Date: 8/16/18

Subject: New CAEECC Member Applications

To: CAEECC Members/Proxies

From: CAEECC Facilitation Team

As of today, we have received applications from five different groups/organizations interested in becoming formal CAEECC Members:

1. **Local Government Sustainable Energy Coalition (LGSEC**)-- LGSEC includes numerous local governments throughout CA
2. **Western HVAC Performance Alliance Inc. (WHPA)** has expertise w/respect to HVAC and is a coalition of many organizations
3. **CodeCycle** has expertise in implementing codes and standards
4. **The Energy Coalition** provides EE project design support to public agencies across California
5. **The School Energy Coalition** represents K-12 schools statewide on energy and water issues in Sacramento, and works with school districts on energy efficiency projects

The five applications are now all posted on the CAEECC web page for the 8/21 meeting and include the applicants’ cover descriptions of the organizations, and the proposed Member and Proxy. We have also included there a spreadsheet delineating the primary stakeholder interest of each of our existing CAEECC Members as well as where these proposed applicants would likely be placed.

This memo from our Facilitation Team discusses how these applicant organization/individuals meet CAEECC criteria including familiarity with CA EE policy/cost-effectiveness, and willingness to abide by the CAEECC groundrules. It goes on to discuss how these Members relate to the CAEECC’s size and balance criteria and whether the applicants represent unique interests not covered by current Members.

We attached the criteria and process by which we would assess new Members (and existing Members would decide on new Members) as discussed and agreed to at our June and August 2nd CAEECC meetings. In a nutshell we need to assess how well candidates meet our criteria, and how they would impact the overall size and composition of the CAEECC. Also the Facilitation Team is supposed to make an initial proposal for CAEECC consideration.

**CAEECC Membership Criteria**

1. ***Member Organizations: Organizations with substantial demonstrated interest and qualifications on energy efficiency in California***
	* All of the applicant organizations appear to have a substantial demonstrated interest and qualifications on energy efficiency in California
2. ***Individual lead Member and any alternate Proxy from the Member Organization:***
	1. *A detailed understanding of and working familiarity with CA’s EE policies including its cost-effectiveness framework*
		* All of the proposed lead Members and proposed Proxies appear to have a working familiarity with CA’s EE policies including its cost effectiveness framework, with the exception of the lead Member from the School Energy Coalition. That individual is familiar with CA’s EE policies broadly but not the CPUC’s EE policies and cost-effectiveness framework
	2. *Agreement to abide by all the CAEECC roles and responsibilities for Members and by the CAEECC* [*groundrules*](https://docs.wixstatic.com/ugd/849f65_68e76679fd054bd6ad34e1c2ba0a4168.pdf)
	* All of the proposed lead members and proposed Proxies have reviewed and agreed in writing to abide by CAEECC roles and responsibilities.
3. ***Overall size of the CAEECC (e.g., in the 20-25 Member range):***
	* Currently the CAEECC is at 20 Members, with all its Members continuing from 2017 to 2018. Adding potentially 5 additional new Members would put the CAEECC at the upper bound of the anticipated range. So while all could fit within this range, it wouldn’t leave headroom for additional Members down the road—unless existing Members choose to leave.
	* Under the size issue, we thought it worth noting that three of the proposed new Members are organizations that represent multiple entities (LGSEC, WHPA, The School Energy Coalition) while two applicants represent individual companies (CodeCycle and The Energy Coalition). While the current CAEECC membership includes both (umbrella organizations and individual entities)—adding umbrella organizations is one way to allow many more entities to have a seat at the CAEECC table.
4. ***The composition of the CAEECC as a whole, (i.e., so that there’s reasonable balance among the different stakeholder interests and that there’s not redundancy of interests among Members)***
	* Both the current composition of the CAEECC, and the composition after the potential addition of the proposed new Members can be found on the accompanying spreadsheet. We note that three of the proposed new Members fall into the Implementers/EE Industry bucket where there are already three Members. If they were added, this would bring that total to six Members (significantly more than any other category of Members except the PAs). We also note that two of those proposed Members (CodeCycle and The Energy Coalition) are members of one of CAEECC’s pre-existing Members (the CA Efficiency & Demand Mgt. Council). We placed LGSEC, in the Local Government Implementer column—which would bring that column up to three from two Members. When the Local Government Implementers are added to the other Implementer/EE Industry that would equal 9 Members. While this is not necessarily a bad thing given the movement to 3rd party implementers in CA, the implementers would have significantly larger representation on CAEECC than other non-PA stakeholder groups.
5. ***Other Factors:***
	1. We note that LGSEC was formerly a Member of CAEECC, but the organization’s membership lapsed due to job changes of then current Members.

**Initial Facilitation Team Analysis and Proposal**

As an initial observation, it appears that The School Energy Coalition doesn’t currently meet the criterion of *detailed understanding of and working familiarity with CA’s EE policies including its cost-effectiveness framework.* If there was nonetheless an overriding interest in having them represented on the CAEECC, the potential new member should be encouraged to get up to speed on these issues and reapply next year, or their approval should be provisional on getting up to speed on these issues ahead of being formally seated in December.

If CAEECC Members are comfortable with expanding the size of the CAEECC from 20 to potentially 24 or 25, and not overly concerned with skewing the balance of the non-PA representation on the CAEECC toward implementers, then the CAEECC could go ahead and accept all four other applications.

If on the other hand, the CAEECC does have concerns about the size or composition of the CAEECC, then it may want to give preference to the two other organizations that represent multiple entities, WHPA and LGSEC (the latter of which was previously a CAEECC Member) over the two individual Company applicants (CodeCycle and The Energy Coalition) both of which are members of a current CAEECC Member—the CA Efficiency & Demand Mgt. Council—and hence have representation (albeit indirectly) in the CAEECC.

Thanks

Facilitation Team

Excerpt from **CAEECC Membership: Criteria and Process**

**Criteria:**

**For the Member Organization**

* Organizations with substantial demonstrated interest and qualifications on energy efficiency in California

**For the individual lead Member and any alternate Proxy from the Member Organization**

* A detailed understanding of and working familiarity with CA’s EE policies including its cost-effectiveness framework
* Agreement to abide by all the CAEECC roles and responsibilities for Members and by the CAEECC [groundrules](https://docs.wixstatic.com/ugd/849f65_68e76679fd054bd6ad34e1c2ba0a4168.pdf)
	+ Ability to attend all Full CAEECC Meetings (in person) [Note: Can send proxy from organization on occasion in Member can not attend]; and willingness to attend CAEECC Working Groups and Ad Hoc Workshops on topics of interest to your organization

**Process:**

1. In assessing whether to accept a new Member, CAEECC Members should consider the following factors: A) how well the Member meets all of the Membership criteria outlined above; B) overall size of the CAEECC (e.g., in the 20-25 Member range); and C) the composition of the CAEECC as a whole, (i.e., so that there’s reasonable balance among the different stakeholder interests and that there’s not redundancy of interests among Members)
2. CAEECC Facilitator compiles applications and annually circulates application letters to Full CAEECC for their consideration (either at a regularly-scheduled CAEECC meeting or some other process agreed to by the CAEECC), a long with an initial proposal based on the criteria above for Member discussion and approval
3. After discussion by the CAEECC, facilitator will attempt to get a consensus of the Members present within the allotted time on the disposition of each new Member application (defined as unanimity). If there is no consensus of the Members present, then the CAEECC will vote on each new Member application—and a minimum of ¾ of the total Membership are needed to approve the new Member [Note this #7 was added after discussion and agreement from Members present at the 8/2/18 meeting]