

ANNOUNCEMENT OF PROJECT COORDINATION GROUP FOR WATER-ENERGY

To All Parties in R-09-11-014 and participants in Water-Energy Workshops

On March 20th and 21st 2013, the Energy Division hosted workshops on Water and Energy programs and presented a staff proposal for a Cost Effectiveness framework for Water-Energy. Many participants expressed their interest in giving input throughout the development of this framework. As such, the Energy Division Staff (Staff) is forming a Project Coordination Group (PCG) for Water-Energy Cost Effectiveness and requesting a response from those interested in participating.

The PCG will fulfill a similar role as those PCGs which have been formed as part of the CPUC's Evaluation, Measurement and Verification (EM&V) of energy efficiency programs, which were created for specific topic areas or research objectives. PCGs are meant to be an interface between Staff, consultants, the IOUs, and other stakeholders.

The Commission provided guidance on Water-Energy in Decision (D)12-05-015, referencing the request by parties to develop methods to quantify the embedded energy in water and the energy savings associated with efforts to reduce embedded energy. The Energy Division's goal is to create a method that will allow for analysis of all demand side programs in the water sector and to calculate the value of embedded energy savings to ratepayers.

The purpose of this Project Coordination Group is to provide input to Staff and consultants on the development of this framework, including calculations for embedded energy in water. Specifically, the Project Coordination Group will provide input into the relevant tasks in the Energy Division's overall Cost Effectiveness Research Roadmap (DRAFT attached). In the near term (May-September), the group will help Staff identify credible sources of information that can be used in avoided cost calculations for water and embedded energy in water, and may be asked to produce a white paper of its recommendations regarding these values. In the long term, the group will review and provide feedback on contractor proposals and work products.

We are seeking individuals who would like to join this PCG. Staff will lead the PCG meetings and provide guidance and feedback regarding research and analysis needs, with group members taking a leadership role on appropriate topics of expertise. The duration of the group is anticipated to span from **May 2013 to January 2014** and is expected to hold **bi-monthly meetings by phone**, though ad hoc meetings with a subset of the group may also be required. There may be one or two in person workshops at the CPUC in San Francisco. Anyone interested must be able to commit to attending the bi-monthly phone meetings and completing any tasks in a timely manner. Members may be dismissed, and a replacement selected, at the discretion of the Energy Division, for non-participation to ensure fairness of opportunity. It is estimated that each Working Group may require **up to four hours per week**.

Anyone interested participating in the Project Coordination Group should **submit a brief (500 words or less) statement of qualifications** explaining how your work and experience can contribute to the group. Each working group participant must be able to demonstrate their expertise in one or more of the following areas: water sector energy demand and embedded energy, water supply issues in California,

and/or methods for determining cost effectiveness used by the Energy Division or water suppliers/utilities for program analysis.

It is critical to note that the Project Coordination Group will assist with planning related to, and may review ratepayer-funded research or study related to water-energy, therefore group members **and the organizations they represent** will not be eligible to participate in any bidding process to perform those studies, as that would be considered a conflict of interest. Therefore, if you would like to be eligible to bid on any water-energy cost effectiveness contracts, you should **not** apply to be a member of this Project Coordination Group. Staff may consider re-opening the group for other members once a bidding process has been completed. Potential volunteers should also note that it is possible, although not likely, that they will be asked to sign a confidentiality (non-disclosure) agreement, if any of this work requires access to the details of a study which uses confidential data.

To manage the size and productivity, as well as to achieve balance and optimize the benefits of the perspectives and expertise, the PCG shall be made up of no more than two representatives from each of the following: Academia, NGOs, ratepayer advocate groups, and for-profit consulting firms. There may be one representative from each electric/gas IOU. There may be up to eight representatives of either municipal or IOU water utilities/wholesalers/suppliers/industry associations. In the case that there is more interest than space allows, Staff will suggest organizations with common interests/perspectives have a shared representative.

Guidelines for communication and clarification regarding roles and responsibilities will be discussed and agreed to at the first meeting of the Project Coordination Group, tentatively scheduled for June 4th. Please submit your statement of qualifications by Tuesday May 28th to Meredith.Younghein@cpuc.ca.gov.