



October 19, 2020

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

California Public Utilities Commission

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

RE: Advice Letters (ALs) 4317-G/5963-E (Pacific Gas and Electric Company), 4302-E (Southern California Edison Company), 2911-G/3617-E (San Diego Gas & Electric Company) and 5696-G (Southern California Gas Company) (eTRM Phase 1 and Phase 2 Software and Web Administration Budgets and Contract)

RESPONSE OF CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, NATIONAL ASSOCIATION OF ENERGY SERVICE COMPANIES, NATURAL RESOURCES DEFENSE COUNCIL, THE ENERGY COALITION, AND ENERGY SOLUTIONS

Dear Energy Division Tariff Unit:

On September 28, 2020, Pacific Gas and Electric Company (“PG&E”), Southern California Edison Company (“SCE”), San Diego Gas & Electric Company (“SDG&E”) and Southern California Gas Company (“SoCalGas”) (collectively, the “IOUs”) jointly submitted their 2020-2021 Electronic Technical Reference Manual (eTRM) Budget. The Joint Advice Letter details the IOUs’ requested eTRM Phase 1 and Phase 2 budgets for 2020 and 2021. The California Efficiency + Demand Management Council (the “Council”), National Association of Energy Service Companies (“NAESCO”), Natural Resources Defense Council (“NRDC”), The Energy Coalition, and Energy Solutions (collectively, “the Joint Parties”) appreciate the opportunity to submit this *Response* to this eTRM Advice Letter filing.¹

The Joint Parties appreciate Staff’s vision, leadership and helpful ongoing collaboration on supporting key California Technical Forum (“Cal TF”) activities, including the statewide measure consolidation effort, which balanced the input for a wide group of experts including investor-owned utility (“IOU”) and publicly owned utility (“POU”) workpaper leads, industry experts and stakeholders and universities and national labs. That effort condensed the number of active workpapers from 450+ to about 130 measures, which has led to significant and ongoing cost savings, and resulted in a comprehensive suite of statewide deemed measures, that support

¹ The views expressed by the Council are not necessarily those of its individual members.

the California's move toward statewide programs, consistent with the California Public Utility Commission's ("Commission's" or "CPUC's") policy. In addition, the Commission's prior policy direction, and Staff's helpful ongoing engagement, direction and support, led to the development of the electronic Technical Reference Manual ("eTRM"), a modern, relational database that also has resulted in significant cost savings relative to the costs of maintaining the Database of Energy Efficiency Resources ("DEER") databases, allows for transparency in measures, measure support and measure parameter development, and is significantly easier for a broad range of stakeholders to understand and use than the existing DEER ecosystem. This collaborative development project took input from a large group of stakeholders to drive a solution that truly meets both current and future needs.

Cal TF's activities have also included important work related to improving the quality of California's deemed measures through development of a common measure characterization template and comprehensive measure development guidelines detailing quality assurance/quality control ("QA/QC") requirements that reflect, organize and consolidate all prior Commission guidelines into a useful and comprehensive guidelines document. The improvements that Cal TF has made to deemed measures is evidenced by higher Efficiency Savings Performance Incentive ("ESPI") scores, as determined by the Commission's own independent ex ante consultants.² The memos also pointed to specific areas that Cal TF staff and data from eTRM can help to support this year and future years.

Furthermore, Cal TF also recently collaboratively designed and launched, with broad input from IOUs, POUs and third-party program implementation stakeholders, a "New Measure Review Process" that will allow third parties to submit new measure ideas for review by a broad-based and expert "Measure Screening Committee" and receive structured and expert help and guidance in developing their new measures consistent with Commission requirements. The availability of measure development guidance and clear input requirements opens the door to new measures from a larger group that goes beyond experienced implementers to out-of-state implementers, ET programs, manufacturers, and individual innovators. Together, the Cal TF efforts, as resolved in E-5082, serve as the underpinning of measure claims, and yield additional benefits to the Commission, such as load shapes for the Potential and Goals Study. Completing the work of Cal TF on time and within budget is of paramount importance to the Commission, evaluation, measurement and verification ("EM&V") consultants and ratepayers.

We appreciate staff's continued ongoing collaboration with the successful Cal TF model to help collaboratively address ongoing technical and technical policy challenges.

The Joint Parties do not intend this letter to be a *protest*, but rather are *responding* to the IOUs' budget request and requesting a Staff disposition to clarify the intent of E-5082, and to direct the IOUs to file a supplemental Advice Letter that conforms to the Commission's direction in E-5082.

² This conclusion was made based on Joint Parties' review of utility ESPI [memos](#) for 2019 as compared to similar information for 2018.

THE JOINT PARTIES' RESPONSE

The Advice Letter is inconsistent with E-5082 in several respects, as follows:

1. Funding for eTRM Software Development: 2020 eTRM Enhancements (Phase 1)

Resolution E-5802, Order Paragraph (“Ordering Paragraph”) 7, states:

The IOUs shall fund 2020 eTRM enhancement activities . . . ensuring sufficient funding for the incremental software development described in this resolution.

However, the Joint Parties were advised in a September 23, Cal TF Policy Advisory Committee meeting that the IOU funders would only fund one-half of the 2020 eTRM enhancement activities through incremental funding, and that the remaining funding would be removed from the existing Cal TF contract. Cal TF Staff, in this same meeting, reported that it would need to eliminate work already approved by the Cal TF Policy Advisory Committee (“PAC”) and contained in the approved Cal TF 2020 Business Plan to fund the eTRM Phase 1 (2020) software development activities.

A core strength of the Cal TF is that it is based on thoughtful input, technical support, and policy contributions from a wide range of California energy efficiency stakeholders, including in addition to the four IOUs, two regulatory agencies (CEC and CPUC), two publicly-owned utilities (LADWP and SMUD), representatives of the remaining California POU’s (SCPPA and NCPA), and a wide range of implementers. Furthermore, Cal TF Members contribute unpaid technical expertise through attending approximately six full-day meetings per year, subcommittee meetings and unpaid review and comment on technical and technical policy papers. Defunding ongoing 2020 Cal TF Business Plan activities at the end of Q3 is unreasonable; any work that Cal TF could not complete in 2020 due to the defunding should be continued and completed in 2021, with funding for the activities restored so that the extensive expert (and pro bono) technical work and significant contributions of the many Cal TF Members is not wasted but rather fully leveraged and the value of their work is ultimately implemented.

The Joint Parties request that the utilities be required to fund all 2020 eTRM enhancement activities through incremental funding, as required by OP 7, and that Cal TF is allowed to complete any activities that were defunded in 2020 in 2021, as there may not be time to complete the activities in 2020 due to the hiatus in funding.

2. Funding for eTRM Software Development: 2021 eTRM Enhancements (Phase 2)

On October 16, 2020, the Joint Parties were informed via e-mail to the entire Cal TF PAC that by the Cal TF Facilitator that full funding for the Cal TF contract filed in the utility Annual Budget Advice Letters (“ABALs”) might be reduced to fund Phase 2 eTRM Software development (2021 enhancements). Using the Cal TF budget to pay for software development in 2021 is inconsistent with E-5082 Ordering Paragraph 6, which states that:

The DEER databases and eTRM shall continue to be administered and maintained by the IOU funders without changes to the contract management structure.

The current contract management structure funds software development through incremental funding to the core Cal TF activities. For eTRM version 1.0, the full value of the eTRM version 1.0 was funded incrementally to the Cal TF budget. To be consistent with the “current contract management structure” directive in E-5082, the Staff should clarify in its disposition on the advice letter that eTRM version 2.0 should be incremental to the existing Cal TF contract.

The incremental funding approach is sound policy for several reasons:

- The Commission has signaled that it will likely assume the ownership of the eTRM after the enhancements mandated in E-5082 are completed. Thus, any further eTRM software development is temporary and ancillary to core Cal TF work until the Commission can take over eTRM software development and maintenance. This temporary and ancillary work should be funded incrementally.
- The Cal TF’s core mission is not software development. Through input from a broad range of Cal TF members and other stakeholders, Cal TF worked with CPUC Staff to develop a proposal for the eTRM. The PAC approved Cal TF development of the eTRM after extensive discussions. However, the eTRM Work Plan approved by the PAC and the eTRM RFP clearly stated that the IOU ownership of the eTRM could be transferred to the CPUC once eTRM was developed and then the CPUC approved the eTRM as a replacement to DEER. Thus, the eTRM software development costs should be treated as incremental to the core Cal TF budget.
- The utilities requested, and the Commission granted, the ability to increase the utilities’ share of the 2021 EM&V budget to fund 2021 enhancement activities.³ It is reasonable for the utilities’ share of the EM&V budget to be increased through a fund shift from the CPUC EM&V budget to the IOU EM&V budget through the Tier 1 Advice Filing as the CPUC has signaled it will likely assume ownership of eTRM after Phase 1 and Phase 2 enhancement activities are completed.⁴ The utilities should be required to file, in a Supplemental Advice filing, a request to shift the CPUC EM&V funding to the IOU EM&V funding for 2021 to fund the 2021 eTRM software development.

3. Contract Duration for eTRM Software Development Contract: Through 2022

E-5082 states that:

*The CPUC may consider the option of assuming the IOU ownership portion of the eTRM in a future resolution, after Phase 1 and Phase 2 have been completed.*⁵

The Phase 1 and Phase 2 enhancement schedule leads to the completion of eTRM software development by Q3, 2021, per E-5082, and released to the public after internal testing is

³ Resolution E-5082, at p. 23.

⁴ *Id.*, at p. 11.

⁵ *Id.*

completed. The Commission would assume ownership through the DEER Resolution process, so would not assume ownership until August or September of 2022. Staff should clarify in its disposition that the software development contract should continue through end of 2022 to allow for an orderly transition process to the Commission's IT vendor after the Commission assumes ownership in August or September of 2022. Any contract or eTRM management disruption, once the market has shifted its systems to eTRM, would lead to a major market disruption.

CONCLUSION

The Joint Parties request that the Staff issue a disposition on the aforementioned Advice Letter which requires that the utilities file a joint supplemental Advice Filing requiring:

- A. **2020 Phase 1 Enhancements:** Utilities must demonstrate through the supplemental AL that Phase 1 enhancement activities are incremental to the existing Cal TF contract. Furthermore, all funds removed from the existing Cal TF contract for Phase 1 eTRM enhancement activities should be restored so that Cal TF can complete approved Cal TF 2020 Business Plan activities with an extension of those activities to 2021 if needed given the funding hiatus.
- B. **2021 Phase 2 Enhancement Funding:** Funding for 2021 Phase 2 Enhancements shall be through a shift in CPUC EM&V funds to the utilities, and incremental to Cal TF funding for 2021 to allow stability of funding in core and ongoing important Cal TF activities.
- C. **eTRM Software Contract Duration:** the eTRM Software Contract should be extended to end of 2022 to allow for the Commission to assume ownership of the eTRM in the upcoming DEER Resolution process after the Phase 1 and Phase 2 enhancement activities are completed in 2021 to avoid major market disruption and to allow for an orderly transition of the eTRM to the Commission's new IT vendor.

We appreciate the opportunity to submit this Response and look forward to the Commission's prompt attention to this matter.

Respectfully submitted,

October 19, 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

/s/ DONALD GILLIGAN

Donald Gilligan
President
National Association of Energy Services Companies
1667 K Street, NW, Suite 700
Washington, DC 20006
Telephone: (202) 822-0950
Email: dgilligan@naesco.org

/s/ PETER MILLER

Peter Miller
Director, Western Region, Climate and Clean Energy
Program
Natural Resources Defense Council
111 Sutter St, 21st floor
San Francisco, CA 94104
Telephone: (415) 875-6100
Email: pmiller@nrdc.org

/s/ MARC COSTA

Marc Costa
Director of Policy and Planning
The Energy Coalition
525 Technology Drive, Suite 350
Irvine, CA 92618
Telephone: (949) 701-4646
Email: mcosta@energycoalition.org

/s/ JAMES HANNA

James Hanna
Senior Technical Director
Energy Solutions
449 15th St #400
Oakland, CA 94612
Telephone: (510) 482-4420 x255
Email: jhanna@energy-solution.com

cc (E-Mail):

Ed Randolph
Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4004
San Francisco, CA 94102
E-Mail: efr@cpuc.ca.gov

Gary A. Stern, Ph.D.
Managing Director, State Regulatory Operation
Southern California Edison Company
8631 Rush Street
Rosemead, CA 91770
E-mail: AdviceTariffManager@sce.com

Diana S. Gallegos
Senior Advisor, State Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, CA 94102
E-mail: Karyn.Gansecki@sce.com

Erik Jacobson
c/o Megan Lawson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, CA 94117
E-Mail: PGETariffs@pge.com

Greg Anderson
Regulatory Tariff Manager
San Diego Gas & Electric Company
E-mail: GAnderson@sdge.com
SDGETariffs@sdge.com

Ray B. Ortiz
Tariff Manager – GT14D6
Southern California Gas Company
555 West Fifth Street
Los Angeles, CA 90013-1011
E-mail: ROrtiz@socalgas.com

cc: Courtesy Electronic Service to Service List in R.13-11-005 (Energy Efficiency Rolling Portfolio)