


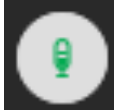
# **Energy Efficiency Third Party Solicitations Stakeholder Engagement Forum**

March 16, 2023

# Logistics

- Please keep your microphone muted when you aren't speaking
- To ask questions, either



- Add your question to the chat or
- 'Raise your hand'  and a host will identify you so can ask your question.  
\*Reminder: Please press mute when done speaking 
- Or - for **anonymous questions/feedback**, email: [jessica.levine@cpuc.ca.gov](mailto:jessica.levine@cpuc.ca.gov)
- If there are questions that aren't answered in this meeting, we will make note of them and include them in the meeting notes to be addressed later
- The slide deck and meeting minutes will be posted to CAEECC

# Agenda

Start Time	Min	Session	Objectives	Presenter/Facilitator
8:30	10	Opening	<p>Introductions and agenda Agenda and Safety Survey Results from July 2022 meeting</p>	<p>Elizabeth T. Lowe Independent Evaluator Barakat Consulting, Inc</p>
8:40	20	<p>Session 1</p> <p>EE Decision and Trends</p>	<p>What's new?</p> <ul style="list-style-type: none"> <li>• Meeting purpose and goals</li> <li>• Solicitations process updates</li> <li>• EE Decision</li> <li>• Trends with smaller solicitations, including Equity, Market Support</li> </ul>	<p>Alison LaBonte CPUC Energy Division</p>
9:00	30	<p>Session 2</p> <p>Independent Evaluators' Semi-Annual Report December 2022</p>	<p>Looking Back</p> <ul style="list-style-type: none"> <li>• IE observations on solicitations process from April 2022 through September 2022</li> <li>• Effective practices across IOUs</li> </ul>	<p>Elizabeth T. Lowe Independent Evaluator Barakat Consulting, Inc</p>
9:30	60	<p>Session 3</p> <p>IOU Portfolio Update &amp; Upcoming Solicitations</p>	<p>IOU Updates</p> <ul style="list-style-type: none"> <li>• Solicitations schedule updates</li> <li>• Process Improvements</li> <li>• Changes based on the new EE decision</li> </ul>	<p>Sandra Baule, SDG&amp;E Marissa Barrera, SCE Emma Ponco, SoCalGas Matt Braunwarth, PG&amp;E</p>
10:30	5	Break		

# Agenda

Start Time	Min	Session	Objectives	Presenter/Facilitator
10:35	40	Session 4 CEDMC Member Panel	Stakeholder Observations <ul style="list-style-type: none"> <li>Continuing the Discussion: The Value of Individual Feedback for Unsuccessful Bids</li> <li>Supplier Diversity Goals: Opportunities for Continued Improvement</li> <li>Revisiting Key Performance Indicators</li> </ul>	Facilitator: Clark McIsaac, CA Efficiency + Demand Management Council <ul style="list-style-type: none"> <li>Kim Rodriguez, Resource Innovations</li> <li>Jim Dodenhoff, Silent Running</li> <li>Ying Wang, Okapi Architecture</li> </ul>
11:15	40	Session 5 Independent Evaluator Panel	Independent Evaluator Observations <ul style="list-style-type: none"> <li>One-Stage or Two-Stage solicitations?</li> <li>Small/Diverse Business Enterprise Participation in Solicitations and Implementation</li> <li>Compensation Structures for Equity and Market Support Programs</li> </ul>	Facilitator: Ely Jacobsohn, CPUC Energy Division <ul style="list-style-type: none"> <li>Kim Crossman, Great Work Energy</li> <li>Don Arambula, Don Arambula Consulting</li> <li>Richard Milward, MCR Corporate Services</li> <li>Elizabeth T. Lowe, Barakat Consulting, Inc.</li> </ul>
11:55	15	Open Discussion	<ul style="list-style-type: none"> <li>Participant engagement</li> <li>Topics for next meetings</li> </ul>	
12:05	10	Closing	Post Meeting Items Surveys Slide deck & meeting minutes to CAEECC	
12:15			Adjourn	

# Safety Moment: Storm Preparedness

- Check in with neighbors, especially those without power or vehicle access. Do you have a car that can get you into town today? Offer to bring a neighbor along so they can stock up on food/pet food, medications, or supplies.
- Fuel up your personal vehicle and make sure you have fuel for your generator.
- Make sure you have groceries for 72 hours, including water, pet food, and nonperishables that will hold over several days.
- Identify a heat source for the next 72 hours. If you use a woodstove, bring your firewood in before the storm.
- Charge your cell phone, tablet, laptop, etc., and have flashlights ready in case of a power outage.
- Conserve your propane and help delivery drivers by keeping the path to your tank clear and accessible.
- Gather your analog entertainment sources, including books, magazines, puzzles, and games.
- Report downed trees or issues on County maintained roads

Source: Nevada County Website

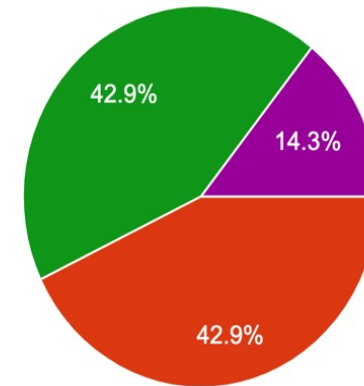
# Survey Overview from July 2022 Meeting

- Seven responses including 3 implementers / bidders, 3 “Stakeholders” and 1 IE
- Suggestions for topics/feedback included:
  - How to further promote innovation
  - Encouraging DBEs to participate
  - IOU feedback approaches
  - Support for the CEDMC panel
- To participate in the survey for this meeting, scan the QR code or click the link in chat:

[https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC\\_yFNpivLij+PkKf81i1BbCQHn2LKldDw/viewform](https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC_yFNpivLij+PkKf81i1BbCQHn2LKldDw/viewform)

What is your role in EE solicitations?

7 responses



- Administrator
- Implementer/Bidder
- Regulator
- Stakeholder
- Independent Evaluator



# Session 1: Energy Division Introduction

Eighth Semi-Annual Energy Efficiency Third Party  
Solicitations Stakeholder Engagement Forum

March 16, 2023



California Public  
Utilities Commission

# Meeting Purpose and Goals

- Report out to stakeholders on completed solicitations milestones and upcoming solicitations
- Provide transparency on regulatory and process updates:
  - D.23-02-002 established new third-party solicitations rules
  - Efforts to address priority areas for continuous improvement
- Gather feedback and identify emerging issues from the public
- Provide stakeholders an opportunity for engagement with the IOU solicitations teams and third-party solicitations Independent Evaluators



# Past Stakeholder Engagement

## 7 semiannual workshops

- July '19, Feb '20, July '20, Jan '21, July '21, Jan '22, July '22

## 1 CPUC all party meeting

- October '20

## Identified areas for improvement:

- Length and cost of solicitations process
- Restrictive contract terms and conditions
- Opportunities for novel procurement mechanisms
- Cultivating small and diverse businesses as 3P implementers
- Transparency in EE programs and IOU procurement

# CPUC Policy Overview

**D.16-08-019**

**Guidance for  
EE Rolling  
Portfolio  
Business Plans  
Filings**

Aug. 2016

*Guidance  
on third-party  
programs and  
admin*

*Provided new  
third-party  
definition and  
portfolio %  
requirement*

**D.18-01-004**

**Energy  
Efficiency  
Solicitation  
Process**

Jan. 2018

*Established  
process for  
third-party  
solicitations*

*Revised %  
third-party  
compliance*

*Established  
PRG and IE  
structures*

**D.18-05-041**

**Energy  
Efficiency  
Business Plans**

May 2018

*Discussed  
third-party  
programs as  
they relate to  
business plans*

*Revised third-  
party  
compliance  
milestone for  
2020*

**D.18-10-008**

**Workforce  
Requirements  
and Third-Party  
Contract Terms  
& Conditions**

Oct. 2018

*Established  
workforce  
quality  
standards*

*Defined  
“disadvantag  
ed worker”*

*Established  
standard and  
modifiable  
contract  
terms*

**D.21-05-031**

**EE Potential  
and Goals and  
Portfolio  
Segments**

May 2021

*Adopted  
Total System  
Benefit metric*

*Adopted EE  
segments of  
resource  
acquisition,  
market  
support, or  
and equity*

**D.21-12-011**

**EE Actions to  
Enhance  
Summer  
Reliability**

Dec. 2021

*Authorized  
\$30M  
statewide for  
third-party  
solicitations  
designed to  
produce  
peak and/or  
net peak  
demand  
savings*

**D.23-02-002**

**EE Solicitations  
Process  
Improvements**

Feb. 2023

*Removed  
requirement  
for two-stage  
solicitation  
process*

*Adopted  
oversight  
requirements  
and certain  
limits to  
contract  
provisions*

# Third-Party Processes Addressed In Decision 23-02-002

Two stage solicitations are no longer required to be the predominant approach.  
D.18-01-004 modified.

Changes made to standard and modifiable Ts and Cs such that the default (starting point for negotiation) does not include Performance assurances/securities

Definition of DBEs updated to track GO 156 automatically and to include businesses owned by persons with disabilities

EE Confidentiality Matrix is adopted

PRG shall be informed of contract extensions, performance of existing programs related to solicitations/extensions, and certain contract requirements

SEM programs can be offered beyond the industrial sector, based on modified guidebooks

# Third-Party Processes Addressed In Decision 23-02-002

PRG members can resolve conflict of interests via recusal from individual solicitations and state academic affiliations are not defined as a conflict

Final installation deadline for summer reliability market access program extended to March 31, 2024

Consistent accounting methodology is required for portfolio administration and third-party costs in the 2023 true-up AL and thereafter

# Segmentation of EE Portfolios began in program year 2022

## Resource Acquisition

Primary purpose and short-term ability to deliver cost-effective avoided cost benefits to the electricity and natural gas systems

This segment should make up the bulk of savings to achieve Total System Benefit goals

## Market Support

Primary objective of supporting the long-term success of the EE market by educating customers, training contractors, or moving beneficial technologies towards greater cost-effectiveness

May not produce cost-effective measurable savings in the short term

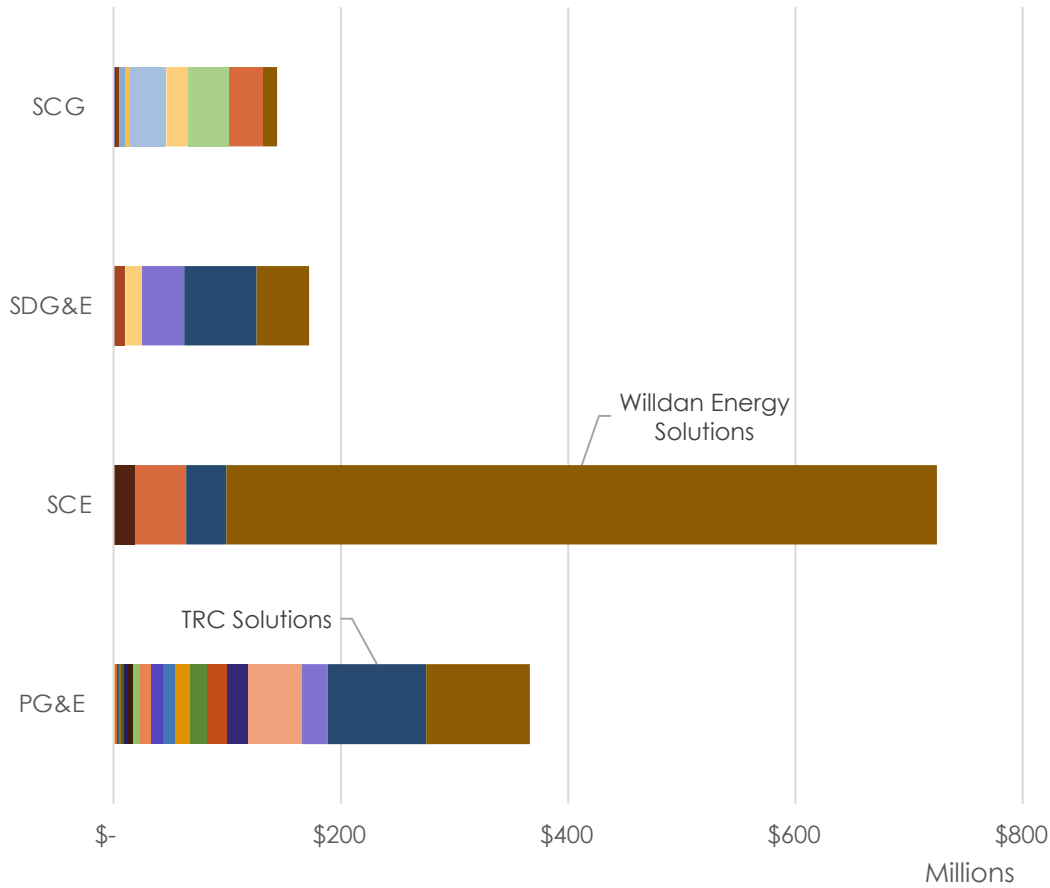
## Equity

Primary purpose of providing EE to hard-to-reach or underserved customers and disadvantaged communities in advancement of the Commission's Environmental and Social Justice (ESJ) Action Plan

May provide corollary benefits such as increased comfort and safety, improved indoor air

# Third-Party Solicitations: Contracts executed to date

Third-Party Implementer Program Budgets



- 81 contracts have been executed with 39 implementers
- \$1.8 billion in total program budgets approved
- 56% of total EE third-party portfolio budget dollars have been awarded to two firms, Willdan and TRC
- Mean contract value with/without Willdan: \$23M / \$14M
- First contracts effective and programs launched in July 2020

*\*data updated as of Dec 2022*

# Third-Party Solicited Program Closures in 2022

- SCE Residential Behavioral Program implemented by ICF
- SDG&E Small Commercial Program implemented by Willdan
- SCG Residential Multifamily Space and Water Heating Controls Program implemented by EnergX
- PG&E California Energy-Smart Homes Program (CESHP) - Mixed Fuel implemented by TRC Solutions

Contracted Targeted Savings			
SCE Residential Behavioral	SDG&E Small Commercial	SCG Res MF SAWH	PG&E SW New Construction
416,376,491 kWh 140 MW	939,658 Therms 92,831,808 kWh 16 MW	297,601 Therms 1,511,160 kWh 1.3 MW	72,211 therms 50,869,535 kWh 119 MW

# Summer Reliability Third-Party Solicitations

- SCE and SDG&E solicitations did not yield contracts
- PG&E contracted with SunRun for the EE Summer Reliability Program
  - Up to 7,500 residential home solar and battery systems in PG&E's service area create a VPP capable of discharging 30 MW permanent load shift
  - Enrollment open 1/25/23 and dispatches start on 8/1/23
  - [CPUC disposition of PG&E AL 6807-E](#)
    - "it should be explored whether similar procurement could be done at a reduced cost to ratepayers in the future"
  - [PG&E news release](#)



# Predictability of schedules, transparency in reporting

- Schedules posted monthly. Updated to include targeted savings, contract budgets, and contract schedule:
  - [Joint IOU Solicitation Timeline \(March, 2023\)](#)  
Scheduled stages of solicitations, past and future
  - [Third-Party Implementers Table \(March, 2023\)](#)  
Executed contracts, with date of execution and associated advice letters
  - [Energy Efficiency Third-Party Solicitations Dynamic Schedule \(March, 2023\)](#)  
Gantt chart schedule showing milestone dates
- [California Energy Data and Reporting System Program List](#)
  - Filter for Third-Party Solicited programs,
  - Shows expenditures, budgets, claimed savings

# Efforts to identify or propose improvements

- [R.13-11-005 Proceeding](#)
  - 2022 developments
    - [ALJ's Ruling Seeking Comments on Third Party Issues](#)
    - [Staff Proposal on Third Party Issue Reforms](#)
    - [Decision 23-02-002 Addressing EE Third-Party Processes](#)
- Independent evaluators' semi-annual reports filed December 2022
  - Hosted on CAEECC: [Independent Evaluator Reports: CAEECC](#)
- [Opinion Dynamics Process Evaluation](#)
  - Uploaded to Public Document Area 1/28/22
- DNV Evaluation of Local Third-Party Programs PY 2021
  - To be published soon and discussed at March 21st CPUC EM&V Forum

# Upcoming Activities Potentially Effecting Third-Party Program and/or Process

- [A.22-02-005](#) Business Plan Application Proceeding ; [Proposed Decision](#) addressing Staff Proposal on Reducing Incentives for Gas Energy Efficiency Measures
- [D.23-02-002](#)
  - Upcoming process to modifying existing guidebooks for offering Strategic Energy Management programs beyond Industrial sector
- [D.21-05-031](#)
  - Total System Benefit will be the single goals metric beginning in PY 2024

# Please complete the survey!

- Please make sure to complete the survey so that we can effectively respond to your feedback
- Link to survey here, scan the QR code, or link in the chat!

[https://docs.google.com/forms/d/e/1FAIpQLScQr38nBg\\_gvR72mYC\\_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform](https://docs.google.com/forms/d/e/1FAIpQLScQr38nBg_gvR72mYC_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform)





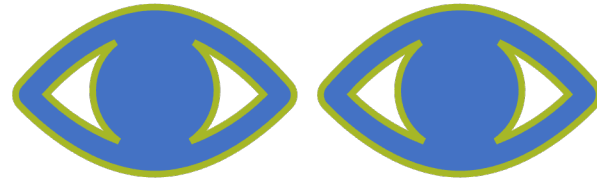
# California Public Utilities Commission

For more information:

[Alison.LaBonte@cpuc.ca.gov](mailto:Alison.LaBonte@cpuc.ca.gov)

# Session 2: Independent Evaluator Semi Annual Report Update

APEX ANALYTICS  
BARAKAT CONSULTING, INC.  
DON ARAMBULA CONSULTING  
EAJ ENERGY ADVISORS  
GREAT WORK ENERGY  
MCR CORPORATE SERVICES  
THE MENDOTA GROUP, LLC



# OBSERVATIONS

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Note: These Observations are based on what was observed and reported on during the April 2022 through September 2022 Reporting Timeframe

**PG&E**



# PG&E Solicitations

	Solicitation		Assigned IE	Status
	Initial	Revised		
1	Local Agriculture	Local Multi-Sector	Barakat Consulting, Inc.	Complete
2	Local Commercial		EAJ Energy Advisors	
3	Local Industrial		Great Work Energy	
4	Local Public		Don Arambula Consulting	
5	Local Residential		The Mendota Group	
6	SW Res New Construction	SW New Construction	The Mendota Group	Complete
7	SW Nonres New Construction		EAJ Energy Advisors	
			Barakat Consulting	
8	Originally Not Proposed	Local Gov. Partnerships	Don Arambula Consulting	Complete
9	SW Codes & Standards	SW Codes & Standards	Barakat Consulting	Complete
10	SW WE&T: Career Connections K-12		Great Work Energy	Complete
11	SW WE&T: Career and Workforce Readiness		Great Work Energy	Complete
12	State of CA and Dept. of Corrections	State of California	Don Arambula Consulting	Complete
13	Micro- and Small Business EE Equity		Great Work Energy	Complete
14	Local C&S Compliance Improvement		EAJ Energy Advisors	RFA
15	Statewide C&S Advocacy		Don Arambula Consulting	RFP

# PG&E – IE Observations

PG&E had proposed to discuss only scores with differences that were 3 points or greater (on a 5-point scoring scale). They agreed to the IE recommendation to include 2-point deviations in the discussions.

**Calibration  
Improvements**

Reducing the number of questions and sub-questions in solicitation materials makes it more straightforward for bidders and scorers.

**Reducing Questions and  
Sub-Questions**

PG&E has been making changes to the bidder interview process to improve the experience for bidders and PG&E evaluators.

**Improving the Interview  
Process**

# SDG&E

# SDG&E Solicitations

	Solicitation	Assigned IE	Solicitation Status
1	Local Small Commercial	The Mendota Group	Complete
2	Local Large Commercial	The Mendota Group	Complete
3	Local Multi-Family Residential	MCR Corporate Services	Complete
4	Statewide Plug Load and Appliance	Don Arambula Consulting	Complete
5	Statewide Upstream/Midstream HVAC	The Mendota Group	Complete
6	Local Public K-12	MCR Corporate Services	Complete
7	Local Public Sector Federal	MCR Corporate Services	Complete
8	Local Residential Single Family 1.0	Don Arambula Consulting	Cancelled
9	Local Residential Single Family 2.0	Don Arambula Consulting	Complete
10	Local Government	Don Arambula Consulting	Complete
11	Local Agriculture	Barakat Consulting, Inc.	Complete
12	SW Res. HVAC Quality Installation/ Quality Maintenance	Don Arambula Consulting	Contracting
13	Local Behavioral	MCR Corporate Services	Contracting
14	Local Industrial	The Mendota Group	Complete
15	Local Industrial – Port Tenants	The Mendota Group	Complete
16	Local WE&T: Integrated Energy Education and Training	Barakat Consulting, Inc	RFA
17	Small Business Outreach	MCR Corporate Services	RFA

# SDG&E – IE Observations

SDG&E has begun to increase the number of evaluators at the RFA and RFP stages.

**Increase Number of Evaluators**

SDG&E is working with the collective IEs to accelerate the contract negotiations through process improvements.

**Accelerate Contract Negotiations Process**

SDG&E has successfully reduced timelines and continues to refine its solicitation process to respond further to IE concerns.

**Reduce Solicitation Timelines**

SCE

# SCE Solicitations

	Solicitation	Assigned IE	Solicitation Status
1	Local Residential, Commercial, Industrial (RCI)	MCR Corporate Services	Complete
2	Statewide Lighting	Barakat Consulting, Inc.	Complete
3	Statewide Emerging Technologies (Electric)	Barakat Consulting, Inc.	Complete
4	Local Public	Don Arambula Consulting	Complete
5	Local Agricultural	Don Arambula Consulting	Complete
6	Statewide Higher Education	MCR Corporate Services	Complete
7	Statewide Water and Wastewater Pumping	MCR Corporate Services	Complete
8	Local Equity - Residential	Barakat Consulting, Inc	RFP
9	Local Equity - SMB	Barakat Consulting, Inc	RFP

# SCE – IE Observations

SCE is very conservative regarding the amount of information shared in bidder debriefing sessions, leading to some bidder frustration. IEs recommend that more be shared and allow bidders to provide feedback

**Bidder Feedback**

Unsuccessful bidders are notified through a separate communication about the Implementation Plan workshops to get more information about the successful program.

**Implementation Plan  
Workshop Notification**

SCE has shortened solicitation timelines by reducing the number of questions in the RFA and RFP stages and developing RFP materials parallel to the Abstract shortlisting process.

**Reducing Solicitation  
Timelines**



# SOCALGAS

# SoCalGas Solicitations

	Solicitations	Assigned IEs	Solicitation Status
1	Local Residential Single Family	The Mendota Group	Completed
2	Local Residential Multifamily	The Mendota Group	Completed
3	Local Small and Medium Commercial	Don Arambula Consulting	Completed
4	Local Small and Medium Public	Apex Analytics	Completed
5	Statewide Point-of-Sale Food Service	MCR Corporate Services	Completed
6	Statewide Midstream Water Heating	MCR Corporate Services	Completed
7	Statewide Gas Emerging Technologies	Don Arambula Consulting	Completed
8	Local Residential Manufactured Homes	Apex Analytics	Completed
9	Local Large Commercial	Don Arambula Consulting	Completed
10	Local Agricultural	MCR Corporate Services	Completed
11	Local Behavioral	Apex Analytics	Partially Executed
12	Local Industrial	Don Arambula Consulting	Contracting
13	Local Large Public	Apex Analytics	Contracting
14	Local Marketplace	Don Arambula Consulting	RFP
15	Local Outreach	Apex Analytics	Contracting
16	Local Multifamily Whole Building	Apex Analytics	RFA
17	HERS Rater Training	MCR Corporate Services	Pre-RFP (1 stage)
18	Energy Efficiency Advisor	MCR Corporate Services	Pre-RFP (1 stage)

# SoCalGas – IE Observations

To understand the reasons for a low response rate to a solicitation, SoCalGas surveys registered bidders to help improve future solicitations.

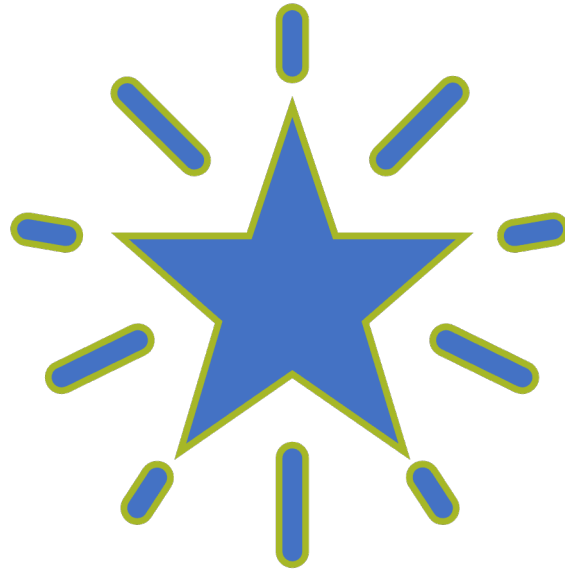
**Low Bidder Response**

SoCalGas developed a standard 1-stage RFP template to help improve its solicitation process.

**1-Stage RFP  
Template**

SoCalGas continues the effective practice of moving to an open RFP if it experiences a low response rate to an RFA.

**Overlapping Program  
Guidance**



# EFFECTIVE SOLICITATION PRACTICES

# Effective Solicitations Practices

- During the Semi-Annual Report development process, the IEs have identified effective practices focused on the 3P process
- The effective practices presented here do not reflect a consensus among Independent Evaluators
- We are only highlighting newly adopted Effective Practices by one or multiple IOUs during the recent Semi-Annual Reporting Period

# Effective Solicitation Practices

Hold weekly status meetings (as needed) with the assigned IE to discuss solicitation activities and to address any emerging issues identified by the IE or the IOU.(PG&E, SCE, SDG&E)

**Weekly Status Meetings**

Enabling the collective IEs to meet monthly to discuss emerging issues and find a common recommendation to present to the IOU helps to improve the solicitation processes (SDG&E)

**Monthly IE Coordination Meetings**

Reducing the number of bidder questions can reduce the burden on participating bidders. However, this should be done without increasing sub-questions (SCE, SDG&E, SCG, PG&E)

**Reducing number of solicitation questions**

# Effective Solicitation Practices – continued

Requesting feedback from the evaluation team after each stage of the solicitation will allow the team to identify opportunities for improvement and apply them in future stages and solicitations (PG&E, SCE)

**Continuous  
Improvement**

Creating collaborative negotiations among parties that focus on improving the program offering, which is a primary consideration in contract negotiations. (SCG)

**Collaborative  
Negotiations**

The IOU offers multiple rounds of Q&A, which allows bidders to provide follow-up questions and affords bidders more opportunities to ask questions. (SDG&E, SCG, SCE)

**Multiple Rounds of Q&A**



# DISCUSSION

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# **Session 3: IOU Portfolio Update & Upcoming Solicitations**

# IOU Updates

## Topics

- Solicitations schedule updates
- Process Improvements
- Changes based on the new EE decision

## Participants

- Sandra Baule, SDG&E
- Marissa Barrera, SCE
- Emma Ponco, SoCalGas
- Matt Braunwarth, PG&E



## EE Stakeholder Forum

### SDG&E Portfolio Update



March 2023



# Solicitation Schedule

Solicitation	2023												2024											
	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4		
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Non-Residential Behavioral																								
Workforce Education & Training 2.0																								
Residential Equity (E&O)																								
Small Business Outreach																								
Residential Fuel-sub																								
SW Commercial/Residential HVAC																								
Residential Multi-Family																								
Private Institutions, Healthcare																								
Property Management																								
Groceries, Restaurants, Food Storage																								
Lodging																								
Wholesale, Retail, Offices																								


This schedule subject to change if a solicitation moves to a single stage.


**LEGEND:**

RFA Prep
RFA
RFP Prep
RFP
Contract Negotiation
AL + Approval + IP


# Process Improvements




- 

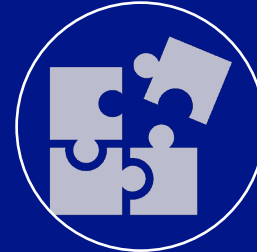
Increased the Number of Solicitation Evaluators
- 

Streamlined Bidder Interview Process
- 

Improved Details and Debriefs – Bidder Feedback Process
- 

Reduced Solicitation Timeline
- 

Enhanced Evaluator Training
- 

Improved Reporting to the PRG – Contracting Issues
- 

Added Program Innovation to Contract Template

# D.23-02-003: Solicitation Modifications

## Completed

- OP1: Adopted modifications to the **Standard and Modifiable Ts+Cs**
- OP2: If a **performance assurance** is included in negotiations a risk analysis will be presented to the PRG + IE
- OP4: **Cybersecurity insurance** requirements will be presented to the PRG + IE prior to solicitation release and negotiations
- OP6: Update **diverse business definition** in Ts+Cs to include “business owned by persons with disabilities”
- OP8: Adopted updated **confidentiality matrix**
- OP13: **Updated Ts+Cs apply** on a go-forward basis and to LGPs; **do not apply** to existing contracts or ESA

## In Progress / Future

- OP3: **Performance assurance funds** will be returned to EE budget and described in the Annual Report or AL for program closure
- OP7: Solicitation **schedule and one- or two-stage rationale** provide to PRG
- OP9: Contract **extensions and/or re-issuance** solicitations discussed with the PRG + IEs
- OP10: PRG members employed with a state academic or educational institution can resolve a **conflict of interest** by recusal from a specific solicitation

# Southern California Edison EE Stakeholder Forum

Energy for What's Ahead®



# Solicitation Schedule: Planned & In Progress

		SCE's Energy Efficiency Solicitation Schedule																												
		Schedule as of March 7, 2023 (Subject to change at IOU discretion)																												
Year		2023												2024												2025				
IOU	Quarter	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4			Q1		Q2		
	Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
SCE	Industrial & Ag Strategic Energy Management (SEM)	Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey															
SCE	Commercial Strategic Energy Management (SEM)	Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey															
SCE	Commercial - Grocery & Sundry			Green	Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey														
SCE	Commercial - Food Service			Green	Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey														
SCE	Commercial - Large Retail					Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey											
SCE	Residential Single, Multi-Family, Manufactured homes					Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey											
SCE	Commercial - Light Medical									Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey	Grey					
SCE	Industrial - Food and Kindred Products									Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey	Grey					
SCE	Commercial - Lessors of Commercial Buildings													Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey	Grey
SCE	Industrial - Metals													Green	Green	Light Green	Light Green	Light Green	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Grey	Grey	Grey	Grey

- SEM solicitation in progress
- Eight other sector/industries identified for new solicitations
- Solicitations scheduled for single stage



# Solicitation Process Improvements

Improvements	Actions Taken	Benefits to Bidders / Bidder Feedback
Create Hybrid Agreements	<ul style="list-style-type: none"> <li>Allow for bids to include both Pay-for-Performance and Pay-for-Deliverable structures in program design</li> </ul>	<ul style="list-style-type: none"> <li>Simplifies need for multiple contracts</li> <li>Allows programs to include both payment provisions</li> </ul>
Change Pay-for-Performance only starting stance	<ul style="list-style-type: none"> <li>Allows for certain solicitations to deviate from the Pay-for-Performance starting position</li> </ul>	<ul style="list-style-type: none"> <li>Alleviates some program cash flow concerns of bidders without putting ratepayer funds at risk</li> </ul>
Streamlining CET requirements	<ul style="list-style-type: none"> <li>Reducing CETs from two times (Pre and Post Negotiations) to one time (Post)</li> </ul>	<ul style="list-style-type: none"> <li>Alleviates the bidders need to create two separate CETs</li> <li>Reduces timeline required to wait for CET review</li> </ul>
Streamline Solicitation Processes	<ul style="list-style-type: none"> <li>Reduced number of RFA and RFP questions by 30-40%</li> <li>Reduced RFA timeline by approximately 40%</li> </ul>	<ul style="list-style-type: none"> <li>Bidders spend less time developing an abstract</li> <li>Less overlap between RFA and RFP questions</li> </ul>
Facilitate Introductions Between Potential Bidders	<ul style="list-style-type: none"> <li>Provided opportunity for companies to team up</li> </ul>	<ul style="list-style-type: none"> <li>Broaden supplier diversity and expand opportunities for newer, niche, and/or SMB/DBE firms</li> </ul>
Improve Bidder Outreach Efforts	<ul style="list-style-type: none"> <li>Informed Community Based Organization and EE service list to inform potential bidders about upcoming Solicitations</li> </ul>	<ul style="list-style-type: none"> <li>Increase awareness of EE solicitation information to new and/or non-traditional potential bidders</li> </ul>
Redesign Bidders' Feedback Webinar	<ul style="list-style-type: none"> <li>Established dialog and rapport with bidder community</li> </ul>	<ul style="list-style-type: none"> <li>Roundtable approach allows for direct, real-time conversation and follow-up questions</li> </ul>

# Changes Based on the New EE Decision

New Requirements	Actions Taken
OP1: Standard and modifiable 3P terms and conditions	To be updated in the EE Form Agreement; in progress
OP2: Performance assurances no longer required as a standard, non-modifiable term in 3P contracts	Will review the need of performance assurance on a per solicitation basis and will endeavor to find other avenues to ensure 3Ps are incentivized to performance
OP3: Performance Assurance fund return and reporting process	In progress.
OP4: Cybersecurity insurance requirements for 3P solicitations	To be updated in the EE Form Agreement; in progress
OP6: Update diverse business definition in standard and modifiable terms and conditions	To be updated in the EE Form Agreement; in progress
OP7: Schedules for 3P single- or two-stage solicitations	Already adopted for upcoming solicitations. Will be included in PRG Presentations
OP8: Updated confidentiality matrix	In progress
OP9: Contract extensions and/or re-issue solicitations requirements	In progress
OP10: PRG member may resolve a financial conflict of interest solely by virtue of employment with an educational institution by recusal	Will update our PRG Policies regarding individuals which may have a conflict of interest with solicitations involving academic institution
OP13: Changes to the 3P contract terms and conditions shall apply going forward to any solicitations	To be updated in the EE Form Agreement; in progress
OP14: PAs may offer SEM style programs beyond the industrial sector, based on modified versions of the existing guidebooks	Already adopted for upcoming solicitations. Will be included in PRG and Bidder Presentations



# EE 3PP STAKEHOLDER FORUM

March 16, 2023

# 2023 Solicitation Schedule

SoCalGas: IDEEA 365 - 2023 Planned Schedule														
	2023									2024				
	Apr	Ma y	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>IDEEA 1</b>														
RFP	RFP													
Interview/Presentation				Interview/Presentation										
Negotiations & Implementation Plan						Contract Negotiations & Implementation Plan								
<b>IDEEA 2</b>														
RFP						RFP								
Interview/Presentation									Interview/Presentation					
Negotiations & Implementation Plan											Contract Negotiations & Implementation Plan			

- ❑ Innovative Design for Energy Efficiency Applications 365 (IDEEA 365 or IDEEA) solicitation process provides the bidder community with an ongoing opportunity to test new approaches and technologies to advance customer adoption of EE.
- ❑ The IDEEA 365 is a recurring competitive procurement process. In 2023, SoCalGas plans to release two separate IDEEA solicitations (see tentative 2023 Schedule above), which will be carried out in two stage approach.

# 2022 Process Improvements

Identified opportunities to optimize process steps and reduce lead time for SoCalGas' EE Program Solicitation.

Removed and tailored language for increased clarity and eliminating redundancies in the RFA/RFP questions and materials.

Simplified the two-stage process by relaxing or modifying some of the categories in the RFA/RFP.

Implemented one-stage solicitation process.

# 2022 Process Improvements

Provided individual bidder sessions outside of PowerAdvocate response.

Increased education of small business partners about SoCalGas' DBE Contractor Training Programs.

Refined the strategies with innovative tactics to support SoCalGas' energy efficiency goals.

Worked with our DBE partners in utilizing an internal reporting tool to identify subcontracting opportunities and challenges.

# Solicitation Modification per D.23-02-002

## Completed

OP# 1 Adopts the updated standard and modifiable third-party contract terms and conditions in Attachments A and B

OP# 2 Incorporates performance assurances are no longer standard, non-modifiable terms in third-party contracts

OP# 4 Will review the proposed cybersecurity requirements with the PRG and IE prior to solicitation

OP # 6 Ts and Cs reflects diverse business enterprise businesses owned by persons with disabilities

OP # 7 SCG launched a single-stage solicitation in 2022

OP # 8 Adopts the confidentiality matrix in Att. C

OP # 13 Adopts the timing of the Ts & Cs

# Solicitation Modification per D.23-02-002

## Work in progress

OP# 3 Develop process and report return of any performance assurance funds collected from 3PP to the EE budget in the Annual Report and any AL closing the program

OP# 9 In coordination with ED and IOUs to disclose and discuss with the PRG and IE when extensions for existing contracts are considered

OP# 10 Employment by an academic institution does not preclude an individual from participating in a PRG



# PG&E Update

## EE 3P Annual Stakeholder Update

March 16, 2023



Together, Building  
a Better California



# 2023-2024 Solicitation Schedule

Year	2022			2023												2024									
Quarter	Q4			Q1			Q2			Q3			Q4			Q1			Q2			Q3			
Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
SW CODES & STANDARDS ADVOCACY RFP - Wave 1				Contracting					AL		IP														
SW CODES & STANDARDS ADVOCACY RFP - Wave 2									Contracting				AL		IP										
C&S COMPLIANCE IMPROVEMENT SUBPROGRAM RFA/RFP				Contracting			AL		IP																
RESIDENTIAL ELECTRIFICATION EQUITY RFA/RFP		RFA					RFP			Contracting						AL		IP							
ZONAL ELECTRIFICATION (Residential & Commercial) RFP		PREP					RFP			Contracting						AL		IP							
RESIDENTIAL LOAD MANAGEMENT RFP			PREP			RFP	PREP		RFP				Contracting					AL		IP					
CODES & STANDARDS CODE READINESS RFA/RFP						PREP			RFP				Contracting					AL		IP					
RESIDENTIAL MARKET SUPPORT (Single Point of Contact) RFP							PREP		RFP				Contracting					AL		IP					
COMMERCIAL ENERGY MANAGEMENT (SEM Expansion) RFP									PREP			RFP	Contracting					AL		IP					

### In-Flight Solicitations:

- Codes and Standards Statewide Advocacy
- Codes and Standards Compliance Improvement Subprogram
- Residential Electrification Equity Pilot Program

### Upcoming Solicitations:

- Zonal Electrification Pilot RFP
- Residential Load Management RFP
- Codes and Standards Code Readiness RFP
- Residential Market Support RFP
- Commercial Energy Management (SEM) RFP

### Solicitation Themes for 2023 and Beyond:

- Smaller, more targeted single-stage solicitations
- Focus on Equity programs
- Focus on Electrification programs
- Focus on Customer Load Modification programs

Precise timing of new solicitations subject to change, please monitor [www.pge.com/eesolicitations](http://www.pge.com/eesolicitations) for updates



# PG&E Solicitation Process Improvements

- **Continuing Enhanced Bidder Feedback Approach:** sharing indicators of absolute and relative scoring for all sub-criteria to all RFA and RFP participants.
- **Removed RFA/RFP Criteria Overlap:** reduced effort required to respond to an RFA/RFP by segmenting RFA and RFP criteria and streamlining questions asked.
  - RFA – Program Design, Innovation, Company Qualifications, SBE/DBE
  - RFP – Program Feasibility, Program Outcomes, Budget & Compensation, SBE/DBE
- **Reduced Transition between RFA and RFP:** RFA and RFP are drafted in tandem to minimize time between RFA shortlisting and launch of RFP.
- **Promoting Small Business Certification in RFA:** Allowed SBEs to provide self-attestations of certification status in RFA stage.
- **Promoting Partnering:** Building bidder information sharing into solicitation process to facilitate partnership opportunities between implementer firms.



## Modifications Resulting from D.23-02-002

- OP1 – Updated Standard & Modifiable Contract Terms:** Adopted updated contract language in Attachments A and B.
- OP2 – Performance Assurances:** No Change. PG&E does not currently utilize letters of credit/bonding for performances assurance. PG&E will discuss with PRG should any be proposed in a future solicitation.
- OP3 – Cybersecurity Insurance:** PG&E will discuss cyber insurance requirements with PRG prior to launching new solicitations.
- OP4 – Diverse Business Enterprises:** The DBE definition has been updated to include “persons with disabilities”.
- OP5 – One-Stage Process:** PG&E will discuss solicitation strategy and rationale with PRG as new solicitations are developed.



## Modifications Resulting from D.23-02-002 Continued

- OP6 – Confidentiality Matrix:** PG&E will utilize the provided confidentiality matrix going forward.
- OP7 – Contract Extensions:** PG&E will disclose to the PRG when contract extensions are planned and will provide an overview of the long-term extension/re-solicitation strategy.
- OP8 – PRG Conflict of Interest:** Participation in PG&E's PRG is open to interested individuals and organizations that meet the new conflict of interest requirements.
- OP9 – Applicability of New Terms:** PG&E will include updated contract terms in contracts that result from solicitations going forward.
- OP10 – Strategic Energy Management (SEM) Expansion:** PG&E will be scoping and launching a program expanding SEM beyond the industrial sector later this year. STAY TUNED!!



# Q&A / DISCUSSION

# BREAK

5 minutes



[https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC\\_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform](https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform)

# **Session 4: CEDMC Member Panel**



# CEDMC Member Panel

## Topics:

- Continuing the Discussion: The Value of Individual Feedback for Unsuccessful Bids
- Supplier Diversity Goals: Opportunities for Continued Improvement
- Revisiting Key Performance Indicators

Facilitator: Clark McIsaac, CA Efficiency + Demand Management Council

## Panelists:

- Kim Rodriguez, Resource Innovations
- Jim Dodenhoff, Silent Running
- Ying Wang, Okapi Architecture

# **Session 5: Independent Evaluator Panel**

# Independent Evaluator Panel

## Topics:

- One-Stage or Two-Stage Solicitations?
- Small/Diverse Business Enterprise Participation in Solicitations and Implementation
- Compensation Structures for Equity and Market Support Programs

Facilitator: Ely Jacobsohn, CPUC Energy Division

## Panelists:

- Kim Crossman, Great Work Energy
- Don Arambula, Don Arambula Consulting
- Richard Milward, MCR Corporate Services
- Elizabeth T. Lowe, Barakat Consulting, Inc.

# OPEN DISCUSSION

# Closing Remarks and Don't forget the Survey!

- Slide deck and meeting minutes will be posted to CAEECC
- Please make sure to complete the survey so that we can effectively respond to your feedback
- The link is shown below along with a QR code that you can click on now and in the chat!

[https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC\\_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform](https://docs.google.com/forms/d/e/1FAIpQLScQr38nBggvR72mYC_yFNpivLijtPkkf81i1BbCQHn2LKldDw/viewform)

