

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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| Application of Pacific Gas and Electric Company for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan (U39M). | Application 22-02-005 (Filed February 15, 2022) |
| Application of Association of Bay Area Governments for Approval of 2024-2031 Strategic Business Plan, 2024-2027 Portfolio Plan, and Budget. | Application 22-03-003 (Filed March 4, 2022) |
| Application of County of Ventura for Approval of 2024-2031 Strategic Business Plan, 2024-2027 Portfolio Plan, and Budget. | Application 22-03-004 (Filed March 4, 2022) |
| Application of San Diego Gas & Electric Company (U902M) to Adopt 2024-2031 Energy Efficiency Rolling Portfolio Business Plan Pursuant to D.21-05-031. | Application 22-03-005 (Filed March 4, 2022) |
| Application of Southern California Edison Company (U338E) for Approval of its 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan. | Application 22-03-007 (Filed March 4, 2022) |
| Application of SOUTHERN CALIFORNIA GAS COMPANY (U904G) for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan | Application 22-03-008 (Filed March 4, 2022) |
| Application of Southern California Regional Energy Network for Approval of 2024-2031 Energy Efficiency Business Plan and 4-Year Portfolio Plan. (#940). | Application 22-03-011 (Filed March 4, 2022) |
| Application of Marin Clean Energy for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Energy Efficiency Portfolio Plan. | Application 22-03-012 (Filed March 4, 2022) |

**RESPONSE OF THE
CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL
TO APPLICATIONS OF PACIFIC GAS AND ELECTRIC COMPANY, BAY AREA
GOVERNMENTS, COUNTY OF VENTURA, SAN DIEGO GAS & ELECTRIC
COMPANY, SOUTHERN CALIFORNIA EDISON COMPANY, SOUTHERN
CALIFORNIA GAS COMPANY, SOUTHERN CALIFORNIA REGIONAL ENERGY
NETWORK, AND MARIN CLEAN ENERGY FOR APPROVAL OF THEIR 2024-2031
ENERGY EFFICIENCY BUSINESS PLANS AND 2024-2027 ENERGY EFFICIENCY
PORTFOLIO PLANS AND MOTION OF REDWOOD COAST ENERGY AUTHORITY
ON BEHALF OF RURAL REGIONAL ENERGY NETWORK FOR APPROVAL OF
ENERGY EFFICIENCY PORTFOLIO APPLICATION**

Date: April 15, 2022

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**CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL
TO APPLICATIONS OF PACIFIC GAS AND ELECTRIC COMPANY, BAY AREA
GOVERNMENTS, COUNTY OF VENTURA, SAN DIEGO GAS & ELECTRIC
COMPANY, SOUTHERN CALIFORNIA EDISON COMPANY, SOUTHERN
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ON BEHALF OF RURAL REGIONAL ENERGY NETWORK FOR APPROVAL OF
ENERGY EFFICIENCY PORTFOLIO APPLICATION**

I. INTRODUCTION

The California Efficiency + Demand Management Council (the “Council”) respectfully files this Response to Application (“A.”) 22-02-005, et al. which are the Applications of Pacific Gas and Electric Company’s (“PG&E”), Bay Area Governments (“BayREN”), County of Ventura (“3C-REN”), San Diego Gas & Electric Company (“SDG&E”), Southern California Edison Company (“SCE”), Southern California Gas Company (“SoCalGas”), Southern California Regional Energy Network (“SoCalREN”), and Marin Clean Energy (“MCE”) for approval of their 2024-2031 Energy Efficiency Business Plans and 2024-2027 Energy Efficiency Portfolio Plans. In addition, the Council responds to the Motion of Redwood Coast Energy Authority on behalf of Rural Regional Energy Network (“RuralREN”) for Approval of Energy Efficiency Portfolio Application.

On March 17, 2022, Chief Administrative Law Judge (“ALJ”) Simon issued a Ruling Consolidating Proceedings; Preliminarily Determining Category, Need for Hearings, and Assignment; and Setting Protest and Response Deadlines (“ALJ Ruling”). This Response is timely filed and served pursuant to Rule 2.6 of the Commission’s Rules of Practice and Procedure and the instructions in the ALJ Ruling.

II. BACKGROUND

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.¹ Our member companies employ many thousands of Californians throughout the state. They include energy efficiency (“EE”), demand response (“DR”), and distributed energy resources (“DER”)

¹ Additional information about the Council, including the organization’s current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at <http://www.cedmc.org>. The views expressed by the Council are not necessarily those of its individual members.

service providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and energy efficient product manufacturers. The Council’s mission is to support appropriate EE and DR policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructures, and environmental improvement.

III. SUMMARY

Rule 2.6 of the Commission’s Rules of Practice and Procedure allows parties to either protest or respond to an application. A “protest” objects to the granting, in whole or in part, of the authority sought in an application; a “response” does not object to that authority but does present information pertinent to resolving the application. The Council has reviewed the applications for 2024-2031 Energy Efficiency Strategic Business Plan and 2024-2027 Portfolio Plan (“the Plans”) submitted by the Program Administrators (“PAs”). The Council generally supports the Plans, including their stated commitment to the State’s goals for EE and inclusiveness and many of the PA’s recommendations for improvement in the processes governing their development and implementation. In particular, the Council is pleased to see that, collectively, the PAs requested approval of nearly \$9 billion for EE programs over the eight-year planning horizon; the allocation of at least 60% of their respective budgets to third party (“3P”) outsourcing; increased attention to equity with proposed expansion of who is included in the definition of “hard to reach”; and constructive recommendations for the improvement of program development and reporting tools.

The Council also wishes to remind the Commission of its responsibilities to advance the State’s commitment to advancing EE and an improved environment for all Californians. It is not clear that the budgets in the Plans are sufficient to keep California on track to satisfy the Senate Bill (“SB”) 350 goal of doubling the 2015 EE savings levels by 2030. The Council believes the Commission needs to put more of a spotlight on EE funding. While the budgets requested in the Plans are sizeable, the proposed annual expenditures are in many cases lower than the pre-2024 period during which time the Biennial Budget Advice Letters (“BBALs”) showed budget increases. Because of this, there is a shortage of delivery capability.

The Council is also concerned that the PAs have a past history of not fully spending their EE budgets. Whether this is due to a shortage of capability or some other factors, the Commission bears responsibility to oversee PA behavior and take steps to ensure that the PAs

fulfill their commitments. Budget allocations for contractors engaged to deliver EE must be expended. Ratepayers need to get the benefits they are owed.

The Council's comments are organized in two parts. First, the Council wishes to bring to the Commission's attention several specific policy proposals from the PAs that we generally support but have suggestions on how those proposals can be improved upon. Second, we identify a number of broader policy issues of concern that have a direct impact on the Plans and the policies governing them. Throughout this document, we offer a number of recommendations on how the Commission and PAs can implement various policy proposals and how to Commission can potentially address the various issues that we raise.

IV. RESPONSE TO SPECIFIC POLICY PROPOSALS

The Council offers the following specific comments on various PA proposals that we are either in support of or have suggestions as to potential adjustments that could be made through this process.

A. Improve the CET—Modifications, Funding Increase, and Governance Process

Several PAs offered varying policy proposals for potential modifications to the Cost-Effectiveness Tool ("CET").² The CET is a valuable tool for the development and tracking of programs and an aid to assessing the effectiveness and cost-effectiveness of programs in each PA's portfolio. Such a tool is necessary. The Council finds that the current state and funding for the CET is insufficient, as indicated by industry users and stated by many of the PAs in their Plans. The CET lacks the granularity and flexibility needed to accurately calculate cost effectiveness. It should better address inconsistencies that hamper achievement of the State's goals. For example, the CET currently does not incorporate non-energy impacts in cost-effectiveness calculations, but the integrated distributed energy resources ("IDER") process does.

The Council offers several specific recommendations below regarding improving the CET. More than anything, what the Council advocates is that the Commission take action to enhance or replace the CET so that the tool for calculating cost-effectiveness can accommodate inclusion of factors that drive the key metrics that determine the viability of EE programs.

² See, e.g., MCE Testimony – Exhibit 1, at pp. 3-1 – 3-4; BayREN Strategic Business Plan 2024-2031 Testimony, at pp. 70-71; 3C-REN Strategic Business Plan 2024-2031 Testimony, at pp. 61-62; PG&E Prepared Testimony – Exhibit 1, at pp. 3-11 – 3-13; and EE Application of RuralREN, at pp. 6, 135, and 141.

Recommendations:

- Increase governance and funding to allow and accommodate inclusion of additional factors in the CET that better reflect program/measure costs. Specific suggestions include:
 - Enable use of custom load shapes that reflect different costs in different locations within territories and time periods throughout the day and seasons.
 - Enable a more comprehensive approach across funding siloes to create more consistent application of Commission policy and goals in different areas related to EE.
 - Enable the CET to produce portfolio-level Total System Benefit (“TSB”) values to reduce the effort required by each user individually and to ensure accurate and consistent roll-up.
 - Correct errors in the default inputs or calculations that have been discovered by users.
 - Tie in CET to the electronic Technical Reference Manual (“eTRM”), perhaps using a governance process similar to what is being developed for the eTRM. The Commission should work with the California Technical Forum (“CalTF”) team to find ways to better integrate these two important tools.
- Develop a governance process or facilitate a process that enables updating and enhancement of the CET as new considerations arise. This can include consideration of alternative cost-effectiveness inputs, nexus energy/water benefits, and other non-energy impacts.
- Request the Commission to address revisions to the Avoided Cost Calculator (“ACC”) methods by immediately initiating a stand-alone proceeding on cost-effectiveness.
- If the Commission deems that proposed improvements cannot be made within the CET, the Commission should consider replacing the CET with an alternative tool that is more flexible, transparent, and accurate. Some independent alternatives are already known to be available for consideration by the Commission.

B. Make CEDARS More User-Friendly

A few PAs offered a policy recommendation that was centered on the need for increasing the funding levels for the CEDARS database.³ The Council interpreted this recommendation to mean that increased funding can lead to making CEDARS more user-friendly. CEDARS is a necessary and useful repository for program data. But, in current form it is extremely user unfriendly, requiring inordinate amounts of time to enter, retrieve, and understand data in it. As the system stands now, the filtering and retrieval capabilities in particular are insufficiently transparent and clear enough to instill confidence. Trying to find program claims and program filings in CEDARS is both tedious and uncertain.

Similar to comments on the CET, the Council recommends that the CPUC devote more funding and deliberate attention to improving this tool. The Council offers several specific recommendations below regarding improving the transparency and ease use of CEDARS.

Recommendations:

- Make it easier to enter data into the CEDARS template.
- Make it easier to download groups of tables. Enabling aggregation (such as all years together for one metric or program) by users will improve confidence that details selected for viewing in CEDARS match those summarized in the Plans.
- Develop an explicit mechanism to obtain feedback from industry via a stakeholder process or some similar forum and incorporate this into CEDARS.

C. Modify the 3P Solicitation Process

The Council compliments the PAs for meeting and in some cases exceeding the 60% budget minimum for outsourcing to 3P implementers. As part of their policy proposals, every PA expressed the need to improve the timing of future solicitations, done through modifications to the 3P solicitation process.⁴ The Council also supports the recommendations made by many of the PAs to modify the two-stage solicitation process currently used for all the solicitations. While

³ MCE Testimony – Exhibit 1, at pp. 3-1 – 3-4 and PG&E Prepared Testimony – Exhibit 1, at pp. 3-11 – 3-13.

⁴ PG&E Prepared Testimony – Exhibit 2, at pp. 5-20 – 5-21; SCE Portfolio Plan Testimony, at pp. 215-221; SoCalGas Testimony – Exhibit 2, at pp. 87-98; SDG&E Testimony – Exhibit 2, at pp. 219-236; MCE Testimony – Exhibit 2, at Chapter 5; BayREN Portfolio Plan 2024-2027 Testimony, at pp. 185-189; 3C-REN Portfolio Plan 2024-2027 Testimony, at pp. 166-168; and EE Application of RuralREN, at pp. 86.

the idea of the two-stage process—to first solicit program ideas and innovations via submittal of abstracts and then invite promising candidates to respond to well-specified Requests for Proposals (“RFPs”)—seems reasonable, in practice it simply takes too long, is too onerous, and has had a deterrent effect especially on smaller and Disadvantaged Business Enterprise (“DBE”) bidders. The Council believes that using only the two-stage solicitation process undermines the Commission’s, PAs’ and stakeholders’ goal of improving equity in the industry and should be modified to allow the use a broader set of solicitation options, such as PG&E and SoCalGas request in their Plans.

While the Council supports most of the PA’s recommendations with regards to modifying the process for submittal of bids, the way many of the PAs review the bids and debrief bidders who are not awarded contracts falls short of acceptability. And nothing in any of the Plans suggests intent to change their practices. In particular, it has been noted that some PAs either provide no feedback or take so long to provide feedback that unsuccessful bidders have little opportunity to understand what to improve in subsequent bids as those deadlines loom. The Commission should use its influence to strengthen solicitation and debrief practices and ensure inclusion of small and DBE contractors.

Recommendations:

- Expand the range of options for procurement of 3P contractors to shorten the process and encourage more variety of and DBE contractors to bid. This can mean retention of the 2-stage process where the PA demonstrates the need (and perhaps obtains Commission approval to use) and use of a 1-stage RFP response or RFP plus interview for others. Focus on recent recommendations made through the January 2022 Opinion Dynamics process evaluation study⁵ and recent IE quarterly reports⁶, which centers on delay and natural consolidation of 3Ps in order for PAs to meet 60% target.
- The Commission should insist on more and more meaningful debrief of unsuccessful bidders to encourage future participation and better bids.
- Consider a dollar or percent budget carve-out for DBEs, with accountability to follow-through via reporting requirements and penalties for non-compliance. Operationalize in the next round of solicitations (e.g., upcoming Market Support and Equity solicitations).

⁵ <https://pda.energydataweb.com/#!/documents/2575/view>.

⁶ <https://www.caeecc.org/independent-evaluator-reports-solic>.

D. Include NEBs as a Program Metric

In their Plan, MCE recommends that the Commission move to include non-energy benefits (NEBs) as a metric for Equity programs.⁷ For customers targeted in Equity programs especially, benefits such as health, safety, and comfort are important factors in their adoption of EE. And while Equity programs are not required to achieve Total Resource Cost (“TRC”) of 1.0 or more, the fact that customer costs are counted, and key benefits ignored is inconsistent with the Commission’s own goal to promote investment in clean energy resources that benefit the Equity target group. The Council supports this position and recommends going one step further: Include NEBs as a metric for all programs, not just those programs whose main focus is improve equity in the access to and adoption of EE. There is precedent for this in other jurisdictions, noting Arkansas in particular, which includes NEBs in their cost-effectiveness calculations for all programs. It is well recognized among stakeholders and articulated in Commission Decision (“D.”) 21-05-031 that benefits well beyond energy savings are realized by customers who invest in EE. It is time to recognize this in program metrics.

Recommendations:

- The Commission provide guidance and governance in the calculation of NEBs, facilitating a more transparent and consistent way to measure across program such as including reliability in the calculations).
- Immediately allow the use of NEBs as an indicator in all Equity programs.
- Consider the use of NEBs as an indicator for all programs, to recognize these benefits to participants and greater society as an indicator of progress to meeting clean energy resource investment goals.

E. Encourage and Support Commitment to Equity

All of the PAs include, and many emphasize the role that improving equity in EE adoption played in the development of their Plans, from their vision to inclusion of programs specifically designed to achieve greater equity. The Council commends the PAs for demonstrating this commitment.

In their Plans, the PAs make a number of policy recommendations and program proposals for customers and contractors. The Council supports these as well, including:

⁷ MCE testimony – Exhibit 1, at pp. 3-7 – 3-10.

- Expand the Hard to Reach (HTR) customer definition to include Public Agencies (SCE, SoCalRen, and 3C-REN).⁸
- Expand the HTR definition to include any customer in a rural area and improve equity for contractors with a workforce training program to create clean energy jobs (RuralREN).⁹
- Raise the 30% budget allowance for Market Support and Equity to more equitably serve customers with programs categorized in these segments (SoCalGas).¹⁰

The Council supports the enactment of all the PAs’ proposed plans to improve equity and inclusion for customers, 3Ps, and equipment contractors. And we encourage the Commission to adopt the policy recommendations that the PAs have proposed.

Recommendations:

- Approve expanded definitions for HTR for customers and programs for contractors as proposed by the PAs.
- Raise budget allowance for Market Support and Equity to above 30%.

F. Revisit the Cost-Effectiveness Test Perspective

In their Plan, MCE offered a policy proposal that the Commission continue to evaluate use of a Program Administrator Cost (“PAC”) test instead of a TRC test for Resource Acquisition programs.¹¹ In compliance with Commission’s current rules governing energy efficiency programs, all the Plans report a TRC for their proposed portfolio and show that at least the resource programs meet the 1.0 threshold. They also report the PAC, both of which are generated within the CET.

As we have advocated to this Commission on numerous occasions during the past several years, the Council believes that it would be more appropriate to use the PAC test to drive and assess the cost-effectiveness of the offerings. This would:

- Recognize that EE programs benefit more than the program participants which would match consistency with State policy goals of providing benefits to all Californians: better

⁸ SCE Business Plan Testimony, at pp. 53; SoCalREN Prepared Testimony – Exhibit 1, at p. 26; and 3C-REN Strategic Business Plan 2024-2031 Testimony, at pp. 69.

⁹ EE Application of RuralREN, at pp. 35-38 and 64.

¹⁰ SoCalGas Testimony – Exhibit 1, at p. BP and CC-46.

¹¹ MCE Testimony – Exhibit 1, at pp. 3-6 – 3-7.

air quality from GHG reductions, increased EE equity for both customers and contractors, lower water use, etc.

- Most likely further facilitate meeting the State’s zero net energy (“ZNE”) goals by making even more emerging technologies more cost effective.
- Provide more urgency to enhance the CET to be able to incorporate different types of benefits in the TSB calculation.

Recommendations:

- Adopt use of PAC as the cost-effectiveness metric for assessing viability of the Plans rather than the current use of the TRC.
- Consider inclusion of societal benefits in the cost-effectiveness metric in the future. We recognize that this issue might be more appropriately taken up by the Commission in a new proceeding that is focused on cost-effectiveness methods and potential reforms. However, to this date, we have not seen any movement by the Commission in this regard. We urge the Commission to take affirmative steps to open a new proceeding on cost-effectiveness methodological issues as soon as possible.

V. RESPONSE TO OTHER KEY ISSUES ABOUT THE PLANS AND POLICIES GOVERNING THEM

The Council offers the following specific comments on a number of policy issues of concern which directly affect the viability and feasibility of the Plan submittals and the policies governing them.

A. Clarify TSB Calculation

The Council supports the transition from energy savings to Total System Benefits (“TSB”) as the key benefits metric for most programs. However, wide variance between the PAs’ TSB forecasts and TSB goals and program budgets in the Plans suggests that there may be insufficient guidance on how the Commission expects PAs to calculate TSB. At the least, there are inconsistencies across the different PAs’ Plans as to the treatment of Codes and Standards (“C&S”) in TSB. For the most part, it seems that C&S is included in budgets and excluded from the TSB forecasts. It is not clear whether C&S is included or excluded in the TSB goals shown in the Commission Decision Adopting Energy Efficiency Goals for 2022-2032 (D.21-09-037). The Council has questions, such as: Was there a problem with TSB goal setting process as part

of the most recent Potential & Goals (P&G) study? Were the goals set accurately? Additionally, the Commission and PAs need to make the connection between TSB and budgets and then the budgets need to be aligned with TSB.

With the transition to TSB as the key metric, especially for resource programs, it is important that all PAs use and report TSB calculations consistently and transparently. The Council makes the following recommendations for Commission actions to advance this objective.

Recommendations:

- The Commission should provide more guidance on factors for inclusion in the TSB. Convene a forum or working group to provide training, obtain feedback from PAs and stakeholders, and refine the Technical Guidance so that all the PAs include and characterize factors similarly.
- In particular,
 - Clarify how to treat C&S so that TSB forecasts and TSB goals and program budgets can be appropriately compared and consistently reported.
 - Remove ambiguity of whether or Market Support and Equity programs should be included in the TSB.

B. Revisit Net-to-Gross Use

The cost-effectiveness of programs is strongly influenced by the net-to-gross ratio (“NTG”) applied to the savings. The Council and its members have had considerable discussion around possible over-adjustment by the NTGs applied, especially with regard to Custom and site-based NMEC projects. While NTG estimation is a discussion all its own, application of NTGs is required in constructing the portfolios and therefore relevant to mention in these comments. Application of low NTGs may unfairly affect claimable savings for some projects and also has the effect of working against the State’s goals by cutting savings.

The Council believes that the Commission is not keeping up with current methods for estimating attribution, especially for nuanced Custom projects where a whole myriad of issues needs to be understood before arriving at a conclusive perspective about customer intentions and programmatic attribution. Specifically, the Custom Review Process mandated and used for these projects already requires rigorous screening to determine eligibility. During this process savings claimed on these projects have already been adjusted to cull out actions that would have been

taken in the absence of the program. The Council supports the contention that projects that pass this screen should be considered fully attributable to the program, not penalized with an NTG below 1.0.

Recommendation:

- Consider revising the current application of ex-ante NTGs to all programs. Specifically, move to apply the ex-ante NTGs to Deemed programs and apply NTG=1.0 to Custom and site-based NMEC programs.

C. Modify the 3P Contract Provisions

While the Plans each include levels of 3P outsourcing that meet the 60% of budget goal for IOUs and own goals set by non-IOUs, the Council has concerns about whether and how those goals are met in practice. Feedback from current 3P contractors suggests that the terms and conditions (“T&C”) of the contracts can be so restrictive and burdensome that the contractors cannot meet the goals. These T&Cs can have the following deleterious effects: limiting the input 3Ps have on the design of a program, stifling innovative design since untried innovations can carry greater uncertainty, spending less than 60% of actual program budget on 3Ps, and possible under-expenditure of budgets if project claims are too easily denied. Under the current rules at least for the IOU plans, the 3Ps seem to bear all the risk of meeting goals, rather than having the IOU share the risk. Two aspects of the usual provisions currently in place are particularly problematic and should be addressed:

1. If the Commission issues a rule change during the contract period (such as change in the ACC) which affects the cost-effectiveness of claimed savings, the contractor may be credited with lower savings or less cost-effective savings procurement. Has 60% outsourcing in Plans actually resulted in 60% of expenditures to 3Ps?
2. The material costs of implementing programs have risen substantially in recent years, yet contract provisions might not allow for recuperation of the increases incurred by 3Ps.

Restrictive and burdensome T&Cs has especially been cited in Pay-for-Performance (“P4P”) contracts. Current lack of accountability on IOUs for performance of 3P programs, means that PA compliance with policy and outsourcing rules does not ensure meeting savings targets. The Council has several specific concerns about the P4P in the Plans, in addition to those mentioned above for all 3P contracts. These include: 1) Few of the PAs clearly state what

percent of the budget is for P4P, so it will be difficult to track whether they are meeting their percentage in practice. 2) Not all the PAs have or present a non-performance contingency plan in their Plan; this allows for the Commission approval without transparency about how these contracts will be formulated. 3) P4P is limiting the industry's ability to target underserved markets.

The Council urges the Commission to take steps to make contracting provisions more fair, encourage consistency of contracting across the IOU PAs, and hold the PAs more accountable for meeting program targets.

Recommendations:

- The Commission should oversee a process to revisit contract provisions to reduce burden of risk that PAs currently put on contactors so they will encourage innovation and make programs more successful. Examples include:
 - Unlimited or unreasonably high liability requirements
 - 100% payment retentions for lengthy and unreasonable periods
 - Contract payment claw back provisions tied to irrelevant circumstances
- Do not allow PAs to stipulate P4P requirements for Market Support and Equity segments.
- Modify PA risk assignment provisions so that risks are shared between PAs and 3Ps.
- The Commission should insert themselves into monitoring of 3P actual shares of expenditures by requiring and reviewing in-period reports by the PAs that show dollars and percent of budgeted versus paid to 3Ps, perhaps with penalties for not meeting the minimum outsourcing threshold within each two- or four-year period. Such penalties are well-established in other jurisdictions across the country to enforce accountability.

VI. PROPOSED CATEGORY FOR APPLICATION, NEED FOR EVIDENTIARY HEARING, ISSUES TO BE CONSIDERED, AND PROPOSED SCHEDULE

Rule 2.6(d) also gives parties protesting or responding to an application the opportunity to provide comments or objections “regarding the applicant’s statement on the proposed category, need for hearing, issues to be considered, and proposed schedule.” An “alternative schedule” can also be proposed.¹²

¹² Commission’s Rules of Practice and Procedure, Rule 2.6(d).

VII. CONFIRMATION OF PARTY STATUS

Commission Rules of Practice and Procedure, Rule 1.4(a)(2)(i) provides that “a person may become a party to a proceeding” by filing “a protest or response to an application.” As such, through the filing of this Response, the Council requests that it be given party status in A.22-02-005, et al. (EE Business Plans) with the contact information below:

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VIII. CONCLUSION

The Council thanks the Commission for considering our Comments and looks forward to the bright future for EE that these PA applications help facilitate.

Dated: April 15, 2022

Respectfully submitted,

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