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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Concerning
Energy Efficiency Rolling Portfolios, Policies,
Programs, Evaluation, and Related Issues.

**Rulemaking 13-11-005
(Filed November 14, 2013)**

**ENERGY EFFICIENCY SEMI-ANNUAL INDEPENDENT
EVALUATOR'S REPORT
PUBLIC VERSION**

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DATED: July 10, 2020

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Pursuant to Decision (D.)18-01-004, Ordering Paragraph (OP) 5, and on behalf of its independent evaluator, PG&E submits a public version of the Energy Efficiency Semi-Annual Independent Evaluators' Report (IE Report -Attachment A).

The independent evaluators are required by D.18-01-004, OP 5 (c) to submit a semiannual report on the overall third-party solicitation process for Pacific Gas & Electric, Southern California Edison, San Diego Gas & Electric, and Southern California Gas Company:

The IEs shall provide at least the following services:

- a. Consultation and support to the procurement review groups.*
- b. A report on each solicitation to be presented to the appropriate procurement review group.*
- c. A semi-annual report on the overall process and conduct of the third-party solicitations, to be filed in the relevant energy efficiency rulemaking proceeding.*
- d. An individual report on the solicitation process resulting in any contract award valued at \$5 million or greater and/or with a contract term of longer than three years, to be submitted along with the Tier 2 advice letter seeking Commission review of such contracts.¹*

The IE Report was prepared by Barakat Consulting, Inc., Don Arambula Consulting, EAJ Energy Advisors, Great Work Energy, and The Mendota Group, LLC. Although the IE report concerns PG&E's third-party solicitation process, PG&E provided minimal input in its preparation.

¹ D.18-01-004, OP 5.

Respectfully Submitted,

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DATED: July 10, 2020

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ATTACHMENT A

Semi-Annual Report

Pacific Gas and Electric Company

Third Party Energy Efficiency Program Solicitations

Reporting Period: November 2019 through March 2020

Prepared by Independent Evaluators:

Barakat Consulting, Inc.
Don Arambula Consulting
EAJ Energy Advisors
Great Work Energy
The Mendota Group, LLC

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

INDEPENDENT EVALUATORS' SEMI-ANNUAL REPORT

Pacific Gas and Electric Company

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I. Overview

A. Purpose

The Independent Evaluators' Semi-Annual Report (Report) provides an assessment of the Program Administrator's (PA), in this case, Pacific Gas and Electric Company's (PG&E or the IOU), third-party energy efficiency (EE) program solicitation process and progress by PG&E's assigned Independent Evaluators (IEs). The Report is intended to provide feedback to PG&E and other stakeholders on the progress of the PA's energy efficiency program solicitations in compliance with the California Public Utilities Commission (CPUC) direction.¹

In compliance with Decision 18-01-004, the EE IEs are ordered to provide assessments of the overall third-party EE program solicitation process and progress, on at least a semi-annual basis, to the CPUC via reports filed in the relevant energy efficiency rulemaking (currently Rulemaking 13-11-005).² This Report is provided in response to this requirement and represents an assessment of the program solicitation activities conducted during the period from November 2019 through March 2020. These Reports will be filed periodically throughout PG&E's entire third-party solicitation process. This Report identifies areas for improvement and highlights best practices as noted by the IEs based on PG&E's current program solicitations. The Report is not intended to replace the required Final Solicitation Reports (Final Report(s)), which will be provided to PG&E and its PRG by the assigned IE at the conclusion of each solicitation.

Due to the sensitive nature of the information contained in the IEs' assessments, the IEs are submitting two reports—a Public (redacted) version and a Non-Public version. The Non-Public version is deemed to contain information that might disclose market sensitive information which could provide a competitive advantage to other businesses, if this information was released which could lead to a negative or detrimental impact on the Bidders, the customers, and/or the Investor-Owned Utility (IOU).

B. Background

In August 2016, the CPUC adopted Decision 16-08-019, which defined a “third-party program” as a program proposed, designed, implemented, and delivered by non-utility personnel under contract to a utility program administrator. In January 2018, the CPUC adopted Decision 18-01-004 directing the four California IOUs—PG&E, Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas)—to ensure that their EE portfolios contain a minimum percentage of third-party designed and implemented programs by predetermined dates over the next three years. Further directions were included in Decision (D.)18-05-041, which states:

The third-party requirements of Decision (D.) 16-08-019 and D.18-01-004 are required to be applied to the business plans of the investor-owned utilities approved in this decision. All utility program administrators shall have at least 25 percent of their 2020 program year forecast budgets

¹ Decision 18-01-004, OPN 5.c.

² Id.

under contract for programs designed and implemented by third parties by no later than December 19, 2019.

Two Stage Solicitation Approach

The IOUs are required by the CPUC to conduct a two-stage solicitation approach for soliciting third party program design and implementation services as part of the energy efficiency portfolio. All IOUs are required to conduct a Request for Abstract (RFA) solicitation, followed by a full Request for Proposal (RFP) stage.³

The CPUC also requires each IOU to assemble an Energy Efficiency Procurement Review Group (EE PRG or PRG). The IOU's EE PRG, a CPUC-endorsed entity, is composed of non-financially interested parties such as advocacy groups, utility-related labor unions, and other non-commercial, energy-related special interest groups. The EE PRG is charged with overseeing the IOU's EE solicitation process (both local and statewide), reviewing procedural fairness and transparency. This oversight includes examining overall procurement prudence and providing feedback during all solicitation stages. Each IOU briefs its PRG on a periodic basis throughout the process on topics including RFA and RFP language development, abstract and proposal evaluation, and contract negotiations.

Each IOU is required to select and utilize a pool of EE IEs to serve as consultants to the PRG. The IEs are directed to observe and report on the IOU's entire solicitation, evaluation, selection, and contracting process. The IEs review and monitor the IOU solicitation process, valuation methodologies, selection processes, and contracting to confirm that an unbiased, fair, and transparent competitive process is conducted that is devoid of market collusion or manipulation. The IEs are privy to viewing all submissions. The IEs are invited to participate in the IOU's solicitation-related discussions and are bound by confidentiality obligations.

Extension Request

In a letter dated November 5, 2019, PG&E requested an extension to June 30, 2020 to meet the 25 percent requirement to allow for sufficient time for a detailed and thoughtful contract negotiation stage for its Local Multi-Sector RFP.

In November 2019, the CPUC granted PG&E's request for extension of time to meet the 25 percent threshold by June 30, 2020.⁴

The CPUC further stated that, consistent with D.18-05-041, the IOUs must meet at least 40 percent of their energy efficiency portfolios under contract for programs designed and implemented by third parties by December 31, 2020. No further extensions of time will be granted to the IOUs for meeting the third-party percentage requirements specified in Ordering Paragraph 4 of D.18-05-041.

C. Overview of Solicitations

³ Decision 18-01-004, p. 31.

⁴ CPUC Letter to IOUs regarding the "Request for Extension of Time to Comply with Ordering Paragraph 4 of Decision 18-05-041", November 25, 2019.

The Report represents a collection of individual IE assessments for each of PG&E’s current program solicitations. For ease of review, the Report also provides an overview of key issues and corresponding IE recommendations gleaned from the individual IE assessments. The following provides a summary of each program solicitation.

1. Local Multi-Sector

Summary

PG&E utilized a single two-stage solicitation process for soliciting local third-party EE programs targeting the sectors of Residential, Commercial, Public, Industrial, and Agricultural customers (Local Multi-Sector solicitation). The first stage was an RFA followed by a second stage RFP. Overall, PG&E’s process was objective and transparent to its IEs.

PG&E is currently in negotiations with several bidders across multiple sectors. Phase 2 of negotiations is continuing, focused on clarifying compensation and other terms. The IEs are monitoring bidder contract negotiation meetings by phone and through PG&E’s PowerAdvocate system. The IEs are currently reviewing initial contracts and monitoring contract negotiations to confirm fairness and compliance with the CPUC’s directives.

Timeline

The timing of the solicitation process is shown in Table 1.

Table 1: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA Release	November 28, 2018
Abstracts Submitted	January 14, 2019
RFP Stage	
RFP Release	June 13, 2019
Proposals Submitted	August 2, 2019
Scoring	August–Sept 2019
Shortlisting	October 29, 2019
Contracting Stage	
Phase 1 Contract Negotiations and Selections (Focused on review of CET data)	November 2019 – February 2020
Phase 2 Contract Negotiations and Selections (Includes detailed discussion of contract terms)	Initiated February 2020

2. Statewide New Construction

Summary

As the lead IOU for Statewide New Construction (SWNC), PG&E is looking for innovative EE program(s) that encourage integration of high-performance whole building solutions, create cost-effective approaches to achieving market transformation while delivering the highest levels of efficiency in design and construction within the residential and non-residential sectors.

The buildings/occupancy types and activities considered in scope for these programs include any residential or nonresidential building or occupancy type covered by California Code of Regulations Title 24 Parts 6 (California Energy Code) and 11 (California Green Buildings Standards) and whole new buildings, additions, alterations, and covered processes.⁵ Through the statewide program model, the IOUs seek to take advantage of uniform opportunities across the state for customers and market actors, prioritize easy program access by customers, and lower transaction costs.

Timeline

As of March 31, 2020, the SWNC solicitation is in the RFP stage, with the release of the RFP on March 16, 2020. The timing of the solicitation process is shown in Table 2.

Table 2: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA Release	May 28, 2019
Abstracts Submitted	June 28, 2019
Scoring	July 1 – 26, 2019
Calibration and Shortlisting	August 2, 2019
RFP Stage	
RFP Release	March 16, 2020
Proposals Submitted	Expected April 27, 2020
Scoring	TBD
Shortlisting	TBD
Contracting Stage	
Contract Negotiations	TBD – Expected in September, 2020

3. Local Government Partnerships

Summary

PG&E’s Local Government Partnership (LGP) solicitation is seeking non-resource proposals to help support PG&E’s cost-effective program portfolio and achieve portfolio goals and metrics. Due to the nature of the solicitation scope, the bidder eligibility is open to existing lead local partners, PG&E local governments, PG&E public unified school districts, PG&E special district

⁵ Covered processes include process loads regulated under Title 24, Part 6 such as computer rooms, laboratory exhaust, garage exhaust, commercial kitchen ventilation, refrigerator warehouses, supermarket refrigeration systems, compressed air systems, process cooling towers, and process boilers.

customers, and non-profit and public entities with established relationships with partnering local governments.

PG&E requests that the bidders design a non-resource program that meets one or more of the following outcomes:

- Increasing the opportunities for customers to save energy in local public buildings, especially for those local governments that serve Hard to Reach (HTR) and/or Disadvantaged Communities (DAC) customers.
- Increasing the opportunities to save energy for any HTR customers and/or customers in DAC through working with local governments.
- Improving local government staff capacity to conduct activities that will lead to energy efficiency for the local government and/or its communities.

PG&E encourages the bidders to design and propose innovative program designs, especially those that help support PG&E’s overall portfolio need to reduce customer energy use. Bidders are instructed to specify how their proposed LGP Program activities will be measured and how program success will be determined.

Timeline

The LGP solicitation is an ad hoc solicitation that was not originally presented by PG&E’s solicitation plans.⁶ The RFA was released in May 2019, and the RFP was released on November 4, 2019. Contract negotiations and contract execution began in Quarter 1 of 2020. The timing of these major milestones is consistent with the current Third Party Dynamic Schedule on the California Energy Efficiency Coordinating Committee (CAEECC) website.⁷ Table 3 presents a list of key solicitation milestones and expected completion dates. As of the date of this Report, all milestone dates were either met or are on schedule except for contract negotiations, which were extended through May 2020.

Table 3: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA distributed to Bidders	May 23, 2019
Bidders Conference (webinar only)	June 5, 2019
Deadline to Submit Written Questions to PG&E	June 7, 2019
PG&E Response to Bidder Questions	June 13, 2019
Abstract Submissions Due in PowerAdvocate	June 21, 2019
RFA Selection and Notification to Bidder Advancing to RFP Stage	July 31, 2019
RFP Stage	
RFP Distributed to Bidders	November 4, 2019

⁶ PG&E Third Party Solicitation Process Proposal, Appendix 2, August 2, 2017

⁷ [IOU Joint Solicitation Timeline, January 31, 2020](#)

Table 3: Key Milestones	
Milestones	Completion Date
Bidders Conference (Optional, Via Webinar)	November 14, 2019
Deadline to Submit Written Questions to PG&E	November 20, 2019
PG&E Response to Bidder Questions	November 26, 2019
Proposal Submissions Due in PowerAdvocate	December 20, 2019
Selections & Contracting Stage	
PG&E Selection and Notification to Respondents	February 3, 2020
Contract Negotiations	February–May 2020

4. Statewide Codes and Standards

Summary

The purpose of the Statewide Codes and Standards (C&S) program solicitation was to select third-party implementers to design and deliver the Statewide C&S Program to:

- provide C&S Appliance Standard advocacy,
- develop C&S Enhancement (CASE) studies, and
- provide assistance and guidance in preparing comment letters to influence appliance standards and test procedures at the state and national levels (e.g., the California Energy Commission’s (CEC) Order Instituting Rulemaking for Title 20 Appliance Standards and the US Department of Energy’s (DOE) ongoing rulemaking for Federal Appliance Standards).

The scope of the solicitation included three roles: 1) a Project C&S Coordinator, 2) a Federal C&S Appliance Consultant, and 3) a State C&S Appliance Consultant. The desired outcomes included the following:

- 1) Pool of qualified implementers for the State and Federal Appliance Standards Advocacy subprograms that can successfully advocate for the California ratepayer interests
- 2) Skillful coordinator who can maintain a database of deliverables and support coordination between the advocacy implementers
- 3) Solicitation completed in sufficient time to begin work on the upcoming CEC Order Instituting Rulemaking (OIR), released in fall of 2019

Descriptions of the three roles requested in the RFP are discussed in more detail in Table 4.a below.

Table 4.a : RFP Roles	
RFP Defined 3 C&S Consulting Opportunities	
Program Coordinator	Overarching consultant (1) who manages the deadlines, maintains subprogram deliverables, ensures consistent tone, and supports IOU staff positions and questions.
Federal Advocacy Subprogram Support	Consultants to conduct research, analysis, write comment letters, and coordinate with other stakeholders in the Federal appliance standards work.
State Advocacy Subprogram Support	Consultants to conduct research, analysis, write CASE Studies and coordinate with other stakeholders as appropriate in the CEC Title 20 process.

Timeline

The timing of the solicitation was moved up based on the need to have contracts in place in January 2020 to support the CEC's code cycle updates.⁸ Due to the time constraints, it was not practical to go through a two-stage solicitation process, and PG&E issued the RFP.⁹ There was a reasonable amount of time given for bidders to respond and for the PG&E team and IE to score the proposals once received. Table 4.b shows key milestones for the solicitation.

Table 4.b : Key Milestones	
Milestones	Completion Date
Request for Proposal (RFP) Release	September 9, 2019
Bidders Conference	September 16, 2019
Proposals Submitted	October 7, 2019
Scoring	October 25, 2019
Calibration	October 29, 2019
Shortlisting	November 26, 2019
Contract Negotiations	January 2020
Contracts in Place	January–March 2020

5. Workforce Education and Training: Career Connections K-12

Summary

This solicitation requests bidders to design and propose to implement a statewide, non-resource WE&T Career Connections (CC) program that imparts knowledge of energy and sustainability fundamentals and awareness of career pathways among K-12 students. While not solely focused on

⁸ The 2019 Title 24, Part 6 and Part 11 Standards were formally adopted by the Building Standards Commission in a formal hearing on December 5, 2018. The standards went into effect on January 1, 2020.

⁹ D.18-01-004, COL 5, states: "All utilities should utilize a two-stage solicitation process for third party programs unless there is a specific schedule-related reason only one stage is possible."

disadvantaged communities, CC drives long term change by prioritizing schools with student populations that are predominantly disadvantaged and hard to reach. The annual budget available for this statewide CC program solicitation is approximately \$1 million per year, for a three-year program implementation period.

Bidders are requested to employ innovative approaches and strategies in order to achieve program outcomes including:

- Students learn about energy, EE, demand response (DR), and distributed generation (DG) fundamentals;
- Students are prepared for EE post-secondary education and career pathways;
- Students are provided with hands-on EE, DR, and DG career experiences;
- Teachers are provided with EE, DR, and DG educational resources;
- Students in disadvantaged schools are prioritized;
- Formal partnerships are established between teachers/schools and organizations that serve K-12 teachers and students and these support efforts to build energy and EE career pathways.

Timeline

Timing of the key milestones throughout the solicitation process is in alignment with PRG Solicitation Guidelines and is consistent with the shared IOU Dynamic Schedule that is posted on PEPMA and linked through CAEECC.

The WE&T solicitation schedule has been designed to minimize downtime between the RFA and RFP stages in order to reduce the total time needed to complete the entire solicitation process.

As PG&E prepared to launch the RFA in March 2020, the coronavirus pandemic had begun to impact lives and work. In an attempt to accommodate these unique circumstances, PG&E increased the bidder response time for the RFA. PG&E will be monitoring registrations in PowerAdvocate and participation in the Bidder’s Conference in order to ensure that there is sufficient participation to continue the solicitation, or if delays are warranted. Despite the uncertainty of current circumstances, PG&E is still attempting to execute a streamlined solicitation schedule and minimize gaps in progress between solicitation stages, as demonstrated in Table 5 below.

Table 5: Key Milestones	
Milestones	Expected Completion Date
RFA Stage	
RFA Distributed to Bidders	April 6, 2020
Abstract Submissions Due	May 15, 2020

Table 5: Key Milestones	
Milestones	Expected Completion Date
Notification to Bidders of Advancement to RFP Stage	July 6, 2020
RFP Stage	
RFP Distributed to Bidders	July 6, 2020
Proposal Submissions Due	August 14, 2020
Notification to Bidders of Advancement to Negotiations	October 2, 2020
Negotiations & Contracting Stage	
Contract Negotiation and Development	November 13, 2020
Final Award, Contract Signed	December 22, 2020
Submit Advice Letter (If Applicable)	December 30, 2020

6. Workforce Education and Training: Career and Workforce Readiness

Summary

This solicitation process requests that bidders design and propose to implement a statewide, non-resource WE&T Career and Workforce Readiness (CWR) program that provide disadvantaged workers in the California IOU service territories with support services and technical training to enter the EE workforce. Successful CWR program(s) resulting from the solicitation will partner with and leverage the efforts of workforce development organizations for social services and non-EE skills training. The annual budget available for this statewide CWR program solicitation is approximately \$2 million per year, for a three-year program implementation period.

Bidders are requested to employ innovative approaches and strategies in order to achieve program outcomes including:

- Targeted participants are disadvantaged workers;
- Participants learn about EE best practices that they will use on the job;
- Participants become aware of EE/energy education and career pathways;
- Participants are placed in jobs where:
 - The employer is undertaking energy efficiency work and/or energy efficiency projects,
 - The participant applies their EE training within the first 6 months, and
 - Participants remain employed for at least 12 months.
- Workforce training programs introduce/expand EE content for their students;
- Partnering workforce development organizations' goals are met/supported;
- New collaborations are established between EE technical training organizations and

organizations that provide case management and job placement services;

- Training provided is relevant, timely and practical for both current and near future industry needs;
- Participant awareness of and preparation for emerging opportunities in a more integrated industry.

Timeline

Timing of the key milestones throughout the solicitation process is in alignment with PRG Solicitation Guidelines and is consistent with the shared IOU Dynamic Schedule that is posted on PEPMA and linked through CAEECC.

The WE&T solicitation schedule has been designed to minimize downtime between the RFA and RFP stages in order to reduce the total time needed to complete the entire solicitation process.

As PG&E prepared to launch the RFA in March 2020, the coronavirus pandemic had begun to impact lives and work. In an attempt to accommodate these unique circumstances, PG&E increased the bidder response time for the RFA. PG&E will be monitoring registrations in PowerAdvocate and participation in the Bidder’s Conference in order to ensure that there is sufficient participation to continue the solicitation, or if delays are warranted. Despite the uncertainty of current circumstances, PG&E is still attempting to execute a streamlined solicitation schedule and minimize gaps in progress between solicitation stages, as demonstrated in Table 6 below.

Table 6: Key Milestones	
Milestones	Expected Completion Date
RFA Stage	
RFA Distributed to Bidders	April 6, 2020
Abstract Submissions Due	May 15, 2020
Notification to Bidders of Advancement to RFP Stage	July 6, 2020
RFP Stage	
RFP Distributed to Bidders	July 6, 2020
Proposal Submissions Due	August 14, 2020
Notification to Bidders of Advancement to Negotiations	October 2, 2020
Negotiations & Contracting Stage	
Contract Negotiation and Development	November 13, 2020
Final Award, Contract Signed	December 22, 2020

Table 6: Key Milestones	
Milestones	Expected Completion Date
Submit Advice Letter (If Applicable)	December 30, 2020

7. Solicitation Summary

PG&E elected to combine many of their local program solicitations originally proposed as individual solicitations into a single, multi-sector solicitation.¹⁰ To support this multi-sector solicitation, PG&E assigned multiple IEs to specific sectors to actively monitor and advise them. Thus, the multi-sector solicitation assessment reflects input from all PG&E IEs, but items reported may not represent consensus views. Each of PG&E's active program solicitations is listed below. The Report does not address pending program solicitations where PG&E has yet to release an RFA. Table 7 shows the solicitations, assigned IEs, and status.

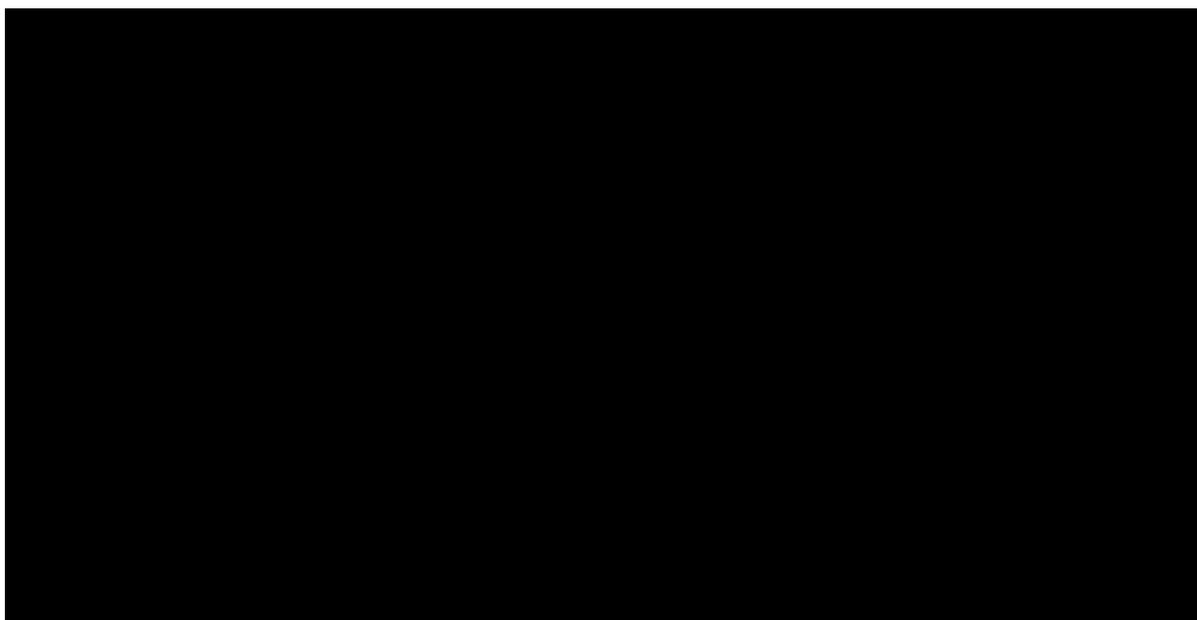
Table 7: PG&E Solicitations Overview (November 2019 through March 2020)				
	Solicitations		Assigned IEs	Solicitation Status
	Initial	Revised		
1.	Local Residential	Local Multi-Sector	The Mendota Group	Contracting
	Local Commercial		EAJ Energy Advisors	
	Local Industrial		Great Work Energy	
	Local Agricultural		Barakat Consulting	
	Local Public		Don Arambula Consulting	
2.	Statewide Residential New Construction	Statewide New Construction	The Mendota Group	RFP
	Statewide Nonresidential New Construction		EAJ Energy Advisors Barakat Consulting	
3.	Originally Not Proposed	Local Government Partnerships (Non-resource)	Don Arambula Consulting	Contracting
4.	Statewide Codes & Standards		Barakat Consulting	Contracted
5.	Statewide Workforce Education & Training (WE&T): Career Connections K-12		Great Work Energy	RFA
6.	Statewide WE&T: Career and Workforce Readiness (CWR)		Great Work Energy	RFA

¹⁰ https://www.pge.com/pge_global/common/pdfs/for-our-business-partners/energy-efficiency-solicitations/PGE_Third_Party_Solicitation_Process_Proposal.pdf

Table 7: PG&E Solicitations Overview (November 2019 through March 2020)				
	Solicitations		Assigned IEs	Solicitation Status
	Initial	Revised		
7.	Originally proposed as Institutional-State of California and Department of Corrections DGS/DoC (p. 91 of 18-05-041)	State of California	Don Arambula Consulting	Pre-RFA
<p>Legend</p> <p>Pre-RFA: Activities conducted prior to RFA release</p> <p>RFA: Includes bid preparation and evaluation period</p> <p>Pre-RFP: Activities conducted prior to RFP release</p> <p>RFP: Includes bid preparation and evaluation period</p> <p>Contracting: Contract negotiations</p> <p>Contracted: Contract executed with implementer</p> <p>Suspended: Solicitation held until a later date</p> <p>Cancelled: Solicitation withdrawn; scope may be included as part of a future solicitation</p>				

D. IE Assessment of Solicitations

Most of the key observations made by the IEs during the various solicitations related to the themes listed below. All of these observations have been addressed by PG&E in the current solicitations and are captured as lessons learned for future solicitations. Details are provided in Table 8:



[Redacted]			
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
Timing [Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

E. PRG Feedback on Solicitations

For the most part, all PRG and IE recommendation have been adopted by PG&E. The IEs and PRG are still in the process of providing feedback on contract terms, so the feedback process is not yet complete for final contract templates.

F. Stakeholder Feedback from CPUC Workshops

February 2020 Stakeholder Meeting

A public stakeholder meeting was held on February 7, 2020, to discuss feedback on all the IOUs' energy efficiency program solicitation activities from the bidder community and various other

stakeholders. The main topics that were raised by stakeholders included the following:

- **Scheduling:** As a follow up from the July 2019 workshop, the scheduling team responded to a request from bidders for updated schedules. In early March 2020, the IOUs implemented a Third Party Dynamic Schedule on PEPMA and are updating on a monthly basis.
- **Bidder Communication:** As a follow up from the July 2019 workshop, all IOUs committed to providing non-advancing bidders notification if their abstracts/proposals did not advance due to being incomplete or non-conforming, a violation, or an unmitigated conflict of interest.
- **Stakeholder Engagement:** Stakeholders were clear that they wanted more engagement (not just feedback) in the solicitation process to better understand the process and to promote continuous learning for all parties involved. **A Stakeholder Engagement Team led by the IOUs was established to follow up on this matter.**
- **Communication:** Communication with stakeholders needs to be more consistent and proactive. The dissemination of materials is very complicated, and bidders would like more simplification and an easier screening process for bidders. **Communication follow up has been addressed by the Stakeholder Engagement Team.**
- **Cost Effectiveness Tool (CET):** The IOUs discussed employing some improvement to the CET planning tool (e.g., CET-Lite) that would do a better job of compiling the numbers while assisting with training and more user-friendly systems (Mac/PC), etc. **A team led by the IOUs was established to follow up on CET approaches/issues/solutions.**
- **RFA/RFP Challenges:** The bidders felt there was a lack of transparency from RFA to RFP. Bidders were not clear how abstracts were selected to move to the RFP stage. Stakeholders would like more information and more openness on this process.
- **Transition Plans:** There is the potential for a gap when transitioning from one program to the next. Thus, careful attention and management of the effects on customers and the EE market in general during such transition is appropriate. Lags in service due to possible reduction of goals and budgets during program transitions should be avoided. **The PRG is interested in seeing detailed transition plans to ensure a smooth process and expect the transition plans will be addressed in Advice Letters filed by the IOUs associated with new programs.**

Responses to these issues, should be addressed through the CAEECC, and/or the next public workshop scheduled for July 2020. Initial responses to many issues raised at the meeting were posted on April 14, 2020 to the CAEECC website.

March 11, 2020 Letter from the CPUC's Energy Division

On March 11, 2020, the CPUC's Energy Division provided additional guidance to the IOUs, in response to specific challenges experienced in the market, as raised through the semiannual CPUC-hosted public workshops to identify process improvements directed at the following issues:

1) Delays in Schedules Guidance

- Allocate up to 12 weeks from RFA release to notification of bidders of invitation to respond to RFP.
- Allocate up to 15 weeks from RFP release to notification to bidders' invitation to contract negotiation.
- Execute contract 12 weeks after invitation to contract negotiation unless IOU is conducting multiple negotiations within the same solicitation, the program is complex, or contract is addressing challenging contract elements.
- Update the solicitation schedules in their next quarterly update.

2) RFA Guidance

- Adhere to the intent of the RFA stage explained in Decision 18-01-004.
- Refrain from requesting excessive detail in the RFA stage.

3) Bidder Communication

- Notify bidders of the status of the solicitation throughout the entire process.
- Provide better feedback to bidders by delivering on their commitments made in response to stakeholder requests.
- Provide non-advancing bidders notification if their abstracts/proposals didn't advance due to incomplete or non-conforming, a violation, or an unmitigated conflict of interest.
- After the June 30 and September 30, 2020 deadlines are met, ED encourages the IOUs to make feedback available to bidders notified prior to date of this letter that they did not advance to the next stage of solicitations.

II. Attachments: Individual IE Semi-Annual Solicitation Reports

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Local Multi-Sector Solicitation

Reporting Period: November 2019 through March 2020

Prepared by:

Barakat Consulting, Inc
Don Arambula Consulting
EAJ Energy Advisors
Great Work Energy
The Mendota Group, LLC

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

LOCAL MULTI-SECTOR

1. Solicitation Overview

1.1 Overview

PG&E utilized a single two-stage solicitation process for soliciting local third-party EE programs targeting the sectors of Residential, Commercial, Public, Industrial, and Agricultural customers. The first stage was an RFA followed by a second stage RFP.

The RFA process yielded [REDACTED] abstracts. As the CPUC directed, the abstracts are short, high-level summaries of third-party program design concepts.¹¹ As presented in the previous Semi-Annual Report, of the [REDACTED] abstracts, PG&E shortlisted [REDACTED]. On August 2, 2019, bidders submitted [REDACTED] proposals in response to the RFP.

Of the [REDACTED] proposals received, [REDACTED] were shortlisted to proceed to Phase 1 Negotiations.¹² Contract negotiations began in November 2019 and continued beyond the period covered by this Semi-Annual Report.

PG&E submitted a formal request to the CPUC on November 5, 2019, for extension of the 25 percent third-party requirement. Given the extension request, the number and quality of bids proceeding to Phase 1 Negotiations, and the reductions in budgets, IEs agreed with feedback from the October 2019 PRG meeting that every effort should be made to reach the 40 percent third party contracting target through this solicitation.

Due to the volume of proposals, a desire to improve the overall quality of submitted CETs, and the need to communicate sector-level budget targets, [REDACTED]

[REDACTED]

[REDACTED]

¹¹ The Semi-Annual Report submitted in May of 2019 covers this period and addresses the PG&E Local Multi-Sector Solicitation RFA process in detail.

¹² The Semi-Annual Report submitted in December of 2019 covers this period and addresses the PG&E Local Multi-Sector Solicitation RFP process in detail.

[REDACTED]

Current status of the solicitation: PG&E is in negotiations with several bidders across multiple sectors. [REDACTED]

The IEs monitored bidder contract negotiation meetings by phone and through PG&E's PowerAdvocate system. As appropriate, IEs provided feedback to PG&E about ongoing negotiations outside of the bidder meetings. The IEs are currently reviewing initial contracts provided by PG&E to bidders to confirm fairness and consistency with the CPUC's guidance and policies, as well as the Standard and Modifiable Contract Terms and Conditions.

Scope

PG&E sought a wide range of abstracts and proposals with a high level of innovation and creativity around cost-effective approaches to identifying and capturing deep, long-term energy savings in all customer sectors. Bidders were encouraged to team with other firms to provide the most complete and compelling program ideas. PG&E sought and considered a wide variety of third-party program proposals that in total could contribute to a cost-effective program portfolio and:

- Serves all PG&E customer sectors and sub-sectors, including all types and sizes of customers, across all geographies within PG&E's service territory.
- Addresses the specific needs of Hard-to-Reach (HTR) markets and Disadvantaged Communities (DAC).
- Promotes long-term market transformation of the EE market.
- Does not duplicate or interfere with the scope of EE programs identified for statewide administration.
- Includes local pilot ideas to test new programs in PG&E territory with potential for future statewide administration.
- Includes any combination of resource and/or non-resource programs or program elements that support energy savings acquisition.
- Permits deemed, custom, and/or meter-based energy savings calculation methodologies or any combination of these methodologies.
- Permits any combination of upstream, midstream, or downstream delivery channels.

- Includes EE programs that have Integrated Demand Side Management (IDSM) capabilities, including, but not limited to Demand Response (DR), Distributed Generation (DG), Grid Resource (GR), Energy Storage, and Electric Vehicles (EV).
- Provides innovative approaches to improve the customer experience and outcomes.
- Adds to the diversity, safety, and sustainability of PG&E’s supplier base.

Objectives

PG&E issued the RFA/RFP to solicit third-party program proposals from prospective bidders to establish a new portfolio of third-party programs according to the outsourcing compliance requirement timeline set forth by the CPUC in Decision 18-01-004. The RFP collected program proposals for all five of PG&E’s customer sectors, and those targeting multiple sectors. The negotiations and contracting process is intended to ensure that the final selections for each sector are in alignment with PG&E portfolio goals and that the solicitation results in contracts that maximize ratepayer value while appropriately balancing risk.

1.2 Timing

The timing of the solicitation process is shown in Table 3.

Table 3: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA Release	November 28, 2018
Abstracts Submitted	January 14, 2019
RFP Stage	
RFP Release	June 13, 2019
Proposals Submitted	August 2, 2019
Scoring	August–Sept 2019
Shortlisting	October 29, 2019
Contracting Stage	
Phase 1 Contract Negotiations and Selections (Focused on review of CET data)	November 2019 – February 2020
Phase 2 Contract Negotiations and Selections (Includes detailed discussion of contract terms)	Initiated February 2020

1.3 Key Observations

Key observations from the November 2019-March 2020 timeframe are shown in Table 4.

[Redacted]			
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

[Redacted]			
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

2. Solicitation Outreach and Bidder Response

Not applicable for this report. Solicitation Outreach and Bidder Responses to the Solicitation for RFA and RFP were addressed in previous Semi-Annual Reports.

3. RFA and RFP Design and Materials Assessment

Not applicable for this report. The RFA and RFP design and materials were addressed in detail in

previous Semi-Annual Reports.

3.1 RFA Design Requirements and Materials

Not applicable for this report. The RFA design and materials were addressed in detail in previous Semi-Annual Reports and met the PRG guidelines

3.2 RFP Design Requirements and Materials

Not applicable for this report. The RFP design and materials were addressed in detail in previous Semi-Annual Reports and met the PRG guidelines.

3.3 Response to PRG and IE Advice

RFA

Not applicable for this report. The RFA response to PRG and IE advice was addressed in detail in previous Semi-Annual Reports.

RFP

[REDACTED]

4. Bid Evaluation Methodology Assessment

Not applicable for this report. The bid evaluation methodology assessment was addressed in previous Semi-Annual reports.

4.1 Bid Screening Process

The bid screening process for the RFA and RFP stages is not applicable for this report. The RFP bid screening process was addressed in previous Semi-Annual reports.

4.2 Scoring Rubric Design

The scoring rubric design for both the RFA and RFP were addressed in previous Semi-Annual reports. [REDACTED] is shown in Table 5 below for reference.

Table 5: Scoring Rubric		
		[REDACTED]
Tier 1 Criteria	Tier 2 Criteria	[REDACTED]
Program Design	Design, Theory and Evaluability	[REDACTED]
	Customer Acquisition and Outreach	[REDACTED]

Table 5: Scoring Rubric				
Tier 1 Criteria	Tier 2 Criteria			
	Innovation			
	IDSMS Program Features			
Program Benefits	Cost Effectiveness			
	Energy Savings			
Program Feasibility	Program Management and Risk			
	Savings Measurement			
	Compensation and Performance			
	Compliance Requirements			
Grid Resource Design	Grid Resource Program Design			
HTR/DAC Design	HTR Program Design			
	DAC Program Design			
Company Qualifications	Implementer Team Qualifications			
	Prior Implementation Experience			
Supply Chain Responsibility	Diverse Supplier			
	Sustainability Plan			

4.3 Evaluation Team Profile

Not applicable for this report. The evaluation team profile was addressed in previous Semi-Annual Reports.

5. Response to PRG and IE Advice

Not applicable for this report timeframe.

6. Final Bid Selection Assessment

Not applicable for this report timeframe. Conformance with established bid evaluation processes during RFA and RFP was addressed in previous Semi-Annual Reports.

6.1 Management of Deficient Bids

Not applicable for this report. Management of deficient bids during evaluation was addressed in previous Semi-Annual Reports.

6.2 Shortlist and Final Selections

[Redacted content]

Table 6: Proposals Advancing to Phased Negotiations				
Sector	[Redacted]	[Redacted]	[Redacted]	[Redacted]
Agricultural	[Redacted]			
Industrial	[Redacted]			
Commercial	[Redacted]			
Public	[Redacted]			

[Redacted]



6.3 Affiliate Bids and Conflict of Interest

Not applicable for this report. It was previously reported that no affiliate bids were received, nor have any conflicts of interest been found.

7. Assessment of Selected Bids

 To date, PG&E’s decisions appeared to be consistent and reasonable to the IEs. Final selections have not been made yet and will be reported on in the next Semi-Annual Report. Given that final selections have not been made, this will be reported on in the next Semi-Annual Report

7.1 Bid Selections Respond to Portfolio Needs

Given that final selections have not been made, this will be reported on in the next Semi-Annual Report.

7.2 Bid Selections Provide the Best Overall Value to Ratepayers

Given that final selections have not been made, this will be reported on in the next Semi-Annual Report.

8. Reasonableness of Contracting Process

8.1 Collaboration on Final Program Design and Scope

At the time of this report, contract negotiations are underway with bidders and final selection has not been made, so final program design and scope have not been determined for any programs. Given that final selections have not been made, this will be reported on in the next Semi-Annual Report.

PG&E is currently in the process of negotiation with bidders and final contracts have not been executed.

8.2 Fairness of Negotiations

Since contract negotiations are still underway and no contracts have been awarded, it is too early to make final conclusions about the fairness of the entire negotiations process.

8.3 Changes to Contract Terms & Conditions

PG&E is currently in the process of negotiation with bidders and final contracts have not been executed.

8.4 Conformance with CPUC Policies and Objectives

PG&E is currently in the process of contract negotiations with bidders and final selections have not yet taken place. This will be addressed in the next Semi-Annual Report and in the Final Solicitation Reports.

8.5 Uniformity of Contract Changes

Given that final contracts have not been completed, this will be reported on in the next Semi-Annual Report.

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Statewide New Construction Solicitation

Reporting Period: November 2019 through March 2020

Prepared by:
Barakat Consulting, Inc.
EAJ Energy Advisors
The Mendota Group, LLC

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

STATEWIDE NEW CONSTRUCTION

1. Solicitation Overview

1.1 Overview

Pursuant to Decision 18-05-041, PG&E on behalf of the Statewide IOUs is seeking bids from third-party energy efficiency implementers to design, propose, and implement statewide residential and non-residential new construction programs.¹⁴

Scope

The buildings/occupancy types and activities considered in scope for these programs include any residential or nonresidential building or occupancy type covered by California Code of Regulations Title 24 Parts 6 (California Energy Code) and 11 (California Green Buildings Standards) and whole new buildings, additions, alterations, and covered processes.¹⁵ Through the statewide program model, the Statewide IOUs seek to take advantage of uniform opportunities across the state for customers and market actors, prioritize easy program access by customers, and lower transaction costs.

Objectives

As the lead IOU for Statewide New Construction (SWNC), PG&E is looking for innovative EE program(s) that encourage integration of high-performance whole building solutions and create cost-effective approaches to achieving market transformation, while delivering the highest levels of efficiency in design and construction within the residential and non-residential sectors.

1.2 Timing

As of March 31, 2020, the SWNC solicitation is in the RFP stage, with the release of the RFP on March 16, 2020.

Table 8: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA Release	May 28, 2019
Abstracts Submitted	June 28, 2019
Scoring	July 1 – 26, 2019
Calibration and Shortlisting	August 2, 2019

¹⁴ Statewide IOUs and service territories include PG&E, SoCalGas, SCE, and SDG&E. Also referenced in this report as “Program Administrators” or “PAs”.

¹⁵ Covered processes include process loads regulated under Title 24, Part 6 such as computer rooms, laboratory exhaust, garage exhaust, commercial kitchen ventilation, refrigerator warehouses, supermarket refrigeration systems, compressed air systems, process cooling towers, and process boilers.

Table 8: Key Milestones	
Milestones	Completion Date
RFP Stage	
RFP Release	March 16, 2020
Proposals Submitted	April 27, 2020 (Ultimately extended two weeks due to COVID-19)
Scoring	TBD
Shortlisted	TBD
Contracting Stage	
Contract Negotiations	TBD – Expected September 2020

1.3 [REDACTED]

[REDACTED]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

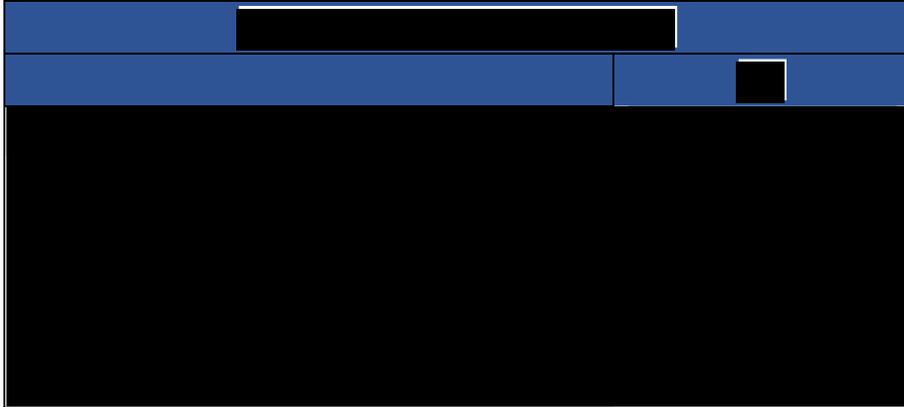
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

2. Solicitation Outreach and Bidder Response

2.1 Bidder Response to Solicitation

Not applicable for this report. Bidder Response to the RFA stage of the solicitation was addressed in previous Semi-Annual Reports. PG&E has not yet received responses to its RFP.

¹⁶ Revised post report end date to May 11, 2020



2.2 Bidder's Conference and Q&A

Table 11: Bidder Conferences	
RFP Bidder Conference Date	March 26, 2020
Number of RFP Attendees	62
Number of RFP Q&A Received	Q&A deadline 4/3/20

2.3 Solicitation Design Assessment

PG&E's Business Plan highlights the importance of achieving the California Long-Term Energy Efficiency Strategic Plan's goals related to new construction Zero Net Energy (ZNE) homes for all new single family and low-rise multifamily buildings in 2020 and 100 percent of new and 50 percent of existing commercial buildings be ZNE by 2030). The SWNC Solicitation Plan also supports these goals. The RFA successfully sought programs that help meet these objectives and further expanded these goals to focus on helping California achieve its overall carbon reduction goals by both directly reducing building energy use and guiding market trends in terms of design and construction practices and collecting data to advance new codes and standards. In the RFP, PG&E is including all-electric submissions to further meet decarbonization goals and to avoid natural gas infrastructure costs.

PG&E conducted the solicitation in accordance with the CPUC's Decision 18-01-004, which requires that utilities utilize a two-stage solicitation process (RFA followed by an RFP) for third-party programs. For the SWNC solicitation, the PRG and IEs have been active participants in all aspects of the process.

3. RFA and RFP Design Materials Assessment

3.1 RFA Design Requirements and Materials

Not applicable for this report. This was addressed in the previous Semi-Annual Report.

3.2 RFP Design Requirements and Materials



[Redacted]

3.3 Response to PRG and IE Advice

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual Report.

RFP

[Redacted]

4. Bid Evaluation Methodology Assessment

[Redacted]

4.1 Bid Screening Process

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual Report.

RFP

Since proposals are due on April 27, 2020, there has not been any screening of proposals during this reporting period.

4.2 Scoring Rubric Design

[Redacted]

Category		
Program Design	[Redacted]	[Redacted]
Program Benefits	[Redacted]	[Redacted]

Table 12: Scoring Rubric			
Category			
Program Feasibility			
Company Qualifications			



4.3 Evaluation Team Profile

RFA

The elements of this section were covered in the previous Semi-Annual Reports.

RFP



5. Response to PRG and IE Advice

The evaluation process has not yet occurred, so this will be addressed in the next Semi-Annual Report.

6. Final Bid Selection Assessment

The elements of this section are not applicable for this report. This will be covered in the next Semi-Annual Report.

7. Assessment of Selected Bids

The elements Assessment of this section are not applicable for this report. This will be covered in the next Semi-Annual Report.

8. Reasonableness of Contracting Process

Not applicable for this report. This will be covered in the next Semi-Annual Report.

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Local Government Partnerships Solicitation

Reporting Period: November 2019 through March 2020

Prepared by:

Don Arambula Consulting

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

LOCAL GOVERNMENT PARTNERSHIPS

1. Solicitation Overview

1.1 Overview

Scope

As part of PG&E's Local Government Partnership (LGP) solicitation, PG&E is seeking non-resource proposals to help support PG&E's cost-effective program portfolio and achieve portfolio goals and metrics. PG&E requests that bidders propose programs that contain non-resource activities and demonstrate support for electric and gas EE activities within PG&E's service territory. The annual budget for this LGP Program solicitation is not to exceed \$5 million per year, for a maximum three-year implementation period. Due to the nature of the targeted customer group for these non-resource services, PG&E expects to use the LGP's annual budget for multiple LGP Program contracts. Also, due to the nature of the solicitation scope, the bidder eligibility is open to existing lead local partners, PG&E local governments, PG&E public unified school districts, PG&E special district customers, and non-profit and public entities with established relationships with partnering local governments.

Objectives

PG&E requests that the bidder design a non-resource program that meets one or more of the following outcomes:

- Increasing the opportunities for customers to save energy in local public buildings, especially for those local governments that serve HTR and/or DAC customers.
- Increasing the opportunities to save energy for any HTR customers and/or customers in DAC through working with local governments.
- Improving local government staff capacity to conduct activities that will lead to energy efficiency for the local government and/or its communities.

PG&E encourages the bidder to design and propose innovative program designs, especially those that help support PG&E's overall portfolio need to reduce customer energy use. Bidders are instructed to specify how their proposed LGP Program activities will be measured and how program success will be determined.

1.2 Timing

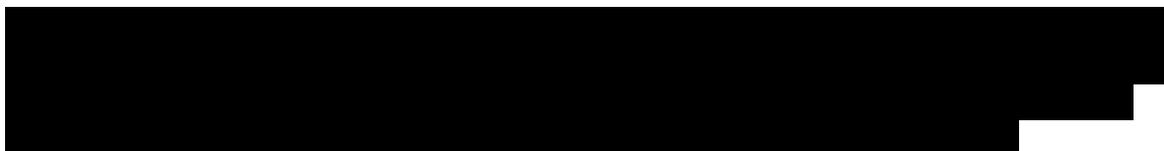
The LGP solicitation is an ad hoc solicitation that was not originally presented by PG&E's solicitation plans.¹⁷ The RFA was released in May 2019, and the RFP was released on November 4, 2019. Contract negotiations and contract execution began in Quarter 1 of 2020. The timing of

¹⁷ PG&E Third Party Solicitation Process Proposal, Appendix 2, August 2, 2017

these major milestones is consistent with the current Third Party Dynamic Schedule on the California Energy Efficiency Coordinating Committee (CAEECC) website.¹⁸ Table 13 presents a list of key solicitation milestones and expected completion dates. Unless otherwise noted, all milestone dates as of this Report were met or on schedule except for contract negotiations which are extended through May 2020.

Table 13: Key Milestones	
Milestones	Completion Date
RFA Stage	
RFA distributed to Bidders	May 23, 2019
Bidders Conference (webinar only)	June 5, 2019
Deadline to submit written questions to PG&E	June 7, 2019
PG&E Response to Bidder Questions	June 13, 2019
Abstract submissions due in PowerAdvocate	June 21, 2019
RFA selection and notification to Bidder advancing to RFP stage	July 31, 2019
RFP Stage	
RFP distributed to Bidders	November 4, 2019
Bidders Conference (optional, via webinar)	November 14, 2019
Deadline to submit written questions to PG&E	November 20, 2019
PG&E Response to Bidder Questions	November 26, 2019
Proposal submissions due in PowerAdvocate	December 20, 2019
Selections & Contracting Stage	
PG&E selection and notification to respondents	February 3, 2020
Contract negotiations	February–April 2020

1.3 Key Observations



¹⁸ [IOU Joint Solicitation Timeline, January 31, 2020](#)

Table 14: Key Issues and Observations

Topic	Observation	IE Recommendation(s)	Outcome (IOU Action/Response)
Bidder Eligibility	Initially, PG&E proposed to limit the eligibility of the solicitation to existing lead local partners.	Propose expanding the eligibility of the program solicitation to capture a wider pool of qualified bidders.	After discussions with IE and the CPUC’s Energy Division, PG&E expanded participation to include existing LGP implementers, all PG&E local governments, and any entity with an existing relationship with a local government.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
RFA Requirements	There is a significant effort by a bidder to respond to extensive RFA requirements. Also, too many RFA requirements tend to dilute IOU’s weighting among sub-criteria.	Setting forth reasonable abstract requirements allow the bidder to concisely present their program concept and the IOU to efficiently evaluate bids. Abstract requirements focused on only the most important program design elements should be the norm for all future solicitations.	PG&E, in collaboration with the IE, distilled the RFA requirements to essential items (e.g., program design and operations, experience, innovation/IDSM, expected outcomes).

Table 14: Key Issues and Observations			
Topic	Observation	IE Recommendation(s)	Outcome (IOU Action/Response)
Unique Terms & Conditions for Public Sector	In Decision 19-08-006, the CPUC directed the IOUs to include a specific set of standard and modifiable terms and conditions for local government implementers.	Future solicitations directed at the public sector should include the new CPUC local government standard and modifiable terms and conditions.	Incorporated into the LGP RFP.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

2. Solicitation Outreach and Bidder Response

2.1 Bidder Response to Solicitation

PG&E stated goal was to notify all potentially eligible bidders of the opportunity to participate in PG&E’s LGP solicitation. Prior to the release of the solicitation, PG&E program staff notified existing local government partners (aka, PG&E All Partners) of the upcoming event including the expected timing and general scope. This gave PG&E an early indication in the level of interest from the potential bidder pool in the upcoming solicitation and consider their concerns. PG&E also worked with Statewide EE Collaborative (SEEC)¹⁹, an industry group, to provide an announcement of the solicitation to its members. On May 9, 2019, PG&E released a Contract Opportunity Announcement (COA) that the solicitation would be open on May 23, 2019.

[REDACTED]

Table 15: Solicitation Response	
	[REDACTED]
Abstracts Expected	[REDACTED]
Abstracts Received	[REDACTED]
Abstracts Disqualified	[REDACTED]
Proposals Expected	[REDACTED]
Proposals Received	[REDACTED]

¹⁹ The Statewide Energy Efficiency Collaborative (SEEC) is an alliance between three statewide non-profit organizations and California’s four Investor-Owned Utilities. SEEC leverages the diverse expertise and resources of its implementing partners to meet evolving local government needs to save energy, reduce greenhouse gas emissions (GHG²), and accelerate climate action.

Table 15: Solicitation Response	
Proposals Disqualified	

2.2 Bidder’s Conference and Q&A

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual report.

RFP

PG&E held an RFP Bidders’ Conference on November 14, 2019. Invited bidders had ample time during the conference to ask questions. Bidders were also provided an opportunity after the conference to provide written questions. PG&E received 108 questions covering an array of topics including: role of local governments, budgets, subcontractors, overlap with other programs, fuel substitution, cost effectiveness, subcontractors, key performance indicators, terms and conditions, DBE preference, optional support services, and future local government-targeted resource program offerings. The IE was provided an opportunity to review PG&E’s draft response to each question prior to release to bidders. The responses were complete and accurate. PG&E provided responses to all bidder questions by November 26, 2019, which were within the acceptable timeframe recommended by the PRG.

Table 16: Bidder Conferences	
RFA Bidder Conference Date	June 5, 2019
No. of Attendees	Unknown (via WebEx)
No. of Q&A Received	73
RFP Bidder Conference Date	November 14, 2019
No. of Attendees	Unknown (via WebEx)
No. of Q&A Received	108

2.3 Solicitation Design Assessment

The solicitation design met PG&E’s intended need to have non-resource local government partnerships that directly support the increase in energy efficiency adoption in the public sector buildings as well as among local communities. PG&E’s Business Plan looks to:

“...empower customers with the expertise and tools they need to efficiently manage their energy use. Working with public sector customers will be crucial to meeting California’s ambitious energy goals. Not only can the public sector achieve significant energy savings through its own facilities and infrastructure, but these public sector customers are also leaders and influencers in their

*communities.*²⁰

The solicitation looks to reset the scope of prior local government partnerships by increasing the focus on increasing energy efficiency in public buildings. This scope clearly aligns directly with many of PG&E’s public sector metrics that look to achieve the same result.²¹

PG&E’s LGP solicitation conforms with the CPUC requirements for a competitive, two-stage solicitation with oversight from its PRG and active monitoring of all solicitation activities by the IE.

3. RFA and RFP Design and Materials Assessment

3.1 RFA Design Requirements and Materials

Not applicable for this report. This was addressed in the previous Semi-Annual report.

3.2 RFP Design Requirements and Materials

[REDACTED]

[REDACTED]

3.3 Response to PRG and IE Advice

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual report.

RFP

[REDACTED]

²⁰ PG&E Energy Efficiency Business Plan, 2018-2025, Chapter 4.A.

²¹ Decision 18-05-041, Attachment A, pp. A-4 and A-5.

4. Bid Evaluation Methodology Assessment

4.1 Bid Screening Process

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual report.

RFP

PG&E invited [REDACTED] bidders to the RFP stage. The IOU conducted a prescreening process to confirm each proposal was eligible to for further evaluation using the following criteria:

Eligibility Criterion 1: Participation in Previous RFA

To be eligible for this RFP, Bidders must have participated in the prior PG&E RFA and been notified that their Abstract was selected to advance to this RFP.

Eligibility Criterion 2: Local Government Relevance

This targeted solicitation for non-resource LGP Programs is limited to Bidders who are well positioned within or with relevant relationships or other access to local governments. Bidders must meet one of these three criteria, or their Proposals will not be scored:

- Existing lead local partners (LLP) of the current PG&E LGP Programs
- Local Governments
- Entities who have an existing relationship with local government(s) and who can leverage local government expertise, access and infrastructure to implement energy efficiency programs

Eligibility Criterion 3: Program Evaluation Contractors and Consultants

Pursuant to CPUC Decision 05-01-055 – Interim Opinion on the Administrative Structure for Energy Efficiency: Threshold Issues, program evaluation, measurement and verification (EM&V), activities must be transparent and independent to support sound Commission decision-making and portfolio administration. The EM&V structure must be shielded from potential conflicts of interest to ensure independence and transparency of the evaluation process.

Allowing EM&V consultants (or their firms) who perform program and portfolio impact-related studies to also be involved in LGP Program delivery creates a conflict-of-interest. To address this conflict-of-interest, EM&V consultants (or their firms) that perform program and portfolio impact-related studies in California are prohibited from also participating in this RFP. Any business entity that is a Bidder in this solicitation process and also affiliated with an EM&V consultant (or their firms) performing load impact studies, must demonstrate how both their business entities are clearly demarcated. The Bidder must describe all established firewalls and any other protections in place to ensure separation and effectively mitigate any perceived or potential conflict-of-interest for their

Proposal to be considered for evaluation. A current list of impact evaluation contractors and subcontractors is at: <http://www.cpuc.ca.gov/eevalidation/>

Eligibility Criterion 4: IOU Affiliates

CPUC Decision 05-01-055 prohibits any transaction between a California Investor Owned Utility (IOU) and any program implementer for EE that is a California affiliate of an IOU.²² All Bidders must acknowledge that they are not an affiliate of any IOU. Such disclosure will be included in the response hereto. Failure to accurately respond will result in immediate rejection and disqualification from this RFP.

Eligibility Criterion 5: Consistency with RFA Scope

Bidders must submit a Proposal that substantively aligns with the program design described in their Abstract submitted in the Stage-1 RFA solicitation process. The RFA evaluation of the Bidder's Abstract is the basis for PG&E enabling a Bidder to advance to later stages of this RFP solicitation process, and continuity between the Abstract and the Proposal is required. Bidders are encouraged to elaborate and improve upon their Abstract without changing the main features of their program design. Proposals that fail to maintain consistency with the Abstract that was originally proposed in the RFA stage will not be considered for further evaluation in the RFP.

Bidders proposing changes to key program design characteristics submitted in their Abstract are required to clearly identify and explain the purpose of the change within their narrative Proposal. Examples of key program characteristics include:

- program theory, including market channel, strategies and expected outputs and outcomes;
- customer sizes, sectors and segments targeted;
- geographies and customer sizes served; or
- changes of non-resource program elements that support energy savings acquisition.

4.2 Scoring Rubric Design

RFA

Not applicable for this report. This was addressed in the previous Semi-Annual report.

RFP

²² D.05-01-055, OP 2, "As discussed in this decision, transactions between the IOUs and any program implementer that is an affiliate of PG&E, SCE, SDG&E or SoCalGas are prohibited, without exception. This ban becomes effective for the 2006 program year and beyond."

Table 17: RFP Scoring Rubric	
Category	
Program Design & Innovation	
Program Feasibility	
Cost & Performance	
Team Experience & Qualifications	
Supply Mgmt.	

[Redacted]

4.3 [Redacted]

RFA and RFP

[Redacted]

[Redacted]

[Redacted]					

5. Response to PRG and IE Advice

RFA and RFP

[Redacted]

6. Final Bid Selection Assessment

6.1 Conformance with Established Evaluation Processes

Overview

[Redacted]

RFA

[Redacted]

[Redacted]

[Redacted]

Overall, PG&E implementation of the LGP solicitation was sound and reasonable and resulted in the selection that received the highest scores.

The IOU presented its RFP final selections to the PRG during the monthly PRG meetings. For the RFP stages, the IOU discussed its rationale of its selection and the IE confirmed that it had monitored all aspects of the evaluation process including attending PG&E's calibration and shortlist meetings.

6.2 Management of Deficient Bids

PG&E did not receive any deficient bids as part of the LGP RFA or RFP stages.

6.3 Shortlist and Final Selections

Not applicable to this reporting period.

6.4 Affiliate Bids and Conflict of Interest

The CPUC, in Decision 05-01-055, prohibits any transaction between a California IOU and any program implementer for EE that is a California affiliate of an IOU. PG&E required all bidders to acknowledge that they are not an affiliate of any IOU. There was no instance where a California IOU affiliate participated as a bidder in the solicitation.

Additionally, as part of PG&E's evaluation team instructions, PG&E directed each team member to identify any potential conflicts of interests with participating bidders. None were identified as part of this solicitation.

7. Assessment of Selected Bids

Not applicable to this reporting period.

8. Reasonableness of Contracting Process

Not applicable to this reporting period.

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Statewide Codes and Standards Solicitation

Reporting Period: November 2019 through March 2020

Prepared by:
Barakat Consulting, Inc

May 29, 2020

Disclaimer: This report includes highly sensitive and confidential information.

STATEWIDE CODES AND STANDARDS

1. Solicitation overview

1.1 Overview

The Statewide Codes and Standards (C&S) Program, funded by the California's IOUs including PG&E, SDG&E, SoCalGas, and SCE, saves energy on behalf of IOU ratepayers by directly influencing standards and code-setting bodies to strengthen energy efficiency regulations. California has ambitious state policy goals that include doubling cost-effective energy efficiency savings in electricity and natural gas end uses by 2030 (Senate Bill 350), Zero Net Energy (ZNE) for new and existing buildings, as well as longer-term greenhouse gas (GHG) objectives (Senate Bill 32). To achieve these goals, the state of California must increase energy savings and change the way it uses resources. Past Statewide C&S program efforts have delivered substantial cost-effective energy savings and program administrators envision continuing and refining these activities to maximize energy savings.

There are three advocacy subprograms that have been conducted by contractors on a time and materials basis under the direction of the Program Manager:

- 1) Title 24 building codes advocacy
- 2) Title 20 state appliance standards advocacy and
- 3) Federal codes & standards.

The Title 24 building code contracts were bid out in November 2018 to meet the California Energy Commission's Title 24 schedule that began in January 2019. In 2018 PG&E signed Title 24 Contracts with Cohen Ventures Inc (Energy Solutions), Evergreen Economics Inc, Franklin Energy, Frontier Energy Inc, McHugh Energy Consultants Inc., TRC Solutions Inc. and UC Davis.

The Title 20 state appliance standards advocacy and Federal codes & standards advocacy were bid out at the same time in 2019 as a part of the new solicitation process.

Scope

The purpose of the Statewide C&S program solicitation was to select third-party program implementer bidders to design and deliver the Statewide C&S Program that:

- provides C&S Appliance Standard advocacy;
- develops C&S Enhancement (CASE) studies; and
- provides assistance and guidance in preparing comment letters to influence appliance standards and test procedures at the state and national levels (e.g., the California Energy Commission's (CEC) Order Instituting Rulemaking for Title 20 Appliance Standards and the US Department of Energy's (DOE) ongoing rulemaking for Federal Appliance Standards).

The scope of solicitation included three roles: 1) a Project C&S Coordinator, 2) a Federal C&S Appliance Consultant, and 3) a State C&S Appliance Consultant. The desired outcomes included the following:

- 1) Pool of qualified implementers for the State and Federal Appliance Standards Advocacy subprograms that can successfully advocate for the CA ratepayer interests
- 2) Skillful coordinator who can maintain a database of deliverables and support coordination between the advocacy implementers
- 3) Solicitation completed in sufficient time to begin work on the upcoming CEC Order Instituting Rulemaking (OIR), released in fall of 2019

Budgets for the various consulting opportunities as defined in the RFP were very broad as shown in the table below:

Table 19: Solicitation Budgets	
Range	Contracting Target (3-Year Total)
High End of Range	\$15.0 million
Low End of Range	\$0.5 million

Objectives

The C&S Appliance Standard Advocacy activities influence appliance standards and test procedures at the state and national levels. The advocacy process is complex and will require careful planning and project management. Consistent with the current approach to the C&S efforts, the three contracting opportunities available for bidders through the combined C&S solicitation would be conducted by selected consultants on a time and materials basis.

Descriptions of the three roles requested in the RFP are discussed in more detail in the table and descriptions below.

Table 20: RFP Roles	
RFP Defined 3 C&S Consulting Opportunities	
Program Coordinator	Overarching consultant (1) who manages the deadlines, maintains subprogram deliverables, ensures consistent tone and supports IOU staff positions and questions.
Federal Advocacy Subprogram Support	Consultants to conduct research, analysis, write comment letters and coordinate with other stakeholders in the federal appliance standards work.
State Advocacy Subprogram Support	Consultants to conduct research, analysis, write Codes & Standards Enhancement Studies (CASE Studies) and coordinate with other stakeholders as appropriate in the California Energy Commission (CEC) Title 20 process.

Project Coordinator Role

The role of the Project Coordinator is to connect, assemble and lead the coordination of the various C&S project teams (Project Teams) in advocacy efforts for appliances. Project Teams include subject matter experts that are adept in understanding specific appliance categories for both residential and non-residential areas. The Program Coordinator may need to assemble and outsource to additional experts in niche areas in order to acquire additional expertise in areas such as, lighting and controls, HVAC, white goods or high-tech products to fulfil the work scope of a Project Team. The Program Coordinator will also assist PG&E (who retains the role of Program Manager in this program) in supporting and developing effective and efficient C&S activities and advocacy efforts to meet the IOU's needs; such as:

- Tracking Project Teams progress to meet work scope milestones, identifying issues that could impact C&S project outcomes (e.g., red flag items such as schedule delays, changes in scope, etc.) and help to resolve open issues as they arise and as requested;
- Ensuring that C&S work is not duplicated by various Project Teams working on different advocacy efforts;
- Leveraging all Project Teams C&S research and projects to ensure they align and are consistent, despite being developed by different entities and do not conflict in their recommendations;
- Providing IOUs with consistent appliance standard guidance and instructions related to deliverables, schedules, meeting preparation and participation, and communications protocols amongst IOU staff and external stakeholders, etc. This includes dissemination of report templates, methodologies for technical analyses, and data used in all C&S reports produced;
- Coordinating reviews with the other IOUs concerning the deliverables from all Project Teams;
- Maintaining online collaboration and file sharing tools amongst the IOUs and various Project Team members and others (as determined by PG&E Project Manager) to enable sharing and accessing files related to the C&S appliance advocacy efforts;
- Ensuring the C&S advocacy efforts utilize a consistent and appropriate tone, messaging, branding, style, use of IOU names and logos, etc.;
- Assist the PG&E Project Manager with coordinating with other IOU teams outside of C&S working on projects related to or impacted by appliance advocacy efforts;
- Coordinating with the other IOU C&S teams;
- Collect the Code Change Theory Reports (CCTRs) from the other implementers and maintain a database of the CCTRs to support future evaluations;

- Assisting the PG&E Project Manager with maintaining communication with the Energy Commission’s Appliance Standards, The DOE Appliance Standards and EPA Energy Star Offices (Regulatory Stakeholders) which may include developing agendas and notes for regularly-scheduled calls with Regulatory stakeholders and ensuring that key information and guidance from Regulatory Stakeholders is disseminated to all Project Teams in an effective and efficient manner; and
- Working with Project Teams to ensure that the necessary data is collected to complete the required information for the CPUC C&S Program evaluations.

Federal Consultant Role

The C&S advocacy process to support Federal appliance standards is complex and requires careful planning and project management to ensure success in assisting the CEC, DOE, Energy Star, and Federal Trade Commission (FTC) Notice and Comment Rulemakings, and DOE Appliance Standards Rulemaking Federal Advisory Committee (ASRAC) negotiations and regulatory process. The successful Bidder will need to assemble a team of subject matter experts who can rapidly assess and respond to DOE staff and other stakeholder proposals and issues.

The C&S Federal Consultant shall work under the direction of the PG&E Project Manager with guidance from a PG&E selected Program Coordinator and the other IOU’s C&S Team. The Federal Consultant will be required to assemble a Project Team as listed below and may require additional experts that are adept in the issues involving individual federal rulemakings, or other specific matters required for the applicable C&S work to be successful. The C&S Federal Project Team shall consist of and have the following expertise:

1. Federal C&S Project Coordination
2. Rulemaking Research and Development
3. Support during the Rulemaking Process
4. Support during the Post-Rulemaking Process
5. Federal C&S Project Reporting and CCTRS

PG&E will require the services of the Federal Consultant on an ongoing and as needed basis, perform work, complete tasks, produce deliverables with associated due dates as mutually agreed in an issued written scope of work. The Federal Consultant work requirements and schedule will be largely driven by the Federal Appliance Standard Rulemakings, which is subject to change.

State Consultant Role

The C&S State Consultant will be required to assemble a team of subject matter experts to provide responses, further advocacy efforts that will maximize cost-effective energy savings, technically feasible and available in the appliance market. Under the direction of PG&E, the State Consultant will assist in the development of CASE proposals to provide information for the Energy Commission to make informed policy decisions on efficiency enhancements to Title 20 Appliance

EE Standards and participation in public rulemaking processes for California’s Title 20 rulemaking cycle.

C&S State Consultant shall work under the direction of the PG&E Project Manager with guidance from the PG&E selected Program Coordinator and the other IOU’s C&S Team. The State Consultant will be required to assemble a Project Team that is adept in the CASE measures as listed below. The State Consultant and may also be required to retain additional experts to address specific requirements for an individual specific CASE measure. The State C&S Project Team shall consist of and will require the following expertise:

1. State C&S Project Coordination
2. CASE Research and Development
3. Support during the Pre-rulemaking and Rulemaking Process
4. Support during the Post-rulemaking Process
5. State C&S Project Reporting and CCTRs

PG&E will require the services of the State Consultant on an ongoing and as needed basis, to perform work, complete tasks, produce deliverables with associated due dates as mutually agreed in an issued written scope of work. The State Consultant work requirements and schedule will be largely driven by the Energy Commission Title 20 Standards schedule and its updated schedule, which is subject to change.

1.2 Timing

The timing of the solicitation was moved up based on the need to have contracts in place in January 2020 to support the CEC’s code cycle updates.²³ Due to the time constraints, it was not practical to go through a two-stage solicitation process, so there was only one stage (RFP) solicitation.²⁴ There was a reasonable amount of time given for bidders to respond and for the PG&E team and IE to score the proposals once received. Table 21 shows Key Milestones for the solicitation.

²³ The 2019 Title 24, Part 6 and Part 11 Standards were formally adopted by the Building Standards Commission in a formal hearing on December 5, 2018. The standards went into effect on January 1, 2020.

²⁴ D.18-01-004, COL 5, states: “All utilities should utilize a two-stage solicitation process for third party programs unless there is a specific schedule-related reason only one stage is possible.”

Table 21: Key Milestones	
Milestones	Completion Date
RFP Release	September 9, 2019
Bidders Conference	September 16, 2019
Proposals Submitted	October 7, 2019
Scoring	October 25, 2019
Calibration	October 29, 2019
Shortlisting	November 26, 2019
Contract Negotiations	January 2020
Contracts in Place	Jan- Mar 2020

[REDACTED]

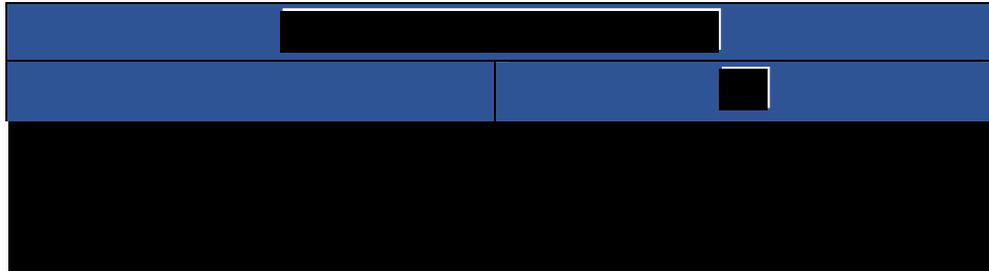
[REDACTED]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

2. Solicitation Outreach and Bidder Response

2.1 Bidder Response to Solicitation

PG&E used traditional outreach platforms, its own and CAEECC websites and relevant CPUC mailing lists to cast a wide net for the RFP. However, given the nature of the program and the small number of firms with the appropriate qualifications who do not have conflicts with the work, the utility did not anticipate many bidders for this program solicitation.



2.2 Bidder's Conference and Q&A

The Bidders' conference was held on September 17, 2019 via webinar. PG&E requested IE feedback on the Bidders' conference presentation and the feedback was incorporated into the final slide deck. Two bidder questions were received after the conference that related to potential conflicts of interest and subcontractors' role. PG&E responded promptly to these questions.

	No./Date
Bidder Conference Date	September 16, 2019
No. of Attendees	Unknown – via Webinar
No. of Q&A Received	None during the Webinar and two questions following

2.3 Solicitation Design Assessment

PG&E's Business Plan highlights the importance of achieving the California Long Term Energy Efficiency Strategic Plan's goals related to codes and standards. The Solicitation Plan also supports these goals. The RFP appropriately sought programs designed to deliver advocacy efforts that advance new codes and standards at the State and Federal levels.

PG&E conducted the solicitation in accordance with Decision 18-01-004. Consistent with this Decision, the IOU conducted a one-stage solicitation process due to the need to have program implementers in place to timely support upcoming codes and standards updates.²⁵ PG&E consulted with the PRG and IE prior to implementing a one-stage solicitation. The PRG and IEs

²⁵ Id.

actively monitored all aspects of the solicitation.

3. RFP Design and Materials Assessment

3.1 RFA Design Requirements and Materials

Not applicable. The Statewide Codes & Standards solicitation went straight to RFP stage.

3.2 RFP Design Requirements and Materials

The IE closely coordinated and advised PG&E on several versions of the RFP materials. Overall, the process was transparent, and the IE and PG&E staff were very engaged with PG&E being very responsive to IE input. Discussions were robust and informative and as a result, the IE saw definite improvements in the overall approach and in the documents that were provided to bidders for this solicitation.

3.3 Response to PRG and IE Advice

RFA

Not applicable for this solicitation.

RFP

[REDACTED]

4. Bid Evaluation [REDACTED] logy Assessment

4.1 Bid Screening Process

PG&E's process and checklist for screening bids was fair and the information clearly presented.

4.2 Scoring Rubric Design

[REDACTED]

Table 25: Scoring Rubric	
Category	[REDACTED]
Program Design	[REDACTED]
Program Innovation	[REDACTED]
Program Management	[REDACTED]
Compensation & Performance	[REDACTED]
Implementer Qualifications	[REDACTED]
Experience	[REDACTED]
Supply Chain Responsibility	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4.3 [REDACTED]

[REDACTED]

[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

5. Response to PRG and IE Advice

PG&E thoughtfully considered, adopted and responded to PRG and IE advice, questions and concerns throughout the process.

6. Final Bid Selection Assessment

The IOU's bid ranking and selection process was applied fairly and consistently in the RFP selections. [REDACTED]

6.1 Conformance with Established Evaluation Processes

The IOU conducted its evaluation in conformance with its established scoring criteria and process for the RFP. There were no non-conforming bids submitted.

6.2 Management of Deficient Bids

There were no deficient bids identified by PG&E. [REDACTED]

6.3 Shortlist and Final Selections

a. Conformance with Established Evaluation Processes

[REDACTED]

Final bidders and contract amounts are shown in the table below. Contract terms are through December 31, 2022.

Table 27: Final Contract Awards			
Role	[REDACTED]	[REDACTED]	Date Executed
Coordinator	[REDACTED]	[REDACTED]	March 12, 2020
Title 20 Consultant	[REDACTED]	[REDACTED]	February 4, 2020
Federal Consultant	[REDACTED]	[REDACTED]	January 29, 2020
Title 20 Consultant	[REDACTED]	[REDACTED]	February 11, 2020

Table 27: Final Contract Awards			
Role	[REDACTED]	[REDACTED]	Date Executed
Federal Consultant	[REDACTED]	[REDACTED]	February 11, 2020

[REDACTED]

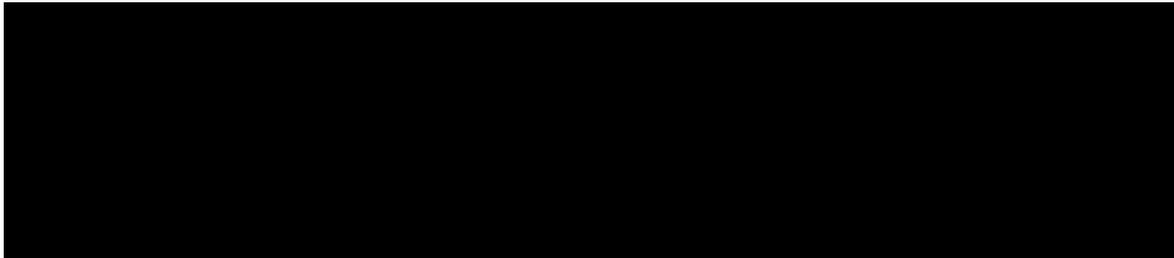
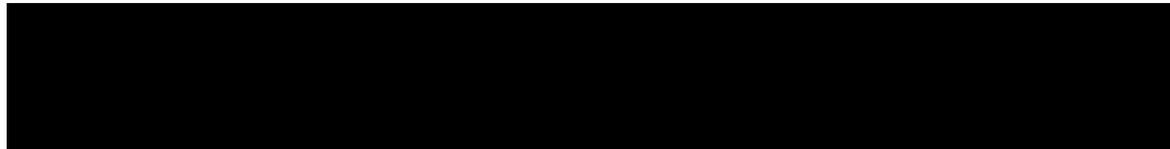
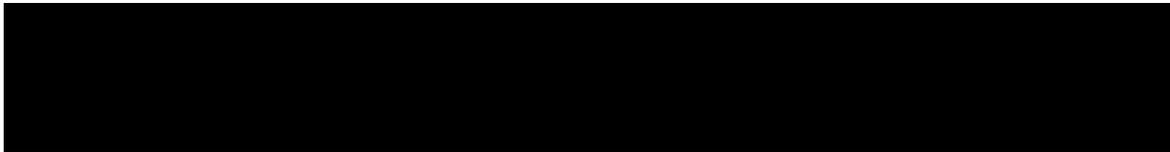
b. Portfolio Fit

The program addresses the portfolio needs by meeting the requirements of the C&S program for Federal and state appliance standards. In contrast to resource programs, where there is often more of a challenge finding the right overall program fit as it relates to customer and portfolio needs, the clearly-defined C&S program objectives avoid such challenges. In addition, if needs of the C&S program change during the term of the three-year contract, the IOU can adjust consulting directives to make timely appropriate adjustments within the contract scope. Given the impacts of C&S changes in many other programs within the portfolio, it is expected that there will be future input and collaboration and data gathering related to C&S from local and statewide programs, including Statewide Plug and Load Appliances, Statewide Midstream, HVAC, Statewide Lighting and Statewide New Construction offerings.

c. Response to PRG and IE Advice

[REDACTED]

[REDACTED]



7. Assessment of Selected Bids

PG&E was consistent and reasonable with their choices. All of the bidders were well qualified for the work and were appropriately moved to contracting. All proposals complied with the PG&E solicitation requirements and were consistent with defined scope of work. No proposals were rejected.

7.1 Bid Selections Respond to Portfolio Needs

The selected programs meet the collective IOUs' need for a Statewide C&S program to implement the C&S appliance standard advocacy activities that are intended to influence appliance standards and test procedures at the state and national levels. The three programs selected fulfill two CPUC directives for PG&E: (1) to administer the Statewide C&S program on behalf of all California IOUs and (2) to select, through a competitive solicitation, third party program implementers to propose, design and implement EE programs.

In addition to the CPUC directives, California recently adopted multiple goals, such as Senate Bill 1477 and Assembly Bill 3232, that are focused on increasing EE to meet the ambitious state climate goals. All future codes and standards must also align with these laws. The selected Statewide C&S programs directly support these policy objectives.

7.2 Bid Selections Provide Best Overall Value to Ratepayers

[REDACTED]

8. Reasonableness of Contracting Process

8.1 Collaboration on Final Program Design and Scope

Final program design and scope of work was very straight forward given the nature of this work [REDACTED] No changes were made to the program design or scope by either PG&E or the bidders during contract negotiations. [REDACTED]

The program's draft Implementation Plan will be submitted by the bidders to PG&E in April 2020. We are following up with PG&E on plans to hold a public workshop or alternative forum to present the draft implementation plan. Within 60 days after final contract execution (March 12, 2020), PG&E plans to upload the final IP. The IE will monitor the development of the draft IP, the public workshop, and confirm to the PRG the final IP was uploaded to the CPUC's CEDARS within 60 days of the final contract execution.

8.2 Fairness of Negotiations

PG&E's contract negotiations were conducted fairly. [REDACTED]

[REDACTED]

8.3 Changes to Contract Terms & Conditions

During January 2020, PG&E held contract negotiations with the selected bidders which included a

review and exchange of draft contracts. [REDACTED]
[REDACTED] The IE monitored all exchanges among the contracting parties throughout the negotiation process.

[REDACTED]

[REDACTED]

[REDACTED]

8.4 Conformance with CPUC Policies and Objectives

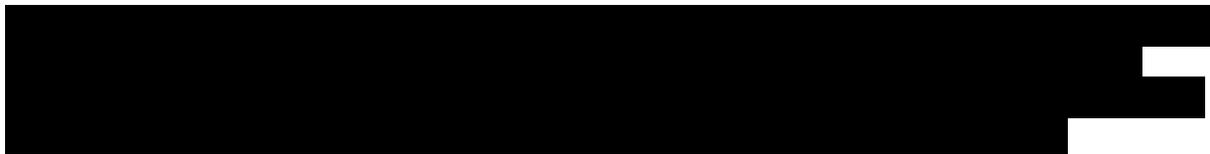
[REDACTED]

[REDACTED]

²⁶ D.18-10-008, OP 7 states “The utility program administrators (Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, Southern California Gas Company) shall, and other program administrators may, include as modifiable or negotiable contract terms for third parties bidding to design and/or deliver energy efficiency programs under the energy efficiency rolling portfolio, as required by Decision 18-01-004, the terms included in Attachment B to this decision. Other negotiable contract terms may also be included, but those in Attachment B are required as the starting point for negotiations. The modifiable terms in Attachment B to this decision and any others put forward by the utilities may only be modified by mutual agreement between the utility program administrator and the third-party bidder.” [Emphasis Added]

²⁷ Id.

²⁸ D.18-01-004, OP 5.d states “An individual report on the solicitation process resulting in any contract award valued at \$5 million or greater and/or with a contract term of longer than three years, to be submitted along with the Tier 2 advice letter seeking Commission review of such contracts.”




Innovation

Innovation as it relates to the Codes & Standards Program is different from other non-resource and resource programs. The RFP that proposals demonstrate the bidder's ability to provide innovative strategies in responding to rulemakings. To demonstrate a proposed response is innovative, the RFP asked the bidder to include in its proposal:

- A clear and concise rationale for why updated or re-designed data collection strategies, or modified outreach approaches (including using new relationships or partnerships) would yield better results than previous responses;
- A high-level analysis showing how the innovative approach will yield better results beyond existing strategies; and
- Metrics to track progress.

Innovative aspects of the adopted proposals included:

- Innovative approaches to data collection including primary data collection approaches and web-scraping
- Supporting rulemakings with legal consulting to address significant legal questions
- Providing a strategic lead to support all areas of rulemakings
- Strong and innovative outreach and stakeholder engagement approaches including digital and in-person strategies

Contract Completion

It was originally expected that all contracts would be executed by January 2020 to keep the process on track to meeting the Codes & Standards deadlines related to the consulting efforts that are aligned with supporting the CEC's codes cycle updates. Contracts were signed between late January and mid-March 2020. The timing has not negatively affected the program nor its support for the upcoming code changes.

8.5

[Redacted text block]

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Statewide Workforce Education and Training: Career Connections (K-12)

Reporting Period: November 2019 through March 2020

Prepared by:
Great Work Energy

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

WORKFORCE EDUCATION & TRAINING: CAREER CONNECTIONS K-12

1. Solicitation Overview

1.1 Objectives

Scope

Bidders will design and propose to implement a statewide, non-resource WE&T Career Connections (CC) program that imparts knowledge of energy and sustainability fundamentals and awareness of career pathways among K-12 students. While not solely focused on disadvantaged communities, CC drives long term change by prioritizing schools with student populations that are predominantly disadvantaged and hard to reach. The annual budget available for this statewide CC program solicitation is approximately \$1 million per year, for a three-year program implementation period.

Objectives

Bidders are requested to employ innovative approaches and strategies in order to achieve program outcomes including:

- Students learn about energy, EE, demand response (DR), and distributed generation (DG) fundamentals;
- Students are prepared for EE post-secondary education and career pathways;
- Students are provided with hands-on EE, DR and DG career experiences;
- Teachers are provided with EE, DR and DG educational resources;
- Students in disadvantaged schools are prioritized;
- Formal partnerships are established between teachers/schools and organizations that serve K-12 teachers and students and these support efforts to build energy and EE career pathways.

1.2 Timing

Timing of the key milestones throughout the solicitation process is in alignment with PRG Solicitation Guidelines and is consistent with the shared IOU Dynamic Schedule that is posted on PEPMA and linked through CAEECC.

The WE&T solicitation schedule has been designed to minimize downtime between the RFA and RFP stages in order to reduce the total time needed to complete the entire solicitation process.

As PG&E prepared to launch the RFA in March 2020, the coronavirus pandemic had begun to impact lives and work. In an attempt to accommodate these unique circumstances, PG&E increased the bidder response time for the RFA. With minor reductions in the amount of time scheduled for their own review steps, PG&E was able to make this change without impacting the overall solicitation schedule.

PG&E will be monitoring registrations in PowerAdvocate and participation in the Bidder’s Conference in order to ensure that there is sufficient participation to continue the solicitation, or if delays are warranted. Despite the uncertainty of current circumstances, PG&E is still attempting to execute a streamlined solicitation schedule and minimize gaps in progress between solicitation stages, as demonstrated in the table below.

Table 28: Key Milestones	
Milestones	Expected Completion Date
RFA Stage	
RFA distributed to Bidders	April 6, 2020
Abstract submissions due	May 15, 2020
Notification to Bidders of advancement to RFP stage	July 6, 2020
RFP Stage	
RFP distributed to Bidders	July 6, 2020
Proposal submissions due	August 14, 2020
Notification to Bidders of advancement to negotiations	October 2, 2020
Negotiations & Contracting Stage	
Contract negotiation and development	November 13, 2020
Final award, contract signed	December 22, 2020
Submit Advice Letter (if applicable)	December 30, 2020

1.3 Key Observations

Great Work Energy did not observe any emerging issues, challenges or unaddressed opportunities during the reporting period. The solicitation was pre-RFA publication during this time, and activity was solely focused on RFA design and development of materials, which is addressed below. The WE&T team at PG&E have been highly engaged in all planning and development of materials to date and they have coordinated effectively with their peers at the other IOUs during the solicitation development process for this statewide program. All involved appear to be aligned on the RFA’s scope and PG&E’s approach to the solicitation.

2. Solicitation Outreach and Bidder Response

2.1 Bidder Response to Solicitation

Bidder Outreach

The Career Connections program is fairly specialized, requiring expertise in K-12 educational practices and standards as well as energy efficiency. [REDACTED]

PG&E applied their standard outreach practices, including publishing the solicitation and all associated materials on the PG&E solicitations webpage and in PowerAdvocate. PowerAdvocate will be used for communications with all registered bidders going forward. PG&E also routes all solicitation notices out to a service list through their Supplier Diversity department.

WE&T staff worked with their peers from the other IOUs to develop a list of WE&T-specific organizations and contacts who received email notification about the RFA from PG&E Sourcing. The list included both organizations that might be potential bidders as well as entities that can further distribute information about the solicitation to potential bidders.

Finally, while not as specifically targeted as the WE&T list, PG&E also sent out notice of the solicitation to a CPUC service list with fairly wide distribution.

2.2 Bidders' Conference and Q&A

The bidders conference is scheduled for April 17, 2020 and will be reported on in the next Report.

2.3 Solicitation Design Assessment

The solicitation has been designed to effectively source a statewide Career Connections program that will meet the needs laid out in PG&E's approved Business Plan and contribute to meeting WE&T overarching goals and metrics.

As planned and executed to date, the solicitation process will be conducted using a two-stage RFA/RFP process and allowing IE/PRG oversight of all aspects of the solicitation. [REDACTED]

3. RFA Design and Materials Assessment

3.1 RFA Design Requirements and Materials

RFA documents were thoughtfully designed to strike an appropriate balance of gathering information that is essential for assessing abstracts, while not requesting any of the more detailed information that will be needed at the RFP stage. In addition to covering critical policy context, program scope and instructions for participation, the General Instructions provide bidders with

insight into future requirements and long-term objectives of the solicitation, to inform their design of an effective program that can ultimately be successful in the solicitation. [REDACTED]

3.2 Response to PRG and IE Advice

The IE, PRG and the other IOUs provided feedback and advice, which was incorporated as appropriate into the final RFA design and materials. There were no areas of disagreement, and PG&E adopted all recommendations.

4. Bid Evaluation Methodology Assessment

4.1 Bid Screening Process

The RFA states that abstracts will be disqualified for failure to comply with RFA instructions including, but not limited to:

- The abstract is substantively incomplete, does not follow formatting requirements or exceeds length limitations;
- The Abstract is not responsive to the objectives and requirements of this RFA;
- PG&E determines that a conflict of interest exists.

PG&E's process for abstract screening and outcomes of that process will be reported in the next Semi-Annual Report.

4.2 Scoring Rubric Design

[REDACTED]

Table 29: Scoring Rubric (RFA)

Tier 1 Criteria	Tier 2 Criteria	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Program Concept	Alignment with Scope	[REDACTED]			
	Program Design				
	Innovation				
Organization, Experience, and Qualifications	Team Composition and Responsibilities				
	Prior Program Implementation Experience				
Cost	Program Budget				
	Payment Structure				

Scoring criteria and weightings proposed effectively meet the IOU's needs for this stage of the CC solicitation and are well-aligned with PRG Guidelines for RFAs and CPUC direction regarding third-party programs. To retain the spirit and intent of the two-stage solicitation process,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Energy Efficiency Independent Evaluators' Semi-Annual Report on the

Statewide Workforce Education and Training: Career and Workforce Readiness Solicitation

Reporting Period: November 2019 through March 2020

Prepared by:
Great Work Energy

June 30, 2020

Disclaimer: This report includes highly sensitive and confidential information.

WORKFORCE EDUCATION & TRAINING: CAREER AND WORKFORCE READINESS

1. Solicitation overview

1.1 Scope and Objectives

Scope

Bidders will design and propose to implement a statewide, non-resource WE&T Career and Workforce Readiness (CWR) program that provide disadvantaged workers in the California IOU service territories with support services and technical training to enter the EE workforce. Successful CWR program(s) resulting from the solicitation will partner with and leverage the efforts of workforce development organizations for social services and non-EE skills training. The annual budget available for this statewide CWR program solicitation is approximately \$2 million per year, for a three-year program implementation period.

Objectives

Bidders are requested to employ innovative approaches and strategies in order to achieve program outcomes including:

- Targeted participants are disadvantaged workers;
- Participants learn about EE best practices that they will use on the job;
- Participants become aware of EE/energy education and career pathways;
- Participants are placed in jobs where:
 - The employer is undertaking energy efficiency work and/or energy efficiency projects,
 - The participant applies their EE training within the first 6 months, and
- Participants remain employed for at least 12 months;
- Workforce training programs introduce/expand EE content for their students;
- Partnering workforce development organizations' goals are met/supported;
- New collaborations are established between EE technical training organizations and organizations that provide case management and job placement services;
- Training provided is relevant, timely and practical for both current and near future industry needs;

- Participant awareness of and preparation for emerging opportunities in a more integrated industry.

1.2 Timing

Timing of the key milestones throughout the solicitation process is in alignment with PRG Solicitation Guidelines and is consistent with the shared IOU Dynamic Schedule that is posted on PEPMA and linked through CAEECC.

The WE&T solicitation schedule has been designed to minimize downtime between the RFA and RFP stages in order to reduce the total time needed to complete the entire solicitation process.

As PG&E prepared to launch the RFA in March 2020, the coronavirus pandemic had begun to impact lives and work. In an attempt to accommodate these unique circumstances, PG&E increased the bidder response time for the RFA. With minor reductions in the amount of time scheduled for their own review steps, PG&E was able to make this change without impacting the overall solicitation schedule.

PG&E will be monitoring registrations in PowerAdvocate and participation in the Bidder's Conference in order to ensure that there is sufficient participation to continue the solicitation, or if delays are warranted. Despite the uncertainty of current circumstances, PG&E is still attempting to execute a streamlined solicitation schedule and minimize gaps in progress between solicitation stages, as demonstrated in the table below.

Table 30: Key Milestones	
Milestones	Expected Completion Date
RFA Stage	
RFA distributed to Bidders	April 6, 2020
Abstract submissions due	May 15, 2020
Notification to Bidders of advancement to RFP stage	July 6, 2020
RFP Stage	
RFP distributed to Bidders	July 6, 2020
Proposal submissions due	August 14, 2020
Notification to Bidders of advancement to negotiations	October 2, 2020
Negotiations & Contracting Stage	
Contract negotiation and development	November 13, 2020
Final award, contract signed	December 22, 2020
Submit Advice Letter (if applicable)	December 30, 2020

1.3 Key Observations

Great Work Energy did not observe any emerging issues, challenges or unaddressed opportunities during the reporting period. The solicitation was pre-RFA publication during this time, and activity was solely focused on RFA design and development of materials, which is addressed below. The WE&T team at PG&E have been highly engaged in all planning and development of materials to date and they have coordinated effectively with their peers at the other IOUs during the solicitation development process for this statewide program. All involved appear to be aligned on the RFA's scope and PG&E's approach to the solicitation.

2. Solicitation Outreach and Bidder Response

2.1 Bidder Response to Solicitation

Bidder Outreach

The CWR program is fairly specialized. In addition to providing energy education and job placement for disadvantaged workers, CWR is intended to leverage and engage workforce development partners who may not be aware of EE solicitation opportunities. [REDACTED]

PG&E applied their standard outreach practices, including publishing the solicitation and all associated materials on the PG&E solicitations webpage and in PowerAdvocate. PowerAdvocate will be used for communications with all registered bidders going forward. PG&E also routes all solicitation notices out to a service list through their Supplier Diversity department.

WE&T staff worked with their peers from the other IOUs to develop a list of WE&T-specific organizations and contacts who received email notification about the RFA from PG&E Sourcing. The list included both organizations that might be potential bidders as well as entities that can further distribute information about the solicitation to potential bidders.

Finally, while not as specifically targeted as the WE&T list, PG&E also sent out notice of the solicitation to a CPUC service list with fairly wide distribution.

2.2 Bidders' Conference and Q&A

The bidders conference is scheduled for April 17, 2020 and will be reported on in the next Semi-Annual Report.

2.3 Solicitation Design Assessment

The solicitation has been designed to effectively source a statewide CWR program that will meet the needs laid out in PG&E's approved Business Plan and contribute to meeting WE&T overarching goals and metrics.

As planned and executed to date, the solicitation process will be in accordance with the CPUC-adopted IOU Solicitation Plan, including using a two-stage RFA/RFP process and allowing

IE/PRG oversight of all aspects of the solicitation. [REDACTED]

3. RFA Design and Materials Assessment

3.1 RFA Design Requirements and Materials

RFA documents were thoughtfully designed to strike an appropriate balance of gathering information that is essential for assessing abstracts, while not requesting any of the more detailed information that will be needed at the RFP stage. In addition to covering critical policy context, program scope and instructions for participation, the General Instructions provide bidders with insight into future requirements and long-term objectives of the solicitation, to inform their design of an effective program that can ultimately be successful in the solicitation. [REDACTED]

3.2 Response to PRG and IE Advice

The IE, PRG and the other IOUs provided feedback and advice, which was incorporated as appropriate into the final RFA design and materials. There were no areas of disagreement, and PG&E adopted all recommendations.

4. Bid Evaluation Methodology Assessment

4.1 Bid Screening Process

The RFA states that abstracts will be disqualified for failure to comply with RFA instructions including, but not limited to:

- The abstract is substantively incomplete, does not follow formatting requirements or exceeds length limitations;
- The Abstract is not responsive to the objectives and requirements of this RFA;
- PG&E determines that a conflict of interest exists.

PG&E's process for abstract screening and outcomes of that process will be reported in the next Semi-Annual Report.



Table 31: Scoring Rubric (RFA)

Tier 1 Criteria	Tier 2 Criteria	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Program Concept	Alignment with Scope				
	Program Design				
	Innovation				
Organization, Experience, and Qualifications	Team Composition and Responsibilities				
	Prior Program Implementation Experience				
Cost	Program Budget				
	Payment Structure				

Scoring criteria and weightings proposed effectively meet the IOU's needs for this stage of the CWR solicitation and are well-aligned with PRG Guidelines for RFAs. To retain the spirit and intent of the two-stage solicitation process,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]