



Approval of Business Plans and policies to be addressed in EE Proceeding going forward



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Highlights of the Approved Business Plan Decision (D.18-05-041)

- **Approved the 2018-2025 BPs of all IOUs, three RENs and MCE**
 - This marks a new era for energy efficiency programs to realize deeper and more enduring savings.
 - The decision supports the state's goal to achieve the doubling of energy efficiency savings by 2030.
- **Cost Effectiveness**
 - For 2019-2022, the IOUs and MCE are required to have a forecasted TRC of 1.0 for approval of their annual budget advice letters (ABALs).
 - Starting in 2023, the IOUs and MCE are required to have a forecasted TRC of 1.25.
 - IOUs and MCE must have an evaluated TRC of 1.0.
- **Direction on Lighting incentives**
 - CFLs should be removed from all PAs portfolios no later than December 31, 2018.
 - LED streetlight rebates should only be available for bulk early replacement.





Highlights of the Approved Business Plan Decision (D.18-05-041) continued

- **Hard to Reach definition updated**

- Hard to reach is clarified as following Resolution G-3497's definition, but including disadvantaged communities as defined by CalEPA's CalEnviroScreen 3.0 in the geographic criteria.
 - Thus a community that is considered disadvantaged by CalEnviroScreen 3.0 or geographically isolated only has to meet one additional criteria to be considered hard to reach.

- **Public Sector Metrics**

- Metrics measures program's progress in achieving a desired market effect.
- In the public sector the metrics should help regulators and PAs judge if the program is achieving desired goals and identify opportunities.

- **Incentive Guidance**

- Incentives should generally be: 1) based on lifecycle savings; 2) tiered based on efficiency; 3) target most efficient equipment; 4) vary based on barriers to customer segments; 5) payments of rebates should be tied to ex-post savings.





Phase Three Scoping Memo for R.13-11-015 (EE Proceeding)

Identified the Following Areas in Scope:

- **Custom projects**
 - Track two working group is addressing how to 1) better define Industry Standard Practice (ISP) and 2) streamline the custom review process.
- **Three Prong test for fuel substitution**
- **Market Transformation Programs**
- **Accounting**
- **Other policy issues that may arise**
 - The four issues identified are definitely in scope, but that does not mean phase 3 will not address other policy issues.

