



July 31, 2019

Via U.S. Mail and E-mail

Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Comments of the California Efficiency + Demand Management Council on Draft Resolution E-5009 re Approval of the Database for Energy-Efficiency Resources

Dear Energy Division,

The California Efficiency + Demand Management Council (the "Council") appreciates the opportunity to respond to the request for comment on the Draft Resolution E-5009 Approval of the Database of Energy Efficiency Resources ("DEER") for the program year 2021. The Council has concerns with the Energy Division's draft decision to not modify the heating and cooling load data in this update but instead wait for the 2019 Residential Appliance Saturation Study ("RASS") to be completed by the California Energy Commission ("CEC") to update the data in DEER. The Council has three major concerns with this proposed decision and approach for updating this data.

First, the existing 2009 RASS data set no longer reflects the current economic and meteorological conditions of California. The weather normalization data, which serves as the foundation for air conditioning usage calculations, is based upon just 2009. 2009 was a warmer year than what was observed in 2003, which contributed to the lower estimated Unit Energy Consumption ("UEC") in every forecast climate zone for the 2009 RASS. But California's climate has warmed and become more extreme since 2009, which would increase UEC not decrease it. Another fact that would increase EUC is higher incomes since the Great Recession. The 2009 RASS income data certainly no longer reflects the wealth of California residencies, and given the positive correlation identified by both the CEC and the CPUC between electricity usage and

income this data no longer accurately reflects electricity usage.<sup>1</sup> The 2019 RASS study may correctly update these factors, but currently used data does not reflect the conditions driving California's energy usage.

Second, as proposed the 2019 RASS study methodological approach will remain consistent with the 2003 and 2009 studies. This methodology relies upon self-reporting surveys, which can be a victim to survey bias if not carefully executed, and moment in time analysis of important energy use factors such as weather and the economy as noted earlier. Given the synergistic effects of these factors and the fact that Commission has stated that "all baseline simulations in the DEER are recalibrated so that heating and cooling annual energy use values are reasonably close to values published in RASS," the Council questions the long term accuracy of this data, absent changes to the RASS methodology.

Third, the Commission has proposed to reevaluate DEER's residential cooling and heating load data when the 2019 RASS "data become available in 2020" and only proceed with a recalibration of this data if "the timing of the Energy Commissions project coincides with the DEER Update cycle." To meet the Commission's timeline the 2019 RASS final report would need to be available in the first half of the calendar year 2020. If the identify March 2020 deadline is delayed in any significant way, it will ensure that the updates will not take place until the calendar year 2021 and program year 2022.

Given the existing inaccuracies with the 2009 RASS data set, subsequent existing DEER models, the potential inaccuracies with the 2019 RASS study, and the proposed timeline the Council asks that the Commission take the following actions:

1. Address the existing inaccuracies of cooling and heating loads by including available industry data in the DEER modeling process for PY 2021.
2. Establish a clear, inclusive, and systematic stakeholder process for industry to participate, and provide data, in the future DEER modeling improvements to ensure regular updates that will best reflect California's heating and cooling loads.

By implementing these actions, the Commission will ensure residential HVAC energy savings measures will be able to contribute to the Commission's and California's energy efficiency goals, including SB 350s Doubling of Energy Efficiency targets.

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<sup>1</sup> The 2009 RASS study and furthered study by the Commission in its 2012 *Electricity Use and Income A Review*, there is a positive correlation between the electricity usage and income.

Sincerely,

/s/ Nate Kinsey

Nate Kinsey  
Regulatory Affairs Manager  
California Efficiency + Demand Management Council