



# Equity and Market Support Working Group (EMSWG) Meeting #5

January 24, 2024 | 9:00 AM - 12:00 PM PT

Hosted by California Energy Efficiency Coordinating Committee (CAEECC)

# Introductions



In the **chat**, please introduce yourself with your:

- Name and pronouns
- Organization

# Meeting Goals

**1**

**Participants clarify  
funding-related  
Market Support  
Indicators #2, 17, 25**

**2**

**Participants discuss  
other priority Market  
Support Indicators**

# Agenda

<b>Time</b>	<b>Topic</b>
9:00	<b>Welcome</b>
9:10	<b>Updates from PAs</b>
9:20	<b>Topic 1: Non-ratepayer in-kind funds / contributions</b>
9:40	<b>Topic 2: Private Capital</b>
10:00	<b>Topic 3: MS Indicator #25 - Comparisons between market-rate capital and capital accessed via energy efficiency programs</b>
10:30	<b>Break</b>
10:40	<b>Topic 4: Other Priority Market Support Indicators</b>
11:50	<b>Wrap Up and Next Steps</b>
12:00	<b>Adjourn</b>

# Updates from PAs

# **Topic 1: Non-ratepayer in-kind funds / contributions**

## Related Market Support (MS) Indicators

<b>MS #2</b>	Dollar value of <b>non-ratepayer in-kind funds/contributions</b> utilized via partnerships (A, P)
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## Suggested Definitions for "Non-ratepayer in-kind / contributions"

1. **3C-REN & I-REN:** Non-monetary resources in the form of goods, services, or other tangible assets to support the development or operation of market support programs (e.g., training and education, equipment, regulatory support, community outreach)
  - a. Note: Including 'funds' in the term creates confusion since asking for 'in-kind contributions' to be defined. 'Funds' signal monetary contribution, whereas 'in-kind' signals non-monetary contributions.
2. **BayREN:** An in-kind contribution is a non-monetary contribution. Goods or services offered free or at less than the usual charge result in an in-kind contribution ([Source](#)).
3. **PG&E:** No response
4. **SDG&E:** Need more clarification on how this is relevant. Unable to define at this time.
5. **SoCalREN:** An in-kind contribution is a non-monetary contribution. Goods or services offered free or at less than the usual charge result in an in-kind contribution ([Source](#)).

## Discussion Questions:

1. Should the word "funds" be removed from this indicator?
2. What is the PAs current thinking about how to assign a dollar value to a non-monetary contribution?
3. What does the Energy Division and/or the Commission seek to understand through this Indicator? Put another way, how might the data from this indicator be used to improve EE programs?

## Live-edit Notes:

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# Topic 2: Private Capital

## Suggested Definitions for "Private Capital"

### Related Market Support (MS) Indicators

<b>MS #17</b>	Ratio of ratepayer funds expended to <b>private capital</b> leveraged by sector (Q, P)
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1. **3C-REN & I-REN:** Equity investments, debt financing, and participation in public-private partnerships (e.g., corporate investments, debt financing from banks, project finance from institutional investors such as pension funds and insurance companies, impact investing); includes projects with funding leveraged through mechanisms like the California Hub for Energy Efficiency Financing (CHEEF) pilot programs, Energy Performance Contracts (EPCs), Commercial Property-Assessed Clean Energy (CPACE), On-Bill Financing (OBF) and Repayment (OBR), and Revolving Loan Funds (RLFs).
2. **BayREN:** Money owned or controlled by an individual person or a commercial company (Source: dictionary).
3. **PG&E:** No response
4. **SDG&E:** Need more clarification on how this is relevant. Unable to define at this time.
5. **SoCalREN:** Non-ratepayer funds that go toward a program or project (where the money is owned or controlled by an individual person or a commercial company).

## Discussion Questions:

1. MS Indicator #17 compares only ratepayer funds and private capital. Federal and state funds do not fall in either of these categories. Should they be included? Put another way, should "private capital" be broadened to "non-ratepayer funds"?
2. Are customers / program participants the only source for this data? How can PAs obtain data on private capital (or non-ratepayer funds) without being invasive?

## Live-edit Notes:

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# Topic 3: Market Support Indicator #25

## MS #25

Comparisons between **market-rate capital** vs. **capital accessed** via energy efficiency programs (e.g., interest rate, monthly payment) (A, P)

## Suggested Definitions for "Market-rate Capital"

1. **3C-REN & I-REN:** Financing obtained from private investors, financial institutions, or capital markets at prevailing market interest rates that reflect the current economic conditions and risks associated with the investment.
2. **BayREN:** The market rate, defined as the rate of interest, on a loan or investment which is commonly available on the market for that product. For a loan, the market rate is the average rate of interest that will be charged to the receiver from a variety of providers ([Source](#)).
3. **SoCalREN:** Money being loaned to residents and businesses – unrelated to energy efficiency programs.
  - a. SoCalREN notes: PAs should agree to use the same private market-rate data source (consider separate residential vs. commercial rates).

## Suggested Definitions for "Capital accessed via EE Programs"

1. **3C-REN & I-REN:** Financing acquired solely for EE initiatives and projects (e.g., energy performance contracts, utility programs and rebates, green bonds).
2. **BayREN:** Loans that use market-rate capital that are available from energy efficiency programs.
  - a. While capital is simply “money”, the previous MSWG used this term with examples of “interest rate” and “monthly payments” so was specific to loans.
3. **SoCalREN:** Any funds (specifically used for loans) that support projects within CPUC EE programs

## Discussion Questions:

1. Is there a difference between market-rate capital and private capital (or non-ratepayer funds)?
2. What is the metric being collected?
  - a. Is this indicator intended to compare loan terms of market-rate vs ratepayer-backed capital?
  - b. Are the relative amounts of capital meant to be compared as a percentage or total dollar value (thus making the Indicator redundant to MS Indicator #17)?
3. How can information from this Indicator be used to improve EE programs?

## Live-edit Notes:

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**Break**  
**(10 min)**

Next Topic: Other Priority  
Market Support Indicators

# **Other Priority Market Support Indicators**



# Additional Suggested Market Support Indicators for Discussion

MS #22	Percent of market participant awareness of emerging/under-utilized or existing energy efficiency products or services (A, P)
MS #23	Aggregated confidence level in performance verification by production, project, and service (for relevant programs) (A, P)

## MS #22

Percent of market participant awareness of emerging/under-utilized or existing energy efficiency products or services (A, P)

*From 3C-REN:*

- *Clarity on parameters for defining 'awareness' regarding emerging/under-utilized or existing energy efficiency products or services*
- *Clarify the methodology for measuring and verifying awareness of energy efficiency products or services among market participant*
- *Define the denominator for the percentage calculation. Considering that partners in the program are expected to have a baseline awareness, how can we accurately measure awareness while acknowledging their pre-existing involvement?*

## Live-edit Notes:

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## Live-edit Notes:

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### **MS #23**

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

*From 3C-REN: Criteria for accessing aggregated confidence level as well as if this pertains solely to the program itself or encompasses the performance of partners as well.*

# Wrap Up & Next Steps

# Recap of the day

## Meeting Objectives:

1. Participants clarify funding-related Market Support Indicators #2, 17, and 25
2. Participants discuss other priority Market Support Indicators

## What to expect next

- We will be meeting on **January 31 from 9am - 12pm PT** to revisit Equity and Market Support Indicators and (possibly) discuss AKAB Indicators.
  - *Please be on the lookout for any potential Homework between now and then.*
- Meeting #5 Summary will be posted by January 31.

*If you have any questions, please contact [sooji@common-spark.com](mailto:sooji@common-spark.com).*

**THANK YOU.**

Next Meeting: January 31 at 9am