



The Council's Policy Call

October 2, 2020



Advancing Our Clean Economy

→ Today's Agenda

Council News

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

Issues/Topics

- AB 841 Signed (Greg)
- Decarbonization PD (Serj)
- ABAL Comments (Serj)
- P&G Study Update (Greg)

→ The Council Welcomes FutEE!

- Future Energy Enterprises (FutEE) is a majority woman-owned business with experience with all aspects of energy efficiency program design and administration for business, commercial, industrial, public sector and residential customers.
- FutEE develops and supports programs to ensure program administrators achieve their goals with cost-effective and clean energy resources, including energy efficiency, conservation, demand response, and renewable energy.
- FutEE's mission is *to engage people with diverse talents and perspectives to maximize the value of clean energy for all*



➤ Upcoming Council Events



- Mark your calendars for November 12th Noon-5pm followed by a Happy Hour 5-6pm
- Agenda includes:
 - Keynote speech by a California energy leader
 - Opening plenary panel: The State of EE & DR in the New Era
 - Two theme-based panels followed by topic-focused breakout sessions. Themes include:
 - Pushing ahead on decarbonization policies
 - Advancing DERs for resiliency and economic renewal
- Registration is now [open](#)! For more information, visit the Fall Conference page on our [website](#)

➤ IOU Business Forums

- Hear about new developments/plans from your utility clients, explore future opportunities, and participate in engaging dialogue
- Here's the general agenda for each Forum:
 - 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
- Dates and registration links for remaining forums:
 - SDG&E Forum – Thursday October 8, 2020 10:00 AM to 11:00 AM ([Register here](#))
 - SoCalGas Forum – Thursday October 15, 2020 10:00 AM to 12 Noon ([Register here](#))



**Business
Forum**

Note: Everyone must register to participate! Visit our website for more information: <https://cedmc.org/events/member-forums/>

➤ What's Coming Up?

- **GridForward 2020 Conference**
 - October 6th– 15th
 - Theme for GridFWD 2020, Power to the Community, reflects industry's commitment to not only reliable, affordable and clean electric power, but also the welfare of our customers, co-workers and communities. The event comprises many virtual sessions to allow attendees to explore ideas, best practices and solutions to modernize the grid.
 - Registration [GridFWD.com](https://www.gridfwd.com) Council members receive a 25% discount using promocode **Partner2020**
- **Custom Project Stakeholder Engagement Meeting**
 - ED staff meeting to ensure ongoing communication and transparency of custom project activities
 - October 6th, 1 – 4 pm
 - <https://cedmc.us5.list-manage.com/track/click?u=44b52bd5b1c697ba65b452dcc&id=6eb1a83de2&e=41166f0b7f>
 - Webex (Meeting ID: 146 843 8758 and Passcode: meet@1pm)
 - Telephone: 415-655-0002 (Access Code: 146 465 4461)
- **CEC-Hosted webinar on 2021 CPUC Efficiency Potential and Goals Study**
 - CPUC ED Staff + consultants will discuss and solicit feedback on P&G study topics
 - October 8th, 2 – 5 pm
 - <https://energy.zoom.us/j/93603186499?pwd=VWtmbGtwZHF6ZWRKWmc0YjZJN3VKZz09#success>
 - Zoom (Meeting ID: 146 247 8575 and Passcode: 706109)
 - +1 669 900 6833 or 888 475 4499 (Toll Free) Webinar ID: 936 0318 6499
- **Disadvantaged Communities Advisory Group Meeting**
 - October 16th, 1 pm – 4 pm
 - <https://energy.zoom.us/j/96553616816?pwd=SlpxTlpnck50VjM5ckZvNnlRY09HUT09>
 - 965 5361 6816 and password: DACAG
 - Telephone: Dial: (877) 853-5257 (Toll Free) or (213) 338-8477 (Access Code: 965 5361 6816)
 - Agenda: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Energy/EnergyPrograms/Infrastructure/DC/10-16-2020_DACAG%20Mtg%20Notice.pdf

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

➤ What's Coming Up? Solicitations

SOLICITATION NOTIFICATION

- **Green Tariff Shared Renewables-Enhanced Community Renewables Renewable Auction Mechanism RFO**
 - Released September 30th
 - RFO Responses are due by November 10, 2021 at noon PT
 - Details available at <https://www.sce.com/procurement/solicitations/cr-ram6>
 - 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.
- **2020 Disadvantaged Communities (DAC) Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) RFO**
 - Released September 30th
 - RFO Responses are due by January 20, 2021 at noon PT
 - Details available at <http://www.sce.com/procurement/solicitations/dac>
 - 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.
- **BUILD & TECH Evaluation RFP released**
 - Released September 29th
 - Must be on bidders list to receive info
 - SCE contact for more info: Justin – xiang.du@sce.com
- **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

➤ AB 841 Signed

- **The Governor Signed AB 841 into law Wednesday night**
 - Redirects IOU unspent EE funds to schools for HVAC system, water fixtures upgrades
 - According to the CPUC’s budget office, “unspent and uncommitted energy efficiency funds” means IOU budget request minus spent funds in each year
 - e.g., for PY2020 the CPUC authorized \$629M which is recovered from ratepayers in that year. However, there was \$167M from PY2019 that was rolled over into PY2020 which means you subtract \$167M from \$629M and get \$461M collected in 2020 rates
 - Will be administered by CEC, with unspent funds ported over through EOY 2023
 - Also requires CPUC to approve long-pending backlog of EV applications by 3/1/2021
- **Despite reservations, AB 841 can increase level of IOU EE investment**
 - Provides a significant incentive for the IOUs to spend their allocated funds in order to retain control over these funds in both the short- and long-term
 - Further incentivizes IOUs to reverse recent trend of significant underspend (on average, \$145m/year between PY2016 – PY2019), likely much higher during COVID
 - Especially in congress with potential cost-effectiveness reforms, AB 841 could significantly boost EE investment levels
 - The ball is now in our court to work with IOUs, key stakeholders to maximize spend

➤ CPUC Decarbonization Ruling

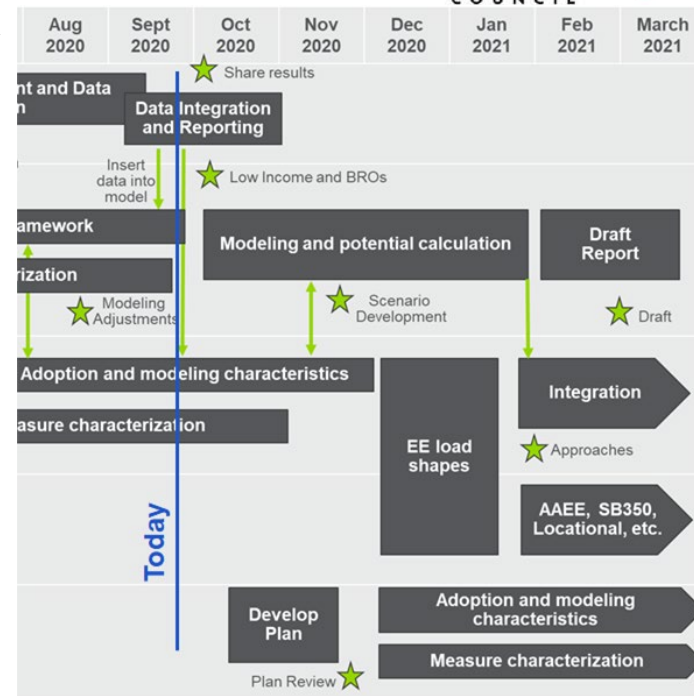
- **Staff Report focuses on three main objectives**
 - Incentive layering to lower appliance cost in order to facilitate fuel substitution
 - Post-wildfire reconstruction via the creation of a new Wildfire and Natural Disaster Resiliency Rebuild (WNDRR) program to incentivize all-electric residential rebuilds
 - Require electric IOUs to introduce baseline allowance modifications for customers who install electric water heating equipment
- **CPUC Ruling poses numerous questions on report, sets PHC both for 10/9**
 - Incentive layering proposal, e.g. How should incentives from different programs to advance building decarbonization be layered?
 - Proposed Wildfire and Natural Disaster Resiliency Rebuilt (WNDRR) program, e.g. Should the Commission implement any programs dedicated specifically to support the construction of decarbonized buildings in communities affected by wildfires and other natural disasters?
 - Proposed electric water heating baseline allowance, e.g. Should the Commission require electric Investor-Owned Utilities (IOUs) to provide a special baseline allowance for residential customers who install electric water heating equipment in order to facilitate the decarbonization of buildings?
 - Council is planning to file comments; please reach out to Serj (sberelson@cedmc.org) if your organization is interested in contributing language to these comments

➤ CEDMC Response to 2021 ABALs

- **Our response largely focused on SCE, but adds overarching comments**
 - Disappointed to see the recent trend in declining IOU EE portfolio budgets and spend continuing for PY2021, with a 36% decline in EE portfolio budgets since PY2017
- **Inputs for programs are not transparent and potentially incorrect**
 - Concerned unclear IOU process for determining the forecasted TRC of 3P programs
- **Programs are being planned retrospectively instead of prospectively**
 - We worry the IOUs are closing programs, decreasing budgets of existing programs, and stopping new enrollments for programs based on past program cost-effectiveness
- **Stop-start nature of retrospective approach negatively impacts customers**
 - Concerns that IOUs are ramping up/shutting down programs via ABALs process
 - Timelines for contract signing (~180-210 days) will create programmatic gaps
- **Inconsistency between forecasting between 3P programs and IOU-administered programs**
 - For 3P programs, IOUs appear to be looking at past project performance rather than future project performance when making closing/ramping down programs.
- **Methodology proposed by SCE creates a programmatic gap, which is especially impactful during COVID-19**
 - The issues above are compounded and worsened by COVID-19

➤ Potential & Goals Study Update

- P&G study update given during 9/22 Quarterly
- Guidehouse is currently focused on:
 - Valuing DR benefits in the TRC calculation
 - Mining historic program data
 - Determining IOU program costs assumptions
- Other workstreams soon to be initiated:
 - Mine data from new RASS study
 - Initial calculations of technical potential
 - Input data collection and modeling for BROs, C&S, and Low-Income
- Link to presentation [here](#)
- Next DAWG working group meeting will be October 8 (Info [here](#))
- Key takeaways:
 - The study is moving along with an anticipated deliverable date of March 2021
 - We asked about CE reform proposals submitted by CEDMC and other parties, CPUC noted that they are deep in the process of considering all comments and proposals regarding P&G Ruling and will be out with a PD soon.



→ Discussion and Q&A

Thank you!

Please contact us if you have any questions.

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