

RTR Appendix

Southern California Edison, Pacific Gas and Electric, Southern California Gas, and San Diego Gas and Electric (“Joint Utilities” or “Joint IOUs”) developed Responses to Recommendations (RTR) contained in the evaluation studies of the 2013-2015 Energy Efficiency Program Cycle. This Appendix contains the Responses to Recommendations in the report:

RTR for the PY2013-14 Third Party Commercial Program Value and Effectiveness Study Report (Volumes I and II) (Opinion Dynamics Corporation, Calmac IDs #CPU0128.01 and #CPU0128.02, ED WO #ED_I_Com_2)

The RTR reports demonstrate the Joint Utilities’ plans and activities to incorporate EM&V evaluation recommendations into programs to improve performance and operations, where applicable. The Joint IOUs’ approach is consistent with the 2013-2016 Energy Division-Investor Owned Utility Energy Efficiency Evaluation, Measurement and Verification (EM&V) Plan¹ and CPUC Decision (D.) 07-09-043².

Individual RTR reports consist of a spreadsheet for each evaluation study. Recommendations were copied verbatim from each evaluation’s “Recommendations” section.³ In cases where reports do not contain a section for recommendations, the Joint IOUs attempted to identify recommendations contained within the evaluation. Responses to the recommendations were made on a statewide basis when possible, and when that was not appropriate (e.g., due to utility-specific recommendations), the Joint IOUs responded individually and clearly indicated the authorship of the response.

The Joint IOUs are proud of this opportunity to publicly demonstrate how programs are taking advantage of evaluation recommendations, while providing transparency to stakeholders on the “positive feedback loop” between program design, implementation, and evaluation. This feedback loop can also provide guidance to the evaluation community on the types and structure of recommendations that are most relevant and helpful to program managers. The Joint IOUs believe this feedback will help improve both programs and future evaluation reports.

¹ Page 336, “Within 60 days of public release of a final report, the program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings. The IOU responses will be posted on the public document website.” The Plan is available at <http://www.energydataweb.com/cpuc>.

² Attachment 7, page 4, “Within 60 days of public release, program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings as they relate to potential changes to the programs. Energy Division can choose to extend the 60 day limit if the administrator presents a compelling case that more time is needed and the delay will not cause any problems in the implementation schedule, and may shorten the time on a case-by-case basis if necessary to avoid delays in the schedule.”

³ Recommendations may have also been made to the CPUC, the CEC, and evaluators. Responses to these recommendations will be made by Energy Division at a later time and posted separately.

Response to Recommendations (RTR) in Impact, Process, and Market Assessment Studies

Study Title: PY2013-14 Third Party Commercial Program Value and Effectiveness Study Report (Volumes I and II)

Program: Multiple Nonresidential Commercial

Author: Opinion Dynamics Corporation

Calmac ID: CPU0128.01 and CPU0128.02

ED WO: ED_I_Com_2

Links to Reports: http://calmac.org/publications/CPUC_3P_Report_Vol_I_FINAL_Published_Aug_2_2016.pdf

http://calmac.org/publications/CPUC_3P_Report_Vol_II_FINAL_Published_Aug_2_2016.pdf

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1	V1-5 V1-69	General	For small and medium-size businesses, the no- or low-cost measures and direct install services are more critical than some of the technical assistance services (such as the audit) for the customer to pursue EE upgrades. Customer surveys revealed that customers placed lower importance on the audit itself. Nevertheless, the audit is needed for the program to assess the facility and to identify energy efficiency improvements; therefore, it is valuable to the program's implementation even if it may be of lesser value to the customer than free, direct install measures.	Place less of an emphasis on the audit for small and medium-size businesses as a selling point in promotional efforts to prospective participants.	All IOUs	Accepted	PG&E will consider this feedback in program redesign efforts going forward. PG&E is also evaluating how to best target and small and medium-size businesses in the current draft Stage 3 business plans.	Rejected	SCE disagrees with this recommendations. Conducting on-site audits are important to the overall direct-install program design and implementation. These on-site audits also gather important customer data to assess the overall energy baseline and efficiency for the properties.	Other	SCG is in the process of rolling out DI programs for its SMBs, however, audits will be needed in order to identify available measures for those customers. These DI programs can receive leads from third party programs that offer technical assistance/audits	Other	SDG&E agrees that customer tools should be used to point our customers to available EE solutions, and other third party programs. However, the audit is one of those valuable tools that SDG&E uses in gathering baseline and site data. SDG&E will continue to utilize audits as both a selling point for EE measures and as part of project tools for customers.	The recommendation is to place less emphasis on the audit as a selling point, instead focus on other tools used and the benefits of the measures. The audit extremely valuable. Audits gather efficiency needs and cannot be eliminated.
2	V1-6 V1-69	Hospitality	For customers in the hospitality industry, case study importance scores indicate diverse market needs, as some highly valued technical assistance and some did not. The LodgingSavers program served very large hotel chains and smaller "mom and pop" hotels. The program also offered both direct install services and larger, customized retrofits.	Better targeting may be needed to reach only those hospitality customers who would not pursue energy efficiency upgrades on their own without the program's technical assistance.	All IOUs	Accepted	At the end of 2015, PG&E Programs researched historic customer participation and hospitality market needs to re-define and re-scope existing programs to more efficient target Hospitality and Lodging sub-segments. Launched in 2016, the new "Hospitality" program was redesigned to focus on larger hospitality customers (over 100 kw in average peak demand) across the entire PG&E territory, while the local Energy Watch Programs were redesigned to focus on "smaller" SMB hospitality customers 100 kw and over).	Accepted	SCE accepts this recommendation. SCE will work with the appropriate Third Party implementer/s to improve customer targeting and to reduce program free-ridership.	Other	SCG accepts this recommendation. SCG will work with the appropriate Third Party implementer/s to better target appropriate customer segments to address free-ridership.	Other	SDG&E does not currently offer a program that is specific for this category.	
3	V1-6 V1-69	Schools	Customers in the school sector expressed a mixed need for technical assistance. Schools highly valued the technical assistance related to retrocommissioning, and even suggested that further assistance and training in this area would be beneficial. However, schools that pursued retrofit measures through PREPPS or SCE's School EE program expressed only a moderate need for technical assistance.	School programs could provide more value by expanding their measure mix with more outdoor lighting (particularly for stadiums and parking lots), LEDs, and hallway lighting.	All IOUs	Other	PG&E schools programs already include the recommended measures. The recommendation does not address the findings. The findings is about technical assistance, but the recommendation is about measure mix. Please clarify.	Other	SCE has taken steps to expand the current SEEP offering to include cost effective LED and control measures. Some leverages co-pay mechanism to allow schools to apply Proposition 39 funding to their projects. Additionally, the finding may also be related to the specific school's staff and their knowledge level about energy efficiency. SCE appreciates the recommendations to expand cost-effective measures to serve the schools.	Other	Not Applicable - The recommendation is to add more outdoor lighting.	Other	At this time, SDG&E does not offer a specific program for schools, but SDG&E understands the concept that school programs could expand the measure mix.	

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4	V1-6 V1-69	Healthcare	Customers in the healthcare sector had polarized views on the importance of the rebate. The Healthcare EE program had only eight participants and only five of them responded to the case study participant survey, so the information is limited to only a few customers representing this sector. However, given the polarized view on the importance of the rebate, the program may consider whether it should emphasize technical assistance more than rebates to the healthcare sector.	Healthcare programs should consider whether it should emphasize technical assistance more than rebates to the healthcare sector.	All IOUs	Other	PG&E acknowledges the findings. PG&E also agrees that the sample size of this survey is too small to make an informed decision. Direct Install programs have proved to be in demand on small healthcare facilities. The current scope of work does have a form of technical assistance in the form of project management and quality control checks on the hired contractor for the energy efficiency installation. The current Third Party Implementer will also provide feedback on bids to the customer (if requested). PG&E will work with the implementer to collect more information on the demand for technical assistance in lieu of incentives.	Rejected	SCE acknowledges the findings. However, we cannot make this program design decision based on this limited findings. We will work with the Third Party implementers to assess the importance of technical assistance (i.e., audits, etc.) to see if this can off-set the incentive offering. We think this recommendation requires more vetting and consideration.	Other	N/A	Other	SDG&E does not currently offer a program that is specific for this category.	
5	V1-6 V1-69	Boiler EE	Commercial customers upgrading boiler systems indicated only a moderate need for rebates and technical assistance. The program generated the highest gas savings and the second highest energy savings (measured in BTU) across all programs in the study. However, moderate importance scores (4.4–6.7) for core program features and low cost-effectiveness (total resource cost [TRC] of 0.64) raise the question of whether the rebate offered through PG&E's Core program would adequately address the market need.	Boiler rebates offered through PG&E's Core Program may adequately address market need.	All IOUs	Other - need more info	We will ensure our Programs and Products teams have this information as part of their review of incentive levels. Given the high conversion rate from audit to project it would seem that the technical assistance provided by Boiler 3P has more than a 'moderate' impact.	N/A	N/A	Other	N/A	Other	N/A	
6	V1-7 V1-70	General	Consider maximizing program value based on some of the customers' input from case studies regarding what the programs could further offer to help them save energy. Please refer to Section 6 for more details.	While most customers described the program design of 3P programs as sufficient, they commonly recommended including more eligible EE products, more communication on energy saving opportunities and benchmarking to other businesses, additional training or assistance in advanced analytics-enabled Retrocommissioning programs, and more guidance from implementation staff when developing the project scope.	All IOUs	Accepted	For specific large Commercial customers with more advanced levels of energy efficiency understanding, PG&E is working to develop long term energy management plans as a new technical service offering. In general, PG&E is working to provide a range of options for customers to engage in energy efficiency programs based on their level of sophistication and specific business needs. The Commercial Programs team has detailed this approach to meeting the customer at their stage of readiness for energy efficiency in the current Stage 3 draft Business Plan, along with continuing the team's existing approach to serving the market based on a segmentation of the largest customer types.	Other	SCE appreciates that the 3P participants are seeking a wider range of measures and program services, however, this must be tempered by cost-effectiveness concerns. SCE currently offer other measure mix, Continuous Energy Management and other services through our core program also. It makes sense to engage the 3P implementers in a discussion to make sure the wide array of program measures and services are properly presented across the portfolio.	Accepted	While it may not be possible to change the scope of on-going competitively-bid Third Party Programs, SCG can include more eligible products in new solicitations. SCG can also take into consideration any recommendations from case studies as well as the Third Party implementers proposing new program designs.		SDG&E agrees that offering a broader mix of measures and program services can be beneficial to our customers, however, it may be difficult to add new measures at this point in already existing programs. SDG&E will look to our implementers to include new solutions in the future. SDG&E does feel that we need to be cautious when sharing energy saving and benchmarking information between implementers and customers.	A partnership between ETP and 3P programs would benefit programs and result in an offering a broader mix of measures and program services.

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7	V1-7 V1-70	Emerging Tech	The majority of 3P Commercial programs targeted hard-to-reach markets with established technologies (29 of 38). While these programs generated the bulk (93%) of combined savings (BTU) in the 2013–14 cycle, the 3P programs were intended as a vehicle to enable more innovation.	The IOUs should seek ways by which they can encourage more-innovative program designs in 3P through its IDEEA365 solicitation process. One way to do this may be to start better coordination with the Emerging Technologies Program throughout the program solicitation process.	All IOUs	Accepted	PG&E acknowledges the need for better coordination between Programs and Emerging Technology (ET) teams as one way to enable and introduce greater program innovation into the marketplace. While Programs currently collaborates with ET on specific initiatives ET-led such as TRIP, IDEEA365, and EPIC, the team will seek greater opportunities for coordination in the program solicitation process. The team will also consider annual idea-exchange or pitch forums designed to solicit new ideas prior to formal program proposal submissions.	Accepted	SCE accepts this recommendation since coordination with the ETP program is an ongoing activity. In addition, SCE has the following comments: <ul style="list-style-type: none"> We cannot rely on a single source for innovation and good ideas. IDEEA365 is one of the vehicles for the IOUs to explore program innovation, and we have other sources. SCE will continue to aggressively seek new program design and implementation innovations for the Third Party Programs. Coordination with ETP to seek innovation is an ongoing effort. For measures, services and delivery channels to move to “production” programs to generate energy savings, they must meet certain requirements. SCE uses pilots/trials to test these concepts prior to scaling the program investments. Furthermore, proper documentations such as approved workpapers are also required in a production program. In summary, SCE will continue to coordinate work with the ETP program, but additional qualifications are required for 3P program implementation. 	Accepted	SCG has had significant success in onboarding innovative program designs through its IDEEA 365 process. (Examples: Historical Buildings Energy Efficiency Program, Clear Ice program for Ice skating rinks, etc.) These program ideas came through the IDEEA 365 solicitation process, with involvement in program evaluation from various internal stakeholders including Emerging Technologies. SCG intends to continue this practice. SCG also has implemented a robust internal Stage Gate process for inviting and evaluating new measures and program ideas from various sources including ET and through 3PP Portfolio Of Future program managed by Navigant, etc.). SCG has also conducted a TRIP solicitation through IDEEA 365, exclusively for emerging technologies that are promising where work papers have not been developed.	Accepted	SDG&E does agree that better coordination with the Emerging Technologies team during solicitations makes sense. SDG&E continues evaluation of Round 4 of IDEEA 365, and is currently considering adding two programs. There are innovative aspects to each, and these programs may fill gaps in the EE portfolio. With respect to innovative 'technologies', while we didn't see many that were new and innovative, we did include our ET team in final results and did, in fact, pass one technology/program to the ET team for evaluation.	
8	V1-7 V1-70	General	Ensure that the program technologies and sectors align with where the energy saving potential is. These programs were providing great value if they obtained cost-effective net energy savings in technologies or sectors with the most energy saving potential.	In the future, the IOUs, and the working group, should consider the latest findings from commercial potential studies when deciding what programs to keep, what programs to drop, and what new programs to launch.	All IOUs	Accepted	PG&E agrees with this recommendation and will continue to consider and include the findings from the commercial potential studies in its work. These studies have informed the Commercial Programs team's current approach to serving the Commercial market based on a segmentation of the largest customer types.	Accepted	SCE agrees with this recommendation. SCE reviews the potential study when seeking Third Party Programs today. However, whether or not to terminate a program may also involve consideration for implementer's performance and customer response. In addition, SCE and the other program administrators are sensitive to the effects of market transformation and maturity. We will continue to monitor these key concerns.	Other	SCG will consider the potential study findings as one of the criteria in evaluating programs to keep, drop or launch, in addition to other criteria such as actual program results, cost effectiveness, etc.	Other	SDG&E does consider the findings from potential studies important in portfolio and program design. There are many other factors, which vary by service territory, that are considered as well.	

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9	V1-8 V1-72	General	According to program implementation staff, about one-third (10 of 29) of the active programs did not refer their participants to other IOU programs. The remaining implementers did not have formal referral processes, but mentioned Core programs and on-bill financing to participants or IOU Account Executives as they saw fit. Only a few also mentioned DR programs or other 3P programs. Few referrals is not surprising; implementers had little incentive to refer customers because they operated under pay-for-performance contracts and focused on participation in their own programs. To maximize energy savings from hard-to-reach customers in the commercial sector, the IOUs should therefore consider a process that supports or incentivizes referrals to other energy efficiency programs. One way to overcome this disincentive is to centralize EE program information in one statewide website that provides easy access to EE program information for commercial customers, perhaps as part of the Energy Upgrade CA statewide marketing initiative. Another way may be to build a requirement to provide referrals to the appropriate Core programs into the contract between the IOU and implementer.	Consider more-systematic referrals to other EE programs via a centralized and statewide EE program website that provides easy access to EE program information for commercial customers, perhaps as part of the Energy Upgrade CA statewide marketing initiative.	All IOUs	Other	Need more information. PG&E agrees that there are opportunities to improve cross-program referrals and will explore ways to do this. Current efforts at greater cross-offering collaboration include IDSM.	Accepted	SCE is working on a more-systematic referral process for the entire portfolio of programs on our website and through our Business Account Executive team. We agree that this process can be improved. In 2017 Third Party Program implementation, SCE will investigate and implement more uniform methods to provide easy access to EE program information. We will look to design Key Performance Indicators (KPIs) to monitor this concern. This item will be followed-up on our 2017 PIP submittal early next year.	Other	SCG customers can only take advantage of programs that are offered in its service territory. All SCG's 3PPs are listed on socialgas.com and the 3Ps have access to that information. SCG emphasizes to all its 3Ps the need to inform their customers about other available SCG 3P or core programs. SCG also offers several non-resource programs with the objective to identify and educate customers in different segments for enrolling them in available SCG program offerings.	Other	SDG&E maintains EE program information on its website currently, and also provides detailed program information to our Trade Professional network to ensure greater education on our programs through other channels. SDG&E would consider discussions with the other IOUs to further investigate a SW marketing approach as is appropriate going forward.	
10	V1-8 V1-73	Various Programs	Some of these programs require specific areas of expertise with a given sector or technology to implement effectively, and one staff change at an implementer can cause major program disruption. Also, in the closed program analysis, we found that insufficient communication between newly appointed IOU staff and the program implementer in the MBPCx Program led to adverse consequences that ultimately led to program closure. A formal onboarding process for the new IOU staff, or a process that facilitates the transfer of knowledge from prior IOU staff to new IOU staff (incidentally, one of the HMG 2010-12 best practice recommendations), could have helped the new IOU staff better understand the program rules. Given the volume of staff across the IOUs and implementers, turnover is going to be inevitable and therefore good documentation of program procedures, processes and program rules, especially policy-directives, is needed for smoother staff transfers.	Ensure that processes and program rules are documented to allow for onboarding new staff and minimize staff turnover for highly specialized markets.	All IOUs	Accepted	PG&E has taken this feedback on onboarding and has developed training that facilitates transfer of knowledge from prior staff and conveys the latest program rules. For example, PG&E developed and communicated a custom rulebook that captures all rules relating to custom workflow. The team has also carried out an extensive and ongoing training program--both internal and external to PG&E--to ensure this guidance is followed.	Accepted	SCE appreciates this recommendation, however, this is something we already strive to do. It is a part of program process and procedure manual today. However, this effort can be strengthened. For 2017, we will strengthen our Third Party Program kick-off meetings to include a specific session to discuss and prepare for possible personal turnover and transitions as a part of program implementation requirements.	Accepted	Staff changes are a reality of workplace. With that in mind, SCG has been working on minimizing program impact when staff transition happens. SCG has a central sharedrive for all its 3PP records that can be referred to for training and data retrieval. SCG is also in the process of developing a checklist to identify training needs of new staff members for a quick learning curve. All 3PPs have a back-up program manager that will help out with on-boarding new staff. SCG has also started the practice of program presentations as part of its regular weekly meetings to ensure general awareness of all programs among the program managers, so transitions will be easier.	Accepted	SDG&E maintains program manuals for each program, but also maintains a Program Advisor Manual as a resource of processes and procedures for all advisors to access. Additionally, to the extent possible, SDG&E develops transition plans for staff moves and provides onboarding when advisors come into and / or leave the department or new positions.	

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11	V1-8 V1-72	Various Programs	While customer satisfaction with program implementation was high in the case studies, a few participants experienced issues with measure installation and product quality.	Programs should enhance quality control processes for these case study programs: RightLights, SDG&E's Direct Install, LodgingSavers and Boiler EE.	All IOUs	Accepted	<p>For the programs listed, PG&E plans to review the quality control processes with a view to improving them.</p> <p>For the Boiler EE program: If requested by the customer, Enovity provides 2-3 contractor options to install the EE measures. Moving forward, the PG&E team will recommend a QC process be put in place on any contractor recommendations made to the customer.</p> <p>For the LodgingSavers program: For HVAC measures, most customer service issues experienced were related to early EMS Control devices, which led to some issues with guest discomfort. The technology has advanced significantly and Ecology Action now only works with a small subset of EMS control providers that distribute products that completely address the issues that led to guest discomfort.</p> <p>Regarding RightLights and Lodging Savers quality concerns for lighting measures, most customer service issues were related to early LED technology dimming functionality. Ecology Action now only specifies product that has been tested for dimming functionality on multiple circuit types. Additionally, since 2015 all LED lighting equipment must now be Qualified Products Listing or "QPL" listed, which ensures rigorous testing and adherence to high level performance standards. Ecology Action performs 100% post install inspections and now incorporates a customer feedback survey on 100% of projects. EA Direct customer survey feedback shows customer satisfaction scores consistently above 90%.</p>	Accepted	<p>The concern for contractor work-quality has been identified through the Workforce Education and Training Program efforts. There are multiple ways to address this concerns:</p> <p>(1) (Third Party Contractor Action) Require the Third Party program implementers to enforce internal quality control process with self-correction steps. The outcome of these third party internal QA/QC efforts must be a part of the reporting requirements.</p> <p>(2) (Third Party Contractor Action) SCE's Third Party program requirements call for the implementers to administrator customer satisfaction survey at the time of project completion. This is a part of ongoing program reporting requirement already.</p> <p>(3) (Program Administrator Action) Require program administrators to implement a second layer of randomly selected inspection for work-quality as independent verification. In addition to this verification, the program administrator can also randomly sample customers to provide project feedback. These early detection efforts can produce timely feedback for all concerned.</p> <p>SCE is already working on all of the above actions with its Third Party Program Implementers. In 2017, SCE plans to strengthen these efforts as a part of the program implementation.</p>	Other	Not Applicable	Accepted	SDG&E continuously works to ensure that our customers are satisfied with our contractors and that they provide quality work. Additionally, KPIs are a key part of all of our DI contracts and implementers and contractors are being measured based on performance to those KPIs. SDG&E plans to continue the development of more rigorous KPIs as we move into the 2017 program year and as we amend existing agreements for next year.	

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12	V1-8 V1-73	Data	Three of 10 case study programs did not track the necessary data to calculate a conversion rate from audits to completed projects. Collecting these data as part of the program databases would allow program staff and evaluators to identify inefficiencies and potential implementation issues.	The programs should adopt tracking systems that allow for easy reporting on conversion rates.	All IOUs	Accepted	PG&E will share this feedback with implementers and will consider this in program redesign efforts going forward.	Accepted	SCE agrees with this recommendation. SCE defines conversion rate as "percent of completed audits leading to completed projects".	Other	SCG's PREPPS program, which was part of this study, stopped doing audits for the 13-14 program cycle and thus this was not a data that was tracked. SCG will consider this recommendation for future third party programs.	Accepted	SDG&E believes this is a fair recommendation and will work to incorporate data tracking and analysis to allow program staff to identify inefficiencies and potential issues in program delivery.	
13	V1-8	AERCx	Program implementation staff of all AERCx programs experienced issues with data provision. The implementers noted that the data provision process was difficult to navigate and that the IOU could lay out the process more clearly. PG&E acknowledged these issues and explained that the IOU does not have a team dedicated to smart meter data, which is causing a major barrier to faster and more structured data transmission to vendors.	PG&E stands to improve interval data transmission for AERCx programs.	PG&E	Accepted	There are ongoing efforts to support 15 min. interval meter-based programs: <ul style="list-style-type: none"> •EE Programs is currently working on a protocol to rectify gaps within interval data feeds •EE programs has worked with IT to develop a Teradata platform which automates interval data feeds and reduces admin costs •EE Programs is actively researching other Smart meter data repositories as a new source for 15 min. interval meter-based programs •EE Programs is seeking feedback from implementers on how to streamline data feed intake 	N/A	N/A	Other	Not Applicable	Other	N/A	
14	V1-9 V1-74	Comm	N/A	Consider ways to disseminate policy changes mid-cycle that affect claimable savings in a way that minimizes program operations and administrative costs to the extent possible.	All IOUs	Accepted	PG&E communicates this information currently through specific program communications targeting all 3P implementers.	Accepted	Disposition, directives and other policy adjustments may be released anytime; however, in the new Rolling Portfolio Bus Stop Framework, such changes should be implemented only once annually, thus minimizing the impact to program operations and administrative costs as much as possible. It should be noted that the impact to claimable savings would still occur, but now only on an annual basis.	Accepted	SCG makes every effort to disseminate policy changes mid-cycle that affect claimable savings in a way that minimizes program operations and administrative costs to the extent possible. SCG also concurs with SCE's observation regarding the Rolling Cycle Bus Stop framework.		Midstream changes affecting claimable savings once ex ante has been agreed to are not advisable. - Discuss with other IOU's	
15	V1-9 V1-74	Contracting	N/A	Allow contract periods of 2-3 implementation years for mature programs and up to 5 years for newer programs to allow sufficient time to build project pipelines and realize savings.	All IOUs	Accepted	Multi-year contracts were provided in 2015 for some 3P/GP programs programs. For longer contract terms, while we will ensure this feedback is considered in future contracting efforts we need to balance the need to be nimble with closing programs that aren't working.	Other	SCE will consider this recommendation but flexibility is required for the program administrators. We do not want to prolong unproductive program implementation unnecessarily. When programs are terminated, they are usually done with cause.	Accepted	Contract lengths have been dictated in the past by the funding cycle authorization. When allowed, SCG's contracts have had a 2-3 year or longer length. Many of our 3P programs have extended over 5 years. For example, PREPPS was intially signed in 2010. By 13-14 it was in its 4th and 5th year. SCG agrees with the other IOUs in emphasizing the need for flexibility in program management and quickly terminating or modifying programs taht may not be as productive as envisioned at the time of contract awards.		SDG&E will consider 2-3 yr contracts for mature programs. However for newer programs longer contracts are not advisable due to the inherent risk of failure during the first year. SDG&E will reserve the option to extend contracts for programs which are successfull in order to minimize market interruptions	

Item #	Page #	Category	Findings	Best Practice / Recommendations	Recommendation Recipient	PG&E (if applicable)		SCE (if applicable)		SCG (if applicable)		SDG&E (if applicable)		CPUC Comment
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16	V1-9 V1-75	Ex-Ante	N/A	Develop a communication tool to help all parties understand the status of and next steps for each project selected for parallel review.	All IOUs	See Item 20	See Item 20	Accepted	This recommendation is concerning projects selected for the ex-ante review. For 2017 program implementation plan, SCE will carefully outline the process and procedures to support parallel review to prepare the third party implementers. SCE will work with the SCE engineering team to improve coordination and communication. We will address this in the 2017 PIP.	Accepted	SCG currently notifies all third party contractors of any projects that have been selected. SCG will look further into developing a tool or procedure to streamline this effort to ensure consistency among IOU, Third parties, and the customer.	Other	For 2017 program planning purposes, SDG&E will carefully outline the process and procedures for parallel review to prepare third party implementers. SDG&E will work with its Engineering team to improve coordination between teams and communication efforts.	
17	V1-10 V1-75	Ex-Ante	N/A	Enhance IOU reviews of custom applications in light of the issues that the ex ante team is finding in the parallel review process to ensure that projects are following CPUC policy and program rules	All IOUs	Accepted	PG&E has created a robust training program and kicked it off in June 2016. PG&E trained over 200 people and both ISP and Baselines were a topic in the training.	Accepted	See above. (item-16)	Accepted	SoCalGas requires 3P implementers to perform pre and post inspections for all custom projects. Engineering Services reviewers are in regular phone contact with our 3P counterparts, and have asked to be included as optional for site inspections.	Other	See item 16	
18	V1-10 V1-75	Ex-Ante	N/A	The IOUs need to develop a standardized report format for the minimum required information for each custom project.	All IOUs	Accepted	This recommendation was discussed in both the ISP and M&V portion of the training conducted in June 2016.	Other	SCE has a standardized format for this engineering review process already. We agree that we can improve communication with the Third Party implementer to minimize confusion.	Accepted	SoCalGas' Engineering Services has defined and posted templates for Project Feasibility Studies (PFS), Pre-agreement Reviews (PA), and Post-Installation Reviews (IR). ES verified these documents are in line with the current statewide customized retrofit manual.	Other	This request will require further explanation given the potential for misinterpreted end results stating a "standardized report". SDG&E has implemented the CPUC standard custom checklist in addition to utilizing a specialized report for both of its custom programs (i.e. its New Construction and its Retrofit) programs which have unique differences.	
19	V1-10 V1-75	Ex-Ante	N/A	Provide more opportunities for frequent "information exchanges" between IOUs and implementers to discuss common review issues so that implementers can incorporate lessons learned moving forward.	All IOUs	Accepted	PG&E will ensure this feedback is provided to the implementer and will consider this in program redesign efforts going forward. Currently, the teams hold regular check-ins with implementers on recent EE program status. In addition, in 2016, PG&E instituted a Key Performance Indicator (or "KPI") process that leverages data to inform an implementer scorecard. This is a more formal opportunity for PG&E and Implementers to discuss on-going issues.	Accepted	SCE accepts this recommendation. SCE will review current communication protocol with the Third Party Program Implementers with the goal to strengthen this effort. This will be a part of 2017 PIP submittal.	Accepted	SoCalGas ES has regular discussions with our 3P engineering counterparts, and recently our C&I and Program staffs hosted a information session with 3P custom implementers.	Accepted	Through the implementation of the current form of the CMPA process that was revised and reissued by the CPUC in December of 2015, the ability to have more communication regarding custom projects will be achievable.	ED believes that "information sessions" is a great idea and would facilitate communication between the IOUs and implementers.

Item #	Page #	Category	Findings	Best Practice / Recommendations	Recommendation Recipient	PG&E (if applicable)		SCE (if applicable)		SCG (if applicable)		SDG&E (if applicable)		CPUC Comment
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20	V1-10	Ex-Ante	CPUC staff and their consultants noted that most of the secondary review projects are repeat cases with the same 3P implementer and that the results of subsequent reviews are often identical to previous reviews, indicating that the implementers are not applying the results to subsequent projects.	Implementers should learn from secondary review outcomes and apply them to future projects.	All IOUs	Accepted	PG&E agrees with this recommendation and continues to seek ways to impart learnings from parallel review outcomes. Some recent efforts on the part of team include a cleanup of the custom pipeline at the end of 2015, the recent creation of the Custom Rulebook, and associated internal and external custom trainings in June 2016 that trained over 200 people.	Accepted	SCE accepts this recommendation. The Third Party implementers are under contract with SCE to perform. SCE agreed to work with the third party program implementers to strengthen this item in 2017.	Accepted	SCG will provide implementers with feedback to ensure future projects meet review expectations.	Other	SDG&E internal engineers are the quality control for the few projects that had initial engineering review performed and submitted by outside engineering firms. Therefore our internal SDG&E engineers ultimately provide a thorough review of the outside engineers project submissions. As such, SDG&E internal Engineers are in contact with outside implementing engineering firms to let them know what revisions and acceptable practices they should be adopting for future submissions.	
21	V1-10	Ex-Ante	N/A	IOU's need to better communicate claimed savings changes and directives coming from dispositions and parallel review outcomes proactively to the implementers.	All IOUs	Accepted	PG&E agrees with this recommendation. One way that this information is communicated currently is through the EE Communications email blasts to 3P implementers.	Accepted	SCE accepts this recommendation. For 2017, SCE agrees to streamline the parallel review communication process with the third party implementers. We agree to improve the process and continue to hold third party implementers accountable to make improvements, using results from the parallel review process.	Accepted	SCG will continue to notify third party implementers of claimed savings changes and directives that come as a result of dispositions. Changes in savings are applied to programs accordingly.	Other	As mentioned above SDG&E internal engineers communicate what revisions and acceptable practices should be implemented to outside implementing engineering firms on a project by project basis.	
22	V1-72	Schools	For school programs, the electric saving programs offering lighting retrofits need to ensure that lighting output is enough for classroom activities and should attempt to tailor audits to schools as much as possible. One participant noted issues with the lighting output in classrooms. In addition, one School EE program participant in the case studies noted that the audit could take into account the specific school size, age, and classroom sizes. Further, the program needs to ensure that all lighting opportunities are covered in the audit and recommended measures, as one participant said that the implementer missed some opportunities initially but later rectified them.	Further, the program needs to ensure that all lighting opportunities are covered in the audit and recommended measures	All IOUs	Accepted	PG&E agrees with this recommendation. Our programs already offer audits that fully cover all lighting opportunities.	Accepted	The implementers follow protocols to check light output to make sure there is enough light in the classrooms required to maintain student/staff productivity. SCE agrees with this recommendation. This is something we already do, but can improve upon.	Other	Not Applicable	Other	SDG&E does agree that projects should be developed with consideration of all opportunities and that we can work with the implementers in communicating opportunities and recommendations found in any benchmarking or audit activities.	
23	V1-75	General	In two closed programs, PG&E's interpreted outcomes of the parallel review process as requiring programs to cease using the Modified Lighting Calculator (MLC). However, in other PG&E programs in this study that have not closed, use of the MLC was allowed and contributed to program success (e.g., RightLights, Casino Green). It is unclear why some 3P programs were allowed to use the MLC while others were told they could not.	The IOUs need to consistently interpret and apply directives from the parallel review process across all programs.	IOUs and CPUC	Agree	PG&E agrees with this recommendation and will explore ways to improve this, including, but not limited to, ongoing revisions to the Custom Rulebook combined with targeted communications and trainings.	Accepted	SCE agrees with this recommendation. SCE strives to learn from the parallel review process and communicate implications to the Third Party implementers in a timely fashion. In the case of the MLC, the process to obtain ED's approval took time and it was eventually rejected. We believe this transitional activities may have caused confusion.	Other	Not Applicable to SCG. Refers to two PG&E programs.	Other	While SDG&E agrees it makes sense to determine feasibility of applying documented directives consistently across all programs, this seems to be applicable and/or directed at PG&E only.	

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24	V1-75	General	At SCE the lead time to file an advice letter for program closure appears to be six to nine months before the end of a program cycle, which forces the IOU to make a determination on closure only about halfway through the program cycle when a program may still be ramping up. A decision-making window that occurs closer to the end of the program cycle would give programs more time to show results, especially in new programs, programs that drastically change implementation mid-cycle or programs that have projects with long lead times. It is unclear if the filing time to close programs is of similar length for the other three IOUs.	Consider whether the timing for filing program closures is sufficient.	IOUs and CPUC	Other	N/A	Accepted	SCE appreciates this recommendation. As the program administrators move into the rolling portfolio cycle, SCE will be evaluating Third Party program performance on an ongoing basis. SCE always terminate programs with cause since we are sensitive to our responsibilities to CPUC and rate payers. SCE is striving for productive and cost effective third party programs to support the overall program portfolio.	Other	Not Applicable. Refers to SCE programs.	Other	N/A	
25	V1-75	General	If an IOU wishes to bring back a program that has been closed, the administrative requirements and resources necessary to see this through are especially burdensome. In the case of SCE and its EE for Entertainment Centers Program, they were burdensome enough that SCE preferred to tell implementers to reapply as a new program rather than restore a closed program. This delays programs and associated energy savings as implementers must wait for a new solicitation to apply and receive approval before moving forward. If there is interest in bringing back programs that may have been inadvertently or unintentionally closed, the process to restore a closed program should be streamlined.	Consider some improvements to the program revival process.	IOUs and CPUC	Other - need more info	PG&E supports exploring further the need for identifying improvements in the program revival process. As part of this analysis, the team will need to better understand the number of potential programs that this effort would reasonably enhance before committing resources.	Accepted	SCE accepts this recommendation. We will review our process and procedure for third party program closure and program re-open. We will update our program process and procedure as a part of this effort.	Other	Not Applicable. Refers to SCE programs. However, SCG will keep in mind the need for guidelines in regards to resurrecting programs that have been closed.	Accepted	In closing a program, there is a rigorous review process followed by the submittal of an Advice Letter for the closure and SDG&E is working to ensure that process is followed by updating our Program Advisor manual and providing a brief training to our advisors on the process. To our knowledge, SDG&E has not resurrected any programs which have been closed.	
26	V1-75	General	With new business models and innovative technologies emerging in IOU energy programs, it may be time to assess whether administrative requirements put in place for existing, largely retrofit programs, are appropriate for virtual energy saving technologies. The SaveGas Program example of requiring the implementer to obtain a contractor's license for installing virtual software is a case where existing regulatory requirements designed for traditional retrofit programs may in fact be discouraging new technologies and new ways of saving energy. These requirements may be need to be reviewed, or exceptions made where appropriate, if IOU programs are to continue to encourage new, innovative programs and technologies that may not fit into traditional definitions of energy efficiency programs.	Consider whether some program participant requirements are appropriate for innovative programs.	IOUs and CPUC	Accepted	PG&E supports exploring further the need for identifying whether some program requirements are appropriate for innovative programs. PG&E agrees with SDG&E's position that requirements for program participation may need to change in order to encourage new business models and innovative technologies, and that this should be an ongoing part of new program design.	Other	SCE appreciate this feedback, however, as a part of statewide Workforce Education Training efforts, all program administrators are asked to improve work-quality of EE project installations. A part of this solution is to ask all participating contractors to obtain the necessary licensing to complete the projects. SCE is sensitive to excessive training requirements for EE projects, while this has to be tempered with the desire for California to demand quality EE installations.	Other	SCG requires appropriate licenses from all contractors in accordance with standard terms & conditions to ensure safe, professional installation. In the case of Save Gas program, the licensing was determined as necessary by SCG, as the installation of controllers was a part of the program. However, in the case of some innovative programs, field licenses may or may not be necessary and SCG will carefully evaluate such requirements in consultation with Legal and Supply Management personnel.	Other	It makes sense that requirements for program participation may need to change in order to encourage new and innovative technologies and programs. This should be ongoing and should inform portfolio design as the IOUs consider outsourcing many of their third party programs.	

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27	V1-73	Healthcare	Programs serving the healthcare sector with comprehensive building audits, and perhaps all programs offering comprehensive building audits, should cover both O&M procedures in energy saving recommendations in addition to retrofit recommendations. One customer in the Healthcare EE program selected for case study analysis mentioned this oversight but said it was later rectified. All comprehensive audit programs should ensure that they are accounting for O&M savings opportunities throughout the audit process.	The programs should include O&M savings opportunities where possible.	All IOUs	Accepted	While PG&E believes there have been limited opportunities to include O&M savings under the current regulatory framework, the team agrees with this recommendation and plans to seek more opportunities to capture O&M savings going forward, especially after the passing of AB 802.	Other	The California program administrators work closely with Energy Division and various parties to claim only allowable energy savings. We would like to investigate the scope of comprehensive energy audit today to gauge the implications of including O&M savings of the customer site. It would seem that customers' O&M savings can be best incorporated in a Strategy Energy Management process where the customers and their executives would be equally willing to make commitments for energy savings to gain benefits for their P&L (profit and loss) and operations.	Other	SCG agrees with PGE's observations regarding the availability of O&M savings opportunities under the current framework.	Other	The California program administrators work closely with Energy Division and various parties to claim only allowable energy savings. We would like to investigate the scope of comprehensive energy audit today to gauge the implications of including O&M savings of the customer site. It would seem that customers' O&M savings can be best incorporated in a Strategy Energy Management process where the customers and their executives would be equally willing to make commitments for energy savings to gain benefits for their P&L (profit and loss) and operations.	
28	V1-73	AERCx	Program implementation staff of all AERCx programs experienced issues with data provision. The implementers noted that the data provision process was difficult to navigate and that the IOUs could lay out the process more clearly. PG&E, as the only IOU administering these programs, acknowledged these issues and explained that the IOU does not have a team dedicated to smart meter data, which is causing a major barrier to a faster and more structured data transmission to vendors.	PG&E should improve interval data transmission for AERCx programs.	All IOUs	Accepted	There are ongoing efforts to support 15 min. interval meter-based programs: <ul style="list-style-type: none"> •EE Programs is currently working on a protocol to rectify gaps within interval data feeds •EE programs has worked with IT to develop a Teradata platform which automates interval data feeds and reduces admin costs •EE Programs is actively researching other Smart meter data repositories as a new source for 15 min. interval meter-based programs •EE Programs is seeking feedback from implementers on how to streamline data feed intake 	N/A	N/A	Other	Not Applicable	Other	N/A	