



The Council's Policy Call

September 4, 2020



Advancing Our Clean Economy

→ Today's Agenda

Council News

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

Issues/Topics

- Diversity, Equity and Inclusion (DE&I) report (Greg)
- CPUC 4-Year Filing Cycle Ruling + CEDMC comments (Serj)
- PA ABAL Filings (Serj)
- Final DEER resolution (Greg)

→ Upcoming Council Events

- Monthly Virtual Happy Hours!
Every first Thursday of each month / 5-6pm
- Fall Virtual Conference - November 12th
12-5pm followed by a virtual Happy Hour



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

➤ IOU Business Forums

- Hear about new developments/plans from your utility clients, explore future opportunities, and participate in engaging dialogue
- Agenda:
 - EE/DR/DER organizational structures
 - EE focus
 - IOU vision for future of EE
 - Portfolio development update
 - DR/DER focus
 - IOU vision for future of DR
 - Integrating DR/DERs into grid ops
- Mark these dates:
 - PG&E (September 24, 10-12)
 - SCE (October 1, 10-12)
 - SDG&E (October 8, 10-11)
 - SoCalGas (October 15, 10-12)
- Registration is now open!



**Business
Forum**

<https://cedmc.org/events/member-forums/>

➤ 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 25	September 22
Custom Review	September 2	September 30
Capitol	August 26	September 26
Federal Legislation	September 2	September 30
NMEC	August 26	September 9
Market Transformation	August 31	September 28
Cost-Effectiveness	September 1	September 21
DR Regulatory	August 28	TBD
DR Action Plan	September 3	TBD

- 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! ➤

➤ What's Coming Up?

- **CEC EPIC Forum**
 - September 3rd – 4th
 - <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
- **Distribution Planning Advisory Group (DPAG) Primer**
 - September 14th, 10 am – 4 pm
 - <https://pge.webex.com/webappng/sites/pge/meeting/info/168041709321634868?MTID=m2092b57f149a3b76507e2a4faad7c937>
 - 800-603-7556 (Access Code 131 448 7487)
- **Building Decarbonization Phase II Staff Proposal Workshop**
 - September 15th, 9 am – 3:30 pm
 - <https://cpuc.webex.com/cpuc/onstage/g.php?MTID=ea227aab68398aa57e224d689fb2f2e25>; password: !Energy1
 - Agenda: <https://drive.google.com/file/d/1rnHYDuziUf2nZO3e3hrXfSw9UV1iYztf/view?usp=sharing>
- **Wildfire Safety Advisory Board Meeting**
 - September 23rd, 1 – 4 pm
 - The meeting agenda, meeting access information will be available on the Wildfire Safety Advisory Board's website by September 11, 2020: <https://www.cpuc.ca.gov/WSab/>

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

➤ What's Coming Up?

Important Upcoming Documents

- **Building Decarbonization Proceeding Phase II Staff Proposal & Mobile home Electrification Topics and Economic Challenges**
 - On August 25, 2020, the CPUC released an Amended Scoping for the Building Decarbonization Proceeding (R.19-01-011) and issued a Phase II Energy Division Staff Proposal.2
 - Phase II Staff proposal link: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M345/K591/345591050.PDF>
 - Subject of the Building Decarbonization Phase II Staff Proposal Workshop on September 15th

SOLICITATION NOTIFICATION

- **SoCalGas Behavioral RFA**
 - Released August 21
 - Bidders RFA Abstracts are due on September 25th
 - Details available on <https://w3.poweradvocate.com/>
 - Once Power Advocate registration is complete, applicants can apply to the event through the “Opportunities” portal; search for the SoCalGas event, click the key to request access to the event.
- **Energy efficiency program third-party solicitation information and links found on the CAEECC [Website](#).**

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

→ Capitol Update from Our Lobbyists



Erin Niemela

Tiffany Phan

➤ Report on Diversity, Equity & Inclusion Efforts

- During our 6/12 Policy call, we spoke to the racial injustices happening in our country and pledged that the Council would develop a plan to address racial diversity and social equity issues within our organization, the membership, and our industry
- Since that time, we established a Board-level Diversity, Equity & Inclusion (DE&I) committee
 - The committee’s purpose is to develop Council programs and initiatives that foster an action-oriented culture of diversity, equity and inclusion
- The DE&I committee developed a 2020 action plan, which is:
 - Conducting best practice research and data collection from members
 - Developing a board slate that reflects racially-diverse candidates
 - Developing member services with DE&I information and resources
 - Developing strategic partnerships to broaden member services
 - Reviewing member categories and develop additional designations

➤ CAEECC 4-Year Filing Cycle Report

- **CAEECC working group submitted final report proposal to CPUC**
- **Proposes return to 4-year filing cycle + market stability**
 - EE filings would return to a 4-year cycle (likely beginning in 2026)
 - Budgets would be set for 4 years, savings and cost-effectiveness on annual cadence
 - IOUs file annual reports and trigger-based filings (e.g. program closure, budget addition, missing savings/cost-effectiveness goals) instead of ABALs
 - Aligns Filing cycle with P&G, ACC and updates technical values every 2 years
 - We stressed importance of market stability, continuity of program delivery
 - 3Ps should be allowed to contract beyond the end of the current cycle
 - In case of delay in approval of subsequent application, PAs will continue to implement programs with current approved budgets “at the average yearly budget of the currently approved four-year cycle until such time as the CPUC decides on the application”
- **CPUC Ruling poses many questions diving into working group report**
 - e.g. What problems does Rolling Portfolio have? What should CPUC oversight look like? When should technical inputs (DEER, workpaper, EM&V) be incorporated? etc.
- **Final Working Group Report & Ruling**
 - Final report: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M336/K058/336058397.PDF>
 - Ruling: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M344/K119/344119919.PDF>

➤ Filing Cycle Report Comments

- **The Council filed comments endorsing 4-year proposal**
 - Rolling portfolio process did not solve “start-stop” issues with previous multi-year cycles
 - Proposal can increase stability, reduce market uncertainty through continued funding
 - Contracting across and between cycles can resolve funding cliff issues
 - Will fix current (unintended) practice of 1-year contracts under Rolling Portfolios
 - Freezes technical inputs (DEER, workpaper, EM&V) for at least two years
 - Enables greater flexibility in program delivery
 - Provides an opportunity for the Commission to re-examine cost-effectiveness writ large
 - Eliminates annual ABAL process to reduce administrative burden
- **Party comments endorse 4-year proposal as well (IOUs, NRDC, PAO)**
 - Freezing inputs balances technical precision w/ stability/predictability for the PAs 3Ps
 - Agree current annual cost-effectiveness, savings requirements are inflexible
 - IOUs in particular dislike burdensome, conflict-prone ABAL process
 - PAO wants enforcement mechanisms for PAs that fail to achieve forecasted cost-effectiveness/energy savings goals (e.g. refund program funds)
- **However, ED is apparently hesitant to adopt filing cycle process...**
- **The Council will be filing Reply Comments, due September 15th**
 - We will be validating proposals that advance member interests (especially NRDC)

Final report: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M336/K058/336058397.PDF>

Summary of party comments: https://docs.google.com/document/d/19degU87GeCpkULTC_Bi2aM0ASrnNyQFM6i--luQlneo/edit?usp=sharing

➤ IOU + REN + CCA 2021 Filed 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	\$237,724,275	394,574,933	75,161	14.3	0.89
SCE	\$162,865,826	364,196,327	58,170	N/A	1.00
SCG	\$106,195,000	6,728,781	687	26.47	1.13
SDG&E	\$83,078,589	128,589,657	24,716	5.33	1.25
MCE	\$7,563,643	13,780,213	477	0.30	1.08
BayREN	\$24,171,613	12,880,000	896	0.15	0.34
3C-REN	\$8,696,867	1,548,512	123	0.1	0.22
SoCalREN	\$21,623,495	8,141,367	878	0.5	0.37
Total	\$651,919,308	930,439,790	161,108	47.15	1.06 (IOU avg.)

- Expect supplemental ALs on winners of SCE solicitations (at least two by September 30th)
- All ABALs: https://drive.google.com/drive/u/2/folders/1QQFulmwiXM--ROBF91oWk3T1Pts_CA67

> 2022 DEER Update – Res. E-5082

- **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.
- **The Council filed 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 (AOE) EUL on non-host equipment study must be undertaken, as this results in reducing claimed savings by a factor of 3.
- **Final Resolution issued Sept. 2nd, with mixed response to our comments**
 - Good news on AOE: “CPUC staff has begun to add EULs for intermediate host equipment types that do not necessarily consume energy (e.g., aerators can define faucets as their intermediate host equipment rather than their energy-consuming host of water heaters).”
 - Less good news on BRO EULs: “This resolution cannot change this order or require that the CPUC take such action.”
 - No response: weather data, load shapes format should include BEM file formats

→ Discussion and Q&A

Thank you!

Please contact us if you have any questions.

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