

County of Los Angeles INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

October 21, 2013

Stephen St. Marie Policy and Planning Division, CA Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

Dear Mr. St. Marie:

DEFINING THE LIVING PILOT, PREFERRED RESOURCES PILOT PROGRAM, PROPOSAL OVERVIEW FROM THE COUNTY OF LOS ANGELES AND THE SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK (SoCaIREN)

On behalf of the County of Los Angeles and as Administrator of the SoCalREN, I applaud the CPUC and SCE for developing the framework for the Living Pilot and appreciate the opportunity to provide input on the types of preferred resources, market strategies, technologies and near-term "managed load" efforts that could be included.

Preferred Resources

The preferred resources should be as broad as possible to include (but not be limited to): energy efficiency, demand response, permanent load shifting, distributed generation, storage. In addition, allowed measures within the preferred resources should be as broad and flexible as possible to include (but not be limited to): comprehensive, multiple measure programs; integrated-measures across energy program portfolios; scheduled, automated and behavioral demand response; distributed generation to include renewables generation, cogeneration and tri-generation. In other words, resources should not be limited based on traditional, regulatory evaluations based on (for example): individual measure cost effectiveness, program cost effectiveness, total resource cost, mingling of different program funds, etc. The Living Pilot should test the development and implementation of a true, integrated demand-side management program.

Market Strategies

The Living Pilot market should include all sectors - public agency buildings and private buildings (residential, non-residential) - and should test a variety of strategies including (but not limited to): creative and targeted development of end user incentives/rebates; integrated demand-side management program incentives; financing credit enhancements; implementer technical support; streamlined IOU application processes; streamlined contracting processes; and specific, local marketing/education/outreach approaches.

Given the need for short-term and medium term results, existing program structures should be leveraged in addition to developing longer-term program structures. This should include utilization of Orange County sub-programs within the SoCalREN program structure and which is already serving public and private sectors with incentives, financing, technical support and innovative marketing/education/outreach and can be easily adapted for an integrated measure approach.

Specifically on marketing/education/outreach, local government resources should be leveraged to drive new levels of participation in utility programs under the Living Pilot. Local communities are most impacted by the development of utility infrastructure and generation resources and a new communication strategy – emphasizing local/regional government involvement – should be developed and piloted with the goal of mitigating or delaying development of this infrastructure.

Advanced Technologies

As emphasized earlier, flexibility in resources and technologies should be examined under the Living Pilot but under an integrated, demand-side management approach.

Conclusion

We look forward to the upcoming discussions on this exciting, long awaited approach and the opportunity to provide more detailed information and ideas on how local government and Regional Energy Networks can advance the Living Pilot. Please contact me at (323) 267-2006 or <u>hchoy@isd.lacounty.gov</u> with any questions.

Very truly yours,

Howard Choy General Manager County Office of Sustainability