Track 2 Working Group (T2WG) **Meeting Notes** **Meeting 7**	Monday, July 24, 2017 10 am to 4:00 pm SoCal Gas Tower 555 W. 5th Stree Los Angeles, California

Find T2WG materials at: http://t2wg.cadmusweb.com/
Email t2wg@cadmusgroup.com to join the T2WG mail list.

Attendees

See last page for the list of attendees who participated in-person or over the phone.

Action Items

1	Review Task 6 issues/proposals – send to t2wg@cadmusgroup.com any issues or proposals (regarding streamlining custom process) that you think should be added to the list	All
2	Draft a visual to depict all proposals with the custom process workflow to facilitate discussion of roadmap for addressing proposal	Cadmus
3	Solicit volunteers to complete priority proposals	Cadmus
4	Task 5 (ISP Guidance) – Review updated ISP table and send feedback on specific questions (See below)	All

Next Meeting

Wednesday, August 16, 2017
10 a.m. – 4 p.m.
Embassy Suites Hotel
1440 East Imperial Avenue
El Segundo, California, 90245

This meeting will focus on:

- Clarifying concerns on Task 1-4 proposals and reviewing options to close the gap where possible.
- Reviewing proposals to date on Task 5 (ISP Guidance) and 6 (Custom Streamlining)
- Establish roadmap to complete proposals on Tasks 5 and 6

Please RSVP to t2wg@Cadmusgroup.com so we know who and how many to expect.
We encourage people to attend meetings in person. For those unable to attend in person, a webinar and a call-in number will be provided.

Materials [http://t2wg.cadmusweb.com/]

Meeting agenda: T2WG_20170724_MeetingAgenda

Other reference materials:

- Task 5
  - Draft ISP table (see ISP Table v1.3 for the version revised after the meeting)
  - Find other materials in Task 5 folder
- Task 6
  - Summary of Task 6 (Custom Streamlining) Issues and Proposals
  - Draft template for project
  - Draft definitions (for project eligibility)
  - Find other materials in Task 6 folder

Meeting Notes

Behavior Change

Rick discussed critical elements of behavior change:

Behavior **C**hange = **M**otivation * **A**bility * **C**ulture/**C**ontext * **T**rigger

Stakeholder Group Exercise #1

Participants met with like stakeholders (e.g., all IOUs in one group, CPUC/EAR team in one group, implementers in one group) to discuss the following question and report back to the whole working group.

What are the changes you can make to streamline the custom process?

*To streamline the custom process, **I** will….*

- **IOUs**
  - Develop and implement standardized statewide process/documents/templates across the PAs using best practices
  - Produce a standardized statewide manual
  - Make project documentation easier to follow
  - Populate the disposition database
  - PG&E will make the following changes:
    - improve the overall quality of proposed/submitted projects that meet good project criteria per the CPUC and statewide policies (including the resolution outcomes)
    - communicate expectation for custom criteria, transparencies, and review timeliness (maximal iteration#)
    - reinforce best practices including change management in project development and contracting
- **CPUC/EAR Team**
  - Commit to a fixed timeframe for all reviews (with some flexibility based on project size). E.g., preliminary review in 15 days; for small/med projects a disposition in

30 days; large projects need more time. (if submittals are "organized and complete")
  - Compile a list of measures or activities or projects below a specific incentive level with relevant policies that would allow prospective review:
  - Allow a prospective review process for projects (1) below a certain size ($incentive) **and** (2) not a "new activity" **and** (3) in compliance with **past** dispositions and policy – EAR team would still collect information and review, but project would not be stopped during EAR review; EAR reserves some penalty if finds that projects are not consistent with past policy; new rules would not apply to retrospectively
  - Look for ways to reduce the number of projects selected – e.g., examine activities rather than projects; if projects coming in are aggregated and can be examined ahead of time, then reduce the need to pull large numbers of like projects (?)...
- **Implementers**
  - Commit to completing & submitting a complete package (if a complete package is defined).
  - Make project documentation easier to follow
  - Improve communication to help provide information on a project
  - Commit to getting early opinion on new activities or projects that might have a unique situation that implementers are unsure how to deal with
  - Respond to EAR data requests within an agreed upon timeframe (timeframe may vary based on the project/ask)
- Other Comments
  - Need to disseminate information more effectively – quarterly all-IOU meeting, regular webinar, etc… need public dissemination

Lunch Break

After lunch, participants separated into one of the following four subgroups to discuss key concerns and develop potential solutions, building off the proposals already presented in the Issues & Proposals document.

(The colored highlights in the section above map the change commitments and needs from the morning discussion to each working group.)

GROUP 1

- Issue 4 – Incomplete Project Packages
  - Complete package includes:
    - Well-written/complete M&V plan
    - Contracts and lease agreements w/dialogue
    - Commentary on basis of design
    - Documents that are created at the time of a conversation (not recreated after the fact); notes taken at a meeting
    - Clear definitive scope of work using correct terms; identification of measure type
    - Bad things
      - Poor M&V plan

            - Gaps (time lapse) in communication
            - Too much boilerplate
        - Well documented baseline (Esp. on large projects)
        - For small customers – document the meeting meetings at a time, including what the customer was considering doing at that time; EE team recommendations (i.e., document in real time not by recollection)
        - Avoid "snowflake on iceberg" -small incentive compared to project cost is weak evidence for financial influence
        - Evidence of change in decision on part of customer
        - Project descriptions should clarify what the project is (in context of other equipment)
        - complete package should include project/measure eligibility, measure type, influence, and appropriate baseline; and theri justifications and supporting evidence. Plus M&V, etc.
- Issue 5 – Ineligible/Inaccurate Assumptions in Projects
    - Clarify requirements on Influence
- Issue 6 – Unclear Expectations (Not that rock!)

Volunteers to continue working on this item:

- Tim/PG&E has submitted two documents for this (draft template and definitions);
- Cadmus will draft a simple template to identify information gaps
- Others TBD – IOUs will discuss next steps based on draft visual to connect all proposals and help design a roadmap

GROUP 2

- Issue 8 – EAR Process Too Long ["SLA & Timeframes"]
    - Make the timeline for EAR review more transparent – e.g., what is the best expectation on timing for each project, and let all parties know of this expected timeline
    - Support early review on projects (see Issue 7)
        - Challenges – how early is early enough? ; need to balance the value with resources (cannot intervene with every potential participant)
- Issue 12 – Inordinate EAR for Small Projects ["Tiered EAR Review"]
    - Need to define small
    - Discussion
        - Tiered system for POE; potential tier for EAR; consider tier for influence?
- Issue 10 – Communications on Projects through EAR
    - Bring in implementers on phone calls for the largest projects to help speed up the review; immediately upon selection (before EAR review)

Volunteers to continue working on this item – TBD

GROUP 3

- Issue 11 – Broken Feedback Loop
    - Making disposition more clear

    - Need a way to improve and ensure understanding of disposition and how to implement
    - Current disposition template can be improved; clarify terms; cite relevant previous dispositions (esp. on repeat errors)
    - Clarify what was reviewed (so those responding to action items know that information wasn't missed) [noted that this issue should also be improved by template developed by Group 1)]
    - Dispositions should include references on what sections were reviewed or should be referenced to understand action items or decisions
  - Disseminating information more effectively
    - SCE shared EPICs document on disseminating policy changes internally and to implementers (example)
    - Look into NDA among PAs to share dispositions directly
    - **Statewide Disposition database** – use keywords to make more searchable (or other searchable database in the interim)
    - Blog/Q&A forum (with many warning about only posting public info), so stakeholders to crowd-source questions on past decisions
    - Bring back the **quarterly meetings** (public, incl. all IOUs and implementers) to recap lessons learned on past dispositions
      - Which dispositions apply to all
      - Positive feedback – what is working well? Where are PAs improving? Where do they need focus?
    - Give positive feedback on the areas that meet expectations or are successful

Volunteers to continue working on this item – TBD

GROUP 4

- Issue 7 – Issues detected too late ("Early review"; review by activity; aggregating projects)
  - Recommendation – introduce a project development protocol (to be discussed at statewide gathering) to standardize elements across the PAs
    - Develop a standardized early review component – more emphasis on policy (?), less on savings
    - Look at PG&E's early policy review – baseline selection, measure types, influence, savings calc approach (e.g., use of DEER, use of M&V plan, etc.) – PG&E is able to review these items within a couple days, encourages implementers to submit this early review information as early as possible – gives the PA more opportunity to give timely feedback on required documentation
  - Potential early review touch point with CPUC staff – needs more discussion
- Issue 14 – Implications of EAR Selection on other projects
  - Look at changing the disposition format to help with feedback to PAs (as PAs work on standardizing their projects)
    - Past dispositions were more detailed; current format is short – may need to find a middle ground
    - When does a disposition apply to one or all PAs

- What portfolio areas are impacted
- Scoring system of “Fair, Good, Bad” including positive feedback – help PAs understand where to target efforts
- Think about what info should be collected for input into disposition database

Volunteers to continue working on this item – TBD

Task 5 – ISP Guidance

All materials on Task 5 are in the “Task 5” folder at http://t2wg.cadmusweb.com/

Tim Xu/PG&E presented the ISP Study Table to the working group and asked for input on a few items (See below). Since the meeting, PG&E has updated the table based on discussions during/after the meeting.

[ACTION] Please review the updated ISP Study Table (V1.3) and provide input on the following to t2wg@cadmusgroup.com and Tim Xu (ttx1@pge.com):

1. Do you agree with the three types of ISP study proposed in this table?
2. Do you disagree with any aspect of this table? If so, please explain your disagreement and propose an alternative solution/language.
3. Cells I6 and I7:
    - A tiered approach has been proposed for performer of the custom/site-specific ISP studies, leveraging the thresholds used in the existing ISP Guide for custom ISP studies. PG&E proposes an alternative tier (i.e., $100k of incentive payment) to align with tiers in Task 2. Do you agree with this proposed tier? If not, please provide your ground of disagreement.
    - For individual projects with savings above 0.5 GWh (or 200,000 therm) or similar measures with accumulative savings above 5 GWh (or 1 million therm), PA should proactively assess the applicability of market-based ISP study and perform such a study, while processing individual projects at hand using custom/ site-specific Standard Practice Baseline approach. In such situations, collaborative review with CPUC may be required. Do you disagree with this? If so please provide your argument and alternative solution.
4. Cell B6: the criteria for Phase 1 (eligibility, influence, measure type) should be addressed in Task 6. Do you agree with this? If not, please provide your argument and an alternative solution.
5. Cell B7: for phase 2 of the Custom or Site-specific ISP study process, follow the steps proposed in Standard Practice Baseline document (Task 1). Do you agree with this? If not, please provide your argument and an alternative solution.

Please send questions, comments, responses to t2wg@cadmusgroup.com and Tim Xu (ttx1@pge.com)

Attendees

Full Name	Organization	Meeting 6 Jul-24
Alfredo Gutierrez	SoCalREN/ICF	X
Alice Beltran	SoCal Gas	X
Alok Singh	SCE	X
Anuj Desai	SCE	X
Arlis Reynolds	T2WG Team (Cadmus)	X
Athena Besa	SDG&E	X
Bhaskar Vempati	CLEAResult	X
Brian Maloney	SCE	X (phone)
Bryan Pena	CPUC	X
Bryan Warren	SoCal Gas	X (phone)
Jeff Hirsch	CPUC Contractor (James J Hirsch & Associates)	X
Jim Hanna	Energy Solution	X (phone)
Katherine Hardy	CPUC	X
Keith Rothenberg	CPUC Contractor (Energy Metrics)	X
Kevin Wood	SCE	X
Kris Bradley	Itron	X (phone)
Mark Reyna	SoCal Gas	X
Michael Daukoru	AEG	X (phone)
Paden Cast	SoCal Gas	X
Peter Lai	CPUC	X
Rich Sperberg	Onsite Energy	X (phone)
Rick Diamond	T2WG Team (LBL)	X
Rod Houdyshel	SDG&E	X
Ryan Chan	PG&E	X
Sepideh Shahinfard	T2WG Team (Cadmus)	X
Shawn Fife	SoCal Gas	X
Siva Sethuraman	Cascade Energy	X
Spencer Lipp	Lockheed Martin	X
Tim Xu	PG&E	X (phone)
Shanna Dee	SDG&E	X