

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

Order Instituting Rulemaking Concerning Energy  
Efficiency Rolling Portfolios, Policies, Programs,  
Evaluation, and Related Issues

Rulemaking 13-11-005  
(Filed November 14, 2013)

**THE NATURAL RESOURCES DEFENSE COUNCIL (NRDC) MOTION  
SEEKING COMMISSION RULING AND COMMENT PERIOD ON THE  
CALIFORNIA ENERGY EFFICIENCY COORDINATING COMMITTEE  
MARKET TRANSFORMATION WORKING GROUP REPORT**

March 19, 2019

Lara Ettenson  
Natural Resources Defense Council  
111 Sutter St., 21st Floor  
San Francisco, CA 94104  
415-875-6100  
[lettenson@nrdc.org](mailto:lettenson@nrdc.org)

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

Order Instituting Rulemaking Concerning Energy  
Efficiency Rolling Portfolios, Policies, Programs,  
Evaluation, and Related Issues

Rulemaking 13-11-005  
(Filed November 14, 2013)

**THE NATURAL RESOURCES DEFENSE COUNCIL (NRDC) MOTION  
SEEKING COMMISSION RULING AND COMMENT PERIOD ON THE  
CALIFORNIA ENERGY EFFICIENCY COORDINATING COMMITTEE  
MARKET TRANSFORMATION WORKING GROUP REPORT**

**I. Introduction**

Pursuant to Rule 11.1(b) of the Commission’s Rules of Practice and Procedure, the Natural Resources Defense Council (NRDC) submits this motion seeking a ruling by the Administrative Law Judges that solicits comments from parties on the attached Report, prepared by the “Market Transformation Working Group” (MTWG) formed by the California Energy Efficiency Coordinating Committee (CAEECC). NRDC is a member of the MTWG.

The CAEECC formed the MTWG following the Commission’s second workshop in this proceeding on developing an energy efficiency market transformation framework, held on November 6, 2018, to build on the proposal prepared by Commission Staff.<sup>1</sup> The Report included as “Attachment A” to this motion is the result of that process.

**II. Description of the MTWG and its Report**

In December 2018, the CAEECC convened interested stakeholders to form the MTWG, with the following purpose:<sup>2</sup>

1. To develop a proposed market transformation framework (including the necessary processes and procedures) for developing, deploying, and monitoring energy efficiency market transformation initiatives in California.
2. To seek consensus (defined as unanimity) where feasible among Working Group Members.

---

<sup>1</sup> See Administrative Law Judge’s Ruling Seeking Comment on Market Transformation Staff Proposal, issued 8/29/18, with Staff’s August 28, 2018, “Energy Efficiency Market Transformation” proposal attached.

<sup>2</sup> CAEECC Market Transformation Working Group Report, Appendix B.

3. To document the proposed market transformation framework in a Final Report to the CPUC. The Final Report would include descriptions of all consensus recommendations, as well as descriptions of any alternative options on issues and elements where consensus was not reached as well as who supports each option.

The CAEECC MTWG met three times.<sup>3</sup> In between and during these meetings, the MTWG members developed the framework proposal now presented in the Report.<sup>4</sup> That work primarily took place through “subgroups” created during the first meeting, with each “subgroup” focusing on concept development and proposal drafting for one component of the framework. Where consensus was not reached for a specific framework element, the proponents of each option were responsible for drafting the description of and rationale for that option.

While the attached Report does not contain official sign-ons by each MTWG participant, it does represent consensus recommendations for the vast majority of framework elements. There are only two instances of non-consensus among WTWG members. These include the issues of (a) who should administer the market transformation initiatives; and (b) what is the appropriate cost-effectiveness threshold for the initiatives. Two options are provided in the Report for each of these issues, with support among MTWG members indicated by each option.

### **III. Relief Requested**

The purpose of this motion is to request that the Administrative Law Judges issue a ruling soliciting opening and reply comments on the MTWG’s Report from all parties to this proceeding, including but certainly not limited to those parties who participated in the MTWG process. NRDC submits that this action by the Commission will promote the development of the record on approaches to energy efficiency market transformation, “one of the priority items to be addressed in the remainder of this proceeding.”<sup>5</sup>

NRDC specifically recommends that the Commission provide three weeks from the issuance of a ruling soliciting comments for the preparation of opening comments, with reply comments due two weeks after that. NRDC additionally recommends that the Commission invite parties to address the following four questions, in addition to the general request for input on

---

<sup>3</sup> CAEECC: <https://www.caeccc.org/working-group-subcommittee-meetings>

<sup>4</sup> The list of the CAEECC MTWG members can be found on p. 44 of the attached report.

<sup>5</sup> Administrative Law Judge’s Ruling Seeking Comment on Market Transformation Staff Proposal, p. 1.

whether the Commission should adopt in full, or in part, the framework presented in the Report:

1. Are there any comments on the overall Energy Efficiency Market Transformation Framework or other consensus recommendations in the Report?
2. Are there any comments on the only two non-consensus issues in the Report – (a) who should be the Market Transformation Administrator (see pages 24-31) and (b) what should be the cost-effectiveness threshold for market transformation initiatives (see pages 36-38)?
3. To what extent can current cost-effectiveness tools and methods fully evaluate market-transformation initiatives that would result in codes and/or standards? If the current methods are insufficient, what do commenters think about the two options outlined in the section “Estimating the MTI C&S Savings & Costs” on page 35 of the Report?
4. Are there other issues not addressed in the Report that the Commission should consider as part of its decision establishing an Energy Efficiency Market Transformation Framework?

### **III. Conclusion**

NRDC appreciates the Commission’s consideration of this motion and recommends that the Commission grant the relief requested herein. Granting this motion will support the development of the record in this proceeding regarding approaches to promote energy efficiency market transformation.

Dated: March 19, 2019

Respectfully submitted,



Lara Ettenson, Director, Energy Efficiency Initiative  
Natural Resources Defense Council  
111 Sutter St., 21st Floor  
San Francisco, CA 94104  
415-875-6100  
[lettenson@nrdc.org](mailto:lettenson@nrdc.org)