

Post 2012 Energy Efficiency Planning Schedule: Options and Implications

**February 16, 2011
10 am - 5 pm
CPUC Auditorium**

Session 1

Timeline of Post 2012 Portfolio Planning: Options and Implications

Option A: Portfolio cycle with 1 year bridge funding

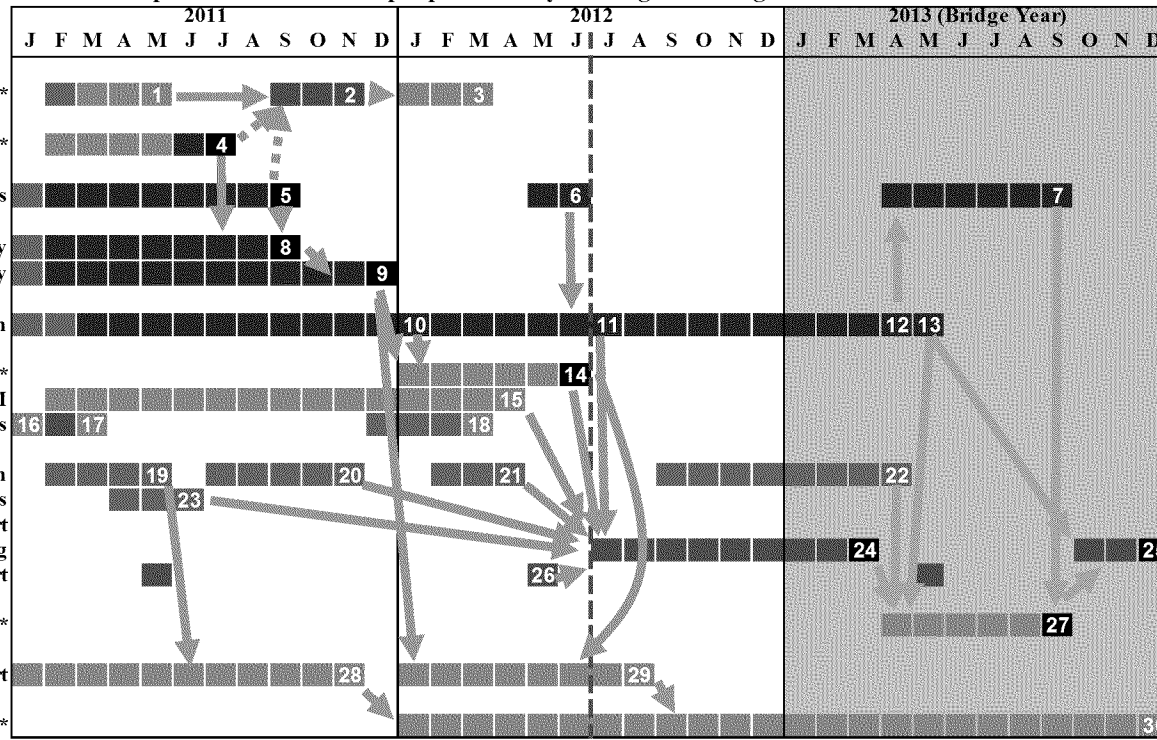
Based on Commission expectations for portfolio planning process—shortens schedule for tasks

Option B: Portfolio cycle with 2 years bridge funding

Based on Commission expectations for portfolio planning process—provides sufficient time requested for each task

“Third Option”: Seeking party proposals to plan portfolios with 1 year bridge funding and adjust Commission requirements for applications

Option A: Straw man proposal of 1 year bridge funding with 2014 Portfolio Start



Color Key
 Proceeding period
 IOU Task
 ED Task
 Consultant Task
 CEC Task
Critical Path: Portfolio cycle planning process is determined by the date of these outputs

Proceedings
 * R.09-11-014
 **R.09-01-019
 ***Successor to A.08-07-021
 ****Successor to R.10-05-006

List of Dependent Outputs

A prospective 2014 portfolio start would depend on the completion of all activities in the timeline above. The initiation of several activities would depend on the outputs of other activities, as listed below.

- | | | |
|--|---|---|
| 1 Decision on extension period, IOU goals for bridge period, process/ filing template | 10 Results of Macroconsumption Metrics, Market Transformation Indicators, ZNE Market and Cost Studies | 18 EE Policy Manual Update in R.09-11-014 |
| 2 IOU Bridge Funding Request | 11 Early/ Interim EM&V Study Results (Complete list & timelines in EM&V Plan) | 19 Demand Analysis Inputs for IEPR |
| 3 Adopted Bridge Funding Budget | 12 Available impact evaluation results | 20 Macro-consumption metrics white paper |
| 4 Cost effectiveness calculations | 13 Final 2010-2012 Evaluation Results (Complete list & timelines in EM&V Plan) | 21 Experimental Design & AMI white papers |
| 5 2006-08 DEER cost updates, ex-ante parameters, ex-post installation rates for 2011 Potential Study | 14 Adopted Goals and Targets | 22 2014-2017 EM&V Plan |
| 6 DEER Final frozen Ex-Ante Parameters for 2014 Portfolio | 15 Post 2012 RRIM structure | 23 Action Plan Progress Report/ Strategic Plan Update |
| 7 Portfolio | 16 2010-2012 RRIM Reform Decision in R.09-01-019 | 24 IOU Proposed EE Portfolios |
| 8 EE Potential output for Goals Study | 17 2010-2012 PFM on Ex-Ante Parameters in A08-07-021 | 25 Initiation of 2014 Portfolio cycle |
| 9 Recommended EE Goals and Targets | | 26 Program Performance Metric Reports |
| | | 27 Adopted IOU EE Portfolios |
| | | 28 2011 CEC IEPR Forecast |
| | | 29 2012 CEC IEPR Forecast |
| | | 30 Adopted Long Term Procurement Plan |

Guiding Principles for an “Alternative Path”

- Higher-level data and analysis could be used to inform portfolio guidance
- Minimize the number of Commission decisions necessary to authorize portfolio extension and next-cycle successors
- Place greater emphasis on goals, budgets and cost-effectiveness in Commission decisions, with program-level details developed working forums among stakeholders
- Allow for continuous renewal of portfolio composition, even if only portions of the portfolio are renewed at one time
- Allow for continuous incorporation of new information from impact and process evaluations, market assessments, and other sources, as information becomes available
- Commit only to processes for which there are sufficient staff and party resources to execute.

Session 2

Mechanics of Portfolio Extension and Bridge Funding

Party Recommendations:

- Public review process for mid-term portfolio adjustments
- Update Cost Effectiveness and Ex-Ante Values
- Goals and Savings Attributions for Bridge Period
- IOU Contracts with Program Deliverers and Local Government Programs

2009 Bridge Funding Process

ALJ directed IOUs to make a Bridge Funding Request

- Identify exceptions needed to EE policy manual
- Monthly spending levels for '06-08 program cycle
- Proposal to continue current programs at current funding level
- Program funds spent in 2009 would count for 2009 goals
- Proposal for pre-2009 unspent/unallocated funds to be used in 2009
- Mechanism to ensure approved programs continue for 3 months after final '09-11 decision is reached
- Any other information needed to implement the decision

Session 3

Staff Straw Man Proposal on Procedural Schedule

- Workshop on Post-2012 Energy Efficiency Portfolio Cycle Schedule and Bridge Funding Issues
- Post-workshop White Paper and Ruling
- Party Comments
- Reply Comments
- ACR or Decision on Portfolio Schedule and Bridge Funding Request to determine:
 - Bridge funding request template
 - Whether to apply updated ex-ante DEER adjustments bridge period
 - What goals and savings to attribute to the bridge funding period
 - The basis of the annual budget for the bridge funding period
 - Whether bridge funding will be extended one or two years
 - What utilities should prepare and present at the workshop
- IOUs Bridge Funding Request
- IOUs Mid-Cycle Review Workshop
- Party Comments
- Reply Comments
- ACR or decision to approve Bridge Funding