California Energy Efficiency Coordinating Committee-Hosted Market Transformation Working Group – Phase II

January 22, 2021 1-4:00 pm

WebEx-Based Meeting

Draft Meeting Summary

Facilitators: Dr. Jonathan Raab & Katie Abrams

On January 22, 2021, the CAEECC hosted the final meeting of the Market Transformation Working Group Part II (MTWG) via WebEx. Twenty-three MTWG Members (including Leads, Proxies and Ex Officio) participated in the meeting as panelists. Approximately 11 ex-officio and resource participants and members of the public participated as attendees. A full list of meeting registrants is provided in Appendix A.

This meeting summary is a high-level overview of agreed-upon changes to the MTWG Phase II report. It does not capture the discussion on options, as that is largely captured in previous meeting summaries and the report itself serves as the ultimate record going forward. Next Steps, at the end of this document, list all next steps discussed at the meeting.

**Meeting materials, including the redline changes made during the meeting, are provided on the CAEECC website at:** [**https://www.caeecc.org/1-22-21-mtwg-mtg**](https://www.caeecc.org/1-22-21-mtwg-mtg)

**Introductions and Goals**

J. Raab summarized the intent of the meeting is to finalize the report by reviewing changes made since the last working group (WG) meeting and by reviewing the consensus and non-consensus options. For each non-consensus issues, those supporting each non-consensus option were given 4 minutes each to pitch their option. This was followed by Q&A and then discussion of the options.

C. Torok gave an update on the status of the Market Transformation Administrator (MTA) process: the California Public Utilities Commission (CPUC) expects to post the request-for-proposal (RFP) in early February 2021. She further explained that the WG finalization timeline effects the RFP and emphasized the importance that all bidders have access to the report for the same amount of time.

**Section 1: Introduction Overview**

No substantive changes were proposed for this section.

**Section 2: Savings Attributions: Market Transformation Initiatives (MTIs) and Resource Acquisition (RAs)**

**Non-Consensus Issue—Overall Approach**

Margie Gardner (Resource Innovations) gave a brief verbal presentation on Option A: Remove all resource acquisition (RA) Savings. Randall Higa (SCE) gave a brief verbal presentation on Option B: Remove all Program Administrator (PA) Savings and Market Effects.

WG member discussion centered around the following high-level topics: the decision to reference codes and standards (C&S) within this section, the merits of each option in light of uncertainty over the report’s use-case(s), and the impact of changing cost-effectiveness rules, among other topics. Option B supporters concluded that the reference to C&S would remain, though the focus of the chapter will continue to be on RA programs.

A. Arquit will work with IOUs and possibly others to flesh out either a revised Option B, create a new Option C, or do nothing. This could also include adding language clarifying their approach in light of different potential use cases. She will notify J.Raab of the direction she/they plan to take by COB Monday 25th and provide language by noon on Tuesday the 26th.

J. Raab summarized that the WG’s original charter was determining how to address attribution between RA and MTIs. He outlined that the key next steps to wrap up this section include:

* Conduct polling for WG to select their preferred option
* Offer the option for WG members to prepare comments in an appendix (rather than rewriting the text in the body)
* Plus, revise section based on A.Arquit’s efforts (described above)

**Section 3: Savings Attribution: MTI’s and Codes and Standards**

**Non-Consensus Issue—Attribution Factors**

Dan Suyeyasu (CodeCycle) gave a brief verbal presentation on Option A: Addition of MTI Related Factors Now. Pat Eilert (PG&E) gave a brief verbal presentation on Option B: Detailing Additional Factors is Premature.

After lengthy discussion on several issues, no changes were agreed to during the meeting for either non-consensus option, or the other report language.

**Non-Consensus Issue—Factor Weighting**

Jay Luboff (Luboff Consulting) gave a brief verbal presentation onOption A: Make Adjustments to Weighting of Factors Now. Pat Eilert (PG&E) gave a brief verbal presentation on Option B: Adjustments to Weighting of Factors Now is Premature.

No substantive changes were proposed for either non-consensus option, or the other report language.

**Non-Consensus Issue—Pre-Allocation of Savings**

Dan and Jay (CodeCycle, Luboff et al) gave a brief verbal presentation on Option A: Pre-allocate a portion of savings and the rest allocated ex post. The IOUs gave a brief verbal presentation on Option B: No pre-allocation of savings—entirely ex post.

J. Raab showed the results of the sign-up process, mentioned that eight MTWG members had not responded to the survey despite three emails to do so.

**Other Section text**

J. Raab walked participants through the non-option language in section 3, including principles 1-6 (pages 12-13).

WG members agreed to the following substantive changes:

* In Section 3 “Background”, remove the following line: “above and beyond those embodied in C&S administrator’s planned activities at time the MTI is proposed” – as well as the two paragraphs proposed by CodeCycle on 1/14 beginning with the phrase “While there are distinct categories of influence”
* In Section 3 “Recommended Principles and Overall Approach”, change #4 to the following: “The MTA will create an initial forecast[[1]](#footnote-1) of total MTI/C&S savings for planning purposes in close collaboration with C&S Program Administrator as described in the Decision 19-12-021. Combined C&S and MTIs savings are incremental to naturally occurring baseline”. This new line no longer has the following reference: “and planned C&S (and RA) activities at the time an MTI is proposed” but “as described in Decision 19-12-021” was added to reference that PAs will have a seat at the table.

**Section 4: Savings Goal-Setting for MTIs**

J. Raab explained that this section included a potential non-consensus issue. Option A, which was documented in the body of the report, calls for setting goals at the MTI level. Option B, which was in an appendix, calls for setting goals at the portfolio level. He, J. Burrows, and M. Gardner provided historical context for the evolution of these options.

Then J. Raab invited discussion on the two options, and asked if any Member preferred Option B. Hearing none, it was concluded that Option A is a consensus recommendation.

He also noted the section titled “MTI Goals if Implementer is a California Program Administrator” (page 22), which was originally proposed by Christie. He asked if anyone had concerns with that section; and hearing none, concluded it too will be considered a consensus proposal.

WG members agreed to the following substantive changes:

* Removal of Option B from the appendix, as well as all references to it

**Wrap-Up/Next Steps**

J. Raab thanked participants. He asked for any additional copy edits by COB 1/22/2021 (Note: none were received). He summarized next steps as follows (dates subject to 1-2 day delays based on what changes, if any, A. Arquit proposes):

* A. Arquit will work with IOUs and possibly others to flesh out either a revised Option B, create a new Option C, or do nothing. This could also include adding language clarifying their approach in light of different potential use cases. She will notify J. Raab of the direction she/they plan to take by COB 1/25 and provide language by noon on 1/26
* Facilitator to make the substantive changes agreed to during the meeting (and outlined above) and post redline and clean versions of the report (posted by 1/25)
* Circulate a signup process for the three non-consensus items (sent 1/26 with responses due 2/1), include questions for clarifying or conditional comments that will be added in an appendix
* Compile responses from the 8 outstanding WG members who have yet to respond to the pre-allocation of savings poll for the 4th non-consensus issue (reminder sent 1/25 with responses due 1/28)
* Note: WG members who do not complete the two sign-up polls (bullets above) will be dropped from the Working Group
* Update, publish, and distribute final report (2/2)

J. Raab concluded that no additional meetings will be needed to conclude this working group, and thanked members and participants for their engagement.

**Appendix A: Meeting Registrants**

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| **1.22.21 MTWG Meeting Attendance** |
| **Company**  | **First Name**  | **Last Name**  |
| CEDMC | Greg | Wikler |
| Center for Sustainable Energy | Stephen | Gunther |
| Center for Sustainable Energy  | Raghav | Murali |
| CodeCycle | Dan | Suyeyasu |
| Don Arambula Consulting | Don | Arambula |
| Energy Solutions | Teddy | Kisch |
| Enervee | Anne | Arquit |
| Jay Luboff Consulting, LLC | Jay | Luboff |
| Coalition for Energy Efficiency (CEE) | Bernie | Kotlier |
| NRDC | Lara | Ettenson |
| PG&E | Jonathan | Burrows |
| PG&E | Pat | Eilert |
| Public Advocates Office | Ashlyn | Kong |
| Resource Innovations | Margie | Gardner |
| SCE | Randall | Higa |
| SDG&E | Mike | McConnell |
| SDG&E | Kate | Zeng |
| Sheetmetal Workers Local 104 | Randy | Young |
| Small Business Utility Advocates | Ted | Howard |
| Small Business Utility Advocates | Ivan | Jimenez |
| SoCalGas | Erin | Brooks |
| SoCalGas | Benjamin | Piiru |
| The Energy Coalition | Marc | Costa |
| **Ex-Officio/Resource (non-voting):** |
| Alcal | Gregory | Sutliff |
| California Energy Commission | Brian | Samuelson |
| CPUC | Christie | Torok |
| DNV GL | Nick | Brod |
| Greenbank Associates | Alice | Sung |
| Lincus, Inc. | Cody | Coeckelenbergh |
| NEEA | Jeff | Harris |
| The Mendota Group, LLC | Grey | Staples |
| Tyler & Associates | Craig | Tyler |
| WRCOG | Anthony | Segura |
| Yinsight, Inc. | Carol | Yin |

1. CPUC Decision 19-12-021 includes forecasting as part of the MTI Plan, bullet #3 on page 159. [↑](#footnote-ref-1)