



THE WHO, WHAT, HOW OF CAEECC + Evolving CAEECC WG

A little on-boarding low-down

updated 6/7/23

CAEECC

The California Energy Efficiency Coordinating Committee

is a stakeholder collaborative which focuses on “market rate” energy efficiency under the purview of the California Public Utilities Commission (CPUC).^{*} This collaborative provides a venue to openly discuss matters raised by the CPUC or by CAEECC Members through a transparent process. CAEECC provides recommendations that can influence and/or impact energy efficiency policy decisions for market rate energy efficiency programs. Members include advocates, implementers, government staff, and Program Administrators.

^{}CAEECC does not focus on income-qualified energy efficiency*

TABLE OF CONTENTS



01

What is EE

Overview of energy efficiency and the energy efficiency regulatory space

03

What is Evolving CAEECC WG

Overview of the ECWG and commonly asked questions

02

What is CAEECC

Overview of CAEECC and how CAEECC operates and interacts within EE

04

What is JEDI

Overview of justice, equity, diversity, and inclusion as it relates to energy efficiency

Common Terms

CAEECC

stakeholder collaborative which focuses on “market rate” energy efficiency under the purview of the California Public Utilities Commission (CPUC)

Commissioners

five governor-appointed seats that oversee the CPUC

Community Choice Aggregator (CCA)

local entities (i.e., cities or counties) that purchase and/or generate electricity for their community. IOUs continue to provide transmission, distribution, and gas services.

Common Terms

CPUC

the California Public Utilities Commission, tasked with regulating privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies, in addition to authorizing video franchises.

Investor-owned Utility (IOU)

private monopoly utilities that generate and/or distribute power to customers within their defined service territory.

Proceeding

an administrative law process that forms the basis of CPUC decisions, such as approving or denying rate increases, energy-saving programs, or introducing new safety rules.

Common Terms

Program Administrator (PA)

Entities that design and implement and/or administer third-party run energy efficiency programs. PA refers to IOUs, RENs, or CCAs who the CPUC has approved to run energy efficiency programs using ratepayer funding.

Program Implementer

Historically, IOUs ran (“implemented”) the majority of EE programs. This has shifted to “third parties” (independent from IOUs); the CPUC required at least 60% of EE programs to be implemented by third parties through a competitive solicitation process by 2022.

Common Terms

Market Transformation (MT)

a strategic process of intervening in the market to alter the way companies make and sell equipment to be more efficient and the way in which people buy equipment or services. MT programs specifically target and remove identified barriers (e.g., new efficient equipment costs too much, equipment isn't available everywhere, the workforce isn't trained to install new equipment, etc.).

Public-owned Utility (POU)

Publicly Owned Utility (POU): not-for-profit public agencies that supply and/or deliver electricity within their defined service territory. Includes city municipal departments (e.g., Pasadena Department of Water and Power) and municipal utility districts (such as Sacramento Municipal Utility District). POU's are not regulated by the CPUC and currently there are no POU's on CAEECC.

Common Terms

Ratepayer


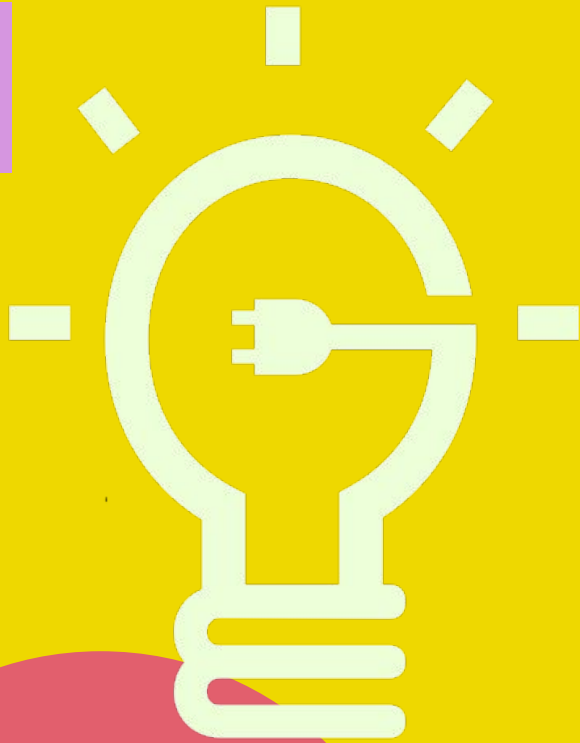
residential, commercial, agricultural, and industrial customers who pay for services from their electric and gas providers.

Regional Energy Network (REN)

local government entities that administer and implement energy efficiency programs to complement IOU programs. RENs typically focus on hard-to-reach areas and disadvantaged communities and fill regional gaps and needs.


Working Groups

Small groups that focus on specific issues that need exploration and write memos to provide recommendations to Full CAEECC for consideration and potentially to PAs or CPUC as needed.



WHAT IS ENERGY EFFICIENCY

You can enter a subtitle
here if you need it



Energy efficiency (EE) is the use of less electricity or gas to perform the same task or produce the same result.

Energy-efficient buildings (homes and businesses) use less energy to heat, cool, and run appliances and electronics. Energy-efficient manufacturing facilities use less energy to produce goods.

Why is EE important?

Energy efficiency **saves consumers money, reduces greenhouse gasses** (environmental benefits), **creates jobs, and improves health** (by reducing harmful emissions from dirty power plants and improving indoor air quality), and **reduces strain on the electricity grid** (thereby improving the reliability of the grid)


see more on grid reliability in appendix

CA was one of the first states in the country to adopt EE programs and policies and is consistently ranked as one of the most progressive states for EE policy. From 1970-2013, CA's EE programs avoided the need for at least 30 power plants and saved residents more than \$65B ([NRDC](#)).



How is EE funded in CA?

The money for electric and gas EE comes directly from ratepayers through their bills, similarly to how other energy costs are paid for.



Energy efficiency vs. Energy Conservation vs. Renewables

Energy efficiency and **energy conservation** aren't the same thing, but they have a similar goal: to reduce energy use. **Energy conservation typically relies on people's behavior**, such as choosing to cut back on activities that consume energy (e.g., by turning off lights or driving less or using appliances less often). Energy efficiency is when a technology or process uses less energy to complete the same task (e.g., incandescent lights vs. LED lights).

Likewise, **renewable energy** (“renewables”) and energy efficiency are different but share the goal of expanding the clean energy economy. Renewable energy sources include wind, solar, and hydroelectric. **Renewables produce energy and are often referred to as “generation” or “supply side” energy.** On the other hand, energy efficiency is on the “demand” or “customer side” because it's related not to the generation of energy, but the use of energy.

What are 'Energy Efficiency' programs?

There are many types of energy efficiency programs - including ones funded through government agencies, private companies, and nonprofits. **CAEECC focuses on market-rate** (i.e., anyone can participate regardless of income level) **energy efficiency programs approved by the CPUC** (which are funded through customer utility bills).

CPUC-approved programs are run by certain investor-owned utilities (IOUs), Regional Energy Networks (RENs), and Community Choice Aggregators (CCAs). Some RENs and CCAs offer additional energy efficiency programs that they fund themselves without ratepayer dollars (i.e., they don't go through CPUC approval process); these programs are not within CAEECC scope because **CAEECC focuses only on programs that the CPUC oversees.**

What are examples of EE Programs approved by the CPUC?



Appliances

Traditional programs have often involved replacement of inefficient appliances like dishwashers, laundry machines, lightbulbs, and fridges. Many programs today focus on smart thermostats, electric heat pump water heaters, and room air conditioners.



Rebates / Incentives

for consumers, contractors, manufacturers, and retailers and can include

- A discount
- A form
- Whole-building upgrades
- Custom engineering of incentive amount



Weatherization

Weatherization and insulation of buildings to better retain heat and cooling

What characteristics do EE Programs have?

Program reach

Programs may **reach across many sectors**, including residential (e.g., single- or multi-family), commercial (e.g., small/medium/large businesses/non-profits), agriculture, and industrial.



Non-energy elements

Programs also include support for workforce development (training), and education and outreach initiatives, codes & standards, and financing programs - among other programs that support the energy efficiency industry and benefits.



How are these programs governed?

The Public Utilities Commission (CPUC) oversees and governs energy efficient programs (and finances) through regulatory avenues called “proceedings.”

CAEECC’s scope is to focus on the Market-Rate Energy Efficiency ([R.13-11-005](#)) proceeding. CAEECC additionally takes into account other relevant proceedings like the Energy Savings Assistance Program ([A.19-11-003 et al.](#)) to ensure coordination and alignment where necessary, but does not influence said proceedings

CAEECC’s role is advisory only. The purpose of CAEECC is to advise the PAs. At times, policy issues come up (e.g., how should we implement market transformation) in which case CAEECC may also provide recommendations on a policy and/or process that the CPUC could direct the PAs to do if they so choose.

CAEECC provides a unique opportunity to be in facilitated dialogue with CPUC staff, Program Administrators, third party Implementers, environmental and customer advocates, and other impacted stakeholder about the design, implementation, and evaluation of energy efficiency programs as well as to improve related policies.



What are the different elements to Energy Efficiency Program design, implementation, and evaluation?

Portfolio Design

PAs develop Business Plans, which are high-level overviews outlining how a Program Administer (PA) will meet state and regional goals for energy efficiency.

In 2021, the CPUC amended the Business Plan process from being filed every ten years to being filed every four years.

Implementation

PAs develop and file Implementation Plans to detail specifics (like a manual) to identify how programs will be designed and run to be in compliance with their approved Business Plan.

Evaluation, Measurement and Verification (EM&V)

Assessments of the performance and impact of energy efficiency programs. Key indicators can be different for each program and can include energy savings, emissions reductions, participation rates, and cost-effectiveness. Evaluation is used to determine success, identify challenges, and improve future programming.

EM&V is conducted by third parties and overseen by the CPUC, not PAs, to avoid conflict of interest.



Design, implementation, and evaluation specifics

Potential and Goals Study

Third party companies run a computer model that identifies the various energy saving opportunities in PAs territories. The CPUC uses the estimates to set EE goals. These goals inform how PAs design their business plans and energy efficiency program proposals.

Energy efficiency programs in California are guided by CPUC policy that sets the overarching goals, objectives, and requirements.

Cost- Effectiveness

To make sure any investment in energy efficiency is a prudent use of ratepayer funding, the PAs and CPUC run a cost-effectiveness analysis that identifies the benefit vs. cost of a program or set of programs. The PAs are required to have a cost-effective portfolio of programs. Some programs on their own may be highly cost effective (e.g., lighting programs), whereas other programs may not yet be cost-effective on their own (e.g., whole-home upgrades). This is intentional to allow highly cost-effective tried-and-true programs to balance out less cost-effective but innovative programs to advance deeper energy savings.



Design, implementation, and evaluation specifics

Solicitations

PAs frequently conduct open calls for third-party contractors to design and/or implement energy efficiency programs. At least 60% percent of IOU funded energy efficiency programs must be implemented by 'third parties' through competitive solicitations. The solicitation process is presented at Full CAEECC Quarterly Meetings and contains the following phases: Request for Information (optional as of 2022), Request for Proposals, Selection of Proposals, Contracting and Negotiation. Note solicitations are only for program design and implementation, not EM&V. The CPUC's intent for increasing the percent of third party programs was to spur innovations and competition in the marketplace.

What are energy efficiency segments?

In 2021, the CPUC divided the PA/REN/CCA programs into different buckets or segments ([D.21-05-031](#)). The purpose was to cultivate programs that save energy (e.g., resource acquisition), help build the market to support other programs (e.g., market support), and reach customers that may not have enough money to participate in the resource category (e.g., middle income customers).

Market Support

Equity

Resource Acquisition

Market Support

supports “the long-term success of the energy efficiency market by educating customers, training contractors, building partnerships, or moving beneficial technologies towards greater cost-effectiveness”. This segment aims to promote the growth and development of energy-efficient products, services, and markets. It includes funding for market research, market transformation initiatives, and market development programs.

Equity

provides “energy efficiency to hard-to-reach or underserved customers and disadvantaged communities in advancement of the Commission’s Environmental and Social Justice (ESJ) Action Plan”. By prioritizing energy efficiency needs in underserved communities, programs can promote equitable access to energy-saving opportunities.

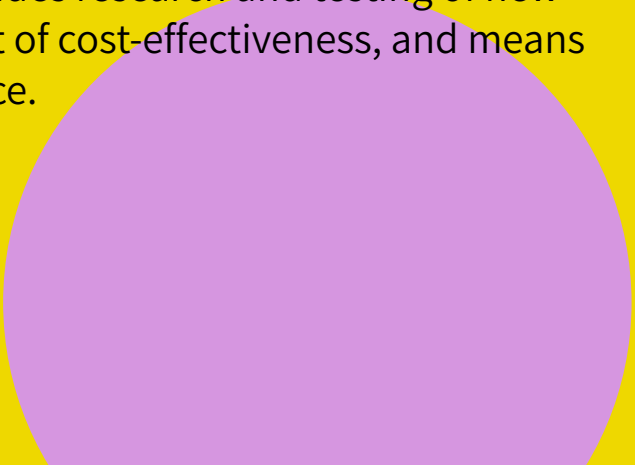
Note, this segment is different from ESAP (which provides no cost/direct install EE upgrades to income-qualified customers and is not captured here). This equity segment aims to reach those that are ineligible for income-qualified programs but cannot yet afford to participate in energy-saving programs.

Resource Acquisition (RA)

“short-term ability to deliver cost-effective benefits to the electricity and natural gas systems.” This segment includes funding for programs that directly result in energy savings like upgrading lighting, HVAC, and appliances.

Codes and Standards

The cheapest way to save energy is to influence the codes and standards policy at the California Energy Commission and Department of Energy. These programs help to “ready the market” for more advanced equipment. This includes research and testing of new products, assessment of cost-effectiveness, and means to improve compliance.

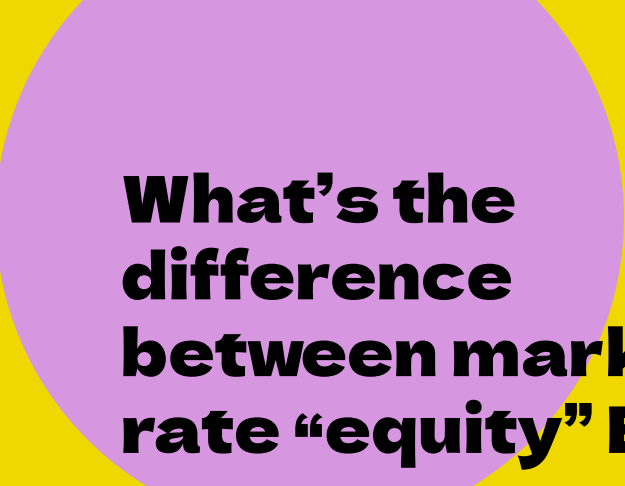


Why are **segments** important?

Only Resource Acquisition programs are evaluated by the traditional cost-effectiveness tests and must have at least a 1:1 ratio of benefits to costs.

Until 2021, the segments were “resource” and “non-resource”. This left many Program Administrators feeling constrained by strict cost-effectiveness rules that didn’t recognize the value of benefits like education, training, air quality, etc. or the value of improving savings and quality of life for those that did not qualify for the low income EE programs. **Resource Programs were designed to produce energy savings** (avoided energy consumption), which meant that if a program offered benefits like education to consumers, they would lower the cost-effectiveness because the program would add a cost without measurable energy savings.

By adding segments for Equity and Market Support, and allowing a budget cap of up to 30%, program administrators have **more flexibility** in how they offer programs that support both equity and market support. *Note RENs do not have a 30% budget cap for Equity and Market Support since RENs are intended to focus more on segments like this.*



What's the difference between market rate “equity” EE program segments and low-income EE programs?

The Energy Savings Assistance Program (ESAP) is an income-qualified, no-cost-to-consumer energy efficiency upgrades program. Its eligibility is determined by California Alternate Rates for Energy Program (CARE) qualification and/or similar state assistance program eligibility requirements.

The Equity Segment for market rate EE programs are much broader than ESAP. While they can target low-income customers (only for things that are not covered by ESAP), their primary goal is to increase access to programs among segments of the population that have historically been unaware or have not participated in those programs for various reasons such as lack of up-front capital or language barriers.

CAEECC's interaction with the equity programs is specific to the market rate Equity Segment program offerings.

Who are the CA agencies involved in EE?

CPUC

The CPUC oversees that funds are being used **appropriately**. In addition, the CPUC sets goals for energy efficiency programs (through the Potential and Goals Study) and directs the PAs to design programs that motivate customers to take energy efficiency actions that otherwise wouldn't have happened.

The CPUC's **Energy Division (ED)** advises the **Commissioners and Administrative Law Judges** that develop the policy proposals through decisions and rulings. They also oversee energy policy and programs that were approved by the full Commission to ensure compliance with the Commission decisions and statutory mandates.

California Energy Commission (CEC)

Related to CAEECC's efforts, the CEC **adopts energy efficiency standards** for appliances and buildings (among other things including transportation, transmission, reliability and renewables). They also identify the **energy needs** of the state as well as how much energy efficiency and renewables can meet that need, called a demand forecast. This forecast is what the IOUs/CCAs need to plan for.

California Air Resources Board (CARB)

CARB supports energy efficiency as it **reduces energy-related emissions** and insufficient air quality. CARB's Scoping Plan includes EE programs as one strategy for state emission reduction goals.

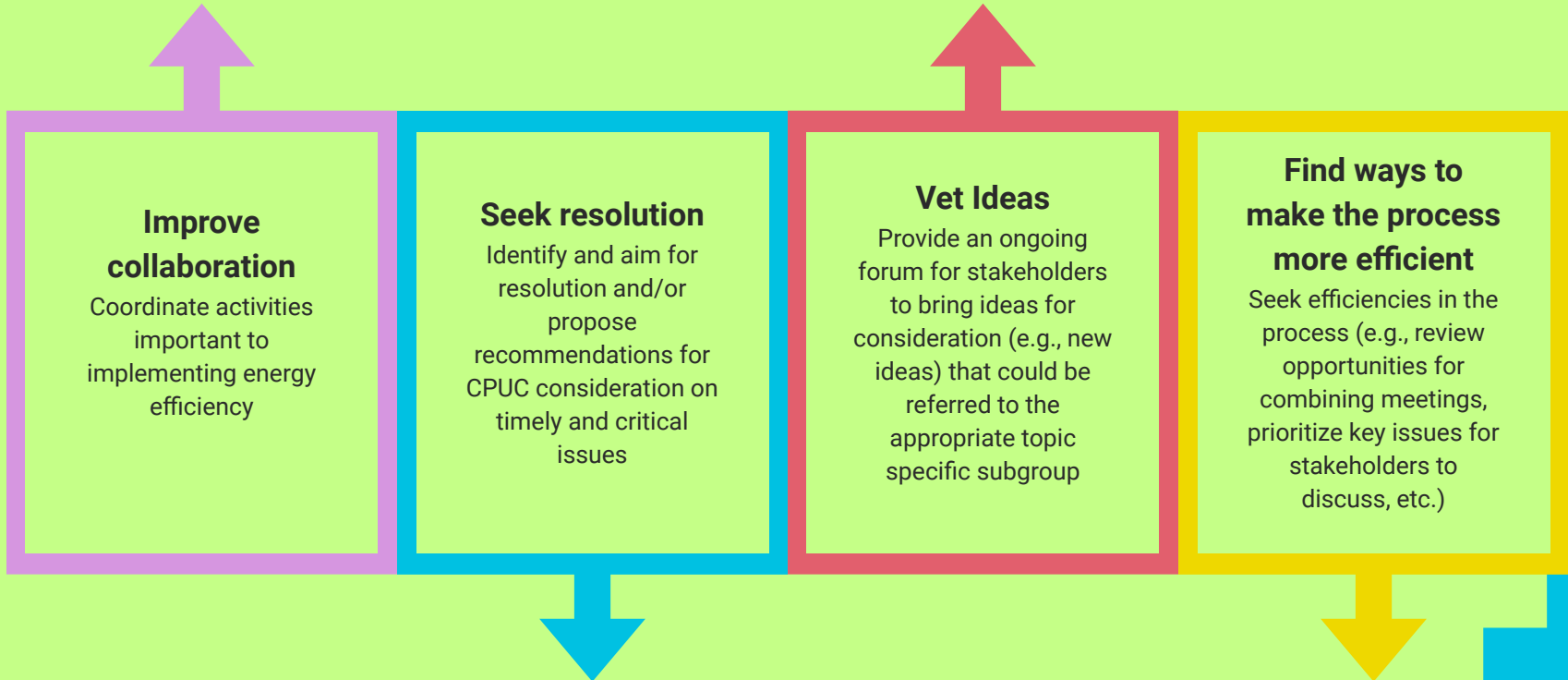


02

WHO/WHAT IS CAEECC

California Energy Efficiency
Coordinating Committee

CAEECC is a venue to



CAEECC does this through

Support + Expand EE Programs

Support the development and expansion of high-quality energy efficiency programs that reduce greenhouse gas emissions in line with state climate and energy goals while responding to customer needs and market dynamics

Input

Provide meaningful and useful input to the PAs in the development and implementation of their energy efficiency business plans



CAEECC does this through

Collaboration

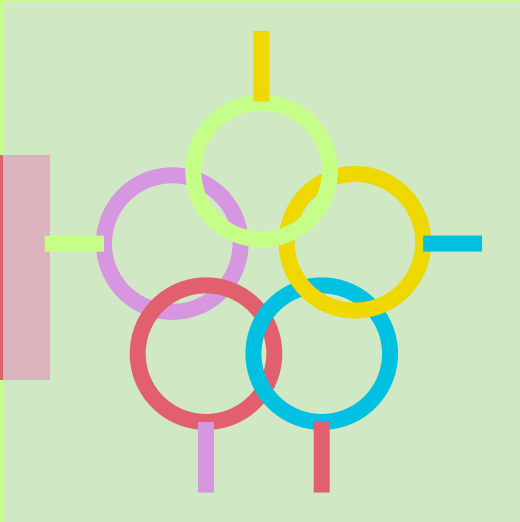
Improved collaboration and communication among parties and with the California Public Utilities Commission (CPUC) on energy efficiency matters

Talking it out

Resolve disagreements among stakeholders whenever possible to reduce the number of matters that need to be litigated before the CPUC



Why was CAEECC formed?



To provide a venue

In 2013, “Parties” (stakeholders) in the regulatory proceeding for energy efficiency acknowledged that a new format was needed to effectively and productively have discussion, hash out disagreements, and (sometimes) produce joint recommendations to determine how to best implement a “rolling portfolio” (ongoing regulatory proceeding) to manage energy efficiency programs

How are CAEECC venues structured?

Full CAEECC Quarterly Meetings

primary space for CAEECC to convene as a member group. They occur four times a year and are generally 4-6 hours long. Recently, the Facilitation Team has included two main sections of the meeting: a Main and Optional Assembly where members are expected to join the Main Assembly with pertinent information and may join the Optional Assembly with similar and relevant information.

Working Groups / Subcommittees

topic-specific series to dissect, discuss, and make recommendations around one specific issue area.

Workshops

one-off topic-specific events to dissect and discuss a given issue area.

All meetings / meeting topics may be initiated by CAEECC or through CPUC direction.

How is CAEECC membership structured?

2

Elected Co-Chairs

Lara Ettenson, NRDC
Lucy Morris, PG&E

Leadership Team

Facilitator: Birch Road Consulting,
Common Spark Consulting, Raab
Associates, Gemini Energy Solutions

2

Ex-officio

Alison LaBonte, CPUC
Ely Jacobsohn, CPUC

4

Advocate Members

- Natural Resources Defense Council
- Labor Management Cooperation Committee
- Sheet Metal Workers Local 104
- Small Business Utility Advocates

5

Implementer Members

- California Energy Efficiency + Demand Council
- Center for Sustainable Energy
- CodeCycle
- San Joaquin Valley Clean Energy Organization
- The Energy Coalition

5


Government Members

- California Air Resources Board (ex officio)
- California Energy Commission (ex officio)
- California Public Utilities Commission (ex officio)
- Local Government Sustainable Energy Coalition
- San Francisco Dept of Environment

10

Program Administrator Members

- Community Choice Aggregators (2): MCE and RCEA
- Investor-owned Utilities (4): PG&E, SCE, SDG&E, and SoCalGas
- Regional Energy Networks (4): 3C-REN, BayREN, I-REN, and SoCalREN



How is CAEECC membership structured?

Note: PAs are required by the CPUC to be CAEECC members; as such they currently have the highest representation on CAEECC. There is currently no specification for the distribution of seats per represented member categories

What are the roles within CAEECC?

Members

voting participants (i.e., participate in making recommendations)

Ex-officio

representatives from the CPUC, CEC and CARB support CAEECC to align programs, discuss improvements, and serve in an advisory capacity—meaning they don't direct CAEECC's scope/activities or vote, but make recommendations for consideration.

Co-chairs

Participate in planning calls, serve as a liaison between members, the public, ex-officio and the facilitation team

Public

meetings are open to the Public; documents are publicly accessible on CAEECC's website

How are members/roles determined?

Members

As currently structured, anyone may apply to be a member during open membership calls (in 2023, CAEECC Members voted to pause new membership until after the ECWG makes its recommendations). Eligibility criteria are being considered by the ECWG and historically included:

- A detailed understanding of and working familiarity with CA's EE policies including its cost-effectiveness framework
- Agreement to abide by all the CAEECC roles and responsibilities for Members and by the CAEECC Groundrules
- *All CPUC-approved PAs are required to be a part of CAEECC*

How are members/roles determined?

Leadership

- Co-chairs are nominated. One co-chair represents PA CAEECC members and one co-chair represents non-PA CAEECC members.
- CPUC provides guidance on meeting and scope strategy. There are typically 1-2 representatives from the Energy Division who participate in Full CAEECC Quarterly meetings, working groups, workshops, and internal CAEECC leadership planning meetings

How are members/roles determined?

Working Group Members

- selected based on their application's adherence to eligibility requirements. Some Working Groups (WG) have a leadership role while others do not. This is dependent on the charge and structure of each WG.

Workshop Attendees

- invited to participate through the CAEECC listserv and/or direct communication based on previous interest in CAEECC

CAEECC's history + annual focus



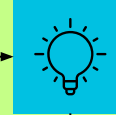
2016 - 2018

Provide transparency into proposal for PA Business Plan Proposals



2018 (WGs)

- Remove barriers in the market for EE to thrive
- Identify consistent third party contract terms since so many EE programs would be bid out to third party contractors to implement.
- Think through NMEC (Normalized Metered Energy Consumption)



2019

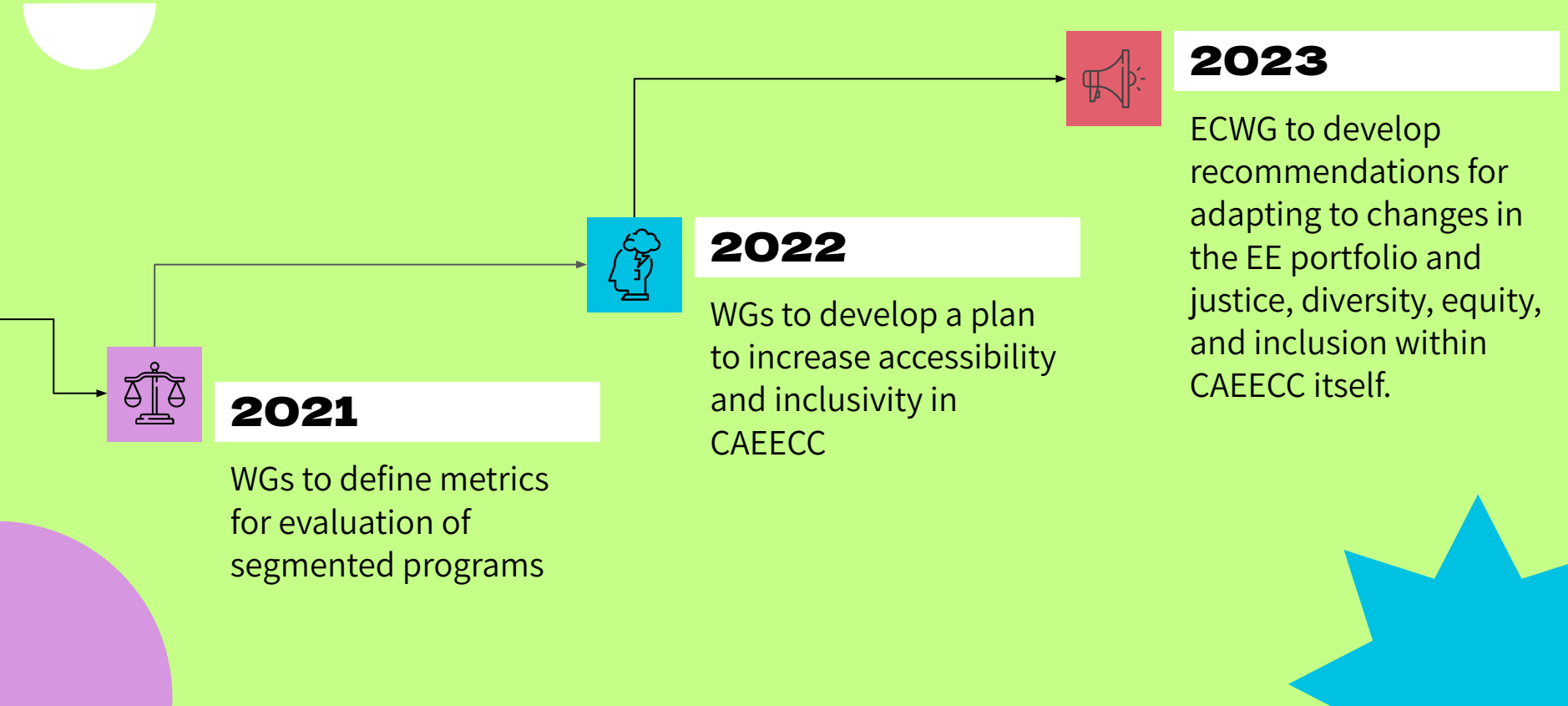
Unanimous WG proposal for amended filing processes in the EE Proceeding



2020

WG Process to assess "underserved" customers

CAEECC's history + annual focus



How does CAEECC differ from LIOB or DACAG?

Low-Income Oversight Board (LIOB)

LIOB is a legislative-directed body that acts as a liaison between ratepayers, other stakeholders, and the CPUC on gas/electric customer issues. LIOB focuses on low-income-related issues broadly across electricity, gas, and water service, **whereas CAEECC focuses on market rate energy efficiency issues only.**

Disadvantaged Communities Advisory Group (DACAG)

DACAG reviews CPUC and CEC clean energy programs and policies to ensure that disadvantaged communities benefit from said programs and policies. As such, DACAG works through many proceedings to ensure that clean energy is accessible and beneficial to their constituents.

CAEECC's scope touches on disadvantaged communities as part of its broader scope.



03

**OVERVIEW OF
EVOLVING CAEECC
WG**



Why is CAEECC taking on this evolution?

1

CAEECC was created in 2015 to establish a venue for stakeholders to engage on energy efficiency. **It was created with the assumption that those who engage would be well versed with extensive technical experience in energy efficiency.** However, much has shifted in terms of policies that impacts the scope of CAEECC.

2

CAEECC recognizes the importance of aligning this influential stakeholder venue to the **values upheld in the CPUC Environmental and Social Justice Action Plan.** And through that, be inclusive.

3

CAEECC currently does not include any language/guidance pertaining to justice, equity, diversity, or inclusion efforts in its purpose, scope, or structure. And as such, **recognizes that the current format of CAEECC may, in fact, hinder the goal of inclusion.** Additionally, CAEECC's scope doesn't reference the state's climate goals.

CPUC ESJ Action Plan

The Environmental and Social Justice (ESJ) Action Plan (2.0) is to guide CPUC decisions and make sure its broad regulatory authority continues to advance equity throughout the state.



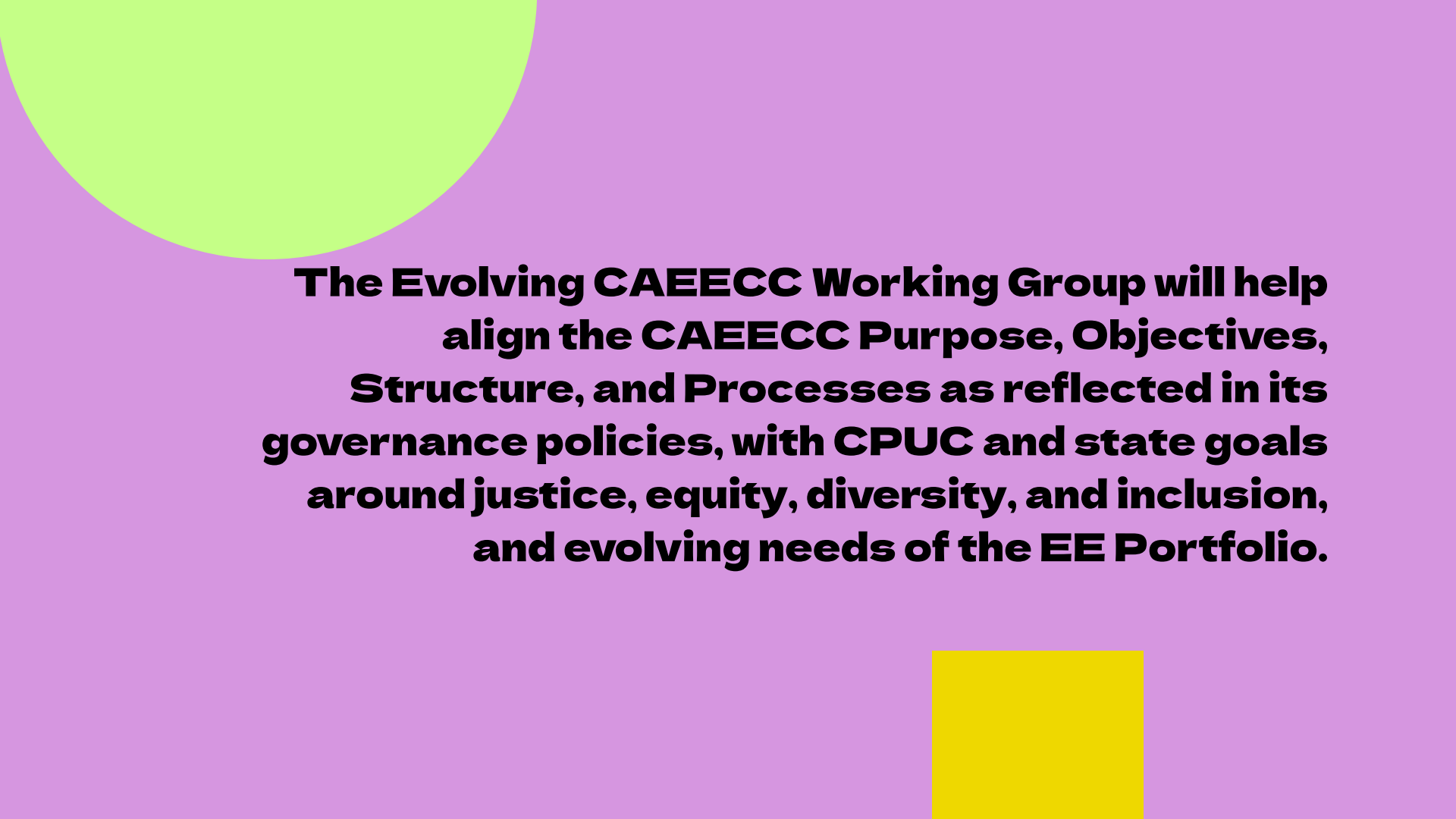
The CPUC is tasked with serving all Californians, and to do so effectively, it must acknowledge that some populations in California face higher barriers to access to clean, safe, and affordable utility services. To fulfill its mission, the CPUC **acknowledges it must focus on communities that have been underserved**, as this plan outlines. Additionally, as the CPUC fulfills the goals and objectives listed in this ESJ Action Plan and improves its ability to serve ESJ communities, the CPUC will become even more transparent, accessible, and effective for all the communities it serves.



CPUC ESJ Action Plan

Goals from the Action Plan and relevant to CAEECC

1. Consistently integrate equity and access considerations throughout CPUC proceedings and other efforts.
2. Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health.
3. Strive to improve access to high-quality water, communications, and transportation services for ESJ communities.
4. Increase climate resiliency in ESJ communities.
5. Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs.
6. Enhance enforcement to ensure safety and consumer protection for ESJ communities.
7. Promote economic and workforce development opportunities in ESJ communities.
8. Improve training and staff development related to ESJ issues within the CPUC's jurisdiction.
9. Monitor the CPUC's ESJ efforts to evaluate how they are achieving their objectives.



The Evolving CAEECC Working Group will help align the CAEECC Purpose, Objectives, Structure, and Processes as reflected in its governance policies, with CPUC and state goals around justice, equity, diversity, and inclusion, and evolving needs of the EE Portfolio.

Who is on ECWG and what are their intentions?

Based on applications, the following intentions were highlighted:

- To make the system more equitable/ promotes the goals of equity, diversity, and inclusion / ensure that energy efficiency offerings are designed to meet the needs of all customers / not replicate the drawbacks of historical energy systems (12)
- To contribute to the leadership of energy efficiency / be represented in the development of policies and programs (12)
- To bring underheard perspectives to the discussion / To re-think and re-learn processes to fully access the critical solutions diverse voices and experiences offer (11)
- To provide feedback on how the public engages with CPUC proceedings and outcomes
- To holistically connect load flexibility research and policy in California with energy efficiency efforts
- To align CAEECC to the justice, equity, diversity, and inclusion with local municipalities and community-based organizations

What power does the ECWG have to make actual changes in CAEECC?

This Working Group may provide recommendations to amend the operating Groundrules, Scope and Priorities, as well as processes of the CAEECC. This could have impacts on representation, power dynamics, processes, etc.

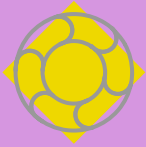
To do this, ECWG will develop a report of recommendations that are then presented to the Full CAEECC Membership for a vote of adoption

In some cases, CAEECC Members will vote to adopt recommendations with modifications

It is anticipated that the ECWG's recommendations may also be submitted to the CPUC in the event that either the Full CAEECC doesn't come to consensus on all recommendations, or if recommendations are outside their scope (such as amending CAEECC's purpose for an official change in some of CAEECC's authorizing language).

While this may not seem direct to community impacts, CAEECC is an influential forum for program design, policy, and other processes related to *expanding energy efficiency and its benefits in California* and thus indirectly affects energy efficiency access in communities.

Will the CPUC actually act on ECWG's recommendations?



Commissioners at the CPUC have shown great interest in the evolution of CAEECC, in particular in making CAEECC an inclusive environment.



As CAEECC is also a stakeholder body with CPUC oversight, it needs to align with relevant goals of the CPUC's ESJ Action Plan - for example, Goal 5: Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs.

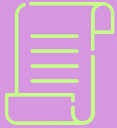


While we cannot predict how the Commission will respond to the proposals from the group, we will have ED representation to ensure any recommendations are within scope and feasible.

How will the WG be conducted? How will decisions be made?



CAEECC strives for **consensus-based** recommendations in its working groups. In the absence of consensus, the Facilitators will track which WG members are not in agreement.



This working group will, over the course of its engagement, **create a Final Report** within which each WG Member will be asked for consensus on a recommendation, or to provide forth an alternative recommendation option. The Final Report will delineate which recommendations are agreed to by consensus (i.e., everyone supports it), and which are non-consensus recommendations.



The WG also has a **Leadership Team** that will support the needs of WG members through this process.



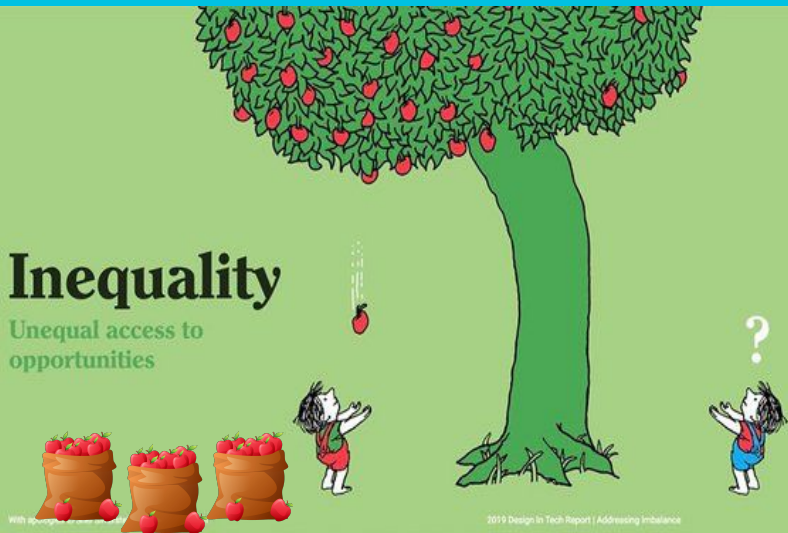
04

**WHAT IS
JEDI?**

The set of graphics below is a modification of the Giving Tree book. It describes the differences between concepts of inequality, equality, equity, and justice visually.

Inequality

Unequal access to opportunities

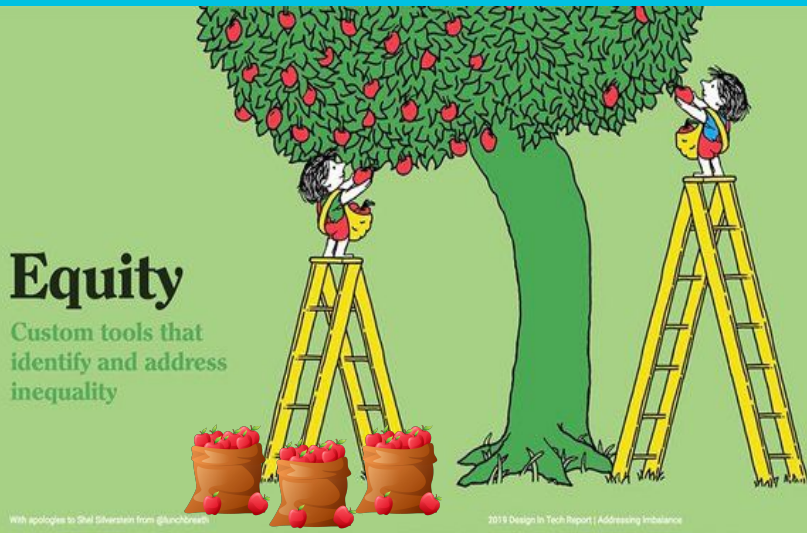


With apologies to Shel Silverstein from @lunchbreak

2019 Design In Tech Report | Addressing Imbalance

Equity

Custom tools that identify and address inequality

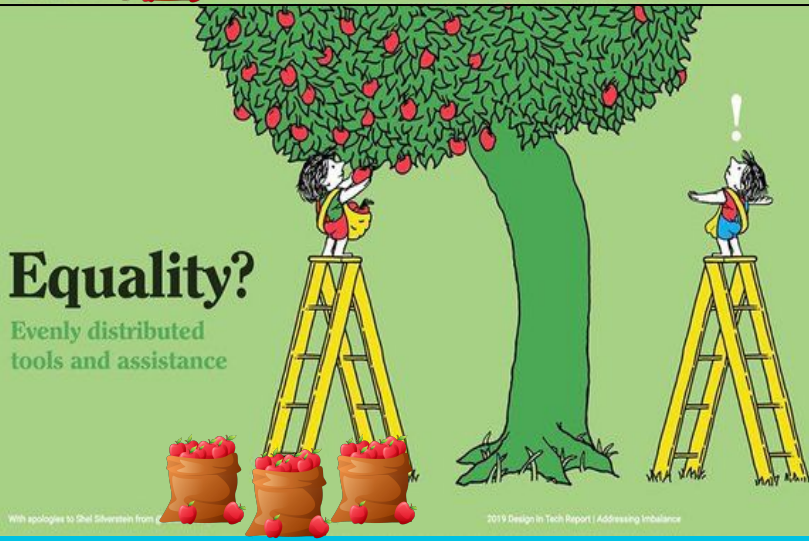


With apologies to Shel Silverstein from @lunchbreak

2019 Design In Tech Report | Addressing Imbalance

Equality?

Evenly distributed tools and assistance

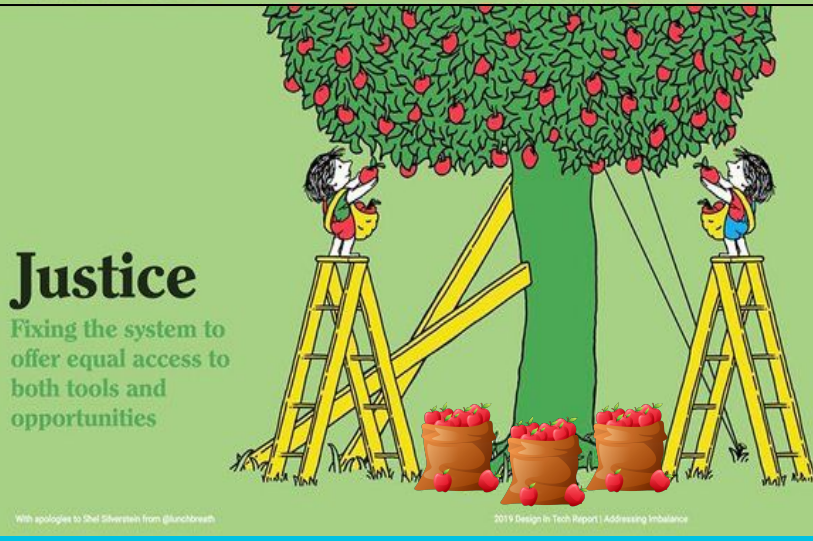


With apologies to Shel Silverstein from

2019 Design In Tech Report | Addressing Imbalance

Justice

Fixing the system to offer equal access to both tools and opportunities



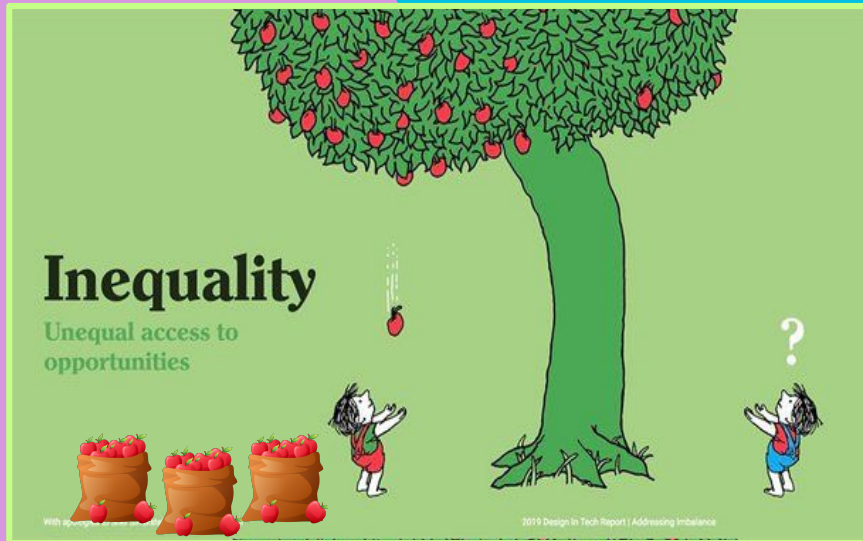
With apologies to Shel Silverstein from @lunchbreak

2019 Design In Tech Report | Addressing Imbalance

Inequality

The person on the right doesn't get any apples because 1) the tree is leaning towards the person on the left and 2) the density of apples on the right is significantly less. On the left, the person is receiving an apple and also has a pile of apples they've already collected. **In inequality, one entity is receiving more than another and each time they receive more, the gap between them grows**, hence why the left has more apples total than the right, including apples gained in previous picks.

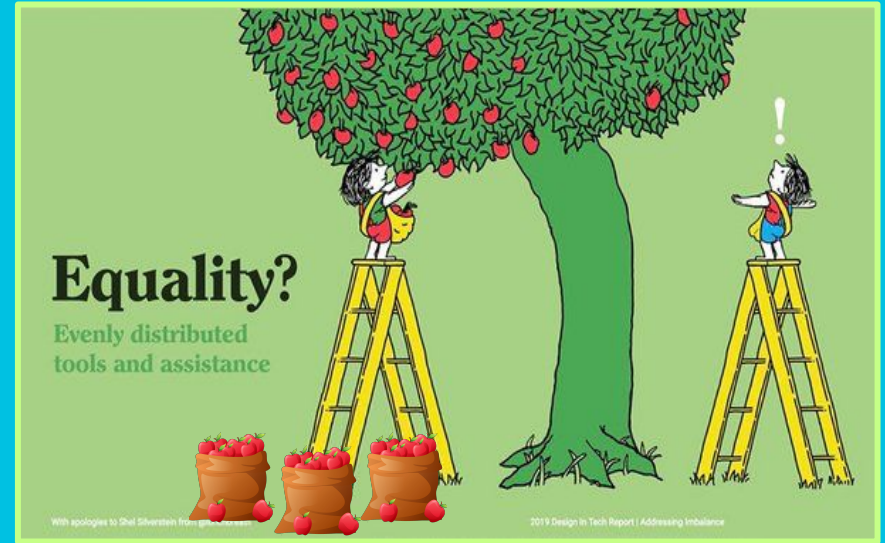
What else do you notice in this graphic? What else might be missing?

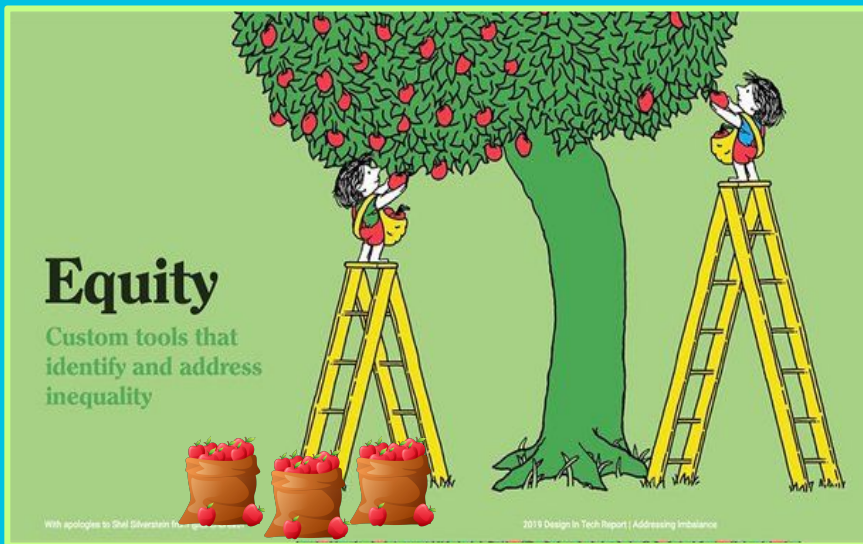


Equality

Both people are standing on a ladder that's the same height. However, the tree still leans left with a higher apple density on the left and so the left person is able to pick the apple whereas the **right person still has no access to apples** (not to mention the lack of apples on their half of the tree). Again, the left person has a history of getting apples and so they have more apples total than the right.

What else do you notice in this graphic? What else might be missing?





Equity

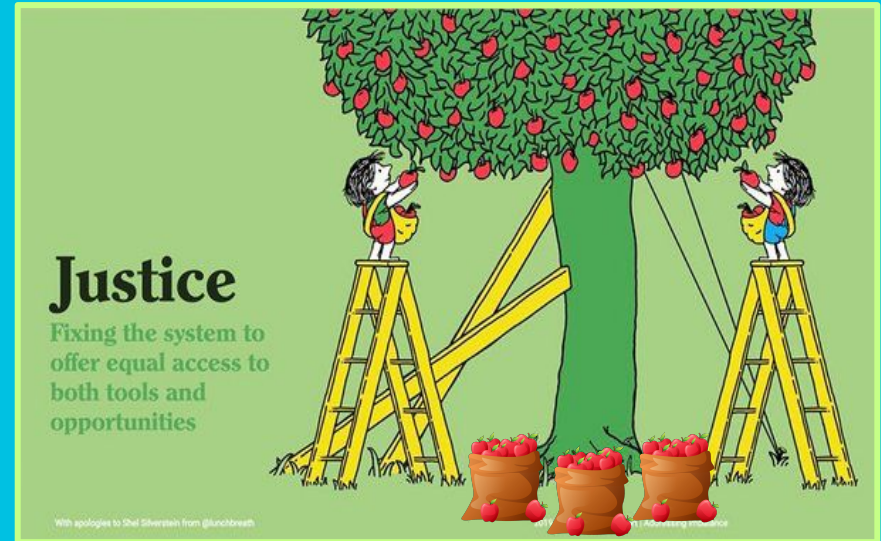
Both people are given a ladder that is right-sized for each person to reach the tree and pick apples on their own. **However, the tree still leans towards the left person** and has a higher density of apples on the left. Again we see that the left person has a history of getting apples, so they have more apples total than the right.

What else do you notice in this graphic? What else might be missing?

Justice

The system itself is adjusted to which the tree is straightened to favor neither the left nor right and the density of apples is evenly distributed. **Both the right and the left people are able to pick apples and the historic pile of apples given to the left person are redistributed** to be shared amongst both people.

What else do you notice in this graphic? What else might be missing?



Through this Giving Tree model, we can see that **access to tools and even distribution alone may not properly account for the uneven aspects of the system.** Moreover, access to tools and even distribution alone often don't account for historic inequality unless specifically addressed at the system level.

Why do these concepts matter?

1)

The structures, systems, and processes that exist in this world **were created** by humans to serve the purpose(s) defined by those individuals.

2)

However, because (generally) only a small group of individuals designed the structures, systems, and processes we follow today, **not all** systems, structures, and processes **serve people fairly, moreover inclusively, moreover equitably, moreover justly.**

Why do these concepts matter?

3)

Due to eons upon eons of following said systems, structures, and processes, **some people inherently have more or less access** to a benefit or, consequently, a drawback.

4)

As such, if we continue to design structures, systems, and processes with no intentional regard to justice, we are **(in)advertently continuing to widen the gap** between people served and unserved.

The Four Kinds of (in)Justice

Distributive

Determination of who gets what, apportioning risks, impacts, and benefits.

Procedural

Processes that determine how fairly people are treated.

Retributive

Punishment for wrongdoing and harm.

Restorative

Restoration of relationships through rehabilitation and reconciliation.

Energy efficiency as an energy resource is not exempt from these forms of (in)Justice. In fact, many injustices are present even today.

Distributive injustice

Program eligibility requirements can result in distributive injustice; for example, providing incentives via a tax credit relief requires individuals to have a tax liability in order to qualify

Procedural injustice

The energy efficiency portfolio is governed through the proceeding (R.13-11-005), which stakeholders can influence as an intervenor. This generally requires a significant amount of technical knowledge, time, and funding to review documents, provide comments, and participate in workshops and other proceeding activities. The process itself can be considered unjust because it (and the decisions resulting from the process) is not accessible without those resources.

Retributive injustice

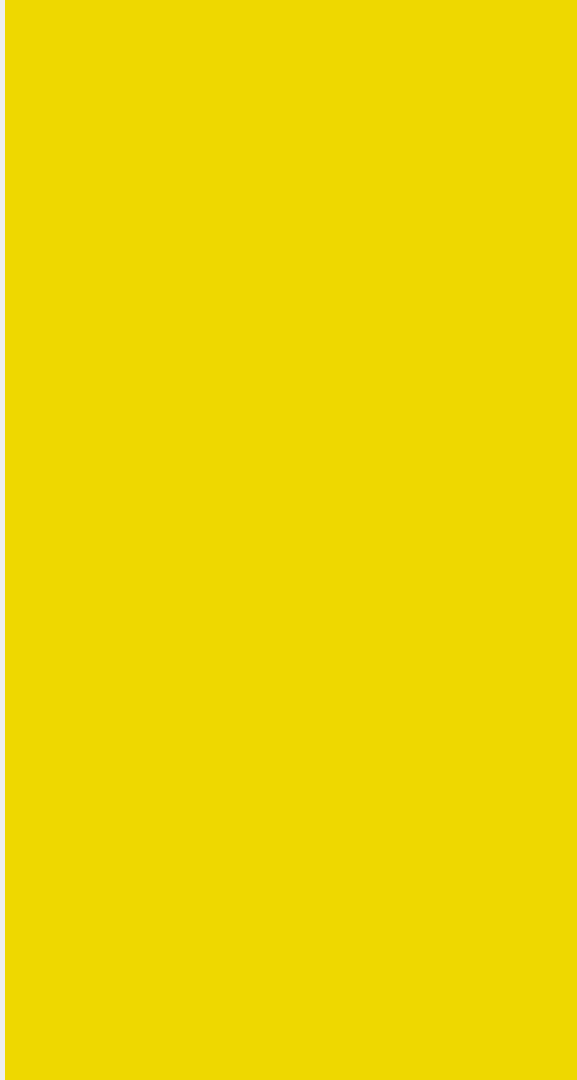
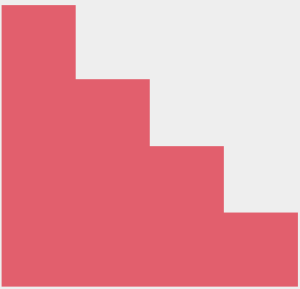
Programs that eliminate a person's eligibility for the program if the person is past due or behind on a utility bill.

Restorative justice

The ESAP program which directs no-cost direct-install solutions for energy burdened households

Through the incorporation of inclusion, diversity, equity, and justice both within oneself and the system, the EE space can evolve towards breaking down barriers of exclusion in energy access, program access, and more.

APPENDIX



References

- <https://www.aceee.org/>
- <https://www.energy.gov/eere/energy-efficiency>
- <https://www.nrdc.org/stories/energy-efficiency-clean-facts>
- https://www.cpuc.ca.gov/-/media/cpuc-website/files/uploadedfiles/cpuc_public_website/content/newsroom/fact_sheets/english/regulating-energy-efficiency-0216.pdf
- <https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2021/06/Item-06-Energy-Efficiency-Goals-and-Portfolio-Process-Reform-Decision.pdf>
- <https://www.cmua.org/pou-explainer>
- [D.21-05-031](https://www.cmua.org/pou-explainer)
- https://docs.wixstatic.com/ugd/849f65_d6abd768ad6643868db8fb0296df80f2.pdf
- <https://www.caeecc.org/frequently-asked-questions>
- https://en.wikipedia.org/wiki/Market_transformation
- https://4930400d-24b5-474c-9a16-0109dd2d06d3.filesusr.com/ugd/575f52_58d412d0d2504684a98bea4e35877414.pdf
- [CAEECC Living DEI Glossary](#)
- Design in Tech Report, 2013
- <https://jedicollaborative.com/>
- <https://www.nacweb.org/about-us/nace-statement-of-diversity-and-inclusion/>
- <https://belonging.berkeley.edu/redefining-who-belongs/glossary#>
- https://gridworks.org/wp-content/uploads/2018/06/Gridworks_CCA-Clean-Energy-Overview_final-1.pdf

Additional Definitions (EE)

- **EE Portfolio:** a collection of EE programs
- **Grid Reliability:** the electric grid is a complex system that requires specific conditions to ensure its safe operation. One of these conditions relates to how the grid can handle various energy demands of consumers. The ability for the grid to address, handle, and serve these demands refers to the reliability of the grid.
- **Types of CCAs**
 - Apply-to-administer: CCAs that apply to the CPUC to use ratepayer funds for EE programs for opted-in and opted-out customers their territory. *CAEECC focuses on Apply-to-administer CCAs which include MCE and RCEA*
 - Elect-to-administer: CCAs that use their own collected funds to provide EE programs to only opted-in customers.

Additional Definitions (JEDI)

- **Inclusion:** Fostering a sense of belonging by centering, valuing, and amplifying the voices, perspectives, and styles of those who experience more barriers based on their identities. (JEDI Collaborative)
- **Diversity:** Valuing and embracing the uniqueness of individuals, thoughts, characteristics, lived experiences, and any other dimension that makes a group or person unique from one another.
- **Equity:** Equity means recognizing that we do not all start from the same place and allocating resources to ensure everyone has access to the same opportunities. Equity recognizes and seeks to correct advantages and barriers due to 'isms'. (From NACE and JEDI Collaborative)
- **Justice:** Dismantling barriers to resources and opportunities so all individuals and communities can live a full and dignified life. (JEDI Collaborative)
- **Belonging:** entails having a voice and the opportunity to use it to make demands upon society and political institutions. Belonging is more than having access; it is about the power to co-create the structures that shape a community.

Additional Q&A

Why would utilities care about and/or participate in energy efficiency if it means their customers use less energy? In California, utility revenue is 'decoupled' from energy sales, meaning that utilities are not incentivized to sell more energy to its customers. As such, utilities use the Public Purpose Program Surcharge to offer education, outreach, and appliance upgrades to its consumers in alignment with the state's goals for reduced energy consumption.