



# The Council's Policy Call

February 21, 2020



*Advancing Our Clean Economy*

# → Today's Agenda

- Council News
  - Spring Symposium
  - What's coming up
  - Capitol update
- Issues/Topics
  - Solicitations situation update (Greg)
  - Decarb pilot PD (Serj)
  - Upstream lighting Ruling + Responses (Serj)
  - CEC SB 350 report review (Greg)

# Spring Symposium

## 2020 Vision: Taking Action Tools & Tactics to Make an Impact

April 15, 2020  
Berkeley, CA

## REGISTER TODAY ... THIS ONE CAN'T BE MISSED!

The Symposium is our annual venue for learning about new developments in the efficiency and demand management space and hearing about tools and resources needed to meet our aggressive climate goals. We are excited to announce that the Symposium focus will address topics related to cost-effectiveness benchmarking, DER deployment efforts, and decarbonization pathways for the building and transportation sectors.

**David Brower Center, 2150 Allston Way, Berkeley**

[Link to Register for Spring Symposium](#)

# ➤ What's Coming Up

- **SoCalGas Statewide Gas Emerging Technologies RFA**
  - As the statewide lead for gas emerging technology development, SoCalGas has finally released its RFP for the implementation of this program. This is an information-only program that seeks to accelerate the commercial introduction of energy-efficient technologies, applications, and analytical tools that are not widely adopted in California.
  - Schedule:
    - RFA Released -- February 12, 2020
    - Bidders Abstracts Due -- March 25, 2020
  - All Bidders are required to register in PowerAdvocate to access the RFA documents, submit questions, and submit a GET abstract.
  - Bidders can register in PowerAdvocate using the following URL:  
<https://www.poweradvocate.com>
  - Apply to the event through the “Opportunities” portal, search for the SoCalGas event, click the key to request access to the event.

# ➤ What's Coming Up

- **CAEECC EE Filing Workshop**
  - Date: February 26, 2020: 9:00 a.m. to 10:30 a.m.
  - Location: BayRen, Golden Gate Room 375 Beale Street, San Francisco, CA, 94105
- **CAEECC Full Quarterly Meeting**
  - Date: February 27, 2020: 9:30 a.m. to 1:00 p.m.
  - Location: Pacific Energy Center, 851 Howard Street, San Francisco, CA 94103
- **PG&E 2020 EE Annual Budget Advice Letter Workshop**
  - Date: March 16, 2020: 9:00 a.m. to 10:30 a.m.
  - Location: Pacific Energy Center, 851 Howard Street, San Francisco, CA 94103
- **SCE 2020 EE Annual Budget Advice Letter Workshop**
  - Date: March 16, 2020: 10:30 A.M. – 12:00 P.M.
  - Location: Pacific Energy Center, 851 Howard Street, San Francisco, CA 94103
- **EE Custom Projects Review Process**
  - Date: March 16, 2020: 10:30 a.m. to 4:00 p.m.
  - Location: Embassy Suites LAX South, 1440 East Imperial Ave. El Segundo, CA 90245
- **Workshop on Strategies for Enabling Heat Pump Water Heaters to Participate in the Self-Generation Incentive Program**
  - Date: March 19, 2020: 9:30 a.m. to 4:30 p.m.
  - Location: CPUC Auditorium, 505 Van Ness Ave., San Francisco, CA 94102

More details on events are available in 2/14/20 newsletter: <https://cedmc.org/wp-content/uploads/2020/02/The-Council-Newsletter-February-14-2020.pdf>

# → Capitol Update from Our Lobbyists



Erin Niemela

Tiffany Phan

## ➤ Solicitations Situation Update

- On February 11<sup>th</sup>, Greg and Gene met with advisors to President Batjer and Commissioner Randolph
  - Jen Kalafut from ED staff joined both meetings
- Purpose of these ex -parte meetings was to address our concerns regarding the solicitations process
- We reviewed the urgency of the situation and renewed our two major asks:
  1. Mandate that IOUs make an immediate course reversal for most if not all programs that are being terminated, with gap funding and continued these programs until the new programs start.
  2. The Commission needs to order an immediate review of the root causes that have brought us to the current situation and order an action plan that will implement immediate fixes by 3/31/20.
- While both advisors were attentive, they didn't seem to be all that engaged nor fully aware of the urgency of this situation
- Jen Kalafut offered to meet with Greg and Gene along with several of her senior staff to fully discuss our concerns; meeting scheduled for March 2<sup>nd</sup>
  - We are preparing a data request and details about onerous T&C's in RFPs



## ➤ Decarbonization Pilot PD (BUILD + TECH)

- Total BUILD and TECH budget: \$200 million, collected in four \$50, annual installments during FY 2019 -20 – FY 2022-23
- \$80m will go to BUILD, \$120 million will go to TECH
- Funding is derived from the revenue generated from the GHG allowances directly allocated to gas corporations
- **SCE is the CPUC -designated BUILD/TECH contracting agent**
  - SCE will disburse funds to both BUILD and TECH administrators, and provide monthly updates to Commission on fund disbursements
- **SCE will issue an RFP to select TECH implementer**, Energy Division will make final decision on TECH implementer
- **TECH administrative budget is capped at 5%** of total budget
- The CEC is the BUILD program administrator
- BUILD administrative budget is capped at 10% of total budget
- **Comments are due March 3, Reply Comments due March 9**
- Link to full write-up: [shorturl.at/ fDLTV](https://shorturl.at/fDLTV)



## ➤ Upstream Lighting Ruling

- This Ruling focuses on contentious and controversial SCE and SDG&E lighting program activities, specifically shipping of CFL and LED light bulbs
- DNV GL evaluation found **SCE + SDG&E shipped more than 10,000 discounted light bulbs each to more than 170 stores**
- **Some individual stores received >150,000 light bulbs (!!!)**
- In some cases these were small “discount and grocery stores” that could not account for the enormous number of light bulbs
- For example, 20 of the 83 stores reported that they had not sold light bulbs at all for the past three years
- Approximately 15 million lamps could not be tracked
- Notably, this evaluation pertains to the first year of a three-year program, which is ominous for future evaluations

# ➤ Upstream Lighting Ruling: Party Responses

- **SCE** acknowledges shortcomings w/ “certain aspects” of the program
  - SCE launched an internal audit of the program, still ongoing
  - Notably SCE’s audit does not note finding the missing bulbs, and requests additional time to investigate the program
- **SDG&E** takes different tact, highlighting “...significant concerns about the methodology that was used to reach that conclusion”.
  - Their response takes issue with “unverified surveys” that asked “very general questions” of respondents.
  - SDG&E concludes only that there is “...a possibility of unaccounted for lamps and that further review is required.”
- **PAO** believes the CPUC should refund incentives to customers, impose fines, and require shareholder funding of internal audits across SCE’s and SDG&E’s EE portfolios to “...determine if these problems are more widespread or limited to the upstream lighting program.”
- **TURN** also requests that SCE + SDG&E refund incentives refund
  - Wants SDG&E and SCE to supplement their responses to Ruling once their internal investigations AND an independent investigation are complete
  - TURN also wants parties to propose further remedies

## ➤ CEC SB 350 Report Summary

- On January 15<sup>th</sup>, the CEC released a [report](#) titled “Senate Bill 350 Doubling Energy Savings by 2030 Method”, drafted by Council member Navigant/ Guidehouse
- The report describes the analysis and assumptions used to quantify beyond utility program savings, including:
  - Codes and Standards
  - Financing
  - Behavior and Market Transformation
  - Other programs/sectors (e.g., industrial/ag, fuel substation, CVR)
- There are no numerical findings in the report but there are some interesting nuggets in the report about barriers that may inhibit full attainment of SB 350 accomplishments:
  - Industry standard practice policies eliminate vast amounts of viable potential savings
  - Barriers to program participation via burdensome requirements for end users
  - Nonprogram requirements disallow viable savings opportunities

## → Discussion and Q&A

# Thank you!

*Please contact us if you have any questions.*

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