



Transcription Order

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**Facilitator’s Note:**

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# Meeting Time: 9:00 AM to 5:00 PM, December 7, 2016

Location: Energy Solutions’ Offices, 449 15th Street, Oakland CA Facilitator: Ted Pope

Presiding CC Co-­‐chairs: Lara Ettenson NRDC / Meghan Dewey, PG&E

**Section 1 of 18** [00:00:00 -­‐ 00:10:04] *(NOTE: speaker names may be different in each section)*

Ted Pope: [crosstalk 00:04:18] All right let's get things going here. I want to welcome everyone to this our thirteenth meeting at a CAAEECC organization for Coordinating Committee meeting. My name is Ted Pope with 2050 Partners and as usual I am the facilitator for this meeting. We are doing something a little different today in terms of note taking and I want to bring it to your attention we have three different recordings running. Instead of a note taker we have a redundant better recording process that will be transcribing the conversations and then producing something of along the order of a five-­‐page set of notes instead of the thirty page notes which we've been doing which I'm not sure a lot of people have been spending time to read all the way through. We are hoping this not only saves about a thousand bucks a meeting but also produces a more usable product and a little bit better of a record to the extent that's useful and supplement proceedings.

Ted Pope: I want to thank everyone for being here in person as well as those folks on the phone, for the moment everybody on the phone is muted. Um, I want to particularly thank Energy Solutions for hosting this meeting. This is the second time they are hosting a keg meeting this year. Kendall Cody is not in the room at this moment but is the person who has been most directly helping us out. I want to thank her and all of her colleagues here at Energy Solutions, uh on the second floor, uh the fourth floor. I apologize for that misdirection. As most of you know CAAEECC was authorized back in October of 2015. The purpose is to have a public forum for providing input to program administrators as they design and implement their portfolios. The purpose is to provide input, that we don't have any authority to direct the PAs in their process, just to be helpful with any information and recommendations along the way.

Ted Pope: Let's be clear for folks in the room of have not participated before. The CAAEECC members as well as ED staff have priority speaking so when we first open up the topic will be having comments and input just from the ED staff. We have a half hour at the end of the day to open to public comment. Most likely from each session as well we will have a public comment period so people can interact throughout the day even if they are not official members. If you would like to submit input, particularly if you are on the phone it can be a little tricky getting in, what I ask you to do if you are on the webinar is go ahead and chat in the chat box and we will be monitoring the chat box as we go and responding from there. If you are on the phone but not on the webinar you can always send an email to [facilitator@caeecc.org](mailto:facilitator@caeecc.org) and I will try to keep my eye one that email feed and pick up questions from there.

Ted Pope: If you are in the room and don't want to verbally comment there are a couple of comment forms on the table here. You are welcome to write in comments or questions and have that document passed to me and I will read that out. So there are a few different ways of engaging. At the end of the day if you have any thoughts on how we could restructure or run the meeting a little differently, or better, there are some meeting survey forms if you have to have your feedback on

that. We don't have an Energy Solutions member here but as far as safety goes we will start with the less urgent safety. The restrooms are, go out here to the left, there are men's and women's on the left side. It does require a key so if we don't have one on the table ... I think I see one, if not, I'll make sure we get one so we can use the restrooms. In case of emergency there are fire steps on that corner of the building. Go down and out and you should be all set. I don't know where the meeting place is at the moment. Why don't we agree to meet across the street at the Oasis Café if there is an emergency that requires us to leave the room? Can we have a volunteer who knows CPR to call 911?

Speaker 2: We need a separate volunteer for 911.

Ted Pope: Thank you. 911. Who's going to call 911 if there's an emergency? Speaker 3: I'll do CPR.

Speaker 4: I can do it too. I'll do this set you do that set (laughter). Ted Pope: Jessica you call 911, Brandon, CPR.

Speaker 5: You can do the mouth to mouth (laughter). Speaker 4: Thanks (laughter).

Ted Pope: We're going to go around the room next. First, we are going to introduce the CC members in the room here. Hopefully all of you have a name card and then we will do the members on the phone, we have a few on the phone, and then we'll come back in the room and do members of the public in the room here. A quick word, the thing I'm holding is a microphone, it has a button on it you need to press it and wait a second and it starts flashing green when it's working. So when you're done talking, if you're not passing it along, please hit the button again so it goes red into mute. They are independently muted so muting yours does not mute somebody else's. So we have spaced them out so pass them just to a couple of people and bring them back and the next group can go.

Ted Pope: Let's start here, name and organization. And you are? Lara Ettenson: Lara Ettenson, [Internewse 00:09:43]

Speaker 11: When you do it, put your name.

Dan Buch: Dan Bucy, Office of Ratepayer Advocates [Aggregates 00:09:50]

Bernie: Bernie Kotlier [Cavalier 00:09:52] Labor Management Cooperation Committee and Coalition for Energy Efficiency.

Speaker 8: [inaudible 00:09:59] workers.

Howard Choy: Howard Choy, Los Angeles County

**Section 1 of 18** [00:00:00 -­‐ 00:10:04]

**Section 2 of 18** [00:10:00 -­‐ 00:20:04] *(NOTE: speaker names may be different in each section)*

Howard: Howard Troy, Los Angeles County, representing the SoCal [inaudible 00:10:05]

Jenny: Jenny Berg, Association of Bay Area Governments, representing Bay [inaudible 00:10:09]

Margie: Margie Gardner with California energy efficiency industry council. Amanda: [inaudible 00:10:18].

Facilitator: Alejandra, could you do that again? I couldn't hear you at all. Amanda: Alejandra Tellez, county of Ventura.

Matt: Matt Evans, Southern California Edison.

Mike: Mike Callahan, MCE.

Erin: Erin Palermo, SoCalGas.

Michelle: Michelle Costello, SDG&E.

Hob: Hob.

Speaker 11: Did you just turn it off [inaudible 00:10:43]. You didn't trust Michelle? I see how this goes.

Hob: I do trust her.

Facilitator: You just trust her once and then, go ahead and speak. Hob: Hob [inaudible 00:10:51].

Speaker 11: There we go. We made it.

Facilitator: Congratulations. For those in the room, if you need Wi-­‐Fi it's up here on the board.

Also now let's shift to the phones. I'm going to unmute the phones and we'll ask any CC members only please to self-­‐identify.

Automated Voice: Conference is no longer in lecture mode.

Shelby: Good morning, this is Shelby [inaudible 00:11:19].

Facilitator: Thank you Shelby.

Courtney: This is Courtney Kalashian with [inaudible 00:11:26] valley clean energy organization.

Facilitator: Thank you. Carmalita may be joining us here. I'm not sure if she's on mute or hasn't gotten to the phone yet, but she expected to join by phone [inaudible 00:11:44].

Okay, any other [crosstalk 00:11:47]. Pardon?

Speaker 11: There's some more RA's on. Rosie: This is Rosie O’Hara from ORA.

Facilitator: Thank you Rosie. Okay, let's cut back into the room here. I'm going to put the phones back on mute. We'll go to the room for making the public introductions. We're not going to bother, we're not going to try and do public introductions for folks on the phone.

Automated Voice: The conference is in lecture mode. Facilitator: Okay, so start with you.

Alicia: Lisa Schmidt, energy analytics.

Speaker 18: Paul Kavasoch SCE

Speaker 19: Matt [inaudible 00:12:32], Southern Californian Edison. Bishop: Brent Bishop with the county of San Luis Obispo.

Bob: Bob Strauss, CPUC energy division. Speaker 22: Carmen Best CPUC energy division. Jessica: Jessica Wagner, BG&E.

Brandi: Brandi Turner, SDG&E.

Miriam: Miriam [inaudible 00:13:04], Miriam [inaudible 00:13:05] consulting.

Facilitator: All right, thank you for those introductions. With all the technology in front of me I hope folks will be able to sit down for the rest of the day and just speak from the control center here. All right, I see Carly did a chat and she's here. Thank you Carmalita. All right, just a quick reminder on the rules. We already talked about priority speaking for the members of the CC as well as ED staff. Also folks on the phones, probably a good idea to put yourself on mute if you're not speaking. I do have full mute on now. I think I'll take that off and see if that works okay and if we

get a bit of noise we'll have to put everyone back on mute to deal with that. Then we'll rely on chats and emails to determine whether there are people with input.

For folks in the room, please make sure you introduce yourself first particularly now that we're relying on transcription to capture that. Make sure you say your name clearly before you speak and make sure you speak pretty clearly in the microphone so that not only the people in the room, but also the people on the phone can hear. With that I think we'll take a quick look at the agenda. The final agenda is only slightly different than the posted draft agenda. Bear with me one second here.

Okay, so were gonna start with some short topics. We have a standing item usually for any new discussion topics members want to bring up. We just surface it here. We don't get into it, but if anyone has a new topic and I think Matt is going to make a quick mention of the discussion topic that there's no objectionable panel later in the day today. Couple other quick topics, we'll get into a succession of CC chairs discussion, some new developments there. Then we're going to talk about the proposal that's been developed or proposal options for independent evaluator peer review group.

Switch mouse on there. Then we have a break at 10:45, then we'll get into the discussion the comparison document draft that was posted last week for your review input. We'll take a no host lunch break at noon till about 1:15. There are a whole variety of restaurants within two or three blocks. There's Frank Ogawa plaza across the street behind those buildings. There's several restaurants around there. Restaurants off to the left. Literally every direction you go you'll find options. We'll come back at 1:15 for our third discussion on implication planned development process and take input process on that.

Then we've got to move on to discussion of the subcommittee functions in 2017 and that conversation ties in pretty closely with implication plan process of course. Section six at 3:10, we're going to take on final action on the conflict of interest document. Then we'll move into a discussion of policy letter, it's really policy letter topics, at 3:30 and in session eight we'll kind of do a recap of where we are with the public input process. What's next and some additional activities and PA's set up that in mind and ending up with a public comment period. That is the agenda there. Any comments or questions on the agenda? Margie?

Margie: I know you and I worked at ... I know you and I spoke about this briefly, but there are some issues that I think might benefit from a conversation sometime in January. As we progress through them, like a PRG IE or maybe there's other today. Anyway, I just want to throw out the idea, and I know you guys [inaudible 00:17:21], if we need to as a relief valve because I think all the issues, like on the comparison document. It took me hours to figure out how to print it on hard copy [inaudible 00:17:31]. It just seemed like if there might be a chance, if you might want to consider having some kind of department meeting or some kind of discussion in January to get thought some of the material. That's all.

Facilitator: Margie, Lara wants to say something in response though, this is Ted. I will say that's one of the things we talk about in session eight is what, if any other kind of meetings, do we want to have.

Margie: I just want to say it now. Thinking about it.

Facilitator: Yeah.

Lara: This is Lara at NRDC. Margie those two documents, we're hoping they're going to get filed on January 16th. If we need to have a webinar later this year, we can certainly do that so let's talk about that today.

Margie: Yeah or early next year. I'm out for-­‐

Lara: Well we're going to talk about also how, when do you have to [inaudible 00:18:08] to go through their process of filing the application and what the process is. Let's remind us we don't have to talk about it then, we're not.

Margie: Okay. Thank you.

Facilitator: Well Matt let's, do you mind... Well before Matt goes, is there anyone else, any other committee members that have a discussion topic they want to raise at this time? Bob, this is a good ... What's the?

Bob: [inaudible 00:18:33].

Speaker 11: They need ... Can you get? They can have their own.

Bob: I just wanted to note that the authorizing decision requires that the CAEECC present a budget to the commission in January and I was wondering if there's been a process to determine to develop that budget? Since we're not going to meet till January, what's the process we prefer meeting that requirement?

Speaker 11: That would ... I'll talk about it when I give that data on the RSP.

Facilitator: Sounds great. In just a minute here we have a update on the solicitation process for the next facilitator, so why don't we wrap that response into that. Great question, thank you for that. Okay seeing none and-­‐

Dan : I got one.

Facilitator: Dan Bush.

Dan : Got to start early. Dan bush, ORA. Just to note that there was an action item from the last core committee meeting. We asked to see in writing the statewide assignments and we have not seen any documentation of those statewide EPA

assignments yet. We're still waiting on that, actually something actually documenting those. All we got was an oral report as well as some explanation. I heard some swirling and some talk that there was an additional document coming, but we have not yet seen it and time is short given-­‐

**Section 2 of 18** [00:10:00 -­‐ 00:20:04]

**Section 3 of 18** [00:20:00 -­‐ 00:30:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: We have not yet seen it, and time is short given the final deadline is in a month.

Speaker 2: Can I get-­‐ Dan, I think-­‐ [inaudible 00:20:09] I think you're asking for something besides what Ted put in [inaudible 00:20:14] you're asking for a formal document from the PAs.

Speaker 1: Something from the PAs.

Speaker 2: From the PAs, not as a report [inaudible 00:20:21] Speaker 1: Yeah. The PAs should put in writing their-­‐

Speaker 2: Put in writing.

Speaker 1: Because they were assigned this task.

Speaker 3: All right. Thank you, Dan. Matt Evans, could you just give us a quick heads-­‐up on your proposed profit for the lesser objections? I recommend we handle it this afternoon in session eight.

Speaker 4: Sure. We heard the stakeholders loud and clear about the bottom, the program analysis that needs to be done. There's decision, laying the ground that obviously-­‐ We have a high-­‐level proposed [inaudible 00:20:58] that we'd like to share for that analysis, and your feedback and everybody's.

Speaker 2: Is that all programs or statewide?

Speaker 4: This should be all programs plus all program administrators. Speaker 2: [inaudible 00:21:15]

Speaker 4: Normally, procedurally we like to have our meeting discussions not the same day we raise them, but given the timeliness, this seems totally appropriate to talk about today, so if you are in opposition, let's try to do that.

Speaker 1: OK, thank you. Next topic. We're going to talk briefly. Coming up soon is going to be a survey on the type of survey we're going to send out the case numbers, the purpose of which is to sort of review what worked and didn't work so well in our first year of operations, and solicit feedback on how [inaudible 00:21:50] should handle things in 2017. Not just only an opportunity to improve things, but also the

function or the main purpose of the committee and focus anyways will be on implementation of planned process in 2017, whereas in 2016 it was on the business plan, so that may suggest things like having quarterly meetings and other changes, so probably going to be sending that survey out in graph form to members, get some feedback, make sure we're asking all the right questions, and then that will be put out later. We don't have a precise date on that.

Speaker 2: She said after the filing day.

Speaker 1: After the filing deadline? OK. Maybe that's coming a little bit later, after the filing. Another short topic here. I think, let's go to the status of the facilitators [inaudible 00:22:38]

Speaker 5: This is Lara NRDC. I've been working with Edison; he was volunteered to manage the facilitator process of moving forward. We thank SDG&E for doing the temporary 3-­‐month [inaudible 00:22:51] that turned into a year, so thanks to SDG&E. Where we are right now, Matt, supplement anything, but we have a draft statement of work that was derived from the original that we used for Ted. There is a sub-­‐group that has been dormant, but I've been sharing this information with them to see if there's any additions based on our lessons learned, and RDC has added a couple of things based on the past year, and I also sent out to every [inaudible 00:23:23] member a request, or an inquiry, to see if anyone wanted to join the group that is working on hiring a facilitator, and so far I've only gotten a few. If anyone wants to join, please do, but I think I'll do one more reminder and after that we'll just continue to move on because we need to get this in place no later than, we're thinking as soon as possible, but no later than March 1st.

Speaker 4: Yes. I would say that's [inaudible 00:23:48] schedule is kind of aligning to right now is March 1st, and contract in place, so if we could get those scope of work reviews this month, finalize, and then we hope to go out for RFP early in January.

Speaker 5: In that, we'll have to figure out the budgets associated then, which would-­‐ Although now that I'm thinking about it, our timing does not, but we can outline different what we did from this year [crosstalk 00:24:24] Yeah. [inaudible 00:24:27] your question, we have a budget from this year that we can use as a range, and then we can do a supplemental advice letter when we get the formal RP-­‐ The formal contract signed by the facilitator and make better sense, because we'll also have to put out what the meeting schedule we anticipate, and this year we could only go a few months out before really understanding, because a lot of it will be dependent on the decision when the decision comes out on business plans. ...

Speaker 4: All right, thank you for that. Also, since we haven't really talked yet about what the meetings are going to be next year in detail, just wanted to let you know that we've put a placeholder for several all-­‐day meetings starting February the 15th, March the 15th, and then April 19th, so that's on the [inaudible 00:25:22] calendar Lara is shortly going to be sending out; an event placeholder to the [inaudible 00:25:28] committee to lock in those dates. Whether we utilize all those dates or not sort of

depends on the format of the [inaudible 00:25:36] going forward, it will come out of some of the discussions that we're going to have, maybe that we-­‐ I think we certainly would have the February 15th meeting, but possibly the next meeting would be deferred. We'll just have to see what the group wants to do.

Also, and I think we'll talk about this a little later, there's-­‐ let's explore the section meetings that-­‐ There is at least one webinar that's being considered for a certain working group, just to review the high points of the business plans, and it's possible that as [inaudible 00:26:07] we might decide we'd like [inaudible 00:26:09] to host some kind of webinar to inform people that aren't that involved in the process if that's thought to be useful, so we can talk about that in session 8. With that, I think we're ready to move to the next session, and I think we should start that first with a round of applause for Lara and Meghan for their work this year.

We have a half hour now for you to share your thoughts. Anyways, it's been a tremendous amount of work for both of them, and I think the process wouldn't have worked without that leadership, so as far as the [inaudible 00:26:51] process goes, the CC co-­‐chair seats are one year at a time. I don't believe there's any term limits, but each year we're meant to sort of re-­‐assess and re-­‐confirm, and emails went out to all CC members asking whether there were other people that would like to take the reins in 2017. I did not get any affirmative responses. [crosstalk 00:27:14] At this point, I think both Lara and Meghan are comfortable staying with the plan; staying in position. Meghan is open to a transition, probably through next year, potentially-­‐

Speaker 2: [inaudible 00:27:36] wants the PA one.

Speaker 4: She's more willing to share with Lara, but anyway-­‐ Speaker 5: Not true!

Speaker 4: I apologize for not establishing this agenda item as a confirmation. I think we have most of the membership on the phone or in the room, so unless anybody objects on a procedural basis, we're not voting per se, but we need to come to a consensus that we're OK with these two staying in position, so with that, I'm going to open up the phone line only for the members on the phone, please, and ...

Automated: The conference is no longer in lecture mode.

Speaker 4: If there's anyone that's not comfortable re-­‐conforming these two [inaudible 00:28:19] co-­‐chairs, [inaudible 00:28:21] and Meghan Dewey from [inaudible 00:28:24] please speak now, or we will deem them as re-­‐affirmed. [crosstalk 00:28:35] OK, I'm going to check email real quick.

Speaker 5: Why isn't anybody what? [crosstalk 00:28:49] Speaker 4: OK. I'm going to take the phones back on the view.

Automated: Conference is in lecture mode.

Speaker 4: With that, I think we can say we have our two new co-­‐chairs still. Speaker 5: Speech! Speech!

Speaker 2: You hush!

Speaker 4: OK, now in the next document, Speaker 5: Do you want me to give the context? Speaker 4: I can give the preamble.

Speaker 5: Good. [inaudible 00:29:28]

Speaker 4: OK, the next topic is the draft PRG independent evaluator proposal. Pardon me for reading my notes here, but the purpose of this document is to provide the commissioner or judge with a proposal for PRG/IE process. There are currently a few options for -­‐-­‐.

**Section 3 of 18** [00:20:00 -­‐ 00:30:04]

**Section 4 of 18** [00:30:00 -­‐ 00:40:04] *(NOTE: speaker names may be different in each section)*

Ted: Try a new process. There are currently a few options for each component of this plan. The point of today's conversation is to narrow some of the disagreement we have as much as possible. It's not certain that we will reach consensus but certainly we'll want to refine as much as possible what the options and alternatives are to present to the judge and the commissioner.

This proposal was developed by an ad-­‐hoc CAEECC committee over the last couple months and I want to thank Lara for facilitating that process. Lara is going to come in a second and walk through the proposal. I wanted to structure this so with Lara as an NRDC rep with her interest as opposed to trying to be the co-­‐chair so I'm going to sort of facilitate this with her presenting since she was part of the meetings and as a matter of record I was not involved in any of those subcommittee meetings. After Lara presents the proposal ... Lara, I assume we just want to go through and then have the discussion after so while she's presenting please stick with the clarifying questions only. And then when she's done she'll continue to be in her role as NRDC and I will facilitate the conversation and we'll go through section by section. I just want to remind folks, obviously, this is a pretty important issue to a number of folks in the room and there are some pretty strong feelings about how this process should be handled, so we want to remember to stay warm and fuzzy and respect the differences of opinion to go through. When we get to the stopping point, that's ... I guess are we going to have any more write-­‐ in comments? Or are we going to kind of lock it down a little?

Lara: I would say write-­‐in for those not on the ad-­‐hoc group.

Ted: Okay

Lara: Cause this is so that the rest of the CC numbers are able to provide input so we can record that. But the ad-­‐hoc group has had a lot of opportunity to provide feedback and then we'll also decide if we have one more meeting to try to refine. So there will be two opportunities.

Ted: Okay. So today is not be the end all be all but we are getting close, we have to nail this down pretty soon.

Margie: And, Lara, can I clarify this is Margie with the efficiency counsel. I have done a lot of revision marks and then didn't manage to get them to you.

Lara: Oh ... (laughing)

Margie: So ... and I can go through all the comments today if that would be preferred, verbally, or would you prefer on some of them I go ahead and send them to you even though you just said you didn't want people on the committee to send it.

Lara: Let's say ... Let's say them and then you can write them to me so make sure I got them said right.

Margie: Okay.

Ted: All right, I think with that just the one more point, I'm sure I'll forget this, it's really important for this document process to work if we have entities and not just members, any active CAEECC stakeholders are welcome to indicate which parts of this proposal they support so that when a document goes to the commissioner or judge they have a sense for where the parties, where the small piece stand in the process. So with that I'm going to turn it over to Lara. Thank you Lara.

Lara: So then you'll just scroll down as I go through.

Ted: Yeah

Lara: Okay. So this is, this is Lara at NRDC. I'm going to stay here. Can you raise your hand if you're on the ad-­‐hoc working group ... give a sense of who was there. So we had a good number of folks. And we met once in person and by phone for those who couldn't make it and then one other time by phone. And this is the culmination this document that you have, that's posted online, is the culmination of those conversations. And as you'll note, I provided various options to represent the different positions. So what I'm going to do is walk through the document as Ted said, I'll get through the whole document. Clarifying questions if you have, but then we'll go into each of the issues to see if we can come a little bit closer before providing it to the commission. And I'm going to pause on the logistics of this, and

we can talk about how we're going to be filing all of this I think to together when we talk about the comparison document since I think they'll be similar process if that's fine with everyone.

So the purpose of this memo. For those of you who aren't familiar, there's been what's called a peer review group for the energy efficiency programs since ... Pop did it start in '07 ...?

Speaker 4: Six

Lara: Six? '06.

Speaker 4: Five.

Lara: Five. Oh, it started in '05 so the direction to the utility is to have 20% third party started in the cycle of 2006 to 2008. So this was originally established to provide an opportunity for non-­‐financially interested folks Like Turn, overright, NRDC and there are a couple others, to provide input and informal oversight into the process to make sure it was fair and transparent. And Hob was there. Way back when. I started on it in '07. So, we had this premise in place but given the fact that we're now transitioning to minimum 60% by 2020 there is a thought to revamp this process and to add an independent evaluator because what ORA and NRDC in particular have found were the last two remaining standing members of what use to be about ten people, ten organizations, we don't have the capacity or necessarily the expertise to really assess and analyze, you know what goes on during these RFP processes and especially with the increasing volume, there's no way we were going to be able to manage that so that's one of the rationales for having an independent evaluator as well as just making sure that this process is really trustworthy as we're transitioning to a new way of being.

So we decided, actually, to re name it the energy efficiency procurement review group. Because a lot of what we're mentioning is very similar to the procurement review group process that goes under, what you'll see a very similar way, through

... I guess ORA are on most of those ... Most all of the procurement review groups. NRDC is not. But other non-­‐financially interested folks go through the process, for the traditional, the conventional power. So we're using that as a similar of a model and you'll see there's some considerations here. You know, energy efficiency is a little bit different, but is it that different? We'll have to figure it out. What makes sense to change and what makes sense maybe to keep in line. And I know, Matt, you had written one other consideration that's an option that I had not presented here, that we should just put on the record, what if we leverage those procurement review groups that we just mentioned? Is there a way to do that? And if that is feasible what would that take? So after I go through this maybe you can supplement? With that? And I know Matt's not the only one who raise that, Margie also has the question, is that possible, so we should...

Margie: That doesn't mean I want it

Lara: Right, that doesn't mean that, just to be clear, Margie didn't say she absolutely wants it she just inquired if that were a possibility to explore. We're thinking about, you know there's a lot of cost involved in this, so we're thinking about how can we achieve the things that we're hoping to achieve while also being very conscientious of the cost of these things and the cost to the customers. Okay.

So, moving along, let's get to ...Let's go to page two. All right so what this would be, and again just to note this would be non-­‐financially interested folks participating.

So the public wouldn't be able to be part of these meetings. There's a lot of proprietary information, but we can ... I'm on the next page now, Ted.

Ted: Oops, sorry.

Lara: But we can report out at the Kay to make sure everybody is aware of what's going on.

So the process would be basically to set a schedule of regular meetings, that would be what we're calling the EE PRG, so that we can look at not only what comes in, but what are the solicitation plans, what are the protocols of the solicitation. The criteria. All of those things that really influence what kinds of bids would come in. And we would review those documentations.

The role. I'm not gonna go through, there's a lot of verbiage here so that we can make sure we captured everybody's position. But essentially, the role would be to review those documents and present what they think about it to the procurement review group. The EE Procurement review group. That would give folks like, for instance, Overing and NRDC, an understanding of did those RFPs go out, are those RFPs designed consistent with mission direction and consistent with the business plans that will be approved by the commission. And, you know, if so we continue along, if not we discuss how we need to be adjusted to make sure there's that consistency.

Also continue to make sure that the solicitation is fair and competitive and I have to say being on the PRG since 2007 there's a very intensive internal process that makes sure there's multiple people involved and tracking all of the process to the scoring so we still want to maintain that that's happening and that that's transparent and consistent, but that's less of a concern than it was in 2006 when we didn't know what was going on inside before.

And then another thing that the independent evaluator would do would provide the annual written assessment to the energy division and to the PRG about what happened that year. You know, what were the solicitations, the numbers, the process, agreements, disagreements. We have to decide what the scope of that report is, but we want to have a regular reporting requirement. This used to be a requirement of the old energy efficiency procurement peer review group but it kind of fell off in recent years so we want to resurrect that. And then however they

need to coordinate with ...

**Section 4 of 18** [00:30:00 -­‐ 00:40:04]

**Section 5 of 18** [00:40:00 -­‐ 00:50:04] *(NOTE: speaker names may be different in each section)*

Lara: Then however they need to coordinate with Energy Division in addition to the energy efficiency PRG, and we have to decide what that means. Energy Division most certainly should be on the Procurement Review Group, just like they are in the conventional. We want to make sure that that's consistent with what Energy Division is envisioning, that they also have the capacity to do that. These are all questions that we will have to explore with Energy Division. We don't do this in a vacuum. We are proposing something for them to consider, and they will then come back with potential modifications, based on what they are able and want to do.

With that, we are now on page 3. To hire an independent evaluator, I should modify this, we have many discussions that ultimately ... One independent evaluator could never do this. What they do in the Procurement Review Groups, they have a pool of independent evaluators. We would do something similar where there would be either individuals or firms that could carry out these functions, and there would be a pool by which a program administrator could pick from, to make sure that we don't have any bottlenecks. The last thing we want to do is slow down or even stop the implementation of programs, both for getting the energy efficiency, but also for making sure that the industry doesn't get stuck in a start-­‐ and-­‐stop of a Peer Review Group, instead of what we used to have, start-­‐and-­‐stop of a funding cycle. We need to be very conscientious of our choices and how they impact the industry.

There are two ... I'm just going to go to page 4 now. There are two proposals out there. The current way that the Procurement Review Groups work is that the utilities hold the contract, run the solicitation process, and pay the independent evaluator. There are some parties that do not want the utility anywhere near the solicitation process, or the hiring or the overseeing of independent evaluators, because there is the presumption that then the independent evaluator could not be independent. There are two positions here, on table 1. One, [IOO 00:42:10] holds the contract, and one, Energy Division holds the contract.

For the individual, for the IOU holding the contract, there are a number of ways. I'm not going to go through the pros and cons, because you can read them, but there are a number of ways that we could manage the concern that there may be some potential not-­‐independents. I really appreciate over a very productive suggestions. They haven't said they want one particularly way. They have just provided us with a lot of knowledge, and Rosie's on the phone is very, very helpful. She participated in a number of the Procurement Review Groups. There's some options for the group to consider about how this could work, with an IOU running the contract.

For example, Procurement Review Group groups or a subgroup could be part of the

solicitation process, and be part of who's chosen, so that it isn't just IOU-­‐specific. That could involve ED, or maybe not, we have to ask them. There are a number of different ways. You could have the independent evaluator not report to the IOU, but report to the PRG or Energy Division. There are a lot of options there. The one where Energy Division holds the contract, the biggest concern there is just the state contracting process. Can they manage that, and is that even feasible? When we get to discussion, I don't know if Energy Division's wanting to weigh in on that, but those were the two options for that.

Ted: Lara, can I just point out ... Margie or [inaudible 00:43:40] caught this, just a typo where the arrow is on the screen. I hope everyone can see that. I think the word "not" is missing. Or "is not."

Lara: If it is ... [inaudible 00:43:50] You are correct.

Ted: Yeah, so just ...

Lara: Hey, Margie, you read the document! [crosstalk 00:43:58] What Ted was talking about is, one of the things that might be a concern, the Procurement Review Group has a potential to be involved with reviewing deliverables, and a lot of the process is ... We're not sure if that's feasible, if Energy Division holds the contract, is that an option for us still to be ...? Maybe, maybe not, but that's just a question that was raised.

Male speaker: I think that it's in decision right now.

Lara: Yeah. We might need to get clarification if we go that route, to have such a opportunity for the Procurement Review Group, identify that this is in language. It's not automatically obvious though. The Procurement Review Group would have the same kind of level of input as we have experienced in the past with the IOU holding the contract. That was a question.

Moving on to RFP offers. Offers means what we call bins or proposals or any of the things that come into provided a service that's in response to an RFP. You'll see there are a number of comments, but basically, the two options that we narrowed to at the last call were that this independent evaluator would review every single RFP, which mean that would be potentially unmanageable, manageable enough amount of ... Let me say that again. We think there will be a manageable number of RFPs to enable the independent evaluator to review them, but we don't know yet. We'll have to see when we see the solicitation strategies, but right now let's presume so. They would review all of the proposals, but we need to, we didn't get to discuss in the meeting what that would mean. What exactly are they doing? [Or at least they didn't 00:45:40] capture a consensus or an idea about ... What exactly is the independent evaluator looking at? Some of the questions were, are they only looking at the ones that just didn't make the cut, to see that it makes sense, or is it something else?

The other opportunity is to review all of the RFPs, but then just spot check the proposals. That way ... Because we don't know how many proposals are coming in. If we look at what happened in IE, IB, 365, we got hundreds of proposals came in off of, what, one RFP or something? If that's the case, having the independent evaluator look at every single one will definitely slow down the process. Instead we should think about, what is it we're trying to achieve? If it's to make sure that things are consistent, and we're making progress towards the business plan and commission guidance, maybe a spot check first would work. If there are some problems, increase the amount you spot check. If there are not problems, you could decrease the amount we spot check. Again, the alternative, the one that I was just saying before, is you review every single thing. We need to hear from stakeholders if they think that's feasible, and concerns or not. Again, like Ted said, if we can't narrow this any farther, I'll add a column, and we'll have the opportunity for the stakeholders to put where they stand.

Approval of proposals, the next page ... God, this is one document, holy moly. It's not that long? Okay. Feels long. Now we are talking about, what happens now is that in the energy efficiency PRG that we currently have, that's sort of dormant, once we go through it, the utility .. Right now we're only working with the utilities. The utilities then decide to take the feedback, not take the feedback, and they go through the contract process, and then things get implemented.

The proposal ... There's two proposals. There's a few proposals. Now there was a request. In the conventional power PRG, they submit the contracts through an advice letter that goes to the commission, and then gets approved before it gets implemented. The idea now is that we do the same thing with energy efficiency. Again, [Aure 00:48:09] has provided some, again, they kind of decided, or they almost stated what they exactly want on these streamlined opportunities. They have provided options for us to discuss and consider, to come to some sort of middle ground, so that ... They understand, we've heard in the conversation, we all understand that implementers don't want to be stuck, and that a lot of the concern with Energy Division, they don't have a staff to go through advice letters. Even if there's no problem, it's still a 30-­‐day delay, because that's the protest time.

There are some ideas here about how we could potentially streamline it. For example, if the independent evaluator and the Procurement Review Group agree everything was kosher, then we'll put in a letter, and mean we could explore leaving protest, or shortening protest, or maybe then Energy Division yeses 30 days, but then it's really simple afterwards. There's some ideas about streamlining. That's for all contracts going through an advice letter.

Clarifying?

Dan: This is actually, this a clarifying question for the utilities, to see if there's anyone who can answer it. What is the current process for procurement, in terms of contract approval happening? Think it's a tier 3 advice letter, but it would be helpful if the utilities could confirm.

Lara: Is that a [call stub 00:49:31]?

Dan: [crosstalk 00:49:31] a [call stub 00:49:31] from Paul, it's a tier 3 ... Dan: It's a tier 3.

Dan: So the analog on procurement is a tier 3 advice letter. Male speaker: That's correct.

Margie: I have a similar clarifying question, if we're going to ask that. Lara: That was the ambush by the way, from ORA.

Margie: Margie Efficiency Council [crosstalk 00:49:47]. Does anyone know if the generation then has an annual review and an advice letter that reviews the budget, as well as the material, in addition to what you just described?

Matt: I don't know. [crosstalk 00:50:02]

**Section 5 of 18** [00:40:00 -­‐ 00:50:04]

**Section 6 of 18** [00:50:04 -­‐ 01:00:00] *(NOTE: speaker names may be different in each section)*

Speaker 1:Revised letter that could reduce the budget as well the material in addition to what you just described?

Speaker 2:I don't know.

Speaker 3:  
[crosstalk 00:00:09] I've got Hillary on the line. She knows.

Speaker 2:  
It's more complicated than that because there's different processes for buying long-term procurement versus short-term procurement versus annual. There's quarterly filings of transactions in the procurement phase for a ... application is required for a contract of over five years for non-renewable procurement. For renewable procurement, it's filed by [QF3 00:42] advice letter. If utilities don't follow the procurement rules set up by the commission, and in their long-term procurement plans, then they need to get commissioner approval. Some of that goes to tier two advice letter. The quarterly filings are filed by QF3 advice letter which are then audited by the commission, and that goes into the error filings which is the actual budget process. There's two applications in the error process; a forecast and a accrual. So I mean, it's a complicated process, billions of dollars a year, so it deserves a complicated process, but it's not as straightforward as you're putting forward.

Speaker 1:  
Oh yeah, need to put that forward.

Speaker 4:

You want to make sure you're saying the clarifying questions, because we're going to come back to this for [crosstalk 00:01:38].

Speaker 1:

Okay yeah. Thank you. That was one of the other potential streamlining. Can some of these go to tier one, or maybe tier two? Maybe only if a certain energy efficiency contract above a certain funding would get kicked to tier two. Personally, I can't imagine where you'll fund one project that would get kicked to that level of tier.

But the next two options, so the other option was to just send those contracts that are in dispute. So that independent evaluator and/or the peer and review group don't agree with what the program administrator put forward, and we were unable to come to an agreement or a resolution. So just those, that's the alternative, just have those go, and again, it could be through tier one, through tier two. It could also be coupled with a threshold. Again, is there a certain amount, a length of time, a certain amount of risk to the customers, a certain amount of money? We haven't talked those through, but we can.

Then the last one, was just the existing process where contracts move forward once the PRG has reviewed them, which has happened quite a bit at first, so I'm not sure how feasible that one is. That one option today is to go through to see if we can come closer on option one and two.

The last thing, I don't think ... Do I need to go through the last thing? The last thing is we just put out how this would look in sequence, but I think, I'm not going to go through it because it really depends on what we end up deciding, so I'll just tell you what the patterns are. For example, the first column, it says develop and review public RFP scope. That's what Ted's going to talk about there when we talk about the implementation and planning process, or maybe we're doing it together, I forget. But that's before it gets to the peer and review group.

Then you'll see the headers, you know, we reviewed the RFP, there's a solicitation, proposals are reviewed. The current PRG, we see the final scoring, and we can raise issues and questions about why is it this why is it that? Then there's a contract negotiation and signature, or advice letter, depending on how we land as a group. So you'll see that the first row's the PA, then there's an independent evaluator, and then there's an EPRG. We could potentially add the [CQC 04:08], but that's sort of part of the procurement review group, so we didn't take them out, but we can't, and [inaudible 00:04:13]. So, now that you're all oriented, what do you want to do?

Meghan Dewey:

I have a question.

Speaker 1:

You have a question?

Meghan Dewey:

This is Meghan from PG&E. One of the questions that I have, and I probably should be asking this question, because I learned from my friend Margie Gardner that one her lawyer friends told her never ask a question unless you know the answer. [crosstalk 00:04:35]

Speaker 4:

And Meghan ignores that as much as I do.

Meghan Dewey:

So this is a process question in this new world that we are embarking on. So, currently, the rule is that we file advice letters for the new programs. I assume that that is not going away. That rule is not going away. So, after we file business plans, new programs that come out of our business plans, and come out of [inaudible 00:05:10] of solicitations will still require an advice letter for the approval of the program. Because the program will need to have evaluation criteria as part of it, and it will have no [inaudible 00:05:25].

So my question for this is, why would we want, why would we file an advice letter for the approval of the contract, when we still subsequently have to file an approval for the approval of a program? Wouldn't we ultimately want approval of the program? Because a contract's probably not going to have everything that everybody wants, right? It's not going to identify how we're measuring the success of that program. It's only going to say, "Here's the ... " It's going to have an overarching scope of work.

After the program, and again, I'm just talking out loud right now. So I want everyone to have a conversation, so we go through the PRG. Do we have an idea of what ... We solicit for, let's say, it's hospitality, and there are a bunch of bids that come in for a hospitality like program, and we all collectively agree that this is the program we think we'll run. But then, after we select that bid, then comes the cake as we develop that implementation plan, and really the full program scope. We all vet it. Then the program in itself is now a full program. We all agree and that's when we file the advice letter on the program. Is this how we're thinking this is all going to run from a process perspective? All my IOE friends are shaking their head and probably shooting darts at me, like why am I [crosstalk 00:06:56]. I just need to understand the process first thing.

Speaker 5:

Meghan, may I ask, maybe you or anyone else that knows, what does that filing look like? Are you going to cut and paste the implementation plan while defining the program itself.

Meghan Dewey:

I don't know, but usually when we have a new program, and advice letter includes a lot of information around the program scope and it includes how we evaluate the program. It doesn't include the, what we call the PIP today, but IP tomorrow, but it includes something that has enough information to give the commission staff confidence that the program is designed in such a way that it's going to achieve the objectives that we've set forth.

Speaker 5:

Thank you.

Speaker 1:

Meghan, please [inaudible 00:07:45]. Do you want to-

Speaker 6:

You do file them.

Speaker 1:

We do file the bills? It's not a field ... [crosstalk 00:07:56]

Meghan Dewey:

We do not file ...

Erin Brown:

This is [Erin Brown 08:02]. So for Idea 365, we didn't file advice letters for those programs that came out of that process. I look at this as a similar methodology. In 1510028, there's no language requiring advice letters for programs, right? We have to file implementation plans that will detail, or we won't file them. That's just me. We will create implementation plans that will detail how we intend to run the programs, if those are not formally approved, right?

Meghan Dewey:

But see here's the sticky question for me is that in the old world, we had the statewide/gore F3P. 3P, you're right. Everything that went through PRG, we never filed a new program if by [inaudible 00:08:56] program. But everything else we do. For instance, PG&E, last year we filed a retail platform, or [inaudible 00:09:05] platform. I can never remember that. That's a change, [RVP 09:09]. So we did file an advice letter for approval for that, right? But then, you're right about Idea 365, and other third processes that fit into that third party regulatory budget, we don't file anything. So in the new world, I don't know it. So are we suggesting that no advice letters will be filed for new programs?

Speaker 4:

We left tier one by the way in 2002. I see Jenny, and Matt, and [Margette 09:43]. You've already referred to them.

Speaker 7:

Jenny or Erin, I don't know if this is an appropriate time to just give general feedback on this, but ... what?

Meghan Dewey:

is it on? Can you hear it?

Speaker 1:

[crosstalk 00:09:56] That sounds good. Do you just want to give general feedback, or do you want to go through this sequence?

Speaker 7:

Okay.

Speaker 4:

Why don't we respond, I'm sorry. So you're not responding to Meghan?

Speaker 7:

No, I'm just going to wait ... This is up?

Speaker 4:

Yeah, okay.

Speaker 7:

Let's hold it for general comments.

Speaker 1:

Okay.

Speaker 4:

Let's have a little more discussion on Meghan's question. It's seems like a pretty important one. I see Matt, do you have any feedback on that?

**Facilitator Insertion from recording:**

Speaker 1:

Responding to Meghan.

Meghan: No, I'm just going to wait. This is up?

Speaker 1: Yes.

Meghan: [crosstalk 01:00:03] for general conflict. Speaker 3: Okay.

Speaker 1: Let's have a little more discussion on Meghan's question. It seems like a pretty important one. I see Matt, you have feedback on that issue and Margie yours is on

a separate matter.

Margie: I think mine is separate. I made one comment on it which is, I think is a really important question to put out there that we may not be able to answer right now.

Meghan: Yes.

Margie: My perception is that a lot of the wrangling we're going to have to make through is susceptible to analysis. If somebody had the time and resources to actually go back to these decisions and look at them, and understand more about the [demoration 01:00:43] and understand more about [EE 01:00:45].

We actually might be able to get to some of the bottom of some of this. As I started into it I thought, "Oh great, I'll just go look it up." I was like, "Oh my god, there's no way I can weed this stuff out." Anyway, it's just a thought because I would like to come back to Meghan's question.

Speaker 1: Okay.

Margie: Then I do have a clarifying question.

Speaker 1: Yes.

Matt: Just some thoughts to add to this discussion, I don't know if it’s the right answer. Meghan: Yes.

Margie: That's Matt [inaudible 01:01:09] see.

Matt: [crosstalk 01:01:10] Thank you. We're improving the business plans, I believe the implementation plans are meant to be living documents, right? If I don't a formal approval process, through an Advice Letter. They were just posted to the CEDARS and updated as needed as programs change. So that implies no program change requires an Advice Letter either. That's not the purpose of the September annual budget Advice Letter was also to describe the program changes that happened over the prior year, that are reflected in the implementation plans of the [inaudible 01:01:55].

Meghan: New program?

Margie: So the Advice Letter-­‐

Meghan: Do we think this is Meghan from PG&E. So we think that the September annual Advice Letter is also the place where we would suggest new programs or identify the new programs and say, "Hey, here's the side of my new programs. By the way, the PIPs were posted on CEDAR]."

Speaker 1: I think the decision says that, I thought it says, "The new programs." Again, that's a ministerial filing so it's not meant to be the designing [terrain 01:02:29].

Meghan: Right, new programs are vetted here at CAEECC though. We don't file for approval for them if they're vetted here at CAEECC .

Margie: Right.

Lara: Let me just clear, this is an important question. This is Lara. This important question because what I'm hearing is are we going to propose something that makes PAs file two Advice Letters for the same thing? We need to be very cognizant about it because that could shut the whole thing down for implementation. That's the part of the question.

Speaker 1: So Mike and Garrett, do you have a-­‐ Speaker 7: Take it.

Erin: Is this on? This is Erin [Zonakas 01:03:08]. I just wanted to refer to [inaudible 01:03:10] two, eight, where it says, "The annual budget filings are not designed to create a forum for debating the merits of particular programs as for the business and proceeding when you address the process or implementations plans below."

Meghan: And then it goes on for like five [PGs 01:03:29], yes.

Speaker 1: I'm pretty sure that it says somewhere else that if Advice Letters include knowledge for these programs. Mike.

Mike: My understanding is that part of-­‐

Meghan: Who are you with?

Mike: Mike Callahan with MCC, thank you. My understanding is part of moving this new process was sort of moving away from the program by program approach to sector approach and the intervention strategies. If you're doing something that you've updated in your implementation plan that's still consistent with the business plan, even if you might think it is a "new program" in the form apparent. I don't know that necessarily would trigger anything other than maybe talking about it with CAEECC.

Speaker 7: Dan, if I could, I'm going to put some words in my Mike Campbell’s mouth. Strike me know if I'm wrong here. Mike has argued that there are no interventional regulatory traction points besides the business plan. I think that's why you guys were anxious for the contracts to go through the Advice Letter process. My presumption is Mike would also agree that new programs aren't filed for the Advice Letter for that amount of business.

Dan: Dan from ORA. Our understanding was that the whole [pips 01:04:47] were required to be filed with your applications and then you were... I think the practice was to file when you had a new program between applications, was to file it to your Advice Letter that included the budget for the new program and the PIP. That was the meat of what you were filing for approval was the PIP, that was most of what the filing made up.

In a world where implementation plans are no longer filed but are warehoused somewhere and are not subject to regulatory approval, that ORA’s concern was that there was no opportunity for [inaudible 01:05:23] full stakeholder employed to regulatory approval. If folks are interpreting this that you will continue to file only programs in an advice letter then we can probably... We don't need two Advice Letter filings.

On the other hand, I'm hearing from most of the PAs that they did not anticipate filing all of their new programs in advice letters. In which case, we think that this is an appropriate check-­‐in point to file. As the contracts, you file for approval of the contracts with the commission and then the implementation plans would be through the CAEECC process rather than through a formal process at the commission.

Speaker 1: Margie.

Margie: Yes, my clarifying question which now has gotten [inaudible 01:06:12] tail with Meghan's, I think I figured it out. Michael, my clarifying question was, when I read through this entire document pretty closely, I read that the purpose was compliance with existing policies and business plans or soon to be existing business plans and fair transparent process. That really works for me for the couple sections of this paper. In fact, the paper when you read, if you stop at section three, which is the contracting question, it really works but if you include section three in all of this it doesn't work.

If correct that the entire purpose of what we're talking about is compliance and fair and competitive solicitation. What I think happens is in section three, we start getting confused that there might be a need to review program designs. If it really is just compliance, the only reason the advice letter would go forward is to say it doesn't meet the business plan. That's the entire purpose, the scope only is compliance.

The clarifying question was, I read this, the words in here only have compliance as a purpose and fair and transparent process. Whether there's an Advice Letter or not, all three sections say program design is not part of the PRG and IE review, it's compliance. Lara, I want to say that, when this conversation started a couple months ago I had a reaction and I thought, "Really listen and really read everything that's coming out," and every single meeting I keep hearing compliance, et cetera.

What happens is then when I started to read session three, which is bolded on, it

really is a separate argument discussion that I start to hear from some of the parties and I think we should bring it out in the open. There's one thing, which is what we started with, that [PRGs 01:08:10] purpose is compliance. Do we have competitive bids that are actually compliant with [PUC 01:08:19] law or direction? We've ended up at a different place and I think we need to somehow pull that other place out. If I'm misreading the documents, someone should correct me now.

Meghan: Dan, do you want to respond to that part of the question?

Dan: This is Dan from [ORA 01:08:36], it's not entirely clear to me what piece you're saying is out of scope. If you could clarify, we might be able to respond. I'm not sure which one is section three.

Margie: Yes, if you scroll up I believe.

Meghan: I think she's-­‐

Margie: [crosstalk 01:08:55] down-­‐

Meghan: Table three.

Dan: Table three?

Meghan: It's the contract-­‐

Margie: [crosstalk 01:09:00] Yes, it's the contract section.

Lara: Margie, if I hear you, this is Lara, you're saying that it feels like the Advice Letter process is meant to vet programs and not to be in compliance with permission direction to the business plan that we're modeling into.

Margie: I think that's happened in the conversation and I think we should not go into to because they're separate type processes with different purposes, and I think the third piece of the contract [acrew 01:09:27], which is where the program design really needs to involve the commission because it's a commission decision, how much they get to be involved in that. For example, I've read it, the PAs have read it [inaudible 01:09:45]. Go ahead.

Dan: This is Dan from ORA. We consider this step where you involve the commission, you go to the Advice Letter filing, you put a filing before the commission and you get stakeholders the opportunity to protest. They can say, "This doesn't conform." Our recommendations appear-­‐

**Section 7 of 18** [01:00:00 -­‐ 01:10:04]

**Section 8 of 18** [01:10:00 -­‐ 01:20:04] *(NOTE: speaker names may be different in each section)*

Dan: Say, this wasn't good form. You know, our recommendations in the PRG were ignored. This is the ... This is all compliance. Then the commission has an

opportunity to bless the contracts or not. To bless the process and to essentially, that is your moment of this complies or this doesn't comply. I'm not sure what you would do in the absence. Otherwise, you have sort of a stakeholder process. But, if there's disagreement at the end of it, you don't have a resolution mechanism. The Advice Letter is that mechanism. You file the set of contracts that come out of the solicitation process, and that is the moment of ... That's where the commission says yes this complies, this can go forward. And that's the end of it.

Michelle: So Dan, I think what I'm hearing her say is [inaudible 01:10:52] is that, is it also going to be a time to protest the program?

Margie: I'm worried about compliance is the scope.

Michelle: You look at much broader than what we're anticipating it to be is what you're ...

Speaker 3: But, what I did hear Dan answer is yes. He also reads this as this entire thing is about compliance. And it's not about program design. You know, I'm extending your thought now. It's not about program design. It's not about how the program is delivered. It's not about level of normalization. It's not about inspector specifics. It's not about the marketing. It's only about did you meet the policy objective of the [inaudible 01:11:31]. And I really need to clarify that, because it does make a difference then in what I think about the process. So, I kind of heard you say yeah, it's about compliance. So, yeah, here you go.

Dan: I think that's how we see the process, except, with the caveat that all of those things that you just mentioned may or may not comply with the commission decision. So, to the extent that they do not, they would be fair game. If you're submitting a contract for a program that is not compliant, then it's fair game for a stakeholder to file a protest to say, no your [inaudible 01:12:07] plan does not conform with IPMVP option C, therefore this program cannot go forward. Can't ask stakeholders to not protest something that's out of compliance with decision language or right policy. However, to the extent that ... You know I would think. I mean this comes to Energy Division in the commission would have some discretion. But, I would think that they would be less likely to entertain a protest where it's just a dispute over, you know, I don't like that program design. But, we should be careful that it's not appropriate to tell stakeholders that they cannot have voice. I feel strongly about there.

Speaker 3: I don't want to say that.

Dan: Right. But, it would be to ...

Speaker 3: Don't let me say that.

Dan: It would be to the commission staff to decide whether the protest has merit. Speaker 4: So, Michelle has a colleague, Hillary. Do you want to just jump in, or do you want

me ...

Michelle: I think let ...

Hillary: Hi, yeah, this is Hillary [inaudible 01:13:08] manager for EE SCD&E and only worked in RPF for German at SCD&E, but familiar with the PRG process. Just wanted to mention that the conversation right now is very analogous to the way that we handle procurement on the electric [inaudible 01:13:27] side. We file, I think as Bob Strauss mentioned earlier, we file [inaudible 01:13:34], we file an RFP plan which is analogous to our business plan for EE. Then each RFP [inaudible 01:13:43] is handled through the PRG, and the exact concepts that was just mentioned, I think by RA, the question is does the procurement meet the goals set out in the RPF plan. That's the question being asked. Then also, is it fair and transparent, and that's where the IE comes in for that report.

So, I just wanted to add that, the way you're describing it now is very analogous to RPF. It wouldn't be analogous to have a PRG process for EE where we are completely rehashing program design or principles from the business plan. That should have already been approved, and what we're doing in a PRG is just implementing the concepts that ... And plans that we'd already gotten approved in the business plan.

Michelle: Jenny.

Speaker 4: Jenny. Take [inaudible 01:14:42].

Jenny: I'm Jenny Berger and I just have a quick question. I thought that the basis of this proposal and the focus was on the contracting process [inaudible 01:14:48]. And I might have lost something, but Margie's comments were about compliance with our program and our goals, which I thought was the purpose of [inaudible 01:15:04]. So I apologize if I haven't been totally focused, but I'm kind of confused now. These are very separate issues.

Speaker 7: I think that's what she was raising. To confuse them. Jenny: Okay, so you're saying.

Lara: So, Jenny, this is Lara, and it sounds like, and I see some other I don't know if you're still there Michelle. But, it sounds like these are the kinds of things that we need to articulate in this proposal for the commission to provide clarifying language in decision. Because we can go around in circles and we can muddle it. But to Dan's point, it's very unlikely that they can limit the scope of a protest, but they can manage the protest time. So, we just wanted to be very clear. Again, if there is a protest, and it's out of line, yes they can say well this is out of line. But, it still takes more time. That's where we're getting concerned is how many of these types of processes are going to add up to the point where the implementers don't actually get to implement it. That's where, Jenny, where you're saying, cut it to compliance.

Let's not confuse the two, which would delay further. Let's make it as clean as possible.

I would like the Energy Division to know how much they can actually put boundaries around this process. To make sure it doesn't get out of hand.

Male: So, I just want to interrupt for a second. Myself and Bernie, Lara are nodding the time. This conversation does seem pretty important as we've been spending time on it, because I think what you expect from the AL, Advice Letter Review process in contracts somewhat affects how you feel about a given proposal. So, why don't we talk a couple more minutes and then stop. Then go through the promo and then we can come back. I don't see a better way. Because I don't want to miss the actual other topics. Does that sound okay? Couple more minutes on this issue.

Let me, a little distracted. Let me see if I can recap. It sounds like there's general agreement that the Advice Letter Review process for contracts and, the PRG is mostly around compliance. On the other hand, it's hard to say in the Advice Letter to commission review process that stakeholders can't comment about program design. Did we resolve any more than that, or is that pretty much where this.

Group speaker: Yeah.

Male: Yeah, so.

Margie: I think you misstated a little bit of my position accidentally, is my guess. Because the language is really important here. I heard, you know, a word that I wasn't intending. But, I also want to observe. I feel like I've asked one of my clarifying questions. I have about 15 to 20 comments, you know, that actually then go deeper. Like this was just like, let's make sure I'm not confusing anything. Program design is not part of it. Nobody else thinks it is. So, I feel like we did get that clarification. But, I am worried.

I will try to participate ... Talk as fast as I can. That there ... I think we're going to need more time on this to the extent we need to get into the deeper stuff. If we finish early then we'll come back. Just want to ... Some options.

Bob: This is separate from PRG.

Male: It is.

Jenny: I think Margie and Jenny Berg. And I think she raises a really important point. I feel like these agendas, today in particular, are so jam packed. This is a really serious issue, and to not ... We haven't even gotten through clarifying questions. I know I have a lot of general ... I think it would be a real lost opportunity to rush through the agenda and not really. [crosstalk 01:18:35] Bandwidth issues for many of us are serious.

Male: So, Jenny, I think we can be a little flexible on the agenda today, for sure. So let me just echo something I heard from Lara. And as an individual, I've had the same reaction. I sort of feel like the question of whether the commission reviews contracts or not, to me ... Obviously there's a lot overlap. But, it seems like a separate issue from the proposal around PRG and IE.

So, I don't know, and I think Margie just said that, right?

Margie: Well, yeah, and I actually, personally think, I'm guessing, that there's a lot more agreement with sections one and two. That there will be a PRG. It will be non-­‐ financially interested parties. There will be an independent evaluator. The scope of the material that the independent evaluator in this document seems about right. So, I mean, maybe, if that's true that there's closer consensus on that, maybe we try to just discuss that and then move into the contract piece.

Female: Let's do that.

Margie: Because I do think there is some common ground on that section. Male: Bob, Dan, do you want to jump on ... Bob Strauss.

Bob: Yeah, this is Bob Strauss. Just wanted to put some context on this, that on the supply side, the Parent Review Groups were intended to air disputes and resolve them before they got to the commission approval.

**Section 8 of 18** [01:10:00 -­‐ 01:20:04]

**Section 9 of 18** [01:20:00 -­‐ 01:30:04] *(NOTE: speaker names may be different in each section)*

Bob Strauss: air disputes and resolve them before they got to the commission's approval process because the approval process is complex, and litigious, and takes a long time, and would delay processes. So, if people could identify disputes, we think as a market participant, or by a non-­‐market participant that you're doing something wrong, you can correct that in the process, before you've completed the process. That was one of the intents. The downstream effect was that, if the utility didn't make that correction, the party could then protest the filing at the commission, and that was the hammer. Now, if you don't have that commissioner approval process, is this just an information body that doesn't have any-­‐ I mean, it's always just an information body, but does it have any ability to impact the programs?

From the decision, most of these disputes come up, either through the dispute resolution process, which goes to the implementation plan, and if [inaudible 01:20:59] rolls back to the business plans. And if they're only filed intermittently, raises the question in my mind. I was not involved in the development of this process. I'm coming at it from the supply side, which is where my expertise has been. One other thing I want to add, is that the [inaudible 01:21:20] review groups, being non-­‐market participants, the major weakness I found in them as [inaudible 01:21:28] staff was if the RFP was excluding certain market participants, was unfair from them, they didn't have a chance in the PRG, they didn't have a chance to look

at things beforehand. They would come to the commission staff indirectly, and the staff would have to take action based on that. Which led, actually, to a rule that-­‐ there's a rule that the PRGs would review the RFP.

Staff, at one point raised issues on an RFP. The utility decided not to honor those, and filed the RFP., which led to a rule in the next round of decisions, which said, “The commission staff has approval over the RFP before it gets issued." Because the utility didn't mind that, and there wasn't any ability for the staff to do anything about the utility just ignoring that. And once you've gone through the process, and come to the commission with a filing in that process, it's very hard to go back and say, "Well, this other person should have been involved in the process, but the RFP, you did it wrong. Can we restart the process now" Six months later.

So, one question: When you're developing this process, what's the mechanism for market participants to complain about what they consider an unfair RFP or process?

Raspy voice man: Okay, Margie, do you want to respond, and then let's move through this document.

Margie in back: Yes. So, I just wanted to chat, because I believe is a thought, which is-­‐ we're talking hundreds of contracts, right? Okay. Of the 100, let's say there's 90 that there's no issue with, whatsoever, it sounds like, given the purpose of the PRG for generation, there isn't a reason to take them through. You kind of said the reason is so that if there is a difference, [inaudible 01:23:21] can make a decision. But if there isn't a difference, and it's one of the proposals that I think it already has in here, let the ones that have no disagreement go through without an advised letter of approval. I don't know. Is that an option at all?

Deep voice man: I'll just clarify that, that was not [crosstalk 01:23:36]

Lara: No, no, no, that was nobody's proposal, that was a suggestion that if there was no dispute, that would be tier one, with the potential to explore shortening the protest period.

Margie in back: I didn't know if that fit with what you said, and I thought that I should check it before we moved too far off.

Raspy voice man: Okay, thank you.

Proposal guy: To answer your question, I wasn't actually proposing anything, I was just identifying areas of concern that you may want to address in developing this proposal.

Margie in back: That's the reason to have it. If you have no disagreement, then don't have it.

Facilitator: Okay, we're going to go to Meghan, and then we're going to move forward on table one to [inaudible 01:24:18]

Meghan: Okay, for this one, I'll be short and sweet. I just want to remind everybody what the goal of a rolling portfolio is. It is to remove the regulatory barriers. It was to streamline energy efficiency, it was to [inaudible 01:24:36], it was to remove the stop and start of programs and contracts. So, as we progress in this, let's just do no harm. I don't think what was officially written, that was Dave Nemtzo's biggest issue. He loved to remind us, "Do no harm." So, I just want us to remember that as we continue through the process. [crosstalk 01:24:59]

Facilitator: Yeah. So, we're going to start from the top now, and dig into the specifics of the proposal, having had that useful preamble.

Lara: Table one, on page four. Going back to this original. We asked the energy division a couple of questions to see how feasible any of these questions are. So, again, just to remind you, the contracting options with that pool of independent evaluators. First option: IOU hold the contract and runs the solicitation. Potentially with some PRG or some group of the PRG involved to manage any potential bias. The other option is energy division holds the contract. I would first ask if-­‐ I don't even have to ask, she had her hand up. Okay, Carmen.

Carmen Best: I had a question for a source. Lara: This is Carmen Best, from CPUC.

Carmen Best: Was energy division staff consulted on the cons and the pros-­‐

Lara: Oh, no. This is just what we discussed in our group. We wanted to hear from you, thought and context.

Carmen Best: I think, on the first bullet, whether or not the state contracting process would be too burdensome. It would be on the type of project that you leveraged. I think a pool of contractors would be an option, much like they do with sequa contracting, which is a lot more flexible than ... There's different contracting mechanisms that could try to alleviate the extensive process that we see with second-­‐ the evaluation contracts. But, also on that point, we would need to have budget authorization to take on this extra component. That might take longer to get started, but it could be sustained over time for both division staff for other parties that might need to be involved.

Lara: So, just to clarify that, you would need budget authorization for more people or to be able to hold money for the contract?

Carmen Best: To hold the money for the contract. Much like we have a budget authorization for evaluation of contract.

The next part is ... And in the next bullet, "There would not be an opportunity for the EE PRG to be part of the selection process." That may not be true, we'd have to dig into the statement of contract protocols. I would want to look at how we-­‐ we

would have to look at state funding. So that might be an option. The third thing was, the third one on uncertain if they'd be able to be part of reviewing deliverables, I don't think that that would necessarily be a problem. Again, that would depend on how you contract, and if that included consulting with external parties, that is something you can write into a contract as part of the requirements. So I don't know if that would be a [inaudible 01:28:11] barrier.

Does anybody have any questions they want to ask-­‐ Loud lady front: Yeah, okay. Go ahead.

Margie in back: So, if you had to go through the legislative process to get the budget authority to do this, would you guess how long that might take from whenever we'd start.

Carmen Best: If you had your timing right on the legislative processes, a year. And if it was-­‐ we had support in the legislature, then the ministerial process would take about a year. If we didn't have support, then ...

Margie in back: So that might be something to put in the table, as well. On the other hand, if that is the right way to go, and that these-­‐ whoever is making the decision, it would be good to have a transition in the meantime, because unless you don't want bidding on programs to go out until 2019 or something, yeah. So, we need to set something up, even if that were the long term path.

Facilitator: Carmen, just other than that legislative authorization, the sense I'm getting from you is that it's mission impossible, this would be ...

Margie in back: It would be mission delayed.

Carmen Best: No, I don't think that it would be mission impossible, I just think that it would take some time, and it really needs to come back to the justification for why you would want a public entity to be facilitating the process. And then I think it could be a reasonable pathway.

Facilitator: Thanks, I see Meghan and Lara and then Bernie. Meghan: Thanks, this is Meghan from

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**Section 10 of 18** [01:30:00 -­‐ 01:40:04] *(NOTE: speaker names may be different in each section)*

Meghan: Thanks Dan. This is Meghan from PG&E. I would like parties who are proposing that the CPUC hold the contracts help us understand what they see as broken in the procurement process with IOUs holding the contracts. If it's billions of dollars a year, with procurement, what are the challenges? And what are specifics examples that they've seen. Their eyes. Their own experience, that happened with IOU's holding those contracts.

Female 1: Mine's a similar question. My question was a similar question but to Energy Division, to see if there is a big enough battle in the procurement approach that's been going on for many years that would warrant a wholesale different approach to energy efficiency. I'm curious if you've had a chance to think about that or not think about that?

Carmen Best : [inaudible 01:30:58] I don't have an opinion on which process would be better or worse, at this point. I don't have an opinion on which process would be better or worse at this point. Again, the justification would either need to be grounded in the ultimate purpose. What problem are you trying to solve? I answered you best I could. At this very moment, I don't have an opinion. [crosstalk 01:31:41]

Male 1: [inaudible 01:31:51] with the LMCC and also the Coalition for Energy Efficiency. These are good questions about why we should be doing this and why it might be different. The first thing I want to do is, there's a few points here, the first thing is to call everybody's attention to Commission Decision 05-­‐01055. This decision was relating to EM&V Consultants and their contract to the IOU's.

I'm on pages 112 to 114. The Commission made it very clear that they rejected having consultants report to the IOUs in that decision. That is legally the most relevant president for this.

Why might they have done that. I don't know exactly why the Commission did it. It's likely that they did it for some of the same reasons that the Coalition members are rejecting this concept. First and foremost, this is a ten to twelve billion dollar expense over ten years. These IE's need to be absolutely independent. They need to be at arm's length. Having them either hired or paid by an IOU actually compromises their independence.

I know there's been a number of possible workarounds suggested to do it another way. But, we start talking about workarounds it points to the fact that there's a real issue there. Having an IOU send you your paycheck doesn't make you absolutely independent. It does lend to the possibility that those IEs could be compromised in their independence. Furthermore, there are significant differences between this particular IE position and what we were talking about in Meghan's question about the procurement. You brought that up the last meeting and I appreciate that you gave us some time to think about it.

There is a significant difference in these IEs in terms to and respect to brand enhancement. Some eccentric programs could possibly offer lower savings or might not be the most advantageous programs in terms of energy efficiency or effectiveness. The IOUs and the PAs, in general, do want to promote their brands.

As we all know, not to pick on PG&E, but since I live in PG&E territory, we hear and see a lot of PG&E ads in the media, about energy efficiency. It's good publicity and it's good brand-­‐building. I can't argue with it. I think all the IOUs do it. But that does make the situation quite different than the procurement of our generation.

These are different situations, particularly in area of the setups. It absolutely requires independence.

(TURN), I think put this very very well when they talked about, in one of their comments, they talked about independent EM&V enables the program selector to assemble the strongest portfolio in the programs. EM&V must be as transparent and independent as possible to ensure the best programs are adopted and the best programs implemented and elected. An EM&V structure that does not completely shield EM&B studies from a potential conflict of interest will undercut California's ability to reach our energy savings potential. That's a direct quote [inaudible 01:35:53] that local issues support strongly. There's more here but I think you got the point of what we were trying to communicate. Thank you.

Male 2: I think I saw Meghan and then Jenny?

Meghan: Hi, this is Meghan from PG&E. I think we're ready for some thoughts on why you all are firm on your belief that it should be the contracts held by CPC.

A couple of questions. In some of the statements you made, you seem to suggest that potentially Ted is not independent. That seems troubling to me. Also, it's not clear to me how, if [inaudible 01:36:43] held the independent contracts, how that would in any way affect any kind of brand attribution for the IOUs. It seems to be separate issues.

Lastly, just a statement. I did recognize that EM&V, it was clear that EM&V needed to be separate, independent. That still does exist. That's not going away in the rolling portfolio. We still have that level of independence with those contractors. I don't see how an independent evaluator who holds the contract, has any sway on those kinds of issues.

Jenny: I'm Jenny (Berg) with [inaudible 01:37:27] Maybe this an inappropriate place for me to have my general comments. The first thing is, I think that a lot of times we, this body, has had to think to the Energy Division. As we know, they have a lot on their plate. To add something like this, which is extremely time consuming, I think is not only unfair but perhaps unrealistic as to their ability to quickly move through these processes. Not to speak for the Energy Division, they're able to speak for themselves. I think that it would significantly delay the process which would result in programs stopped and not starting for much longer than had been envisioned when the whole idea for rolling portfolio came to be.

My biggest point has to do with the application or not to the non IOU PAs. As a local government, all of our contracts are approved by our board, who are elected officials. All of our [inaudible 01:38:37] members, similarily have boards that are elected officials. We, at least in [inaudible 01:38:43] you do not think that the CPC can direct our contract process. We are a local government subject to the Freedom of Information Act. We have a very transparent process. It's not clear in this

document, and certainly not in the conversation today, as to whether or not this proposal just relates to the IOUs. [crosstalk 01:39:05]

That's where I got confused. I thought this was pretty much about contracting. My comments are specific to contracting.

Meghan: The question, Jenny, on the contracting is in terms of who holds the contract for an independent evaluator or pool ... The thought I guess would be similar to how you are all [inaudible 01:39:31] TED. If we were to have an IOU hold a contract it would be similar to that. If the CPC were to hold a contract are you saying it would go through a different process? [crosstalk 01:39:45]

That's not what we're talking about now. But later, I think ...

Female : Bring comments up later. [crosstalk 01:39:51] The issue of cost sharing is not an issue. It's not a problem

Meghan: You're talking more about if we were to have the contracts go through an advice -­‐

**Section 10 of 18** [01:30:00 -­‐ 01:40:04]

**Section 11 of 18** [01:40:00 -­‐ 01:50:04] *(NOTE: speaker names may be different in each section)*

Erica: ... about if we were to have the contracts go through, advise letter [proposal 01:40:04] to get approve [CPUC 01:40:04] that would go [counter-­‐level 01:40:07] government that right. Got it.

Jenny: I apologize for being out of turn, but no, I have no problem with [cost-­‐sharing 01:40:14] or other entities, as has been the case, to determine who the appropriate facilitator is, for example. My issues and concerns have to do with my contract.

Male Speaker 1: So I see [Furley 01:40:27] and Dan. Hurley, if I could just ask for the sake of process here, given that it would take a year, year and a half for the commission to put our contracting process in place, is your organization in [Norkin Sortio 01:40:42] open? I'm just curious to how to view the initial process because, at some point, if we don't ask that question, there's a gap in the process. I'm just curious to a response on that. You had your thing up, so you have [line 01:40:58].

Dan: A few things. First of all, as far as the comparing Ted's ... Is that on? [crosstalk 01:41:07]

Erica: [crosstalk 01:41:08] pull closer.

Dan: Okay. Closer. In terms of comparing Ted to the [IE 01:41:18], first of all, remind everyone that the [CAEECC 01:41:20] doesn't have any authority, number one. Secondly, Ted's not spending ten to twelve billion dollars, so I think those are not analogous situations.

Jenny: We're spending a lot of money on Ted.

Dan: He is worth it. [crosstalk 01:41:34] He is worth it. In terms of delay, I guess I would put it this way: speaking to the coalition, because we've discussed this quite thoroughly, we are much much more concerned about ten years and ten to twelve billion dollars than we are about a delay of the exception.

Jenny: I have a clarifying question.

Erica: I have a clarifying question.

Dan: And then and Dan.

Erica: Because we're talking about the [last sleep 01:42:12] authority, you guys, can you put forward that you want authority at [Start-­‐a-­‐Bill 01:42:17] or would it be dependent one of us running a bill to get you authority? What's the process for that?

Dan: It would [inaudible 01:42:22].

Erica: You would have to go through approval. If you guys want, you would [happen 01:42:27] to go [through me 01:42:27]?

Jenny: So going to let Bob fill in. May have some [gas 01:42:33], but the basic process would be initiate a budget change proposal which says we have this new requirement or we have this new thing that we need to do, and therefore we need more staff. [inaudible 01:42:44] or for authority for hiring contractors or external consultants.

The evaluation, the EM&V activities, which is an authorization to hire external technical consultants, was an a derivative from that '05 decision that [Doreen 01:43:04] noted and that took an awfully long time.

In the interim, what we did was we had the utilities held those contracts but we managed them. We can't do that any more, but that was how it was handled during that time.

Erica: You can't do that any more? You can't do that.

Jenny: No. They were ... No.

Back to the point, you don't need a bill to say you have to do it. It can be derived from commission direction or other situations. What I'm not clear of though is, at this point in time, if the ... I don't recall if this [KeyRD 01:43:42] is called out in the energy efficiency decision right now. It's [inaudible 01:43:48]

Erica: Not with an independent evaluator but peer [relief 01:43:52] group is called out [Kody 01:43:53] but the internal evaluator isn't.

Jenny: [crosstalk 01:43:54] independent evaluator. If that's not called out then I think we would probably need some commission direction that yes, we want this to happen. This is how we want it to happen. Then that would create the budget change proposal which goes through internal [CPC 01:44:14] review and then external [medicas 01:44:15] submitted to the governor's office and the legislature can pass it.

Erica: So we're talking about you would first need the decision on the business plans if the language isn't at least flexible in approving this decision, and then go through ... So we're talking a year. But then we're in the middle or almost the at the end of the process of the legislator so we're talking about 2019?

Male Speaker 1: Basically you're talking starting up the budget change proposal process in May and if it gets approved, it's in the budget the following June for the fiscal year starting at July, so thirteen months away starting in May. If we have everything in place now, we couldn't actually start the prop ... it would be the July of '18/'19 year.

Erica: Okay.

Dan: Dan from ORA, quick clarification. I believe the energy division already has authority. It's in D 05-­‐10-­‐…

Jenny: 055

Dan: 055. The energy division has authority to hire an independent evaluator to assist the current [PRG 01:45:31]. It's just never been utilized. It is in the decision language. It's not clarified. The last decision says that the commission looks favorably upon this proposal but wants parties to bring back something more fully formed. That's essentially the language in the 1608019. Energy division, at least theoretically, could start on its existing authority with some clarification from the commission in a future decision, but those are just clarifications.

My comment was actually to Jen, which is: is the [contention 01:46:11] of given the [MeanUR 01:46:13] subject to a something different set of legal arrangements? Is the contention that the commission has no recited authority of repair funds such that it can [order 01:46:23] a particular process for contracts that you are going to pay for with rate payer funds? Or it would be surprise and uncomfortable with that assertion that local governments somehow are not subject to the commission's authority when they're using repair funds for those contracts?

Jenny: I think it is subject to legal review at some point. The commission has [inaudible 01:46:56] authority over our use of the rate payer funds.

Mike Callahan: This is Mike Callahan from MCE. I just want to supplement a little bit what Jenny is saying. We have similar concerns about laboring on a review process to our [repairment 01:47:14]. To answer your question, I don't believe that there is a

specific barrier to adding on that layer. What our thinking is is because of the transparent process that we have, a major [being 01:47:25] a local government, that that layer may not be necessary.

art of the reason for that layer being there is to check a less transparent process and so, as a small administrator of local government, we'd like to avoid that extra layer of administrative burden if possible.

Facilitator: I saw Dave Dias has a question. He put his hand up earlier.

The obvious day's length to work, we're going to try and wrap up comments and take lunch, take a break, and then we'll come back after the break and continue with this after.

Dave: It actually wasn't that big of a deal. I just know that through the [CSLB 01:48:06], if you want to increase fees or anything, you have to put a bill for it and you have to have a sponsor for the bill. I'm assuming that the same thing would work with you guys or no? For the [CPC 01:48:20], they wouldn't need a sponsor.

Dan: Dan from [ORA 01:48:23]. I'll take the ... well, If I can get my mic to work. Jenny: Is it leaving [crosstalk 01:48:30]

Dan: There we go. Dan from RA, the bill would actually be the budget. That the sponsoring legislation here. Sorry, the CPUC would put their request in budget change proposal and it would go into the bill that the governor sponsors in the legislature approving the budget. That's the bill. On [inaudible 01:48:52], there would be no other sponsoring legislation that would go into the actual budget bill.

Dave: What I meant by sponsor is an assembly member or something.

Dan: No. We're not [inaudible 01:49:01] the governor with who it's submitted on behalf of a [PC 01:49:04] as like other instances.

Facilitator: What I'd like to do is try to get us to our break here. I see Kyle has his hand up. We are trying to stay focused right on table one. Does anyone besides Kyle have any further comments on either rows of this first table?

Erica, did I see your hand?

Erica: No, sorry.

Facilitator: Alright, so let's do Kyle then let's take a seven or eight minute break and then we can come back at 11:05.

Cal: Cal Broomhead [ross city guys 01:49:41] San Francisco. I just wanted to add to what Mike and Jenny were saying is that if we're talking about putting programs through

the same process then it creates additional delay, then that's a cost. That would need to be recognized. I think this is something that we can think through a proc-­‐ ...

**Section 11 of 18** [01:40:00 -­‐ 01:50:04]

**Section 12 of 18** [01:50:00 -­‐ 02:00:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Recognize I think this is something that we can think through a process, because we certainly would want to give all of anybody out there in the world the opportunity to comment on programs design etc. And we don't want to side step any of the necessary processes and we also don't want to put everybody in the position of having to, "Well now we have to go to the board supervisor's meetings of Sydney county San Francisco, and then we've gotta go over to the ABAG meetings and their board."

They don't need to be put in that position, so I think we need to just kind of sit down and think the process through, and make sure that there is a conditioned process or a CPUC PRG process that's going to meet all of the requirements. But I think what we are saying is that we've already got a lot of transparency, but there certainly needs to be the opportunity to comment on it, and for the condition or rule and say, "No, this isn't the way we ... your process may have been transparent, but its still not what we want."

Speaker 2: Great, okay again I think that's more an issue for table three but thanks for adding on there. All right let's take seven or eight minutes, and

Speaker 3: Take five [inaudible 01:51:21]

Speaker 2: All right let's take five (laughter) [inaudible 01:51:30] for folks [inaudible 01:51:26] probably 11:05 is when (laughter) [inaudible 01:51:26] Thank you

And again, if you didn't hear restrooms are just around to the left here and you need a key use em.

[crosstalk 01:51:37]

[02:00:04]

Speaker 3: I assumed we were going home today-­‐ [crosstalk 01:51:45] ...

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**Section 13 of 18 [02:00:04 - 02:10:00] *(NOTE: speaker names may be different in each section)***

**[00:04:27]**

**Speaker 1:**

**[crosstalk 00:00:00] Okay folks, let's get going. [crosstalk 00:04:28]**

**[00:05:59]**

**All right, thank you to our friends on the phones for joining with us. We are settling in here [crosstalk 00:06:03]**

**So folks, if I can have your attention. [crosstalk 00:06:10]**

**All right, we're going to get going here folks [crosstalk 00:06:25]**

**All right, we're going to continue on. We're gonna go to table two. Still talking about the KRG independent [inaudible 00:06:40] proposal. As you may know, we are a little over the [inaudible 00:06:44] slot which ended at 10:45. We missed a critical issue and I think it's really surfaced the first detailed conversation about these challenging issues that are [inaudible 00:06:53] so worth spending time on as Jenny noted earlier. Hopefully we can make some progress here and maybe you could get started with the comparison document conversation before you break for lunch. The current plan's still at the break of noon. Some of the sub-committee process and maybe even accommodation planning sessions in the afternoon are things we can put off if we need to. I also as usual have a little bit of fact put in towards the back of the agenda. So I think we're still in pretty good shape.**

**With that, I'm gonna move us to table two.**

**Lara:**

**Before that**

**Speaker 1:**

**Before that, Dan has his hand up, Dan.**

**Dan:**

**Dan [inaudible 00:07:33]. Just a quick comment that Ori did try to put together ... We're mindful of this issue and we're ... We understand both sides of the concern on table one. So we tried to put together a list of options. So we just recommend that folks take a look at those. Consider which ones might work and whether there were plan A, plan B or other sort of possibilities. One that didn't come up but which people mentioned just because, is that ... It is certainly possible for Ori, the [inaudible 00:08:05] contract, that might be a compromise. I'm not sure exactly which steps that would change for the contracting process but it's an option. It's out there. So take a look and we would suggest a deep dive for folks to try to come up with some consensus if possible or at least outline very clearly the sort of one or two or three positions if and when we meet next.**

**Speaker 1:**

**Thank you Dan and to clarify I think Dan your point you referred to [inaudible 00:08:37]**

**Dan:**

**That's right**

**Speaker 1:**

**Table one, for folks that missed that connection. Good, thank you.**

**Lara:**

**Do you want me to get you ...**

**Speaker 1:**

**Sure**

**Lara:**

**Okay. This is Lara [inaudible 00:08:50], I'm looking at table two, page five. The two options again. The first option is to have the independent evaluator review all the RFPs [inaudible 00:09:01] proposals in the draft contracts and then the second option was to review all the RFPs, again assuming that there are a reasonable number of RFPs to look at. Then spot check the proposals and the draft contracts. If you note on the first option, there are a couple of comment bubbles where I captured some of the dialogue. One is you know [inaudible 00:09:25] the threshold when you review because if you have a somewhat small contract or proposal or RFP, doesn't make sense. We're trying to balance the objectives of compliance and transparency and opportunity for comment. We want to balance that with actually getting things done in an energy efficiency [inaudible 00:09:44]. The second note in the first option, this was what I mentioned before, what does it actually mean to look at the proposal?**

**Is it every single proposal? Scoring? Is it just those that didn't make the cut-off? Is it something else? We need to be much more [inaudible 00:10:00] Then the comments that are on the second option. The second option again is to review all the RFPs within spot check, the proposals the contracts. There are a couple of ways that we could do this. You could do either spot check a percentage of the contracts or you know then start [inaudible 00:10:18] number of spots and if nothing's wrong, you can go**

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**Section 14 of 18** [02:10:00 -­‐ 02:20:04] *(NOTE: speaker names may be different in each section)*

Female 1: There are a couple of ways we could do this. You could do either spot check a percentage of the contracts or start high number, and if nothing's wrong, you could go down. You could do it the other way, you could look at a percentage of contracts that start low and go higher if there is a problem. It's basically which direction do you want to start? Do you want to assume there's a ton of problems or do you

want to assume that we've got a process in place? So we have to decide which scenario we want. We don't just do a percentage of the contracts, we create that threshold and anything above a certain length or budget gets reviewed to be [inaudible 02:10:41]. So those are our options. I guess the people can we come to any closer ... first of all, we didn't talk about ... did we talk about, we didn't talk about what it means about the proposals, right? Does anyone remember, no?

Michelle: What do you mean by this? [crosstalk 02:10:59]

Female 1: The question of reviewing the proposals. Does that mean an independent evaluator is simultaneously scoring every single proposal with the IOU or the PA or does that mean the IE looks at the proposals, the five proposals below the cut off do not get furthered? What does it mean? I don't think we actually settled something.

Michelle, do you have a thought?

Michelle: Just input from Hillary before she had to drop off. In the procurement side, she said that the IE does review all the bids being parallel with the IOU. All of them.

Female 1: Can you give us an idea how many there are?

Michelle: How many come for the procurement? Looks like Bob's getting ready to drop some knowledge.

Bob: Are you saying how many proposals or how many RFPs?

Female 1: Proposals. Proposals per RFP.

Bob: I mean it varies dramatically, but a major power plant, maybe 20 or so. On an RA bid, there may be a hundred different proposals that may be multiple different variations on one option.

Female 1: So we would see something more like that probably, but we would have a threshold. There's a lot of pass/fails, right? [inaudible 02:12:26] There is like hundreds you would get, but then like half of them would go up because they just didn't comply to what you had to submit. So we have to think of how many would actually get reviewed is the question.

Bob: Well for the idea [crosstalk 02:12:44] for the statewide general the idea that it was an open solicitation really received even the first phase over 300 proposals.

Female 1: That you reviewed or that you had to go through and cut out? You had to review all of them, but which ones of them ended up being scored?

Bob: I'd say 90%.

Female 1: Oh boy!

Michelle: In that one solicitation, are you going to have like 21 or 22?

Bob: That was one open. What they did in the past was they could limit the number of bidders by pre-­‐qualification; that was [inaudible 02:13:15] to get to a smaller pool that you could go out more and have them put the whole thing together. So a pre-­‐ qualification.

Female 1: And that was only for Edison right? Bob: That was just for Edison.

Female 1: It's one utility.

Bob: I'm sorry. Dan [inaudible 02:13:30].

Dan: This is Dan from ORA. I want to be clear. I don't think the idea is necessarily the best precedent here for us to think about for a couple of reasons. One was specifically designed to get smaller bidders and innovative ideas, so it was designed to open the pool up, so there's no reason that we couldn't use, for example, pre-­‐ qualifications in this context.

Second, and this will be my opportunity to hop up on the soap box and give the PAs a hard time. Part of the difficulty of having this discussion is that in the absence of your solicitation plans, we don't have anything concrete to know whether we're likely to see 6 RFPs, whether they're likely to be large enough that there are only 6 or 10 qualified bidders or whether we're likely to see 200 RFPs with 200 a piece. So in the absence of PAs providing those in a timely manner to stakeholders, we have to have this in the abstract rather than a concrete. That's a real deficiency, but that is where we are, so we would suggest that we would think that it's unlikely that PAs are going to put out 100 RFPs a year. I'm looking around the room; I think you all would be poorly served by that solicitation strategy.

We would also imagine that some of the larger chunks would be smaller or more manageable in the absence of a solicitation plan [inaudible 02:15:02], we don't see any reason to start by saying you're only going to review some piece. We would start with a full review, and if that turned out to be unneeded, then we could move back from there at some later date. I don't know, say a recommendation in an annual report from the IB or from the [inaudible 02:15:26] or some other party.

Female 1: [crosstalk 02:15:34] Michelle from [inaudible 02:15:33] I was just going to say, I think, Dan, it will probably be quite a mix, you know, huge chunks. I mean as we're looking at all this and really formulating and thinking through things, it could be whole sectors. It could be really, really targeted specific things. I mean these are the things that we're kind of working on and trying to articulate well in our strategy, so I don't know. No, its not going to be hundreds of RFPs, but I think it's going to be a significant amount of effort that you're going to see in solicitation efforts over the course of a year or two years to be able to get to the 60% and

beyond right? So yeah, I do think it could be quite the mix of very large, open, general, bring me your innovative ideas kinds of things down to really specific targeted things. So you know, I do think that idea is close to some of those kinds of solicitations that we're going to see. So I think you could get hundreds and hundreds of proposals that we're to have to be smart in reviewing.

Bob: So our math and then ...

Michelle: Mind you [crosstalk 02:16:44]

Bob: [inaudible 02:16:50] Southern California. Just going to [inaudible 02:16:56] Michelle's comments as well, so as you may have seen in our graph, this is planned and what we're thinking, there's a two stage process. There's an initial similar to [inaudible 02:17:05]. We can get an idea of what the market would propose for different sectors and then we would go out with an actual RFPs. So I think based upon it could be one or multiple sectors at any given time. I think the volume of proposals that we're going to see will be quite high.

Male 3: Margie, and then there's a clarification I'm going to put in play as well.

Female 3: Okay this is Margie with the Efficiency Council. I have some editorial comments, I think they are clarifications. I thought that the second bullet in the pro on the first option, so I was going to number the options. The first option, I think it doesn't belong here. I think this is really the table that talks about how much the independent evaluator will review. I just wanted to throw that out there.

I also in the next table will ask for either a footnote or a card that is equal to it [crosstalk 02:18:11] I'm not going to go there yet. I'm just saying that this sentence, "A greatest of level of certainty to higher views and market prices regarding contacts as a pro", it sounds like your marketplace wrote that or marketplace believes that, and to the extent that I represent the marketplace, that's not where we are. So I believe someone else wrote this, and I want to respect that that's their opinion, but I would also want to make sure it's in the right table. It doesn't belong in this table, in my opinion. It belongs in the next table, so we could talk talk about the next table next.

Michelle: So I think, unless I made a mistake, that was already a suggestion.

Dan: I think we would ... we'd be fine ... friendly amendment ... I think it would be greatest level of certainty to stakeholders. In terms of if you're only spot checking, then stakeholders don't actually know that the greatest level of certainty transparency. For stakeholders, we would include the prior use on the marketplace as stakeholders there.

Female 3: Thank you, that's complemented, and on the cons, I do believe, there's cons that aren't stated here yet. Requires tax great pair expenditure to be a second review on everything even if all experiences during the process indicate that 100% review

in all areas is unnecessary. I also think it's 100% duplicative of the solicitation processes and the responsibilities that are already placed on the IOUs and funded by the great pairs. This is trying to get at that responsibility [inaudible 02:19:53] that we're trying to shift some. 100% review has those downsides. On the second row, the second option, I think we should add clarity as

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**Section 15 of 18** [02:20:00 -­‐ 02:30:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: The second option. I think we should add clarity. It says, I would say, in the option, "i.e. reviews, all RPs and spot checks, proposals and graph contracts," and in the second sentence, it says, "allows for further review if compliance issues are found in the spot checks," because I do think that's a description of what we're thinking here, right? One option is, you go to 100% and the other option is, you go to spot checking, but if there's problems, you, of course, need to dive deeper, and that, I think, is there. The pros on the second row also need-­‐ I've made some additions, and the reason I'm putting these in here is because I kind of think we didn't-­‐ I was trying to understand what was being proposed, and once I went in and said, "OK, now what do we think?" We would really, I think, prefer option two, and so important to also think, why? Why do I prefer that?

Although it is less costly than the prior option; the spot checking with further follow-­‐up and reduce the risk of contracts that aren't compliant getting through to signature, so I think you still have pretty good risk coverage for the level of risk.

How bad is it if these contracts go out and they're not 100? You know, if some contracts slipped through out of the hundreds that you're looking at that actually have-­‐ What damage is done that couldn't be corrected within a year or so? To me, that's one of the reasons that we would lean toward row two instead of row one, and I also think that on the cons, let's see. The second bullet that says, "potential contracts are appeased to go through that are not lined with direction," I think there's still a relatively small potential for that, but that would be my edit. Just wanted to throw those out.

Speaker 2: OK, we have Lara next, and Dan, but if I can insert Dan in addition to anything else we can respond, I had to question myself as well as, I see it here on the folks on the phone, just a quick reminder of what is the scope of what the independent evaluator is looking at when they review the proposals.

Speaker 1: What do you mean?

Speaker 2: Is it just compliance, or is it program design, and can you just remind us-­‐

Speaker 3: Are you talking about the RFP, or of actual, factual proposals that are submitted by the bidders? Just make sure I'm clear.

Speaker 2: I think it's probably more about the proposals. I'm not positive.

Speaker 3: I would actually defer to those. I don't sit on a whole lot of procurement review

groups since I've been an e-­‐analyst. I've been on a peer-­‐review group. Some of the different networks are moving away from what we've done in the past, so I would defer, for example, to Bob if he wanted to talk about what they review in procurement review groups; what the IE does. I wanted to respond to Margie specifically on this question about what happens if some stuff slips through and what happens if it-­‐ I guess, two points. One is that if you don't look, you don't know, so if we don't look to see at the beginning, then we won't actually know whether or not there was a fair and transparent process, whether the scoring was consistent, whether-­‐ Essentially, the point is to have a check. Yes, it is duplicative; that's the point, so that an interested party is not the only one that looks at and has some input on the proposal, so yes, that is the point, and if you don't look, then you're going to miss things, and given that, in this process, that the only point that the stakeholders and the commission have to weigh in is the advice letter that not everybody has yet signed onto.

The problem here is that we could have contracts that could be in place for quite some time, that weren't on-­‐ Didn't go through a fair and transparent process, that didn't have an opportunity for stakeholders to voice their dissent, and those become our programs. That's a pretty sub-­‐optimal process, from our point of view, that risks some pretty sub-­‐optimal allocations in terms of the program; the programs and contracts that are selected.

Speaker 4: [inaudible 02:24:10] mine move back and forth before we move on to some other commenters. Yeah, I see that, and I think if you did go with road one, the 100% of everything, then you might for sure lighten up the other end of the process. It's kind of like, do you go at the 100% A-­‐plus level even in every single step of this process? That's one thing that I think we're really trying to capture the risks here, and maybe you do go with road one, we think that, because there's multiple steps in the process, including the contracting, including the advice letter through here, including other steps, you don't have to do it at that level. The analogy I'll give is, when I manage a large number of people, I hire directors, and then the directors were typically responsible for reviewing and scoring any kind of hiring underneath them, and it's really important to any business to get the right people in, but because I had good directors that were qualified in their positions, they did the scoring; they worked with HR to do the scoring, I did not check every single scoring.

I checked, usually, at the top three to five, I usually looked at who were the next two that came in, like maybe there are some different skillsets that we didn't think about or whatever, and then pretty much figured out, do they match the position description? Did they-­‐ The compliance question, and if we did hire the wrong person through this process, like, say maybe someone [inaudible 02:25:39] I haven't looked at really should have been the right person, there was damage to the company for a period of time; that if the person didn't perform, you got rid of them. I kind of think we're-­‐ There's some analogy here that you do spot check.

There's no question about that, but you don't necessarily look at 100% of everything when you have already hired people to do that job.

Facilitator: I think I saw Cal, and then Bernie and Clara, you will-­‐ Can I get to you as well? Speaker 5: I was.

Facilitator: Yeah, let's [inaudible 02:26:06] Let's do Lara first, and then Cal. And then Bernie.

Speaker 1: The question is, again, I agree that it's hard to have conversation when you don't know [inaudible 02:26:19] I also hear a couple of proposals that I want to flesh out a little bit, two of which-­‐ One is, everything for a short amount of time in reassessment, or you mentioned a time you could put a proposal in and say, "Everything was great! We looked at every single thing for 6 months and everything looks great, we propose you go down to 50% of our threshold." There's an opportunity to address this later, so the one initial that I've heard that I hadn't captured in here was, do this for a short period of time and then reassess, and then the other thing that we didn't really talk about, which is my EL7 comment, which-­‐ What about doing 100% of these things over a certain threshold? Then, budgets of-­‐ I don't know what your range is of budgets, but a budget of $5.00 doesn't have to go through a 100% spot check, but budgets above a certain amount do, and that way, he managed some of these issues, so I wanted to put some of those ideas out there, because I-­‐ at NRDC, I agree.

I like the idea of spot checking, but unless I know, what are we talking about? If spot checking means ten out of a gajillion, it doesn't feel as good as everything over a certain amount that feels like a lot of money or is a lot of money, so I don't know if there are thoughts on that. I kind if took the conversation a slightly different place, but do I need to summarize what I said? Is that OK?

Facilitator: Cal, and then Bernie.

Speaker 3: I wanted to support what Margie was saying, because I think speed, of course, and cost, are actually very real concerns; that there should be some kind of triaging. I like their hiring analogy a lot; that you have to leave things for the people who are actually going to suffer the consequences of a bad decision [inaudible 02:28:07] and let them go ahead and try things, and just like when you're hiring, you pick what you think was the best candidate, and then they get in and they've got something that you did not discover in the interview process and the vetting process, and that comes up, or they develop some new problem in their lives that has-­‐ Taking everything sideways, and that certainly works with contractors, too.

You can have a fantastic contractor who's done a great job, and then something happens to the company and they suddenly start falling down, so I think that there's a level of analysis that, no matter how much detail you have, you have no real way of evaluating, because you just don't know what's going on on the ground.

I definitely would move towards number two. In fact, I would add an edit and add the words "spot check selected proposals" so the ones that are actually selected by these [inaudible 02:29:08] that's the one you check to make sure it has compliance, and that they seem to be meeting all of the terms of the RMP, and that that's what

you're looking for, because you really don't-­‐ If there's going to be a-­‐ The only other thing is that when you get to that point where it's public approval; "Here's who's been selected, here's our program going forward," at that point you're kind of crowdsourcing the criticism and the analysis, and that if I'm a proposer and I did not get the contract, and I see that somebody did get the contract, then I'm looking at that, going, "That is a guaranteed failure, because there is a major flaw in their implementation plan, we'd actually had a better proposal," then I'm going to go up and comment to that because I'm somebody who's in the field; I know this-­‐

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**Section 16 of 18** [02:30:00 -­‐ 02:40:04] *(NOTE: speaker names may be different in each section)*

[02:30:03]

Male 1: ... a comment to that because I'm somebody who's in the field. I know this particular part of the field and how to make it work and that specific market sector with that technology and we have a better proposal so I have a right to complain. Agreeing with you Dan that there needs to be a place for that point to happen and I don't think ORA staff or energy division staff or even the staff of an independent evaluator are going to be able to make that kind of definitive, fail-­‐safe decision.

[02:30:33]

Male 2: Can I go back, I just want to make sure I understand. So your proposal was the independent evaluator would not look at the non-­‐winning proposals, they would just look at the selected proposals.

Male 1: Correct.

Male 2: And only the subset of selected proposals. Just making sure I understand. [02:30:50]

Male 1: I do like Lara's idea of saying anything over, let's say a million dollars we're going to look at, but I would only look at, as they said, the selected proposal and make sure that it meets all of the criteria of the RFP and a business plan that is [inaudible 02:31:06].

[02:31:06]

Male 2: Okay, thank you for that. So I think we had Bernie, and then Meghan, and then [Hod 02:31:12].

[02:31:14]

LARA: Dan, do you still have yours in?

Male 2: Sorry, Dan's [inaudible 02:31:16]. I didn't see when you're [crosstalk 02:31:17]. [02:31:18]

MEGHAN: I think Dan is before me.

Male 2: Okay.

LARA: It doesn't matter.

MEGHAN: No, he is.

Male 2: So, Bernie, Dan, Meghan, [Hob 02:32:17].

BERNIE: So this is Bernie [inaudible 02:31:25] the coalition. With all due respect to my good friends Margie and Cal, I disagree. I don't think that those analogies apply. First of all, we're talking about a lot more money and we're talking about public money.

Secondly, just to make this brief as possible because I know we have a lot to talk about today. The coalition strongly supports ORA's position about checking the proposals. I'll just leave it at that.

[02:31:57]

LARA: Can I ask, have you talked about the option because it wasn't here, did it come up in your conversations about certain thresholds?

BERNIE: Has the coalition talked about it? Yes we have and I'll just say we support the ORA's position.

Male 2: Dan and then Meghan, then [Hob 02:32:17]. [02:32:21]

DAN: Bernie stole some of my thunder. I don't think the analogy is apt in a single

organization, because this is about across organizations. Yes, your organization has to live with the consequences of sub-­‐optimal application, but you at least have some control. You can change the process. This is about other organizations, representatives for example of [rate payers 02:32:42] who are not in control of the process, having to live with the decisions that are made by another organization that may or may not conform to commission decision.

This is supposed to be an external check. That's the whole point. I'll just note that only checking the proposals of the winners, if we're only going to do that then we shouldn't do it at all. The point is to ensure a fair competitive process. It's about the solicitation and the evaluation process, not about checking the conformity of the winning contracts per se. That's the advice letter process, for us, whether the process and the contract conform to commission decision. That's the public process here. What the ID really does is to make sure it's a fair competitive process. If you only look at the winning contracts, you have no idea whether it's a fair process. You have to look at the competing bids.

In terms of a threshold, where we would be hesitant to support a lower threshold, at least at first. Understanding that there-­‐

[02:33:54]

LARA: [crosstalk 02:33:54] threshold.

DAN: We would be hesitant to support that without some empirical evidence about what that risk actually is or is not. Again, it's really hard to have this conversation in the abstract. If we're talking about a solicitation that's total value is a million dollars spread across up to ten contracts, that's very different from a solicitation that is 50 million dollars and spread across ten contracts, one or two of which are below a hundred thousand or below 500 thousand dollars. It's hard to have that in the abstract here, given that we don't know exactly what we're looking at. We're not opposed to that principle in the abstract, but it's really hard to sign on to anything at this point in the absence of something concrete to chew on to have an idea of what we're talking about, what we're agreeing to, what the risks would be.

Male 2: Okay, Meghan and then [Hob]. [02:35:00]

MEGHAN: This is Meghan from [PG&E 02:35:01]. Just a couple of brief comments. I don't

know if anyone's investigated how much all of this will actually cost. I'm going to put my [inaudible 02:35:10]. I think I've heard rumors that the reasonable cost per hour for an independent evaluator is like $450 an hour. I don't know how long these kinds of exercises take.

[02:35:24]

LARA: Hours.

MEGHAN: Hours. Maybe 40 hours a week, times four IOUs, potentially the other program administrators. That's just a lot of money. I get it that we're reviewing a lot of money, but I just wanted to note for everyone that I think it's clear that we're all struggling with cost effectiveness as it is with the new updated voided costs, so I'm just very concerned about that. Making sure that energy efficiency is still the most cost-­‐effective resource that we have.

Secondly, the timing around all of this. As we're layering on through constant review of all of these proposals, on top of potentially having to file advice letters ... I forget ... for the the contracts. I just don't want us to be in 2025 and we still don't have much in our portfolio.

Male 2: Great, [Hod 02:36:18].

Hod: When we're talking about 100% checking of anything, I would suggest that maybe we look at the EM&B protocols, where they do sampling for 90% confidence.

There's two ways potentially to do it. You can do the 90% protocol to get the 90% confidence to develop a sampling pool, but then you can also do stratified sampling with 90% confidence, meaning that you put them into certain segments and further divide those. What I'm trying to get at is there's a process that exists in our current EM&B protocol that could be applied to something like this. They're doing that when they evaluate programs. Just food for thought.

[02:37:15]

LARA: Quick question for him, before he goes on.

Male 2: Okay, Lara's question then we'll go to Howard, then back to Cal and then we'll see. LARA: [Hob 02:37:22], I guess when you were helping-­‐

Speaker: This is Lara [inaudible 02:37:26].

LARA: When you were helping Edison, you didn't simultaneously score to see how they were doing. You were just helping manage the process. Can you just clarify, because I think that was ... At that state of time was the most robust peer review group that was.

[02:37:41]

Hob: Yes. Are you referring to [Lincus 02:37:44] themselves?

LARA: Yes.

Hob: [Lincus 02:37:45] was pretty much involved in developing schedules, developing the overall process to get it through a timely review to the PRG. We did not do scoring per se, unless we were an engineering resource, but what we developed was we were the ID for [SSC 02:38:03], let's say. We developed packages without doing any reviews. The entire package that was developed for the PRG to be reviewing. The utilities would present to the PRG, we were helping build the packages. Made sure the scoring was done properly in terms of, ask the questions. It was kind of a little bit of a mix.

Male 2: Okay, let's go Howard, Cal, Bernie.

HOWARD: Howard [Troy 02:38:30], LA County. I always love to put up the LA county as an example. In this case, I'm just going to say what we do. We have a central contracting entity within the county. The county operates under a $30 billion a year budget and goes through a [inaudible 02:38:54] contracting process for all of that. When I'm hearing about the numbers, potential proposals and contracts that are talked about to be looked at here, it does seem very onerous. What the county does is we spend a lot of time making sure there's oversight in development of RFP process that everybody agrees is correct, holds everybody's interest as protected tax payers especially. Then, we find where there's disputes, they come during the proposal process, not necessarily during the contracting process. I would just propose that maybe this independent body should be the arbitrator ultimately of disputes that arise during the proposal process and periodically make sure that the RFP ...

**Section 16 of 18** [02:30:00 -­‐ 02:40:04]

**Section 17 of 18** [02:40:00 -­‐ 02:50:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Periodically make sure that the RFP procedures are effective on an annual or longer

term basis. And then also be an arbiter under contractual disputes when it gets to that point. I'm just seeing it as pretty daunting to be involved in every RFP, or even in re-­‐proposal when it comes in after those RFP's. Anyway, that's my experience.

Lara: Oh, Cal's next?

Speaker 1: Yeah Cal, then Bernie, then Bob. Just a head's up, we're trying to get to the point where we can wrap up table two here, Because I don't sense ...

Lara: Much movement.

Speaker 1: We're making much more new content here.

Cal: Yeah, I'm just drawing from our own recent experience of running our own RFP process. Yes we have staff at the controller's office and even internally that check to make sure that we're following the process. And that's the first thing. I think what's happened is that you can check the process independently of the result and what I'm saying is that the result of the ... If you checked the process and you said, "Okay, this process conforms to what we agreed is the RFP process," then you really only need to look and confirm that the selected proposer is actually complying and fits within everything that was in the RFP and all the criteria that was set.

Then the next step is, okay, there is an opportunity for proposers, who are losers, to come and talk about, "Well, why didn't we?" There is an opportunity in the public process to come before ... When this comes before the board, to be able to say, "Hey, we actually had a better proposal than these guys and we, we looked at it, and ,we, we think we, we actually should've won." Then that's also an opportunity. It doesn't happen very often, because we have post selection interviews of people and we are able to explain to them, "Well, this is how the scoring turned out." And we're able to usually address everything at that point. As long as there's a process, I think, that checks to make sure the process is correct, then the proof is in the pudding.

That's when I'll go back to my original statement, or one of the statements, that if you're an independent evaluator trying to look at all of the proposals and redo the entire selection process, then just have them do it. Take the utilities out of it, so that they don't have to go through it, and let this independent evaluator do the whole job. Then we'll see that, yes, things are going to take two or three years to get through the process and we can all sit around, twiddle our thumbs waiting for them to finish.

Speaker 1: Let's strike that last part from the record.

Cal: Then the other possibility is that if you're going to go for the 100% is that you divorce that from the actual moving forward of the programs. And that there's some point, at a year down the line, if the independent evaluator has found some

gross problem that that's the opportunity for which they can say, "This program here, we think A, is obviously not performing, and B, we think there was problems with the process." And that way, utilities, the administrator, can move forward with their program, and then wait for the independent evaluator at some defined point later as a catch to any potential problem.

Speaker 1: Thank you, Cal. We're gonna go Bernie, I think I saw Bob's hand up, but I really want us to go to Lara as soon as we can to wrap this up and move on to table 3, so Bernie, and Bob will get the last word here.

Bernie: It's apparent that we're clearly split on this, and I think it has to do with a lack of information, because we don't really know what all the plans are. Maybe at this point, we could agree that we'll do 100% for a certain period of time, I think, Lara, that was your proposal. Maybe in six months or a year, then we can understand this process and then come back and revisit it.

Speaker 1: Thank you, Bernie. Bob, you want to add something?

Bob: I just have a question. Not familiar with the EB contracting process, are all of the bids public in terms of the bids and the contracts, or is some of this confidential? Basically, will other parties have the ability to understand who won, who lost, and how they bid against them?

Speaker 1: The proposals themselves have been confidential historically.

Lara: Right, we've had to sign NDA's to review the bids, but they've never posted who did not win, it just is clear who does win. Is that accurate? Am I getting ...

Speaker 1: Then there's been varied experience about whether you have much information from the PA if you didn't win, so in some cases, there was a good, simple process for getting feedback, and in others it wasn't as straightforward. So that's the history of as I recall.

Margie: And they do contain what is considered proprietary information, like price and that kind of thing. Software, stock options, etcetera.

Speaker 1: Okay, so I think we're gonna ask Lara to just wrap us up on table two, and I think Bernie actually put a pretty good wrap on it our way-­‐

Lara: Dave raised his hand, too.

Speaker 1: Dave, you need to get in on this before Lara?

Dave: When she is done. Well for me, I'm just speaking for she out of order, I didn't hear all the banter back and forth, and all we want to see is the thing done right. And if we can get it done right the first time, or as close to right the first time, that would be the best thing for everybody. Without all the information there, I ... Hard to

figure out it all.

Lara: It sounds like, then, that I think I need to add, not remove, an option. I'm going to take all of this feedback and rearrange this table. This is my sum up. Basically, what Bernie just talked about, there's the opportunity to do six months and then we'll take a look, a threshold opportunity by putting more context around the fact that, it'll be hard for us to really land on specific proposals until we know what the extent to which these are, because it's also possible that if there aren't a gajillion RFP's and contracts that it's not that big of a deal to do 100%. We just don't know. I think putting ... It's unlikely, but we don't know ... But putting some context, and then adding a couple of those, I'll rearrange this, clear that we need to keep our meeting that I just did for our ad hoc group on the 21st. So with that, should we move to table three?

Speaker 1: Let's do it.

Lara: Table three was ...

Margie: I just had a little bird whisper to me that even the names of the winners of the bids aren't public. Is that true? We know the names of the programs that are being run? Do people know the database that says, "And this Company X is running it, or won the bid?" Does anybody know a database that says that?

Lara: I think at this point, it has not even been public.

Margie: I believe it has not even been published who has won the bids in the past. Is that true?

Lara: I just want to throw that out. So the question is, Once somebody's won and the program's posted on e-­‐stats or whatever, do we know who's actually running the program?

Margie: I don't think we do. I don't know where that would is. Speaker 1: Margie, going forth with the implementation plan, that's ...

Lara: But the questions is does it have the name of the implementer on the implementation plan?

Speaker 1: I thought it did. [crosstalk 02:47:48] Lara: Anyway, just throwing that out.

Margie: I don't the answer.

Cal: I think the answer is somewhere along the lines of it has it, but I don't think that would be confidential so it would be ... But the scoring would never be ... right.

That would never be out there for someone to contest. They would not be privy to that information unless they were on the tier to be.

Lara: So it sounds like we did a lot of table three at the beginning of this conversation so this is just an opportunity if there's any last comments. It sounds surprising, Margie.

Margie: I'm interrupting you again. I apologize. I did want to say and I think it pertains mostly to the other two sections that efficiency counsel may not have the resources to be part of a PRG. We do think that we are not a conflicted market actor and [inaudible 02:48:41] been on anything. So we wanted to throw that concept out.

Lara: Wait, what?

Margie: Involved.

Speaker 1: You're suggesting you're a -­‐

Margie: Concepts -­‐

Lara: Because you're an association. It's be you but not the -­‐

Margie: I've never did a bid on anything. I can tell you already. [crosstalk 02:48:58] I know a lot of it has to do with definition of who needs precious [inaudible 02:49:03]. I know it all starts with solutions. I did want to pose out there that what's happening is it may be important if we have the resources and that would depend on what's happening and that kind of thing. I would want to put a placeholder that you people need to consider is that [Pam Pam 02:49:21], an official council and trade association participation.

Lara: I'll put it in these conversations or not. We don't have to take it up today but I did want to start talking about it and get it out there.

Dan: I want to say something.

Lara: Yeah.

Dan: This is Dan from RA. I actually think your probably right Margie. I think the harder part for your organization is that you would not be able to talk with your individual board members.

Margie: The NDA.

Dan: That NDA would be the really difficult because you couldn't -­‐ Margie: I totally agree.

Dan: You, the executive director, and your staff couldn't have any conversation with your individual board members about any ... That would be all confidential. That would be pretty hard. You couldn't be responsive to your board.

Lara: Thank you on that.

Dan: I want to support a industry council. I do think they could potentially have some role.

Margie: Yeah.

**Section 17 of 18** [02:40:00 -­‐ 02:50:04]

**Section 18 of 18** [02:50:00 -­‐ 03:08:13] *(NOTE: speaker names may be different in each section)*

Dan: If I want to support the industry council, I do think that they could potentially have some role.

Lara: I can put in a note of question because, again, the purpose of this document is to give the commission, the judge, as much information as possible. We hope that we'll get some sort of decision-­‐ language around this in the decision, so I am happy to put that in as context, or a footnote or something. What were we talking about, table three?

Speaker 3: We were going back.

Margie: Thank you

Lara: Anything else? Margie? No?

Margie: No, I don't think so. This one, I think.

Lara: Are we on three now, Dan?

Margie: Yes.

Speaker 3: We're back on three.

Lara: What was I going to note? I think, Margie, the kinds of comments, the pros and cons are helpful. The two questions I have for folks ... Do we need to adjust the existing options, keep the options we have but just slightly tweak them, or is there something else we want to add? Anything else?

Dan: Moving onto table three, I just want to note the bubble on the side that ORA would propose. I think some of the conversation has been around submitting individual contracts as advice letters. That's not how it's generally done in the current procurement review groups. Instead, all of the contracts from an RFP are bundled together, and sometimes for multiple RFPs, are bundled and submitted in one advice letter periodically, just to be clear about how many advice letters we're

talking about. I understand that there are maybe some good reasons to separate, so that various things don't get tied up together. We would think that you would submit all the contracts from a specific, from an RFP together, again, because that's a sort of package that came in, that they would have a single letter from the independent evaluator because they were evaluated together. They were compared against one another. That sort of makes sense. We would not generally presume that you would submit every single contract as a single advice letter. That would probably be a, we would agree, a pretty onerous process.

Speaker 5: Good clarification.

Margie: I just want to address something. The fear there is that if you have a whole sectored amount, like if you did various hospitality, wineries, and whatever, and then you did put then all into an advice letter, it only takes one stake holder with one question on one program to hold up the entire thing. That's the other side of it. You have to weigh these two things and pick a path. That's the downside of that one.

Lara: Can I put the energy division on the spot? Do you have a sense of if you can manage advice letters? One way would be to put them together, again knowing, understanding, that we don't have the exact number that you might get. Let's say it's you're going to get a couple of hundred contracts, maybe they're bundled. Is there some consideration here? Did we put that in con? I think we put that as a con, potential greater delay if energy division gets backlogged with ALs, even if combined. Again, like you did before, if there's any additional information to help inform our discussion we welcome that, and if not, you can decline.

Carmen: Carmen Best, CPUC. I'm not without endorsing or rejecting or having a strong opinion. Speaking from experience, I think maybe in our past proposals, looking at really fast turn around reviewing small programs, maybe were less complicated than this. We were able to get through the minimum thresholds really quickly, with a couple of exceptions. It does create, you have to have a dedicated and focused on advice letters to get through the process. The only other corollary would be the RFP-­‐ the readable portfolio standard reviews that they do that we also do, advice letter processing staff can handle it enabled. I would have to follow up with them to talk through how they do that and to see what processes they haven't [inaudible 02:54:25] before.

Lara: Yes, I would presume it would take some rearranging of it, because we'd need somebody on the peer reviewed group. Would that be the same one reviewing the advice letter, which would go faster and etcetera and all these other considerations.

Speaker 3: I think we're more complicated. Bob or Carmen, maybe you can clarify. Talking to Hazlyn, it wasn't clear whether if you do create this process where the commission is reviewing contracts, the advice letters. Hazlyn asked the question. She didn't look into it, so I don't know what the answer is. Maybe above a certain dollar issue

because of PUC contract roles, do you go for the advice of other tier one types with type two or tier three letter. I feel like those considerations are substantive to the overall process concept.

Speaker 7: Why can't you choose it based on the underlying laws around the discretion? The tier one advice I heard is meant to be noncontroversial, which compliance thought basically same. In this case, we followed all the rules and no one objects to this. If it's on protest, it basically bounces the advice letter out of tier one. Tier two requires more analysis, more complicated obviously. Tier three requires commission approval, because there's discretion involved. How you design the program has to keep that in mind. Each tier, because of the review process, adds time into it.

In terms of Dan's idea of bundling, I mean bundling all the advice letters from this solicitation makes sense. It wouldn't make sense to have a separate advice letter for every contract, except when you know that I had a solicitation and there were 10 contracts. None of them are slam dunks. No one's going to just agree with them, one of them controversial. For the reasons Margie raised, you would break out that one controversial one to be handled separately so the other ones could be approved and moved on, which the utilities do on the power generation procurement side on a regular basis.

Lara: I have another [inaudible 02:56:32] question [inaudible 02:56:30] NRDC. For example, to your point, we've talked about this a couple of times, if the PRG and the independent evaluator all agree and therefore we think it should be a tier one because we're not already protesting it, can we shorten the time period or eliminate the time period for protests if the PRG and IE all agree, or does there always have to be that process for something like this?

Speaker 7: The advice letter process is ruled by a general order approved by the commission. The commission can't give discretion to the PRG to decide what rules to follow. It has to be the rules laid out in a commission decision that that these advice letters are following these rules and meet these qualifications. There couldn't be pure discretion. There could be some level of there's the opportunity to be innovative about this but it would take some real thought about how to set things up.

Lara: One idea was to provide two weeks for stakeholders to say, "I'm going to protest this." Then there would be the full 30 days protest. If nobody did that, then that protest period is essentially shortened to two weeks instead of the 30 days. We are just trying to minimize the delay to the implementation. That's good consideration that we'd have to think about how ... What's in general order ... It's going to be civics that that's in?

Speaker 7: Keep in mind that the standard protest period on an advice letter is 20 days plus five business days to reply. If you say, "Well, you've got 14 days to decide whether or not to file a protest," you've now gone beyond the 20 days, pretty much, before it comes in a file.

Lara: Thanks for that.

Speaker 3: I feel like we have a lot of unknowns here still.

Lara: It sounds like I'm just going to ... Maybe we do leave ... Our meeting, the ad hoc group is going to be the 21st of December, which means ... What day is it? I don't even know. Are we in December already?

Speaker 3: 7th.

Lara: December 7th, so maybe do, and I see [Martia's 02:58:39] comment, but we do set some time to get some written feedback on this document so that I can present something on the 21st that's incorporated all of this conversation. Again, just like we're going to do with the comparison document, I think this is really going to be a resource for the commission to understand what the discussion has been to date, and to understand which stakeholders are leaning on which proposals. That's, I think, where we're going to end up with something like this.

Speaker 7: Just one of the things I just wanted to mention since we're supposed to be talking about on the advice letters that the Pas who I've done IOUs may not have standing to file an advice letter. The process for that needs to be considered.

Lara: This is also for the third party. Did I put that in here in? Does that state what the [Scope of Work 02:59:21] is? It's for the third party and statewide programs, which is pretty much limited to the IOUs. Am I looking around? I think we did that. That might solve that problem ish ishish. No? Maybe? Sometimes? Not statewide but maybe third party. The transition been clarified that minimum 60% is for IOU's.

Margie: I think that's right.

Speaker 3: Yeah, that's right. I think Mike is going to respond to that. After Mike, Lara, if you have more comments, I think we need to wrap for a lunch break.

Lara: I'm done.

Mike Callaghan: [03:00:05]

Mike Callaghan, MCE. I just want to say that the third party requirement to bid out is not on the but the statewide programs, as I understand, all the PAs participate in those, [be it their funding 03:00:07], getting savings attribution, potentially having an opportunity to be a Lead PA.

Speaker 3: Good point. That would bring an end to the consideration. Thank you everyone so much, very productive conversation. Can we hold you till after lunch, Carmen?

Carmen: Are we coming back to this session?

Lara: No.

Speaker 3: Is it a quick one?

Margie: No.

Lara: We have an hour and 15.

Margie: Do we need to be talking about this?

Lara: Why don't you ask it and let's see if we do it now or after lunch.

Margie: A couple of questions. One is does anyone know how long tier one advice letters in EE are taking right now. I'd love to hear the answer to that. It's tier one. It's supposed to be 30, 60 days, whatever the number is. How long is it taking? Number two, what the other questions really goes to, scroll down to the other options, the existing conditions. For how many decades, I don't know how long, a decade at least, we've been in the situation where [Raycare 03:01:11] is spending this money and going through a PRG without an evaluator, and not going through an advice letter process. This last option, existing process, right? I do know there are other factors, which I'm sure Dan's going to raise. My question is what issues have come up that having the contracts reviewed through the PC and [advice letter 03:01:36] would solve? What have been the problems? Maybe there's another way to solve those problems. Anyway, that's another question. I don't know if you want to take them before or after lunch. [crosstalk 03:01:50]

Lara: Let's see if we can do this in a few minutes.

Speaker 3: Let's give it a quick shot here. We're going to use 1/15 as a hard start. The longer we go now, the shorter lunch is.

Dan: Dan from ORA. With lunch at stake, I'll try to be very brief. I'll say one, that members of the current PRG are dissatisfied with that process. You shouldn't take that as everything's been going on for a decade and it's been great. I believe both Lara and I, but Lara in particular has spearheaded a number of attempts to change that process. This thing has been bubbling up. That's why it got into the last decision and the commission was supporting this as a direction. To your point, I know of several instances where members of the PRG did not have confidence in the scoring methodology used by the utility and did not approve of the choices on the basis put forward by the utility. There was no resolution, and so it got stuck, just stuck. The members of the PRG would not sign off. They would not say, "This is clean. This is fair. This is transparent."

The utility stuck to its guns. There was no arbiter. The whole point of having the advice letters, the commission is the arbiter of disputes. In the absence of an arbiter, either one party tries to assert its will and the other cries bloody murder, or it just gets stuck. I would imagine that the folks whose solicitations got stuck were pretty unhappy, because it took months. Where folks said, "No. I'm not satisfied.

This is my bottom line." With a dispute process, you surface those issues, but ultimately when you reach impasse you go to an arbiter to resolve them. That's the commission.

Margie: I know that you and Lara who were on the PRGs for the last decade have issues with it. When I looked through the list that Lara put together of those issues, it seems to me the first two sections of this, so not the PC approval of an advice letter, but the first two sections were solving those problems. I don't know that all those problems you experienced weren't solved by the first two sections of this document is what-­‐

Dan: The one I just raised is not.

Margie: The one you just raised, I believe, could be solved by allowing those that are in dispute to go to advice letter process and not the others. Then you solve that problem as well but with a much more simple system that's more cost effective.

Speaker 3: We have Erin and then Bernie ahead.

Erin: I just wanted to, this is Erin from So Cal Gas, to quickly address the dispute for resolutions. In 15-­‐10-­‐028, there's explicit process towards seat resolution if stakeholders are not satisfied with the way things are going in implementation.

Dan: This is in implementation

Speaker 3: CEC Processor

Erin: Well, it's first the CEC processor, then there's an actual dispute resolution process [crosstalk 03:05:10] This is for implementation of our strategies that are approved in our business plans. This is what we're discussing. [crosstalk 03:05:27] This is approved. Implementation is how we actually make those strategies, not necessarily into programs, but how we implement those strategies and how we get the savings we're trying to achieve. If stakeholders through the CEC, as we go through these implementation plans feel that we are not aligned with the strategies of our approved new business plans or the intent that was out with this rolling portfolio, then there is a dispute resolution process that is there.

Speaker 3: Bernie, please.

Bernie: This is Bernie from LMCC and I will try to be very quick because we do want to eat. I think that we are confusing some issues. What I'm hearing is a lot of back and forth between what the PRG does and what an independent evaluator would do, as if they were similar. The whole point of having an independent evaluator is to do a different job. The qualifications and the expertise of an independent evaluator can be very different from the PRG. The PRG, no offense Lara or anybody else, are volunteers. They're part time. This is not their day-­‐to-­‐day job. It's not their expertise. That is what an independent evaluator is supposed to do. We should not

be conflating those two. One more question or now a question is do we leave our computers here while we go to lunch?

Speaker 3: I think I'm going to try to stay in the room. If you trust me, you can. I'll do what I can to keep my eyes open.

Lara: I don't know. You're funded by an utility.

Dan: Paid by utility.

Lara: All right, to close this out I think both the dispute resolution, that plus what Margie said will be captured in the next iteration of this document. Then end. Go to lunch. Come back at 1:15. We're still going to start at 1:15.

Speaker 3: 1:15 hard start. Thank you so much. For folks on the phone, we're going to put things on mute for the interim.

Dave: Did you say 1:50?

Margie: 15.

Lara: You're not funny.

Speaker 3: No lunch for him.

Margie: Yeah. 1:50.

Lara: Come back then, Dave. [crosstalk 03:07:51] Did you bring lunch?

Speaker 3: I didn't. I was hoping you could grab me something and then we could meet when you come back.

Margie: Do you want me to grab you something since you can't walk?

Lara: That would be nice too. I need to break though because it gets tight. [crosstalk 03:08:09]

**Section 18 of 18** [02:50:00 -­‐ 03:08:13]

**Section 1 of 19** [00:00:00 -­‐ 00:10:00] *(NOTE: speaker names may be different in each section)*

**Section 1 of 19** [00:00:00 -­‐ 00:10:00] This segment could not be transcribed due to issues with the source file.

**Section 2 of 19** [00:10:00 -­‐ 00:20:04] *(NOTE: speaker names may be different in each section)*

Lara: ... Or for your consideration. Do we need one more column that basically says, let's [inaudible 00:10:05] says well, I like this but I don't like that and this is what I would prefer you do and I have two sentences in the other position column. The question to this group and I want you to think on this and we'll come back to it. The question is, is that useful? Is that confusing? Do we need it as a safeguard or is that just going to make it really hard to print [inaudible 00:10:25]? Think about that.

Going back to the crux of this document.

Margie: Hey Lara.

Lara: Oh yeah, go ahead.

Margie: Before you go there.

Lara: Yep.

Margie: It's Margie with the Efficiency Council. I'm sorry, I know you said at the beginning, but now you've asked that question, we need to go back and just say it. This document will somehow get on the record, go to the Commission, and it's really just to try to describe that if the Commission wanted to pick this issue up and if it worked in all the business plans and the Commission wanted to pick it up, this is the entire representation of it. Of course, everyone can add their comments during the comment period.

Lara: That's right, really good point. The intent is to give the Commission a preview, basically, of what was discussed. Then every entity still has their stakeholder right to put in supplemental, but the hope is, if you recall, one of the hopes of this whole process going through [inaudible 00:11:23] was that NRBC wouldn't file thirty page comments anymore, because now most of what was said is up here, I can reference it, and I file ten page comments, which is a lot better for everybody involved.

I want to remind people that, we can talk a little bit more about this in the logistics, the intent is that you reference this document as best you can and then of course, you have the ability to supplement it.

Margie: Are you going to ask people to oppose? I know you have a support column, is everybody neutral?

Lara: The question is, so you support the proposal or you support the alternative, but are

we asking people to oppose either one?

Margie: As well?

Lara: We didn't go there.

Margie: It's really just people proposing, supporting the alternative.

Lara: We're focusing on the support of the proposal or of the alternative, but for example, we were thinking that that column would be an opportunity for a very short, we didn't fit into any of these columns, but we don't want to have fifteen alternates, so my question to you is is that needed? It might be. Let me see here real quick.

Before we get into what I want to discuss in the document, we have a couple of logistical questions. That was one logistical question. The other logistical question is how do we get this all on the record? Now way back when, we were saying this could be an attachment to the testimony or an attachment in an application that the PAs file on January 16th, so the first question is, is that feasible? The intent was that everyone would file the same documentation. It would be clear that this document, like we did for the drug party proposals, we had a caveat on top that said, "This represents the most accurate conversation to date," right? Every PA would put this document on, not saying we agree on all the positions that everyone's taking, but we agree that this is the most accurate representation of the dialogue to date.

Does that make sense? Because that really made people nervous in the drug party proposal, that the PAs filed a lot of this or put their names on things that they didn't necessarily agree to and it's the same with other stakeholders. We're not saying we all agree with all of these issues. Everyone has a different column for their representation, but we are saying and this is what we have to go over today, we are saying that the document that comes out of this process is an accurate representation of the dialogue to date. Okay, I just want to be clear on that. That's when people get then, this is the dialogue to date, but there's something missing and NRBC gets to write comments saying, "Yes, this is accurate," but I want to say this, this, this, and that, and that's still all right. You [inaudible 00:14:18].

Bernie, do you have a clarifying question about that? Bernie: I have a comment, maybe I'll wait until you're done. Lara: Is it about that statement?

Bernie: It is about that statement, yep.

Lara: Yeah, go for it.

Bernie: Okay. The concern the coalition has about this document is that I think for many who are going to look at it, it'll be seen as an executive summary of all the work that we've done over the last nine or ten months. We have a lot of issues with that. It's true that people can talk comments and all the rest, a lot of times people don't do that. They just look at this, this is the record of what we've done. I think you've done a tremendous job, all of you who've worked on this, in getting this going and organizing it and putting all this stuff in, but we're very concerned that it's incomplete.

Lara: Okay, hold that thought. The question then is, to the PAs, is that a feasible thing to have you guys attach a document like this saying this was a CAEECC document that's an attachment that you're putting on their record. What's the process? Is that a feasible process? Then we have to talk about timing.

Margie: Would it only take one of them?

Lara: The question is, do we need one to do it on behalf of everyone or should we have every PA have it the exact same document so it's on the record for each one, or is there something that we don't know that, because these things get consolidated so can we do one?

Male: Or just IOUs.

Lara: Or just IOUs. This is the question, these are the logistics question.

Jenny: [crosstalk 00:15:57] I'd advocate for one document submitted either by one party. I think the business plans and all the associated filings are going to be so big that it might get lost.

Lara: It will be one document, for sure. Don't do it multiple times because why do you need to do that. Then one PA be responsible for filing it? Because NRBC would do it, but we can't file an application.

Jenny: I don't have an objection. I'm not going to volunteer because we file later than the IOUs, but that's my preference. Everything's going to be so huge.

Lara: Just do it once.

Jenny: It makes sense to be streamlined.

Lara: Okay, I don't care about that. What do you think?

Mike: Mike [Callie], I'm with [XC]. Clarifying question, what's happened to the issue tracker, is that also being filed with the filings?

Lara: The tracker itself that Ted's been managing?

Mike: Yes.

Lara: Do we need to jump to that a little bit, because we have that later on in the agenda. The previous conversation had just been that you guys would cut and paste what's relevant for you guys and put it as an appendix in your application, that's when we discussed the last couple of times. When you, you can filter by MCE and you can filter by residential and then you have however many comments and you're like it's out, it's out of scope, it's in scope, we did it, we didn't do it because we can't do it or whatever. Cut and paste it and put it as an appendix in your residential chapter. That was the previous conversation but we're talking about that too, later.

Bernie: Yeah, we'll get to it later, but we were proposing to keep a monster spreadsheet compiling all the PAs' responses and I'm not sure.

Lara: We never thought about it.

Bernie: What we would do with that document. Margie: Can we handle the comparison document first?

Lara: Oh you want to do that? I thought it'd be easier to handle the logistics first. Margie: Just from the order of the agenda.

Lara: Oh, instead of that.

Bernie: I think Michelle's right, let's come back to that in session E because we were going to talk about distribution, resolution.

Margie: There's a lot to talk about then.

Lara: That's where we were but who knows where we'll be at the end of that conversation. It sounds like, Matt did you have something to say?

Matt: [inaudible 00:18:20] Just clarifying question, would the process be everyone fills it out, we put our physician in, so only one PA would then file, is that ?

Lara: That's what it sounds like the idea is.

Matt: It seemed possible, I don't say it is.

Lara: Yeah. [crosstalk 00:18:46] Another question then is, how else would it get on the record? We could, Ray and I were talking, we could have NCRB put it on as part of our response 30 days later. Do you want to hit that?

Ray: We were in a different context, but yes.

Lara: Oh were we?

Ray: We weren't talking about the comparison, per se.

Lara: I got confused, but we could do that, too. Oh we were talking about the purities. Ray: We were talking about a different thing.

Bernie: Sorry, that would short circuit the opportunity stakeholders had to ...

Lara: Right, we were doing this full circle. Last time we said that was a possibility but it would be helpful for stakeholders to see it while they're doing their responses, so if we were to file it as part of ours, then we wouldn't have the opportunity, I don't know if energy division has any other ideas for us or Erin?

Erin: This is Erin, I was just going to ask if we can request energy division to sort of lock with the ALJ and [inaudible 00:19:38] division?

Lara: On how to do it? How to put it on? Yeah, that's true. For our joint party proposal, I called Ed Mister and he told me what to do.

Erin: There you go.

Lara: Well that was when NRBC did it on behalf of joint parties as a comment team, but we wouldn't have an application, so I could easily do it. We could still do that, but then the stakeholders wouldn't see this for their responses. Yeah?

Matt: For parties to see ...

**Section 2 of 19** [00:10:00 -­‐ 00:20:04]

**Section 3 of 19** [00:20:00 -­‐ 00:30:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: ... their responses.

Speaker 2: For parties to see the document, you don't have to file it. You can just serve it on the parties and then include it in a filing later.

Speaker 3: That's nice of you.

Speaker 1: Wow. That's just so logical. This is why I love when the Energy Division comes to the meetings. NRDC can serve it, and say, "FYI, we're going to file this later"? Say, "But we wanted everybody to have the ability to look at it."

Speaker 4: You would serve by the 16th or 17th-­‐

Speaker 1: I would serve by the 16th or 17th. Either. Any problem with that? Anyone?

Dan: The only problem I see is that you would want to exclude the judge from service unless it's going on the record, potentially.

Speaker 1: I'd have to do next party also. Oh, wait. I don't yet. Not yet. Not until January 1st. Dan: January 1st.

Speaker 1: That's when I would, because it would-­‐

Dan: That's the only complication I see. Otherwise, it makes perfect sense to me.

Speaker 1: Am I allowed to ask the judge? Because last time we got ... I don't know. The judge wouldn't take more questions from us.

Dan: You might want to ask Energy Division if they would be willing to talk to the judge about procedural matters.

Speaker 1: That's a great idea, Dan, again logical. Speaker 3: Again, very logical.

Speaker 1: Would you be willing to check on our behalf?

Speaker 2: This is the sort of thing that should be directed to the judge, a pure procedural matter, but if you have a problem with it we will find another route. I would suggest that you just got to the judge and say, "We have this procedural matter."

Speaker 1: In caps and bold? Yes, I'll do that. I'll do that instead of doing it this way. That was the logistics of making sure and then filing later. Then we could talk. NRDC would be happy to file it as part of our ... Wait, what's the limit?

Speaker 3: Page limit, huh?

Speaker 1: What's the page limit on an application? Speaker 3: What would that be?

Speaker 1: Yeah, when we respond to an application, do we have a page limit? It's not like a proposed decision.

Dan: Protest?

Speaker 1: Yeah. You say protest. I say response, tomato, tomato. Dan: I think they're called protests in the rules, but-­‐

Speaker 1: Slash response in the rules.

Dan: Yeah, slash response.

Speaker 1: We'll figure that out, but that's where we're going to right now. Unless there's something that comes up from the judge that indicates a different process is needed, we'll go that route. Did we come up with a decision? Did we just make decision as a group?

Speaker 3: I was going to say, this is the first time. Speaker 1: I think this is our first decision.

Speaker 6: Quick, next subject.

Dan: Before you get too far down the road I do think there's a threshold question that hasn't been addressed yet about whether parties are actually willing to go off this. There's an if parties consent on the sort of filing then you have a procedure. Let's not presume that. That's not in evidence.

Speaker 1: Well, that's where we're going to now. To Bernie's point, yes this is supposed to be an executive ... Did you want to say something before we move on?

Speaker 6: Yeah.

Speaker 1: Yes, do that before we go.

Speaker 6: Just a clarifying procedural question. When would we all need to have our responses?

Speaker 1: Well, we'll-­‐

Speaker 6: Cross that bridge when-­‐

Speaker 1: My second logistical question was going to be, if a PA did it, when you'd need it by, but if I'm going to serve it on January 16th then we have a little more leeway.

Speaker 3: Was that your question?

Speaker 1: If it's just NRDC filing it, let's figure that out at the end of this. Like Dan was saying, if we have some difference of opinions of this stock event, we're going to have to address that also somehow.

Dan: It's 30 days, no page limit.

Speaker 1: 30 days, no page limit? Okay. Thank you. Bernie, the whole intent of this, you're right, is to distill the conversation to date while also providing the supporting documentation that is more elaborate than notes, the proposal, all hints, all of the

hyperlinks, we're still waiting on a response. I don't know, Dan, if you know this from Energy Division to make sure that the hyperlinks count as putting something on record.

Speaker 4: The document is hyperlinked too.

Speaker 1: Where it says in the front, "See here for the original discussion document," by doing that do we get the CEE's original document on record, or do we have to have an attachment. We can put all of these things as attachments. It would be a very long document but we can certainly do that, which might address your issue. The intent was to hyperlink it so people could see it all. If you feel like it would be more representative to have them as attachments, we could do that as well. Beyond something, this is already like 15 pages, it gets very challenging, I think, to summarize for the judge, the Commissioner, and staff to know where to go if we make each issue item a flat page thing. We're trying to balance between providing the summary of the issues, the documentation that led into the discussion, and also who sits where. Tell me a little bit more how you resolve your concern.

Speaker 7: I think those of you who have worked on this. Cheers to any who have worked on it. You've done a great job on a lot of issues. It's a great platform. We think there are some things that are missing from the coalition's point of view. We think there are some things that could maybe be described more accurately, in terms of the way you guys see them. Our suspicion is that there may be some other members who would also like to edit this document. We have a little bit of an issue of having somebody summarize our positions other than ourselves.

Speaker 1: That's what we're doing right now. It's always easier to edit and easier for us to corral people with a document to shoot at. That's exactly what we're doing right now. We're going through what's up there. We're going to get verbal comments about what isn't accurate, what needs to be more. We're going to give you time to actually provide line item edits.

Speaker 7: We're not that interested in doing that today in this meeting. We're much more interested in having access to this document so we can do that over the next couple of weeks. [crosstalk 00:26:41]

Speaker 1: Was it only in PDF the last week that it was posted? Was it not in Word document?

Speaker 7: We didn't have time though to do that before this meeting. We're asking formally for two weeks to put our edits into this document and for the right of any member to do that.

Speaker 1: Right. Here is what I propose. I propose we go through it so everybody knows what the intended language is. Sometimes it could be, "Oh, that's not what I meant.

That's what you read. It's something different." Some of it might be substantively different. One other thing I didn't mention ... Can you go to the next one because it's a bit easier description than mush?

Speaker 4: We have Hazlyn on the phone who wants to clarify absolutely.

Speaker 1: Let me do this. Hazlyn, we'll hear you on the phone in one minute. Let me just show an example. We noted that in the comments, to your point Bernie, we're going to get up to the Mush sector. The proposal from the coalition was much more at the level than the discussion and comments that were just recently filed. What we were thinking about doing here was, but we hadn't discussed the comments. We can't say that we've had full conversations. What we were thinking is we stay with the proposal where the links are there. Under the proposal, we have an asterisk saying, "Since this time, the coalition has refined their proposal to include these particular things, and just know that this was not discussed with the king, but we want this to be an accurate representation of the current state of that discussion."

The mush market is the easiest example. The original proposal said something like identify mush programs, pretty high level. Your comments said more 40% of the budget should go to mush, which is a very much more specific conversation. We collectively have not discussed 40% budget, but we should have it on the record as part of the proposal, otherwise it's incomplete to date. That's an example.

Speaker 7: We would be in favor of the attachment. [crosstalk 00:28:47] the additional detail.

Speaker 1: Given that now NRDC is going to put this, unless the judge says otherwise, going to put this as part of our filing and there's no page limit, we have no problem. It's going to be a ginormous document, but if that creates the kind of record that is of interest, I don't see why we wouldn't do that. Hazlyn?

Speaker 4: Hazlyn, I think you're out there in phone land. Carmen suggested you had some information might be helpful to the discussion we were having a minute ago about process with the judge. At this point, the phones are unneeded. Hazlyn, if you could-­‐

Hazlyn: Can you hear me?

Speaker 4: Yes. A little bit quiet, but if you can project a little, it should be good.

Hazlyn: I have consulted with the judge about options to get the comparison documents on the record. She has several options that you could consider. One is filing a notice of availability, just to address the supporting documents that might be connected to links.

**Section 3 of 19** [00:20:00 -­‐ 00:30:04]

**Section 4 of 19** [00:30:00 -­‐ 00:40:04] *(NOTE: speaker names may be different in each section)*

Hazlyn: ... The supporting documents that might be connected to links that would be embedded in the document. What you would do is file a notice of availability combined from files of printing of all those linked documents with the

commission's docket office. If you want a way to get information from the comparison exhibit on the record, another way is to have the link avoid the exercise of filing specifically with the docket office. As I think Dan, or someone else, already mentioned, parties who want to expand or respond can do that formally on the record by responding to the filings themselves, clarifying points that they support, depart from, or want to amend. Alternately, since the utilities might have other comfort levels in how to get information on the record or how they're comfortable getting disinformation off the record, utility lawyers are good resources for you. You should go yourself on [up 00:31:15] their expertise they've got other ideas about how best to do these. Those are the three options that were presented to me.

Lara: Great. Thanks, Hazlyn. This is Lara. I'm not sure if you were on when we were talking about the option of NRDC serving the document, so it would not be on the record, which now that I'm thinking about it would make it challenging for people to respond to it. It would be informative, but people couldn't site to it.

Hazlyn: You have to choose. It's either on the record or not. If you want it to be on the record, know this is availability, which I assume either you or Sandy gave the file. Printing all those documents is one way to approach it. Again, the legal recourses that the [inaudible 00:32:05] has used. The key decision is whether you want the information on record or not. That's one way to do it but you can make it for others. Additionally parties who may or may not agree to how it's put together, how it's described, whatever can file the comments to the filing itself to clarify their positions. There might be other pathways. Once you determine whether you want it on or off the record, then you can decide on what [inaudible 00:32:38]

Lara: Thanks, Hazlyn, for checking that out. That's helpful. We could also do a hybrid where it's off the record but informative, which is less helpful. That could be just informative to parties as they're doing their comments. They just couldn't site it. That would be informative but he couldn't cite it. When NRDC puts it on the record, that's another option. It is on the record for the commission, the staff, and the judge. We have early viewability and then later on recordness.

Speaker 3: Why do it several time? Decide whether you think it's worth it to put it on the record or not. Figure out a pathway to do it. Having it be formative is potentially biting the whole work. If the commission if there are certain things in the comparison documents parties and or PAs would like the commission to consider, then it needs to be on the record, period.

Lara: Even another option is just to say to the CCEE service, "Hey. This is up on our website," and then just do one on the record in the filing of NRDC's, unless the PA wants to do a notice of availability. I'm not sure. Does anyone think that those options have altered some of our logistics? Do we feel that we should still have NRDC put this on the record after the 30-­‐day comment period.

Speaker 4: I just want to confirm my understanding. Let's say we don't put it on the record

now. Bernie, on behalf of his coalition, could send reply comments and attach his proposal documents subsequently, and that puts it on the record. Correct?

Lara: That's true. Actually, that's a really good point because now what happens if that's the case, we completely negated the benefit of having a consolidated documentation.

Speaker 4: It would be spread all over the place. Lara: It would be spread all over the place.

Speaker 4: It starts feeling like a single, compiled document.

Lara: Are we back to asking the PAs if they'll do a notice of availability? Dan, do you have a thought?

Dan: This is Dan from ORA. I think our first reaction is this document, it represents the positions of various parties, but they haven't actually had authorship of the text. The path forward to getting to that point, given where we are today is pretty messy and uncertain. We would not so far putting this on the record. We don't think that that's likely to be a fruitful path forward. If folks want to serve it and use it as a guide when you write your comments, that's okay. We would be uncomfortable with the current characterization of our positions. We would want to use the text that we've already put on paper. We would want that to represent our position.

Anything that is going to have our name on it, we need 14 days to review and authorize. It's got to go up through our approval chain.

Lara: You guys, this is the first draft. This is not getting filed on the 16th. I don't understand why everyone's ... This is what we're doing. You have the time to do that. Are you saying you don't have the time to do it because holidays, everyone goes away and really don't-­‐

Dan: I'm saying we don't have the time to do it. The appropriate time to do this would have been we put proposals on paper, we put text that are already approved on paper, we showed them to you all. That's our position. Those are the documents. We would be fine with those being filed. Those are documents that we've gone through. We would want other parties that have other proposals to put them in writing, bring them before the CAEECC. That's their language. If folks want to either sign up for that language, their organization can authorize. If they have other language, they can write it up and bring it ... Having somebody else, this is just not a process that we're very comfortable with. We're not very comfortable putting this on the record representing our position. Other folks might be okay with that.

ORA is not comfortable putting something on record that represents our position that is not our text.

Lara: I'm trying to think back. I thought I cut and pasted from Mike's document. Maybe there was something else that I took from notes that was not actually from the

document. There are a lot of things here that aren't representing ORA's position. I think there's one or two things on there. Are you saying that you don't feel like this has a sufficient ... I'm trying to understand. This was all from notes and documents that are posted on CCEE. The discussions have been just summarized here. The discussion isn't a position. The discussion is what has been talked about over the last year, based on things that are already put on the notes, which quite frankly I'm the only one who reads, I think. Maybe Martha read it a couple of times. I'm just trying to get a sense of what is it that, besides ORA's position, I totally understand that, what is not feasible about you guys looking at this and seeing what you agree or don't agree with.

Dan: From our point of view, that's what we do on the record. This is a shadow record. We're not clear that there's a whole lot of value to that, other than ... Again, when we have to vet our own stuff I assume that other parties also have substantial vetting processes. Some of this stuff, at least currently, is unattributed. Even the discussion is unattributed. I don't know who said what. There are some that wouldn't characterize our position or how we thought. We want people to put names. At this point, we don't see a whole lot of value to putting this on the record.

Speaker 4: Is it worth stepping back and revisiting why we're even doing this document. I thought the idea was to simply from the CEE's perspective. I hear some of what Dan is saying. I just wonder though if you don't put your initials by any given number of issues, you're not representing that that's your positions. It seems like ORA or anyone else could completely avoid the risk of misattribution by not putting their initials by any of the items they don't agree with. Does that make sense, Dan? I feel like you could avoid misattribution.

Lara: You're right. You can. Then the question is, is that a value to see it unattributed?

Speaker 6: I already stressed earlier our concern about making sure this document is accurate in terms of our positions and it's not changing anything. Of course, we're already doing that in comments. We do it very carefully, very deliberately, in great detail, and we circulate it among the coalition members and all that represents 14 or 15 different organizations. We're a little bit concerned that this is not going to be an accurate representation of our position.

**Section 4 of 19** [00:30:00 -­‐ 00:40:04]

**Section 5 of 19** [00:40:00 -­‐ 00:50:04] *(NOTE: speaker names may be different in each section)*

Male: This is not gonna be an accurate representation of our position. If we make it one, then essentially, we're doing it twice. I have the same concerns.

Female: The point was that your comments would not be as extensive. This was the whole joint party proposal and the original reason for this. Basically the key process isn't really worth anything. If we can't actually come up with a summarization of this. It's that they compare it to [crosstalk 00:40:27]For the purpose of reducing regulatory burden, state [coal 00:40:31] burden, the more reason why we're in these conversation is so we don't have to do the exact same thing that we would have

done had we not had these conversations. [inaudible 00:40:45] Mike and then Margie. [crosstalk 00:40:47]

Mike: [inaudible 00:40:49] I think that this process while maybe not optimal, has been productive in getting us to understand these proposals and discuss these proposals and MC actually has some elements of what's in here in our business plan. So I don't think that it's a waste, I think that this document is useful to help certain marshal support but maybe one way to bridge the gap would be for those folks who are proposing concepts to include those with their responses to the the application because that's what they want to see in business plans and appears if through this process they decided to incorporate those things then this is all for those peers with initiative to help other peers to include it.

Male: Okay so this is sort of a map that helps participants in this process know who's gonna say what and where they need to comment in their January comments on a few things.

Female: But do you mean then don't put peoples names by it just say this was the conversation, you know what has been discussed ... But people aren't necessarily going to put their names on it and it's still informative for you as the PA.

Female: I think this is helpful to facilitate discussion and sense building in this room, I don't think this document needs to be submitted to the commission, I think that folks who put time into putting proposals together and are particular about rewarding for those proposals should feel free to include those in their responses to applications saying this needs to be in business plans. Maybe that's the appropriate way to get these issues out in front for the commission.

Margie: So this is Margie I think I'm next? I have him fabulous legal advisers texting me.

Kelly, I think some of the discomfort is this going on record. So she's agreeable with Dan ... This particular document shouldn't be on record, but I would agree with Mike that it is incredibly helpful to have had this summary put together in terms of me and my resources knowing you know, what I'm getting into and where I need to dig... [crosstalk 00:42:56]

Male: I am probably wrong but I assume this might be helpful for the commission. Female: They can't use it if it's not on the record.

Male: Can they not even look at it if it's not on the record?

Female: They can't make any decisions based on that if it's not on the record.

Male: But you could do it as an notice of availability that they've become aware that the doc exists and they could use it to help them ... as they think about the issue. Is that worth anything?

Female: It's still just a personal [inaudible 00:43:25] I feel like unless their name is behind things I feel like it negates part of the power of it and so I agree with Mike and what Mark was saying, yes it is useful but I'm kind of sitting here going well, we've got much more of our best feedback from the issues tracker, we know what the statements are we don't have consensus on these we're all replying through the issues tracker and so I'm kind of going well if we're not going to put names behind it, I'm not sure I understand what the problem is. So I guess my big thing is that there's a lot of work. There's a lot of work for the PA's, there's a lot of work for the facilitator and the coaches and there state holders and all the parties involved in this and I just feel like we need to look ... How can we streamline this? We've talked about this today that they're creating more instead of less. I want to find a way that this is a effective and efficient for all of the parties involved.

Lara: Yeah this is Lara. I'm just thinking, you know the commissioner, the judge they file, they put out ruling to get comments on all of these various issues and we've talked about a lot of these issues and I agree that we can put it on our individual comments. I just feel like this is sort of what Kate was ... yeah exactly, if this isn't gonna be useful we're basically, I agree, I'm glad Mike that is was valuable to you to have this kind of conversation and it narrowed the issues to the point where I understood where people are coming from in the discussion. But now were up [inaudible 00:45:05] gonna write 30 pages of comments like we would of without any of this discussion.

Male: Lara, can I just say that I agree with you very deeply.

Female: What? [Laughing]

Female: Do you really agree with her or just sort of agree with her? [Laughing]

So then I don't you know, what would be useful? I'm just thinking that if we don't put anything on the record from the key, we're missing a huge opportunity to provide some consolidated information to the judge and the commissioner and the staff; all the staff that have been involved in the meetings. I just feel like we're missing an opportunity so is there an alternative or do we put the tracker on the record? You guys are gonna put it in your applications so I don't know...

Female: Well the tracker has largely, a lot of similar issues show up in the tracks so those things are if they have identification so I don't know what the difference is, people being concerned about identifying this document versus the tracker cause the track has almost all the same issues.

Male: From our point of view we wrote those comments, that's out language, we put it out there, we're comfortable with you saying we already said this, because we actually did say that and it's not unattributed. The here, the sort of alternative wand, until somebody takes ownership like this is fill in the name of the party this is our position we developed this, this is out language and these other three parties support us, then its some sort of here say stalking horse, when we have a position

that we wrote and put on the record we don't want other language representing our position and we don't want other folks sort of hiding behind and if want to take a position, you take a position and from our point of view either, at this point it just makes more sense we will put our issues on the record and parties will have an opportunity on the record attributed to respond to those and other parties can put their issues on the record and that's...

Female: And that's assuming that we get a chance to respond that has to be a decision [inaudible 00:47:19] It's only one, you don't automatically get to respond to peoples protests that has to be...

Male: No I mean in the proceeding generally there will be due process for everyone to participate and put there positions on the record.

Female: Right but I'm just saying that we might not have the responses. If you put something in your protest, its not automatic, we don't respond its the [inaudible 00:47:40] that respond to that protest and an MC can't respond to that unless there is direction.

Male: And then we have a pre-­‐hearing conference and then we have [crosstalk 00:47:47] a process...

Female: And basically we have do everything that we were hoping that this would do instead.

Male: I don't understand. Because then otherwise you're suggesting short circuiting the formal process we're we have right as a party for...

Female: Not short circuiting [crosstalk 00:48:07] No Dan the whole point is to have the same process but then we've talked through the things and summarized them as kinks so that we have instead of 30 pages of comments we have 10 pages of comments or 5 pages of comments. But now that doesn't seem to be where we are headed.

Male: Okay ... I think I'm hearing enough opposition to filing this document. I don't think we can move forward on record. [inaudible 00:48:45] Okay so it feels like where we are now is we don't put this on the record, I'm still not clear, we could still make it available.

Female: I don't think we can make it available if there are parties here saying that it's not accurate. I think what we have to put on the record, we could put on the record ... Well I mean everything is on CAEECC so we'll let people do that I mean it's all publicly available.

Male: Yeah I don't want to burst any bubbles but I need to let you know that the input track was also complete for short comments like cut and paste everything in. For many of the longer comments [inaudible 00:49:28] so the input tracker is only

faithful in conjunction with the other locked documents that are referenced.

Female: No you reference all the documents though.

Male: Right, okay. So a lot of people are okay with that but the cells themselves are not complete and they're out of context if they're away from earlier parts of the letter. So it's not possible, you could certainly post this on the website as public information to sort of summarize, but again some people are concerned that its not exactly an accurate representation, that's what I'm hearing.

**Section 5 of 19** [00:40:00 -­‐ 00:50:04]

**Section 6 of 19** [00:50:04 -­‐ 01:00:00] *(NOTE: speaker names may be different in each section)*

|  |  |
| --- | --- |
| Speaker 1: | So its not poss- we can certainly post this on the website as a public information to summarize, but again something about it concerns and I don't feel is an accurate representation. That's what I'm hearing. |
| Speaker 2: | I mean ... Yeah. |
| Speaker 1: | I certainly think there's been value on this[inaudible 00:00:20] that Mike L has mentioned and Bernie. Wait for it. |
| Bernie Kotlier: | First of all I have to apologize cause you guys have outdone my work on this, and it looks like it's ... |
| Speaker 2: | I can't hear you. Can you come a little closer? Thanks. |
| Bernie Kotlier: | Okay. You've done a lot of work on this. You know it doesn't look like it's going to be as useful as you hoped, and I thought that about the whole work. I know you did a lot of work. The question, and obviously we're already paying somebody in the record, but then it comes to: What are we going to do? I mean are we going to post it publicly? If we're going to post it publicly, as is, it needs a disclaimer on every page that says it's not complete. |
| Speaker 2: | Mm-hmm (affirmative). |
| Bernie Kotlier: | It hasn't been edited by the parties and so on so forth. It's just a summery and you know, all of that stuff. Cause otherwise you get into a lot of work on this thing to make it as complete and accurate as it should be. I agree with Brandi. We have a lot of other things to do. |
| Brandi Turner: | Well okay. Bernie. Let me |
|  | [crosstalk 00:01:17] |
|  | I want to propose something because I do think that Laura's right, that this document is kind of what the spirit of cake[inaudible 00:01:28] was founded around. It's finding consensus, and we really react to what we were talking about earlier, like, Why do we do all this? It was to make things more streamlined for all parties. One thing I want to throw out there for the group to consider is, you know, I think Dan's right. Nobody has to put their name on this, right? |
|  | But there may be stakeholders that are part of the Cake process that still see value in this and want to do it. I don't know there's harm in putting it up, letting people take a look at it, seeing if they want to do it, and if certain Cake members choose not to participate in that, one option is that you could put on there: This stakeholder will be commenting separately, or: We are not taking a part in this document. |
|  | I don't know. I don't want to throw the work away, but I do think, and one more thing about, that somebody said in the comments about anonymity. One thing I do think would be really helpful that I've asked the coalition to do before is: It would be really great, when you guys file stuff, if we can have the names and the supporting agencies for each of the recommendations. I do know sometimes there are groups that say, "We support this, but not that." It would be very helpful, it would've been great for the issues calendar, if we'd been able to follow it up with [crosstalk 00:02:40]. |
| Bernie Kotlier: | We do that at the beginning of every comic. We do it at the beginning of the lists of organizations at the beginning of every comic. |
| Brandi Turner: | So you're telling me every single organization has been agreed with, every single comic?[crosstalk 00:02:47] |
| Bernie Kotlier: | If an organization didn't agree, they were left off the list at the beginning. We did that in every comic. |
| Brandi Turner: | Okay. |
| Speaker 5: | Thank you Brandi, it's Jenny [inaudible 00:02:59] back here and I have a mind of my comments. There has been so much time and money invested in this process, and some folks higher, you know, high above, have questions, have been dubious from the beginning. If there is anyway we could come up with some alternatives that this is submitted, that it would be very beneficial. I mean to have no reflection of the countless hours some of us have invested, I think it would be a real lost opportunity, and, whether Cake is successful or not, I think it's important to have some formal documentation of [crosstalk 00:03:41]. Perhaps Brandi's proposal was a good one. |
|  | I know Bernie, to your point, we were very reluctant during the initial joint party letter. I mean there were things that we really did not agree with, and I don't remember what the derogatory language was, but it addressed the concern that this is not consensus, this does not reflect everybody's opinions. Then where we differed, I think we're still on, it's hard to remember, cause we put it in our motion. [inaudible 00:04:07] |
| Brandi Turner: | The beginning language was: This is just what has been discussed. Everybody who has signed onto the joint party proposal didn't agree to every part. This is just what we all talked about. That was what the language said. |
| Speaker 5: | Right. Serious, I was adamantly opposed to some of the things, wasn't at all comfortable with the way that it was presented for us to sign onto it. |
| Brandi Turner: | I feel like, so if we're only going to get some people who want to put on here, we still need to go through the process of getting it all updated and edited and what not. If we were to make it not, I mean just the people who have the proposals. I mean we literally linked to the actual proposal. If we don't have people sign on to whether they support the proposal alternative, I think that's better than nothing, cause you still see the discussion. It's a summary of the notes. |
|  | The judge, the commissioner, and the staff are not going to go read 30 pages of notes for every Cake we make. You know, and if there's something egregious, we can edit it. I mean for the joint party proposal, the same thing. I did essentially the same thing for the joint party proposal, and I got some edits saying, "That's really not accurate," but there were very few. Most of it was like, "Yeah that's generally right." That's kind of what we discussed. Since nobody had to put there name by it, it was easier to say, "Yeah. That was generally the conversation," so at least the judge at the time could look at it and say, this is what we've discussed, and these are the items that are in front of us to ask you to consider to make a decision on. |
| Speaker 5: | Lara if I could say two things, and this may confuse the issue more. As much as I appreciate Brandi trying to bail us out, I feel like if C.E.E. for example, and Bernie's made it clear, you know, he's concerned about accurate representation. If we said, okay well C.E.E. is not going to sign on, but this whole first thing is about their proposal. Even though their name might not be by it, it's clearly C.E.E. stuff. So that's weird. |
| Speaker 6: | I have a solution to that ... |
| Speaker 5: | So let me. We'll come right back to that. The other thought, separate from that. I still don't think this will solve Bernie's problem, just as an example, and other people share the same perspective. What if we called this, Facilitators, or Co-Chairs ... |
| Speaker 6: | Summery. |
| Speaker 5: | The summery of these proposals. We're clearly not representing the actual author of the proposal, then we have the links to the documents that the proposer totally controls. The only thing that's maybe not accurate is the interpretation, but it's labelled as such. |
|  | All that does, basically, is create a narrative that links proposals to alternatives and opposition. |
| Speaker 6: | Yeah, but then not. That was one solution. The other solution was, I think that actually might be a code from like all of that's included in the left hand side would have to be quotes from the document instead of summaries. That's another solution. |
| Speaker 5: | Yeah. But if I was very, I'd say, well it might be all my quotes, but if you don't include everything, you include selective quotes, you may not be representing my point of view, and I don't like it, so I get that. |
| Speaker 6: | What if it is maybe a facilitator summary of ... |
| Speaker 5: | I see Dan doesn't like that. |
| Dan: | Mike's got his flag up. I'm staying out of it. |
| Mike: | Mike Callen of M.C.E. I just want to start by saying that M.C.E. supports some of the proposals that are in here, so I don't want what I'm about to say to seem like we're not interested in any of these proposals. One of the things that's giving me pause about moving forward with this is that, as an organization, M.C.E. is going to want to respond more comprehensively than, "We just support this proposal." We want to say why we support it, provide nuance that isn't existing in this document. |
|  | In a practical sense, I don't think we have capacity to do that on all of these issues before January 16th, because there are a lot of other things that we're working on at the same time, so, I just want to throw out, that's one of the reasons that I'm hesitant to try to get this on the record [crosstalk 00:08:07] sort of right now. If there's a way we can ... |
| Speaker 9: | What about what Ted just said in terms of, "You don't have to do that, but rather we're summarizing everything we talked about for the last 10 months based on the notes that have been, you know there's a 10 day review period for everyone who wanted to review the notes that are now online. There's the proposals that are actually documented online. |
|  | You, M.C.E., doesn't have to put your name anywhere, but we're basically culling all of that information in a summery, saying, "This is what was discussed." We're not saying who's opposing the proposal or who's supporting an alternative, but this is literally culled from the notes. |
|  | Think about that while Bernie responds. |
| Bernie Kotlier: | Well I'm going to agree with everyone today. I'm going to agree with Mike's point about the need for more detail. Because just a summery doesn't necessarily capture all that's point issue. Another issue is that, we're not really comfortable with somebody else summarizing our position, even if it's labelled, "facilitator." That's just not the summery we want to see. |
|  | My feeling is if we are going to go ahead with this, that we actually have to do our own summery. If we go ahead. I think in terms of attribution, I think attribution is critical because just saying, "well, some people support it, some people didn't," doesn't really fully characterize what's going on. We might have 9 organizations who support it and 1 that doesn't. |
|  | Plus some of the organizations do represent a lot of other people. The coalition is generally 14 or 15 organizations that are speaking. Our team represents a lot of organizations. Other members of this group only represent one. Without attribution, it doesn't give you a good sense of how much support or how much opposition to this. There's just a lot of issues. |

**Section 6 of 19** [00:50:04 -­‐ 01:00:00]

**Section 7 of 19** [01:00:00 -­‐ 01:10:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Opposition rests. There's just a lot of issues.

Lara: It sounds like I'm going to use the comparison document to enter NRDC’s comments [inaudible 01:00:07] and therefore ...

Speaker 4: Yeah, I mean ...

Speaker 3: I would agree, I don't think it belongs in the records. It's fine. Having heard this whole discussion.

Speaker 4: Okay, so I think we have to concede defeat on this as a matter of record. I do think it's produced, I'm producing and working on it. I think the important thing is the group get together, I think we've all increased our understanding of the other people's positions so I think that will help us interpret each other's submittals in January and February. The question is, this is up on our website, it's a public document. Do we just leave it as such, are we tearing it down? These things are in play publicly already.

Speaker 3: Good.

Bernie: The [inaudible 01:01:07] is not comfortable with posting this anywhere in it's current form. If we're going to post it, it needs to be more accurate, otherwise I don't believe you should post it. This is our position.

Lara: I think it's up on the meeting page because it was discussed in this meeting you can leave it there. And you don't post it somewhere else.

Speaker 4: Okay.

Speaker 3: I just point of face, there's lots of things that are posted on the CAEECC website that are not accurate. [crosstalk 01:01:31] I get what you're saying, part of CAEECC has never been like you say, simple a process where we make you repost it. It is not

something where part of Ted, or Lara's, or Meghan's responsibility is to review and say, "This is accurate or not." The whole point is to get a variety of opinions. So in fairness, there are opinions on here that may not be opinion you share, but I don't think they need to start censoring things.

Speaker 4: This is not a matter of censoring, because it's different when something is posted on the site by one organization or when the facilitators and the co-­‐chairs post something that's supposed to represent the whole record. That's a very different thing, I'm sorry. This has to remain on the site, there should be, on every page, there should be a fair explanation of the fact that there's a lot of opposition posting that's incomplete from all the rest.

Speaker 3: I don't think there's any problem saying to put in a little not on the document. Ted: What about stripping out pros of the rational conference?

Speaker 3: No, I think Ted, that we leave this and I think a caveat is fine. I don't think we need to spend any time doing anything.

Ted: I wouldn't want to work on it, but we'll-­‐

Speaker 3: I don't think that's a big deal, it's just this was discussed with his name and it was determined not to be representative, but it's staying up because this is what we discussed at this meeting and we don't want to-­‐

Ted: Okay.

Speaker 3: Take down anything that we discussed in this meeting and we don't want to take down anything that we discussed in public.

Ted: Great. Well thank you for that feedback and it's forward progress one way or another.

Lara: Where are we now?

Ted: So that takes us, we're 15 minutes ahead of our new revised schedule, so we're going to be moving into implementation plan process, and this should be a CAEECCwalk ... Actually, let me just take a minute to open up the phone lines for public input, I think we did have some members of the public who couldn't stay to the end. So I'm taking the phones off mute ...

Speaker 6: The conference is no longer in lecture mode.

Ted: First, is there any input that members on the phone would like to give by phone here? If not then we'll move to any public comments on meeting today, or meeting until now ... Okay, Alice Sung, I don't know if you're still online, I think you had raised your hand earlier today, I'm sorry we didn't get to you sooner. If you're still

there, you've got a couple minutes to raise an issue ... All right, I'm not hearing anyone on the phone, if you're speaking it may be because you're on mute ... All, right, we will go back to the phones if not before 4:30pm for the end of the meeting public comment period, at this point we're going to go back on mute, thank you ...

Speaker 6: The conference is in lecture mode.

Ted: Okay, it'll take me just a second here, we're now shifting gears. We're going to talking about the implementation planning process and some of the issues here also tie into the conversation we had earlier this morning. There's somewhat unclear aspects in the process that complicated the discussion of how CAEECC review of the implementation plan development should go. [inaudible 01:05:19] certainly a little bit.

My last understanding is that we'll potentially have business plan approval in late spring or early summer I guess depending on how well this goes. Shortly thereafter, the presumption is at least some implementation plan processes would be starting pretty quickly on the heels of the approval. I think all of us are anxious to understand what that implementation of plan and development process looks like, and what the CAEECC and PRG intervention input process looks like associated with that.

We're having our third conversation of trying to figure out how that works, we haven't made a lot of progress so far. We talked about this in October and in our November 16th meeting and I think at the end of the 16th meeting we realized, it's just really hard to have this conversation because we didn't have a graphic representation of the process. So I developed a rough and ready graphical representation of the process and there are sort of four channels of PA process.

There's the business plan process, which is nearing completion, then the internal program planning and implementation planning development process, the third stage is the implementation, excuse me, the solicitation process, and then the contracting process. Let me pull up the graphic here ...

Lara: We'll just to a little more context. Ted will talk about this, this is Lara at NRDC. If you recall, it's very different than when we started, when we thought the PAs would do more write of the implementation planning process. So you'll see, Ted has been coming up with different scenarios where originally in the decision, we talked about this at that last meeting, the decision says that the CAEECC will have early and often input into the implementation planning process. But when you go toward almost all third party, we will not be able to do that and maintain proprietary information and privacy issues. We need to consider that and also consider if we're going to be in compliance with the decision in this process, or if we need to request any modification.

Like I mentioned, before we thought we had more opportunities to get throughout, but if we're doing third party process, you have to be very cognizant about that. A

lot this has to be done in non-­‐proprietary, in a non-­‐financially interested group of people. Ready?

Ted: Okay. So what we shoot for today, in a perfect world we'd have one or two developing working proposals. So what this looks like, it may be that we only get to the point of maybe adding a few more principles to our principles list. Having said that actually, I should probably ... Bare with me a second, giving us [inaudible 01:08:28]

Lara: Do I need to-­‐

Ted: I think we should ... Well, I think we'll do it on tab ... I just want to remind folks, we have fair guidance in the commission with the step to how CAEECC provides input into the implementation plan development process. In that slide on the right of the screen, we have the previous meeting, it says, "Providing for the development of implementation plans again, prior to and throughout the drafting, provide input of the development to be included in advise letters, blah, blah, blah. Provide input into development and revision of metrics for inclusion business plans and implementation plans," is part of one and two.

So that was the key piece of the guidance cycled out of the decision 15-­‐1028 that we have to keep in mind here as we work on this process. Then in the prior two meetings, I've shared principles ... A list of principles, and people have heard these, but I don't want to represent that as necessarily consensus. I don't want anyone here saying, "No, that's incorrect or your missing five principles." The key principles we had listed is, there must be opportunity for CAEECC, i.e. state [inaudible 01:09:44] to provide meaningful input that is provided in an way that allows the PAs to have a reasonable opportunity to integrate that input into the development of the implementation plans, as they go about their business. Secondly, we don't want to create redundant documents-­‐

**Section 7 of 19** [01:00:00 -­‐ 01:10:04]

**Section 8 of 19** [01:10:00 -­‐ 01:20:04] *(NOTE: speaker names may be different in each section)*

Ted: Technically, we don't want to create redundant documents and processes. That we would be a waste of time, and then not helpful. We want to minimize the process flow impact of [kay-­‐per-­‐view 01:10:11] on the PAs as they're doing their job, in terms of contracting process and program launch. I'm not saying there won't be any impact, but we want to have our process as much as possible not negatively impacting the business process. That's the core of what the [inaudible 01:10:30] in our case. We wanted to minimize the risk to PAs and prospectiveness letters due to IP approval, and certainly to the extent that [CAEECC 01:10:41] processes could come in last-­‐minute, influence things and change outcomes. We just want to minimize the uncertainty and risk of players to the extent feasible.

As we have this conversation we need to remember that, and Michelle was I think, confirming this a little bit earlier, I think some people think of third party now as just there's three or four huge, undefined contracts where the PA bids out $15

million for commercial, doesn't see in the back what scope it is. I think there might be some of those, but I've been told the solicitation plans prove otherwise, my working hypothesis is that there'll be a range of smaller and bigger RFPs, some of which are quite well-­‐defined by the PAs because they need to meet certain policy goals, and others [deal 01:11:27] ended. Our process needs to allow for that.

I apologize for the repetitive message in this meeting, we had last [one 01:11:34]. Those are the key things that I think we need to keep in mind. Mind as well stop right now. Are there any other key principals that people feel like should be added to this list? Mike Kellan.

Mike: Mike Callahan, MCE. I think although I understand that there were some good reasons over the course from last year's to adjust the schedule, and the process, and the deliverables. I think it would be good to add in here trying to have a defined schedule, and process, and deliverables, and expectations at the outset to make participation in the process more manageable.

Ted: Great. Good point.

Mike: Yeah. That's it. Yeah, thanks.

Ted: Okay. Thanks, Mike. All right, so having said that, let's go back to the graphic, and I apologize if this one doesn't do it for you, but it should be coming up here in a second. Here we go. Okay, so all I'm trying to do here is lay out the key, in the swim lanes of the process, the top four are the PA processes, and then below you can't quite see here are two bands for the PRG, slash independent evaluator, and then there's the general [CAEECC 01:12:56] one. We'll get to that in a second.

The point of doing this is to say there are a bunch of potential flux of milestone in the process that we can be thinking about tying our [kay-­‐per-­‐view 01:13:09] process too. I think we were all getting fuzzy on these points in the last meeting so that's why we have it sketched out here. This isn't super high resolution. It may not be entirely right, so we can correct as we go. Let's start with this. We had draft business plan review process up in the upper left corner. It's going to filed on January 16th or 17th. There'll be a protest period, or comment period. At some point, the business plans will be approved. That's the top business plan process, as I understand it. The two elements of the business plans that are probably most relevant to the implementation planning process are the characterization of the intervention strategies that are throughout the business plans, and then the solicitation plan and schedule. I think those two sections of the business plan is our most relevant to the IP planning process.

Then we step down. After that business plan approval process happens, you get into the internal PA program planning process. That's happening inside those organizations. There probably isn't normally a whole of external view into that process. That's I think, the way it is. We get into the first question, I think there has been a difference of opinion about whether the depictions of strategies in the

business plan is sufficient that it should be clear to everyone what the PA has in mind in terms of subsequent implementation plans. Some of us had thought there would be at least a one-­‐page document separate from the business plan to just say, "Hey, here's our really high-­‐level concept for our," you know, "15 implementation plans that we think we're gonna get into in the three years. Some we'd like to start this year, some in two years, some in three years." We thought there maybe ought to be a one pager that just even though you maybe can't say much at all as a PA because you're going to out-­‐source them and somebody else solved the problem, at least some high-­‐level of depiction. There was some concern that that created an unnecessary piece of paper. Maybe there will or won't be that document. We haven't decided on that.

At some point in [inaudible 01:15:28] you're going to get to a point where I think the program administrators are developing a pretty good idea, to the extent they can before putting the solicitation out, of what they want a given program to do. In my mind, that is a potential point where you could have down here in blue arrows showing [kay 01:15:54] process getting information from, and then providing input back to ... This is not working very well, back to the PAs as ... This is really, it's not really [inaudible 01:16:08].

Speaker 3: There's really nothing to see. [inaudible 01:16:11]

Ted: Okay. Good point. All right, so text will catch up here in a second. Maybe at this point we could create a little process. The next obvious place is when the PA has a draft scope of work. They can't share the draft part of P with the [kay 01:16:34] for obvious reasons, because there's confidential competitive information there, but they could share either the scope of work, or some distillation, the high points of it. That could be shared. That could be another point of intervention.

Again, then the bottom three rows here are the [CAEECC 01:16:53] scenarios. Just to be clear, I just tried to come up with in RFP where there's almost not understanding of what the scope is until it's put out for vid, there's somewhere in between where the PA knows somewhat about what it wants to see, and scopes the RFP to a certain degree. The third row is here's a highly scoped, the PA knows fairly precisely what it's looking for, but for various reasons it's soliciting on a third party program basis even though it's fairly constrained. The target market, and maybe the end use, what have you. There's possibility with these different level of resolution RFPs is that you might have the opportunity to optimize where you provide input in the process. I'm sure that's the case, but it's a consideration.

Speaker 3: Hey, Ted?

Ted: Yeah.

Speaker 3: Question. Do the colors mean anything on the arrows?

Ted: The colors correspond to the stage. The internal program process is blue.

Speaker 4: Oh yeah, it's not the-­‐

Ted: [crosstalk 01:17:49] solicitation process. Pink is the implementation plan and development. I think that's it. I don't have any gray ones.

Speaker 4: Yeah, and note that the PA internal program, it doesn't look blue up there. Ted: Yeah, that doesn't look blue. It's blue on my screen.

Speaker 3: [crosstalk 01:18:04] Okay, thank you.

Ted: Yeah, so I'm almost done here. I apologize. You have these different points. Here, PAs could present to [Cate 01:18:12] a conceptual scope of work, or it doesn't make that much sense, but when the RFP goes out to public, CAEECC could look at the RFP at that point. I'm not saying that's a good idea, but that's another milestone. When the bids come in during the bid evaluation process, probably more likely if anything, you'd have a third, or IE process, and not a [CAEECC 01:18:40] process, but that's another step.

Bid award at this point. If you've awarded the bid, you know what the proposal is. You could carve the scope and work out of the proposal, and you could make that public in the [CAEECC 01:18:55] process to get feedback on the proposer scope of work before they draw a contract up. If exchanges were going to be made you've saved yourself the trouble of drafting and redrafting, or making amendments to a contract.

At contract execution you have a lot of the information in-­‐hand to do 3/4 of an implementation plan. When you look at the definition of implementation plan, you never have a final implementation plan until a couple months into a contract because in most of the cases with third party contracts, those implementers that you hire are going to take a few weeks to produce some of the documents that the CPUC has listed in attachment four as a requirement that this component of that implementation plan. Here, maybe 3/4 of the content of the implementation plan could be available pretty close to contract execution, or again you could wait until the implementation plan is actually done. Which again, I'm just making up this two to three months into the contract. I think there was a couple proposals last time to just have the input process here. The concern I had-­‐

**Section 8 of 19** [01:10:00 -­‐ 01:20:04]

**Section 9 of 19** [01:20:00 -­‐ 01:30:04] *(NOTE: speaker names may be different in each section)*

Ted: ... to just have the input process here, then the concern I have is arguably we haven't met the commission requirement for early, and throughout the process, feedback so I don't really have an opinion but I'm not sure that passes that test and I wonder if it isn't better for the implementers and the Pas, you guys have to decide, if you instead get some kind of public feedback up front, you kind of reduce the likelihood of surprise and dissatisfaction at the back end. Anyways, just thought

of that for-­‐

Speaker 2: Isn't that what CAEECC is for?

Speaker 3: Isn't that what what?

Speaker 4: CC members.

Speaker 2: Isn't that what the CAEECC process is for, you just-­‐

Ted: That's what we talk about now, is where is this CAEECC process, here where do intervene in this-­‐ intervene is the wrong word. Where do we engage and provide input implementation plans. You don't really have anything called the implementation plan technically until you get around here, but the reality is you're developing the program concept and a lot of the underlying philosophy and concepts here in the program planning stage...

Speaker 4: Ted, we got to stay with CC members.

Ted: Thank you, correct. We are on CC right now so Meghan. Thank you.

Meghan: Hi, this is Meghan from PG&E. Ted, thanks for putting this together. I think it's great to have a visual to react to. I think it's important to level set with folks, if you go to column M, K and M up there. At least for the IOUs we're out of the program design game for the most part. I think we need to level set with what the expectation would be for providing some overview of a conceptual program. Where in fact it could be where implementers come to CAEECC and provide CAEECC some ideas as to what they might expect to propose after we finally finish our solicitation plans.

Folks will be able to see PG&E is going out to bid for let's say hospitality or X, Y, and Z.

The implementers come in and provide some overviews of what they think a program might look like, but we're not going to be providing an overview of program design. In fact, statements of work, and it's a shame that Dan isn't here to talk about this and hear this, because we understand the direction from the commission and certain stakeholders. They really want the marketplace to come forth with the right solutions. It's not an IOU [inaudible 01:22:41] anymore so we need to be very clear about what CAEECC is going to get to see and get to react to and when.

Ted: Yeah, Meghan. Thank you and I think that's a great point and I totally agree. If we end up asking for something out here it literally might be a half page.

Meghan: Or nothing.

Ted: It might be almost nothing.

Meghan: It's your solicitation plan basically [crosstalk 01:23:03]. Speaker 4: Do you want to ...

Ted: It could be that. Okay, so we had a few hands up. I'm sorry Margie maybe was first. Speaker 4: Margie was first.

Margie: I'm sure this will take a lot of discussion and I'm just presenting my first reaction. Thank you for walking through it because I couldn't really walk through it on my own so it helped having you do that today. I want to just say it seems the decision 15005 before ... That wasn't the most recent one. That was the one before we went to 60% at minimum external.

Speaker 4: Right.

Margie: I think that when the PC adopted that with that particular kind of language I would think they were thinking the 80/20 that it used to be. Right? It's possible we should be trying to think a little differently about than what's literally written there. I know it wouldn't mean the commission wouldn't have to change something. I'm not saying we disobey. I'm simply saying we potentially think about options that would amend what was an old fashioned now concept which is that 80% of the programs are designed by the utilities. Okay? I just want to throw that idea out. I don't know what to do with it. I don't know how to make it happen. I don't know if we can make it happen or should, etc.

That being said, I do think it's important for CAEECC to understand what the programs are and how it's all operating so somewhere, somehow we figure it out, but I'm also having a horrible reaction to how many hundreds of these things. You know we just talked about all the contracts and there will be fewer program than there are contracts for sure, but I'm like horrified. I mean you can also do consent agendas. Where you say, "Okay. Here's 150 programs and unless someone objects to one of them we've reviewed it." Even that kind of makes ... I'm kind of processing that how realistically can we do that.

Then, just like a reaction to Meghan. I have a hard time believing that a competitive company is going to get up in front of a public forum and tell everyone how they want to run a program.

Meghan: Until they have a contract.

Margie: Until they have a contract. Yeah, so you're not going to get that column K and M which I totally agree with Meghan. The commission philosophy, at least what I understand, the most recent decision is not that 80% of these are designed by PAs and they need them to have ... It's that the market is developing the ideas and bringing them in so I don't know. It's a different type of concept and you aren't going to get the same kind of openness if you will, at least before contracts are

signed.

Meghan: Right.

Ted: That's a big one.

Lara: This is Lara at NRDC. I'm thinking of what ... I do hope Dan comes back. I'm thinking of what NRDC would be interested in seeing. Perhaps the PA internal program planning process isn't the right language. Maybe it's the solicitation planning part of it and then the solicitation actual process. For example, we talked previously that maybe NRDC had said that we wanted to see something first in terms of for the next quarter Edison's going to do this kind of ... we're going to look at hospitality or how SDG&E put in their business plan. It said the first things are going to be industrial ag or something.

Edison, at the time said, "Well, that's what our business plan is. Why would we write it again?" What I want to note here where it says one pagers is that NRDC would be really interested, first of all, it may be a long time after the business plan is filed and the business plan might have to be amended and who knows what, that it would be helpful to have some sort of one pager on in the next quarter, "These are the things that we're going out for. High level, medium level, whatever." Somethings like you said, Michele, might just be, "Hey, we need ag." Somethings might be more specific like you said in one of your strategies is a very particular expertise we need and have a sense that in that part of process NRDC would say, "What about this or that?", or "Can you clarify why?"

That's a very high level, shouldn't be too hard, should comport with your BPs as not extra work. It's just you're basically distilling it into English for the people who haven't been deeply involved in reading your business plans everyday since they were approved. So high level, simple, I think that should be in that part. I agree with Meghan that you guys aren't going to do a whole lot of program planning so maybe it should be solicitation strategy or maybe we should talk about what the different language is.

After that, NRDC would be interested in having a touch point on less likely the implementation itself and more likely what type of metrics are going to be used to measure. That can happen after a contract. Those are the two touch points that are interests particularly.

Speaker 8: I didn't catch the metrics.

Lara: You know in the implementation plan they need to have metrics by which they're going to measure the success of their program. NRDC's expertise doesn't lie necessarily, well maybe with certain programs, but on the whole we don't have the expertise or the resources to look at every single program. We would be interested in making sure those metrics make sense to inform a stakeholder/watchdog/lobby group how that program is progressing toward what they were anticipating would

be a success. I don't see any real ... See all those yellow CAEECC things down there? I don't think we need a lot of those yellow CAEECC things down there. I think we need one in the beginning, the two ... We could write this down or what not. I know it's hard to do with a screen. I don't think we need that many touch points because I think it's going to get way to cumbersome and to my next point, it might slow things down.

Ted: Let me be clear. I was never proposing you have all these [crosstalk 01:29:03]. Lara: They're all question marks for a reason. They're all question marks.

Ted: Sorry if I was misunderstood. Two would be the most that I would imagine but I don't know what everyone else is thinking. My concern was though if we just have a CAEECC review process after the implementation plan is completed ... Maybe that's the only feasible way of doing this for programs where there really is nothing you can say out in front because it's completely up to the market to address ag and [inaudible 01:29:39]. At this point do the PAs really have an opportunity to change anything?

Lara: well, it's not going to be the PAs. It's going to be the implementers at that stage for most of the stuff.

Ted: Thank you. The implementers, so they're working three months, they've got who knows $200,000 invested already and they pay for the [inaudible 01:29:56] contract. It just seems like there's challenges if that's the first time the public weighs in. I mean ...

**Section 9 of 19** [01:20:00 -­‐ 01:30:04]

**Section 10 of 19** [01:30:00 -­‐ 01:40:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Challenge is if that's the first time the public weighs in and maybe it's the only thing but it seems like it's bad for the PA's to implement this. It may not be very good for the stakeholders-­‐[crosstalk 01:30:11]

Meghan: Well yeah, sorry to interrupt you Jack, this is Meghan. What I would imagine could happen is that after contract execution, the winning implementers can come and present. Now here's our conceptual proposal for working on the implementation plan as we speak and then the, let's say a month later they come and, we present and say, okay here's the final or draft final implementation plan. What do you guys think? That was three months ago but that way is, you get the concept, everyone's cool with the fact that oh yes you're going to do whole building so you should do and act.

Speaker 1: Yeah.

Meghan: Right? Rather than just custom let's say. Speaker 1: Yeah.

Meghan: And then you come with the proposal so maybe it is to, maybe 3 touchpoints. Firs touchpoint is what Lara suggested which is 2, I would say 2 streams. There might be a stream where we're a little more prescriptive because we do still have the flexibility to be prescriptive here and there, but likely we won't be that prescriptive just cause we need to meet that threshold, 50%. Then the other open ended, more open ended solicitation where we can just regurgitate some of the information that was in our business plan just to refresh folks as to hey we said Q3 of 2018, we're going to be going on bid for XYZ. Remember here's some of the data we shared on this point.

And then we go through the solicitation process and all that other stuff happened with PRG and then a couple months later you come back. The winning bidder comes back, says, "Here's what we won, here's what we're working." Any first blush feedback and then they present right?

Lara: And one point [inaudible 01:31:48] this is Lara. The whole original setup of CAEECC was to have this body be the higher level policy process and then the subcommittee so if we're doing ag, this whole ag stuff would go to the subcommittee. The ag wouldn't come to this but this is a different group level and we're not going to have all of these. This is where, where hopefully if we have time we're not, jut to put everyone at ease, were not proposing every sub-­‐committee and every CAEECC meeting be by an employee right? We're doing it, Meghan might have it on monthly meetings but we're going toward more of a concept and we're going to present this later, standard quarterly or whatnot.

And I'm saying that, I mean facilitator has 2 options so that we can discuss and explore the NACN and I know others are looking forward to this so I want to just, I feel like blood pressure rising when we talk about all of those meetings so just recall that we're conscientious of that. But I do agree knowing that he presented, that sounds like how it's going to go.

Speaker 1: Mike Matt.

Mike: Mike Callahan, MCE, I kind of see 2 main phases to the implementation plan development. One upfront that's about the content or the form or structures. There was a lot of discussion on business plans on that area so I think that we should make sure that there's some space for that. For the implementation plan but I think it should be very early and there should be a cut off.

And then I think the discussions on this substance, I don't think we have the same sort of end point that we are worried about with the business plans in terms of giving a 10 year final product because we can, [inaudible 01:33:32] can always change the implementation plans without even if we go to the CPUC. We can say we're done, someone says here's a grand issue and we can still fix that after the fact so I guess what I would want to see out of the process with implementation plans is early discreet time to deal with form and the elements and things that

would be in there. And then have, give PA's enough time to put together something comprehensive and sort of near final for folks to see without starting to work on that and then getting view and put that, that puts it in a different direction.

I'm starting to work on that rather than getting knocked in a different direction which is clearly how it felt putting the business plan together. I think it will be a better use of resources if we could, if the PA's finally put together something more comprehensive and then [inaudible 01:34:22] adapt.

Speaker 1: Mike I feel like your words were clear but I didn't totally get it so you were proposing-­‐[crosstalk 01:34:30] I'm tickled now that-­‐[crosstalk 01:34:32] The problem is here. You're saying so do something right after the contract is rewarded, sort of the basics on the implementation plan and then wait? I don't think it's cool.

Lara: Well it's different for him than it is-­‐[crosstalk 01:34:51]

Mike: I think what I'm saying is not, not really diving into at one point in the solicitation process with these interventions happening. Half of them actually have sort of a higher level discussion which is that there should be this sort of form content, sort of an outlined dish conversation upfront but the PA's use that to develop implementation plans to the extent they're available. I understand that there might be 2 separate tracks or you know, for the ones that need to go through solicitation for design versus other ones.

And then let's look at those more robust plans and then get stakeholder feedback on those and we should talk in more detail about the process where solicitation, the ones that we do have for solicitation so not concluding in a whole sink level about that. Just on a higher level about that implementation.

Speaker 1: But when you say fell Mike I'm not totally clear. You mean the decision when that sets forth a pretty highly structured implementation plan, do you mean further detailing that? Or do you mean for each instance?

Mike: I anticipate if we don't have that discussion upfront, that those issues will come up once people have implementation plans.

Speaker 1: Okay.

Mike: Working among the PA's there was, you know there's interest in aligning on things when there's good ideas. And so I think if we can have some conversation about that upfront, that will probably help us down the road.

Speaker 1: Yeah and you're talking about generically what does an implementation plan look like?

Mike: What do people want to see in it, yes.

Speaker 1: Got it, yeah absolutely. Okay thank you. You weren't really weighing in on the issue of where precisely we have the actual-­‐[crosstalk 01:36:21] Okay so that totally makes sense, I can't imagine anybody objects to discussing the implementation plans so let's definitely put that on the list. Nat you got to-­‐.

Speaker 6: Are we going to people in July and June?[crosstalk 01:36:35] you can do that one before. [inaudible 01:36:40] Can you go closer Matt? [crosstalk 01:36:44] you're so quiet.

Meghan: You're too quiet.

Speaker 6: Outside voice, come on.

Speaker 7: I see this as 2 kind of points as well. It's a new item, [inaudible 01:36:58] on the association strategy, more esteem put here into kind of whole statements work associated with an upcoming so speak for them. And then again, the implementation plan to develop, they're supposed to come in and those here.

Speaker 6: You're going with implement it? Yeah.

Margie: While there's a silence I'll fill in. This is Margie again. I just want to reiterate again that I have to look at the implementation plan with a question of, is there anything there that might be a close secret sauce? Because that won't you know, it isn't truly shared and you know it's just you know, all commission will be left. Because I do want classes for-­‐[crosstalk 01:37:43] real estate.

Lara: Can you clarify on, cause implementation plan would be a public document so what would the sauce be after a contract's already signed? You wouldn't expect someone to say and this is the software I'm using that has you know, the way I address my customers. Or this is you know, for details underneath, I don't think that's required an implementation plan so as long as the conversation at peak is an implementation plan level, I think we're okay but-­‐[crosstalk 01:38:11] Yeah let's explore where that line is cause I wouldn't be surprised not to hear from or implement what software platform they're' using. Even if the software itself is proprietary and so let's talk about it. At first Phil would say we're using our software, okay I don't need to know what's going inside of the background but at least I know what the software is. So just want to understand that and align this.

Margie: I'll come back when we're further developed. Lara: Okay.

Margie: Thank you on that but I know that my instinct is telling me we should be a little bit careful there.

Lara: Careful there, yeah. Keep it open in public, we're on the phone?

Speaker 1: Yeah let me see if we have, we're going to open up the phones here first floor take numbers. That may want to weigh in.

Automated Speak: The conference is no longer in [inaudible 01:38:58] mode.

Speaker 1: Are there any CC numbers out there with comments on implementation planning process so far?

Lara: We [inaudible 01:39:11] Angie on the line. Speaker 7: I can see through Chad's emails.

Speaker 1: Okay do we have any comments from anybody here in the room? Remember the call is in on implementation plan process so far.

Speaker 9: And if you're covered we have phone yeah, no problem. Speaker 1: Okay.

Lara: You want to say something?

Speaker 11: I have no idea what I-­‐[crosstalk 01:39:41]

Lara: Where the public, is it about the implementation plan?

Speaker 11: I think so, it's hopeful.

Alice Sung: Hi, Alice [inaudible 01:39:48] associates, ever before [inaudible 01:39:52]. I appreciate this opportunity, I'm a little confused on, I mean it's just because you folks comments enter, where-­‐

**Section 10 of 19** [01:30:00 -­‐ 01:40:04]

**Section 11 of 19** [01:40:04 -­‐ 02:00:00] *(NOTE: speaker names may be different in each section)*

This segment could not be transcribed due to issues with the source file.

**Section 11 of 19** [01:40:04 -­‐ 02:00:00]

**Section 12 of 19** [02:00:00 -­‐ 02:10:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Because it's not just my building a power plant and I'm putting gas in it, or I'm building a battery and my battery storage has this kind of storage. It's like there's a contract change and you want to go right out to bid again, and it gets program design. Every little nuance is a different type of contractor. Prices aren't public. It's really, really different. All day this has been hitting me, that we're trying to take something from [generation 02:00:30] that doesn't apply it here. I don't think it's working very well.

I'm having a reaction, a little bit of a reaction, because I actually agree with Meghan. It's going back for all these contractor [visions 02:00:39]. You took it to the extreme. Now we don't have a program that's cost effective or best [in cost

02:00:44] best fit. Gosh, I can't tell you how many contracts today get changed all the time for things like ... The custom review process changed a policy, and so now you have to go back to all those implementers who are in the custom review, and you have to get your contracts changed.

The churn that causes, even though it's not [an early device 02:01:04]. If it were, it's a huge [un-­‐insure 02:01:08] in a resource that we're trying actually to get on the ground. I just think that it's not necessarily [streaming 02:01:15] things. We're trying to change it. Somebody's trying to change it, because they're trying to hide something. They're trying to get the worst fit. [Highs 02:01:22] the cost? There's a lot of things in [EE 02:01:25] that change constantly. You have to come up with a process that enables that in a different way than generations. That was back on another subject. We got on that subject.

Speaker 2: We actually did talk about that in the subject. We forgot to talk about it. Speaker 3: Thank you Marty. Mike [Callan 02:01:41].

Speaker 2: The pyramid.

Mike: All right. I think Meghan gets the golden brain award for coming up with that strategy there.

Male: Can we re-­‐state this for the proposal?

Mike: Yeah.

Female: Who said what?

Mike: Before we declare consensus. I actually think what we'll try and do is write up what she said is a working proposal. Nobody's committing to anything. Meghan, do you want to re-­‐state it?

Meghan: Oh. Okay. Yeah, I'll state what I said.

Female: [Will 02:02:11] you agree with what I ...

Meghan: Okay. Column 'M,' whatever that date is, that will be obviously the recurring dates.

I think there's 2 work streams. The first one is if you had a scoped out [cont up 02:02:26] program. Let's just pretend that [Say U's 02:02:32] by design is going to continue in its current form. We know what the scope of that program is. This program is not going to count towards the 60 percent, because we've designed it and we know exactly what we want and how we want to do it, etc.

If that's the case, we would be able to come to the PRG ... I'm sorry, not the PRG, the [CAEECC 02:02:53], and share with them the program design. Then we would go out to bid, we get a winning bidder, and then the steps become the same. That's

the first work stream.

Second work stream is if you have [inaudible 02:03:10] proposed design and delivered to meet the 60 percent. All we're coming to the table with, we being PA's, is "Hey, we're going out to bid for hospitality, as you should recall from our business plan, and in our business plan we told you that hospitality accounts for this amount of usage, and here's past participation sum data we have in our business plan, and maybe some other elements. Here's the trends that we found.

Maybe [there's some more 02:03:38]."

It would be a short one pager summarizing what we have in the business plan [inaudible 02:03:43]. Then we go out to bid. We go out to bid. In both cases we come back to the CAEECC after the contract is awarded, and the implementer themselves would come in and present "Here's our initial program design. What do you guys think?"

We take some feedback as PA's and implementers, go back and develop the full implementation plan, and then, however long that takes, we would come back to [Kay 02:04:12] and present it. We [cross talk 02:04:14] ... Subcommittees. I'm sorry. Subcommittees are doing all this stuff. Then we come back to [Kay 02:04:24] and present it finally. Does that make sense?

Recording: The conference is in lecture mode.

Mike: My panel [had FCE 02:04:33]. I think that does make sense. I could just say, in addition to what was stated in the business plan, presenting more specifics about what would go into this [sub award 02:04:42] for the [RFP 02:04:43], or whatever certain direction it might go in there. I think that would be helpful to include as well.

Meghan: If we can. Remember IOU's have a different issue. You guys may have more info than we can provide.

Mike: In terms of designing?

Meghan: Yeah.

Mike: Right, but if you're going to be including something that is more specific for that. Male: 2 other concluding comments. Again, I want to acknowledge Mike [Callan's

02:05:05] point about making sure we schedule early the series of discussions to get really clear on what's in an implementation plan so that we can lock down the template piece.

The other thing is ... I think everyone else is clear on this. I got caught up. The key part of the intervention [prodder infa 02:05:24] process is not limited to third party programs. I think the [PRG 02:05:28] band on here holding [plasma 02:05:31] third

party. That's why I got stuck mentally there. To [Howard's question 02:05:34], I just want to make sure everyone's got the clear scoop on that.

I think that we'll try and write up that proposal and circulate it in the next week or so. That feels like some real progress. Is anybody got real heartburn with that so far? Does it feel like we're moving down a path?

Female: This is [Lada NBC 02:05:58]. My question is ... Edison, can you remind me, are you thinking about doing some of this before your business plan is filed? My co-­‐chair had on thinking about when we want to lock down this process so that we can be part of that.

Edison: Yes, we still are considering [putting out 02:06:21] ... There we go ... Putting out the bid, and to align that with our business plan as far as being [moved 02:06:32], designed, implemented by the third party [inaudible 02:06:35].

Female: All right.

Male: Great.

Female: Are you talk about what that [inaudible 02:06:41], or is it now? Meghan: It's later [story 02:06:44].

Male: Yeah, that's [last session 02:06:45].

Female: Let's take a break.

Male: Okay, I think we got ... Everybody earned a break here. Let's take 10 minutes. Let's meet back here at 3:30 [crosstalk 02:06:54]. Folks, we're going to put ourselves on mute, so be quiet for about 10 minutes.

Female: [crosstalk 02:07:03]. Were we going to talk about that at all? [crosstalk 02:07:16].

**Section 12 of 19** [02:00:00 -­‐ 02:10:04]

**Section 13 of 19** [02:10:04 -­‐ 02:30:00] *(NOTE: speaker names may be different in each section)*

This segment could not be transcribed due to issues with the source file. Started at 2:23 start

**Section 13 of 19** [02:10:04 -­‐ 02:30:00]

**Section 14 of 19** [02:30:00 -­‐ 02:40:04] *(NOTE: speaker names may be different in each section)*

Margie: ... open processing. It's very hard to have an open process with [inaudible 02:30:03] because every time I ask I was told, "No." So we never actually have had the opportunity to have that conversation, even though that's one of the purposes of CAEECC. So that's a little weird too, on some level.

Ted: So noted, thank you. Any other comments or thoughts before we try and reach a consensus?

Meghan: What's our consensus?

Ted: We accept the current draft four version of conflict of interest policy document. Did somebody ask ... Is it just part three or the whole thing? I believe we're accepting into our house here the whole document that has preamble sessions, background, and then the more specific property rules. Okay I'm not hearing any objection, let me go through the phone.

Speaker 7: The conference is no longer in lecture mode.

Ted: Just as a point of process I want to make sure we don't have any objections from CC members who are on the phone ... If you're speaking now you're on mute ... All right.

Speaker 7: The conference is in lecture mode.

Ted: I think it's safe to declare a consensus so we're done with conflict of interest and there was one question, I should say, in the document and there was a question between the legal team and myself and who to believe that the CAEECC email list is an appropriate distribution list, so that's the only outstanding item in that document.

Meghan: Did you say appropriate or not?

Ted: It is appropriate.

Lara: They're okay with it?

Meghan: They're okay with that. That's how it reads down the page. They wanted to make sure we had a established list and we do. It's contained in the constant contact platform.

Lara: The only thing I would note, this is Lara, is that as I did last month, sent out a notice to the service list because the service list does continually change. I put out a notice that if you want to get involved with this process this is how you sign up. I think we can still do that periodically. Maybe quarterly just to make sure any one gets on it doesn't get left off of this process.

Margie: One helpful recommendation is the facilitator and the chair be possible for making sure that at the beginning of every meeting the implementers need to declare what ever the rule is, I don't have it out. It would be important for folks who joined, who have in their forum, have it read upon the interest, that they know what they're supposed to declare when. We do have some [inaudible 02:32:44] association, we remind everybody every time we meet about the rules for pollution and practices. So everyone knows it, even if they're new.

Ted: Margie, That's a great point, mine is I meant to say, not that it's a big issue because

this is [inaudible 02:32:58] committee, but I think the rules, who should read the rules don't take effect until after today's meeting is over since it was just-­‐

Margie: But then we would just have a reminder.

Lara: Right, after-­‐

Margie: Repeat it at every meeting, "Don't forget, declare this if you're this." Meghan: I would do the same thing.

Lara: Yeah.

Ted: Okay, great, thank you for that. So I think next we're up at policy letter topics, session seven.

Lara: So then I'm just talking about it.

Ted: Lara is our driver on this tour.

Lara: So if you're not already sick of hearing my voice, I have a whole nother little preamble here. So this policy letter we brought up at the last meeting and [Oray 02:33:37] raised a number of good points, that some of the things we are going to propose, being he modifies policies, we're actually already in the authority of energy efficient and it might not necessarily need a policy approach.

That said, there were some remaining issues that after we had the conversation, folks did think would benefit from requesting policy clarification or putting it within the scope of phase three of the efficiency proceeding. We explored a couple of options, some of the things ... I can't remember who said it in the meeting or maybe Ted and I were brainstorming, but we either move forward the policy letter for those more narrow items, or we could help develop some language and discuss a little bit more around the issue, but then leave it to the PAs, if they wanted to put it in their testimony, thereby not needing to get a CC CAEECC membership consensus on letter and I think the latter is more feasible.

For example, there are a couple of issues that Ted listed here, I'm going to let him speak about the data access. The hard to reach definition HTR, that was one that NRDC had brought up that was changes as part of a policy manual update or was part of a advise letter process. The resolution on an SP, the ...

Margie: Energy savings-­‐

Lara: Thank you, the energy savings groups forums incentive advice letter, so that the decision to modify that definition gave pause to a number of PAs and some implementers about being able to reach those type of people in their energy efficiency programs. I think we heard ... We did not have consensus ... I'm going in

and out, I might need another one.

Ted: Sure.

Lara: We did not reach consensus that we wanted to necessarily put that forward, so I want to know here that NRDC wrote to ... Oh, and one other point of note, NRDC wrote a response, I think it was to PG&E's SP advise letter, asking the commission to address this issue, because there were concerned parties and they were about, [inaudible 02:35:54] Greenlining, TURN, Efficiency Council, am I forgetting ... CSE I think was also on that. So I asked those folks if they're still interested in pursuing this as as issue, most of them said, "Yes," and that meant that NRDC draft in some language explaining the issue. We propose not to put it in policy letter, but to offer it to the PAs to include in their testimony if they so choose, to raise this as an issue, that is should be addressed in phase three. So that's one example of how the process here helped have the conversation, but we're not suggesting we do a joint CAEECC proposal. I wanted to make sure everyone's aware of what was happening.

Meghan: Did you really mean phase three?

Lara: Phase three of-­‐

Meghan: Okay.

Lara: Yeah, so the scope that came out from judge.

Meghan: All right.

Lara: Yeah, you know.

Meghan: I wasn't sure, I thought maybe it was this policy.

Lara: No, not for this. Just to remind folks that the PAs are able to put in their testimony, or application, or whatever the process is, raise some issues that the commission can consider in the decision, the forth coming decision. They can choose to do that and we just help facilitate that, the process of these interested parties would like this to be addressed, here's the language that you can do whatever you want with because you're the PA filing this thing, but it's always easier to have a draft to respond to. This is not going to be a continued matter issue. That's the hard to reach one.

Fuel switching, as I noted before, was in the original scope in 2013 and it is not in the scope of 20 ... What year are we in? 2016. So NRDC is certainly going to request this to be put into the scope, so that we can figure out if there's a way to include ... There's a lot of decarbonization efforts going on, NRDC is exploring it as well and fuel switching doesn't allow ... Right now, it's either really hard or impossible to have the PAs offer a really efficient products that require some sort of fuel switching. So we want to explore options in that arena. Again, didn't seem like we

were going to get consensus in the CAEECC membership. That one, we are not proposing language for anyone, because no one really got that excited about it except for us.

Speaker 5: We're excited.

Lara: What's that?

Speaker 5: I said we're excited.

Lara: You're excited about that one too? Okay, we can talk.

Meghan: We need to understand the issues about the current fuel policy. Lara: Oh, with the current fuel switching policy?

Meghan: Yes.

Lara: So the current fuel switching policy, which I'm loathed to say we helped develop 30 years ago or something, now we want to change it. The issue is that right now there's a three prong test that you have to do, and so the issue is that if you wanted to offer ... Lets say I wanted to do [inaudible 02:38:52] and you can't offer me an even more efficient heat, you can't incentivize me to go more efficient because I won't pass that test, you won't be allowed to give me help to go more efficient for any one of those reason. That's the simplest solution. The point being is that we are not drafting language for [inaudible 02:39:15] And then the other-­‐

Meghan: So is that the last issue?

Lara: The last issue, incremental member past, we were going to defer to PAs who knew more about that issue than having NRDC dry and draft some language for you to devise ... Oh you do have some langue.

Meghan: Yeah.

Lara: Fabulous.

Meghan: It's a good thing.

Lara: Oh thank you. So Meghan just said there ... Here, you tell them what you said.

Meghan: I do have some language on the IMC issue and TRC in general, it's potential fixes with the TRC test, that I'm vetting internally and can share with PAs. Once it's evaluated, if you're interested in reading it, you certainly can.

Margie: [inaudible 02:39:57]

Meghan: Yeah.

Lara: So those were the issues, so Margie, do you want to, we can talk-­‐

**Section 14 of 19** [02:30:00 -­‐ 02:40:04]

**Section 15 of 19** [02:40:04 -­‐ 02:50:00] *(NOTE: speaker names may be different in each section)*

|  |  |
| --- | --- |
| **Speaker 1:** | **Post it or?** |
| **Lara Ettenson:** | **Yeah, we could send it.** |
| **Speaker 3:** | **Sure.** |
| **Speaker 1:** | **Okay.** |
| **Lara Ettenson:** | **We could post it but ... Yeah, okay.** |
| **Speaker 1:** | **If you don't mind. If it's posted, yeah.** |
| **Lara Ettenson:** | **I guess we could do the same thing with Hard to Reach. It's kind of generic. Please look at this issue.** |
| **Speaker 3:** | **That's generic.** |
| **Lara Ettenson:** | **Yeah.** |
| **Speaker 3:** | **More specific.** |
| **Lara Ettenson:** | **Yeah, that's more specific** |
| **Speaker 4:** | **Get people riled up.** |
| **Lara Ettenson:** | **Those are the issues that we had had on the policy letter that were potentially policy issues and not other ones like we need more market assessments that they could all ready do at Energy Division through the budget if they so choose. I guess other than that we open it up for comments. Questions?** |
| **Ted Pope:** | **We had a data piece.** |
| **Lara Ettenson:** | **How about we open up comments on what I said and then go to you Ted?** |
| **Ted Pope:** | **Sure.** |
| **Lara Ettenson:** | **Okay, so are there any - Dan do you want to respond to anything I said?** |
| **Dan:** | **Dan from ORA. I'll just note two things. To clarify, it sounded like this is Lara speaking not as a co-chair but as an REC to fellow members of the [inaudible 00:01:00].** |
| **Lara Ettenson:** | **For HTR. For Hard to Reach. That was an REC, following up on an advice letter response that we had done with a bunch of other people.** |
| **Dan:** | **Thank you, and so the second point would be several of these seem like were the issues. I think ORA is a little disappointed that these were not raised in the same format that other issues were floated. For example, with formal proposals. The way that, for example, we put stuff in writing. We put it out. Folks reacted etc. that going forward it would be more productive to have these conversations. Even if that doesn't produce a comparison document per our discussion earlier.** |
|  | **At least it would be clear so, for example, we're not entirely clear what the proposal is or whether we could get on board. We might be able to get on board with several of these potentially but we didn't have an opportunity to get something in writing so we're unlikely to support them given then calendar here. But I'm not say we never would.** |
| **Lara Ettenson:** | **We're not asking you for support.** |
| **Dan:** | **No, I understand but it would be good going forward to have parties float these proposals to the [00:02:15 cake] in a timely fashion so that we get a little further down the road.** |
| **Lara Ettenson:** | **That's a really good point. A lot of these ones got quite confused because it came up multiple times and we said great let's put it on policy letter where as that would have been a really good idea to do. Nobody actually found it until way later.** |
| **Speaker 3:** | **Last month. Two months ago.** |
| **Lara Ettenson:** | **Actually last month. THat's a really good point. Maybe that's something we might do include in some other process agreements is that even if something comes that we just know a lot of people are having issue with, we need somebody to own it and someone to then run me through with it. It wasn't as distinctive some of these other proposals that we got. I hear that and it's a good improvement for next time. Going to data, do you want to use that mic?** |
| **Ted Pope:** | **Data challenge, this was an issue that did come up early and I actually was going to write a proposal and it became that the facilitator can't write a proposal and nobody else was motivated.** |
| **Lara Ettenson:** | **Yeah, and nobody else was motivated.** |
| **Ted Pope:** | **It languished a little bit but at least we thought about it. Again, this is part of this non policy letter policy letter discussion. It just seemed like there were a number of different issues related to data challenges. What we tried to do here was distinguish them from one another. The point here is that this is helpful. Some PAs may pull one or more of the rows off this to include in some form in a letter. It'd be helpful probably to everybody. The reasons described, if we could go through this real quick, first issue is non IOUPA access as a customer enter to usage data. That was raised at one point and I think, generally, the sense is that problem is being solved. It is solved. Except for one or more non IOUPA ideally would like the information to be available on demand so I'm passing that along. I can't say much more about it. That's feedback I got on a draft concept.** |
|  | **The next issue is non IOUPA access to IOUPA customer program participation data as it relates to non IOUPA programs. In other words, if you're a non IOUPA and you're running a residential operating program it would be helpful for you to know what your customers who are also the IOUPAs ... MCE might want to know something about when it's customers have participated in past [inaudible 00:05:14] and the answer on that is systems have been established between the two PAs but require customer authorization for each project to view project level data. My understanding here is there really isn't a broader authorization to share the full list of activities that that customer is participating in one PA with the others related to the specifics of the new effort. I think some PAs might request a [00:05:50 PECPC] to encourage streamlining for customer data sharing is such that if you get permission you get all the participation data not just bits and pieces. Mike, you're the browser [inaudible 00:06:01] so feel free to jump in and help me out if I'm getting this wrong.** |
| **Lara Ettenson:** | **I was just thinking.** |
| **Ted Pope:** | **A fair bit of this came actually from Howard Choice and Howard had to step out. I don't know of anyone else in the room that can speak to it but it's similar to that. It's the same thing, it's non IOUPAs getting access to IOUPA customer program participation data. It's going to take a minute. At the project level ...** |
| **Lara Ettenson:** | **Is it slow?** |
| **Ted Pope:** | **Maybe these aren't why the CPAC clarified they support robust charity and custom programming sustentation data in the sense that ... I've lost [inaudible 00:06:55] I apologize. Mike you'd actually argued for these to be performed, maybe I'll do that.** |
| **Speaker 7:** | **I have a few things to say about this one as well.** |
| **Lara Ettenson:** | **This one in particular?** |
| **Ted Pope:** | **I don't feel like I did a very good job explaining the differences. It sounded the same to me as I listened to myself talk.** |
| **Speaker 7:** | **Two and three you mean?** |
| **Ted Pope:** | **Two and three, yeah.** |
| **Lara Ettenson:** | **Oh yeah, you had suggested two and three be the same. Ish?** |
| **Ted Pope:** | **There was some distinction I've lost between last night and this morning. I apologize. Let me come back to that in a minute. The fourth kind is creating, and this was a higher urgency request, is the idea that for statewide programs the PAs and there be some creation of a central data system with APIs connecting to each PA that would aggregate all the customer, I presume, billing data and average data and so forth. So that statewide implementers who have a single contract with one PA on behalf of all PAs would have a fast and convenient resource for getting information. I don't know but the thought is that might require confirmation by CPCA existing policy or perhaps there's actually something that has to be done to protect the IOUs that of all the PAs if they were going to do this. I really can't provide any more insight to whether is necessary or not.** |
|  | **Obviously the PAs have a lot of concerns about sharing confidential data in a way that it might get out in the wild. Then again, the key point there is what, if any, must be done to allow that statewide aggregation so that implementers have a go to resource for all the customer data they need throughout the state.** |
|  | **The fifth type is implementer, whether it's a local government partnership, a third party accessed the customer data and is [inaudible 00:09:00] several times. We got NDAs and implementers so that issue should be mostly resolved. We did get this feedback from one person on Howard's response team that said they have some concerns about worrying about it being expensive and maybe there's some kind of barrier to that process. I really can't comment personally on that. That was their feedback and so they argued that there should be more support and the CPOC should encourage avenues to provide more support for access to customer data when group data is unavailable to them. Unfortunately, I can't help explain a little better how that would be worth it.** |

**Section 15 of 19** [02:40:04 -­‐ 02:50:00]

**Section 16 of 19** [02:50:00 -­‐ 03:00:04] *(NOTE: speaker names may be different in each section)*

Ted: There's two more data questions and these are of a different flavor. One is the frequency of shelf life of the [inaudible 02:50:10] data, as Mike Callahan clarified way back in the Spring. The sampling structure of the surveys don't allow for meaningful, localized interpretation. You basically get a service territory wide statistic for whatever stats you're looking up. That's been super helpful for a [inaudible 02:50:34] or a CCA who has a pure and specific service territory.

We talked about this and it's been discussed at the CPUC, I believe. Gave approval for IOU's to fund a [inaudible 02:50:50] or [Raz 02:50:51] studies if the CDC falls behind in doing their work. It was relegated to [inaudible 02:51:01] planning process. I don't know if there's anything else we can say about that.

Female: Market studies. We can do market studies.

Male: Potential studies?

Female: Yes, market studies. [inaudible 02:51:08] language about [inaudible 02:51:11]. Ted: [inaudible 02:51:11]

Carmen: The RAS [02:51:24] studies that I use [inaudible 02:51:26] never been done, but is mandated in legislation are actually studies that are state-­‐wide[inaudible 02:51:37] characterization studies, that's why the [Sample 02:51:39] plans are, as Ted described, not sensitive to local areas. The sample plans have to be approved by the CDC [inaudible 02:51:51]. They have suffered a fate of very low funding [sources 02:51:59] over the last 10 years. I would say, primarily because the legislation did not fund them in [inaudible 02:52:07] be done. Right now, the decision that said we will not use [inaudible 02:52:16] funds to fund these large scale, several million dollar state-­‐wide studies looks [inaudible 02:52:23] and ASUS, the commercial end-­‐use study [inaudible 02:52:27]. We're hoping for the same fate with the Raz study which was last conducted by the CDC in 2009 [inaudible 02:52:36] never been done [inaudible 02:52:40] several [inaudible 02:52:42].

Long story short, the last decision did say that we want to support market studies like Raz and ASUS, but it forgot that the last [decision 02:53:03] [inaudible 02:53:03] those legislative [inaudible 02:53:07] department studies. Right now we're looking at how to get the funding [inaudible 02:53:13] so we can do more sensitive market studies [inaudible 02:53:17].

Ted: Thank you, Carmen. It's in there twice because there's the issue of the shelf life, the age of the studies, and then if we're going to address the concerns, Mike pointed out earlier, that means spending a lot more money for a much bigger sample. It's two related issues. We're a little pressed for time, so I guess what I'd say is does anybody want to add, for the benefit of all the other folks, I see [Alejandro 02:53:43]'s raising a flag here, does anyone want to clarify these issues? I seem to have dropped the ball on number three. Can anyone clarify that more, add something [we're 02:53:54] missing? [inaudible 02:53:58]

Female: [inaudible 02:53:58]

Female: It wasn't her. It was [Margie 02:54:03].

Ted: Oh, I'm sorry. Margie.

Margie: She put my name [inaudible 02:54:05]. She wants to hear me talk more. This is Margie from [Efficiency Council 02:54:09]. A couple things. I just want to refresh my memory. We're talking about [PA 02:54:15]'s taking [inaudible 02:54:16] issues in the data, and then others would need to comment if they want to further it, is that where we are at this point? I just want to say two things from the implementer's point of view. One is we understand, from the [click-­‐through 02:54:30] meetings in the [DRP 02:54:31] [proceedings 02:54:31], which is essentially to allow individual customers to give consent that their data be released almost immediately, much more virtual-­‐like. The customer clicks and they click, "Okay, I agree" and then the third parties can. But that kind of click-­‐through process is going to be [genericized 02:54:51], probably, in [inaudible 02:54:54] in December.

That particular issue for customer access to data and this click-­‐through process that utilities are working on with their IT systems, I believe is going to be taken care of at some level. That's the right proceeding to do it in [crosstalk 02:55:11]. The other thing I want to say, though, is that those items, number one and two, the [inaudible 02:55:19] request for which customers have a non-­‐IOU [today 02:55:24] request for information about customers ... I do think as we move to more third party [bidding 02:55:31] that the bids are going to be better if the market knows, in X utility service territory, at least what percent of the customers have been touched with what level of retrofit already.

Some of that information ... Again, that's not customer specific. It would be great if we could get that customer specific, but that's a whole other click-­‐through problem, probably. Anyway, I do think that some of that information is going to be really important for market enhancement. [inaudible 02:56:04] it may not be a first year issue, but it's going to be an issue over time so I'd like to ... Again, we're not [realizing 02:56:11] this document, but I wanted to throw it out here as ideas and discussion [inaudible 02:56:14] comment on.

Female: [inaudible 02:56:18] Margie, to the latter point, I think some of the PA's in their

draft business plans had a number of things that [inaudible 02:56:29]. Are you just looking for more of that or are you looking for different?

Margie: I think they can get more specific when they get into the solicitation because that's a generic [and sector level 02:56:41] [inaudible 02:56:43] hospitality industry, what do we know about what we did for the last 10 years in hospitality? [inaudible 02:56:50]

Ted: If I could, Jonathan clarified the distinction between two and three. One is current participation, the other's historical. The first one is, "Let's get what's going on currently to be shared back and forth" and then the other one is, "Can we look back 45 years back [inaudible 02:57:10]." Two levels. Thank you, Jonathan, for clarifying that. Mike [Callahan 02:57:19]?

Mike: Mike Callahan of [CE 02:57:20]. Thank you, Ted, for pulling this together. I really appreciate the effort. I think some of what's captured in two and three, maybe it was one and two [inaudible 02:57:29]. Might be a little bit of a washing machine. For example, for the asterisks, [inaudible 02:57:34] already have this [inaudible 02:57:38]. As I understand it, there's not a functional system or even an agreement at this point to share participation data. I think there's some of it. Maybe it was done ad hoc depending on the program [inaudible 02:57:51] working on together, but this is something we're interested in exploring. We think that there may be different legal authority between [CCA's 02:58:00] and Raz in terms of access to that data. I just want to note that this isn't exactly accurate, but these issues are important issues, and thanks again for [pulling 02:58:11] this together.

Ted: Mike, I'm happy to work with you more on that to get it right [inaudible 02:58:19] post it, but-­‐

Mike: I think it's fine.

Ted: Okay. Any other data issues or can we wrap this up? All right, thank you for your patience on that. I think we're done with the policy letter. [inaudible 02:58:34] wrap up [inaudible 02:58:36]. At this point, we're going to move to [session 02:58:38] eight. I have a little bit of a cheerleader speech here for you, I'm going to keep this short.

Female: Did we skip over session five?

Female: Is that the subcommittee one? Yeah, we did. We're going to come back to it if we can.

Female: [inaudible 02:58:51]

Ted: Possibly we'll have time before the 5 o'clock bell rings, but probably not. We're moving into session eight now. I just want to take a minute to recap all the great work that's been done, where we are in the process, and provide opportunity for

any PA's in particular that want to describe any plans they have between now and the 16th. We also have a presentation that Matt mentioned this morning that he's going to give. I apologize if you've already heard me go on about this before, but everyone here in the room and folks [on the phone 02:59:30], a lot of you have put in a tremendous amount of time. It's been a big effort. I just want to reflect on the fact that we probably have over a full business month of all day [meetings from 02:59:42] the beginning of the year. [inaudible 02:59:48] hot swap the mics.

I think I counted 130 input letters just in this stage four. If we go back, there's a lot more separate letters that, together, comprise-­‐

**Section 16 of 19** [02:50:00 -­‐ 03:00:04]

**Section 17 of 19** [03:00:00 -­‐ 03:10:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: Separate letters that together comprise honey order of 1,500 separate comments.

That's an understatement actually because sometimes late at night when I was really tired I just said, "Go see this letter with all 50 comments there [crosstalk 03:00:13]." There's a few of those in there. There's just a ton of input from stakeholders. There's been a ton of work by the PA teams. It's just a lot of effort. I've heard people grumble about geeze is this process even worth it? Are the PA's even listening to all this input were taking time to provide?

Speaker 2: Are the stakeholders even reading the business plans? Speaker 3: Yeah.

Facilitator: Are the stakeholders even reading the business plans? [inaudible 03:00:40]. It was clear on November 2nd that not a lot had, but I think the good news is ... And I'm saying this not from the perspective of any stakeholder PA, just as a facilitator, but a process I still personally believe in.

I think there has been a lot that's been accomplished as painful has it's been. I think we see evidence, if you're one of the people questioning whether the PA's listen, I think if you look at what happened with the statewide program decisions, the PA's came to us with one proposal and then another. Then the stakeholders said, "We don't like it. We don't like this. We don't like that."

Even though I think the PA's were probably pretty happy with what they had the first time, probably really happy with what they had the second time, they still went back again and made some substantial changes for a third round, which again I think demonstrates that the PA's are listening and reacting. I also think if you look at just the learning process is gone between the stage two stuff, the single first drafts, the voluntary drafts and where we are today, honestly, I think we've seen people starting with very different approaches come together in terms of consistency quite a bit. That's something I knew [inaudible 03:01:51] was very anxious to see and I think a lot of stakeholders will appreciate that in the final analysis.

It's been a lot of work, but I think there's been a lot of impact already. I'm hopeful that we'll see even a lot more by the time we look at those January 16th, 17th drafts, the final drafts we're gonna see that a lot of the input that's captured in the input tracker is gonna be reflected in those documents. Again, a reminder, the PA's don't have to listen to any of this, so I think they've been listening. I also think the stakeholders have been watching paying attention. There isn't always a lot of conversation in a room, but I think the vying with comments and I know a lot of them come from some of the usual suspects and sitting here at the table, a lot of useful comments from them. We also had feedback from far corners of the industry. Yeah I just want to kinda rally folks, keep you fired up. We're in the final stretch here.

As far as next steps, we did talk about already we do not have a January [inaudible 03:02:51] meeting. We have a February 15th and a March 15th and an April 19th currently scheduled. We have a few of these activities. We're gonna revise the comparison document just to take that out of service. We're gonna put some comments saying this is not reflective anyone's position. We're gonna continue work on the peer review process document, procurement document [inaudible 03:03:16].

Speaker 2: Richard, excuse me.

Facilitator: IE so that's gonna be an ongoing task of ours, gotta appoint a person on that. The PA's are gonna be very busy folding in scads and scads and for the comments they've received and our loaded into input tracker.

By the way, I want to mention for the PA's benefit Jeremy [Badice 03:03:34] he pointed out that in some of his CP and C comment documents that are primarily on local government he had recommendations both in the recommendations column and in the rational. I didn't notice that when I was screening through, so he's concerned with PA's if they're focused mostly on just what's in the input tracker might miss the substantive recommendations in the rational column. So I'm gonna iterate one more time on that input tracker also including there's a couple more comments that came in so we're gonna do at least one more iteration of that.

Don't worry there won't be too many changes. I'm gonna be fixing those things for the local government piece, and that's really the place you have to look. The actual documents are all there. [inaudible 03:04:23].

Speaker 2: I was just gonna say so [inaudible 03:04:25] just to remind folks that you can comment on [socal ret 03:04:29].

Facilitator: And you can comment on [socal ret 03:04:29] as well.

At this time, just briefly, we did post a glossary, and I don't want to get wrapped around the [inaudible 03:04:39] that we can help it. I know some people felt strongly about settling out on the definition of midstream, upstream, and downstream. As I said in that document, 75 or 80% of the definitions are from the

version five policy manual, but also we took that metrics document, the final version of the metrics document, that my understanding that's not really a PA consensus document, nonetheless, we took the language from that and also pulled a bunch of acronyms from the [inaudible 03:05:15] gas electric. I think we pulled some terms from SoCalGas. It's documented in the notes. There were sort of four or five sources, but the main sources of definitions were in the policy manual version five. That's from 2013. I stripped out a few of those definitions that felt no longer relevant and then what was in the metrics tracker. I don't know what people want to do with that. I think most people are probably comfortable with most of those definitions. I do Mike got at least partway through it. I don't know if anyone else had the time to look, so I don't know what people want to do with that.

Jenny, you were pretty interested in having this kind of document and so ...

Jenny: Did too.

Speaker 1: I don't know if what's there is good enough or whether we as a group should focus over the next week on definition of upstream, midstream, and downstream, any other definition that people are [inaudible 03:06:04] about. Are there any opinions?

Speaker 5: I've got [inaudible 03:06:07].

Speaker 6: I was just [inaudible 03:06:12] it was just feed Jenny [inaudible 03:06:16] feedback that we had gotten all the case about how the glossary [inaudible 03:06:21] rather than being [inaudible 03:06:23]. I think it's a good start in that perhaps we can get it edited. We'll edit it accordingly and send it to you or [inaudible 03:06:29]. So I appreciate you getting that out.

Speaker 1: Sure. Did you say you want me to iterate another time? Is that helpful? Speaker 6: I'm sorry.

Speaker 1: Did you want to send comments [inaudible 03:06:38] with another iteration or what are you asking?

Speaker 6: Maybe. I mean I can't get into it now because of work purpose. [inaudible 03:06:43] what's in here which is not gonna be maybe a fugitive, and as now Scott's kinda called [inaudible 03:06:50] a last. That's probably more with the editing phase. [inaudible 03:06:53] phase. We can talk online.

Speaker 1: Okay. All right. Well I'm happy to iterate another time or two if that's [inaudible 03:07:00] folks, but I don't think we've tried to make this a consensus document at this time given [inaudible 03:07:05] where we are in th process.

Speaker 2: Do you have a comment or are you just [inaudible 03:07:07]?

Speaker 3: [inaudible 03:07:08].

Speaker 1: Okay. Any other questions on glossary?

Lara we just want to clarify for stakeholders expectation that any recommendations in the input tracker that say talk about organizational issues and format and stuff like that, we were gonna encourage the PA's not to feel like they had to answer each of things individually because there's a lot of that stuff, and it just kinda had what can responds, you know thank you for this input.

Lara: Yeah if you recall. This is Lara NRBC. I had said we'd try and mix up some [inaudible 03:07:51] organizational and then we could have a better sense, but they were all jumbled together so we couldn't do that. Instead, we thought you know I know that NRDC does not want Michelle to say, "Yes Lara we decided to put a column with this title in this place on this page." That's a waste of time, but I would like to know that you actually looked at it. While canned language is good, we don't want it to seem like we just put the language in and didn't actually look at it. Assuming you're looking at it, I don't think that we need to get that specific. I think much more, and other stakeholders may think differently, I'm talking as NRBC, much more important to get those specific responses to the substantive issues that we raised on the business plans and not the organizational.

Speaker 1: In other words, things like we should have a double size font header in this section so we can see. I mean that it seems like-­‐

Lara: [inaudible 03:08:45]

Speaker 1: Yeah we heard you-­‐

Lara: Yes.

Speaker 1: We'll consider your comment.

Lara: [crosstalk 03:08:47] comment. It's in the tracker. We don't want you to say, "We did not think that double size, instead we did one in a half size." I really don't want you spend the time doing nothing.

Speaker 2: I thought that you were saying that we had to write an individual email. Lara: Oh no, no.

Speaker 1: I just want to confirm, and I think maybe Lara did earlier, are we all in agreement that all the PA's are going to include a filtered list of all the input items that appear to be directed at them with their resolution choice there's like six choices that are canned and then a little bit of description. Are we in agreement just so everyone has the same expectations? Is every PA in agreement that either in their business plan as an appendix or in some part of their application they're going to include ...

Speaker 2: Their responses.

Speaker 1: They'll copy that matrix filtered to just their issues with their response. Is that a true statement?

Speaker 8: Hi it's [inaudible 03:09:52]. We're gonna be talking I think all of the PA's later [inaudible 03:09:56], but it's something that we've kinda all been talking about because you know ...

**Section 17 of 19** [03:00:00 -­‐ 03:10:04]

**Section 18 of 19** [03:10:00 -­‐ 03:20:04] *(NOTE: speaker names may be different in each section)*

Speaker 1: It's something that we've kind of all been talking about, because it's quite large. I think the columns go out ... It's quite large. We're trying to figure out what the best way to do that is, so we don't spend time formatting it to fit within a business plan or formatting it somehow within some appendices or something, but everybody's working on the trackers in some form or another. I think we're talking about perhaps pulling out relevant columns that you just pull out to include. I think that's what's special and we're all trying to have because just to be able to filter it and then copy and paste it, it doesn't work. If we were just going to be doing this electronically, I don't think it'd be an issue, but if we're formatting it into something that we'll expect to print ever, then the type would be super, super, teeny tiny. It's just something to put out there that I think we all have to work out, especially if you're wanting us to use this later.

Speaker 2: If I could ask, when you do that, if you could make sure you never separate the index number that's column A, from your responses. That way, whatever you cut out doesn't matter, as long as you have that index number and then your resolution. Then I can do lookup functions that will pull each PA's responses, then put it into the master tracker they wanted from that. That would be great. Dan?

Dan: Dan from [All Raise 03:11:33]. It's just an idea to put out there that you could include the relevant, the most important columns or responses actually in your filing as some sort of testimony, and then the full spreadsheet with all the columns as a workbook that supports your testimony. That's a common format that would work for an application so that nothing gets lost, but that the important stuff gets filed as testimony, or something along those lines.

Speaker 4: I think this might have only been [sub-­‐prominent 03:12:06] but I don't think MCE needs to include Edison comments. Sometimes it might be confusing. If it's confusing, I do what works best. NRDC's definitely not expecting ... We're expecting only the ones that are relevant to you to be included, to make it a little bit more manageable. Teeny bit, but a little bit.

Speaker 2: All right, I want to make sure we leave enough time for both Matt's presentation and a little bit of public opportunity, although we did open up an little earlier. So why don't we shift to Matt to talk about these ...

Matt: All right, and a huge matter for southern California Edison. What I'd like to go through today is, I'd almost [inaudible 03:13:14] that we developed. We took a lead in developing this [inaudible 03:13:21] scope of work. And I believe, I think NCE and [inaudible 03:13:30] as well a early version, but this is for discussion purposes only. We're looking for some feedback from everyone, if we could advance to the next slide. A little background as to why we're doing this, how we would approach this bottom sub-­‐analysis [inaudible 03:13:44] approach, and then what we're going to approve today. Feel free to ask questions as we go.

Anyway, from the base to new decision, there is language regarding the need to do a bottoms-­‐up analysis of all the programs. You can see the discussion section and program administrators are encouraged to end up a bottoms-­‐up review of the program and sub-­‐program structures in order to rationalize and optimize program activities, essentially the most cost-­‐effective possible configurations, and the wording, paragraph similarly but just no program and sub-­‐program should be designated as statewide after a thorough bottoms-­‐up review of the programs. All right, next slide.

What we're proposing is a phased approach through this bottoms-­‐up program analysis. This would be phase one, shown on this slide. The scope of work, number one: you identify the very sources of program data. In your California as he sorts out the program data, so it's really just an inventory of what all the various data sources are. catalog all the programs across the PAs, and their key characteristics. For example, their intervention strategies, their tactics, their measures, [inaudible 03:15:22] etc., across all the PAs. Align to the business plan terminology that has been developed. It will give us some real structure in this cataloging process.

Number three: Then we would do a comparison between all the programs across the state. Looking for efficiencies, delivery or best practices or similar programs and there'd be various metrics. Number four: We could also use this information to define the additional missing industrial programs that should also be administered state-­‐wide. There are programs called out specifically, in the decision. But, as a whole, all the [inaudible 03:16:09] program should be administered state-­‐wide.

Going through this catalog and inventory, we should be able to identify if [inaudible 03:16:11].

What we're proposing is, we're not going to go back too far in time for this analysis. We would start with the programs that were in place in 2016 to build this up, and then ongoing from that point. For this first phase, the scope of work, what we're putting up for discussion, we have produced a database of programs, best practices, all standardized rentals and key characteristics, list of [inaudible 03:16:48] programs for state-­‐wide program administration. And then the action plan that we could use to implement the best practices that we find.

The next phase of the project, would really, to be compared to our portfolio programs across the PAs and get some market studies that are out there. For that,

we may be able to identify additional untapped opportunities [inaudible 03:17:16] through expanding certain programs and define meaning for new programs to target those kind of opportunities. So the proposed deliverable, for example, would be a report that would really just highlight these opportunities.

Phase three. This was meant to be the suggestion, really, a living database. As we walk through this [inaudible 03:17:38] we get new programs, those programs are implemented. That information can then be fed into the database for further analysis as we go for a long time. We haven't considered too much yet about how we would resource this. It could be we would put this out for bid. One idea is to have a bigger work across all the PAs who helped gather this information and analyze the data, for example.

Next slide, that's really it. Looking for some feedback from all of you as to the scope of work that will be up here [inaudible 03:18:28] gaps, other opportunities, etc.

Questions? Comments.

Speaker 2: While people are forming questions, Matt, two questions came to mind. It sounded a little bit like the Dorsey scope, but this is definitely different than that, right?

Because that was pretty numerically focused, and this is sounding more qualitative.

Matt: Yeah, this is a little more qualitative than just doing that cataloging of programs. You have the history of program, you have a certain intervention strategy. Just getting all that information together and looking at how they performed for those individual programs, not trying to build up, [inaudible 03:19:08] like that, so that's a separate issue.

Speaker 2: Thank you for that. You see Lara and Mike.

Speaker 1: Mike, [LANFCE 03:19:22]. Thanks for putting this together. Going to be curious if it's possible to post this on a CAEECC website, and then just curious that this is talking about additional programs [inaudible 03:19:35] that a positive analysis of the programs that they're even looking at. Does that include down stream programs, or will the analysis be based on the portfolio of midstream and upstream?

Matt: The analysis is comprehensive and we could use that analysis for just identifying a mid-­‐stream or upstream of programs that currently [inaudible 03:20:00] ...

**Section 18 of 19** [03:10:00 -­‐ 03:20:04]

**Section 19 of 19** [03:20:04 -­‐ 03:48:14] *(NOTE: speaker names may be different in each section)*

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| --- | --- |
| **Speaker 1:** | **It wouldn't be looking necessarily at an announced activity considering whether that should be pulled into [inaudible 00:00:07] grounds chain. You'd be looking at all of the portfolio programs and identifying that upstream and then looking at those for statewide administration?** |
| **Mike:** | **Yes, but I think if we're preparing programs that have performance, maybe from doing this analysis we might see there are opportunities that removing one program strategy for downstream to midstream or some other method, could produce better results.** |
| **Michelle:** | **Good, Mike. You want me to talk about it? I'll wait.** |
| **Speaker 1:** | **I guess the other thing is I'm just curious why starting with a 2016.. and I'm going further back. It seems like there's a pretty good chance after 2016, or at least a couple years after that there won't be... there's screen programs for everything. Going back might actually provide a bigger, [inaudible 00:01:08] in the long run.** |
| **Mike:** | **Certainly. It's open for discussion. We don't want to go too far back in time from just a scope perspective. ASOP Farm, [inaudible 00:01:24] any suggestions?** |
| **Michelle:** | **There might be something that whoever, we walk solicitation, there might be something that they would recommend, is to get the best evaluation of this, heres how far back we think you should go [inaudible 00:01:47] or I don't know. Then set up an arbitrary [inaudible 00:01:54] go back to [inaudible 00:01:56].** |
| **Speaker 1:** | **I just have a paradigm question Melissa I feel...and Mike [inaudible 00:02:04] so the scope of work is actually not just generally what the approach to this but is the scope of work just going to be get it out to an entity to do this? Is that the vision?** |
| **Mike:** | **I think resourcing is still up for discussion but I imagine we would [inaudible 00:02:22].** |
| **Speaker 4:** | **Oh, sorry.** |
| **Speaker 5:** | **What?** |
| **Michelle:** | **Oh, I'm sorry.** |
| **Speaker 6:** | **I'm claiming a [inaudible 00:02:34].** |
| **Michelle:** | **Only if its [crosstalk 00:02:36].** |
| **Speaker 7:** | **Great questions. I actually read the time frame for analysis differently, I thought that's when you're going to give us some things to look at.** |
| **Speaker 8:** | **Yeah that would be nice but I think this is [crosstalk 00:02:50] it's not quite in the...** |
| **Speaker 7:** | **In the company I agree. Michelle I like your suggestion to see what the best data set is, I agree with Mike's comment that I also understand that if you go too far back there are very different programs that might not be relative moving forward so there's a happy medium there. I would request, I don't know how we are doing this, if this is iteration or we need to wait to January, February to talk again about this? Well, I guess it's December definitely. Wondering what's the timeline of this work? So when would, for example some of this come back to [inaudible 00:03:33] when would we see some of these deliverables? Right now it feels like it would be in 2019 but I'm hoping not.** |
| **Mike:** | **That's something that we did actually put into coordination. We've passed [inaudible 00:03:45], what is your proposal, what's the timeline you think you did. [inaudible 00:03:50] make sense, we can really be a little more open.** |
| **Speaker 7:** | **Then another question because we've heard a couple of times about the need for updated market assessments across the board to help inform. I think a lot of folks are interested in that probably before you came aboard is February, but then do we have updated data on what is really going on? This gets back to the [inaudible 00:04:15] and some other market analyses. Would this be coupled with some of that effort because I see a couple of things that are needed. One, some of this analysis of just your programs is really informative but then to make recommendations for synergies or modifications would need some more current market data otherwise you're working off of 2009 for some other... So how would this be coupled with some of those needs?** |
| **Speaker 9:** | **Its going to be a part of phase 2 and so we have to see when the market assessments would be available, so you're right we should probably [crosstalk 00:04:53]** |
| **Speaker 7:** | **My last question, although this might be ORA's question is understanding, I think this is quite different than, this is later than what ORA is requesting at the bottom of the budget but its very related in terms of understanding your portfolio, so I'm wondering how this would dovetail their request or be separated or how does it intersect at all?** |
| **Speaker 9:** | **I don't see much intersection.** |
| **Speaker 7:** | **OK. Basically what the ORA's role... moving forward it was yeah not for this business plan for sure but for what ORA was requesting in terms of really understanding the bottom of analysis of the programs and why and the justification for why you need different program budgets, this would really inform moving forward so just having this and not again not having the market assessment and not having that kind of analysis it would be very interesting but not necessarily as impactful in making improvements moving forward. The thing is its more of a timeline to spectrum, you're looking at what you have right now, you're going to consider new market data and then you're going to provide recommendations and updates with such an analysis later.** |
| **Speaker 9:** | **Right.** |
| **Speaker 7:** | **[crosstalk 00:06:09], okay. All you.** |
| **Dan :** | **Dan Bush from ORA. My comment is actually related to the background slide, could you go back to that? And this sort of keeping up on behalf of but with our sister repair advocates in mind, so I think the ordering language and the phone language depicted were in response to comments by [inaudible 00:06:38] and they were specifically around consolidation of programs. They thought there were substantial efficiencies in having multiple midstream programs and upstream programs to run as a single program and I think that's those turn put in their comments this bottom upper view and rationalization and optimization of program activities.** |
|  | **I'm not sure that the scope.. I think the scope of working [inaudible 00:07:10] is somewhat substantial in a different direction, so I would encourage you to reach out to TURN for their inputs since they're not a CAKE member and encourage you to include in the scope that original justification that the commission of yours in order in paragraph 45 to have endorsed largely and I will say that ORA asked for some information along these lines in response to the statewide assignments and whether any of this rationalization had been done. We would get a whole lot of response, we were hoping that in a forward going basis that you all will move in that direction [inaudible 00:07:51].** |
| **Speaker 11:** | **I see Margie and Bill Carman. [Crosstalk 00:08:04] You are you're [crosstalk 00:08:06]** |
| **Carmen:** | **Carmen Vest, CPUC. I think it's also important to note in the back 016-08-019, you probably missed it, on another slide there was another priority that was identified for evaluation in activities that was along the lines of optimizing the sector interventions which I think included optimizations strategies that are outlined there as well. I think we would want to be aligning whatever this turns into be with those actions so that we're not creating dual or team competeism, we're supposed to end in [inaudible 00:08:56] for centralizing the sources.** |
| **[00:09:18]** | **I'd also put in a plug for cedars and a lot of the data that has been centralized by CPUC since 2006 program years, that is the most comprehensive inventory of improved versus [inaudible 00:09:16] what they did and how much . I would argue that a lot of those [inaudible 00:09:23]. [crosstalk 00:09:25]. Its similar that while they're meant to Ips coming forward there's definitely a lot of [inaudible 00:09:33]. If anyone needs steps to the bullet on data sources on programs now I will acknowledge that much of that is oriented to measures and technologies but thankfully [inaudible 00:09:50].** |
|  | **The vision for this years filing module the way that was designed it has more aesthetic information on programs so I would encourage you all just to elaborate on that as being a foundational, central repository for this kind of information going forward rather than [inaudible 00:10:13] and my third point is, we did do some [inaudible 00:10:19] analysis in the commercial sector when we did the commercial saturation study and the commercial measure CMST.** |
| **Speaker 11:** | **Market saturation.** |
| **Carmen:** | **Thank you. Well the market saturation study was CSS [crosstalk 00:10:37], and there's a market share tracking, thank you, which were slight modifications to this Seuss strategies but in that effort there was a corollary study that also looked at participation in non [inaudible 00:10:58] activities, DG and DR programs. There's definitely a possibility to use past customer data sets, actually the CPUC has standardized for all utilities, that was in 2006 and that might be in those scores of information that you could leverage because I know cleaning data was a big cost. [inaudible 00:11:27]. [Crosstalk 00:11:33]** |
| **Speaker 1:** | **Who wants to get somebody else on deck?** |
| **Speaker 13:** | **Yeah Margie.** |
| **Speaker 1:** | **Margie, okay.** |
| **Margie:** | **This is Margie with [inaudible 00:11:43] I appreciated Dan's clarification of where this came from, your clarification of the order. that's why I know you're doing a [inaudible 00:11:55] but I then need to ask as a premier PAs location, right as [inaudible 00:12:03] what are you hoping to then... other than the midstream upstream statewide or whatever statewide, I get that. Are there other ways you'd like to use this intelligence and how do you see that being applied? Is there anything else? Or maybe it really is mostly a statewide question that you're addressing or is there something else as portfolio administrators, well I don't know your whole program but I think using portfolio administrators that you're planning to use this for?** |
| **Speaker 15:** | **Well I think you could use a nice portfolio as you said for maybe a little more [inaudible 00:12:45] programs to fill in those gaps. [inaudible 00:12:53].** |
| **Margie:** | **So you might even.. I mean that's [inaudible 00:12:59] because I asked this in my department, so we're a gap analysis department** |
| **Speaker 1:** | **Alright, thank you. I think at this point we need a little bit of public time so Alice [inaudible 00:13:18] is there any other, before we go back to Alice is there any other member of the public that wants to say anything about [inaudible 00:13:25]? We'll open up the [inaudible 00:13:30].** |
| **Speaker 16:** | **I appreciate the participation Margie.** |
| **Margie:** | **Yeah I'm sorry. I have one other question that I thought going to come up in eight but it didn't, so the question is something you said that {telephone making noise and dialing}** |
| **Speaker 1:** | **Sorry.** |
| **Margie:** | **The SoCal Edison is likely to do or hoping to do an RP, whatever its going to be called in Q1. I don't mean to be a can of worms but I know its going to cost, I might as well say it out loud by any chance there's no PRG [inaudible 00:14:00] evaluator except for etc, etc cost to start up and so I just wondered how you were thinking of handling it as a nature owned process, so we all acknowledge that there's nothing idle, what are you thinking as your way in [crosstalk 00:14:16]?** |

**Section 19 of 19** [03:20:04 -­‐ 03:48:14]