



August 12, 2020

Via E-mail (EDTariffUnit@cpuc.ca.gov)

Energy Division

California Public Utilities Commission

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

Re: Comments of the California Efficiency + Demand Management Council on Draft Resolution E-5082 re Approval of the Database for Energy-Efficiency Resources updates for Program Year 2022 and revised version for Program Years 2021 and 2020

Dear Energy Division,

The California Efficiency + Demand Management Council (the "Council")¹ appreciates the opportunity to respond to the request for comment on the Draft Resolution E-5082 Approval of the Database of Energy Efficiency Resources ("DEER") updates for Program Year 2022 and revised version for Program Years 2021 and 2020. The Council endorses use of the eTRM and applauds support for fuel substitution measures. At the same time, the Council requests clarification of Behavioral, Retro-Commissioning, and Operational ("BRO") measure application type as well as Add-On Equipment ("AOE") Measure Application Type Effective Useful Life ("EUL"). Finally, the Council requests updates to California Measurement Advisory Council ("CALMAC") weather data and for load shape data to be made available in multiple formats.

BACKGROUND

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.² Our member companies employ many thousands of Californians

¹ The views expressed by the California Efficiency + Demand Management Council are not necessarily those of its individual members.

² Additional information about the Council, including the organization's current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at <http://www.cedmc.org>. The views expressed by the Council are not necessarily those of its individual members.

throughout the state. They include energy efficiency (“EE”), demand response (“DR”), and grid services technology providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and manufacturers of EE products and equipment. The Council’s mission is to support appropriate EE and DR policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructures, and environmental improvement.

The Council Endorses Use of the eTRM and Applauds Support for Fuel Substitution Measures

The Council enthusiastically supports the CPUC’s efforts to transition from the outdated DEER deemed measure platform to the eTRM platform. Further, we appreciate the excellent work carried out by the Cal TF team thus far to develop an eTRM tool that represents the most up-to-date software technical platform combined with an experienced and independent technical team. We would ultimately like to see the CPUC move toward an expedited transition to the eTRM platform such that eTRM will soon be the go-to resource for *ex ante* measure savings.

Regarding fuel substitution measures, the Council enthusiastically supports the CPUC’s prioritization of these new measures into the DEER database for 2022, with an ultimate transition to these and all new measures into the eTRM platform as soon as possible. Fuel substitution measure assessments represent a critical first step in recognizing and analyzing important lifecycle CO2 emissions reductions, lifecycle source energy savings, and infrastructure costs that will be important for ultimately reporting our state’s greenhouse gas (GHG) reduction goals. Since these measures have not historically been included in the DEER database, meaningful assessments of fuel substitution market potential and reported savings could not be carried out. Expedited inclusion of fuel substitution measures focused on space heating, water heating, and cooking end-uses will help energy efficiency program planners and designers meaningfully implement our decarbonization priorities.

The Council Requests Clarification of BRO Measure Application Type Effective Useful Life

The CPUC has stated that Effective Useful Life (“EUL”) for Behavioral, Retrocommissioning, and Operational (“BRO”) measures can only be changed by a future Decision. In Decision D.16-08-019, the CPUC clearly states that defining a two-year life for behavioral programs in non-residential settings, and a three-year life for retro-commissioning and operational programs was to “err on the conservative side”.³ There is ample evidence that measures currently being classified as BRO can demonstrate significantly longer EULs than those currently being accepted for such measures. For example, it was reported in a presentation given by the California

³ D.16-08-019, at 46.

Technical Forum that SCE was shutting down its deemed Pump System Overhaul program due to low BRO cost-effectiveness as a result of conservative BRO EUL (larger pumps follow the custom process, which continue to show artificially low TRCs because of limited EUL).⁴ Limiting the EULs to these conservative limits for all measures being classified as BRO has artificially reduced the net lifecycle savings that could be claimed for these measures since 2016. This conservative estimate has resulted in lower TRC values for such measures than should be reflected, and has resulted in the termination of measures and programs, which otherwise would have proven to be cost effective.

The Council requests that the CPUC initiate such a decision as soon as possible, and ahead of the upcoming application filings anticipated to occur next year. We request that in issuing a Decision, the CPUC directly request program administrators and implementers, as well as other stakeholders, to provide to the CPUC further evidence to support the lengthening of these estimates as originally intended in D.16-08-019. We similarly request that in this same Decision, the CPUC provide direction to program administrators to allow higher EULs for BRO measures that include supporting documentation that demonstrate longer EULs than the current conservative 3 year limit.

The Council Requests Clarification of Add-On Equipment Measure Application Type Effective Useful Life

In the draft resolution, the CPUC has acknowledged that in some cases add-on equipment (“AOE”) measures not installed directly on the host equipment will allow the measure to remain in place even if the host equipment is replaced. The CPUC also acknowledged that although current policy zeros out savings when the host equipment is replaced, the CPUC recognizes that savings for the remote AOE will in fact be different, not zero. The Council believes that there is evidence that such AOE measures will yield energy savings for the full EUL of the AOE measure, regardless of the EUL or Remaining Useful Life (“RUL”) of the host equipment. The CPUC, however, has stated that the policy regarding AOE installed on non-new host equipment will not change until a study has been conducted that supports such a change.

The Council requests that a study be carried out as soon as possible to determine the claimable EUL of AOE measures not installed directly on non-new host equipment. The continued application of this rule has resulted in the erroneous reduction of measure lifetime and reduced the lifecycle net savings of certain AOE measures by a factor of three. We urge the CPUC to consider revising this rule immediately in order to reflect the actual benefits created by the installation of these

⁴ Ayad Al-Shaikh, California Technical Forum, “Stage 2 Item Prioritization”, slides 25–28.

Available at:

<https://static1.squarespace.com/static/53c96e16e4b003bdba4f4fee/t/5c76cd05e2c4832abdc676aa/1551289616726/2019+Stage+2+Issues+Review.pdf>

measures. The reduced lifecycle savings of these measures, result in lower claimed benefits, resulting in lower TRC values, which results in cancelled measures, projects, and programs.

The Council Requests Updates to CALMAC Weather Data

It has come to the attention of the Council that CALMAC weather data⁵ has not been updated since 2019. The Council strongly encourages updates to this data, which is an important input to the development of Normalized Metered Energy Consumption (“NMEC”). In fact, the section of CALMAC that contained actual meteorological year (“AMY”) data has since been removed from the website. AMY data is critical under International Performance Measurement and Verification (“IPMVP”) Option C for modeling NMEC savings.⁶ Since there are variations in how each practitioner or vendor may compile AMY data, there is a clear need for the Commission, its evaluation teams, and practitioners to have access to consistent data for savings calculations. Previously, a master license was obtained for AMY data to be released through an IOU to the CALMAC website. We urge the Commission to direct a lead utility, or joint utilities to competitively seek a solution to fill this gap.

The Council Requests Availability of Load Shape Data in Multiple Formats

CEDMC appreciates the focus on updating the load shapes in the DEER resolution. Historically, load shapes have been delivered in excel based formats, which are conducive to manual calculations. However, with the eTRM transition, along with the modernization of energy modeling tools, the format of the load shapes should also be updated to include building energy modeling (BEM) file formats. The Commission has an opportunity to increase data access and interoperability by including the native load shape calculations in BEM file formats. This will enable significant time savings in custom project development, as well as ex ante review if common file formats are made available to stakeholders.

CONCLUSION

Based on the arguments presented above, the Council recommends that the Commission adopt the proposals and recommendations provided above.

⁵ <http://www.calmac.org/weather.asp>

⁶ Lawrence Berkeley National Lab, “Site-Level NMEC Technical Guidance: Program M&V Plans Utilizing Normalized Metered Energy Consumption Savings Estimation”. December 15, 2019. Available at: <https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442463695>

Respectfully submitted,

August 12, 2020

/s/ GREG WIKLER

Greg Wikler

Executive Director

California Efficiency + Demand Management Council

1111 Broadway, Suite 300

Oakland, CA 94607

Telephone: (925) 286-1710

E-mail: gwikler@cedmc.org

Enclosure: Certificate of Service and Service List