

**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

**COMMENTS OF THE LOCAL GOVERNMENT SUSTAINABLE
ENERGY COALITION TO THE JULY 14, 2017 REVISED METRICS FILINGS**

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For the Local Government Sustainable
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Dated: July 24, 2017

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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)
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**COMMENTS OF THE LOCAL GOVERNMENT SUSTAINABLE
ENERGY COALITION TO THE JULY 14, 2017 REVISED METRICS FILINGS**

Pursuant to the May 10, 2017 Administrative Law Judge’s Ruling Seeking Comment on Energy Efficiency Business Plan Metrics (Metrics Ruling), the Local Government Sustainable Energy Coalition (LGSEC)¹ submits Comments addressing the Revised Metrics filed on July 14, 2017 (Revised Metrics). The Metrics Ruling presented a proposed set of common portfolio and sector-level metrics for tracking and periodic reporting by all program administrators (PAs). PAs and prospective PAs filed a revised set of comprehensive metrics with suggested targets for each. All parties were invited to comment and reply to comments on these filings.² On June 9, 2017, the Administrative Law Judge Ruling Modifying Schedule extended the deadline for this filing to July 24, 2017. LGSEC has reviewed the Revised Metrics and presents these Comments in response.

LGSEC is the proponent of the Energy Efficiency Statewide Local Government

¹ The LGSEC is a statewide membership organization of cities, counties, associations and councils of government, special districts, and non-profit organizations that support government entities. Each of these organizations may have different views on elements of this Application, which were approved by the LGSEC’s Board. A list of LGSEC’s members can be found at www.lgsec.org. LGSEC is a program of the Local Government Commission (LGC). The LGC is a 35-year old non-profit organization supporting local government leadership in land use, energy and water sustainability.

² Metrics Ruling pp.13-14.

Program Administration Business Plan proposal (LGSEC BP Proposal) that encompasses existing and future new local government partnerships and programs. As previously discussed in LGSEC's July 14, 2017 Revised Metrics filing, the Commission's common metrics initiatives fit well with the LGSEC BP Proposal. The effort to define metrics for the Public Sector programs, as well as local government program activities across all sectors, is one component of energy efficiency program delivery and oversight that urgently needs a dedicated, statewide infrastructure, as LGSEC has proposed. The investor-owned utilities' Revised Metrics filings demonstrate the need for such a statewide administrator in the metrics context, as discussed below. LGSEC fully supports the Commission's efforts to establish common metrics statewide for the first time and urges the Commission to adopt the LGSEC BP Proposal to further these goals.

Common Metrics Proceedings Should Continue after Decision on Business Plans:

LGSEC urges the Commission to allow review and resolution of the proposed Business Plans to proceed to decision without further stakeholder consideration of the new July 10 Energy Division (ED) staff proposals. LGSEC agrees with Pacific Gas & Electric Company (PG&E) and other IOUs that stakeholder review, analysis and discussion is required on par with the level of attention and process accorded the initial proposed May 10, 2017 Common Metrics.³ However, doing so in the context of this consolidated proceeding is neither desirable nor necessary. The parties have taken extraordinary steps and dedicated significant resources to meet the demands of this parallel policy process in the context of the pending business plan applications. The on-going discussion of Revised Metrics will not suffer from a continuation outside this proceeding. It can continue and will ultimately be more appropriate in parallel

³ PG&E Revised Metrics at page 2. San Diego Gas & Electric Company (SDG&E) Revised Metrics at page 4, Southern California Edison Company (SCE) Revised Metrics at page 3. Southern California Gas Company (SCG) Revised Metrics, pp. 2-3.

with the implementation plan review process that will follow from the Commission's decision on business plans.

As many of the parties have pointed out, the number of proposed Common Metrics and the level of granularity implied by the Revised Metrics (including July 10 Staff Guidance) raises numerous questions regarding the program-level, and in some cases measure-level, detail that is typically included in Implementation Plans, not Business Plans (BPs). While some level of program-specific discussion has been helpful, it is unnecessary to continue this inquiry at this level of detail at this time.⁴ LGSEC strongly urges the Commission to consider new, tailored common metrics together with their administrative and cost burden implications with sufficient time after the Commission decision on the proposed BPs. The Commission should consider the compliance obligations to amend the BPs with Revised Metrics to be complete upon the final Reply Filing on Revised Metrics, due on July 31, 2017.

ED Staff's July 10 Common Metrics include important Public Sector improvements:

Some parties, including LGSEC, have incorporated some of the July 10 Staff Guidance where possible in the time allotted and this should be sufficient record to consider Revised Metrics in this proceeding. LGSEC supports, in concept, the inclusion of several of the new metrics added in the July 10 Staff Guidance document. In particular, LGSEC believes that tracking greenhouse gas (GHG) emissions and reductions targets will better align ratepayer-funded energy efficiency activities with California's SB 350 goals. In fact, LGSEC had included GHG reductions metrics in its Revised Metrics.⁵

LGSEC appreciates ED staff's effort to better articulate Public Sector metrics for the

⁴ SDG&E Revised Metrics at page 4.

⁵ LGSEC understands that this metric can be complicated to calculate and will appreciate the opportunity to work with the other PAs to design an effective and accurate approach to converting energy savings into emission reductions results across California. Ideally, this approach should be one that is easily managed, not overly burdensome to calculate and consistent with other adopted GHG emissions reduction calculation strategies.

full range of local government activities incorporating energy efficiency measures at public facilities. The new Common Metric measuring average energy savings (kWh, KW, therms) per annual flow through project water pumping or wastewater facilities is one good example. This new Common Metric and others to be identified may allow local governments to capture savings not adequately addressed by measures associated with building square-footage.

Many PAs have commented on the difficulty associated with obtaining square footage data. However, data associated with “building floor plan area” proposed in the July 10 Staff Guidance may actually be more difficult to obtain than building square footage. As a new PA dedicated to local government programs, LGC would access input from local governments about the extent to which these modified and new Common Metrics are trackable and meaningful for future Public Sector Common Metrics development. In addition, LGC would collect local government input on better ways to gauge Public Sector performance for energy efficiency work conducted on the full range of diverse public facilities, such as, publicly-owned hospitals, transportation systems, waste water, other water pumping facilities and streetlights.

Lack of Consistent Public Sector definitions, Data and Metrics should be addressed:

The IOU Revised Metrics filings make it impossible to identify in which sector local government activities are included by each individual IOU. SDG&E, for example, points out that there is no common definition for “Public Sector”, an issue that requires attention in future metrics development discussions. In the meantime, SDG&E proposes to estimate public sector metrics within commercial, agricultural and industrial sectors. SDG&E proposes to track Public Sector data independently with BP approval for 2018 and beyond,

recognizing that there are neither budget baselines nor targets available to date.⁶ In contrast, PG&E proposes to include “Public Sector” metrics within public buildings and square footage in its Commercial Sector calculations.

PG&E notes the lack of baseline for Public Sector buildings as well and proposes to use those that are benchmarked, presumably through new AB802 activities, for 2018.⁷ PG&E calls for a study to explore a common definition of the Public Sector across PAs that is consistent with what will be used in future Potential and Goals studies.⁸ The Commission should direct the IOUs to describe how LGP performance is attributed within each applicable sector by individual service territory.⁹

The IOUs Revised Metrics highlight the current lack of a consistent definition for the Public Sector, tracking and reporting of public energy efficiency in general and local government activities in particular. Significant gaps in existing targets, potential and goals, baseline data as well as a lack of comprehensive tracking of existing data across IOUs is similarly apparent from these filings.¹⁰ The LGSEC BP Proposal is designed to remedy this situation and fits well with the Commission’s Common Metrics initiative. A dedicated, infrastructure for local government programs would be the only entity with the ability and incentive to provide the statewide consistency when developing and operationalizing new, statewide Common Metrics. As a new PA, LGC’s first phase analysis would report local government program benefits and performance at the appropriate sector level. In addition, gaps in existing data within each IOU and across the state can be identified and targeted for

⁶ SDG&E Revised Metrics, pp. 14-16.

⁷ PG&E Revised Metrics at page 24.

⁸ PG&E Revised Metrics, Appendix 1 at page 24.

⁹ Note that the IOUs Budget Filings showed that Local Government Partnerships (LGP) are managed very differently under each IOU. In some cases, budgets do not seem to reflect that many LGPs currently operate programs across multiple sectors and instead categorize LGP exclusively under the “Public Sector”.

¹⁰

remedy.

Data access specific to new Common metrics should be provided to LGC to support these and other activities in the first phase transition to the new statewide LG administration. The LGSEC BP Proposal includes establishment of statewide data access for local governments on par with UCLA's Energy Atlas. However, there are immediate data needs to fulfill the Commission's common metrics goals as well as other SB350 goals that require access to local government specific data within the IOUs' data bases. Providing LGP past participation data will be key to the success and consistency sought by the Commission for all LGP activities across California.

LGSEC requests that the Commission direct the four IOUs to compile and share prior program participation data with LGC (or any entity that becomes the PA for the new statewide local government program administration) to support new program participation metrics. Marin Clean Energy (MCE) made its request for this data in its BP and in its Revised Metrics filing that PG&E be directed to share its prior program participation data.¹¹ MCE points to the July 10 Staff Guidance on metrics to track participants that have not received an incentive for the past three years. LGSEC supports MCE's request and agrees that this data is necessary for other metrics as well as for identifying and calculating available savings potential, targeting new customers and tracking new customer participation. These benefits are relevant to all sectors.

Conclusion:

For all the foregoing reasons, LGSEC respectfully submits these Comments and requests that the Commission authorize the LGSEC BP Proposal, including the elements discussed herein.

¹¹ MCE Revised Metrics, pp. 4-5.

Respectfully submitted,

A handwritten signature in cursive script that reads "Irene K. Moosen".

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