

# Evolving CAEECC Huddle #1

- Kate: CAEECC was originally a market rate organization and the working group was created to make sure that those funds for EE were being used correctly. Need to move away from the original big business model to a smaller business model,
- Lou Jacobson/Willdan: Public Purpose Program with intention to serve the rate payer. This is about benefit to the grid, to the generic rate payer group. How to structure the program to serve more under resourced communities. Market equity + support is limited to 30% - how to increase that number.
- Kate: we need to establish ground rules for this group in order for all of the voices to be heard.
- Lou: we need to base recommendations on what
- Jan Maes: Important to understand what the policies are, a lot of this is new. Struggling with what the model market is and is that something the ECWG can focus on.
- Kate: Do not silo activity for under resourced communities to IOUs. Making CAEECC an organization to make sure that everyone can get
- Lou: 3 Segments for energy efficiency programs
  - **Resource Adequacy:** for Investor-owned utilities, ~70% of the total portfolio (an administrator's set of programs) budget → this is a regulatory requirement
  - **Market Support:** for Investor-owned utilities
  - **Equity:** for Investor-owned utilities, u
  - ~30% of the budget can be spent on market support and equity.
    - Examples:
      - an outreach program about why it's important for a non-english speaking ratepayer or business to get involved into the Resource Adequacy programs as it's a benefit to them and the grid.
      - Hard-to-reach; Income: How do you interact with these communities to participate in programs.
      - Small Business \_\_\_\_ Program. Get small businesses to participate in resource adequacy programs
  - *For example, if there's 600M for a portfolio programs. 70% must go to Resource Adequacy segment that has a*
  - *If energy efficiency is a cheaper resource than building a new power plant, then we should invest in energy efficiency. Roughly is the energy efficiency resource acquired have benefits that exceed costs. This is "purportedly" good for all ratepayers (from a policy perspective). But in reality, since the IOUs are shareholder owned corporations with maximizing profit as its primary motivation, "How" cost-benefits (cost-effectiveness and what gets taken into account or not) analyses are done and to "whom" (low and moderate income ratepayers, most of whom are renters?) or "what" (the*

*grid? the corporation?) actually accrues any benefits (both financial and material), it may be a fallacy.*

- Solicitation to the market to get innovative program designs.
- Regional-Energy Networks (RENs) and Community Choice Aggregators (CCAs) get XX% of the Public Purpose Surcharge.
  - Regional Energy Networks must meet “thresholds of review” to implement programs
    - The utility program implementation
    - Services to hard to reach communities (communities of concern with a regulatory definition)
    - Any program that’s a pilot that has the ability to be scaled at a state level
      - I.e. how to penetrate markets, test/pilot programs
  - The CPUC reviews REN proposals to these three thresholds. RENs are not held to the same standards of cost-effectiveness of IOUs, which gives them more flexibility to reach underserved communities
  - Community Choice Aggregators \_\_\_\_
- CalSHAPE Program: money to increase indoor air quality and plumbing issues. Unspent money from the Equity Segment of IOU budgets was allocated to this program and started around the start of COVID. “Sunset” date is soon-ish
- The proportion that goes to “equity” than market is fairly small. There’s no floor for equity?
  - Need to double check
  - It’s in the utility’s best interest to spend the equity budget under different rules because they can drive energy savings to their portfolio without cost-effectiveness and that allows them to reach their energy efficiency goals.
  - Do IOUs care about reducing costs for ratepayers? There’s a lot of factors into this and so can’t speak to actual ratepayer costs.
    - Energy data website:
      - How the EE portfolio is integrating with the IRP and IEPR and CAISO
- Sumi: we are in a working group with a finite life that needs to deliver something. We are not going to understand everything about the PUC and what Lou has learned. Questioning the value of learning the intricacies. We should probably focus on developing guiding principles for what this looks like. Maybe leave the details to others. We know what we want to see and how this should operate. Maybe all these regulations / set up should be \_\_\_\_\_. Let’s figure out what we want it to look like and think about the outcomes we want to see. Let Lou and others tell us where we can find it. What do we want, what are the recommendations we want to make?
  - Lou: Appreciate this. Get excited about policy. This is all about empowering CAEECC and to tell the CPUC what CAEECC needs to

advocate on underserved behalf: membership needs to change, power to influence lawmaking. Want to blow it up but can't do that in the short term. Must advocate the people that the CPUC will listen to, right now that's CAEECC. What will the bylaws be of CAEECC to center around Communities of Concern.

- Sumi: hope group ends up in a place to dictate where CAEECC goes moving forward. What are the things we want to focus on. Only go into nitty-gritty when its relevant.
- Mr. Charles: Support Sumi's comment. Incorporate it into thinking. What are the outcomes we want it to be? Wouldn't that be into a workforce incentive? If we are talking about equity, aren't we talking about putting people to work. Jobs are a key to opportunities. This is a way to gauge whether people are benefiting. Are the people who are undergrounding lines people from communities of concern? Would love for us to incorporate ideas into what this should look like. Work together with folks in this group.
- Sumi: Member of SoCalREN and Gateway Cities COG in LA. RENs are doing work with equity. What do we want, let's focus on that. We've spent all this time and we haven't come up with a "what we want"
- Kate: [Supplier diversity program](#). The CPUC is adding MWBEs to solicitations for projects. *X company between \$x - \$x must use MWBEs in the process*. Don't know who this excludes in the process. Can we have an overarching goal? Do we have conflicts of interest? Do we all have an equal say? Is anyone under undue pressure to steer things one way versus another. Want power to be balanced. Want trust in this group. Can we establish rules for equality of representation?
- Alice: we need to decide what is the shared purpose and what is the outcome we want? Want to daylight what we can start to see and perceive as a purpose. Do we feel the allocations of segments are just? Where are the gaps and where are the injustices? Where do we want to go and what is the outcome we want? Do we want our Public Purpose (this is on the order of \$1.2+ Billion per year!) money to be spent to save PG&E/IOU money for its own (grid) "Resource Acquisition" which goes to increase profits for shareholders and highly paid executives of the utility? Who benefits from this Business-as-usual system?-- The Utility companies, some big third-party implementers in the EE space, and the big corporate energy hogs receiving "EE rebates and efficient equipment upgrades?" Where do we want it to be spent? WHO do we want to benefit and where do we want any profits to go to as well as the rebates and energy efficiency equipment/measures, in order to reduce energy burdens on those most cumulatively impacted and energy and housing burdened? If we aren't fine with the business as usual and this system with its current regulations, let's recommend those changes. Once we see the injustice of the current system that controls our public program monies, we can suggest changes to the [CAEECC] system that would improve the Quality of life, reduce energy burdens and create health equity as well as the economic (training/jobs) in these energy efficiency, solar, and decarbonization retrofit fields for those communities of concern that

have the most needs. Grateful for the space. Concern is about the composition of CAEECC and maybe of this working group if there are indeed conflicts of interest that make it difficult for some parties to come to shared purpose of transformation of systems towards more a more democratic energy system, equity and justice . Let's build trust, with transparency, and better relations with each other in a truly shared purpose.

- Tanisha-Jean: Appreciate everything been hearing. Feeling more lost coming in here than before. So much information. Will we be able to obtain as much as we can to do much of this work? Can't reach that. Where is it where we can find things to work on. What pertains to us to move forward. What's going on with homework? Don't feel as lost, we'll come back together. We can all reach 16 multiple ways, so lets figure out our goal
- Aislyn: As far as Sumi's question "What outcomes do we want to see?" I looked back through our Homework C and I wonder if those questions feel more answerable now. Here are our original questions and answers:  
[https://www.caeecc.org/files/ugd/849f65\\_8638dc5c343746419587eec11b39c94c.pdf](https://www.caeecc.org/files/ugd/849f65_8638dc5c343746419587eec11b39c94c.pdf)
- Sumi: Thanks all, I have to jump off too. I was hoping we would have an opportunity to discuss big picture, what outcomes we'd like to see for CAEECC and for this working group.
- Nicole: would like to move forward and start, but allowing time for folks to absorb who need to
- Jason: absorbing. Looking for deeper meaning on what this group is trying to focus on. Wish for more focus.
- Lou: **Straw proposal** to make meaningful steps to move forward: How do we make recommendations to CAEECC to re-tool CAEECC to make meaningful action in the policy/regulatory space.
  - Recommend that cAEECC becomes a party to the proceeding
  - Recommend that we inform an updated bylaw to memorialize the priority
  - Recommend a change in membership
  - Change CAEECC to have a better desire to change policy/regulatory space in the future
- Mr. Charles: what parts of the bylaws are preventing equity? CAEECC board itself expects itself to have new voices and new people. Support developing a systematic look at what needs to change and make that into the vision we want: Inclusion, Change. What presently exists to change CAEECC? If we don't have a goal early enough, we will lose people. **Propose adopting what Sumi said and coming up with shared goals of what we want this to look like.** Start with the end in mind.
- Aislyn: Agree with being in a good place. The distracting part is when people think we need more information to be able to make that. Some oof that is the need to trust the process, but also needing to trust each other. We can't do it all, we need full knowledge.

- Lara: personal side note: NRDC has just gone through a huge shift in its staff and its really emotional. Taking sabbatical starting Friday.
- Lara: As a CAEECC Member (as NRDC and herself). Rather than fixing the existing CAEECC, what should a collaborative look like to engage communities. What would be an ideal way to move this group? CAEECC should disband. What's a new collaborative? Let's start fresh?
- Mr. Charles: blow it up in the interests of equity?
- Lou: could Lara speak to the slippery slope of regulatory system. If we "blow up CAEECC" R.13-11-005 is the order of the proceeding. How do you propose sidestepping this and achieve the goal of "blowing it up"
  - Lara: Order of operation versus a sidestep. What's the ideal thing a collaborative would do and once that's established, what are we trying to influence?
  - Lara: back in 2012, the things to change were the evaluation process and working together
  - Lara: what do we want this group to do and focus on in the construct of energy efficiency? Perhaps it's CAEECC should focus on the distributional equity of distribution of funds. Perhaps its implementing ESJ Plan Goal # to be a space to get more voices into the space. We don't get to decide it, but we can propose it.
  - Lou: Team rules/expectations. Think beyond the policies will be an important levelset. Otherwise worried about thinking in all the reasons we can't do this.
  - Lara: Should say commission, this is what's wrong and this is what we should do.
- Suhaila: Heard 2 themes: 1) building trust and setting principles to work together. 2) start thinking about what a new CAEECC would look like?
- Aislyn: Part of the reason behind trust, which of the "insiders" work within the system? Name the \_\_\_ in the group.
- Kate: **Proposed a title change**: California Equity Energy Efficiency Coordinating Committee? This will focus equity versus hiding market-rate. Change ourselves. Instead of bringing energy efficiency to various places that benefit large corporations, don't see that as equitable. As a coordinating committee, can think about the percentages and distribution of them. Instead of coordinating big money for big groups, have more of a hand in how the percentages are spread out. See it in research/contracting that the big folks are "trying" to get, for example, MWBE. Make it a requirement. We can shift CAEECC's goal without blowing it up by making it coordinators of equity
- Mr. Charles: Equity-focused language, we should start using it instead of energy efficiency. If we use equity in the name, then it defines our purpose for us. Why should they be able to keep 70% for what they want to do? It should be 50% of budgets to programs that hire minorities and puts them to work. Focus on equity percentages, hiring, representation, etc. in communities of concern. If we did it like that, we'll be defining what it is we're about. Supplier diversity, minority

partnerships, these can be the incentives we give out. That gives us power to do what we want.

- Lara: The percentage of equity segment isn't out of 100% of the money. It's the money minus the REN bucket and then it's at most, 30% of the remaining portion controlled by the IOUs, as determined and designed by the IOUs pending what program portions they allow 3rd-party implementers (up to 60% of their total allocation, now).
- Mr. Charles: Are folks proposing to blow it up to start over? We've come to the determination that the system isn't designed for inclusion, then we already know we need drastic changes made. We have the right to suggest a momentous shift versus small tiny ones. This is a complex problem created by the industry, not by us. Understand Aislyn's idea of trust, and we're building that. It's not something on a schedule. Trust happens in tiny increments. We're hearing each other out. Suhaila listened to us and let Aislyn and everyone else direct this conversation. Doing it that way we've had tremendous success in this time.
- Jan: Outcomes of JEDI that we can start formulating. What I'm hearing is that the old CAEECC can't get what's done with its old influence or power or do we need to suggest to give power to CAEECC to influence in a new way. Would like to get a sense if everyone today is happy to be bold? Can we move farther than operations?
- Tanisha-Jean: leadership begins with ourselves. Can we do this with ourselves right now? Will those who aren't here agree with that? What actions will we be taking to demonstrate the actions we want to see? Since more than half the group isn't here, the progress isn't with the group, it's with the folks here. Can see perspectives coming in that may not align with this. **Proposal: lets fix our own community here first.**
- Jan: **Can we come up with a vision or proposal?**
- Mr. Charles: **Inform everyone about the conversation.** Ask: What are the vision of equity principles to guide this group? Not advocating for blowing it up, but instituting inclusivity into something it wasn't designed for
- Tanisha: I suggest notes too. Not being at this meeting and suddenly there is a proposal on this groups behalf and not knowing how it came to be would be frustrating to me
- Lara: I'm recommending blowing it up :)
- Nicole: Notes + bullets of what CAEECC wants to look like and what we suggest. Sub-working group? Think we should draft something
- Aislyn: Maybe build off HW C?
- Nicole: Think folks are past HW C, and it might be distracting?
- Mr. Charles: build off something at least
- Nicole: Start with who members of CAEECC should be?
- Composition, Diversity, Equity, and Inclusion Final Report: [https://www.caeecc.org/\\_files/ugd/849f65\\_d6d06e464a7d44399d47dee13e7b05d6.pdf](https://www.caeecc.org/_files/ugd/849f65_d6d06e464a7d44399d47dee13e7b05d6.pdf). Page 50 has all the recommendations for Composition of CAEECC Membership

- Homework C Responses:  
[https://www.caeecc.org/\\_files/ugd/849f65\\_8638dc5c343746419587eec11b39c94c.pdf](https://www.caeecc.org/_files/ugd/849f65_8638dc5c343746419587eec11b39c94c.pdf)
- Lara: What is it that Evolving CAEECC wants to be? Then we can create the forum to make what we want to be lived.
- Nicole: down to start wherever
- Suhaila: Need to clarify who “our” is and “we”
- Lara: How does Evolving CAEECC want to conduct itself? What is Evolving CAEECC envisioning the full CAEECC should be moving forward?
- Jan: **Proposed starting at:** What should the Full CAEECC be?
- Kate: In order to define what the Full CAEECC needs to be, we need to define what Evolving CAEECC needs to be.
  - Aislyn: Why ECWG is empowered?
  - Kate: in order for ECWG to complete it’s goal, we need to define a way for ECWG to operate.
- Mr. Charles: **Evolving CAEECC is a reflection of what we want Full CAEECC to be. Evolving CAEECC has to be emblematic of what we’re talking about. If we stuck to our homework viewpoints, then this is who ECWG is, how ECWG wants to move forward, and this is what ECWG wants to work on in the next 2 months**
  - Lara: and what this group wants to address in the next 2 months
  - Everyone agreed to this (Nicole, Aislyn, Jan, Tanisha, Kate, Mr. Charles)
  - *This is co-creation! Hopefully CPUC can internalize this*
- Lara: we should share this with everyone
- Nicole: It would be good to share this and also give suggestions of what the next steps should be.
- Mr. Charles: We want CAEECC to be a reflection of ECWG and now ECWG is tasked to set that precedent
- Tanisha-JEan: Do we want the full CAEECC to see this?
  - Lara: Agreement is that CAEECC gets updates at quarterly meetings. CAEECC gets the final recommendations and will “vote” on consensus.
  - Mr. Charles: Are the recordings accessible to everyone? How are we creating equity with this? We aren’t moving forward without everyone here. Nothing is going to happen without acknowledgement of everyone
  - Mr. Charles: transparency: open sharing . Define these terms. Give us information in a timely manner. Giving information ahead of time is demonstrating equity. Demonstrating and developing what equity looks like.
  - Suhaila: what is recordings?
  - Tanisha: recordings is this. Make it more “minute” like with timestamps for topical discussions. This allows folks to follow along. Record Huddle Meetings. Notes is a perception thing. A video is everything is there. Record at least the huddles.
- Kate: [Jemez Principle](#) #3: let people speak for themselves

- Aislyn: Clarifying this Huddle is going to pass on this bold sentence to the entire group and ask the Huddle on their thoughts. Also like the idea of having other pieces to take forward. Also want to propose topics for discussion at the next huddle: 1) revisiting disclosures; 2) focus on changing CAEECC membership (CDEI did a lot of conversation around this); 3) More compensation programs; 4) Policy recommendations/outcomes we want to see (things we want to see changed—combining ESAP, burying powerlines)
  - Mr. Charles: I Like unifying principles; seeing caeecc reflect communities of concern
  - Jan: I agree; otherwise we're not bringing much new to the next huddle. Agree on both: membership and policy recommendations.
  - Lara: struggling to answer that if we don't know what Full CAEECC should be yet. Worried about leaving voices out if its optional. How to make a collaborative that's inclusive and reflective of this cocreation, we need new membership, operating principles (speaking for self, \_\_\_\_), and the policy / outcomes to envision.
    - *Full CAEECC only a vector for community voice to influence CPUC would create a very different objectives than A Full CAEECC that brings voices to table to influence policies such as XYZ.*
    - If CAEECC is to bring in voices, then NRDC might not be a value add (totally okay). If it's to influence policy, then NRDC might have a role. What CAEECC should be is like a foundation to those other details
- Mr. Charles: **what we're supposed to do right now is come up with unifying principles/guiding principles to dictate how we move forward.** Short term, mid term, long term for ECWG. Lets stay focused on this first step.
- Lou: There's pros and cons for different big ideas for CAEECC. For next huddle (after unifying principles) what holes emerge. Any solution has an eventuality of someone being left out and weighing those costs.
- Suhaila to send email saying that the group "proposes"
  - Evolving CAEECC is a reflection of what we want Full CAEECC to be. Evolving CAEECC has to be emblematic of what we're talking about. If we stuck to our Homework C viewpoints, then this is who ECWG is, how ECWG wants to move forward, and this is what ECWG wants to work on in the next 2 months
  - And to propose this for the next meeting: what we're supposed to do right now is come up with unifying principles/guiding principles to dictate how we move forward.





## Posed Questions for Homework from Meeting #3 / Evaluation

- What are the CAEECC's common goals in the short, medium, and long term?
- What are the Evolving CAEECC's common goals in the short, medium, and long term?
- What problems is the Evolving CAEECC Working Group trying to solve?
- What should CAEECC be moving forward?
- Shared understanding of CAEECC history and EE context
- What injustices are in CAEECC now?
- What solutions are available to change CAEECC to remove injustices?
- Sharing of where folks are coming from (interests, conflicts, skillsets) and what experience they bring to the space—both working/operating in this energy efficiency space as a stakeholder, as well as lived experience.
- What tools should be in CAEECC's tool box to affect change?
- Common Terms and Definitions
- Other:
  - what should a collaborative and inclusive space look like? *This is a reframe of what should caeecc be, what tools are available, what injustices we want to solve for, etc*
  - Power Mapping the work of the members of CAEECC and all other stakeholders in the energy efficiency rolling portfolios landscape
  - Equity, Diversity, Prioritizing and Including Low Income Communities in decision making
  - What are the inherent biases/conflicts of interest of Evolving CAEECC WG members working in the energy efficiency industry that might influence how we discuss the future of CAEECC?
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Use some of the responses from Homework C to begin a framework for our proposal.

Nicole: make sure to use it as a framework