



## SOLICITATIONS WORKING GROUP MEETING 3/22/22

### Agenda

1. Discuss EE Business Plan – solicitation-related policy recommendations
2. Review 3/11 call with ED

### Meeting Notes

#### Discuss EE Business Plan – solicitation-related policy recommendations

Below is the slide that CAEECC presented at their recent meeting on solicitation-related recommendations made by the PAs as part of their EE Business Plan filings:

#### Third Party/Solicitation Process Policy Recommendations

- Eliminate the RFA stage in third-party solicitation and just have RFP and then Interview stages—to reduce all participants and ratepayer costs, and enable more timely program offerings (SDG&E); Single stage solicitation when/where appropriate (SCE)
- Categorize Third-Party program solicitation costs as Direct Implementation Non-Incentive (DINI) costs to shift these costs out of the capped Administration budget, consistent with the approach prior to D.21-05-031. (SDG&E)
- Exempt Energy Efficiency program delivery using utility represented employees from third party outsourcing requirements (SoCAL GAS)
- Exempt represented employees in energy efficiency program delivery from the Commission’s third-party outsourcing requirement (SoCALGas)

The single stage suggestion is an excellent suggestion and helps speed up the process. Was also initially intended to bring more DBAs to the front of the process

- SDG&E is 40% DBA for their 3P contracts so far
- Both PG&E and SoCalGas asked not to eliminate the 2-stage process but to expand the variety of options for solicitations that would allow for more flexibility, which was helpful for encouraging small bidders

We need to be very careful in how we word our support for this proposal to make sure that certain priorities (like encouraging DBAs is maintained)

SoCalGas indicated that they were challenged to maintain their 3P targets and wanted to encourage greater participation.

Feedback process is a problem area that we might comment on.

**Request to working group members..please complete the survey!**

**We need your help in order to formulate our comments! Tell us what you liked and what you didn't like about the PA Business Plans by taking this [Survey](#); Responses due by COB this Wednesday 3/23.**

Review 3/11 call with ED

- On 3/11, Greg had a call with Justin Galle to follow up on the good dialogue between CEDMC and ED on solicitations.
- Topics covered during the meeting included:
  - Addressed follow-up items from 1/31 stakeholder meeting including:
    - *We asked IOUs to provide an update on efforts to speed up future solicitations; none of the IOUs offered commitments to speed up future solicitations.* ED is working with the IE's and IOUs where it makes sense to go to a single stage for new solicitations. SCE has 2-stage for their equity programs; SoCalGas is running single-stage for a few smaller equity programs; same for PG&E for residential equity.
    - *We asked whether IOUs have budgeted for 3P impact, process and market evaluations in their EM&V budgets; nobody from the IOUs had an answer.* Justin will investigate this more with George Tagnipes on this and Greg will follow-up.
    - *We asked the CPUC to host a workshop to inform stakeholders about recent CET updates; they agreed to move forward with this.* Justin will check on this and let us know.
  - *Followed up on IE Don Arambula's comment that the IOUs appear to be forcing undue risk on the 3Ps; what can the CPUC do about that?* The CPUC gave Don an assignment to do a fact-finding mission looking at a large and small contract for each of the IOUs – performance assurance, cash requirements, bonding reqts, bonus requirements, etc. They are definitely addressing this. They are looking at the P4P approach and whether it is really the best path for us going forward. The CPUC expects to recommend some reforms to the solicitation process and those reforms would likely be implemented through decisions relating to the recently-filed EE business plans or possibly via an earlier decision in that application.
  - *How is the first tranche of 60% 3P programs doing now that they have been in the field for a year? Is the CPUC tracking the success and potentially moving back to a re-solicitation?* That is an area that ED is studying and they will raise to their management.
    - What if 60% of the value is delivered; not just the budgeted amount but actually what is spent.

- This might provide IOUs an opportunity to care about the success of 3Ps... market size and innovation would suddenly be of more interest.
- *The new MAP programs are not following any type of similar procurement process; it seems that the IOUs have already made their selections for MAP vendors. Does CPUC have any involvement here?* Jeorge and Coby are overseeing this but the RFPs are being launched for \$150M MAP; Justin is handling the \$30M bucket. There is a joint IOU process which has one PRG; the RFPs will be released 4/1. If a bidder has a great offering, they should submit a proposal to all 3 IOU territories. Late Q1 2023 is the target for programs to launch. The CPUC will ask the IOUs to do a notification through the service lists.

## **Next Meeting**

Our next Working Group meeting will be on Tuesday April 26, 2022. This meeting will recur on a monthly basis on the Fourth Tuesday at 2 – 3 pm. An invite from [Admin@cedmc.org](mailto:Admin@cedmc.org) has gone out to all folks on the Working Group.