BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency Rolling Portfolio Business Plan. And Related Matters	Application 17-01-013 (Filed January 17, 2017) Application 17-01-014 Application 17-01-015 Application 17-01-016 Application 17-01-017

REPLY COMMENTS OF THE LOCAL GOVERNMENT SUSTAINABLE ENERGY COALITION

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For the Local Government Sustainable Energy Coalition (LGSEC)

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Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency Rolling Portfolio Business Plan.	Application 17-01-013 (Filed January 17, 2017) Application 17-01-014 Application 17-01-015 Application 17-01-016 Application 17-01-017
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Pursuant to the August 4, 2017 Administrative Law Judge (ALJ) Ruling providing for reply comments in this proceeding[1], the Local Government Sustainable Energy Coalition (LGSEC) replies to parties' comments on the proposed LGSEC Statewide Local Government Program Administration Business Plan[2] (LGSEC BP Proposal). The LGSEC BP Proposal was submitted on January 23, 2017 to build on current successes and solve significant problems currently impacting local government programs.

As Marin Clean Energy (MCE) stated, there are fundamental advantages to local government program administration over IOU program administration: 1) the unique ability to innovate in program design, 2) the ability to reach local constituents through existing relationships and programs, 3) access to non-ratepayer financial support and 4) authority and

[1] August 4, 2017 ALJ Ruling Clarifying July 25, 2017 Ruling and Denying, In Part, PG&E's Motion to Amend its Application, pp. 2 & 8. "…we are seeking from parties is a round of final comments and reply comments, intended to allow parties to wrap up any additional subjects not already covered and/or to supplement the record in this proceeding with more comprehensive comments on the full breadth of the proceeding issues."

[2] See *Motion of the County of Los Angeles, on Behalf of Southern California Regional Energy Network for Approval of its Energy Efficiency Rolling Portfolio Business Plan and Local Government Sustainable Energy Coalition Statewide Local Government Program Energy Efficiency Business Plan Proposal (LGSEC BP Proposal)*, January 23, 2017, Attachment B.

mandates for broader social goals that go beyond those of the IOUs. Local governments, MCE and the regional energy networks (RENs) have the authority and mandate to, among other things, integrate energy efficiency with GHG emissions reductions goals, local energy resiliency, climate action and development of community renewable energy resources.[3] LGSEC agrees with MCE that local government program administrators have these institutional advantages and, through the proposals presented in this proceeding, offer the Commission unique opportunities to maximize ratepayer benefits. Accordingly, LGSEC supports the MCE, BayREN, SoCalREN and TriCoREN business plans and urges the Commission to adopt them. The LGSEC BP Proposal utilizes these same unique strengths of local government, aggregates and scales them statewide to support all jurisdictions and to target those neglected or underserved today. LGSEC urges the Commission to adopt the LGSEC BP Proposal as the best, most appropriate approach to statewide energy efficiency local government program administration.

The investor-owned utility (IOU) comments oppose LGSEC's BP Proposal with repeated criticisms earlier presented and refuted by LGSEC in this proceeding. These reply comments respond to these objections in light of the whole record. Before considering specific IOU comments, it is important to note the key elements of LGSEC's proposal that the IOUs and their business plan (BP) proposals for local government partnerships (LGPs) do not address or resolve: 1) leveraging additional non-ratepayer funding sources, 2) providing meaningful access to energy use data, 3) pooling technical and training resources, 4) standardizing contract terms and conditions with local government input, 5) dedicating a single point of contact for the CPUC and 6) offering first line "ombudsman" conflict

[3] Final Comments of Marin Clean Energy, September 25, 2017, pp.12-13 and 31.

resolution between local governments and IOU or third-party implementers. The IOUs' comments ignore the fact that individually or in coordination, they are either unwilling, barred or have no incentive to produce the statewide consistency necessary for the administrative streamlining, data access and metrics reporting that a statewide local government program administration will be able to achieve. Moreover, the leadership and program administration provided by a non-IOU, non-profit organization with a public service mission dedicated to the success of local government programs, such as the Local Government Commission (LGC), cannot be matched by any single IOU program administrator (PA). Authorizing LGC to be the Statewide Local Government Program Administrator implements the new opportunity for non-IOU PAs outlined in the Commission's recent Guidance Decision.[4]

While the IOUs all oppose the move to statewide administration of LGPs in general and LGSEC's proposal in particular, it bears repeating that there appears to be significant agreement between LGSEC and the IOUs regarding local government program successes, areas where improvement is needed and areas where consistency is currently lacking.[5] The disagreements center on what the appropriate remedies should be. Current barriers to greater participation and realization of energy use reduction potential by local governments with Public Sector energy efficiency funding require coordinated, centralized and consistent administration. The LGSEC BP Proposal is tailored to these purposes. By contrast, while claiming to be engaged in activities to increase consistency between utilities, none of these efforts are documented in this proceeding.

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[4] D.16-09-018, Conclusion of Law #40 at page 102.

[5] Southern California Edison Company's Final Comments on Energy Efficiency Rolling Portfolio Business Plans (SCE Comments), September 25, 2017, at page 23; Opening Comments of San Diego Gas & Electric Company on Issues Raised in Proceeding (SDG&E Comments), September 25, 2017, pp.22-23; Pacific Gas & Electric Company's Opening Comments on the Energy Efficiency Business Plans (PG&E Comments), September 25, 2017, pp. 33-34; and Opening comments of Southern California Gas Company (SCG Comments), September 25, 2017, at page 11.

The IOUs and those LGPs that have commented in opposition to the LGSEC proposal essentially seek to preserve the status quo. The IOUs and the Rural Hard-to-Reach Working Group (RHTR), San Joaquin Valley Clean Energy Organization (SJVCEO)[6] and San Diego Association of Governments (SANDAG) fail to acknowledge the profound uncertainty inherent in the status quo. LGSEC submits that the LGPs do so at their own peril. The current LGPs are all implemented through contracts that have finite terms. LGPs have budgets that are vulnerable to cuts through annual Advice Letter filings at the IOUs' discretion and often face annual implementation deadlines or risk loss of funding awards. None of the IOUs, RHTR, SJVCEO or SANDAG discusses what will occur when their contracts inevitably face cancellation, renegotiation or review at the end of their current terms.

A look at the IOUs' BPs should give the Commission and local governments cause for concern. As earlier pointed out in this proceeding, there is a troubling disconnect between the IOUs discussion of improved programs, implementation of new "statewide consistency" activities and expanded program options and the corresponding static or declining Public Sector budgets. For example, SDG&E has just signed 2016 contracts with five-year terms. Those contracts would be honored for their full terms and any renewals, under the LGSEC proposal. However, SDG&E says nothing about what it proposes for beyond 2020. Yet its budget stays flat through 2025.[7] Current contracts for all the IOUs are subject to budget changes in annual advice letter filings implementing budget changes. SCE's 2016 advice letter filing included significant decreases in funding for local government programs.

[6] It is instructive to note that while SJVCEO has been a successful regional, multi-utility implementer, it is not a local government and as such is in a limited position to speak for local government partners. RHTR is not an exclusive source for proposals for hard to reach and disadvantaged communities, as evidenced by all three RENs business plans that target these groups.
[7] SDG&E Energy Efficiency Business Plan (January 2017) at page 100.

Likewise, its business plan includes a virtually flat budget projection for the Public Sector through 2025.[8] PG&E's Public Sector budget declines through 2025 as well.[9] SCG is the only utility showing modest increases in Public Sector budgets over the Rolling Portfolio period. Other parties to this proceeding have proposed that Public Sector program budgets be increased by 40% across the board to address lagging attention to energy efficiency potential, particularly in retrofits of public buildings.[10]

Moreover, D.16-09-018 orders fundamental change to the future of energy efficiency program design and delivery. The move to statewide administration for all midstream and upstream programs is an enormous departure from current program delivery. Likewise, the move to 60% third party program delivery by 2020 departs from current practice. The Commission articulated a sweeping change in the role of the IOUs in energy efficiency away from the current status as administrators, program designers and implementers to a new focus on determination of need and design at the portfolio level. [11]

In this context, the question before the Commission is whether it is appropriate for LGPs to be administered as a statewide program or to continue with individual, IOU-service territory specific programs. As proposed, the IOU Business Plans provide no certainty how LGPs will be redesigned to meet new Commission targets and objectives or be accountable for greater consistency statewide, as ordered. In addition, they do not address key data access issues nor offer any proposal to implement the Commission's common metrics initiative for local government programs within the Public Sector. LGSEC offers the only comprehensive proposal to address these statewide program needs, as discussed in the LGSEC BP Proposal,

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[8] SCE Amended Energy Efficiency Business Plan (February 10, 2017) at page 193, Table 52.
[9] PG&E Energy Efficiency Business Plan (January 2017), Chapter 04 at page 8.
[10] Coalition for Energy Efficiency (CEE) Protest, pp. 12 and 33-34; NAESCO Protest at page 10.
[11] D.16-08-019 at page 73.

Final Comments of LGSEC and earlier filings.[12]

The IOUs' Comments argue for indefinite retention of broad, one-sided discretion with no dedicated statewide oversight to enforce consistency or any other common interest within local government public sector energy efficiency programs.[13] Local governments would continue to be forced to fund and prosecute individual interventions for each utility going forward, file separate Commission complaints or seek other formal action as remedies for concerns, while still keeping pace with annual Advice Letter filings and Business Plan changes. By contrast, LGSEC's proposal would create a statewide program administration with a dedicated point of contact for the Commission and the local government program participants for statewide administration matters. This single reform could provide relief to all program participants, including the IOUs as well as the Commission's staff, from the current burden to resolve common problems in four separate service territories.

The IOUs do not explain how maintaining the status quo will address the impact of the Commission's order that the IOUs transition to 60% third party program delivery by 2020 on LGPs addressed anywhere. LGSEC's proposal would address this mandate, and to the extent possible, empower local governments to self-provide and staff to delivery LGP programs in their jurisdictions as third-party implementers.

It is also important to note that the IOUs do not have the incentive to eliminate the disparity between their energy efficiency programs in order to provide the same level of program quality, favorable time frames, contract terms and conditions and budget certainty that a statewide program administration could institute. For example, SDG&E appears to

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[12] E.g., LGSEC BP Proposal; Final Comments of the Local Government Sustainable Energy Coalition, September 25, 2017, pp.6-12. Response of the LGSEC to the May 10, 2017 ALJ Ruling Seeking Comment on Energy Efficiency Business Plan Metrics, July 14, 2017.

[13] SCE Comments at page 22 and 24; SCG Comments, pp. 11-12; SDG&E, pp.24-25.

provide the most favorable individualized LGP program design and five-year contract terms, but no other utility has endorsed this approach. [14] Edison touts its tiered Energy leader incentive program as a potential statewide program model but no other utility states a commitment to adopting this approach.[15]

There is some discussion of standardizing contract terms, but no effort has been made to date or any commitment to future vetting of those terms with local government and third party provider contract counterparties or negotiating additional requested terms and conditions.[16] Essentially, the IOUs propose to sort it out between themselves. The IOUs assert that their plans for increased consistency statewide are sufficient to meet LGSEC's concerns without creating a statewide administration. Inherent in each IOUs discussion of "consistency" activities is the assumption that the utilities, acting alone or in concert exclusively with each other, at their sole discretion, is sufficient.

The IOUs continue to provide only vague and limited gestures in the direction of increased statewide consistency, citing some effort to reform LGP agreements to "align them across IOU territories."[17] PG&E's Comments laud its own programs for their uniqueness and does not address consistency at all.[18] All IOUs argue that the LGSEC BP Proposal would disrupt existing local relationships, but only SCG has provided a commitment to continue those relationships by offering new agreements on similar terms when contracts terminate.[19] It is important to note that there is more to reform of existing LGP contract terms and conditions to establish statewide consistency than a meeting between the four IOUs. They are

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[14] SDG&E Comments at page 23, SoCalGas Comments, pp. 11-12; SCE Comments at page 23.
[15] Edison Comments at page 22.
[16] E.g., SCE Amended Business Plan, pp. 197-199; SCE Comments at page 22; SDG&E Comments at page 24.
[17] SCG Comments at page 11; SDG&E Comments, pp. 24-25.
[18] PG&E Comments, pp.33-34.
[19] SCG Response to Questions in Attachment B of the Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judges, June 22, 2017, pp. 2-3. PG&E Comments at page 36.

only one side of the agreements and cannot and should not presume to represent local governments' interests. The existing LGP agreements are structured with local governments in the role of "contractors" or "implementers" of the IOUs programs and therein lay a fundamental problem. These agreements require reform to make them truly partnership agreements that recognize the full investment of government funds and resources while fully crediting the energy savings results realized. The utilities cannot achieve these reforms in a private conversation between themselves without local government input and negotiation.

Taking cues from LGSEC's filings in the Commission's Energy Efficiency Rolling Portfolio Rulemaking Decision and LGSEC's draft proposal presented in the CAEECC, the IOU BPs mention the need for greater consistency but offered limited discussion of potential statewide reforms under consideration by each individual utility, no specific recommendations or uniform commitments from each utility to a common approach.[20] There is no jointly sponsored, clearly outlined program offered by all four IOUs and no assigned coordinator overseeing any of the efforts under consideration.

As pointed out earlier in LGSEC's Comments on the IOUs Business Plans, the only "statewide" tools identified for achieving improved consistency were utilization of the California Energy Efficiency Coordinating Committee (CAEECC) Public Sector Subcommittee or the State Energy Efficiency Coalition (SEEC). The IOUs and RHTR advocated that these two entities are appropriate venues for statewide LGP matters. The CAEECC is not designed nor equipped to take on the kind of comprehensive oversight and analysis, or development of technical tools, program design, or implementation and

[20] E.g., SCE Comments at page 21.

transaction materials that are necessary to accomplish meaningful statewide consistency.[21] The CAEECC is a stakeholder discussion and non-binding alternative dispute resolution process for all energy efficiency matters and was never intended to adopt or implement program reform. SEEC is a valuable resource, but its activities are likewise dedicated to support functions and its budget is already inadequate to its current mission. The breadth of tasks required for LGP consistency reform would overwhelm SEEC's current staffing and budget.

LGSEC wants to see statewide accountability in local government program administration by centralizing those functions that are common to all local government programs, bringing program offerings to local governments across IOU service territories and to those local governments that are not yet participants. This can occur while retaining the local IOU program implementation, technical support and local relationships that, when stable, have led to the successes described in some of the filings before the Commission.[22]

In addition to the foregoing, the IOUs leveled individual critiques summarized and addressed below:

1) that statewide administration is inappropriate for LGPs because they are inherently local, unique and specific to their respective jurisdictions and IOU service territories, 2) that if the Commission approved a statewide program area for local government programs, naming LGC as the program administrator is not appropriate, 3) that the LGSEC proposal's budget is unreasonable and 4) the proposal is not appropriate because consensus support did not result from the CAEECC process. These arguments are misleading, exaggerated or simply incorrect and should be disregarded. Each of these arguments is addressed in more detail herein.

[21] LGSEC to IOUs Energy Efficiency Rolling Portfolio Business Plan Applications, March 3, 2017, pp. 3-5.
[22] See Marin Clean Energy (MCE) Protest, pp. 13-14.

I. PG&E, SDG&E, SCE and RHTR OVERSTATE POTENTIAL DISRUPTION OF LOCAL GOVERNMENT PARTNERSHIPS UNDER LGSEC'S STATEWIDE LOCAL GOVERNMENT ADMINISTRATION PROPOSAL

PG&E, SDG&E, SCE and the RHTR describe potential dire consequences if LGPs move to a "uniform program design" from today's locally-tailored and -delivered energy efficiency LGPs.[23] These comments argue against a proposal that was not presented by LGSEC. These comments present a strawman that conflates statewide, uniform ***program administration*** with ***program design and implementation activities.*** The two are distinguishable, not equivalent. In discussing the maligned "one-size fits all" approach of statewide administration they oppose, each describes implementation activities' impacts that in fact, would not occur under the LGSEC proposal. Their discussion is misleading. As stated many times, the LGSEC statewide administration proposal will comply with Commission guidance and honor existing LGPs without disruption, and if successful, continue them and offer similar opportunities to new participating LGPs.[24] It is up to the utilities to continue to honor their current agreements, renew them into the future while continuing to staff them appropriately. The LGSEC BP Proposal anticipates scaling successful LGPs to make them

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[23] SCE Comments, pp. 21-22, PG&E Comments, pp. 34-35 (citing to RHTR Protest to Southern California Regional Energy Network's Motion for Approval of its Energy Efficiency Rolling Portfolio Business Plan and LGSEC Statewide Local Government Program Energy Efficiency Business Plan Proposal, March 3, 2017.)

[24] D.14-05-016, Ordering Paragraph 14 at page 112, discussion at page 68. LGSEC BP Proposal at page 15. Reply of LGSEC to the Parties' Responses to the April 14, 2017 Administrative Law Judge's Ruling Seeking Supplemental Information, Attachment, page 2. See also ***Response of LGSEC to the April 14, 2017 Administrative Law Judge's Ruling Seeking Supplemental Information***, June 22, 2017 (A.17-01-013 and related matters); ***Response of the Local Government Sustainable Energy Coalition to the April 14, 2017 Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judges***, (A.17-01-013 and related matters) May 15, 2017, pp. 9-15; ***Reply of the County of Los Angeles on Behalf of the Southern California Regional Energy Network and the Local Government Sustainable Energy Coalition to Protests and Responses on the Energy Efficiency 2018-2025 Rolling Portfolio Business Plan Applications***, (A.13-01-017 and related matters) March 10, 2017, pp. 30-42. ***Protest of the County of Los Angeles on Behalf of the Southern California Regional Energy Network and the Local Government Sustainable Energy Coalition to the Investor-owned Utilities' Energy Efficiency 2018-2025 Rolling Portfolio Business Plan Applications***, (A.17-01-013 and related matters) March 3, 2017.

available statewide where they are not currently operating. There is no intent to directly or indirectly remove local government autonomy in design or implementation of LGPs. There is also no intent to remove the utilities from their current support activities for LGPs. The LGSEC BP proposal is designed to empower local governments by aiming exclusively at administrative activities, development of technical and support capabilities that are not currently available statewide.

II. IF THE COMMISSION APPROVES LGSEC'S PROPOSAL, LGC IS QUALIFIED TO PERFORM AS PROGRAM ADMINISTRATOR AND WOULD PARTICIPATE IF THE COMMISSION SO ORDERS A COMPETITIVE PROGRAM ADMINISTRATOR SELECTION PROCESS

SCG and SCE state that should the commission authorize a statewide program, LGC should not be authorized as the PA for the new program, stating LGC is not experienced and requesting that the existing PA's determine which of them should be the assigned statewide PA.[25] LGSEC strongly opposes both of these arguments. LGSEC's proposal that the Local Government Commission (LGC), a long-standing statewide local government membership non-profit organization, become the Program Administrator for the Statewide Local Government Administration is well documented.[26] It is important to note that LGSEC has advocated for LGC for several important reasons: LGC is a non-profit with a Board of Directors representing local governments statewide, has a broad mission to support environmental and economic sustainability efforts, and is already performing SEEC duties. As a non-utility Program administrator, LGC would have no conflicts of interest between for-

[25] SCG Comments at page 11-12; SCE Comments at page 24.
[26] LGSEC BP Proposal, January 2017, Appendix A includes LGC qualifications and relevant project experience. Final Comments of LGSEC, September 25, 2017, pp. 4-5.

profit shareholder value obligations and energy efficiency program outcomes. As a governmental membership organization, it is also not a for-profit third party provider and therefore, not a commercial competitor of the IOUs. Moreover, LGC has a proven track record of bringing non-ratepayer funding sources to LGC-implemented programs.

The Commission has resisted using competitive procurement processes to assign program administration roles and has awarded single-source contracts for other energy efficiency programs. Some parties to this proceeding have suggested that a competitive procurement process determine the assignment of program administrator for the Statewide Local Government Program. LGSEC has no objection to such a process and LGC has represented to us that it would participate in any such competitive process authorized by the Commission. Moreover, while it is not preferable, should the Commission choose to authorize an IOU to perform the functions of statewide program administrator for the Statewide Local Government Program, LGSEC and LGC would work diligently and cooperatively with the IOU program administrator.[27] LGSEC and LGC are committed to realizing the benefits associated with statewide program administration for all local governments, not only its membership.

III. LGSEC COMPLIED WITH THE COMMISSION'S ORDER TO VET ITS BUSINESS PLAN DRAFT THROUGH THE CAEECC PROCESS.

SDG&E claims that lack of consensus support resulting from the CAEECC process makes the LGSEC BP proposal "unripe" for Commission Decision.[28] This is incorrect under both D.16-09-018 and D.15-10-028. In the Commission's recent Guidance Order, Conclusion

[27] See, for example, SCE Comments at page 24.
[28] SDG&E Comments at page 23.

of Law #53 stated:

> "We will consider LGSEC's proposal in the context of the business plans, if brought forward through the CAEECC process. Regardless of the LGSEC proposal, all business plans should also include strategies for improving consistency of LGP administration statewide."

LGSEC's participation in the CAEECC process is well documented. LGSEC received significant feedback during that process and the final, filed proposal address and incorporates many of the suggestions put forward. Consensus was not reached in support of the proposal as it was presented to the CAEECC. The exercise was instructive, yielding many constructive criticisms but, by its very nature, is not dispositive. It bears repeating that consensus support is not a prerequisite standard for a program administrator's filed, proposed business plan, as SDG&E suggests.[29] This argument betrays a fundamental misunderstanding and overstatement of CAEECC's authority. In creating the CAEECC, the Commission made clear that neither the stakeholder process within the CAEECC nor the presence of the Commission's Energy Division Staff is a substitute for the Commission's own authority.[30] For example, D.15-10-028, Conclusion of Law #9 states, "Commission Staff's participation in an informal process is not equivalent to Commission participation. Moreover, a stakeholder process, even with Commission Staff participation, is not necessarily an adequate substitute for Commission review of an application or advice letter."

In addition, SDG&E's "consensus requirement" would be entirely arbitrary since the IOUs are not held to the same standard. For example, although the IOUs have voluntarily

[29] SDG&E Comments at page 23.

[30] "First, PAs, not the Coordinating committee, are responsible for the content of what PAs file with the Commission (i.e., applications and advice letters)…This means that PAs, not the Coordinating Committee, will have the final say in what PAs file and/or post with the commission." D.15-10-028 at page 76; Conclusions of Law #7 and #9 at page 122.

submitted nominations for program administrators with responsibility for individual statewide programs, no consensus was reached in the CAEECC, as TURN notes in its comments.[31] Finally, the Commission recognized that non-utility entities could become program administrators without providing for a specific application process, and certainly did not make such applications dependent upon consensus support of the existing program administrators or member stakeholders in the CAEECC.[32]

It bears mentioning that PG&E claimed "LGPs rejected the LGSEC BP Proposal in the stakeholder process."[33] PG&E makes it sound as if all LGPs oppose the LGSEC BP Proposal. This is incorrect. While there was criticism from some LGP's or LGP implementers, it should be remembered that LGSEC's Board of Directors approved and support this initiative. The Board of Directors is entirely comprised of local government energy managers with LGPs in each utility's service territory. To claim that "LGPs rejected the LGSEC BP Proposal during the stakeholder process" is a gross overstatement. Obviously, the LGSEC BP Proposal is an LGP proposal from local governments in the first instance.

IV. THE LGSEC BP PROPOSAL IMPLEMENTS COMPREHENSIVE STRATEGIES TO SOLVE DATA AS WELL AS COMMON METRICS ISSUES NOW

While the problems summarized in LGSEC's Final Comments, and many earlier filings in this proceeding, have existed for many years, the IOUs have not addressed how to resolve them. SDG&E claims that the barriers LGSEC has enumerated do not apply to them.[34] On the contrary, the lack of baseline data, data access, and common metrics issues apply to all

[31] TURN Protest, pp.11-12.
[32] D.16-09-018, Conclusion of Law #40 at page 102.
[33] PG&E Comments at page 35.
[34] SDG&E Comments at page 23.

the utilities' LGPs. This is not surprising given that local governments programs are just one of many priorities for the IOUs and that the work that is necessary to resolve these issues is a major undertaking.

SCE supports an early Natural Resources Defense Council (NRDC) recommendation that further review is required before approving the LGSEC BP Proposal.[35] All the issues raised by NRDC have been addressed by LGSEC in this proceeding and therefore all are ripe for final decision. More important, is that this suggestion fails to appropriately acknowledge the serious, systemic problems addressed by the LGSEC BP Proposal and the significant professional and financial resources invested in putting forward a proposed business plan through the CAEECC, hosting additional webinars and stakeholder input forums that included the parties in this proceeding, revising and filing a new proposal and participating fully in each step of this unusually demanding proceeding on a highly accelerated and ambitious schedule. If there were short term steps that adequately addressed the concerns of local governments, the Commission and NRDC can be assured that they would already have been taken. Accordingly, the Commission should not delay consideration of the LGSEC BP Proposal to some future, undetermined date, as NRDC suggests.

Resolving these issues requires an organized process to gather data from the four IOUs to gain a clear and complete picture of what existing local government programs are doing in order to set appropriate sector-level metrics, baselines, and targets. LGC is the only prospective program administrator that has demonstrated a commitment to compiling this information on a statewide basis through its existing LGP inventory and data access proposals. Under current rules, funding LGC to partner with a research institution to build an

[35] SCE Comments at page 23, citing NRDC Response to Program Administrator Applications, March 3, 2017.

energy use data base and analysis platforms like the UCLA Energy Atlas, is likely the only means whereby multi-jurisdictional data can be aggregated together and made accessible to local governments while complying with confidentiality restrictions. The Commission should authorize LGC to implement the LGSEC BP Proposal as the only appropriate and comprehensive solution proposed in this proceeding to timely resolve complex data issues.

V. LGSEC'S PROPOSED BUDGET IS JUST AND REASONABLE AND SHOULD BE AUTHORIZED.

SCE opposed the LGSEC BP Proposal's funding request of $17.55 million over 10 years, making the hyperbolic claim that this funding threatens program cost-effectiveness.[36] This argument is unpersuasive. LGSEC's BP Proposal budget represents a small fraction of the $8 billion in energy efficiency funding requested in this proceeding. LGSEC's funding request is just and reasonable for a new statewide program of this scope and breadth. Accordingly, the Commission should authorize the full LGSEC BP Proposal funding request.

VI. CONCLUSION

For all the foregoing reasons, LGSEC respectfully requests that the Commission adopt the LGSEC BP Proposal as filed, including the authorization of a new statewide local government program, LGC as the program administrator for the new statewide local

[36] SCE Comments at page 22.

government program and the full LGSEC BP and associated budget as described and requested by LGSEC in the record in this proceeding.

Respectfully submitted,

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