



## **COST-EFFECTIVENESS WORKING GROUP MEETING 6/21/21**

### **Agenda**

- 1. Implications of potential adoption of ACC on Thursday**
- 2. CAEECC quarterly meeting working groups on market support and equity program category metrics**
- 3. NSPM report out**

### **Meeting Notes**

- 1. Implications of potential adoption of ACC on Thursday**
  - a. 2021 avoided costs significantly lower (~30% – 40%) via recent Draft Resolution, which may be adopted at this Thursday's CPUC Voting Meeting
    - i. Avoided costs will be updated immediately upon adoption of new ACC
    - ii. Potential & Goals study may have to be re-run with new avoided cost values
    - iii. Although some stakeholders (apparently largely solar stakeholders) are attempting to delay adoption of avoided costs until 2024, it is unclear whether these efforts will bear fruit
  - b. Obviously this has significant implications for portfolio cost-effectiveness, even with TRC threshold reduced to 1.0
  - c. CEDMC and other parties pushed back on significantly lower avoided costs, suggested Commission move to PAC test going forward
- 2. CAEECC quarterly meeting working groups on market support and equity program category metrics**
  - a. CEDMC staff will participate in CAEECC working groups on metrics of success for market support and equity program categories
  - b. Obligation to report out cost-effectiveness of these programs, but they are no longer required to meet TRC threshold
    - i. Why go through the motions of cost-effectiveness when we could simply apply either a modified or different cost test?
    - ii. Could be a useful opportunity to employ PAC test
  - c. RENs have developed unique value metrics for programs, and are well-represented in CAEECC membership

- d. Theory-based approach to metrics, as used in market transformation programs, may be useful
- 3. NSPM report out**
- a. Greg attended quarterly E4TheFuture NSPM working group last week
  - b. Largely a report out on NSPM guidebook for DERs and implementation progress around the country
    - i. Neither California nor other Western states has adopted NSPM yet
  - c. Promising signs that CA is getting more interest of broadening cost-effectiveness framework across DERs via TSB
    - i. However, TSB is not a complete overhaul of cost-effectiveness; opportunities to improve TSB over time (particularly as we learn more about its implementation)

## **Next Meeting**

Our next Working Group meeting will be on **Monday, July 19<sup>th</sup> at 2 pm**. This meeting will recur on a monthly basis on the third Monday of each month at 2 – 3 pm. An invite from [Admin@cedmc.org](mailto:Admin@cedmc.org) has gone out to all folks on the Working Group.