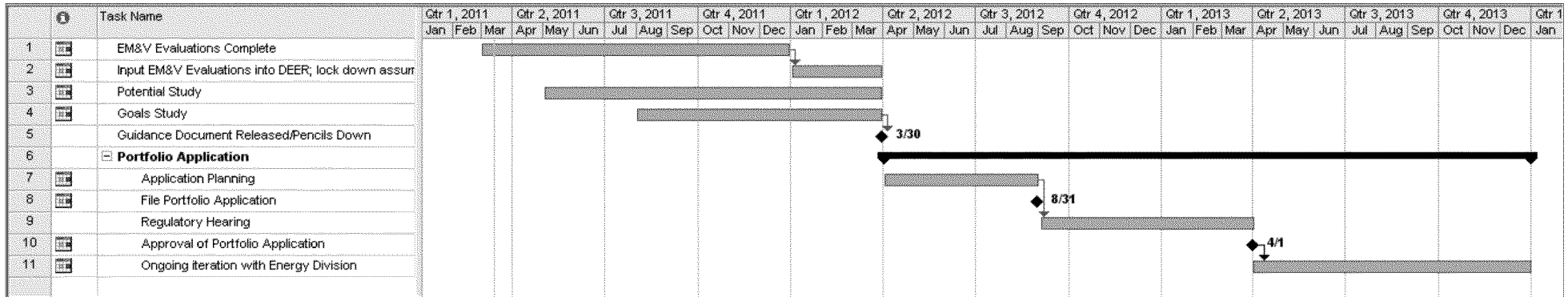




Follow Up: EE Schedule & Improvements

March 2011

Proposed Application Schedule



- Pencils down on rules/assumptions
- Clear deliverables and roles for IOUs and Energy Division
- Focus on timely completion through litigation, not endless workshops.



Change EM&V Paradigm

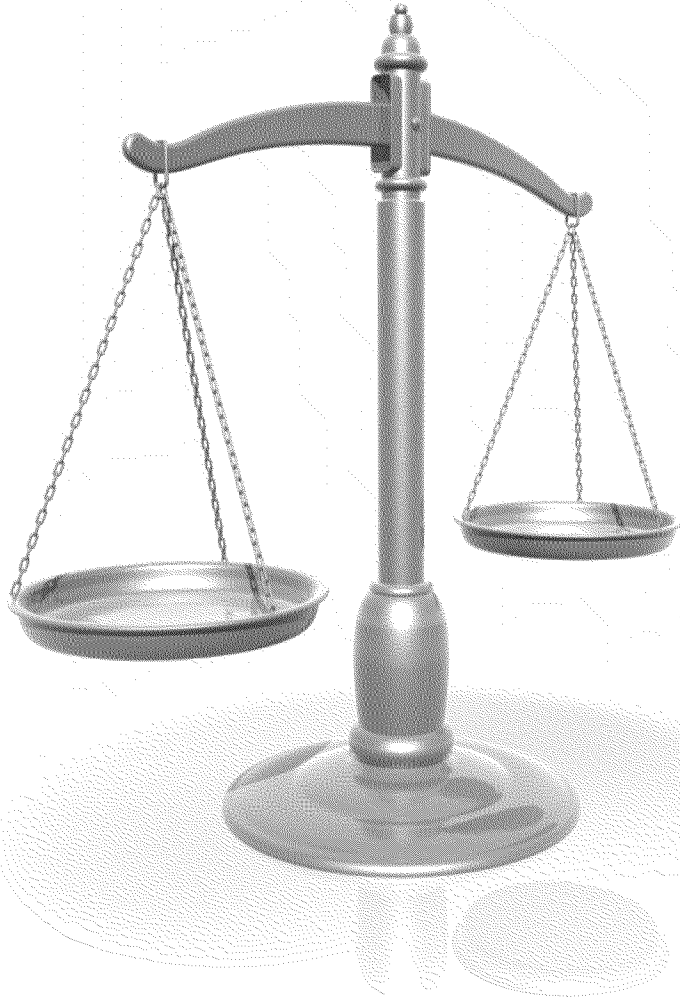
- Establish EM&V Collaborative
 - Consists of professional evaluators (consultants, utility evaluation professionals, credentialed representatives from CEC & CPUC) who are intimately familiar with the depth and breadth of energy efficiency.
 - Guides efficient evaluation, answers questions to adjudicate any disputes.
 - Includes opportunities for public input.
- Benefits
 - Inclusive
 - Transparent
 - Expeditious
- Functions
 - Establish focus and scope of EM&V studies
 - Issue and manage RFPs



EM&V: Today and Tomorrow

	Today	Tomorrow
Level of Detail	Detail at the “measure” level 2 million lines of data	Reduce detail – aggregate & simplify 200 lines of data
Mid-Cycle Changes	IOUs may file to change programs. High hurdle	Allow timely mid-cycle changes: a) Workpaper review b) Final EM&V reports
Who Performs	Energy Division – 80% IOUs – 20%	EM&V Collaborative – 80% IOUs – 20%
Cost/Budget	≈ \$125 million	Adequate EM&V with significantly-reduced funding
Dispute Resolution	None other than appeal to CPUC. No peer review	Staged resolution process: 1) Peer review through Collaborative; 2) ALJ; 3) CPUC
Process & Focus	Needlessly complex Roles and processes not clear	Simplify process - cut budget Focus on changing markets Value speed of getting results

EM&V: Final Messages



- Increase efficiency and minimize pondering discussions to get things done.
- Avoid extended deliberation for minor improvements in accuracy.
- Focus on timeliness in research.