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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)

**REPLY COMMENTS OF WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS  
(WRCOG) ON BEHALF OF THE INLAND REGIONAL ENERGY NETWORK ON  
ADMINISTRATIVE LAW JUDGE'S RULING SEEKING COMMENT ON FUTURE OF  
REGIONAL ENERGY NETWORKS**

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For the Inland Regional Energy Network  
Western Riverside Council of Governments (WRCOG), Coachella Valley Association of  
Governments (CVAG), and San Bernardino Council of Governments (SBCOG)

**Dated: April 26, 2019 in Riverside, California**

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

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Portfolios, Policies, Programs,  
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**REPLY TO OPENING COMMENTS OF WESTERN RIVERSIDE COUNCIL OF  
GOVERNMENTS (WRCOG) ON BEHALF OF THE INLAND REGIONAL ENERGY  
NETWORK ON ADMINISTRATIVE LAW JUDGE’S RULING SEEKING COMMENT  
ON FUTURE OF REGIONAL ENERGY NETWORKS**

**I. Introduction**

In accordance with Rule 6.2 of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure (“Rules”), the Western Riverside Council of Governments (WRCOG) submits reply comments to Administrative Law Judge’s (ALJ’s) Ruling Seeking Comment on Future of Regional Energy Networks (Ruling). WRCOG on behalf of the Inland Regional Energy Network (I-REN) comprised of Western Riverside Council of Governments (WRCOG), Coachella Valley Association of Governments (CVAG), and San Bernardino Council of Governments (SBCOG), respectfully submits these Reply to Comments.

As stated in our comments submitted on April 16, 2019, our vision is to expand our collective ability to administer and implement energy efficiency programs and support through filling gaps in energy efficiency programs, addressing the needs of hard to reach (HTR) and

underserved customers, and ensuring affordable access to energy efficiency programs across the region. Further, we see the opportunity to leverage non-CPUC funded efforts within our three territories.

The outcome of questions posed in the Administrative Law Judge's Ruling Seeking Comment on Future of Regional Energy Networks directly impacts our vision and goal for the I-REN to become a CPUC authorized REN, which would impede our ability to provide equitable energy efficiency services to our constituents. These constituents have been historically and continue to be underserved by utility programs, leaving a broad spectrum of our communities without access to ratepayer funded programs.

As described in previous comments<sup>1</sup> I-REN seeks the opportunity to develop and propose a new Inland REN formed of three local government entities to serve unique and distinct regional energy efficiency needs. This effort has been shaped as result of language encouraging local governments to apply to become RENs in D.12-11-015, and significant effort has been put forth in alignment with this direction. The I-REN meets the definition of a REN described in the same decision, which states "A REN should be composed of multiple local governments or associations of governments covering a large geographic area of the state with similar demographic and/or geographic characteristics, such as the Bay Area, the Sierras, the Central Valley, etc."<sup>2</sup>

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<sup>1</sup> R.13-11-005 Opening Comments of the Western Riverside Council of Governments (WRCOG) on Behalf of the Inland Regional Energy Network on Administrative Law Judge's Ruling Seeking Comment on Future of Regional Energy Networks, filed April 16, 2019.

<sup>2</sup> Ibid, pg. 117.

## **II. Inland Regional Energy Network Reply to Comments**

I-REN contends with comments from Public Advocates Office (PAO) and SoCalREN that new and existing RENs with geographic overlap and/or overlap with the Utilities portfolio cause market confusion and administrative burdens impacting cost effectiveness. Regional local government organizations have a deeper understanding of unmet ratepayer energy efficiency program needs and can therefore more efficiently serve their constituents. RENs have demonstrated they are capable of coordinating with Program Administrators (PAs). They have filed memos (Joint Cooperation Memos) documenting that coordination, and detailing how each entity would fill gaps, complement and supplement IOU and non-IOU PA program offerings.

With the future of LGPs uncertain, RENs (existing and new) will play a larger role assisting local governments with the implementation of energy efficiency support to its stakeholders. A REN's primary focus will continue to be filling gaps in energy efficiency program offerings. Regardless of IOU territory, RENs will focus and support the State goals and not just those of the IOUs as they will have programs tailored to the HTR segments, including disadvantage communities (DACs) that would otherwise be underserved. RENs have the resources, capacity and desire to leverage IOU programs to support with ongoing energy efficiency efforts. RENs also have capability to design, develop, and direct funds based on local government priorities, free from IOU constraints as is the case with LGPs. Growing the role of RENs and providing certainty for their future will provide a myriad of energy efficiency benefits and support the State and IOUs with meeting their energy efficiency goals.

RENs provide a valuable and important link to the future of California's climate policy. As RENs are regional, they have greater ability to empower local governments to more effectively reach their constituents, develop unique and tailored energy efficiency programs, and to provide local workforce education and training, along with targeted outreach and marketing. These tactics are critical to ensure Californian's have equitable access to ratepayer funded energy efficiency programs. For this reason, CVAG, SBCOG, and WRCOG see a potential REN within the combined Riverside & San Bernardino Counties as an opportunity to enable local government to achieve energy efficiency goals. By not allowing the formation of new RENs, the Commission would be closing the doors on new opportunities for local governments to create and implement programs. Closing this opportunity would mean that new local governments would not have the unique opportunity to help directly meet CPUC's energy efficiency goals and ratepayers would not benefit from regional program administration.

SoCalREN comments "that the Commission directs local governments and or their council of governments (COGs), within existing REN territories, to work directly with existing RENs to propose program strategies that could be piloted under the existing REN and implemented by their local government agency or COG". RENs are local government driven programs, run by local governments. This strategy is already being implemented by the Association of Bay Area Governments (ABAG), on behalf of BayREN, and is not new. ABAG actively works to engage with local governments and supports members engagement and implementation in energy efficiency opportunities.

Our region has not seen a similar level of engagement from SoCalREN, likely due to the large geographic service area that SoCalREN serves. CVAG, SBCOG, and WRCOG are aware that both the Counties of San Bernardino and Riverside are within the SoCalREN territory. SoCalREN is not operated by distributed local governments as is the case of BayREN, but instead lead solely by the County of Los Angeles. Neither San Bernardino nor Riverside Counties are in LA County, nor are CVAG, SBCOG, and WRCOG a party to SoCalREN. We understand the idea of including both San Bernardino and Riverside County in SoCalREN's Business Plan was to provide energy support to the Southern California region served by SCE and SoCalGas, but as leading Councils of Governments within both of these Counties, we feel that our communities are still being underserved by this REN because it lacked the local intelligence on how to best serve San Bernardino and Riverside Counties' ratepayers. In their comments, SoCalREN requested that our local governments hold their proposals to implement pilot programs until the next portfolio cycle in 2026. Therefore I-REN is moving forward with its exploration into becoming a REN.

The I-REN does not see overlapping REN territories as a barrier that should prevent new RENs from forming. RENs can implement complementary efforts and work collaboratively with existing PAs on maximizing the efforts of all parties to provide energy efficiency support to its enrolled agencies.

As Councils of Governments, our role as a government agency is to assist our members and provide support through various avenues, programs and projects. This is the reason we have joined together to explore implementing the Inland REN, not to duplicate SoCalREN offerings,

but to augment programs that are not being provided to our member agencies and fill energy efficiency program gaps uncovered by market analysis. CVAG, SBCOG, and WRCOG see this opportunity of implementing a REN as a way of creating and implementing programs for its members' agencies. SoCalREN has done a great job over the past several years and is an example to follow, but when we hear of SoCalREN, County of Los Angeles comes to mind, not San Bernardino or Riverside Counties. The Counties of Riverside and San Bernardino are areas of underserved communities and areas with a unique point of view. Both counties account for roughly 4.6 million people and these areas combined cover more than 27,000 square miles in the state, whereas LA County has an estimated population of 10.16 million and its area covers 4,751 square miles. Though County of Los Angeles has a larger population to serve, both Riverside and San Bernardino Counties have a larger geographic service area which presents unique context to implement to energy efficiency programs.

Riverside and San Bernardino Counties extend, respectively, to the borders of Arizona and Nevada. As an example, the distance from Blythe, CA to Los Angeles, CA is 224 miles, while the distance from Blythe to Phoenix, AZ is 151 miles. Additionally, Baker, CA is 177 miles from Los Angeles, CA, compare to 94 miles to Las Vegas, NV. These distances are cause for concern as not many of SoCalREN's Los Angeles-based contractors or program staff will be eager to drive out to our service areas on a regular basis for energy efficiency support.

To eliminate any possible confusion in overlapping REN programs, I-REN would undergo the same collaboration as other PAs have to complete a Joint Cooperation Memo, in which all parties work to ensure there is no duplication of effort. This would be similar to what

BayREN does with MCE and PG&E in their territory. Overlapping RENs, in order to avoid duplicative programs while filling gaps in existing IOUs offerings, would file an annual JCM to prevent market confusion.

### **III. Conclusion**

WRCOG appreciates consideration in providing these reply to comments to R.13-11-005. We look forward to working with the Commission in the near future on these important issues on the topic of RENs.

Respectfully submitted,

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