

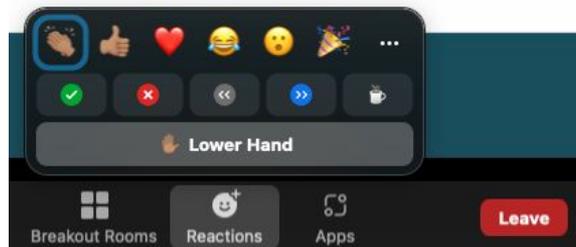
California Public Utilities Commission (CPUC) Metrics Workshop

Thursday September 15, 2022 | 9:30am - 2:30pm PT

Hosted by the California Public Utilities Commission (CPUC) and facilitated
by California Energy Efficiency Coordinating Committee (CAEECC)

Zoom How-To

- **Log on a few minutes early**, if possible, to ensure your technical connection is working.
- **Share your video** if possible – this fosters engagement and helps mimic an in-person meeting setting.
- **Raise your hand** to enter the queue to speak—then wait for the Facilitator to call on you.
- **State your name and the organization you’re representing each time before you speak.** Also state whether you’re a member of the Public or part of the Equity Metrics or Market Support Metrics Working Groups.
- **Mute** yourself when you’re not speaking.
- **If joining by phone:** *6 - Mute/unmute; *9 Raise/lower hand
- **When to use the chat:**
 - Chat everyone: “+1”, share resources, non-substantive questions/comments
 - Chat Suhaila: share anonymous concerns
 - WG Members asked to raise their hand and speak if they have substantive input



This is a Public Workshop!

Welcome CAEECC Working Group Members and Members of the Public!

- All participants will be invited to speak throughout the course of the Workshop
- In addition to verbal remarks, all participants can
 - submit comments to the Facilitators (facilitator@caeccc.org) by COB Friday 9/16
 - use the chat function during the meeting to submit comments that will be included in the meeting summary.

Meeting Norms

- Make space, take space (share the mic).
- Stories shared here stay here; what is learned here leaves here.
- Share your unique perspective: share your unpopular opinion.
- Generative thinking: "yes, and" instead of "yes, but".
- Listen from the "We", speak from the "I".
- Offer what you can; ask for what you need.
- Be inquisitive.
- Assume best intent *and hold each other accountable*.
- Be empowered to share impact.

Creating a space of inclusion and diversity

Agenda

Time	Topic & Description
9:30	Intro & Background
10:15	Topic 1: Metrics Categorization
11:45	Lunch
12:15	Topic 2: Specificity and Approach
1:30	Stretch
1:35	Topic 3: REN Performance Metrics and Associated Targets
2:20	Wrap Up
2:30	Adjourn

Meeting times and flow may vary based on stakeholder input and facilitator discretion

Facilitation Team



Intro & Background

Let's get started

- Workshop Objectives
- Introductory Remarks from the CPUC
- Background & Context from CAEECC Working Groups & Huddles, ED Categorization Spreadsheet, and ED Attachment Tables

Workshop Objectives

1. **Categorization of indicators and metrics**, and which might be ripe for **targets** and when
2. **Framework for adding specificity** to proposed targets, metrics, indicators, methodologies, and baselines
3. Higher priority **metric(s) or goal(s) that focus on RENs'** overall value to ratepayers
4. **Optimal/preferred regulatory approaches and timing** for consideration and approval of topics above

CPUC Introductory Remarks

2024-2031 Energy Efficiency Business Plan Application Review

Indicators, Metrics and Targets Workshop

September 15, 2022



California Public
Utilities Commission

Setting the Stage for the Workshop

- Applications Proceeding Timeline
- Proceeding Scoping Memo Issues 3 & 4 – Indicators, Metrics & Targets
- Objectives of Prior Huddles and this Metrics Workshop
- Background - Specificity of Existing Common Metrics
- Achieving Clear and Consistent Progress Trackers - Adding Specificity
- Regulatory Approaches
- Timeline

Timeline of EE Business Plan Application Proceeding A.22-02-005

May 2021: D.21-05-031 set new framework for EE Portfolio Applications (e.g. Segmentation, TSB)

March 2022: 9 PAs submit Business Plan Applications – Very few MS&E targets proposed

June 2022: Issues Identified in Scoping Memo

Summer 2021: CAEECC Market Support and Equity (MS&E) WGs Develop Objectives Metrics and Indicators

April & May 2022: Parties Offered Comments – Many focused on need for progress on metrics and targets

Timeline of EE Business Plan Application Proceeding A.22-02-005

Aug 2022: Disadvantaged Communities Advisory Group (DACAG) offered comments on Equity Segment including suggestions for additional metrics, budget caps & floors, and NEBs valuation

Sept 15 2022: Metrics Workshop Today

Aug & Sept 2022:
CAEECC Working Group Huddles reconvene MS&E WGs to facilitate greater progress at this Workshop

Oct & Nov 2022:
Intervenor Testimony/
Rebuttal Testimony

Issue 3

Are the proposed indicators, metrics, and targets for the portfolios, segments, and programs reasonable, and do they demonstrate growth and progress needed to meet future opportunities? What additional guidance, if any, is needed to better define target customer segments (e.g., underserved)?

Issue 4

As a corollary to how investor-owned utilities and MCE, as a community choice aggregator, are held accountable to meet TSB goals and cost-effectiveness thresholds (for resource acquisition), which performance metrics and associated targets should regional energy networks (REN) be held accountable to?

Objectives for Huddles and Workshop

Result in proposals before (to CAEECC) and/or after Workshop (to CPUC) for addressing:

1. Identification of MS&E metrics ready for adoption and for targets to be set in 2024, if any, vs those to be set in the future
2. A framework for adding specificity to proposed targets, metrics, indicators, methodologies, and baselines to ensure their usefulness, meaningfulness, and consistency
3. Related to Scoping Issue 4, for the purpose of considering establishment of higher priority metric(s) or goal(s) that focus on RENs' overall value to ratepayers; identification of whether and which could fulfill this purpose:
 - a. existing - indicator(s), metric(s), group or index of indicators and/or metrics; or
 - b. new or alternative proposal
4. Optimal/preferred regulatory approaches and timing for consideration and approval of PAs' populated targets, metrics, and/or methodologies

Background – Common Metrics

“Common metrics” adopted in D.18-05-041 in 2018

- In D.18-05-041, the compliance requirements to all PAs included:
 - A metric is a measure of progress towards achieving a desired market effect(s)
 - All PAs should be able to have the same metrics, even if they have different targets
- Development process
 - CAEECC workshop in 2017 to discuss metrics
 - Metrics adopted in D.18-05-041 in May 2018
 - Informal working group meetings with PAs during summer to clarify how to populate metrics
 - Aug 6, 2018 - PAs emailed Compliance filings to service lists describing their targets, metrics, inputs, definitions, and baselines

What have we learned as a result of the process?

- Some common metrics had never been reported
 - For five years (2016 – 2020), 51 of 234 metrics, or 21% of the total metrics had zero/null value only.
 - Reason:
 - Programs did not exist. For example, "Number Career & Workforce Readiness (CWR) participants who have been employed for 12 months after receiving the training" - the statewide CWR program was expected to launch in mid-2020.

Background – Why Specificity is Important

What else have we learned as a result of the process?

- Methodology inconsistently interprets Metric. For example, "Percent of square feet of eligible population"

Formula by design:

Percent of square feet of eligible population

= (square footage of participating service commercial customers) / (square footage of the commercial sector)

Formula in actual report:

Percent of square feet of eligible population

= (# of participants x average sqft) / (total sqft)
= (# of participants x (total sqft / # of buildings)) / (total sqft)
= (# of participants) / (# of buildings)

Adding Specificity

Indicators and Metrics should result in information that is:

- **Useful**

- Can be easily accessed and correctly interpreted
- Can be understood in context of and compared to other information
- Provides sufficient detail to guide informed decision making

- **Meaningful**

- Juice should be worth the squeeze - effort to gather and synthesize data should result in information that clearly demonstrates and/or supports growth, progress, and efficiency in delivery of energy efficiency and decarbonization solutions
- Should be current and collected according to the type of information sought and achievement of objectives (e.g. regular intervals, industry standard data format, right-sized effort, etc)

- **Consistent**

- Collection, tracking, and sharing should be consistent between PAs and with stakeholders to most effectively show whether and how programs achieve success and which market forces are impacting PAs

Regulatory Approaches

Various pathways for regulatory and stakeholder consideration of targets, metrics, indicators, and specificity

Possible Decision content:

- Adopt **metrics and indicators**
- Set **targets**
- **REN** goals or thresholds
- Process for further work on:
 - Framework and specifics for metrics
 - Target and goal setting for future



Outside Decision:

Continued effort (in parallel or decision-implementation)?

- Determine content and structure for **frameworks**
- Finalize **specifics** of metrics and indicators

By?

- CAEECC Members/WGs
- Joint PAs
- ED Staff

Timeline According to A.22-02-005 Scoping Ruling

- Testimony from intervenors - Oct 7, 2022
- Rebuttal from all parties - Nov 7
- Meet & Confer - Dec 1
- Status Conference – Jan 30, 2023
- Opening Briefs – Apr 17
- Reply Briefs [*matter submitted*] – May 4
- Proposed Decision – Expected Q3 2023
- Final Decision – Expected Q3 2023
- True-Up Advice Letter – Q4 2023
- Decision Implementation – 2024

Questions?





California Public Utilities Commission

Introductions

What's one of your creative outlets?

In the chat, please re-introduce yourself with your:

- Name and pronouns
- Organization
- Answer to the Icebreaker question

Key Terms & Acronyms

Indicators are progress trackers that do not typically have targets associated with them.

Metrics are progress trackers that do or are expected to have targets associated with them.

Targets are forecasted achievements against which to track progress.

Progress Trackers refers to all three terms above.

Awareness, Knowledge, Attitude, and Behavior (AKAB)

Community Based Organization (CBO)

Disadvantaged Community (DAC)

Emerging Technologies Program (ETP)

Energy Division (ED)

Equity Metrics Working Group (EMWG)

Hard to Reach (HTR)

Household (HH)

Marketing Education & Outreach (ME&O)

Market Support (MS)

Market Support Metrics Working Group (MSMWG)

Multifamily (MF)

Program Administrator (PA)

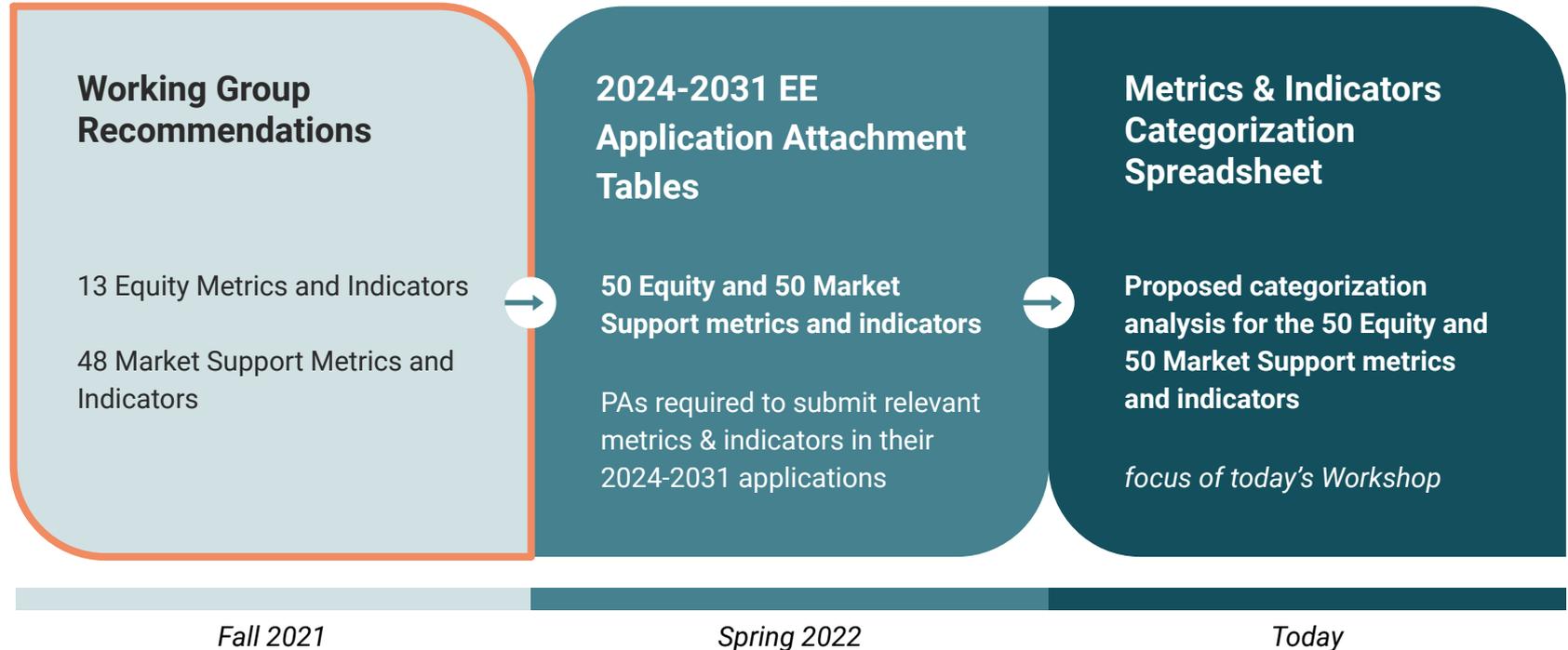
Regional Energy Network (REN)

Resource Acquisition (RA)

Single family (SF)

Workforce Education and Training (WE&T)

From Working Groups to Today



Principles from Equity and Market Support Metrics Working Groups

Consensus Principles from Metrics Working Groups

Segment vs. Program

- A. New metrics proposed by the working group (WG) should **focus on measuring performance of the overall segment, not of individual programs.**
- B. When developing metrics, the WG should take a **top-down approach meant to assess whether the Equity segment is performing against the primary Objective.**

Guidelines to Setting Metrics

- A. The recommendations of the WG should not prevent program and portfolio design flexibilities as this is important in the [Equity and MS] segments.
- B. [Sub-objectives], Metrics and indicators can be revisited in the future to adjust as needed, in a TBD stakeholder process.
- C. **The WGs did not address all definitions and methodologies for the metrics so PAs should pursue the most cost efficient and feasible approaches to collecting data.**
- D. **PAs should collaborate and share methodologies for tracking and reporting metrics and indicators.** The methodologies would be outlined as part of the regular reporting for all metrics and indicators. [EMWG principle]

Consensus Principles from Metrics Working Groups

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Consensus Principles from Metrics Working Groups

(cont)

Market Support: Program Portfolios

- A. PAs (especially the Investor-Owned Utility Program Administrators (IOU-PAs)) are encouraged, but not required, to offer a portfolio of programs that support all 5 of the MS segment sub-Objectives.
- B. PAs must propose MS program-level metrics with targets in their applications that demonstrate progress toward segment defined sub-objectives in accordance with MS principles. PAs may also propose MS program-level indicators as appropriate.
- C. **Although MS segment programs can contribute to Resource Acquisition program participation in the short and long term, MS segment programs are not required to do so.**
- D. Non-Resource Codes and Standards (C&S) activities should be segmented within C&S and not MS.
- E. The Market Support Segment should build and enable the foundation for future long-term energy savings that align with Commission and California climate policy.

Equity: Program Portfolios

- A. Equity programs must have a primary focus of “providing 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. Improving access to energy efficiency for ESJ communities, as defined in the ESJ Action Plan, may provide corollary benefits such as increased comfort and safety, improved air quality, and more affordable utility bills, consistent with Goals 1, 2, and 5 in the ESJ Action Plan.”
- B. **Although Equity segment programs can contribute to Resource Acquisition program participation in the short and long term, Equity segment programs are not required to do so.**
- C. The Equity Segment should build and enable the foundation for future long-term energy savings that align with Commission and California climate policy.
- D. PAs may file [in a formal proceeding] additional or refined Equity Segment Objective and associated Metric(s) if and when they identify an intervention that they believe fits into the overall Equity segment but does not clearly fit into the current framework of Equity Segment Objective and associated Metrics, after receiving feedback through CAEECC.
- E. PAs must propose program level metrics for all their Equity programs. Note: PAs may use common metrics, segment level metrics, or develop their own program level metrics.

Consensus Principles from Metrics Working Groups (cont)

Reporting

- A. **PAs must propose Equity program-level metrics with targets in their applications that demonstrate progress toward segment defined Objectives in accordance with Equity principles. PAs may also propose Equity program-level indicators as appropriate. [EMWG-specific]**

- B. **PAs should begin tracking all Equity & Market Support relevant metrics and reporting on all Equity & Market Support metrics during program years 2022-2023. Note, if a particular metric is not being addressed by any PA program it would be reported as such in the reporting. [MSMWG wording: “**Note if a particular metric is not being addressed by any PA program it wouldn’t have a value in the reporting**”] A consistent reporting format should be applied across PAs.**

Consensus Principle specific to EMWG

Best Practices for Program Development

The following principles for program design would be included in the forthcoming Program Implementation Plans (IPs) and/or via annual reporting to enable Energy Division and stakeholders to assess how these principles are being integrated into the Equity segment portfolios. Note: these principles should be applied when designing Equity segment programs, to the extent applicable.

- A) Prioritize customers in most need (need is defined in the main doc).
- B) Support concurrent equity efforts, such as those that align with related Social Determinants of Health (e.g., physical environment).
- C) Advance climate resiliency (e.g., keeping indoors cool during heatwaves and ensuring tight building shell to protect from wildfire smoke).
- D) Align with local grid reliability needs (e.g., focus efforts that reduce energy usage at critical times and locations).

Consensus Principle specific to MSMWG

Relationship between Programs and sub-Objectives

- A. MS programs must have a primary focus of “supporting the long-term success of the energy efficiency market by educating customers, training contractors, building partnerships, or moving beneficial technologies towards greater cost-effectiveness” and serve at least one MS sub-objective.
- B. PAs may file [in a formal proceeding] additional or refined Market Support sub-Objectives and associated Metric(s) if and when they have a program that they believe fits into the overall Market Support segment but does not clearly fit into one or more of the sub-Objectives, after vetting through CAEECC.

Non-Consensus Principle for both Working Groups

Target-Setting Option	Equity Metrics Working Group	Market Support Metrics Working Group
<p>Option 1: Targets will be set by the PAs following the collection of the first two program years of data (or a baseline has been set using reasonable proxy data).</p>	<p>12 first choice, 21 acceptable of 24 voting members</p>	<p>15 first choice, 18 acceptable</p>
<p>Option 2: In their Budget Applications, PAs will propose targets and/or set a date certain by which they will propose targets for all [Equity & Market Support] segment metrics</p>	<p>12 first choice, 19 acceptable of 24 voting members</p>	<p>4 first choice, 13 acceptable</p>

Non-Consensus Principles specific to EMWG

Community Engagement

- Option 1: Community engagement as an Indicator (8 first choice, 17 acceptable of 24 voting members)
- Option 2: Community engagement as a Principle (16 first choice, 22 acceptable of 24 voting members)

“Underserved” Definition

- Option 1: Use ESJ Action Plan Definition (2 first choice, 13 acceptable of 24 voting members)
- Option 2: Use ESJ Action Plan Definition + allow an avenue for PAs to propose additional ‘underserved’ with rationale. (19 first choice, 21 acceptable of 24 voting members)
- Option 3: Allow the PAs to determine underserved. (3 first choice, 14 acceptable of 24 voting members)

Market Support Metrics, Indicators & Targets

from the Working Group (fall 2021) to now

Market Support Metrics Working Group Outcomes

- Met July - September 2021; final report posted to CAEECC website
- Reached consensus on nearly all its recommendations
- PAs were required to use the WG's recommendations in developing their energy efficiency portfolio applications and Business Plans.
- ED developed two spreadsheets with input from the WG
 - a. 2024-2031 EE Application Attachment Tables
 - b. Metrics & Indicators Categorization Spreadsheet

Market Support Metrics Working Group materials, including final report:

www.caeec.org/market-support-metrics-wg

MSMWG Final Report Key Recommendations

6 Principles: Segment vs program; Guidelines to setting metrics; Relationship between programs and sub-objectives; Program portfolios; Reporting; *Target setting (non-consensus)*

Primary Objective: “Supporting the long-term success of the energy efficiency (EE) market”.

“EE Market” defined as “individuals and organizations participating in transactions around energy efficiency products or services including customers and market actors (which notably includes demand and supply side).”

5 Sub-Objectives: Demand, Supply, Partnerships, Innovation and accessibility; Access to capital

MSMWG Final Report Key Recommendations

Recommended 48 Metrics and Indicators across the 5 Sub-Objectives

- *MSMWG noted that there can be useful data in Marketing Education & Outreach (ME&O) and other evaluations.*

Recommended actions to two key scope questions: how to address non-consensus issues and the distinction between Market Transformation and Market Support objectives.

Non-consensus: Principle 6 – Target Setting

Summary of Market Support Metrics & Indicators in “2024-2031 EE Application Attachment Tables”

- **50 total Market Support metrics (47) & indicators (3)**
- Metrics and Indicators were derived from WE&T Metrics (5), ETP Metrics (7), and Market Support WG (38)
- Metrics bucketed into 5 sub-objectives: 1) Demand, 2) Supply, 3) Partnerships, 4) Innovation and Accessibility, and 5) Access to Capital
- Each sub-objective recommendation includes the following:
 - a. Applicable existing Metrics that will continue to be tracked and data collected
 - b. New Metrics with data that can be collected now (program outputs for relevant programs)
 - c. New Metrics with data that needs to be collected later

High-level Summary of MSMWG Metrics & Indicators

- Many of the metrics proposed in Market Support focus on **Awareness, Knowledge, Attitude, and Behavior (AKAB)** surveys which need further specifics on their construction.
- Many of the metrics or indicators that are sufficiently clear to collect information are from **existing Emerging Technologies Program (ETP) and Workforce Education & Training (WE&T) metrics**.

Turning MSMWG Final Report into ED's Categorization Spreadsheet

● Applicable existing metrics that will continue to be collected (0)

◆ New metrics with data that can be collected now (2)

▲ New metrics with data that needs to be collected later (5)

Sub-Objective 1: Demand

Number and % increase/decrease of inquiries and/or requests for information on EE products and services through relevant MS programs ◆

Number and % increase/decrease of customers receiving information, education, or outreach on EE projects, products, and services through relevant MS programs ◆

% of customer sample aware of EE product/service (awareness) ▲

% of customer sample that is knowledgeable of EE product/service's benefits (knowledge) ▲

% of customer sample that is interested in obtaining an EE product/service (attitude) ▲

% of customer sample that has taken action towards obtaining EE product/service (behavior a) ▲

% of customers that have obtained EE products/services (behavior b) ▲

Turning MSMWG Final Report into ED's Categorization Spreadsheet

● Applicable existing metrics that will continue to be collected (6)

◆ New metrics with data that can be collected now (1)

▲ New metrics with data that needs to be collected later (next slide)

Sub-Objective 2: Supply

Number of collaborations by Business Plan sector to jointly develop or share training materials or resources. ●

Number of participants by sector ●

Percent of participation relative to eligible target population for curriculum ●

Percent of total WE&T training program participants that meet the definition of disadvantaged worker. ●

Percent of incentive dollars spent on contracts with a demonstrated commitment to provide career pathways to disadvantaged workers ●

Number Career & Workforce Readiness (CWR) participants who have been employed for 12 months after receiving the training ●

Number of Contractors (that serve in PA service territory) with knowledge and trained by relevant MS programs to provide quality installations that optimize EE ◆

Turning MSMWG Final Report into ED's Categorization Spreadsheet

▲ New metrics with data that needs to be collected later (8)

Sub-Objective 2: Supply (cont)

% of market actors aware of energy efficient products and/or services that can be supplied to customers (awareness) ▲

% of market actors knowledgeable of energy efficient products and/or services that can be supplied to customers (knowledge) ▲

% of market actors that are interested in supplying energy efficient products and/or services to customers (attitude) ▲

% of market actors that have supplied energy efficient products and/or services to customers (behavior) ▲

% of market actors aware of what is required to perform/ensure quality installation of energy efficient products and/or services that optimizes energy efficiency savings (awareness) ▲

% of market actors knowledgeable of how to perform to perform/ensure quality installation of energy efficient products and/or services that optimizes energy efficiency savings (knowledge) ▲

% of market actors that are interested in performing/ensuring quality installation of energy efficient products and/or services that optimizes energy efficiency savings (attitude) ▲

% of market actors that have performed/ensured quality installation of energy efficient products and/or services that optimizes energy efficiency savings (behavior) ▲

Turning MSMWG Final Report into ED's Categorization Spreadsheet



Applicable existing metrics that will continue to be collected (0)



New metrics with data that can be collected now (1)



New metrics with data that needs to be collected later (2)



Indicator (2)

Sub-Objective 3: Partnerships

Number of EE customers/market actors reached through partner networks and partner communications channels



Assessed value of the partnership by partners



% of partners that have taken action supporting energy efficiency



Number of partners by type and purpose



Dollar value of non-ratepayer in kind funds/contributions utilized via partnerships



Turning MSMWG Final Report into ED's Categorization Spreadsheet

● Applicable existing metrics that will continue to be collected (5 or 7)

◆ New metrics with data that can be collected now (next slide)

▲ New metrics with data that needs to be collected later (next slide)

Prior year: % of new measures added to the portfolio that were previously ETP technologies

Prior Year: # of new measures added to the portfolio that were previously ETP technologies

Prior year: % of new codes or standards that were previously ETP technologies

Prior Year: # of new codes and standards that were previously ETP technologies

Savings of measures currently in the portfolio that were supported by ETP, added since 2009. Ex-ante with gross and net for all measures, with ex-post where available (kWh).

Savings of measures currently in the portfolio that were supported by ETP, added since 2009. Ex-ante with gross and net for all measures, with ex-post where available (kW).

Savings of measures currently in the portfolio that were supported by ETP, added since 2009. Ex-ante with gross and net for all measures, with ex-post where available (Therms).

Sub-Objective 4: Innovation and Accessibility

Turning MSMWG Final Report into ED's Categorization Spreadsheet

● Applicable existing metrics that will continue to be collected (3)

◆ New metrics with data that can be collected now (3)

▲ New metrics with data that needs to be collected later

◐ Indicator (1)

Sub-Objective 4: Innovation and Accessibility (cont)

Number of new, validated technologies recommended to CalTF

Number of market support projects (outside of ETP) that validate the technical performance, market and market barrier knowledge, and/or effective program interventions of an emerging/under-utilized or existing energy efficient technology

Cost effectiveness of a technology prior to market support programs relative to cost effectiveness of a technology after intervention by the market support programs (% change in cost effectiveness)

Percent market penetration of emerging/under-utilized or existing EE products or services

Percent market participant aware of emerging/under-utilized or existing EE products or services

Aggregated confidence level in performance verification by product, project, and service (for relevant programs)

Number of providers for performance verification services

Turning MSMWG Final Report into ED's Categorization Spreadsheet



Applicable existing metrics that will continue to be collected (2)



New metrics with data that can be collected now (3)



New metrics with data that needs to be collected later (next slide)

Sub-Objective 5: Access to Capital

Participant data, e.g. credit score, census tract income, CalEnviroScreen Scores of areas served, zip code

Comparisons between market-rate capital vs. capital accessed via EE programs, e.g. interest rate, monthly payment

Total projects completed/measures installed and dollar value of consolidated projects

Ratio of ratepayer funds allocated to private capital leveraged

Differential of cost defrayed from customers (e.g., difference between comparable market rate products and program products).

Turning MSMWG Final Report into ED's Categorization Spreadsheet



Applicable existing metrics that will continue to be collected (previous slide)



New metrics with data that can be collected now (previous slide)



New metrics with data that needs to be collected later (4)

Sub-Objective 5: Access to Capital (cont)

% of market participants aware of capital access opportunities for investments in energy efficient projects, products, and/or services (awareness) 

% of market participants knowledgeable about capital access opportunities for investments in energy efficient projects, products, and/or services (knowledge) 

% of market participants interested in leveraging capital access opportunities for investments in energy efficient projects, products, and/or services (attitude) 

% of market participants that were unable to take action due to access to capital or affordability of energy efficient projects, products, or services (behavior) 

Market Support Metrics & Indicators from ED Categorization Spreadsheet

Indicator / Metric	Proposed Metric / Indicator (facilitator note: <i>italics represents indicators added by ED after the WG report</i>)	CATEGORY 1: Clear Metric with Target	CATEGORY 2: Clear indicator, or metric without target (i.e. requiring additional info to determine target)	CATEGORY 3: Unclear Indicator of Metric without Target (e.g. specificity, definition, unit, methodology, role, etc) to track and evaluate progress)	Concern About Indicator or Metric in CATEGORY 3: <i>Roles (who is performing info collection?), method (how is info collection being administered?), specificity (how will survey/program participants be categorized and sampled? how will EE products/services be categorized and sampled?), definition (are all terms clearly understood?)</i>
Metric	Number and % increase/decrease of inquiries and/or requests for information on EE products and services through relevant MS programs		X		
Metric	Number and % increase/decrease of customers receiving information, education, or outreach on EE projects, products, and services through relevant MS programs		X		
Metric	% of customer sample aware of EE product/service (awareness)			X	Roles, method, specificity
Metric	% of customer sample that is knowledgeable of EE product/service's benefits (knowledge)			X	Roles, method, specificity
Metric	% of customer sample that is interested in obtaining an EE product/service (attitude)			X	Roles, method, specificity

Category 1: ED did not fill in (clear metric with target) as it would like to first hear from stakeholders

Category 2: ED Staff identified **21** progress trackers that are likely sufficiently clear to begin collecting information in 2024.

Category 3: ED staff identified **29** progress trackers as needing further clarity.

Key Themes from MSMWG Huddle

- Several proposals were put forth outlining how to modify the categorization the CPUC put forth in their analysis.
- Participants took an interest in identifying the roles for reporting progress trackers.
- A proposal was put forth to streamline progress tracker methodology development and target-setting through a prioritization of, for example, two metrics per Sub-Objective.

Equity Metrics, Indicators & Targets

from the Working Group (fall 2021) to now

Equity Metrics Working Group (EMWG) Outcomes

- Met June-October 2021; final report posted to CAEECC website
- Reached consensus on nearly all its recommendations
- PAs were required to use the WG's recommendations in developing their energy efficiency portfolio applications and Business Plans.
- ED developed two spreadsheets with input from the WG
 - a. 2024-2031 EE Application Attachment Tables
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Equity Metrics Working Group materials, including final report:

<https://www.caeec.org/equity-metrics-working-group-meeting>

EMWG Final Report Key Recommendations

7 Principles (i.e., segment vs program level, guidelines to setting metrics, program portfolios, best practices for program development, reporting, target setting (non-consensus), and community engagement (non-consensus))

Primary Objective: “For hard-to-reach, disadvantaged, and/or underserved individuals, households, businesses, and communities: address disparities in access to energy efficiency programs and workforce opportunities*; promote resilience, health, comfort, safety, energy affordability**, and/or energy savings; and reduce energy-related greenhouse gas and criteria pollutant emissions***.”

EMWG Final Report Key Recommendations (continued)

Recommended 13 Metrics and Indicators across the following 3 categories

- A. Measure who and how target populations are “served” (9 consensus recommendations)
- B. Assess energy and/or cost savings in targeted populations (2 of 3 recommendations were consensus)
- C. “Holistic” benefits (1 consensus recommendation)

Also proposed a definition of “Underserved” (non-consensus)

Reached consensus on all but 3 recommendations

- 8 of 10 Metrics were consensus
- 2 of 3 Indicators were consensus

Summary of Equity Metrics & Indicators in “2024-2031 EE Application Attachment Tables”

- **50 total metrics & indicators**
- 13 primary metrics and indicators; 37 supporting indicators
 - **Bucket A: who and how target populations are served**
 - 7 metrics
 - 18 supporting indicators
 - **Bucket B: energy and/or cost savings in target populations**
 - 8 primary indicators
 - 19 supporting indicators
 - **Bucket C: “holistic” benefits**
 - 1 primary indicator

Turning EMWG Final Report into ED's Categorization Spreadsheet (1 of 3)

Bucket A: who and how target populations are served

Total # **residential** (SF or MF unit) **equity-targeted households** (HHs) served by the Equity programs

- 4 indicators: "market support" (MS) vs "resource acquisition" (RA) for single family vs multifamily

Total # **MF equity-targeted buildings** served by the Equity programs

- 2 indicators: market support vs resource acquisition

Total # **Ag or Ind. equity-targeted customers** served by the Equity programs

- 4 indicators: market support vs resource acquisition for agriculture vs industrial

Total # **equity-targeted public facilities and equipment or community projects** served by the Equity programs

- 2 indicators: market support vs resource acquisition

Total # **small and medium business (SMB) equity-targeted participants** served by the Equity programs

- 2 indicators: market support vs resource acquisition

Total # of **companies/non-profits** served by the Equity Segment programs

- 2 indicators: market support vs resource acquisition

Total # of **contractors/workers** served by Equity Segment Programs

- 2 indicators: # and % of contractors and/or workers vs companies/non-profits

Note: "RA" refers to direct savings and "MS" refers to indirect activities

Turning EMWG Final Report into ED's Categorization Spreadsheet (2 of 3)

Bucket B: energy and/or cost savings in target populations

Expected first-year bill savings in total \$ for equity-targeted program participants (metric)

- [no indicator]

GHG reductions: 1) Equity-all; 2) DAC; 3) HTR; 4) Underserved

Total kWh savings: 1) Equity-all; 2) DAC; 3) HTR; 4) Underserved

Total kW savings: 1) Equity-all; 2) DAC; 3) HTR; 4) Underserved

Total therm savings: 1) Equity-all; 2) DAC; 3) HTR; 4) Underserved

***Community engagement activities during program design** and to identify community needs and solutions

***Community engagement activities during program implementation**

***Community engagement activities during program assessment**

**non-consensus recommendation (WG split on community engagement as a Principle vs Indicator)*

Turning EMWG Final Report into ED's Categorization Spreadsheet (3 of 3)

**Bucket C:
"holistic"
benefits**

Energy and climate benefits (monetized within TSB) - e.g., health, comfort, safety, and economic or other "non-energy benefits":

- 1) Health
- 2) Comfort
- 3) Safety
- 4) Economic or other "non-energy benefits"

Equity Metrics & Indicators from ED Categorization Spreadsheet

Indicator / Metric	Proposed Metric / Indicator (facilitator note: <i>italics represents indicators added by ED after the WG report</i>)	CATEGORY 1: Clear Metric with Target	CATEGORY 2: Clear indicator, or metric without target (i.e. requiring additional info to determine target)	CATEGORY 3: Unclear Indicator of Metric without Target (e.g. specificity, definition, unit, methodology, role, etc) to track and evaluate progress)
Indicator	Total kWh savings_EquityAll		X	
Indicator	<i>Total kWh savings_EquityDAC</i>			X
Indicator	<i>Total kWh savings_EquityHTR</i>			X
Indicator	<i>Total kWh savings_EquityUnderserved</i>			X
Indicator	Total kW savings_EquityAll		X	

Category 1: ED did not fill in (clear metric with target) as it would like to first hear from stakeholders

Category 2: ED Staff identified **27** progress trackers that are likely sufficiently clear to begin collecting information in 2024.

Category 3: ED staff identified **23** progress trackers as needing further clarity.

Key Themes from EMWG Huddle

- Several proposals were put forth outlining how to modify the categorization the CPUC put forth in their analysis.
- CalPA presented a proposal on Equity targets; members requested clarification on many elements and expressed some concern about misalignment with the EMWG and current definitions; and many members requested to meet with CalPA before the 9/15 workshop
- High-level input on approaches to adding specificity was provided, and many members supported the proposed metrics framework table intended to provide consistency across PAs
- Suggestion to consider rewording indicators that include language “resource acquisition and market support”
- Support for continued discussion to come to greater agreement/consistency on definitions and methodologies

TOPIC 1: Metrics Categorization

Goal: Gather input and provide context to inform proposals on categorization of indicators and metrics, and which might be ripe for targets and when

- Comments and proposals on ED categorization overall
- Presentation(s) by proponents (CalPA and other proposals TBD)
- Next steps (i.e. comments and proposals)

Breaking Down ED's Categories

CATEGORY 1
Clear Metric with
Target



CATEGORY 2
Clear Indicator or
Metric without
Target



CATEGORY 3
Unclear Indicator or
Metric without
Target



Indicators are progress trackers that do not typically have targets associated with them.
Metrics are progress trackers that do or are expected to have targets associated with them.
Targets are forecasted achievements against which to track progress.

Key Proposals from MSMWG Huddle

- Metrics/indicators to move from Category 3 to Category 2
 - MS_3; MS_4; MS_13; MS_14; MS_15; MS_16
- Metrics/indicators to move from Category 2 to Category 3
 - (WE&T/MS) 301; (WE&T/MS) 306
- Metrics to be converted to indicators
 - MS_3; MS_4; MS_5; MS_6; MS_7; MS_9; MS_10; MS_11; MS_12; MS_13; MS_14; MS_15; MS_16; MS_34; MS_35; MS_36; MS_37
- Metrics/indicators to be eliminated
 - MS_17; MS_18; MS_22; MS_29
- Select two metrics from each Sub-Objective to prioritize into finalizing with Targets.

Note these proposals are not consensus; there was some disagreement among WG members and a formal consensus-building process was not used in the huddles

Key Proposals from EMWG Huddle

- Metrics/indicators to move from Category 3 to Category 2
 - Equity_23-25 (metric on total # of contractors/workers served by Equity Segment Programs and supporting indicators)
 - Equity_43-45 (community engagement indicators)
- Metrics/indicators to move from Category 2 to Category 3
 - Equity_46 (energy and climate benefits indicator)
- Suggestion to prioritize target for Equity_23 (metric for total # of contractors/workers served by Equity Segment Programs)

Note these proposals are not consensus; there was some disagreement among WG members and a formal consensus-building process was not used in the huddles

Input on ED Categorization and WG Huddle Redlines

- Proposals for changes to Categories 2 or 3 (clear vs. unclear metrics and indicators)?
 - First, any input on Market Support categorization?
 - Then, any input on Equity categorization?
 - Remarks from Roger Lin (Center for Biological Diversity) and Elena Krieger (PSE Healthy Energy) representing DACAG
- We'll cover Category 1 (target-setting) next... (including presentation from CalPA)

Targets

Background, Discussion on Timeline, and Equity Targets Proposal

EMWG Target-setting options summary for non-consensus item

Target-Setting Option	First Choice Option	Acceptable Option
<p>Option 1: Targets will be set by the PAs for Equity segment metrics following the collection of the first two program years of data (or a baseline has been set using reasonable proxy data). <i>(12 first choice, 21 acceptable of 24 voting members)</i></p>	<p>3C-REN, BayREN, CEDMC, MCE, PG&E, RCEA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, Viridis Consulting</p>	<p>3C-REN, BayREN, CEDMC, CodeCycle, CSE, High Sierra Energy Foundation, MCE, PG&E, RCEA, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>
<p>Option 2: In their Budget Applications, PAs will propose targets and/or set a date certain by which they will propose targets for all Equity segment metrics <i>(12 first choice, 19 acceptable of 24 voting members)</i></p>	<p>Cal Advocates, CodeCycle, CSE, EEC, High Sierra Energy Foundation, NRDC, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SoCalREN, The Energy Coalition, TRC</p>	<p>3C-REN, BayREN, Cal Advocates, CEDMC, CodeCycle, CSE, EEC, High Sierra Energy Foundation, MCE, NRDC, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCG, Silent Running LLC, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>

MSMWG Options for Principle 6

Principle #6 Options: Target-Setting	First Choice Option	Acceptable Option
<p>Option 1: Targets will be set by the PAs for MS segment metrics following the collection of the first two program years of data (or a baseline has been set using reasonable proxy data). <i>(15 first choice, 18 acceptable)</i></p>	<p>3C-REN, BayREN, CEDMC, CHEEF, Nexant, PG&E, RCEA, SCE, SCG, SDG&E, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting</p>	<p>3C-REN, BayREN, CEDMC, CHEEF, CodeCycle, CSE, Nexant, PG&E, RCEA, SBUA, SCE, SCG, SDGE, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting</p>
<p>Option 2: In their Budget Applications, PAs will propose targets and/or set a date certain by which they will propose targets for all MS segment metrics. <i>(4 first choice, 13 acceptable)</i></p>	<p>Cal Advocates, CodeCycle, CSE, SBUA</p>	<p>Cal Advocates, CEDMC, CHEEF, CodeCycle, CSE, Nexant, SBUA, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting, SBUA</p>

Three Proposals on Targets

1. **Disadvantaged Communities Advisory Committee (DACAG)**
2. **California Public Advocates (CalPA)**
3. **Investor-Owned Utility Program Administrators (IOU PAs)**

Proposal from DACAG on Equity Targets

Remarks from Roger Lin (Center for Biological Diversity) and Elena Krieger (PSE Healthy Energy) representing DACAG

Proposal from CalPA on Equity Targets

Mike Campbell and James Ahlstedt



The Public
ADVOCATES
OFFICE

EE Equity Targets Proposal

A.22-02-005 and Related

James Ahlstedt | September 15, 2022

Equity Segment Definition

Equity: Programs with a primary purpose of providing *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; *Improving access* to energy efficiency for ESJ communities, as defined in the ESJ Action Plan, may provide corollary benefits such as increased comfort and safety, improved indoor air quality, and more affordable utility bills, consistent with Goals 1, 2, and 5 in the ESJ Action Plan.

D.21-05-031, pages 14-15.

[Emphasis added]



Target-Setting Principles

CAEECC Equity WG Final Report, Principle #6 included two Options for target-setting. This proposal is an extension of Option 2 (i.e. targets in Budget Applications).

- A. Equity customers should be “served” at the same level as non-equity customers for similar EE programs.
 - i.e., Equity customers should achieve proportionally equivalent energy savings, bill savings, customers served, etc.
- B. Segment targets should align with authorized budget while balancing the Decision’s Equity objectives.
- C. Programs outside of the Equity segment should track the number of Equity customers served.

Proposed Targets for 2024-2027



- **15% Increase over Baseline by December 2027**
- **Parity with DAC/HTR population in PA Service Territory by 2031**

A: Who and how target populations are served	Equity_1	Metric	Total # residential (SF or MF unit) equity-targeted households (HHs) served by the Equity programs
A: Who and how target populations are served	Equity_6	Metric	Total # MF equity-targeted buildings served by the Equity programs
A: Who and how target populations are served	Equity_14	Metric	Total # equity-targeted public facilities and equipment or community projects served by the Equity programs
A: Who and how target populations are served	Equity_17	Metric	Total # small and medium business (SMB) equity-targeted participants served by the Equity programs
B: Energy and/or Cost Savings in Targeted Populations	Equity_26	Metric	Expected first-year bill savings in total \$ for equity-targeted program participants (metric)

Equity Target Explanations

1. **15% Increase over baseline by December 2027**

- The Equity segment should provide increased access to EE for Equity customers.
- In PA Applications and Testimony, some Equity programs had goals of increasing access by 20% or more.
- 15% target is an achievable proxy to encourage growth.

2. **Parity with DAC/HTR population in PA service territory by 2031**

- Provide service (with the same benefits of non-Equity programs) to same proportion of Equity customers as non-Equity customers.
- E.g. If 75% of non-equity customers were served by EE programs, 75% of Equity customers should be served.

Feedback and Questions

- 1. Challenges with determining if a customer is equity**
 - Not all programs may track if a customer is HTR/DAC/Underserved.
 - Issue with information sharing for statewide programs between PAs.
- 2. Targets at PA and/or service territory level**
 - Both should be tracked since goals are the same statewide.
- 3. Exclusion of ESA customers from equity segment**
 - Decision states Equity is distinct from ESA.
- 4. Accounting for Health Comfort and Safety (HCS) Benefits**
 - The Equity segment goal is primarily for EE and secondarily HCS.

Existing Baseline Data

Aim to fully capture definitions in the EMWG Report's with no modifications.*

- Population in DAC, HTR, and Underserved areas in PA Territories
 - DAC: defined by CalEnviroScreen 4.0 – top 25% of Census Tracts, top 5% of pollution burden Tracts, 2017 DACs.
 - HTR/Underserved: Rural, CARE/Low-Income, majority non-English speaking, Tribal, multi-family residential, all other categories from D.18-05-041. (Not exclusive to residential)
- Current number of Equity customers served by existing EE programs. (May differ between PAs)

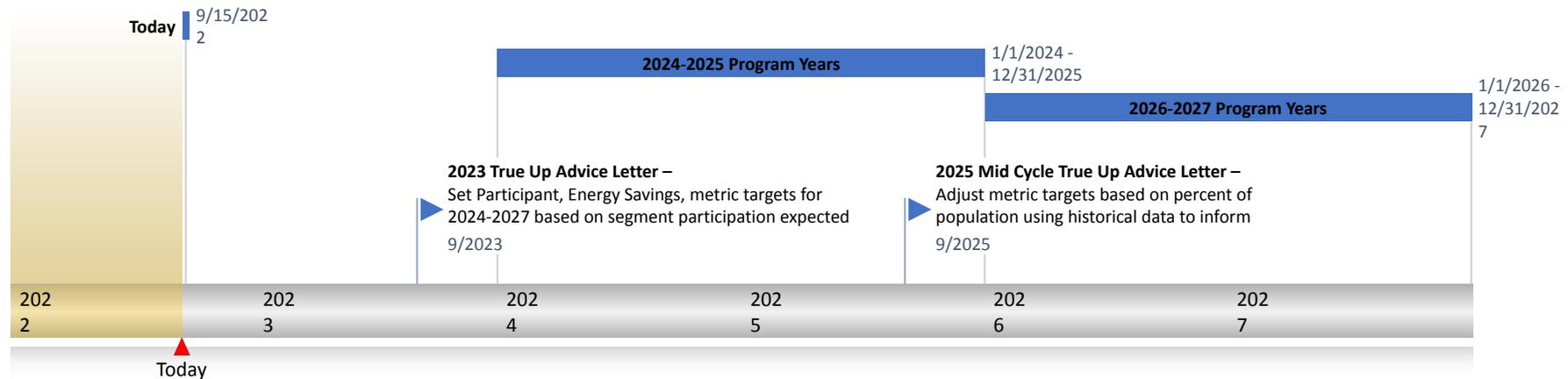
*The definition of “underserved” was non-consensus in the EMWG Report, Cal Advocates’ position is not changing.

Proposal from IOU PAs on Equity Targets

Chris Malotte, SCE

Equity Segment Metric Target Setting Proposal

- **2023 Portfolio True Up Advice Letter** – Set targets based on expected activity from segment (i.e., # of participants by sector, savings, TSB, etc.)
- **2025 Mid-Cycle Review Advice Letter** – Adjust targets based on percent of population using PY2022–PY2025 participation rates of Equity segment to inform



Next Steps on Metrics Categorization

- Facilitation team to post notes from today's discussion
- Participants invited to submit additional thoughts/comments
- Other ideas/suggestions?

Lunch.

Join us back in 30 minutes.

TOPIC 2: Specificity and Approach

Goal: Gather input and provide context to inform proposals on a framework and process for adding specificity to proposed targets, metrics, indicators, methodologies, and baselines

- Comments and proposals on Topic 2 key questions
- Comments and proposals on development of a framework for useful, meaningful, and consistent definitions, granularity, methodologies, and baselines
- Next steps (i.e. comments and proposals)

Discussion

Discuss development of a framework for useful, meaningful, and consistent definitions, granularity, methodologies, and baselines.

Proposed discussion questions:

1. What is important to Parties in developing definitions, granularity, methodologies, and baselines that will help them propose these improvements to indicators and metrics identified in question 3 (above) in their testimony?
2. Suggested timeline to develop methodology details?
3. Suggested regulatory process for setting methodologies?
4. Studies needed to develop certain methodologies (and timeline and lead for studies)?
5. Is annual reporting of these metrics sufficient?
6. Is segment level reporting sufficient?

Possible Framework for Adding Specificity to Metrics & Indicators - thoughts?

Metric or Indicator	[Insert metric or indicator language here]
Reference #	
Numerator	
Denominator	
Reported data	
Unit	
Methodology	
Data Source	
Applicable Sectors	

Possible changes (based on Huddle discussions):

- Core Value row was removed
- add a row for baseline;
- add a row for timeline for target development or data collection;
- add roles (e.g., Energy Division, IOUs, Statewide Admin vs by PA) in methodology row
- *Others?*

Additional Outstanding Questions Related to Specificity

1. Should metrics and indicators be categorized by priority/value? (cross-cutting)
2. Suggested timeline to develop targets?
3. How should the non-consensus issue of defining “underserved” be resolved? (Equity segment), DAC, HTR
4. How should [customers] “served” and “holistic” be defined? (Equity segment)
5. How can we maximize/balance both energy savings and holistic benefits? (Equity segment)
6. More clarity on Market Support metrics definitions
7. Feedback on process to the PAs
8. “Market effects” - aligning with new concept of what we’re trying to capture
9. Process to include explaining the metrics
10. If/How to address Equity Customers served by other EE programs (e.g., RA, MS, ESA, or other) vs. recommended metrics for the Equity Segment. How to message around this.
11. HTR for industrial?

Process: Useful, meaningful, consistent

- Past: CAEECC WG, need to have a 3rd party to organize and coordinate (not a PA).
- CPUC: Has evaluators in some of these areas, e.g., AKAB surveys. These evaluators should also be included in the process.
- **Timing: ASAP, by 2023 Q4 true-up**
- ED: Where is our role (and not our role)?
- Process ideas
 - D.18-05-041 process - CAEECC WGs 6 weeks of “many many different metrics” (303?). Then PAs filed compliance filings with metrics and clarity established in WGs. (CAEECC involvement requires CPUC direction or be initiated by CAEECC.)
 - D.21-05-031/application instructions set at high level. ED worked with stakeholders to make application info more clear. >> Template for Attachment A
 - Current/upcoming testimony (on proposals on specificity re: metrics where there needs to be decision-language (or other CPUC indication?), could also include proposal for process for undecided items)
 - Motion for seeking direction, includes proposal

Next Steps on Adding Specificity

- Facilitation team to post notes from today's discussion
- Participants invited to submit additional thoughts/comments
- Other ideas/suggestions?

Stretch + Mental Break.

Join us back in 5 minutes. See you at 1:45

TOPIC 3: Regional Energy Network (REN) Performance Metrics & Associated Targets

Goal: Gather input and provide context to inform proposals on higher priority metric(s) or goal(s) that focus on RENs' overall value to ratepayers

- Background on existing REN metrics and reporting requirements
- Comments and proposals, if any, on REN performance requirements
- Next steps (i.e. comments and proposals)

Presentation from CPUC on REN Performance Metrics & Associated Targets

REN Performance Metrics and Associated Targets

- IOUs' and MCE's Resource Acquisition Segment of their portfolios must exceed the Total Resource Cost Test (TRC) of 1.0. The IOUs also must exceed their Total System Benefit (TSB) Goals set by the CPUC and MCE has no TSB Goals set by the CPUC.
- CPUC is interested in whether and how different, equivalent goals or other thresholds could be established for RENs.
- CPUC Decision 19-12-021, COL 12, states that "The Commission should set energy savings goals, goals associated with unique REN value, metrics, and cost-effectiveness expectations for RENs at the time that their business plans and budgets are approved."

CURRENT PORTFOLIO RULES (I.E. 2022-23)	IOUs	CCAs (note these rules are only for apply-to-administer CCAs. Elect-to-administer CCAs have different rules, see D.14-01-033).	RENs
Portfolio level (Goals)	CPUC adopts IOU service territory wide energy savings Goals in D.21-09-037	CCAs propose energy savings Goals in their 2022-23 BBALs, per D.21-09-037	RENs forecast energy savings Goals in their 2022-23 BBALs, per D.21-09-037
Resource Acquisition	Resource Acquisition segment of portfolio must meet or exceed a forecasted TRC of 1.0, per D.21-05-031	Resource Acquisition segment of portfolio must meet or exceed a forecasted TRC of 1.0, per D.21-05-031	No TRC Threshold
Market Support and Equity	Combined Market Support and Equity segments of portfolio cannot exceed a cap of 30% of portfolio budget, per D.21-05-031	Combined Market Support and Equity segments of portfolio cannot exceed a cap of 30% of portfolio budget, per D.21-05-031	No cap on the percentage of their portfolio budget that can be spent on Market Support or Equity segments, per D.21-05-031
PORTFOLIO RULES IN APPLICATIONS FOR 2024-2027	IOUs	CCAs	RENs
Portfolio level (Goals)	CPUC adopts IOU service territory wide TSB Goals in 2024	CCAs propose energy saving Goals in their four-year applications and update through their mid-cycle True-up ALs, per D.21-09-037	RENs propose energy savings Goals in their four-year applications and update through their mid-cycle True-up ALs, per D.21-09-037
Resource Acquisition	No changes from 2022-23	No changes from 2022-23	No changes
Market Support and Equity	No changes from 2022-23	No changes from 2022-23	No changes from 2022-23

Likely Types of Progress Trackers PAs to Report On in 2024

- Common Indicators and Metrics – **All PAs**
- Unique Value Metrics – **RENS**
- Market Support & Equity Segment Indicators and Metrics – **All PAs**
- PA-Established Energy Savings Goals – **RENs & MCE**
- CPUC Adopted TSB Goals – **IOUs**
- Cost-Effectiveness Threshold – **IOUs and MCE**

Notes:

- *IOU TSB Goals are directed by the CPUC*
- *Cost-Effectiveness threshold serves as a floor to ensure value to ratepayers*

BayREN Presentation - Background on Existing REN Metrics and Reporting Requirements



Local Governments Empowering Our Communities

Background on existing REN metrics and reporting requirements

CAEECC Workshop on 9/15/22

Agenda

- **The CPUC stated REN criteria and requirement for value metrics**
- **Reporting and metric requirements**
- **Example REN value metrics**

Through multiple decisions, the CPUC has created and maintained 3 criteria for RENs

D.12-11-015 gave three criteria to evaluate REN proposals. RENs must meet at least one of the criteria but are not required to meet all three.

D.16-08-019 reaffirmed these criteria.

D-19-12-021 adjusted criteria to include CCAs, but otherwise kept criteria unchanged.

REN Criteria

1. Activities that utilities or CCAs cannot or do not intend to undertake.
2. Pilot activities where there is no current utility or CCA program offering, and where there is the potential for scalability to a broader geographic reach, if successful.
3. Activities in hard-to-reach markets, whether or not there is another utility or CCA program that may overlap.

The CPUC has also mandated that the RENs create REN-specific value metrics

D.19-12-021 also indicated that the RENs

- “...shall also propose savings goals and metrics associated with their unique value, as well as a methodology for measuring progress towards their metrics, in their business plans and ABALs.” (p. 30)

The CPUC evaluators have studied the REN value metrics

- In 2020, they assessed each REN’s development of value metrics, (https://www.calmac.org/publications/CPUC_Group_B_D22_Y2_Assessment_of_RENs_FINAL_REPORT_09.13.2021.pdf)
- In 2021, they assessed how the unique values support the overall mission as a REN and how the value metrics align with the RA, equity, and market support segment. *(report not yet public)*

RENs are subject to the same reporting and metrics as all other PAs and have additional value metrics

Requirements	RENs	IOUs	CCAs
Reporting			
Annual Report narrative and spreadsheets	●	●	●
Quarterly claims	●	●	●
Monthly reports	●	●	●
Joint Cooperation Memos	●	●	●
Metrics			
Core Metrics (including TSB)	●	●	●
Equity Metrics	●	●	●
Market Support Metrics	●	●	●
Value Metrics	●		

Examples of unique value metrics across the RENs

BayREN

- # of projects where Energy Concierge assist a LG staff to submit application for a program
- # of contractors recruited to engage with HHs that speak languages other than English
- HTR or Underserved SMB lifecycle net kWh

SoCalREN

- kWh (net) reduced from equity targeted areas
- Estimated annual bill savings by DAC/HTR owner
- # of HTR Agricultural or Commercial participants
- # of participating contractors in HTR (rural) or underserved areas trained and mentored

3C-REN

- Number of Tri-County member jurisdictions receiving annual 3C-REN data that informs member jurisdictions achievements toward climate action plans GHG emission reduction goals
- Percent of event 3C-REN attendees considered HTR

Examples of value metrics across the RENs

IREN

- Building local government capacity to implement energy efficiency upgrades for municipal buildings and for improving code compliance.
- Establishing long-lasting, scalable tools through the Building Upgrade Concierge (BUC) that can be used in every city in the region for purposes including but not limited to sharing timely and accurate EE information, identifying rebates and incentives available through any PA's programs, and helping explain financing resources.

Rural REN

- % customer participants in Underserved and in HTR Markets
- First year and lifecycle gross and net savings in underserved and HTR markets

Questions?

Next Steps on REN Performance Requirements

- Facilitation team to post notes from today's discussion
- Participants invited to submit additional thoughts/comments
- Other ideas/suggestions?

Wrap Up

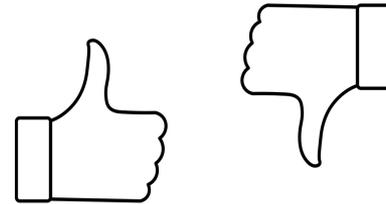
Before we go...

- What we accomplished today
- Live meeting evaluation

Review of Today

Workshop Outcomes

1. **Categorization of indicators and metrics**, and which might be ripe for **targets** and when
2. **Framework for adding specificity** to proposed targets, metrics, indicators, methodologies, and baselines
3. Higher priority **metric(s) or goal(s) that focus on RENS'** overall value to ratepayers
4. **Optimal/preferred regulatory approaches and timing** for consideration and approval of topics above



How did we do?



Live Meeting Evaluation

Do you feel this was an inclusive and trusting environment?

Not at all safe Somewhat safe Very safe

Do you feel the workshop was effective?

Not at all effective Somewhat effective Very effective

What worked well? How can we improve?

Thank you!

Appendix Slides

Summary of RENs' Applicable Common Metrics and Unique Value Metrics

Included in Applications/ Business Plans (post 2024)	BayREN	SoCalREN	Tri County REN	Inland REN	Rural REN
Applicable Common Metrics (out of 330)	159	215	144	66	64
Number of Common Metrics with numerical targets	125	204	108	44	9
Years for which values reported for Common Metrics	Program Years 2017-2021	Program Years 2016-2021	Program Years 2019-2021	N/A – I-REN was approved in Nov. 2021 in D.21-11-013)	N/A – R-REN has not been approved
Total REN Unique Value Metrics (UVMs)	29	57	5	3	20
UVMs: # of Metrics / Indicators	2/27 – The two metrics have TBD as their target, and thus have no quantitative targets	57/0 – All metrics include quantitative targets	3/2 – Three metrics include two quantitative targets and one TBD	N/A	8/12 – Five metrics include quantitative targets
Yrs values reported for UVMs	2021 only	N/A	2020 and 2021	N/A – Projected Start 2022	N/A – R-REN has not been approved

Definitions - background

Hard-to-reach (HTR): Mixed definitions. See “CPUC HTR Definitions and Context for CAEECC UWG” posted to the huddle meeting page:

<https://www.caeec.org/equity-metrics-wg-huddle>

Disadvantaged community: Defined by CPUC. See

<https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/disadvantaged-communities>

Underserved: See previous slide on non-consensus options from EMWG

“Equity-targeted”: Term EMWG used to refer to those targeted by the Equity Segment programs. Per the Decision, this includes DAC, HTR and underserved populations.

CAEECC Equity Metrics Working Group (EMWG) Members

	#	Company	Lead	Alternate
CAEECC Members	1	3C-REN	Alejandra Tellez	Marisa Hanson-Lopez
	2	BayREN	Jennifer Mitchell-Jackson	Jenny Berg
	3	California Public Advocates (CalPA)	Shelly Lyser/James Ahlstedt*	Sophie Babka*
	4	California Efficiency + Demand Council (CEDMC)	Clark McIsaac*	Joe Desmond*
	5	CodeCycle	Dan Suyeyasu	
	6	Center for Sustainable Energy (CSE)	Fabi Lao*	Rebecca Baptiste*
	7	MCE	Stephanie Chen	Qua Vallery
	8	Natural Resources Defense Council (NRDC)	Julia de Lamare	Lara Ettenson
	9	PG&E	Lucy Morris	Lindsey Tillisch*/Angela McDonald*
	10	Redwood Coast Energy Authority (RCEA)	Aisha Cissna	Stephen Kullmann
	11	Small Business Utility Advocates (SBUA)	Ted Howard	Theo Love
	12	Southern California Edison (SCE)	Christopher Malotte	Patty Neri/Carol Edwards*
	13	San Diego Gas & Electric (SDG&E)	DeDe Henry	Elaine Allyn
	14	San Joaquin Valley Clean Energy Organization (SJVCEO)	Courtney Kalashian	Samantha Dodero
	15	SoCalGas	Kevin Ehsani	Sebastian Garza*
	16	SoCalREN	Lujana Medina	Fernanda Craig*
	17	The Energy Coalition	Laurel Rothschild	Genaro Bugarin*

*Represents new leads or alternates

EMWG Ex-Officio & Non-CAEECC Members

	#	Company	Lead	Alternate
Non CAEECC Members	18	Energy Efficiency Council (EEC)	Allan Rago	Ron Garcia
	19	Rising Sun Center for Opportunity	Alejandro Castelan	Julia Hatton
	20	Silent Running LLC	James Dodenhoff	
	21	TRC	Marissa Van Sant	Sophia Hartkopf
	22	Viridis	Mabell Garcia Paine	Don Arambula
	23	Resource Innovations	Corey Grace	Bobby Johnson
	24	High Sierra Energy Foundation	Pam Bold	
Ex-Officio	25	ACEEE	Roxana Ayala	Ariel Drehobl
	26	California Air Resources Board (CARB)	Emma Tome	Melanie Zauscher
	27	California Energy Commission (CEC)	Brian Samuelson	Kristina Duloglo/Aparna Menon
	28	California Public Utilities Commission (CPUC)	Ely Jacobsohn	Nils Strindberg/ Jason Symonds

EMWG Target-setting options summary for non-consensus item

Target-Setting Option	First Choice Option	Acceptable Option
<p>Option 1: Targets will be set by the PAs for Equity segment metrics following the collection of the first two program years of data (or a baseline has been set using reasonable proxy data). (12 first choice, 21 acceptable of 24 voting members)</p>	<p>3C-REN, BayREN, CEDMC, MCE, PG&E, RCEA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, Viridis Consulting</p>	<p>3C-REN, BayREN, CEDMC, CodeCycle, CSE, High Sierra Energy Foundation, MCE, PG&E, RCEA, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>
<p>Option 2: In their Budget Applications, PAs will propose targets and/or set a date certain by which they will propose targets for all Equity segment metrics (12 first choice, 19 acceptable of 24 voting members)</p>	<p>Cal Advocates, CodeCycle, CSE, EEC, High Sierra Energy Foundation, NRDC, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SoCalREN, The Energy Coalition, TRC</p>	<p>3C-REN, BayREN, Cal Advocates, CEDMC, CodeCycle, CSE, EEC, High Sierra Energy Foundation, MCE, NRDC, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCG, Silent Running LLC, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>

EMWG Community engagement options summary for non-consensus item

Community Engagement Option	First Choice Option	Acceptable Option
<p>Option 1: Community engagement as an Indicator (8 first choice, 17 acceptable of 24 voting members)</p>	<p>CSE, MCE, NRDC, Rising Sun Center for Opportunity, SBUA, Silent Running LLC, SoCalREN, The Energy Coalition*</p>	<p>CEDMC, CodeCycle, CSE, EEC, High Sierra Energy Foundation, MCE, NRDC, Rising Sun Center for Opportunity, RCEA, Resource Innovations, SBUA, Silent Running LLC, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>
<p>Option 2: Community engagement as a Principle (16 first choice, 22 acceptable of 24 voting members)</p>	<p>3C-REN, BayREN, Cal Advocates, CEDMC, CodeCycle, EEC, High Sierra Energy Foundation, PG&E, RCEA, Resource Innovations, SCE, SCG, SDGE, SJVCEO, TRC, Viridis Consulting</p>	<p>3C-REN, BayREN, Cal Advocates, CEDMC, CodeCycle, EEC, High Sierra Energy Foundation, MCE, NRDC, PG&E, RCEA, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SDGE, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>

EMWG “Underserved” definition options summary for non-consensus item

Underserved Definition Option	First Choice Option	Acceptable Option
<p>Option 1: Use ESJ Action Plan Definition (2 first choice, 13 acceptable of 24 voting members)</p>	<p>Cal Advocates, CodeCycle</p>	<p>3C-REN, BayREN, Cal Advocates, CEDMC, CodeCycle, High Sierra Energy Foundation, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SJVCEO, TRC</p>
<p>Option 2: Use ESJ Action Plan Definition + allow an avenue for PAs to propose additional ‘underserved’ with rationale. (19 first choice, 21 acceptable of 24 voting members)</p>	<p>3C-REN, BayREN, CEDMC, CSE, EEC, NRDC, PG&E, Resource Innovation, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>	<p>3C-Ren, BayREN, CEDMC, CodeCycle, CSE, EEC, High Sierra Energy Foundation, NRDC, PG&E, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SDGE, Silent Running LLC, SJVCEO, SoCalREN, The Energy Coalition, TRC, Viridis Consulting</p>
<p>Option 3: Allow the PAs to determine underserved. (3 first choice, 14 acceptable of 24 voting members)</p>	<p>High Sierra Energy Foundation, MCE, RCEA</p>	<p>3C-REN, BayREN, CEDMC, CodeCycle, High Sierra Energy Foundation, MCE, RCEA, Resource Innovations, Rising Sun Center for Opportunity, SBUA, SCE, SCG, SJVCEO, TRC</p>

Recommended Reporting Templates

Metric (dark green) and Metric/Indicator (light blue) to Measure Who and How Target Populations are "Served"	BAC/HTR/Under served customer/HH/building/project/participant count
A.1. Total # residential (SF or MF unit) equity-targeted households (HHs) served by the Equity programs	
Single Family – equity market support (ex: education, information, training, technical support, etc.)	
Single family – equity resource acquisition (ex: energy saving action, etc.)	
Multifamily – equity market support (ex: education, information, training, technical support, etc.)	
Multifamily – equity resource acquisition (ex: energy saving action, etc.)	
A.2. Total # MF equity-targeted buildings served by the Equity programs	
Equity – Market support (ex: education, information, training, technical support, etc.)	
Equity – resource acquisition (ex: energy saving action, etc.)	
A.3. Total # Ag or Ind. equity-targeted customers served by the Equity programs	
Ag – equity market support (ex: education, information, training, technical support, etc.)	
Ag – equity resource acquisition (ex: energy saving action, etc.)	
Ind – equity market support (ex: education, information, training, technical support, etc.)	
Ind – equity resource acquisition (ex: energy saving action, etc.)	
A.4. Total # equity-targeted public facilities and equipment or community projects served by the Equity programs	
Equity – Market support (ex: education, information, training, technical support, etc.)	
Equity – resource acquisition (ex: energy saving action, etc.)	
A.5. Total # small and medium business (SMB) equity-targeted participants served by the Equity programs	
Equity – Market support (ex: education, information, training, technical support, etc.)	
Equity – resource acquisition (ex: energy saving action, etc.)	
A.6. Total # of companies/non-profits served by the Equity Segment programs	
Equity – Market support (ex: education, information, training, technical support, etc.)	
Equity – resource acquisition (ex: energy saving action, etc.)	
A.7. Total # of contractors/workers served by Equity Segment Programs	
A.8. Total # (indicator for all) [and % (metric for PAs with no relevant legal restriction)] of contractors and/or workers that are disadvantaged workers or otherwise underrepresented, who are directly involved in implementing Equity Segment programs	
A.9. Total # (indicator for all) [and % (metric for PAs with no relevant legal restriction)] of companies/non-profits who are Diverse Business Enterprises (DBE) or otherwise underrepresented (e.g., BPOC-owned) with contracts to implement Equity Segment programs	
Notes:	
Record each household/building/customer only once	
Counts of market support participants should be market support engagement only with no resource acquisition elements	
Resource acquisition counts include participants with claimable savings	

Metric (dark green), Consensus Indicator (light green), and Non-Consensus Indicator (tan) to Assess Energy and/or Cost Savings in Targeted Populations	Savings	
B.1. Expected first-year bill savings in total \$ for equity-targeted program participants (metric)		
<i>[Note: Intent is to ensure relevant programs are designed to help the participant directly save money even if not through a CPUC program. Calcs would be prospective and compared to baseline conditions to focus upgrades on the most impactful measures/strategies. This is a broader or "more loose" calculation of energy savings that would include kits, etc.] [participant perspective/all savings]</i>	\$	
B.2. Direct Savings from Equity Segment programs		
GHG reductions (tons)		
Total kWh savings		
Total therm savings		
Total kW savings		
B.3. Non-Consensus Item: Count and type of community engagement activities targeted at disadvantaged, hard-to-reach, and underserved communities:		B.3. is a non-consensus item
Community engagement activities during program design and to identify community needs and solutions	(count)	(types)
Community engagement activities during program implementation	(count)	(types)
Community engagement activities during program assessment	(count)	(types)
Metrics – dark green		
Consensus Indicator (light green)		
Non-Consensus Indicator (tan)		

Indicator for "Holistic" Benefits	\$	Units/count
C.1. Combined total benefits to participants and to society as a whole (all A-E below in \$ and/or units until units can be monetized)		
A. Energy and climate benefits (monetized within TSB)	(=TSB)	
B. <u>Health</u> – "non-energy benefits" in "counts of participants receiving this benefit" until we can monetize. Reporting at least one of: Indoor air quality, Outdoor air quality (e.g., reduction in emissions from gas combustion appliances that vent to nearby outdoor air), Reduction in interior contaminants/biologics, other		
C. <u>Comfort</u> – "non-energy benefits" in "counts of participants receiving this benefit" until we can monetize. Reporting at least one of: reduced drafts, quieter interior, managed interior temp, other		
D. <u>Safety</u> – "non-energy benefits" in "counts of participants receiving this benefit" until we can monetize. Reporting at least one of: improved safety of appliances, other		
E. <u>Economic</u> or other "non-energy benefits" (as proposed by the PAs or program) in dollars or "counts of participants receiving this benefit" until we can monetize		
Note: white cells indicate where a standard calculation methodology is not yet determined for this indicator; a PA may have a method for populating		

CAEECC Market Support Metrics Working Group (MSMWG) Members

	#	Company	Lead	Alternate
CAEECC Members	1	3C-REN	Erica Helson	Jordan Garbayo
	2	BayREN	Mary Sutter	Jenny Berg
	3	California Public Advocates (CalPA)	Shelly Lyser/James Ahlstedt*	Sophie Babka
	4	California Efficiency + Demand Council (CEDMC)	Clark McIsaac*	Joe Desmond*
	5	CodeCycle	Dan Suyeyasu	
	6	Center for Sustainable Energy (CSE)	Fabi Lao*	Rebecca Baptiste*
	7	PG&E	Ben Brown	Rob Bohn
	8	Redwood Coast Energy Authority (RCEA)	Stephen Kullman	Lara Ettenson
	9	Small Business Utility Advocates (SBUA)	Ted Howard	Theo Love
	10	Redwood Coast Energy Authority (RCEA)	Aisha Cissna	Stephen Kullmann
	11	Southern California Edison (SCE)	Christopher Malotte	Patty Neri
	12	San Diego Gas & Electric (SDG&E)	DeDe Henry	Elaine Allyn
	13	San Joaquin Valley Clean Energy Organization (SJVCEO)	Samantha Dodero	Courtney Kalashian
	14	SoCalGas	Kevin Ehsani	Art Montoya/Halley Fitzpatrick
	15	SoCalREN	Patrick Ngo	
	16	The Energy Coalition	Craig Perkins	Rebecca Hausheer*

**Represents new leads or alternates*

MSMWG Ex-Officio & Non-CAEECC Members

	#	Company	Lead	Alternate
Non CAEECC Members	18	CHEEF	Kaylee D'Amico	Bill Heberger
	19	ICF	Cody Coeckelenbergh*	Julia Hatton
	20	The Mendota Group	Grey Staples	
	21	Viridis	Mabell Garcia Paine	Don Arambula
Ex-Officio	22	California Public Utilities Commission (CPUC)	Ely Jacobsohn	Alexander Merigan/Peng Gong
	27	California Energy Commission (CEC)	Brian Samuelson	

MSMWG Non-consensus: Principle #6 – Target Setting

Members of the MSMWG noted the following about Options 1 & 2 for Principle 6

- **PG&E:** PG&E strongly supports Option 1 for Principle 6 on target setting and recommends that the PAs submit targets in their 2023 true-up advice letter. This approach gives PAs a clear timeline for gathering the necessary information to provide targets and eliminates the need for additional regulatory filings. Both target-setting options require additional logistical details to be confirmed before baselines and targets for the survey-based (AKAB) metrics can reasonably be established. PG&E recommends having a stakeholder engagement process to work through the logistical details, including survey cadence, funding source(s), roles, and responsibilities.
- **SCG:** Option 1 may read more accurately if the word "set" is replaced with "proposed," however the intent of this Option and its differentiation from Option 2 is clear with either word.
- **SDG&E:** MS segment metrics have been outlined. Without a baseline, we would not have a reasonableness of the targets. Setting them prior to baseline information would not lend itself to meaningful targets. The targets should be reported out through the annual report process.
- **The Mendota Group:** Although we agree with Cal Advocates that proposed metrics should have targets, we are concerned that the metrics as written will be difficult for PA's to estimate and track. Therefore, we prefer deferring the requirement to provide targets to a later date. This is also why we are comfortable with the second part of the Cal Advocates proposal, namely for PA's to identify a date certain for filing PFMs, because this alternative could provide sufficient time to devise targets. In either case, the additional time will enable PAs to determine if the information is, indeed, available and trackable, and to devise appropriate targets.
- **SBUA:** We prefer Option 2, while noting a potential concern that a Petition for Modification (PfM) could cause significant delay, and may dissuade certain potential bidders from participating in related solicitations. We recommend accelerating the PfM process when feasible.
- **Viridis Consulting:** If we want to ensure success of the new portfolio and these new non-resource programs, we need to prioritize data over timing. In other words, the PAs will be able to set effective metrics (and implementers can come up with subsequent effective KPIs) with real-world data. Slowing things down, allowing time to see how these programs run and then identifying metrics a couple of years out, will result in the most optimal portfolio results. On the other hand, setting metrics along at the same time as the program budgets, is not unreasonable. I just think it will create unnecessary issues that would not exist if we went with option 1.

MSMWG Options for Principle 6

Principle #6 Options: Target-Setting	First Choice Option	Acceptable Option
<p>Option 1: Targets will be set by the PAs for MS segment metrics following the collection of the first two program years of data (or a baseline has been set using reasonable proxy data). <i>(15 first choice, 18 acceptable)</i></p>	<p>3C-REN, BayREN, CEDMC, CHEEF, Nexant, PG&E, RCEA, SCE, SCG, SDG&E, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting</p>	<p>3C-REN, BayREN, CEDMC, CHEEF, CodeCycle, CSE, Nexant, PG&E, RCEA, SBUA, SCE, SCG, SDGE, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting</p>
<p>Option 2: In their Budget Applications, PAs will propose targets and/or set a date certain by which they will propose targets for all MS segment metrics. <i>(4 first choice, 13 acceptable)</i></p>	<p>Cal Advocates, CodeCycle, CSE, SBUA</p>	<p>Cal Advocates, CEDMC, CHEEF, CodeCycle, CSE, Nexant, SBUA, SJVCEO, SoCalREN, The Energy Coalition, The Mendota Group, Viridis Consulting, SBUA</p>