



The Council's Policy Call

August 7, 2020



Advancing Our Clean Economy

→ Today's Agenda

Council News

- Upcoming Council Events
- IOU Business Forums
- Member Working Group Report
- Member Services Summary Report
- What's Coming Up
- Capitol Update

Issues/Topics

- IOU Draft ABALs + CAEECC Workshop (Serj)
- 2022 DEER Draft Resolution (Serj)
- Solicitations Workshop (Greg)
- Microgrid Track 2 Ruling (Greg)

➤ Upcoming Council Events

- Virtual Industry Training - August 13th 1-4pm
- Virtual Happy Hour - August 13th 5-6pm
 - [Zoom Link](#)
 - Call in: +16699009128,,99067393112#
- Lunch & Learn Virtual Webinar Series:
 - Decarbonization Update - August 20th 12-1:30pm
- Fall Virtual Conference - November 12th 12-5pm followed by a virtual Happy Hour (**Note the date change**)



For more information about all these events, please visit the Events page on our website at <https://cedmc.org/events/>

➤ IOU Business Forums

- Over the years we have held IOU business forums (historically they were in-person gatherings)
- The Forums are intended to give members a unique opportunity to hear about new developments/plans from their utility clients & explore areas for future collaboration
- For 2020, we have scheduled the following 1-on-1 business forums (***SAVE THESE DATES***):
 - PG&E (September 24)
 - SCE (October 1)
 - SDG&E (October 8...confirmation pending)
 - SoCalGas (October 15)
- Look for more announcements and registration links soon!



➤ Member Working Group Report

- We currently have **9 active working groups** where we tackle various technical issues, shape positions, and strategize on how to engage with other parties

Working Group	Meetings over Past 2 Weeks	Upcoming Meetings
Solicitations	August 5	August 25
Custom Review	August 5	August 19
Capitol	July 29	August 12
Federal Legislation	None	August 19
NMEC	July 29	August 12
Market Transformation	July 27	August 31
DR Regulatory	July 29	TBD
DR Action Plan	None	September 3
Cost-Effectiveness	August 4	August 18

- All Full and Sustaining members are welcome to join any of our working groups; send Greg or Serj an email if you would like to join any of the working groups! ➤

Review of Member Services & Activities during period 5/1-7/31

- Member Calls: This table indicates for each type of member call the number of calls and the number of attendees completed
- Member Working Groups: This table reports for each type of member working group the number of calls and the number of members indicating interest to participate for each group
- Filings: CPUC (15); CEC (1); CAISO (4); FERC (1)

Member Call	Number of Calls	Average Number of Attendees
Policy Calls	7	65
DR Calls	7	18
EM&V Calls	3	21
Total Member Calls	17	35 (average)

Working Group	Number of Calls	Number of Members
Capitol/Legislative	7	20
EE Solicitations	4	47
Custom Review Process	6	30
Cost-Effectiveness/ Potential & Goals	4	26
DR Regulatory (CPUC/CAISO)	8	9
DR Action Planning	3	11
NMEC Rulebook	7	35
Market Transformation	2	22
Federal Legislation	6	15
Total Working Group Calls	47	24 (average)

TOTAL CEDMC CALLS

64



- Newsletters: A total of 7 Newsletters were sent to all members (N=~525)
- Events: We held three webinars (Workforce Training w/ SEI on 6/19; Federal Legislation on 7/15; and CE Reform on 7/23)

➤ What's Coming Up?

- **Power Association of Northern California Virtual Luncheon Meeting with Steven Wellner (FERC)**
 - Wednesday, August 12th, 12 – 1 pm
 - Details + RSVP (\$20 for non-members): <http://www.panc.org/panc-meeting/>
- **CAEECC Market Transformation Working Group Initial Meeting**
 - August 11th, 12 pm – 3 pm
 - The Council is already a member and will be representing our members' interests
 - <https://www.caeecc.org/mtwg-tbd>
- **Disadvantaged Communities Advisory Group Meeting**
 - August 21st, 1 pm
 - <https://energy.zoom.us/j/96553616816?pwd=SlpxTlpnck50VjM5ckZvNnlRY09HUT09#success>
 - Meeting ID: 965 5361 6816, Password: DACAG
 - Additional information: <https://www.cpuc.ca.gov/dacag/>
 - Telephone: 877-853-5257 / Access Code 965 5361 6816
- **Biden Fundraiser: Virtual Conversation on the Future of Energy in the Built Environment**
 - August 27th, 3 pm
 - Event with Bruce Reed, Senior Advisor, Biden for President
 - <https://secure.joebiden.com/a/0827-energy>
- **CEC EPIC Forum**
 - September 3rd – 4th, 1 pm
 - <https://web.cvent.com/event/f1e8f17e-62ae-4d0f-8abc-3f673ee871db/summary>
 - First virtual Forum will explore strategies to achieve zero net carbon in the built environment

More details on additional events are available from the [Most Recent Council Newsletter](#)

➤ What's Coming Up?

Important Upcoming Documents

- **Resolution E-5082. Approval of the Database for Energy-Efficiency Resources updates for Program Year 2022 and revised version for Program Years 2021 and 2020**
 - Comments due August 12th
 - Link to Draft Resolution: <https://drive.google.com/file/d/1j-tIXDTwzpPcPpgD1czXlblekRbCXzDB/view?usp=sharing>
 - Link to comment document: https://drive.google.com/file/d/1iLl8i4nltg1R1INi2IK7vfl_D3G6pB-/view?usp=sharing
 - Comments along with a certificate of service shall be sent via email to edtariffunit@cpuc.ca.gov
- **Comments regarding the California Energy Efficiency Coordinating Committee (CAEECC) Energy Efficiency Portfolio Filing Processes Working Group report**
 - Comments due September 1st
 - Presents 22 questions on: cycle length and budget authorizations; Savings goals for investor owned utilities (IOUs) and targets for non-IOU program administrators; Flexibility/authority to adjust to changes in market and technology; Cost-effectiveness; Technical Inputs
 - Link to ALJ Ruling: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M344/K119/344119919.PDF>

SOLICITATION NOTIFICATION

- **Energy efficiency program third-party solicitation information and links found on the CAEECC [Website](#).**
- **PG&E has updated documents for its 2020 System Reliability RFO - Phase 2. The updated documents have been posted to the Solicitation [Website](#).**
 - Offers due August 19th
 - Questions can be submitted to SystemReliabilityRFO@pge.com with a copy to the Independent Evaluator, Wayne Oliver at MerrimackIE@merrimackenergy.com.

More details on additional events are available from the [Most Recent Council Newsletter](#)

→ Capitol Update from Our Lobbyists



Erin Niemela

Tiffany Phan

➤ IOU + REN + CCA 2021 Draft ABALs

- Draft Annual Budget Advice Letters (ABALs) submitted for CAEECC review
- PG&E, SCE, SCG, SDG&E + RENs, CCAs filings by the numbers:

PA	Budget Request	Forecasted kWh*	Forecasted kW	Forecasted MMTherms	Forecasted TRC
PG&E	\$237,663,007	390,800,588	75,524	14.6	0.93
SCE	\$222,497,477	473,895,776	109,993	N/A	1.22
SCG	\$106,220,000	10,330,000	1,620	24.45	1.15
SDG&E	\$83,078,589	130,195,462	14,582	5.52	1.26
MCE	\$7,647,755	14,601,167	421	0.32	1.05
BayREN	\$23,911,548	12,880,000	896	0.15	0.33
3CREN	\$8,672,268	2,338,591	248	0.1	0.23
Total	\$689,690,644	1,035,041,584	203,284	45.14	1.14 (IOU avg.)

- Codes & Standards contributed enormously to savings, representing in some cases almost 3x programmatic savings (PG&E)
- NorCal ABALs [here](#); SoCal ABALs [here](#)

➤ CAEECC ABAL Workshop (8/5-6)

- **CAEECC's two-day ABAL workshop provided significant insights**
- **Reliance on 3Ps to deliver significant portion of savings across the board**
 - PAs prioritizing new cost-effective programs, especially through 3P solicitations
 - Large increase in budget, savings, TRC in IOU portfolios stem from 3P programs
 - SCE's entire residential, commercial, industrial sectors will be 3P delivered
 - 83% of SCE portfolio benefits from 3Ps; 50% of SDG&E savings from 3Ps
 - This shift of responsibility to 3Ps could pose significant risks for 3Ps in the long-run
- **Cost-effectiveness challenges remain despite PA optimism**
 - Diminished availability of high-volume measures with positive net benefits, downward trend of avoided costs, inclusion of non-resource programs/costs lower TRCs
 - IOUs believe consolidation of SW programs will improve cost-effectiveness
 - "2021 ABALs more budget recovery, no intent of changing cost-effectiveness rules"
- **COVID is impacting portfolios in interesting ways**
 - Majority of behavioral savings (e.g. HERs) see no negative impacts due to COVID
 - Installation challenges particularly in HTR/DAC Direct Install programs
 - Commercial/industrial impacts vary; groceries positively impacted, restaurants... not
 - SDG&E expects 35% (\$25m) unspent portfolio funds as a result of COVID
 - PG&E would consider disbursing unspent funds to ratepayers as a result of COVID
 - PG&E would consider a potential for RFP to support SMBs during COVID
 - ED staff member: "2020 is a 'lost year' due to COVID"

➤ 2022 DEER Update – Res. E-5082

- **On 4/29 EM&V call, we relayed that CPUC is seeking input on a scoping memo outlining proposed changes for PY2022 DEER for PY2022**
 - The Council did not submit responses to CPUC's questions
- **Draft resolution issued on 7/21 E-5082 seeking comments on key issues**
 - Key issues included: EM&V study updates. Transition to the eTRM, Fuel substitution, Savings for smart thermostats, etc.
 - DEER webinar emphasized the importance of submitting everything in writing by providing comments even though an issue was clarified during the webinar
- **The Council will be filing comments due August 12th on topics including:**
 - CALMAC weather data hasn't been updated since 2019; important for NMEC, eTRM
 - CPUC should provide a means of addressing BRO EUL decision, since they state that this cannot be addressed in a resolution
 - CPUC has clearly stated that 3 year EULs are conservative and freezing them until revised; this artificially lowers cost effectiveness for any BRO project
 - Add-on-equipment EUL on non-host equipment study must be undertaken, as this results in reducing claimed savings by a factor of 3.
 - Please let us know if you would like to participate! Draft resolution can be found [here](#)

➤ Recent Solicitations Workshops

- The CPUC hosted what are now quarterly workshops on two recent Friday afternoons (7/24 & 7/31)
- The purpose was to update stakeholders on various efforts made by the CPUC, IOUs and Independent Evaluators (IEs) to address issues raised by stakeholders during the previous workshop on 2/7/20
- The Council was invited to offer comments from implementers about the process; Greg offered our [comments](#), specifically addressing these areas of concern:
 - Timing and transparency
 - Proposal process
 - Risk burden
- We will now focus our efforts on following through with CPUC and IEs about our recommended next steps

➤ Microgrid Track 2 Ruling (R.19-09-009)

- On May 19, the Council submitted comments on a PD relating to Track 1 of this proceeding addressing short-term actions to accelerate microgrid deployment and related resiliency solutions
 - We argued for explicit inclusion of EE and DR in the definition of DERs
- On July 23, the CPUC issued a Ruling seeking stakeholder input relating to Track 2 of this proceeding, which aims to reduce a number barriers to microgrid commercialization, including rates and tariffs, without shifting costs among ratepayers, compromising system, public, or worker safety, or interfering with the ability of utilities to also develop microgrids.
- The Ruling lays out five different proposals presented by CPUC staff for consideration, each with a number of questions asked of stakeholders:
 1. Revise Rule 2 to explicitly allow IOUs to install microgrids as special facilities
 2. Revise Rule 18/19 to allow microgrids to serve critical customers on adjacent parcels
 3. Develop a microgrid rate schedule
 4. Develop a microgrid pilot program
 5. Conduct pilot studies of low-cost, reliable electrical isolation methods
 6. Additional secondary proposals were presented
- Opening comments due 8/14; Reply comments due 8/28
 - The Council is weighing whether we file comments, pending member input

→ Discussion and Q&A

Thank you!

Please contact us if you have any questions.

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