California Energy Efficiency Coordinating Committee-Hosted Underserved Working Group

July 1, 2020 9am – 12pm

WebEx-Based Meeting

Draft Meeting Summary

Facilitators: Dr. Scott McCreary & Meredith Cowart, CONCUR

On July 1, 2020, the CAEECC hosted the launch meeting of the Underserved Working Group (UWG or WG) via WebEx. Twenty-eight WG Members (including Leads, Proxies and Ex Officio) participated in the meeting as panelists. Approximately 19 additional members of the public participated as attendees. A full list of meeting registrants is provided in Appendix A.

Meeting materials are provided on the CAEECC website at: <https://www.caeecc.org/underserved-wg-phase-i-tbd>.

In this document, the majority of the discussion is captured without attribution. In some cases, the affiliation of the speaker is identified, because their affiliation is relevant to the comment.

For each sub-section below, key discussion points and agreements are summarized. Most conversation is captured without attribution, unless the affiliation of the speaker is relevant to the conversation.

Next Steps, at the end of this document, captures next steps discussed throughout the meeting.

**Introductions, Background, Goals and Approach**

S. McCreary welcomed participants and introduced himself. M. Cowart introduced herself and provided an overview of WebEx “housekeeping logistics” for the meeting. S. McCreary then welcomed participants to introduce themselves. S. McCreary then reviewed the goals and approach of this Underserved Working Group. He noted that the goal is to identify who is Underserved (in Residential and Small and Medium Businesses [SMB]); identify the root causes for this; and then develop recommendations for forum/process to address each type of underserved customer. Importantly, the WG is not expected to propose specific prescriptions to remedy underserved status during this initial phase, but rather to identify likely solutions and appropriate next steps to better develop those solutions.

S. McCreary then reviewed the agenda and noted that the goals for today are to review and revise the proposed multi-meeting strategy, review and revised the USC/NRDC workplan to identify who is underserved in the residential sector, review and revise the proposed workplan to identify who is underserved in the SMB sector.

L. Ettenson and J. Berg then provided a brief background on the history of Hard to Reach and impetus for this working group. L. Ettenson reminded the group that the PAs provide two main opportunities for customers to participate in energy efficiency programs in California – those who qualify for the Energy Savings Assistance Program and those who are served by general programs. The hypothesis of this Working Group is that the current structure of the general programs (including Cost Effectiveness) means that many customers face barriers to participating in the general program due to geographic isolation, linguistic and financial barriers, or for other reasons.

A Member noted that many who qualify for ESA also face barriers to participation, and L. Ettenson agreed and clarified that proceeding R.13-11-005 does not authorize the WG to address that component of the problem, though it is an issue that should stay on everyone’s radar.

J. Berg explained that Regional Energy Networks (RENs) are held to different standards than IOUs or CCAs (e.g., they are not held to CE) and so are able to provide programs to a broader range of customers, including those that are considered Hard to Reach. However, D.18-05-041 clarified the definition of HTR making it more difficult to serve a broad range of customers while satisfying the HTR criteria. She welcomed the WG to this process of conducting a “deep dive analysis” to determine which ratepayers are not participating in EE, and what the key barriers are to participation, in order to ensure all customers are offered effective opportunities to cut their energy waste.

A Member asked what the three criteria for REN programs are, and other Members responded that they are: 1. A gap in an IOU or CCA program, 2. Piloting approaches that are not run by the IOUs or CCAs that could scale and 3. Serving Hard to Reach customers.

**Review and Revise Proposed Multi-Meeting Strategy**

M. Cowart reviewed the draft multi-meeting strategy developed by the facilitation team and Co-Chairs, and asked for feedback from the group on the feasibility of this plan and the proposed timeline. The draft multi-meeting strategy is available on the CAEECC website (see link above, *Draft UWG Multi-Meeting Strategy (6.30.20),* under “Documents Posted Before the Meeting”).

Members agreed with the overall multi-meeting strategy approach. One IOU Member asked whether there is flexibility on the timing of the July and August meetings, as PAs develop their Annual Budget Advice Letters during these months. L. Ettenson responded that the Co-Chairs and facilitators will work with ED to reassess the schedule should the timing present a problem over the next two months.

Another Member asked for clarity on the item “Propose Next Step Recommendations”. M. Cowart clarified that in this step the Working Group will identify likely solutions and propose any forums (such as a second phase of this WG) and processes which would then further develop those solutions (e.g., reframing HTR or creating a definition of Underserved). She noted that this first phase of the WG is focused primarily on research and data analysis to identify whether there is a problem and characterize it if so.

**Review and Revise USC/NRDC Workplan to Identify Who is Underserved in the Residential Sector**

L. Ettenson introduced the draft workplan table developed by NRDC and USC to identify who is underserved in the residential sector. The analysis will be guided by NRDC (with feedback from this WG) and carried out by a USC workteam in July. L. Ettenson also noted that the USC analysis would focus first on three of five residential program categories most easily aggregated on the CEDARS website (Direct Install, Multi-Family, Energy Upgrade California) and then turn to Plug Load Analysis (PLA) and HVAC if time allows. This document is available on the CAEECC website (see link above, *Draft Table - Workplan to Identify Who is Underserved in Residential (6.30.20),* under “Documents Posted Before the Meeting”). The facilitators then asked WG members for any clarifying questions, feedback, and revisions to the workplan table.

Members agreed that the workplan table is ready to go, though some were concerned that the Energy Upgrade CA category is not sufficiently representative of underserved customers and asked L. Ettenson to look into whether other combinations of 3 the 5 categories could potentially be more representative of the residential sector as a whole (by emphasizing PLA over Energy Upgrade CA) but still feasible for the USC analysis.  L. Ettenson agreed to look into this and facilitators agreed to circulate a survey with her findings and asking for member preference following the meeting.

Members offered some additional comments and clarifying questions:

* Some Members noted that while this initial phase of the workplan aims to identify who is participating in EE programs by geography and socio-demographic types, there is a need to understand non-participants and what their barriers and challenges are to participating. For example, some non-participants may have recently renovated to code so they don’t qualify for existing programs or are better suited for the Energy Savings Assistance Program. L. Ettenson responded that ED request is that the WG first collect and analyze data to demonstrate if there is a problem. When conducting the exploration phase of why those customers are underserved, the WG may be able to further examine the socio-demographics, barriers to participation, saturation level (etc) of those non-participants.
* A Member also noted that it will be important to develop metrics to characterize what it means to be underserved (how many customers out of a certain demographic, etc.).
* Another Member asked for clarity on what timeframe will be investigated in the USC/NRDC analysis. L. Ettenson stated that the workplan will investigate years 2017 - 2019.
* Another member suggested dividing up language by age to differentiate between older generations who speak English as a second language as compared to younger generations, for whom it may be less of a barrier to participation. L. Ettenson responded that she would check with the USC team to see if this is feasible.
* Another member suggested a review of Codes and Standards (C&S), since adoption can vary widely across geographies. This member noted that C&S are enforced unevenly across geographies, so certain demographics may not be receiving the full expected savings and overall efficiency savings are lower than they would otherwise be. Another member noted that projects in rural areas are often done without permits at all, and this would be another key element to capture. L. Ettenson and J. Berg agreed that application of C&S is a key area for review, but noted that this data set would be difficult to cull from CEDARS, and that USC does not have capacity for an expansion of the current analysis at this time. L. Ettenson suggested that a review of C&S could be incorporated into second stage of this analysis, i.e. the exploration of *why* certain segments of residential customers are underserved.

**Review and Revise Proposed Workplan to Identify Who is Underserved in the SMB Sector**

M. Cowart reviewed the proposed workplan to identify who is underserved in the SMB sector. She explained that this workplan largely mimics the residential workplan to identify who is underserved in the residential sector, except that the sociodemographic indicators differ (they include: number of businesses participating by size, type of business, minority-owned, and linguistic barriers). This analysis will not be carried out by USC, but rather by this Working Group (or another party if one can be identified). This document is available on the CAEECC website (see link above, *Draft Table - Workplan to Identify Who is Underserved in SMB (6.30.20),* under “Documents Posted Before the Meeting”).

L. Ettenson explained that, following this meeting, she will conduct an initial analysis in CEDARS to get a better sense of the scope (e.g., number of SMBs underserved) of this analysis, and would provide this information to the WG.

A Member asked for reference documents to help the group better understand the latest HTR/DAC eligibility criteria for both residential and business. L. Ettenson and J. Berg agreed to post relevant resources to the meeting webpage, including the PG&E HTR-DAC definition and Decision Addressing Energy Efficiency Business Plans (D.18-05-041 p. 41) (Note: These documents have been posted -- see link above, under “Documents Posted After the Meeting”).

Several Members expressed interest in expanding the SMB analysis to include public sector and agriculture as well. Other members noted that public sector presents data gathering challenges, and that some useful studies have already been conducted. Members agreed that, given the data challenges and limited capacity of the WG to conduct the analysis, the public sector and small/medium agriculture should not be included in the data analysis of who is underserved, but should potentially be included in the exploration of why some customers are underserved, in order to ultimately develop appropriate policy recommendations. L. Jacobsen (LGSEC) and C. Malotte (SCE) both offered to share findings from studies they participated in with the Working Group during the “exploration of why customers are underserved” stage.

C. Malotte (SCE) noted that he has a meeting on July 6, 2020 with at the UC Office of the President on July 6, 2020 and would discuss the potential for UCs and CSUs (particularly UC Davis) to contribute to “Who is Underserved in SMB” analysis and timing considerations during that meeting.

S. McCreary then noted that, in subsequent steps in this Working Group, members will be asked to jointly conduct components of the analysis of which customers are underserved, and to explore why they are underserved. He asked the Working Group members to share any expertise and/or specific capabilities that they or their organization may have to contribute to the analysis or exploration stages. Five Members stated the following:

* A. Kinslow, Gemini Solutions: Can personally contribute expertise to manage work team analysis as needed
* A. Neiderberger, Enervee: Can contribute real time data on product models and decision making (i.e., barriers) in PLA and HVAC; and can contribute to workplan and document review
* S. Hartkopf, TRC Advanced Energy: Organization can contribute to analysis
* L. Rothschild, The Energy Coalition: Organization can contribute to analysis and exploration as appropriate
* C. Grace, Resource Innovations: Organization can provide context from experience in income qualified space outside of CA, and experience in Public Sector and Agriculture in CA
* L. Ettenson, NRDC: Can help manage another team of students as needed

**Wrap Up and Next Steps**

The following next steps were identified over the course of the meeting:

***Analysis of Who is Underserved:***

* Residential:
  + Research how comprehensive/representative the 5 potential Residential categories (Direct Install, Multi-Family, Energy Upgrade California, Plug Load Analysis, and HVAC) are and the potential for the USC work team to include PLA in place of Energy Upgrade CA. (L. Ettenson).
  + Develop a poll to test Member preference on potential alternative combinations of residential categories per the bullet point above in the next few business days (Facilitation team).
  + [Note: Per both bullet points above, L. Ettenson has now reviewed the CEDARS database and determined that the PLA program data would be representative of only the downstream components. Given the reality of readily available data, the Co-Chairs and Facilitation team recommend that USC move forward as originally planned, and circulated a poll on Tuesday, July 7, 2020 testing member agreement/disagreement with this plan, and asking for alternate solutions if Members disagree. Facilitators will compile results and report back to the UWG.]
* SMB:
  + Conduct initial analysis in CEDARs on the scope of the SMB programs that are Underserved and provide this information to WG. (L. Ettenson)
  + Discuss potential for UCs and CSUs (particularly UC Davis) to contribute to “Who is Underserved in SMB” analysis and timing considerations during meeting at the UC Office of the President on July 6, 2020. Let Co-chairs/Facilitators know what the outcome of that meeting is. (C. Malotte)

***Exploration of Why Underserved:***

* SMB:
  + Update multi-meeting strategy to possibly include Public Sector and/or Agriculture in the SMB “Why” phase, and post to meeting webpage 5 business days prior to next meeting. (Facilitation team)

***Other:***

* Compile resources on HTR and additional relevant information (recent UCLA study) for posting on CAEECC website (L. Ettenson and J. Berg)
* Circulate Doodle poll to UWG to schedule next three meetings. (Facilitation Team)
* Develop draft meeting summary (this document), post to meeting webpage, and notice UWG listserv by COB Thurs, July 9, 2020. (Facilitation Team)

**Appendix A: Meeting Registrants**

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| **Appendix A: Meeting Participants** | |
| **CAEECC Member Organizations and Ex Officio:** | |
| **Affiliation** | **Lead** |
| BayREN | Jenny Berg |
| 3C-REN/ Ventura | Ashley Watkins |
| 3C-REN/ Ventura | Alejandra Tellez |
| Code Cycle | Dan Suyeyasu |
| CPUC (Ex Officio) | Nils Strindberg |
| CPUC (Ex Officio) | Jordan Christenson |
| LGSEC | Lou Jacobson |
| MCE | Alice Havenar-Daughton |
| NRDC | Lara Ettenson |
| SBUA | Ted Howard |
| SCE | Chris Malotte |
| SCE | Brandon Sanders |
| SDG&E | Athena Besa |
| SJCVEO | Courtney Kalashian |
| SMW 104 Local | Randy Young |
| SoCalGas | Benjamin Piiru |
| SoCalREN | Julie Tan |
| SoCalREN | Lujuana Medina |
| The Energy Coalition | Laurel Rothschild |
| **Non-CAEECC Member Organizations:** | |
| **Affiliation** | **Lead** |
| Enervee | Anne Niederberger |
| Enervee | Jon Gordon |
| Gemini Solutions | Anthony Kinslow |
| Resource Innovations | Corey Grace |
| Sierra Business Council | Kerri Timmer |
| TRC Advanced Energy | Sophia Hartkopf |
| USGBC-LA | Edmund Novy |
| Viridis Consulting | Don Arambula |
| Viridis Consulting | Mabell Paine Garcia |
| **Other Participants/Stakeholders** | |
| CA Energy Commission | Kristy Chew |
| CA Energy Commission | Brian Samuelson |
| Concur, Inc. | Scott McCreary |
| Concur, Inc. | Meredith Cowart |
| CPUC | Christine Baginski |
| Energy Infrastructure Partners | Renwick Paige |
| Frontier Energy | Nancy Barba |
| ICF | Lorelei Penera |
| Nexant | Dan Sperber |
| Raab Associates | Susan Rivo |
| Redwood Energy | Patrick Owen |
| Rising Sun Opportunity Ctr | Julia Hatton |
| SCE | Pei-Chi Chou |
| Silent Running LLP | James Dodenhoff |
| Stop Waste | Candis Mary-Dauphin |
| USC | Dairou Wang |
| USC | Monina Letargo |
| USC | Elizabeth Pereda |
| WRCOG | Anthony Segura |