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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency Rolling Portfolio Business Plan.

Application 17-01-013

And Related Matters.

Application 17-01-014

Application 17-01-015

Application 17-01-016

Application 17-01-017

**ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGES'  
AMENDED SCOPING MEMORANDUM AND RULING**

**Summary**

This Scoping Memo sets forth the category, issues, need for hearing, schedule, and other matters necessary to scope the remainder of this proceeding, pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure.<sup>1</sup>

**1. Procedural History**

This consolidated proceeding was initiated in January 2017 to consider the business plan proposals of the four large investor owned utilities, Marin Clean Energy, Bay Area Regional Energy Network, Southern California Regional Energy Network, and a proposed Tri-County Regional Energy Network.<sup>2</sup>

<sup>1</sup> California Code of Regulations, Title 20, Division 1, Chapter 1; hereinafter, Rule or Rules.

<sup>2</sup> The January 30, 2017 Chief Administrative Law Judge's ruling consolidated all eight business plan applications and motions.

The April 14, 2017 scoping memo stated our intention to conclude this proceeding by July 15, 2018. Since that time, the Commission has adopted a third party solicitation framework in Decision (D.) 18-01-004 and disposed of the business plan applications and motions in D.18-05-041. Several discrete items for which we anticipate the need for further deliberation remain within scope of this proceeding.

Thus, this amended scoping memo updates the expected scope and schedule for the remainder of this proceeding.

## **2. Scope**

Items in scope for the remainder of this proceeding, and discussed further below, include: 1) workforce quality standards, 2) terms and conditions for third party contracts and local government partnership contracts, and 3) measurement and verification guidance for measuring energy savings. Furthermore, it is worth noting that development of standard terms and conditions will be an iterative process. As noted below, while a decision adopting some contract terms and conditions is scheduled for the end of 2018, this schedule or a change in this schedule should neither postpone issuance of solicitations for new third party or statewide programs, nor should parties expect that the first decision adopting standard terms and conditions will close the discussion on this topic. Our expectation is that as standard terms and conditions are developed and adopted by the Commission, they will be included into contracts on a going forward basis and will not be retroactively applied.

### **2.1. Workforce quality standards**

In D.18-05-041 we stated our intent to consider the potential for going beyond the flexible workforce quality standards terms proposed by the investor owned utilities as part of the modifiable third party contract terms and

conditions. In particular, although D.18-05-041 declined to adopt specific requirements that were proposed generally for HVAC and lighting projects, we made clear our interest in exploring those proposed standards after we afford parties a further opportunity to comment on the standards and/or further specify the types of projects to which they should apply, to consider their possible interactions with existing standards, to consider their costs and benefits and the availability of workers who meet the standards, and to consider whether or how these standards can apply to energy efficiency programs designed by Program Administrators in addition to third party contracts. We intend to issue a separate ruling to seek parties' input on these issues.

## **2.2. Terms and conditions for third party and local government partnership contracts**

Pursuant to D.18-01-004, on March 19, 2018 the investor owned utilities filed a joint motion for approval of proposed terms and conditions for third party contracts. Parties filed responses to the joint motion on April 3, 2018. We are currently reviewing the joint motion and parties' responses. We intend to dispose of the joint motion, and adopt workforce quality standards that would apply either to third party programs or to all programs, via a Commission decision later this year.

Also, pursuant to D.18-05-041, the investor owned utilities must select one company (from among the four) to file a motion proposing a standard contract for local government partnerships no later than September 4, 2018. We also intend to dispose of this motion, either along with the joint motion for third party contracts and workforce standards or in a separate ruling or decision.

### **2.3. Measurement and verification guidance**

Pursuant to D.18-01-004, a March 23, 2018 ruling invited comments on an initial set of proposed normalized metered energy consumption (NMEC) and other measurement and verification (M&V) rules and guidelines for program implementation. The ruling also proposes to sunset, as of the effective date of the approved business plans, the expedited filing and review procedures adopted in the High Opportunity Programs and Projects (HOPPs) Ruling for programs and projects proposed under AB 802 requirements.

Following our review of the May 14, 2018 comments and May 30, 2018 reply comments on the ruling, we intend to issue a final ruling or decision outlining a process for updating NMEC and other M&V guidance.

### **3. Schedule**

The table below outlines a general schedule that we intend to follow for the remaining issues in this proceeding for which activities are currently planned. The table is divided into areas for each of the topics addressed in Section 2.1 through 2.3 above.

Subsequent ruling(s) will further specify the exact dates for comments and reply comments to be due, and any other relevant details such as workshop dates or other planned activities.

Additional workshops may be scheduled later on some of the topics. If there are any additional workshops in this proceeding, notice of such workshops will be posted on the Commission's Daily Calendar to inform the public that a decision-maker or an advisor may be present at those meetings or workshops. Parties shall check the Daily Calendar regularly for such notices.

| Date  | Event  |
|---|--|
| <b>Proposed Workforce Quality Standards;<br/>Terms and Conditions for Third Party Contracts</b> |  |
| July 2018   | Ruling on proposed workforce quality standards   |
| July - August 2018  | Comments on ruling re: workforce quality standards   |
| 4 <sup>th</sup> Quarter 2018  | Proposed Decision addressing terms and conditions for third party contracts, and workforce quality standards for both third-party and program administrator-run programs |
| <b>Terms and Conditions for Local Government Partnership Contracts</b>                          |  |
| September 4, 2018   | Motion for approval of standard contract for local government partnerships   |
| September 19, 2018  | Responses to motion re: standard contract for local government partnerships  |
| 4 <sup>th</sup> Quarter 2018 /<br>1 <sup>st</sup> Quarter 2019                                  | Ruling or Proposed Decision addressing terms and conditions for local government partnership contracts   |
| <b>NMEC Guidance</b>  |  |
| 4 <sup>th</sup> Quarter 2018  | Final ruling or decision on NMEC guidance, process for staff updating of NMEC guidance   |

The assigned Commissioner or assigned ALJs may modify this schedule as necessary to promote the efficient management and fair resolution of this proceeding. Additional dates may be scheduled as additional issues within the scope are raised that must be addressed or decided.

It is the Commission's intent to complete this proceeding within 18 months of the date this Scoping Memo is filed. This deadline may be extended by order of the Commission. (Public Utilities Code Section 1701.5(a).)

#### **4. Categorization, Need for Hearing, and Presiding Officer**

We confirm the categorization of this proceeding is ratesetting and may require hearings. Anyone who disagrees with this categorization must file an

appeal of the categorization no later than ten days after the date of this scoping ruling (See Rule 7.6).

Carla J. Peterman is the assigned Commissioner and Julie A. Fitch and Valerie U. Kao are the assigned ALJs. Pursuant to Public Utilities Code Section 1701.3 and Rule 13.2, Julie A. Fitch and Valerie U. Kao are designated as Presiding Officers.

#### **5. Ex Parte Communications**

In a ratesetting proceeding such as this one, *ex parte* communications with the assigned Commissioner, other Commissioners, their advisors, and the ALJs are only permitted as described in Public Utilities Code Section 1701.3 and Article 8 of the Commission's Rules of Practice and Procedure.<sup>3</sup>

#### **6. Filing, Service, and Service List**

The official service list is on the Commission's web site. Parties should confirm that their information on the service list is correct, and serve notice of any errors on the Commission's Process Office, the service list, and the ALJs. Persons may become a party pursuant to Rule 1.4.

When serving any document, each party must ensure that it is using the current official service list on the Commission's web site.

This proceeding continues to follow the electronic service protocols set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Parties are reminded, when

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<sup>3</sup> The amended Rules of Practice and Procedure, implementing statutory amendments pursuant to SB 215, 2016-2017 Reg. Sess. (Ca. 2017), went into effect on April 1, 2018.

serving copies of documents, that the document format must be consistent with the requirements set forth in Rules 1.5 and 1.6.

Parties are reminded to serve documents to the assigned ALJs and assigned Commissioner and advisors in electronic format only. Parties are directed not to serve a paper copy to the assigned ALJs or assigned Commissioner's office.

Persons who are not parties but who wish to receive electronic service of documents filed in the proceeding may contact the Process Office at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov) to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

## **7. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or who has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at (866)849-8390 or (415)703-2074 or (866)836-7825 (TTY), or send an email to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

**IT IS RULED** that:

1. The remaining scope of this proceeding is as described herein.
2. This proceeding will be completed within 18 months of the date of issuance of this amended Scoping Memo.
3. Hearings may be needed for this proceeding; a final determination will be made later.
4. The schedule for the proceeding is set as described herein.

5. The assigned Commissioner and/or Administrative Law Judges may adjust this schedule as necessary for efficient management and fair resolution of this proceeding.

6. With limited exceptions that are subject to reporting requirements, *ex parte* communications are prohibited. (See Public Utilities Code Section 1701.3(h); Article 8 of the Commission's Rules of Practice and Procedure.)

Dated July 9, 2018, at San Francisco, California.

/s/ CARLA J. PETERMAN

Carla J. Peterman  
Assigned Commissioner

/s/ JULIE A. FITCH

Julie A. Fitch  
Administrative Law Judge

/s/ VALERIE U. KAO

Valerie U. Kao  
Administrative Law Judge