

EEGA & Reporting References in D.09-09-047

Comment	Section/page #	Point
<p>SCE suggests that the Commission should carefully consider metrics already provided by the utilities and not entertain another process to determine alternative metrics as proposed in Energy Division's Program Performance Metrics Workshop. TURN/DRA supports the Energy Division's proposed 51 ACR, p. 19. process for developing program performance metrics with the caveat that the utilities should not be the driving entity for developing program performance metrics. They propose that the Commission establish a task force comprised of the utilities, Energy Division staff, and interested stakeholders. Performance metrics would be updated when the Strategic Plan is updated and the utilities would be required to submit and track program performance metrics in a publicly available data base such as the Energy Efficiency Groupware Application (EEGA) used for utility quarterly energy savings reports.</p>	<p>4.6.2.1 / 91 or 97 of 401</p>	<p style="text-align: center;">1</p>
<p>The proposed performance metrics shall comply with the following principles:</p> <ol style="list-style-type: none"> 1. The metrics shall be designed for simplicity and cost effectiveness when considering data collection and reporting requirements. 2. Integrated metrics shall be developed for programs that employ more than one technology or approach, such as whole building 	<p>4.6.2.2 / 92 or 98 of 401</p>	

<p>programs.</p> <p>3. Program models and logic should be dynamic and change in response to external, e.g., market conditions, and internal conditions.</p> <p>4. The metrics shall link short-term and long-term strategic planning goals and objectives to identified program logic models.</p> <p>5. Performance metrics shall be maintained and tracked in the EEGA database (or a similar database to be determined under the guidance of Energy Division).</p>		2
<p>The utilities shall request approval for their proposed logic models and metrics via an advice letter filing within 120 days of the effective date of this decision. One joint utility advice letter shall be filed encompassing the proposed performance metrics for each statewide program (and associated sub-programs) and other information as specified in Appendix 2. The utilities will track the program performance metrics using the EEGA or a similar database as DRA/TURN recommend and under the guidance of our Energy Division.</p>	4.6.2.2 / 92 or 98 of 401	3
<p>The utilities shall track Program Performance Metrics via the EEGA or a similar database as DRA/TURN suggest. Under Energy Division oversight, the utilities shall develop and post a standardized Program Performance Metric Reporting Table to the EEGA or a similar database no later than January 29, 2010.</p> <p>The utilities shall use these tables to report progress toward meeting program</p>	4.6.2.2 / 93 or 99 of 401	4

performance metrics and post this information onto the EEGA or a similar database on a quarterly basis. The utilities shall also work with Energy Division to develop and post onto EEGA or a similar database a standardized Program Performance Metrics Narrative Reporting Template at the same time. This template shall then be used by the utilities to provide narrative description of progress to accompany each quarterly Program Performance Metric Reporting Table submission. This Program Performance Metrics Narrative Reporting Template shall include sections for describing progress toward meeting program metric goals as well as descriptions of changes in metrics used and reasons for the change as well as any program related or economic changes that impact metric results. If the utilities revise their program performance metrics via the Advice Letter process described above, they shall clearly indicate in their EEGA or similar database submissions when this occurs and reasons for any changes as part of their Program Performance Metrics Narrative Report filed on EEGA Narrative description. All historical Program Performance Metric submissions shall be maintained in EEGA or a similar database, as determined by Energy Division.

<p>12. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall track energy efficiency performance metrics on an annual basis via the Energy Efficiency Groupware Application (EEGA) or a similar database. Under Energy Division oversight, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall develop and post a standardized Program Performance Metric Reporting Table to the EEGA or a similar database no later than January 29, 2010.</p>	<p>OP 10 / 368 or 374 of 401</p>	<p>5</p>
<p>In D.08-07-047, we recognized the increasing role that aggressive state building standards, federal appliance standards, and other market forces would play in capturing identified potential in years ahead, and adjusted our characterization of utility-specific goals accordingly. D.08-07-047 also noted, on the basis of the Itron Goals Update Study, that the goals adopted in 2004 for the 2009-2011 program cycle were a closer reflection of gross potential available to the utilities in the program cycle, than they were of net potential.¹⁸ In following, the decision re-defined the adopted goals for 2009-2011 as gross goals.</p>	<p>4.2 / 31 or 37 or 401</p>	<p>6</p>

<p>This means that in reporting savings achieved over the program cycle, for the purposes of goal attainment, utilities may report gross, as opposed to net, savings.</p>		
<p>We agree with SCE's and PG&E's comments that measure ex ante values established for use in planning and reporting accomplishments for 2010-2012 should be frozen. However, we do not agree with PG&E or SCE that those ex ante measure values should be frozen using the values found in the E3 calculators submitted with their July 2, 2009 applications. We agree with TURN's comment that frozen values must be based upon the best available information at the time the 2010-2012 activity is starting and that delaying the date of that freeze until early 2010 is a reasonable approach to better ensure that the maximum amount of updates is captured before the freeze takes effect.</p>	<p>4.2.2 /42 or 48 of 401</p>	<p>7</p>
<p>Administrative costs are a necessary component of implementing energy efficiency programs. Utilities have a number of administrative duties including reporting to the Commission, internal management controls, and oversight of contractors which must be funded in order to carry out their required programs. Administrative costs,³⁰ as we have defined them, include:</p> <ul style="list-style-type: none"> • Overhead (G&A Labor/Materials): administrative labor, accounting support, IT services and support, reporting databases, 	<p>4.4 / 50 or 56 of 401</p>	<p>8</p>

data request responses, CPUC financial audits, regulatory filings support and other ad-hoc support required across all programs.

- Labor (Managerial & Clerical): This category includes utility labor costs related to either management or clerical positions directly related to program administration. SDG&E and SCG also add payroll taxes.
- Travel and Conference fees: This includes labor, travel and fees for conferences.

These Administrative Costs categories do not include EM&V or Marketing and Outreach. Direct Implementation costs for delivering programs, which are defined as “costs associated with activities that are a direct interface with the customer or program participant or recipient (i.e., contractor receiving training),” are also excluded.³¹ Direct Implementation includes non-resource programs such as Emerging Technologies, WE&T, Lighting Market Transformation, Zero Net Energy Pilots, local & statewide DSM integration and On-Bill Financing. Also included are direct implementation non-incentive costs associated with incentive-based programs. These costs include engineering project management, customer support, certain sub-programs (e.g., Energy Audits and Continuous

³⁰ A list of allowable administrative costs is attached to the December 2008 Assigned Commissioner’s Ruling, at attachment 5-A.

³¹ February, 2006 ALJ Ruling in R.01-08-028 on reporting requirements for the utility

<p>energy efficiency programs. Energy Improvement), market transformation and long term strategic plan support.</p>		
<p>Finally, administrative costs include the costs to respond to Commission reporting requirements and other regulatory activities. The Commission must do its part to minimize the regulatory burden on the utilities and have made every effort in this decision to require only necessary filings and reports. We request that the Energy Division review further all existing and new energy efficiency reporting requirements and report on possible ways to streamline these requirements.</p>	<p>4.4.2.2 / 64 or 70 of 401</p>	<p>9</p>
<p>As TURN/DRA state, accurate reporting of project costs where ARRA funds are combined with ratepayer funds should be reflected in record-keeping regarding project cost-effectiveness or other performance metrics.</p>	<p>4.7.2 / 104 or 110 of 401</p>	<p>10</p>
<p>The other IOU's shared budgets for integrated activities are included and approved within their other programs. We support clear identification of other budgets used to support IDSM and approve of the budgets that PG&E have separately identified for this purpose. We encourage the IDSM Taskforce to explore</p>	<p>5.9 / 212 or 218 of 401</p>	<p>11</p>

similar budget reporting and tracking mechanisms for the other IOUs to emulate once the task force is convened.		
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