CALIFORNIA

Efficiency + Demand Management

COUNCIL

Advancing Our Clean Economy

Monthly Member Readout

October 7, 2022

REC

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Today's Agenda

- **Council News**
  - The Council's Fall Conference
  - What's Coming Up
  - Solicitations
  - Capitol Update

- **Issues/Topics**
  - A.22-05-002: Council filings re: evidentiary hearings and discovery
  - A.22-05-002: Council filings re: CPUC Staff Proposal on Gas EE Incentives
  - R.22-07-005: Update on Demand Flexibility OIR
  - CPUC Order Instituting Rulemaking re: consistent DER regulations

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The Council's Fall Conference: Oct. 26-27

Accelerating Toward Climate & Economic Goals | Oct. 26 & 27 | Oakland, CA

- Oct. 26: Kickoff Reception
- Oct. 27: Fall Conference followed by a Networking Reception
- The Conference will focus on addressing key policy issues on how efficiency and demand management resources can be developed and enhanced through the support of solid and implementable policies.
- The Council will bring together policy makers, policy implementers, and other key stakeholders to address important and current issues.

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First Keynote: Jigar Shah, Director, Dept. of Energy Loan Programs Office

Distributed Resources and Innovative Financing Solutions

- With the passage of the Bipartisan Infrastructure Law (BIL) last year, and the Inflation Reduction Act (IRA), the Loan Program Office (LPO) now has the tools and the loan authority to facilitate the deployment of innovative technologies.
- The IRA substantially increased the LPO's existing lending authorities by more than $100 billion, and also created a new loan program, the Energy Infrastructure Reinvestment (EIR) Program (Title 17 section 1706).
- Hear directly from LPO Director Jigar Shah what this means for the EE, DR and DER industry in a lively, interactive conversation.

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Opening Plenary – California and Clean Energy Finance

Building on Director Shah's remarks, a panel of finance, investment, and policy experts will discuss how existing funding mechanisms, programs and incentives can be leveraged to support Grid-Interactive Efficient Buildings (GEBs), load shifting technologies and efficiency measures for the residential, commercial, industrial and agricultural sectors.

Second Keynote Session - Senator Henry Stern

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Session 1 – Energy Efficiency, Demand Response, and Distributed Energy Resources: Near-term Challenges and Solutions

- A panel of senior executives with deep domain expertise from the public and private sectors will discuss key issues impacting the future of EE, DR, and DERs.
- Panelists will share their respective organizations' goals along with a range of potential solutions and initiatives.
- Speakers will also comment on how their issues are being addressed beyond California's borders and share lessons learned.
- This session is a great opportunity for attendee questions.

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Session 2 – Equity, Jobs and Decarbonization: How California's new Climate Legislation, the Bipartisan Infrastructure Bill and the Inflation Reduction Act impact EE, DR and DER Resources

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- This session will explore the ways in which EE, DR and DER markets and business models are evolving as a result of expanded state and federal policies and budget to address climate change.
- Community and industry leaders share insights on how California is expanding opportunities to create jobs, improve air quality, support grid reliability, increase resiliency, and reduce emissions through aggregation, electrification, standards, and technologies.
- A conceptual framework and metrics for how Benefit-Cost Analysis (BCAs) can be combined with Distributional Equity Analysis (DEAs) to address energy equity issues and inform program investment decisions will be presented.

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Session 3 – Pathways to Success: What needs to happen next?

- There are high expectations for the role EE, DR and DERs can play in achieving the state's decarbonization goals.
- How fast can we go? What are the true costs and total benefits?
- What information is available to guide our collective efforts, and what is still needed?
- With all the new legislation, initiatives, programs, pilots, rulemakings and dockets, how can we ensure coordination across multiple agencies?
- What do legislators, policymakers and regulators need to hear from those organizations focused on delivering on the state's climate goals?
- A broad cross-section of clean energy stakeholders shares their experience, insight, and suggestions on how to make the most of this unique moment in time.

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What's Coming Up

- **CEC Pre-Application Workshop - GFO-22-501 - Advancing Window Retrofits and Reducing Fireplace Air Leaks to Improve Energy Efficiency in Existing Buildings**
  - October 11, 2022; 10:00 a.m. - 12:00 p.m.
  - Zoom; 1(888) 475 4499 | Meeting ID: 983 8243 0283 | Password: meeting@10
- **SoCalGas Workshop: Proposed Natural Gas DR Pilot Program**
  - October 12, 2022; 2:00 p.m. - 4:00 p.m.
  - Teams
- **PG&E Webinar: Statewide Energy-Smart Homes Mixed-Fuel Residential Program Closure Request**
  - October 13, 2022; 1:00 p.m. - 2:00 p.m.
  - Teams; 1(415) 906-0873 / Passcode: 24372381#
- **SDG&E Webinar: Ag-STAR Program Draft implementation Plan**
  - October 13, 2022; 1:00 p.m. - 1:30 p.m.
  - Teams
- **CEC Webinar: Resilient and Efficient Codes Implementation (RECI) Federal Funding Opportunity**
  - October 14, 2022; 9:00 a.m. - 10:30 a.m.
  - Zoom; 1(888) 475-4499 | Webinar ID 913 2691 4942 | Passcode 075449
- **CEC Webinar: IEPR - Forms and Instructions to Collect Electricity Demand Forecast Data**
  - October 19, 2022; 2:00 p.m. - 4:00 p.m.
  - Zoom; 1(888) 475-4499 | ID 937 9011 8883 | Passcode 458000

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Open Solicitations

- **10/17**: PG&E Registration of Interest due: Tech Solution Products that Enable Residential Level 2 EV Charging without Panel Upgrades. RFQ Information submissions due 11/21
- **10/19:** RCEA RFQ due: Garfield Elementary School District CalSHAPE HVAC Assessment and Maintenance Services
- **10/20**: RCEA RFQ due: Jacoby Creek School District CalSHAPE HVAC Assessment, Maintenance Services
- **10/24**: PG&E RFP due: Independent Evaluators for EE (extended). Registration was 10/03.
- **10/30:** CEC RFI due (deadline extended) for Behind-the-Meter Zero-Emission Backup Technologies
- **10/31**: CEC CA Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Ventilation Program Notice of Funding Availability. *Note: some applications are currently open for limited eligibility sites.*
- **11/04:** Registration of Interest due re: PG&E Residential Equity EE and Electrification Program
- **11/29**: CEC application due: Advancing Window Retrofits, Reducing Fireplace Air Leaks to Improve EE in Existing Buildings.
  - Note: Pre-Application Webinar: 10/20; questions deadline: 10/21
- **12/01**: PG&E RFO due for Fall 2022 Distribution Investment Deferral Framework (DIDF)
- **12/15**: PG&E RFO due for 2022 DIDF Standard Offer Contract Tariff Pilot
- **1/17/23**: PG&E Registration & RFA due for Residential Equity EE and Electrification Program Solicitation (extended). RFA scheduled to open 11/14/22
- **Ongoing**: EE program 3P solicitation information and links found on the CAEECC Website

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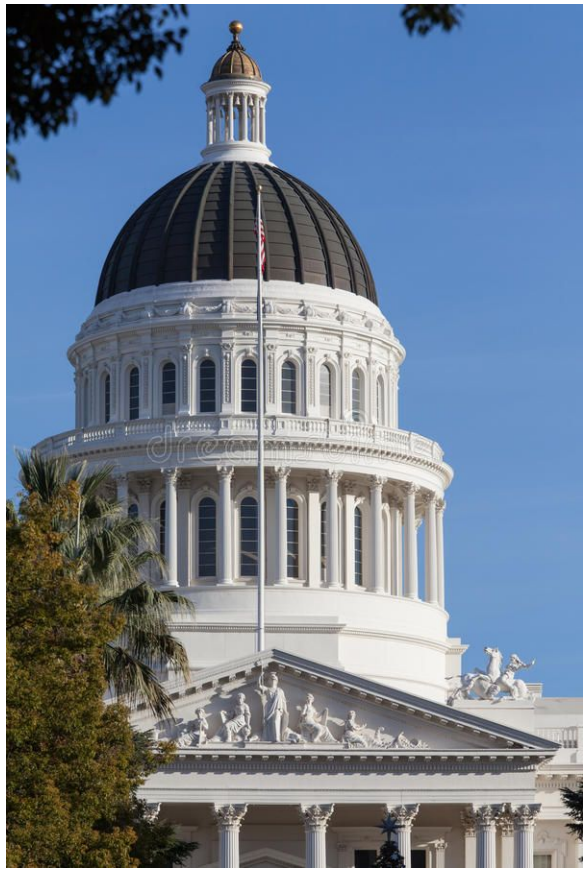
Capitol Update from the Council Lobbyists

Erin Niemela



Tiffany Phan

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A.22-05-002: Council filings re: evidentiary hearings and discovery

2023 Bridge Year Applications: Waiting for Proposed Decision

- 2023 Demand Response Auction Mechanism Auction (DRAM) for 2024 Delivery
  - SCE attempted to enter the DRAM Evaluation as an exhibit after the ALJ canceled evidentiary hearings; led by CPower, the Council, Leap, and Voltus objected to this and the ALJ concurred
  - Opening briefs due today (10/07); reply briefs due on 10/28
  - Expect a PD in December

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A.22-05-002: Council filings re: CPUC Staff Proposal on Gas EE Incentives

- CPUC staff workshop on Gas EE measures was held August 26th; Commissioner Shiroma in attendance, Jennifer Kalafut - Moderator
  - Staff Proposal seeks to phase out incentives for non-cost-effective measures for which there is a "Viable Electric Alternative" (VEA); Excludes non-combustion gas measures
  - Submits phase-out timeframes specific to Standards, Retrofit, Custom, and NMEC
  - Staff posed a series of questions
- Council requested and received time extension
- Opening comments filed Sept .23 - The Council expressed critical support for effectively advancing decarbonization of our economy and energy resources to reach the State's climate and energy goals. The Council also voiced concerns regarding certain aspects of the Staff Proposal, including:
  - The Staff Proposal does not capture the dynamics regarding the likely purchasing behavior of customers weighing the decision to replace their gas appliances with 1) a minimally efficient gas appliance, or 2) a viable electric alternative.
  - Absence of supporting data to justify proposed change
  - Criteria to determine VEA does not account for rate impacts or bill impacts
  - Transfer of gas ratepayer funds to benefit electric ratepayers is prohibited by statute
- Reply Comments filed Oct. 3rd;
  - Council reiterated need to address cost and benefits of fuel switching, including updated labor + material costs
  - In support of other comments, the Council suggested a conceptual framework and metrics for how Benefit-Cost Analysis (BCAs) can be combined with Distributional Equity Analysis (DEAs) to address energy equity issues and inform program investment decisions. (Source: National Standard Practice Manual for Benefit-Cost Analysis of Distributed Energy Resources)

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R.22-07-005: Update on Demand Flexibility OIR

- The CPUC held a pre-hearing conference on 9/16
- The Council urged the CPUC to resist the recommendations made by the IOUs to address residential rate reform issues first, then address dynamic rate issues afterward; this would likely result in a decision on dynamic rate issues in 2025 or 2026
- In the Council's post-PHC statement, we again recommended the CPUC to address Phase 1, Track A and Phase 1, Track B issues simultaneously
- Next steps: Expect a scoping ruling in the near future

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CPUC Order Instituting Rulemaking re: consistent DER regulations

The CPUC issued a proposed decision (Order Instituting Rulemaking To Develop Policy And Create A Consistent Regulatory Framework For Distributed Energy Resource Customer Programs) which:

- Opens new rulemaking as a successor proceeding to Rulemaking 14-10-003 (Integrated DER docket) to develop and ensure consistent policy direction and review of behind-the-meter distributed energy resource (DER) customer programs.
- Envisioned as the procedural framework for pursuing the vision and carrying out the actions articulated in the customer programs track of the Commission's DER Action Plan.
- Connected to over 20 proceedings.
- https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M488/K223/488223301.PDF

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Discussion & Q&A

Thank You!

Please contact us if you have any questions.

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