews with each CAEECC Member.
  + Identify alternate date for proposed June 27, 2018 Full CAEECC meeting.
* CAEECC Co-Chairs
  + L. Ettenson to check with PG&E and update the PG&E solicitation approval and submittal information on the CAEECC website as needed.
* Program Administrators:
  + Determine whether an RFA related to compliance improvement would be reviewed by the statewide PRG or an IOU-specific PRG and communicate answer to D. Suyeyasu.
* Interested Stakeholders:
  + Provide PRG any ideas on how bidders can offer anonymous feedback

**Appendix A:** In-Person and Webinar Participation.

*Note: The lists of attendees joining in person reflect actual participation as captured via a sign in sheet circulated during the meeting; the lists of attendees joining via webinar reflect registration only. If individuals participated in the webinar but didn’t register, or registered but didn’t participate in the webinar, these last-minute changes are not reflected here.*

***CAEECC Members/Proxies Joining in Person:***

|  |  |  |
| --- | --- | --- |
| Athena | Besa | San Diego Gas and Electric |
| Erin | Brooks | Southern California Gas Company |
| Dan | Buch | Public Advocates Office |
| Marc | Costa | The Energy Coalition |
| Dave | Dias | Sheet Metal Workers Local 104 |
| Jessie | Denver | City and County of San Francisco |
| Lara | Ettenson | Natural Resources Defense Council |
| Arthur | Haubenstock | California Efficiency + Demand Management Council |
| Bernie | Kotlier | Coalition for Energy Efficiency |
| Jerry | Lahr | Association of Bay Area Governments |
| Rebecca | Menten | Center for Sustainable Energy |
| Brian | Samuelson | California Energy Commission |
| Matt | Skolnik | SoCalREN |
| Dan | Suyeyasu | CodeCycle |

***Representatives of CAEECC Member Organizations Joining in Person:***

|  |  |  |
| --- | --- | --- |
| Elizabeth | Baires | Southern California Gas Company |
| Maya | Biery | Pacific Gas and Electric Company |
| Quashaun | Vallery | MCE Clean Energy |

***CPUC Staff Joining in Person***:

|  |  |  |
| --- | --- | --- |
| Jordan | Christenson | California Public Utilities Commission |
| Peter | Franzese | California Public Utilities Commission |
| Hal | Kane | California Public Utilities Commission |
| Joanna | Perez-Green | California Public Utilities Commission |
| Nils | Strindberg | California Public Utilities Commission |
| Christina | Torok | California Public Utilities Commission |

***Other Stakeholders Joining in Person:***

|  |  |  |
| --- | --- | --- |
| Michael | Kenney | California Energy Commission |
| Anthony | Kinslow II | Gemini Energy Solutions |
| Peter | Schwartz | LBNL |
| Eric | Taylor | Enalasys Member CEA |
| Serj | Berelson | Nest |
| Steve | Miller | SE |
| Sam | Appel | Blue Green Alliance |

***CAEECC Members/Proxies Joining via Webinar:***

|  |  |  |
| --- | --- | --- |
| Matt | Evans | Southern California Edison |
| Galawish | Galawish | Western HVAC Performance Alliance |
| Barbara | Hernesman | Western HVAC Performance Alliance |
| Lou | Jacobson | Redwood Coast Energy Authority |
| Ivan | Jiminez | Small Business Utility Advocates |
| Lujuana | Medina | County of Los Angeles/SoCalREN |
| Micah | Mitrosky | IBEW Local 569 |
| Laurel | Rothschild | The Energy Coalition |

***CPUC Staff Joining via Webinar:***

|  |  |  |
| --- | --- | --- |
| Cheryl | Wynn | California Public Utilities Commission |

***Representatives of CAEECC Member Organizations Joining via Webinar:***

|  |  |  |
| --- | --- | --- |
| Cherie | Bernard-Frobish | Lockheed Martin Energy |
| Meghan | Dewey | Pacific Gas and Electric |
| Angela | Taglinao | Southern California Edison |
| Kevin | Thompson | Southern California Edison |
| Becky | Estrella | Southern California Gas Company |

***Other Stakeholders Joining via Webinar:***

|  |  |  |
| --- | --- | --- |
| Christine | Baginski | Community Action Partnership of Orange County |
| Tim | Bankroff | QuEST, Inc. |
| Nancy | Barba | Frontier Energy |
| Julie | Benabente | City of San Jose/ Silicon Valley Energy Watch |
| Martin | Bond | Community Energy Services Corporation |
| Nick | Brown | Build Smart Group |
| David | Bruder | ICF |
| Tony | Coonce | Lime Energy |
| Susan | Davison | Healthy Home Environment Association |
| Cory | Downs | City of Chula Vista |
| Christopher | Ford | The Energy Coalition |
| Katherine | Johnson | Johnson Consulting Group |
| Rosie | Kang | Willdan |
| Marisa | Lee | ASWB Engineering |
| Sally | Lee | C-ENERGY INC. |
| Amanda | Leonis | City of San Jose |
| Anna | Lowe | SANDAG |
| Ellen | McCarty | EAJ Energy Advisors |
| Steven J | McCarty | EAJ Energy Advisors |
| Susan | Osbeck | Franklin Energy |
| Jim | Reese | CMTC |
| Gene | Rodrigues | ICF International |
| Kimberly | Rodriguez | InTechEnergy |
| Lisa | Schmidt | Home Energy Analytics |
| Tyler | Sybert | SDG&E |
| Timothy | Unruh | National Association of Energy Service Companies |
| Ying | Wang | Okapi |
| Ken | Williams | Franklin Energy |
| Garrett | Wong | City of Santa Monica |