

**CAEECC Working Group Meeting on IOU March 19 Motion on Contract Terms
Friday March 23rd
111 Sutter Street @ Montgomery, San Francisco; 21st floor - Twin Peaks room
A BlueJeans login and call-in number was also provided
Facilitator: Dr. Scott McCreary, CONCUR**

Meeting Summary

A group of California Energy Efficiency Coordinating Committee (CAEECC) Members and proxies attended this Ad Hoc meeting on the March 19 Joint IOU Motion for Approval of Proposed Standard Third-Party Contract Terms in person or via webcast. Other interested parties also joined via webcast. A list of the Members and others participating on March 23 is included in Appendix A. Meeting materials are provided on the CAEECC website at:

<https://www.caeec.org/3-23-18-mtg-on-iou-motion-con>

I. OPENING AND OBJECTIVES

Facilitator S. McCreary opened the meeting by reviewing the goals for the day: (1) create an opportunity for the IOUs to provide clarification on the definitions and intentions of their submitted proposal; (2) present the changes made to the proposal since the February 27th Working Group meeting; (3) consider and respond to comments and questions regarding those changes.

At the meeting, CAEECC Members posed clarifying questions about several components of the IOU submittal. In some cases, the conversation helped surface issues that had not yet been addressed in the IOUs' filing. In other cases, the conversations helped stakeholders to pinpoint topics for which they would likely plan to submit specific comments to the CPUC.

The discussion was organized around three topics: Standard Terms, Modifiable Terms and the definition of Disadvantaged Workers. Clarifying questions were invited at each stage to present an opportunity to clarify intent and to give voice to potential concerns regarding the text.

II. KEY DISCUSSION POINTS

STANDARD TERMS

- Dispute Resolution Process
 - A question was posed as to the intended applicability of the dispute resolution process outlined in C1. It was explained that the intention of this process is for disputes that don't rise to the level of termination. It was suggested that this question be submitted as a comment so that it could be answered more specifically.
 - It was suggested that the 30-day timeframe under the Dispute Resolution Process should match the amount of days established for termination (currently 20 days).
- Safety Requirements

- CAEECC members expressed concern over the imprecision of the placeholder in the proposal that states that contract terms will be determined on a case-by-case basis. Ellen Berman (outside counsel for SCE) reiterated that because each contract will be different it doesn't make sense to include language that is too specific, as each will have different requirements.
- The viability of widespread background checks was brought into question, especially in the context of large software companies, where policing global work forces is not considered to be realistic. Stakeholders were advised by Athena Besa (SDG&E) to provide a formal comment if they feel the definition of "covered personnel" is unclear.
- There was also a concern about how widespread the proposed background checks are and the prospect of these being too restrictive for potential contractors working on EE projects.
- Termination Process
 - One stakeholder felt that the language surrounding minimum performance standards was imprecise and could result in events of default where implementers are harmed. E. Berman clarified that the intent of this language was only to be implemented in very specific cases and that specific standards would be made on a case-by-case basis. E. Berman suggested the threshold of "below 50% performance," for example. Further clarification was requested through formal comments.

MODIFIABLE TERMS

- Work Force Standards and Quality Installation Procedures
 - There was concern over workforce standards that relate to contractors who receive subsidies or rebates. It was the understanding of two stakeholders that the language in the proposal would not hold subcontractors to the same workforce standards as contractors. E. Berman, SCE responded that those standards would be negotiated on an individual contract basis. A. Besa stated that it is the intention that subcontractors uphold the same standards as contractors.
 - Stakeholders requested clarification for the role of the independent evaluator (IE) and the PRG in ensuring that acceptable work force standards are actually adopted. Athena confirmed that the intention is to include the IE and PRG in the vendor selection process. The stakeholders want to ensure that this is part of the defined role of the IE and PRG.
 - One stakeholder queried as to: why aren't there specific requirements for field experience or acceptable training standards? Athena requested that this be submitted for formal comment.
- Progress and Evaluation Metrics

- A stakeholder asked if ISN would be used as a safety measurement. SDGE and SCE confirmed that they use ISN. PG&E said that they were unsure.
- Diverse and Disadvantaged Business and Employee Terms, Including Small Business, if applicable
 - The Small Business Utility Advocate was concerned that definitions or provisions were not included to apply small business generally but rather just to businesses that fall under the category of Diverse and Disadvantaged Businesses. The concern is that this excludes small business more generally. M. Evans (SCE) confirmed that was not the intention and suggested that the topic be further addressed through comments.
- Payment Schedule and Terms, Including Pay-for-Performance Payment Provisions
 - One stakeholder felt that the table (section E) regarding provisions for a security charge on custom and meter-based saving was unclear and raised several questions. The stakeholder expressed the intent to provide more specific questions in formal comments.
- Data Collection and Ownership Requirements
 - A concern was raised about protections for implementers in the event that unforeseen costs arise outside the original scope. If this sequence of events occurs, how would implementers recover those costs? A. Besa suggested that this question be submitted for formal comment.

DISADVANTAGED WORKERS DEFINITION

- Multiple stakeholders raised concerns about the definition and standard for community-based collaboration. B. Turner (SDG&E) responded that while it is not necessary to have a formal MOU, the organization must reach a minimum level of legitimacy.

III. NEXT STEPS:

- Stakeholders will submit formal comments in order to clarify definitions and intentions. Comments are due April 3rd.
- Utilities will consider and respond to the comments, if the CPUC allows.
- Then the CPUC will deliberate and rule on the motion.

Appendix A: Attendees

CAEECC Members and Proxies joining in-person:

Lara Ettenson, NRDC
Michelle Vigen, CEDMC
Dave Dias, Sheet Metal Workers 107
Tom Enslow, CEE

Other Attendees joining in person

Ross Nakasone, Blue Green Alliance
Kate Kriozere, Small Business Utility Advocates
Energy Division representative Mona Dzvova
Charlie Buck, Oracle

Facilitation Team joining in person:

Scott McCreary, CONCUR

CAEECC Members and Proxies joining remotely:

Athena Besa, SDG&E
Erin Brooks, SoCalGas
Matt Evans, SCE
Sean Mackay, proxy from PG&E
Brian Samuelson, CEC
Alejandra Tellez, County of Ventura
Alice Stover, MCE

Other Attendees joining remotely:

Ellen Berman, Outside Counsel, SCE
Brad Simcox, Nexant
Brandi Turner, SDG&E
Dave Clark, Energy Efficiency
Derrick Clifton, SoCalGas
Elizabeth Baires, SoCalGas
Eric Taylor, Analysis Corporation
Jonathan Budner, Build it Green
Kerriann Weaver, SDG&E
Nick Brod, Clear Result
Donald Gilligan, NAESCO
Margie Gardner, CEDMC
Eugene Auyao, SCE
Susan Davison, Healthy Home Environment Association
Kim Goodrich, CodeCycle
Hob Issa, Lincus

Other Attendees joining remotely (w/o stated organizational affiliation):

Andrew Jurado

Angela Taglinao
Barbara Hernesman
Chris Hazen
Craig Owens
David Bruder
Don Arambula
Eric Woychik
Joanne O'Neill
Julia Hatton
Matt Smizer
Matthew Haro
Michael Thompson
Mike Teate
Milena Usabiaga
Nicole Cusick
P. Hunziker
Ross Colley
Sara Moore
Leanne Hoadley
Stephanie Harper
Ying Wang