<u>RTR Appendix</u>

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 and beyond. This Appendix contains the Responses to Recommendations in the report:

RTR for the Local Third-Party Programs Evaluation, Program Year 2022 (DNV GL, Calmac ID #CPU0369.01)

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 CPUC Decision (D.) 07-09-043[1] and the Energy Division-Investor Owned Utility Energy Efficiency Evaluation, Measurement and Verification (EM&V) Plan[2] for 2013 and beyond.

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.

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[1] 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."

[2] 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.

[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.

Study Title: Local Third-Party Programs Evaluation, Program Year 2022
Author: DNV GL
Calmac ID: CPU0369.01
Link to Report: https://www.calmac.org/publications/CPUC_GroupA_L3PP_PY2022_Final_report_CALMAC.pdf

	MANAGEMENT APPROVAL AFTER REVIEWING	
	Name	Date
SDG&E	*Kelvin Valenzuela*	6/18/24

Item #	Page #	Findings	Best Practice / Recommendations (Verbatim from Final Report)	Recommendation Recipient	Disposition	Disposition Notes
				If incorrect, please indicate and redirect in notes.	Choose: Accepted, Rejected, or Other	Examples: Describe specific program change, give reason for rejection, or indicate that it's under further review.
1	68	Program attribution is high or on par with claimed values, indicating the programs are reaching the intended population segments. Program delivery performance also improved or remained stable. Programs that had difficulties meeting energy savings and spending goals and were cost ineffective in PY2021 performed better in PY2022. Programs that performed well in all three areas continued to do so in PY2022.	Other programs should consider emulating the strategies these programs have taken to achieve success, including offering measures that better align with customer preferences, such as electrification and deeper gas usage saving measures, and employing more effective outreach strategies, such as direct multi-language outreach and community engagement (e.g., events).		Other	SDG&E agrees programs that have the same program design for the same customer segment as those evaluated may benefit from other strategies that have demonstrated success. However, SDG&E recognizes that these strategies may not be implementable for every program. SDG&E does encourage their implementers to review applicable impact evaluations and implement strategies that are applicable.
2	68	Multifamily programs run by implementers of local 3PPs face systemic challenges that have resulted in the closure of two of these programs. Challenges included the inability to make inroads in the multifamily sector, possible competition from other PAs, inadequate funds for direct install activities, and limited measure options that programs can offer participants.	PAs could consider offering multifamily programs as equity rather than resource acquisition programs. Such an approach would allow them to provide higher incentives to property owners that reduce split incentive barriers and offer more measures attractive to multifamily participants. They could also consider requiring core measures for tenant units to improve renter equity.		Other	SDG&E regularly assesses program performance and considers several elements, one being segment, when administering programs. SDG&E will continue this process.
3	68	There is inadequate data (KPIs) to track the impact of local 3PP innovations.	Given the heightened focus on innovation, PAs should develop and require standardized metrics to record and track the success of local 3PP innovations in all areas, including outreach and program delivery. For example, programs should track their outreach efforts: when, where, what, how, and who they reached.		Other	SDG&E agrees that tracking of innovative elements via key performance indicators may be beneficial, only if the innovative elements further influence the success of the program and are not standard operating practices.

Item #	Page #	Findings	Best Practice / Recommendations (Verbatim from Final Report)	Recommendation Recipient	Disposition	Disposition Notes
4	68	The program implementers did not track efforts to obtain input from HTR/DAC communities, making it impossible to evaluate their efforts at procedural equity.	Track efforts to obtain input from HTR/DAC communities and track HTR/DAC community input. It is essential to track when outreach includes two-way communication that allows communities to provide feedback.		Other	The implementer of the Residential Zero Net Energy Transformation Program (RZNET) program tracks participant input via the key performance indicators. Surveys are conducted on all participants in the program, which include HTR/DAC participants.
5	68	Outreach performance of local 3PPs to HTR customers and DACs remained consistent year over-year with improved reach of DAC customers in PY2022	Existing and developing local 3PPs should take note of the marketing and outreach innovations that have continued to work for this pool of programs year-over-year: direct outreach and strategic partnerships.		Other	SDG&E does encourage their implementers to review applicable impact evaluations and implement strategies that are applicable.
6	69	The evaluated programs do not meet all the equity standards embedded in the CPUC ESJ goals and other equity frameworks because the programs were designed and contracted before any equity plans were in place.	The next time PAs negotiate contracts with local 3PP implementers, they should include terms that cover a standardized equity framework.		Reject	SDG&E agrees that ESJ goals should be included in certain program segments. SDG&E believes that these goals are better delivered and tracked in programs that are indicated as either a market support or equity program.