



Track 2 Working Group Kickoff



Energy Division Staff and Contractors
Energy Efficiency Industrial/Agricultural Programs
and Portfolio Forecasting
California Public Utilities Commission

April 11, 2017



Welcome

- Introductions
- Agenda
- Goals
- T2WG Process Overview & Discussions
- Ground Rules for the Meetings



T2WG Admin Stuff

Documents for T2WG:

- Draft working spreadsheet
 - Synthesis recommendations made by the T1WG (adopted vs. not adopted) in draft and final E-4818 resolution
 - For stakeholders to review and provide feedback after kickoff meeting
 - https://www.dropbox.com/s/h6135v06rxatl8z/T2WG_Materials_20170407.zip?dl=0 .
- Moving forward, will post all T2WG related documents on a webpage.



Microsoft Excel
Worksheet



Overarching Goals

- To clarify the Commission's direction from Resolution E-4818 OP 25 and D. 16-08-019 at p40.
- Clarify Stakeholders and CPUC staff roles in T2WG and ground rules for the meetings.
- A debrief and lessons learned from T1WG to facilitate agreement on the process and schedule for resolving the 4 items ordered in in E-4818 due by June 30, 2017, e.g., what work needs to be done, by whom, and when, allowing ample time for review and comment.



Overarching Goals (continued)

- To initiate stakeholder input on the E-4818 four tasks, identifying, where possible the “sticky” issues for further discussion and resolution.
- Steps to take on the two tasks from D.16-08-019 assigned to the T2WG.



Process Overview & Discussion

- Clarification of CADMUS' and Rick Diamond's roles
- Ground Rules (Rick Diamond)



Ground Rules

- Focus on what's in scope
- Give your name and affiliation
- Indicate what points you agree on
- Say where you disagree and why, and what you recommend
- Provide support your recommendations with evidence.
- Don't repeat what's already said



Resolution E-4818 OP 25

"In response to working group proposals we are not adopting today, we defer several issues to be addressed within the planned activities of upcoming Track 2 working group, ordered by D 16-08-019 to resolve issues related to the streamlining of ex-ante review processes and industry standard practice baseline. We ask the Track 2 working group to address the following in their deliberations and recommendations, and that recommendations be presented to Commission staff no later than June 30, 2017:

- Consider and recommend clarifying policy for how to determine code baseline as they address issues related to industry standard practice.
- Develop qualification standards and documentation requirements to identify a small-sized business customer.
- Develop qualification standards and documentation requirements to identify repair eligible and repair indefinitely measure types.
- Develop recommendations for what should constitute Tier 1 and Tier 2 Preponderance of Evidence requirements.

Commission staff will review the recommendations and update the guidance documents, as appropriate. The update will be vetted through a public process and the final document will be posted to a publicly available website.



D.16-08-019

- (p40) "we direct that Commission staff form a working group and that facilitated meetings be held to allow stakeholder input on the custom review process, and the development of a streamlined approach."
- (p40) "Another issue to be addressed in a collaborative setting is the development and application of Industry Standard Practice (ISP) determinations... We agree with SCE that the current ISP Guidance Document should be revised."



Process Overview and Discussions (cont.)

- Roles & Responsibilities of stakeholders and CPUC staff
- A debrief and lessons learned from T1WG Roles & Responsibilities
- What is success for T2WG?
- Process for Staff/Commission to respond to T2WG recommendations



Process Overview and Discussion (cont.)

- Proposed Schedule for Discussion
 - 4/11 **First Workshop**: Overall process & Schedule. Stakeholder input for topic 4 (small commercial definition) **LA**
 - 4/24 All comments on topic 4 submitted to stakeholder group for review
 - 4/25 **2nd Workshop** on Topic 3 and review of topic 4, **SF or SD?**
 - May 8 All comments on topic 3 submitted to stakeholder group for review
 - May 9 **3rd Workshop** on Topic 2 and review of topic 3, **SF or SD?**
 - May 22 All comments on topic 2 submitted to stakeholder group for review
 - May 23 **4th Workshop** on Topic 1 and review of topic 2, **LA**
 - June 6 Webinar on recommendations
 - June 30 submit final recommendation to CPUC staff.



Overview of First 4 Tasks

- ISP & Code Baselines (Keith Rothenberg)
- Tier 1 and 2 Preponderance of Evidence Requirements (Jeff Hirsch)
- Repair-Eligible, Repair Indefinitely Preponderance of Evidence Requirements (Jeff Hirsch)
- Small Business Definition and Documentation Requirements (Peter Lai)



Task 1: ISP & Code Baselines

Keith Rothenberg

Energy Metrics

Commission Staff Consultant



D. 16-08-019

- “Another issue to be addressed is the development and application of (ISP) determinations.”
- “We decline to stop reliance on ISP determinations.”
- “The current ISP Guidance Document should be revised.”



ISP Guide

- **Industry Standard Practice Guide**
Version 1.2A
- 1.2A April 30, 2014 Final living document,-
comments lead to revision SoCalGas
- <http://www.cpuc.ca.gov/General.aspx?id=4133>





D. 16-08-019 OP 27 & 28

OP 27: “Projects in the industrial sector that involve existing building improvements should have their baseline set in the same manner as commercial sector buildings.”

OP 28: “Other industrial sector program approaches should have their baselines set based on industry standard practice, which [the guide] needs to be updated.”



Code as Default Baseline

- “Code baseline has been the default baseline for California IOU energy efficiency programs for a long time.”



Resolution E-4818

- “Establishing **clarity** on the application of code baseline was not in T1WG scope.”
- “T1WG’s proposed definition of code baseline applies T24 (part 6) building code, regardless of whether there is a standard practice that exceeded code. We choose not to adopt this proposed definition at this time.”



DEER Baselines May Exceed T24

- “We acknowledge that ~~code~~ baselines in DEER often exceed Title 24 requirements, due to evaluation results that indicated standard practices were higher efficiency than code. The issues related to code and industry standard practice baseline will be addressed by the T2WG.”



E-4818: OP 25 1st Bullet

- “Consider and recommend **clarifying** policy for how to determine code baseline as they [the T2WG] address issues related to industry standard practice.”



D. 12-05-015 OP 151

- Commission Staff shall, with input from IOUs and other parties, develop recommendations on:
 - a. Whether it is appropriate to replace the **regulation, code, or standard baseline** with a typical installation baseline for use in calculating energy savings;



OP 151 con't

- b. Under what circumstances and based upon what kind of evidence such a change could be made;
- c. If the change to a typical installation baseline is made, how the baseline parameters should be established for use in setting ex ante values; and
- d. Assuming the above change, what are the time and budget implications for both Commission Staff and utilities for both ex ante and ex post savings development.



Task 1 High Level Scope

- Identify what Stakeholders recommend needs to be revised and updated in the ISP guidance document.
- Identify Stakeholder issues and recommendations concerning the lack of policy clarity in applying Code baselines.



Task 2 and 3

Jeff Hirsch, Commission Staff Consultant

- TASK 2: Tier 1 and 2 Preponderance of Evidence Requirements
- TASK 3: Repair-Eligible, Repair Indefinitely Preponderance of Evidence Requirements



Task 4

Small Business Definition and Documentation Requirements (Peter Lai)

E-4818 OP 25:

"Develop qualification standards and documentation requirements to identify a small-sized business customer."



Microsoft Word
Document



Custom Process Streamlining and ISP Guidance Efforts

- Steps to moving forward
 - Tackle the E-4818 tasks first.
 - ISP-Code baseline work will feed into the ISP Guidance Document update
 - Then take on the custom process streamlining and ISP Guidance Document updates.



Next Steps



Thank you.