

The Council's Policy Call

September 17, 2021



Advancing Our Clean Economy

→ Today's Agenda

Council News

- Welcome New Members!
- Upcoming Council Events
- Call for Nominations for 2021 Art Rosenfeld Award
- Member Working Group Report
- What's Coming Up
- Capitol Update

Issues/Topics

- CPUC Email Ruling on Governor's July 30th Proclamation (Serj)
- CPUC Potential & Goals Proposed Decision (Greg)
- CPUC Mid-Year Ex Ante Review Memos (Greg)

➤ Welcome New Members!

- ecobee is a Canadian-based home automation company that manufactures smart thermostats and other smart devices.
 - ecobee's smart devices are being deployed in California to address grid reliability issues during extreme weather events.
 - The Council is excited to be welcoming back ecobee, and they have already contributed to recent Council testimony in the Emergency Reliability proceeding!
- Thule manufactures packaged thermal storage cooling systems capable of providing full cooling solutions for small to medium-sized buildings, including residential.
 - With California's significant policy focus on load shifting demand response, Thule will be playing an important role in DR programs going forward.
 - We excited to welcome Thule, and look forward to their engagement in the RA proceeding.



ecobee

➤ Upcoming Council Events



- IOU Business Forums – Two down - Two to Go!
 - We held 2 Forums thus far... PG&E on 9/8 and SCE on 9/15
 - Don't forget to register for the last 2:
 - [SDG&E](#): Weds 9/22 10am - 12noon
 - [SoCalGas](#): Tues 10/5 10am - 12noon
- CEDMC-AESP Virtual Happy Hour – Thurs 10/7 5-6pm
 - Greg will moderate a discussion about the history of California's DR efforts with special guests Ahmad Faruqui and Joe Desmond
 - Look for more information next week!
 - Member-only Forum – Weds 11/3 at the Scottish Rite Center w/ web option
 - Registration opens next week!
 - Fall Conference – Thurs 11/4 at the Oakland Scottish Rite Center w/web option
 - Register [here](#) ... the early-bird discount has been extended to 9/30 so be sure to register early! ➤



→ Art Rosenfeld Award – Call for Nominations

- This special award was launched by the Council in 2014 to recognize outstanding individuals who have modeled their activities and contributions to the efficiency and demand management industry in the spirit of the late Arthur Rosenfeld
- We are asking members to submit nominations
 - A link to the nomination form can be found [here](#)
 - **We extended the deadline to 9/30 so please submit your nomination(s)!**
 - The winner will be announced at the Fall Conference



➤ Member Working Group Report

Working Group	Meeting Frequency	Update
Solicitations	Monthly	
Custom Review	Monthly	
Capitol	Bi-monthly	9/8 meeting
Federal Legislation	Bi-monthly	9/15 meeting
NMEC	Monthly	
Market Transformation	Monthly	
DR Regulatory	As Needed	
DR Action Plan	Monthly	9/16 meeting
Cost-Effectiveness	Monthly	
CAISO Advocacy	Monthly	9/10 meeting

- Update on CAEECC activities, including *Market Support* and *Equity* metrics Working Groups.
- All WG meeting notes are available on the Members-only section of www.cedmc.org.
- All members are welcome to join any working group; contact Greg, Serj or Kira.

➤ What's Coming Up?

- **SCE Distribution Planning Advisory Group Meeting**
 - September 17, 10 am – 4 pm
 - [Microsoft Teams](#)
 - Call-in: (213) 297-0156 / Passcode: 708560693#
- **SCE Distribution Planning Advisory Group Meeting**
 - September 20, 10 am – 4 pm
 - [Microsoft Teams](#)
 - Call-in: (415) 906-0873 / Passcode: 92955422
- **Workshop on High Distributed Energy Resources (DER) Grid Modernization**
 - September 22, 9 am
 - [Webex](#); Password: WMdMDRnJ462
 - Call-in: (855) 282-6330 / Passcode: 2493 113 5115
 - [Agenda](#)
- **LBNL Webinar: Uncertainty on the Effects of Future Electricity Rate Increases**
 - September 22, noon
 - [Registration](#) and link to full report
- **Draft Implementation Plan webinar for new statewide Residential New Construction Program**
 - September 27, 10 – 11 am
 - [Microsoft Teams](#)
 - Dial-in: +1 415-906-0873; passcode: 294521383#
 - The draft Implementation Plan will be available on the CAEECC website on or before Monday, September 20, 2021. See: [CAEECC website](#)

→ What's Coming Up?

Notable Regulatory Documents

- **R.13-11-005: Final Decision Adopting Settlement Agreement on San Diego Gas & Electric Company's Upstream Lighting Program 2017-2019**
 - CPUC released final [Decision](#) regarding SDG&E's upstream lighting debacle
 - Decision requires SDG&E to:
 - Refund \$45.440 million in shareholder funds to SDG&E ratepayers
 - Refund \$6.162 million in shareholder funds to ratepayers for awards SDG&E received, or was due to receive, as part of ESPI
 - Pay \$5.5 million in fines to the General Fund of the State of California
 - Cover the costs of SDG&E's hiring of an outside investigator with shareholder funds not recovered from ratepayers
 - Award 33% of any funds recovered from lighting manufacturers, after costs are accounted for, to SDG&E ratepayers
 - Expand information on the Sempra Energy Ethics and Compliance Helpline webpage at shareholder expense
 - Provide whistleblower training, at shareholder expense, to all SDG&E employees

➤ Upcoming Solicitations

- **SoCalGas Marketplace Solicitation Request for Abstract (RFA)**
 - On August 20, SoCalGas released its RAF for the Marketplace Solicitation.
 - All bidders are required to register in [PowerAdvocate](#)
 - Bidders Abstracts are due on September 24, 2021.
- **SDG&E Statewide Residential HVAC Quality Installation and Quality Maintenance (QI/QM) Request for Abstract**
 - SDG&E is requesting the Statewide Residential HVAC Sector’s program abstracts.
 - This is the first stage of the [solicitation process](#) beginning in October 2021 to propose, design, implement, and deliver an innovative Statewide HVAC QI/QM program in the residential sector across all four California IOUs.
 - All Bidders are required to register in [Power Advocate](#) to access the RFA documents, submit questions, and submit a Statewide Residential HVAC Sector Program Abstract.
- **California Schools Healthy Air, Plumbing, and Efficiency ([CalSHAPE](#)) Plumbing Program**
 - Now accepting applications as a result of AB 841 towards \$55 million budget to replace noncompliant plumbing fixtures and appliances, prioritizing schools in underserved communities.
 - The application deadline for Funding Round One is 5 PM on December 31, 2021
 - Additional information including application deadlines, funding restrictions, available funds, and the application process can be found [here](#)
- **IOU 2021–2026 ESA Solicitations**
 - [PG&E](#), [SCE](#), [SCG](#), and [SDG&E](#) all released solicitations on 9/1 for the 2021–2026 ESA portfolios
- **Energy Solutions TECH Quick Start Grant [Solicitation](#)**
 - Awards will be made in the amount of \$50,000–\$250,000 with 6–12 grants
 - Applicant’s conference on September 8 at 11 am
 - Completed responses due no later than October 1, 2021 at 5 pm
- **EE program third-party solicitation information and links found on the CAEECC [Website](#).**

→ Capitol Update from Our Lobbyists



Erin Niemela



Tiffany Phan

→ CPUC EE Ruling on Governor's July 30th Proclamation

- On August 6th, ALJ Fitch released an [Email Ruling](#) re: [July 30th Proclamation](#)
- **Seeks proposals for projects/actions installed by 6/1/2022 and/or 6/1/2023**
 - Add/augment/accelerate EE projects resulting in lower overall/peak load
 - Integrating DR/DER/ESA actions with EE program actions or investments;
 - Augment/add financing options to accelerate EE/demand-side investments;
 - Remove rules/requirements that create barriers to expedited/accelerated EE projects
 - Implement innovative program strategies that lead directly to reducing peak load
- **CEDMC filed Opening Comments August 31st, focused on two categories**
 - Regulatory relief: reduce TRC to 0.85 near-term and give demand savings greater weight; move to PAC long-term; accelerate custom and NMEC project timelines/approval for installation, expedite/make contractual changes to solicitations
 - Programmatic proposals: expand deployment of measures that drive demand savings (e.g. smart thermostats); carving out a separate “peak kW” savings budget; augmenting financing options; create market-access model
- **Reply Comments filed September 10th; CEDMC comments asserted:**
 - Concurred with numerous parties (MCE, EBCE, Gridium) that cost-effectiveness testing requires reform
 - Agreed with several parties (PG&E, Enovity) that the custom review and NMEC processes need significant alteration during the ruling period;
 - Validated Gridium’s assertion that CPUC should follow its own precedent and change how TRC is calculated for financed projects

➤ P&G Study – Final Results

- On 8/20, the CPUC issued a [Proposed Decision](#) (and [final study](#)) adopting energy efficiency goals for the 2022-2032 period
- On 9/9, the Council submitted [Opening Comments](#), focusing on:
 - The 0.85 TRC threshold is appropriate for goal setting.
 - The 0.85 TRC threshold should also be applied to upcoming budget & portfolio filings.
 - IOUs should immediately modify all existing third-party contracts to align with a new across-the-board 0.85 TRC threshold.
 - We stressed the need for important rule reforms, particularly related to Custom and NMEC projects.
- **The Council did not submit reply comments**
- **Other parties' reply comments were very critical of our proposals:**
 - PG&E argued that the 0.85 TRC threshold is too blunt of an instrument that may impede on the state's efforts to address summer reliability concerns and cannot be achieved.
 - SCE believes that CE is settled policy and if the Council wishes to litigate CE reforms that it should file a petition for modification.
 - PG&E and SCE argued that PAs alone are responsible for determining the appropriate contractual terms related to CE targets for 3P implementers.
 - Cal Advocates argues that Scenario 2 presents an unrealistic electric energy savings target and urges that the Commission lower savings goals.
 - All these parties had ex parte meetings to emphasize their points.
- **A final vote on P&G is expected during the 9/23 CPUC Commissioner meeting.**

➤ CPUC Mid-Year EAR Memos

- **CPUC Energy Division Staff + consultants released 2021 Ex Ante Review (EAR) Scoring and Evaluation Performance Mid-year Memos**
 - Evaluates IOUs custom project activities activities as of June 30, 2021
- **Reports include the following details**
 - PG&E:
 - There were no technical issues on Custom NTG impacts; no mention of any NMEC issues.
 - A number of projects are being submitted past the 15-day deadline set per SB1131.
 - SCE:
 - Largely positive assessment of Custom performance.
 - M&V plans were out of compliance on several measures.
 - There were incorrect adjustments in NMEC models to account for non-routine events (NRE) and the methodology of identifying outliers.
 - SCE was told to review its process of addressing NREs and adjusting for outlier events.
 - SoCalGas:
 - Largely positive assessment of Custom performance; no mention of any NMEC issues.
 - Some issues that showed up regarding technical but submittals were timely per SB1131 reqts.
 - SDG&E:
 - CPUC gave them a largely rosy assessment of Custom performance.
 - Some technical issues identified and one project was out of compliance w/ SB1131.
- **Links to reports below**
 - [2021 PG&E Mid-year EAR Performance Feedback](#)
 - [2021 SCE Mid-year EAR Performance Feedback](#)
 - [2021 SoCalGas Mid-year EAR Performance Feedback](#)
 - [2021 SDG&E Mid-year EAR Performance Feedback](#)

→ Discussion and Q&A

Thank you!

Please contact us if you have any questions.

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