



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

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

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

**THE NATURAL RESOURCES DEFENSE COUNCIL (NRDC) NOTICE OF
AVAILABILITY OF THE CALIFORNIA ENERGY EFFICIENCY
COORDINATING COMMITTEE EVALUATION REPORT**

May 24, 2019

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COORDINATING COMMITTEE EVALUATION REPORT**

I. Notice of Availability and CAEECC Evaluation Report

The Natural Resources Defense Council (NRDC) hereby provides this notice of availability of the California Energy Efficiency Coordinating Committee (CAEECC) evaluation report as required by D.18-05-041.

“We direct the CAEECC facilitator to provide an assessment of collaboration in the CAEECC process, including PAs’ responsiveness to stakeholder input and all stakeholders’ (including the program administrators) flexibility in reaching outcomes that are mutually agreeable. The facilitator may also make specific recommendations for process or structural modifications that would facilitate collaboration in the CAEECC process. NRDC, in its role as co-chair of the CAEECC, shall file and serve the facilitator’s report in R.13-11-005 or its successor no later than March 31, 2019.” (D.18-05-041, p.138-9)

NRDC requested an extension on March 21, 2019 to file the report on May 24, 2019. The request was granted by the Executive Director of the CPUC on March 29, 2019. The report is included as Attachment A.

Dated: May 24, 2019

Respectfully submitted,



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Attachment A:
CAEECC Stakeholder Process Evaluation

May 24, 2019

By CAEECC Facilitation Team:
Dr. Jonathan Raab, Raab Associates, Ltd.
Dr. Scott McCreary and Meredith Cowart, CONCUR Inc.
Ellen Zuckerman, Independent Facilitator

RAAB ASSOCIATES, LTD



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List of Acronyms

| Acronym | Definition |
|------------------|---|
| 3-C REN | Tri-County Regional Energy Network |
| 3P or 3Ps | Third party or third parties |
| ABAL | Annual Budget Advice Letter |
| ALJ | Administrative Law Judge |
| BayREN | Bay Area Regional Energy Network |
| BP | Business Plan |
| CAEECC | California Energy Efficiency Coordinating Committee |
| CARB | California Air Resources Board |
| CCA | Community Choice Aggregator |
| CEC | California Energy Commission |
| CEDMC | California Efficiency Demand Management Council |
| CEE | Coalition for Energy Efficiency |
| CET | Cost-effectiveness Test |
| CPUC | California Public Utilities Commission |
| DEER | Database for Energy-Efficient Resources |
| ED | CPUC Energy Division |
| HVAC | Heating, ventilation, and air conditioning |
| IE | Independent Evaluator |
| IOUs | Investor-owned utilities |
| IP | Implementation Plan |
| JCM | Joint Cooperation Memo |
| M&V | Measurement and Verification |
| MT | Market Transformation |
| MTA | Market Transformation Administrator(s) |
| MTI | Market transformation initiative |
| MTWG | Market Transformation Working Group |
| NMEC | Normalized Metered Energy Consumption |
| NRDC | Natural Resources Defense Council |
| PA(s) | Program Administrator(s) |
| PG&E | Pacific Gas and Electric |
| PRG | Procurement Review Group |
| Q&A | Question and Answer |
| RA | Resource Acquisition |
| REN | Regional Energy Network |
| RFA | Request for Abstract |
| RFP | Request for Proposal |
| SCE | Southern California Edison |
| SCG | Southern California Gas |
| SF | San Francisco |
| SoCalREN | Southern California Renewable Energy Network |
| T&Cs | Terms and Conditions |
| WG | Working Group |
| Workshop | Ad Hoc Workshop |

Executive Summary

This evaluation was undertaken by the California Energy Efficiency Coordinating Committee (CAEECC) Facilitation Team to respond to the instruction of the Administrative Law Judge (ALJ) in California Public Utilities Commission (CPUC) Decision 18-05-041 - Addressing Energy Efficiency Business Plans (June 5, 2018), and as a best practice for seeking continuous improvement at the CAEECC. In the Decision, the ALJ specifically tasked the Facilitation Team with assessing the level of collaboration within the CAEECC including the “PAs’ (Program Administrators’) responsiveness to stakeholder input, and all stakeholders’ (including the PAs’) flexibility in reaching outcomes that are mutually agreeable.” This evaluation covers the 15-month period from January 2018 through March 2019, during which the current Facilitation Team assumed facilitation of the CAEECC process.

The findings and recommendations in this report are based on four inputs: 1) the formal post-meeting/process evaluation surveys of the CAEECC’s meetings (these surveys were instituted approximately mid-way through the 15-month evaluation period and cover half of the CAEECC meetings described herein) (See Chapter 2); 2) the Facilitation Team’s recent, detailed verbal interviews with each of the CAEECC Members (See Chapter 3); 3) the Facilitation Team’s own first hand observations of the CAEECC; and 4) the Facilitation Team’s extensive experience in facilitating/mediating and assessing comparable processes.

Full CAEECC (Quarterly) Meetings

Between February 2018 and February 2019, we convened six Full (Quarterly) CAEECC Meetings on the dates and at the locations shown in Table ES - 1 below.

Table ES - 1: Full CAEECC (Quarterly) Meetings Held in 2018-2019

| Date | Location | Lead Facilitator |
|---------|--|------------------|
| 2/15/18 | NRDC, San Francisco, SF | Raab |
| 6/6/18 | San Diego Gas and Electric’s (SDG&E) Energy Innovation Center, San Diego | Raab |
| 8/2/18 | Bay Area Metro Center, SF | Raab |
| 8/21/18 | NRDC, SF | McCreary |
| 12/6/19 | NRDC, SF | Raab |
| 2/28/19 | Pacific Gas & Electric’s (PG&E) Pacific Energy Center, SF | Raab |

Our post-meeting evaluation surveys of the last three Full CAEECC meetings revealed that participants found them to be reasonably successful across all queried metrics, both quantitatively and qualitatively (i.e., as reflected in participant written comments). Table ES - 2 below presents the quantitative survey results for each of these three meetings.¹

¹ The formal post-meeting/process evaluation surveys were sent to participants after each meeting. These surveys allowed for both qualitative and quantitative responses. Quantitative questions asked respondents to rank the meeting across multiple attributes on an imputed scale of 1 to 6, where 1 is “strongly disagree” and 6 is “strongly agree.”

The “overall success” of these meetings ranged from 4.8 to 5.1. The lowest scores recorded (scores of 4.1) were for the August 21, 2018, meeting on the Annual Budget Advice Letters (ABALs) and applied to questions on: 1) PAs responsiveness to input, and 2) Members’ flexibility in seeking mutually agreeable outcomes.

See Chapter 2 for more details about the Full CAEECC Meetings, including evaluation results and our interpretations of these results.

Table ES - 2: Full CAEECC Meetings-Post-Meeting Evaluation

| | Full Quarterly CAEECC (8/21/18) | Full Quarterly CAEECC (12/6/18) | Full Quarterly CAEECC (2/28/19) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Objectives of the meeting were clear | 4.5 | 5.2 | 5.1 |
| Objectives of the meeting were accomplished | 4.8 | 4.8 | 5.0 |
| Presentations were clear and helpful | 4.7 | 4.7 | 5.0 |
| The meeting summary was accurate and helpful | 4.8 | NA | NA |
| PAs were responsive to input | 4.1 | 4.5 | 5.3 |
| Members (including PAs) were flexible in seeking mutually agreeable outcomes | 4.1 | 4.6 | 4.9 |
| Facilitators were effective in running the meeting | 4.8 | 5.1 | 5.3 |
| Overall the meeting was successful | 4.8 | 4.8 | 5.1 |
| Total number of survey respondents (total number of CAEECC Member responses) | 18 (10) | 18 (13) | 14 (12) |

Working Groups and Ad Hoc Workshops

Between February 2018 and April 2019, the CAEECC held seven Working Group (WG) meetings on three topics and five Ad Hoc Workshops (Workshops) on four topics. The topics, number of meetings, dates and facilitator(s) for each meeting are shown in Table ES- 3 below.

Table ES - 3: CAEECC-Hosted Working Groups & Workshops

| Name | Working Group or Workshop? | Number of Meetings | Dates | Facilitator(s) |
|--|----------------------------|--------------------|------------------------------------|--------------------|
| Standard and Negotiable Contract Terms | Working Group | 3 | 2/15-16/18; 2/27/18; 3/23/18 | Raab, McCreary |
| DEER Peak | Workshop | 2 | 4/3/18; 4/16/18 | Zuckerman |
| NMEC/M&V | Working Group | 1 | 4/30/18 | McCreary |
| Local Government Partnerships Terms & Conditions | Workshop | 1 | 7/26/18 | Zuckerman |
| PA Implementation Plans | Workshop | 1 | 9/17/18 | Zuckerman |
| Market Transformation | Working Group | 3 | 12/6/19; 1/14/19; 2/27/19 | Raab, Zuckerman |

The DEER Peak Workshops and the Market Transformation Working Group (MTWG) both accomplished tangible results, narrowed disagreements, built consensus and garnered high-praise from most participants. Quantitative evaluation results from the MTWG are shown below in Table ES - 4. The Standard and Negotiable Contract Terms Working Group also achieved some tangible outcomes but received more mixed reviews from participants.

See Chapter 2 for detailed results on these and the other Working Groups and Workshops.

Table ES - 4: Market Transformation Working Group Evaluation

| Question | Average Score |
|---|---------------|
| The objectives of the workshop were clear | 5.3 |
| The objectives of the workshop were accomplished | 5.0 |
| The presentations were clear and helpful | 5.3 |
| The workshop meeting summary was accurate and helpful | 5.5 |
| The PAs were responsive to input | 5.5 |
| Members (including PAs) flexible in seeking mutually agreeable outcomes | 5.3 |
| The Facilitators were effective in running meetings | 5.8 |
| Overall the workshop was successful | 5.5 |

In Chapter 3 we delineate the findings of our detailed (approximately one hour) verbal interviews with each of the CAEECC Members in late March/early April 2019. The

interviews covered a wide range of topics including: CAEECC's successes and challenges; value creation through CAEECC meetings and processes; achievement of CAEECC's goals and objectives; PAs' responsiveness; Members' flexibility in reaching mutually agreeable solutions; CAEECC facilitation; potential future topics for the CAEECC to address; and potential CAEECC process and structural improvements.

In Chapter 4, we draw upon the accomplishments and evaluation results described in Chapter 2, the Member interview feedback delineated in Chapter 3, as well as our own observations and expertise to formulate our findings and recommendations, summarized below.

Facilitation Team Findings (See Chapter 4 for more detail on each of these abridged findings)

Overall Success, Challenges, and Value Added

- A) The majority of participants found the CAEECC meetings to be generally successful:** Participants gave the seven Full CAEECC Meetings and CAEECC-Hosted Working Groups and Workshops they evaluated an overall success rate that ranged from 4.8 to 5.5 on a scale of 1 to 6, and Member interviews confirmed this success.
- B) Meetings structured to solve problems were the most successful:** The Market Transformation Working Group (MTWG) and the DEER Peak Workshops, structured as joint problem-solving endeavors, were the two most successful CAEECC undertakings with a high-degree of consensus or convergence on recommendations.
- C) Meetings structured in a sounding board fashion had mixed success:** The Contract Terms & Conditions Working Group and the two Full CAEECC meetings dedicated to the ABALs, which were structured in more of a sounding board fashion for the IOUs and PAs respectively, educated participants and resulted in some changes to proposals, but yielded less robust results.
- D) CAEECC's highest value-add occurred when working toward recommendations on cross-cutting policy or implementation issues:** When the CAEECC functions primarily as a forum for information exchange and as a sounding board, the value is not as far-reaching as the gains secured by tackling cross-cutting policy or implementation issues.
- E) CAEECC deliberations provided more value on certain types of issues than had those issues simply remained at the CPUC:** CAEECC provided more value (especially on cross-cutting policy and implementation issues) by tailoring joint problem solving and negotiation processes where participants could learn together, explore interests, sharpen alternatives, and seek mutually agreeable outcomes wherever possible.

CAEECC Collaboration: Program Administrators' Responsiveness and Members' Flexibility

F) Program Administrators' responsiveness:

- a. **was generally high, for “active listening”** although it can vary by individual PA (style) or issue (contentiousness of the issue).
- b. **was more mixed for “making changes”** with willingness to correct factual errors or make changes that they agreed to, but often facing time or policy constraints or significant differences of opinion.

G) Members (PA and non-PAs alike) flexibility:

- a. was greater on CAEECC undertakings intentionally structured to seek mutually agreeable outcomes
- b. was often more partisan and less flexible for the CAEECC undertakings which were not intended or designed to actively seek mutually agreeable outcomes

CAEECC Topic Selection and Agenda Setting

H) Members want more flexibility and agency in CAEECC topic selection: Members generally support CPUC criteria for selecting topics and setting agendas but would like more flexibility as to what constitutes a “CPUC starting point”. Some would also like the CAEECC to have the ability to pursue issues of significant interest to Members (e.g., cost-effectiveness) without CPUC pre-approval.

I) Members suggested several improvements on CAEECC strategy and agenda setting:

- a. Member confirmation on venue and strategy for each major new undertaking;
- b. Clearer goals for each topic and agenda item (i.e., education, structured feedback, or consensus-seeking/recommendations); and
- c. Allowing more time for discussion and public comment.

Member Engagement in CAEECC Meetings, and Facilitation

- J)** Participation in CAEECC has been robust for Members and other stakeholders although varies by topic
- K)** Presentations are now regularly posted in a timely fashion and Facilitation Team review of draft materials is considered beneficial
- L)** CAEECC member feedback on written materials could be more timely
- M)** Facilitation effectiveness rated highly in evaluations and Member interviews by nearly all

Facilitation Team Recommendations (See Chapter 4 for more detail on each these abridged recommendations)

Energy Division/CPUC; CAEECC Members; & Facilitation Team:

- 1) Identify appropriate cross-cutting policy and implementation issues for CAEECC and allow for sufficient time and resources to fully address them
- 2) Be more deliberate about end-goals (consensus recommendations, structured feedback, education), appropriate CAEECC meeting type (Full CAEECC, Working Group, or Workshop), and process structure
- 3) Strengthen non-PA input and PA responsiveness before individual and joint PA filings at the Commission by seeking earlier non-PA input and allowing for more joint problem solving

Energy Division/CPUC:

- 4) Consider allowing CAEECC to tackle topics without need for CPUC white paper or proposed solution; also consider under what circumstances certain issues of broad CAEECC interest could be pursued without Energy Division pre-approval

Facilitation Team:

- 5) Confirm new Working Groups/Workshops with CAEECC Members and seek feedback on timing and strategy
- 6) Continue to solicit potential topics/feedback on draft agenda from CAEECC
- 7) Allocate enough time in agendas for discussion and for public comment

CAEECC Members:

- 8) Improve responsiveness on Facilitation Team/Co-Chair requests for feedback and input on draft agendas post-meeting online surveys, etc.

In addition to the main Facilitation Team recommendations above, there are several other potential improvements mentioned by Members during our interviews that we find worthy of further consideration including: reviewing CAEECC membership criteria for new and existing Members; refining document review time and time needed for each meeting; and other structural issues related to when it might be appropriate for CAEECC to have access to technical expertise, or for the CPUC to take on issues directly, with professional facilitation support.

Chapter 1: Introduction/Background

CPUC Decision 18-05-041 Addressing Energy Efficiency Business Plans (June 5, 2018) directs the CAEECC Facilitation Team to provide a report that assesses the collaboration in the CAEECC process, including Program Administrators' responsiveness to stakeholder input and all stakeholders' (including the Program Administrators) flexibility in reaching outcomes that are mutually agreeable. The Facilitation Team was also invited to make specific recommendations for process or structural modifications that would facilitate collaboration in the CAEECC process.²

In response to this directive and to support a framework for continuous improvement at the CAEECC, the Facilitation Team evaluated the CAEECC's performance from January 2018 to March 2019. This assessment was informed by the results of online surveys conducted after CAEECC convenings; annual interviews with each CAEECC Member; on-going observations by the Facilitation Team; and regular discussions with the CAEECC Co-Chairs and Energy Division staff.

The current Facilitation Team began its work in January 2018 and facilitated its first CAEECC meeting in February 2018. Prior to this meeting, the CAEECC was relatively dormant throughout 2017 — following the filing of the PAs' business plans in 2017 and the departure of the CAEECC's prior facilitation team.³ Our interviews with each CAEECC Member prior to the February 2018 CAEECC meeting led us to propose significantly revised groundrules and goals and to sharpen the thinking on the types of meetings/processes the CAEECC could leverage to conduct its business. These changes were discussed, refined, and adopted by Members at the February 15, 2018, Full CAEECC meeting, and subsequently revised at the August 2, 2018, Full CAEECC meeting. (See current groundrules in Appendix A.) The August groundrules revisions added language related to approving and on-boarding new CAEECC Members. See Appendix B for a list of the 24 CAEECC Members.

Since February 2018, 17 CAEECC meetings on a range of topics have been held including six Full CAEECC meetings; seven Working Group meetings; and four Workshops.

The remainder of this Report is comprised of the following three chapters:

- 1) **Chapter 2: CAEECC Processes & Accomplishments** — We define the different types of meetings/processes that the CAEECC has undertaken since February 2018, provide highlights of what was covered and accomplished at each convening, and provide evaluation results for the meetings/processes that were formally evaluated.
- 2) **Chapter 3: CAEECC Member Interviews** — We share the feedback from the Facilitation Team's interviews with each of the CAEECC Members, without attribution.

² D.18-05-041, Ordering Paragraph 52.

³ During the interim period between the departure of the prior facilitator and the start of the new Facilitation Team, Lara Ettenson of NRDC served as both a CAEECC Co-Chair and an as-needed facilitator.

- 3) **Chapter 4: Facilitation Team Findings & Recommendations** — We conclude with the Facilitation Team's key findings based on the evaluation results presented in Chapters 2 and 3, as well as our observations and experience running comparable stakeholder processes.

Chapter 2: CAEECC Processes & Accomplishments

CAEECC conducts its business using three different types of meetings/processes: 1) Full CAEECC Meetings (generally held quarterly); 2) CAEECC Working Groups (WGs) (or Subcommittees); and 3) CAEECC Ad Hoc Workshops (Workshops). The purpose and distinguishing features of each of these meeting types are described below.

A) Types of CAEECC Meetings/Processes

Full CAEECC Meetings

These are formal meetings of the entire CAEECC membership convened to discuss ongoing and periodic issues of broad interest to CAEECC Members. Full CAEECC Meetings are scheduled at least quarterly and take place in-person or via conference call (depending upon the expected time and nature of the agenda items). Other meetings are added as needed. The public has the opportunity to provide input periodically, as time allows, and at the discretion of the facilitator.

CAEECC Working Groups (or Subcommittees)

These are dedicated meetings of CAEECC Members or their proxy/designees whose organizations are interested in specific topics of importance identified by the CAEECC (or the California Public Utilities Commission's [CPUC] Energy Division) for which CAEECC advice or recommendations are sought. Subcommittees, if any, are generally focused on sector-specific issues. Working Groups are generally focused on non-sector-specific issues. The public is given an opportunity to provide input periodically, as time allows, and at the discretion of the facilitator.

CAEECC Ad Hoc Workshops

These are generally one-off workshops on issues identified by the Energy Division or CAEECC where broader public input is desired. There is generally greater time allocated for public input at these workshops than typically allocated at other CAEECC meetings. Seeking formal CAEECC advice or recommendations is generally not an expected outcome of these workshops.

B) Full CAEECC Meetings

Between February 2018 and February 2019, six Full CAEECC Meetings were held on the dates and locations shown below in Table 1.

Table 4: Full CAEECC (Quarterly) Meetings Held in 2018-2019

| Date | Location | Lead Facilitator |
|---------|--|------------------|
| 2/15/18 | NRDC, San Francisco, SF | Raab |
| 6/6/18 | San Diego Gas and Electric's (SDG&E) Energy Innovation Center, San Diego | Raab |
| 8/2/18 | Bay Area Metro Center, SF | Raab |
| 8/21/18 | NRDC, SF | McCreary |
| 12/6/19 | NRDC, SF | Raab |
| 2/28/19 | Pacific Gas & Electric's (PG&E) Pacific Energy Center, SF | Raab |

The major topics and accomplishments at each meeting were as follows:

February 15, 2018 (NRDC, SF)

- Introduction to new CAEECC Facilitation Team
- Review and discussion of findings of Facilitation Team interviews with CAEECC members
- Discussion and adoption of new CAEECC goals, roles and responsibilities, and groundrules
- Discussion of/and agreement on the 2018 draft CAEECC work plan
- Selection of 2018 CAEECC co-chairs: Lara Ettenson (NRDC) and Erin Brooks (Southern California Gas (SCG))

June 6, 2018 (Energy Innovation Center, San Diego)

- Review and discussion of 2018 CAEECC Working Groups and Ad Hoc Workshops
- Energy Division presentation on and discussion of metrics and indicators for evaluating the Business Plans (BPs)
- CPUC presentation on and discussion of the purpose, content, and expectations for the Joint Cooperation Memos (JCMs) between the Investor-owned utilities (IOUs) and relevant Community Choice Aggregators (CCAs)/Regional Energy Networks (RENs)
- Level setting and planning for the 2018 Annual Budget Advice Letters (ABALs) process
- IOU presentation and discussion of the status of the 3rd Party (3P) Requests for Proposals (RFPs) including the Independent Evaluator (IE) RFPs

August 2, 2018 (Bay Area Metro Center, SF)

- Program Administrator (PA) presentation on and discussion of PA metrics filings, JCM filings, and IE and 3P RFP process
- IOU presentation on and discussion of cost-effectiveness
- Presentation and discussion of each PA's draft ABAL

August 21, 2018 (NRDC, SF)

- Discussion of and votes on five new CAEECC candidate member applications
- Presentation and discussion of each PA's "near final" ABAL
- Review and discussion of the 2018 draft CAEECC work plan and agreement to hold a CAEECC workshop on the PA Implementation Plans (IPs)
- Discussion and review of the draft evaluation framework for the CAEECC

December 6, 2018 (NRDC, SF)

- Update on and discussion of the development and roll-out of the 3P solicitations
- Update on and discussion of the Procurement Review Groups' (PRGs) activities and progress
- IOU response to and discussion of three issues raised by the California Efficiency + Demand Management Council (CEDMC):
 - Challenge of incorporating Cost Effectiveness Tool (CET) analysis in RFPs, when DEER Resolution E4952 may require some significant updates to the CET
 - Challenge of undisclosed limitations and criteria that will be applied in the Request for Application (RFA) or RFP process
 - Challenge of unclear intellectual property protection during the RFA and RFP review process
- Energy Division presentation on and discussion of
 - contract terms and conditions for 3P efficiency programs
 - workforce standards for 3P efficiency programs
 - the CPUC Staff Proposal on market transformation
- Presentation on and discussion of the draft 2019 CAEECC work plan

February 2019 (Pacific Energy Center, SF)

- Energy Division presentation on and discussion of issues related to intellectual property and 3P providers
- Updates on and discussion of the CAEECC-hosted Market Transformation Working Group (MTWG)
- Updates on and discussion of the 3P solicitation process
- Discussion on how best to structure the August CAEECC meeting on the ABALS
- Discussion on a potential approach/timing for addressing CAEECC Disadvantaged Workers/Workforce Standards per Decision 18-10-008
- Discussion of next steps to complete the CAEECC Evaluation
- Election of the 2019 CAEECC Co-Chairs: Lara Ettenson and Erin Brooks.

In Table 2 we show the CAEECC Member evaluation results of the last three Full CAEECC meetings.⁴ The survey included more than half a dozen quantitative rating questions on a range of topics, using declarative statements with a scale of “strongly disagree” (which we equated to a score of 1) to “strongly agree” (which we equated to a score of 6).⁵ Respondents also had the option to provide comments on each of the topical areas queried.

⁴ We implemented the post-meeting evaluation survey protocol mid-way through the 15-month period. Thus, we did not formally evaluate the first three Full CAEECC meetings held in 2018.

⁵ Note that the middle of a 1-6 scale is 3.5, hence average scores above this would generally be favorable and unfavorable below. These same 1-6 scales were used for each of the subsequent survey responses.

Table 5: Full CAEECC Meetings-Post-Meeting Evaluation Surveys

| | Full Quarterly CAEECC (8/21/18) | Full Quarterly CAEECC (12/6/18) | Full Quarterly CAEECC (2/28/19) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Objectives of the meeting were clear | 4.5 | 5.2 | 5.1 |
| Objectives of the meeting were accomplished | 4.8 | 4.8 | 5.0 |
| Presentations were clear and helpful | 4.7 | 4.7 | 5.0 |
| The meeting summary was accurate and helpful | 4.8 | NA | NA |
| PAs were responsive to input | 4.1 | 4.5 | 5.3 |
| Members (including PAs) were flexible in seeking mutually agreeable outcomes | 4.1 | 4.6 | 4.9 |
| Facilitators were effective in running the meeting | 4.8 | 5.1 | 5.3 |
| Overall the meeting was successful | 4.8 | 4.8 | 5.1 |
| Total number of survey respondents (total number of CAEECC Member responses) | 18 (10) | 18 (13) | 14 (12) |

Across all three evaluated meetings, there were no average scores below 3.5, indicating generally positive responses, although there was some variability across the meetings. Generally, all three meetings were evaluated as being successful overall (4.8 to 5.1) and for meeting stated objectives (4.8 to 5.0). However, some commented that the objectives, particularly in the earlier meetings, were not always clear in the agendas. A couple of respondents commented that insufficient time was set aside to accomplish stated objectives. One expressed frustration with some of the meeting goals and objectives themselves—specifically that the goals for agenda items were often, “General vetting only, and not for full discussion and resolution.”

Regarding the comments on overall meeting success, again, most respondents felt that the meetings were very successful, but some commented that they could have been more successful if more fully developed materials were provided earlier (e.g., the draft ABALs). Others commented that the ultimate success of the meetings was still to be determined based on what changes the PAs might make as a result of CAEECC feedback and how issues are ultimately resolved at the CPUC.

Participants felt that presentations were clear and helpful (4.7 to 5), and that meeting summaries were accurate and helpful (4.8).⁶ We received no specific comments on the meeting summaries. On the presentations, the few comments we received were mainly that the presentation slides are generally helpful, and that using a standardized template where there are multiple presentations on the same topic (e.g., the ABALs) was very helpful. (Although one respondent pointed out that even in that situation some presentations were better and more complete than others.)

⁶ In consultation with the CAEECC Co-Chairs, we dropped the meeting summary question in the post-meeting evaluation survey after we realized that a majority of participants were not reading the meeting summaries.

With respect to the PAs being responsive to input from other CAEECC Members and the public, while still positive on average, there was a wide range of opinions on this topic across meetings (4.1; 4.5; and 5.3), and also a wide range of opinions within the same meeting. For instance, for the August 21, 2018 meeting, which was primarily focused on the ABALs (and for which we received the most comments on the topic of PA responsiveness), the non-PA Members rated the PAs responsiveness from 3 to 6. Most commenters on this topic recognized that many PAs were operating under significant constraints (because of the compressed timeframe to make changes due to delays in the cost-effectiveness calculator, or because of the difficulty of meeting the CPUC's cost-effectiveness threshold for certain PAs, or both). As one non-PA Member described it, "The PAs did the best they could do, answered all questions, and were as responsive as anyone could ask them to be, considering the circumstances." But some were frustrated that the ABALs seemed "fully baked," and that the PAs were not open to changes: "The PAs seemed receptive to questions, but I did not get the sense that they were negotiating the content of the ABALs with the CAEECC Members." The specific issue about cutting local government partnership funding was cited by numerous CAEECC Members (both those that would be impacted and others) as an example of where the IOU PAs seemed particularly non-responsive to input (and the discussions at times were contentious during the meeting). More broadly, and in comments from a different CAEECC meeting, one Member pointed out that, "I think that the IOUs typically have unidentified bright lines that they are unwilling to negotiate on. This is not surprising, but it may facilitate better outcomes if they were able to identify in advance the items they are not willing to compromise on."

With respect to all Members (including the PAs) being flexible in seeking mutually acceptable outcomes, this was similarly positive on average but with a wide range of opinion across meetings (4.1; 4.6; and 4.9), and also a wide range of opinion within the same meeting. For instance, at the same August 2018 meeting discussed above, Members' scores ranged from 2 to 5 with a 4.1 average. One Member described how on certain issues, Members across the spectrum are not very flexible in seeking mutually acceptable outcomes: "There were some topics that were relatively contentious, such as funding for local government partnerships, and Members' positions did not substantially converge." Another Member pointed out that, "A couple [of] times, [it] seemed like flexibility for the PAs was not an option." Finally, one Member felt that the agenda of one meeting was crafted in a manner that foreclosed "outcomes that were potentially mutually agreeable" because solutions and agreements are not always being sought for each agenda item.

Finally, the participants ranked the facilitation fairly high across all three meetings, with scores from 4.8 to 5.3. Comments were also generally positive about the facilitation. For example, respondents stated, "They moved through the agenda efficiently but without preventing any stakeholder or member from adding to the discussion"; and, "The facilitator was adaptive and adept at recognizing issues and proposed solutions and providing next steps so the meeting could move along." Three Members mentioned constructive feedback regarding facilitation including: "Occasionally facilitators would allow the IOUs to have the most discussion time," and facilitators need to better construct the agendas to allow for more time for discussion and resolution of issues. Finally, with respect to the ABAL

discussion on local government partnerships (mentioned above), one Member commented “I wonder if more could have been done by the facilitator during the [City of San Francisco – Pacific Gas and Electric (PG&E)] discussion to broker better understanding.”

C) CAEECC Working Groups and Workshops

Between February 2018 and April 2019, the CAEECC held seven Working Group meetings on three topics and five Ad Hoc Workshops on four topics. The topics, number of meetings, dates and the facilitator(s) for each process are shown below in Table 3.

Table 6: CAEECC-Hosted Working Groups & Workshops⁷

| Name | Working Group or Workshop? | Number of Meetings | Dates | Facilitator(s) |
|--|----------------------------|--------------------|------------------------------------|--------------------|
| Standard and Negotiable Contract Terms | Working Group | 3 | 2/15-16/18; 2/27/18; 3/23/18 | Raab, McCreary |
| DEER Peak | Workshop | 2 | 4/3/18; 4/16/18 | Zuckerman |
| NMEC/M&V | Working Group | 1 | 4/30/18 | McCreary |
| Local Government Partnerships Terms & Conditions | Workshop | 1 | 7/26/18 | Zuckerman |
| PA Implementation Plans | Workshop | 1 | 9/17/18 | Zuckerman |
| Market Transformation | Working Group | 3 | 12/6/19; 1/14/19; 2/27/19 | Raab, Zuckerman |

Working Group on Standard and Negotiable Contract Terms

CAEECC hosted three Working Group meetings on Standard and Negotiable Contract Terms for third party implementers. This series of facilitated meetings yielded clarification of interests, narrowing of divergence, and integration of positions as expressed in filings.

The Working Group met twice prior to the March 19, 2018, Joint Investor-Owned Utility (IOU) filing and once after the filing: 1) on February 15-16, 2018 (following the full CAEECC Meeting on February 15th); 2) on February 27, 2018; and 3) on March 23, 2018.

Representatives from almost all CAEECC Member organizations participated in at least one of these meetings. Numerous other stakeholders also participated.

⁷ <https://www.caecc.org/meetings-1>

- February 15-16, 2018: Day one: 21 CAEECC Member organization representatives and more than 50 other interested stakeholders participated; Day two: 15 CAEECC Member organization representatives and more than 40 other interested stakeholders participated.
- February 27, 2018: 10 CAEECC member organization representatives and six other interested stakeholders participated.
- March 23, 2018: 11 CAEECC Member organization representatives and more than 40 other interested stakeholders participated.

The goals of the February 15-16 meeting were to provide a forum for: 1) stakeholders to better understand the IOU Draft Standard and Negotiable Contract Terms; 2) to provide feedback and generate alternate proposals to influence the IOU filing; and 3) to inform stakeholder comments on the IOU filing. At the first meeting, following the presentation of the joint IOU terms and conditions (T&Cs) as well as the proposals on select T&Cs put forward by the Coalition for Energy Efficiency (CEE) and NRDC, CAEECC Members identified areas where the three proposals overlapped and diverged. The conversation informed non-PA CAEECC Member and other stakeholder comments to the IOUs submitted by February 23, 2018, as well as on the IOU March 19, 2018, filing. For example, the IOU March 19th filing included much of the general and specific language seen in the original CEE proposal on workforce standards. In addition to this information exchange and convergence around proposed language, the need for deeper conversation around the issue of Disadvantaged Worker language was identified at this meeting.

The February 27, 2018, meeting on Disadvantaged Workers was held after the deadline to submit comments to IOUs, but prior to the IOU March 19, 2018 filing date. The goals of this meeting were to: 1) Consider definitions of Disadvantaged Workers; 2) Narrow areas of divergence and pinpoint areas of convergence; and (3) Develop specific proposals and language to inform pending filings and/or non-IOU comments on the IOU motion. The discussion at the meeting: 1) clarified tradeoffs to be made in achieving specificity and ensuring that the chosen definitions did not inadvertently privilege some groups or affiliations; 2) confirmed that the core intention of this provision is to effectively target Disadvantaged Workers, rather than verify that an applicant is in fact disadvantaged; and 3) identified further information needs to be distributed to the group. The original IOU proposal did not include language on the definition of a Disadvantaged Worker, but following the definitions proposed by CEE and NRDC, and the discussion on February 27, 2018, the March 19th IOU filing included a definition that incorporated elements from both proposals.

The third meeting on March 23, held after the IOU filing date, was intended to: 1) create an opportunity for the IOUs to provide clarification on the definitions and intentions of their submitted proposal; 2) present the changes made to the proposal since the February 27th meeting on contract terms for Disadvantaged Workers; and 3) consider and respond to comments and questions regarding those changes. CAEECC members posed clarifying questions about components of the IOU submittal, and IOUs responded. Issues not yet

addressed in the IOU filing surfaced; and stakeholders identified topics for which they would likely submit specific comments to the CPUC.

Although the Facilitation Team did not conduct a post-hoc evaluation of this Working Group process, in our interviews, several CAEECC Members highlighted this process as being particularly effective. When asked to provide examples of any deliberations of issues that created relatively more value than if the issues had only been dealt with at the CPUC only, a half dozen Members specifically pointed to the Contract Terms and Conditions Working Group process.

One non-IOU Member stated that the CAEECC process streamlined the overall process and ensured that parties were not surprised by one another's comments. With regard to the Contract Terms and Conditions, one Member said, "The [CAEECC's] greatest achievement has been that the CAEECC was able to contribute to the PUC's decision-making process. It is a great forum for discussions, for understanding positions, and communicating what the CPUC is considering." Another Member noted, "Without the CAEECC process, work on workforce standards and disadvantaged communities would not have happened."

One Member characterized the Contract Terms and Conditions process as a useful "back and forth with PAs" that helped inform and improve the CPUC decision-making process. Asked to provide examples where PAs have been responsive to stakeholder input, several Members stated that PAs generally exhibited flexibility and responsiveness around Contract Terms and Conditions.

The Working Group on Contract Terms and Conditions helped clarify and narrow divergence in policy positions. For some issues, both PAs and non-IOUs stated in their interview responses that CAEECC discussions lead to or supported revisions from their initial positions and incorporated the views or the advice of other CAEECC Members.

Here are two specific examples where both the IOUs and other non-PA CAEECC Members made changes following CAEECC feedback:

- After proposing contract terms at the February 2018 Working Group meeting, the joint IOUs noted "general agreement among the CAEECC Members" that moving forward with standardized contract terms at that early point on all matters would be challenging. For this reason, the joint IOUs revised their proposal to include general "placeholder" contract provisions (in place of standardized provisions).
- The initial joint IOU proposal did not specify clear workforce standards, leaving it to bidders to propose standards. CEE, however, proposed that the IOUs include clear workforce standards, including a requirement that 100% of workers on Tier 2 heating, ventilation, and air conditioning (HVAC) projects have at least five years of experience. CAEECC feedback clarified that such a requirement could conflict with CEE's other proposals to encourage contractors to hire Disadvantaged Workers. Accordingly, CEE revised its proposal for small to mid-size HVAC projects to require that (1) at least 50% of workers installing a ratepayer-subsidized project are

graduates of relevant state-approved apprenticeship programs; or (2) at least 75% of these workers have at least five years of relevant experience.

CPUC Decision 18-10-008 Addressing Workforce Requirements and Third Party Contract Terms and Conditions took into account the IOU joint proposals, comments received from other parties (all but one comment received were from CAEECC Members, and all attended at least one of the Working Group meetings), and the joint IOU reply to these comments filed on April 13, 2018. On some issues that were in dispute, the CPUC sided with the IOUs, while on others it sided with other stakeholders.

Reflecting on the iterative rounds of proposals, comments and revisions, one non-IOU Member noted the essential interplay between the CAEECC process and the CPUC's decision-making authority: "Where the CAEECC was helpful was in providing a great forum for parties to understand what each was proposing. Was it the CAEECC that brought the IOUs around? On some issues, it was the CPUC decision. But the CAEECC was indispensable."

Database for Energy Efficient Resources (DEER) Peak Workshops

The CAEECC hosted two workshops to support a process by which stakeholders could provide input to inform the development of a proposal by the IOUs to the CPUC for updating the DEER peak period. The workshops were initiated in response to Resolution E-4867, which ordered the utilities to establish a working group to propose adjustments to the definition of DEER peak.

The first DEER Peak Workshop took place on April 3, 2018 and was attended by 20 CAEECC Member organization representatives and 16 interested stakeholders. The second DEER Peak Workshop took place on April 16, 2018 and was attended by 19 CAEECC Member organization representatives and 18 interested stakeholders.

The goals of the DEER Peak Workshops were to:

- 1) Provide a level set of information on the history and genesis of the proposed DEER peak definitional change and on proposals to redefine DEER peak.
- 2) Work to identify common areas of agreement and disagreement on possible changes to redefine DEER peak, including when to implement a possible DEER peak change.
- 3) Identify areas for additional exploration once a CPUC decision on DEER peak is issued.

As part of the workshops, participants heard from panelists, engaged in question and answer (Q&A) periods, and developed and refined DEER Peak period definition proposals in breakout groups.

Meeting Goals/Overall Success

Over the course of two workshops participants:

- Came to unanimous agreement that the 2-5 p.m. DEER Peak definition should be eliminated.
- Converged on a 4-9 p.m. DEER Peak period definition and an alternate peak.⁸
- Came to unanimous agreement that the use of DEER Peak should ultimately be replaced over time with an approach based on the Avoided Cost Calculator and identified other high-level recommendations to support this approach.

These outcomes became the basis of the IOU report and recommendations filed with the CPUC in May 2018. In October 2018, Resolution E-4952 was issued modifying the timing of DEER Peak to 4-9 p.m., without a change to the underlying calculation methodology.

While participants were not asked to evaluate the DEER Peak workshops, several CAEECC Members mentioned them in their Member interviews with the Facilitation Team. One Member said it represented the “best use of CAEECC” because it led to a proposal filed with the CPUC and offered a forum that supported transparent public dialogue with Commission Staff and stakeholders. Another Member cited the DEER Peak workshops as one of the CAEECC’s greatest accomplishments because it led to a “tangible outcome.”

Normalized Metered Energy Consumption /Measurement & Verification Working Group

The CAEECC hosted a Working Group meeting on Normalized Metered Energy Consumption (NMEC) and Measurement & Verification (M&V) to discuss the NMEC approach in the CPUC’s Ruling Seeking Comment on Certain M&V Issues, including for Third Party Programs, emanating from Decision 18-01-004. The Working Group met on April 20, 2018 (in advance of the May 14, 2018 CPUC comment deadline). Nineteen CAEECC Member organization representatives and more than 90 other interested stakeholders participated.

The meeting was organized into two distinct components: 1) a high level presentation by Energy Division on the rationale for and intent of the ruling, followed by a Q&A period in plenary, and 2) break out groups to discuss the application of NMEC/M&V to three different categories of programs.

The CPUC presentation and Q&A provided a key opportunity for the Energy Division to address stakeholder questions, clarify the intent of the ruling, and address misunderstandings (e.g., custom review process requirements). The break out groups

⁸ During the second workshop, a straw poll was conducted to determine which options participants preferred to redefine DEER Peak. All voting participants (10) found a 4-9 p.m. peak “acceptable,” and seven of those participants “preferred” a 4-9 p.m. peak over a 3-6 p.m. peak. Six participants found a 3-6 p.m. peak “acceptable,” but only two participants “preferred” a 3-6 p.m. peak over a 4-9 p.m. peak. In addition, no participants found a 4-9 p.m. peak “unacceptable,” while two participants found a 3-6 p.m. peak “unacceptable”.

provided participants with an opportunity to brainstorm considerations for three distinct types of use cases. Both the Q&A and break out groups informed stakeholder comments to the CPUC on the proposed ruling.

We did not conduct a formal post hoc evaluation of this NMEC working group, and Members did not mention the NMEC Working Group during our interviews. (NMEC-related comments received in our interviews focused on the need for refinement of analytical approaches on metrics generally, and not on the NMEC Working Group specifically.)

Local Government Partnerships Terms & Conditions (T&Cs) Workshop

On July 26, 2018, the CAEECC hosted an online workshop to support a process by which stakeholders could learn and provide input on the IOU's proposed program contract terms for Local Government Partnerships required to be standardized by Decision 18-05-041. Forty-five CAEECC Member organization representatives and 59 other interested stakeholders participated.

Meeting Goals/Overall Success

As a result of the workshop:

- Stakeholders came up to speed on the timeline and process by which Local Government Partnerships T&Cs would be proposed and learned about key opportunities to provide input.
- The IOUs shared details on their proposed T&Cs including the underlying rationale for:
 - Standard T&Cs: Contract term/length; dispute resolution; termination process; and budget and payment schedule and terms
 - Modifiable T&Cs: Progress and evaluation; energy monitoring and verification (EM&V); data collection and ownership; and method for calculating co-benefits and economic development programs
- Stakeholders were provided an opportunity to pose initial clarifying questions and feedback on each component of the IOU proposal.

Following the meeting, stakeholders were given more than a week to provide written comments on the draft T&Cs presented. Written responses from the IOUs were posted on the CAEECC website. In August 2018, the IOUs filed their proposal with the CPUC. The IOU proposal reflected some changes in response to feedback solicited during the CAEECC process, including language deletions, modifications, and insertions.⁹ The outcome of the matter is still pending.

⁹ For examples of some of the modifications that the IOUs accepted and considered, please see: https://docs.wixstatic.com/ugd/849f65_0782ea36f9504d158b9a996b5fa5394b.pdf

PA Implementation Plans Workshop

On September 17, 2018, the CAEECC hosted an online workshop to share details of the new PA program implementation plans with interested stakeholders. Thirty-four participants were from CAEECC Member organizations and 70 other interested stakeholders participated. The Facilitation Team worked closely with each of the presenting PAs to ensure a consistent, detailed set of information was presented by each PA for each new program.

Meeting Goals/Overall Success

As a result of the workshop:

- Details on the new program implementation plans of Southern California Edison, Southern California Regional Energy Network (SoCalREN), 3-C REN, and Bay Area Regional Energy Network (BayREN) were shared.
- Stakeholders were provided a key opportunity to pose questions to clarify program details.

Following the workshop, participants evaluated the meeting quantitatively. Only two CAEECC Members and two interested stakeholders completed the evaluation. When asked to rank the workshop on its effectiveness on a scale of 1-to-6, where 1 is “strongly disagree” and 6 is “strongly agree,” respondents scored the process as shown in the table below. While the overall number of responses was limited, the overall workshop was scored highly with a score of greater than 5 across all metrics.

Table 7: PA Implementation Plans Workshop Evaluation

| Question | Average Score |
|---|---------------|
| The objectives of the workshop were clear | 5.3 |
| The objectives of the workshop were accomplished | 5.0 |
| The presentations were clear and helpful | 5.3 |
| The workshop meeting summary was accurate and helpful | 5.5 |
| The PAs were responsive to input | 5.5 |
| Members (including PAs) flexible in seeking mutually agreeable outcomes | 5.3 |
| The Facilitators were effective in running meetings | 5.8 |
| Overall the workshop was successful | 5.5 |

Market Transformation Working Group (MTWG)

With the support of the Energy Division, CAEECC hosted a Working Group tasked with the development of a joint stakeholder proposal on market transformation (MT) for the CPUC’s consideration. Eighteen organizations participated in the Working Group as Members. Fifteen were from CAEECC Member organizations, and three were from other interested

stakeholder organizations. The CPUC and California Energy Commission (CEC) also participated as ex officio Members to provide expertise and help inform the MTWG's deliberations.

The MTWG met three times: (1) from December 6-7, 2018; (2) on January 14, 2019; and (3) on February 27, 2019. Additionally, in between meetings, more than a half dozen sub-working groups met to discuss issues and develop recommendations for the MTWG's broader consideration.

The MTWG process resulted in a 62-page report. With the exception of two issues, all recommendations within the report were developed by consensus — defined as unanimity of all of the MTWG Members.

The report addressed the following issue areas:

- 1) MT Initiative Principles, Guidelines, & Strategies — which detailed the MTWG's principles, guidelines, and strategies for market transformation initiatives (MTIs).
- 2) MT Stage-Gate Proposal & Decision Criteria — which outlined the MTWG's vision for how MT should function within a stage-gate framework characterized by three phases and seven stages.
- 3) Stakeholder Roles & Responsibilities — which defined the roles and responsibilities of key stakeholders vis à vis the stage-gate framework including MT Administrator(s), a MT Advisory Board, and Initiative Review Committee(s).
- 4) Administration Options for the MT Portfolio — which discussed the rationale for two proposed alternative administration models for the MT Administrator(s): (1) the Existing Program Administrators (PAs); and (2) a Single, Independent Statewide Administrator.
- 5) Budget — which discussed how MTI budgets should be set and funded.
- 6) MT Cost-Effectiveness — which offered the MTWG's recommendations for evaluating MTI cost-effectiveness.
- 7) MT Initiatives and Resource Acquisition (RA) Programs — which delineated a process for reducing and reconciling any potential conflicts between new MTIs and existing RA programs.

The two issues on which consensus was not reached were the: MT administrative model (existing Program Administrators vs. a new independent statewide administrator) and the cost-effectiveness threshold for MT (1.5 vs. 1.25). The report described in detail the alternatives for each non-consensus alternative, their respective rationales, and which MTWG Members supported each option.

The report was filed with the CPUC on March 19, 2019. On April 10, 2019, an Administrative Law Judge issued a ruling requesting comment on the MTWG report.

Meeting Goals/Overall Success

Following the completion of the MTWG, participants evaluated the overall process qualitatively and quantitatively. All but one Member organization completed the survey.

When asked to rank the MTWG on its effectiveness on a scale of 1-to-6, where 1 is “strongly disagree” and 6 is “strongly agree,” respondents scored the process as shown in the table below. Overall, Members awarded high scores to the process for establishing and accomplishing its goals and being successful overall (with scores of 5.5, 5.1, and 5.3, respectively). The process was also scored highly (with a score of greater than 5) for supporting an effective proposal development process, offering a successful approach to consensus and non-consensus issues, providing documents that were clear and helpful, effective facilitation, and creating more value than if the issue had been addressed at the CPUC. Only one Member organization awarded low scores (i.e., a score of 1 or a 2) to the overall process and the facilitation due to the Member’s perception that there were unique constraints placed on that Member’s organization by the Facilitation Team and one of the CAEECC Co-Chairs.

When commenting on the process length, two-thirds of MTWG Members felt that the length was “about right,” while one-third thought it was “too short.” No one felt that it was “too long.”

Table 8: Market Transformation Working Group Evaluation

| Question | Average Score |
|--|---------------|
| The MTWG’s goals were clearly articulated | 5.5 |
| The MTWG’s goals were accomplished | 5.1 |
| The MTWG supported an effective proposal development process | 5.2 |
| The MTWG offered a successful approach to consensus and non-consensus issues | 5.2 |
| The MTWG provided documents that were clear and helpful | 5.3 |
| The MTWG Members were flexible in seeking agreements | 4.7 |
| The MTWG Facilitators were effective | 5.1 |
| The MTWG process created more value than if the issue had been addressed at CPUC | 5.5 |
| All things considered, the MTWG was a successful process | 5.3 |

The qualitative responses on the MTWG were also overwhelmingly positive. For example, in written comments, one participant stated, “The MTWG was remarkably successful given the limited time it had, and the timing for the initiation of the work, which spanned the holiday season. Considering the context, its results were striking; it is very unfortunate that it wasn’t given additional time to resolve the remaining thorny issues, or to further refine its results.” Another said, “Discussions and back-and-forth around crucial issues were much more fleshed out than if [they] had been only in the traditional CPUC process. The MTWG process allowed much more cross-fertilization of ideas, fleshing out of real differences, and clarity of options than traditional processes.” Finally, another participant observed that the MTWG “provid[ed] a well-supported venue for stakeholders to define and articulate their

opinions and priorities [which] was essential for this new program platform to gain much needed traction and stakeholder endorsement! Invaluable!" Finally, one respondent was not yet prepared to assess the MTWG's success stating, [It's] hard to judge without seeing if there are major divergences in comments to come [at the CPUC]. "

Additional reasons cited by Members for the process' success included the following:

- The diversity of the voices engaged.
- The high level of engagement by participating stakeholders.
- The flexibility and willingness of all but one or two participants to achieve consensus and to explain and clarify their reasoning behind their concerns or positions.
- The timely posting of thorough documents and materials.
- The establishment of sub-working groups as an effective mechanism to dive deeper into specific topics, deeply engage key Members, and to keep the overall MTWG process on-track.
- The MTWG facilitation, which was noted for being "tactfully managed" despite divergent and strong viewpoints; reigning in side conversations, distractions, and unproductive conversation; providing nudges to participants to keep the overall process on-track; and for highlighting key themes and considerations that sub-working groups were simultaneously deliberating or considering.

When asked to score how flexible the MTWG Members were in seeking agreements, Members awarded an average of 4.7 points out of 6. While this was the lowest score of the attributes queried, it was still a high score and well above average. In qualitative comments, Members commented that most Members were appropriately flexible and collaborative but several Members suggested that a small number of participants were not flexible during the MTWG process. One Member said, "Not every member was flexible, but we came mainly to consensus so that was good." Another noted, "There were one or two outliers." Another Member stated, "Almost everyone was amenable minus one anomaly who is not collaborative. I was also pleasantly surprised that the IOUs were amenable to the general items and willing to write comments versus having every point included in the document." Finally, one commented, "A consensus document is hard to accomplish! Kudos!"

Recommendations made by some MTWG participants to improve future working group processes included the following:

- Seek early buy-in on the overall working group meeting schedule and avoid scheduling around the holidays.
- Involve additional subject matter experts and take time upfront to ensure participants have a thorough understanding of the issues.
- Allocate additional time to the overall working group process and hold additional meetings (though some participants thought that a longer process would have "dragged on" for too long).

- Urge members to send proposed edits to documents in advance of meetings and consider establishing a “pens down” period after which no more changes to documents can be made before meetings.
- Prepare a more structured vetting of proposed solutions to be sure that they “hold water.”

Chapter 3: CAEECC Member Interviews

A) Introduction

In this Chapter we provide a high-level summary (without attribution) of the one-on-one interviews conducted by our Facilitation Team with each CAEECC Member in late March-early April 2019 (see Appendix B for CAEECC Members/Interviewees). Each interview lasted approximately one hour and covered a range of topics, including: CAEECC's successes and challenges; value creation through CAEECC meetings and processes; achievement of CAEECC's goals and objectives; PAs' responsiveness; Members' flexibility in reaching mutually agreeable solutions; CAEECC facilitation; potential future CAEECC topics; and potential CAEECC process and structural improvements.

B) Successes and Challenges

All things considered, how successful do you feel the CAEECC has been over the past 15 months, and why?

In general, CAEECC Members felt that the CAEECC has been successful or somewhat successful, depending on the specific aspect of "success."

Numerous CAEECC Members said that the CAEECC has been successful in bringing stakeholders together and sharing information; broadening the viewpoints of stakeholders engaged on issues; and providing a venue for open, balanced dialogue and feedback.

Some CAEECC Members felt that the CAEECC has been most successful when hosting working groups or when assigned a specific topic, task, or policy issue to address – such as market transformation, DEER peak, or contract terms and conditions (including workforce standards).

A few CAEECC members noted that, if judged by the number of protests and comments filed with the Commission, the CAEECC could be considered less successful, while others posited that stakeholder input nonetheless was better informed and more useful than it would have been if related discussions had not occurred at the CAEECC.

What would you consider the CAEECCs greatest accomplishments and/or successes over the past 15 months, and why?

CAEECC Members identified several key accomplishments, with some receiving recurring mentions:

- Sixteen Members cited the Market Transformation Working Group (MTWG) as a major accomplishment. Respondents described this process as successful for its speed; engaging a broad and diverse group of stakeholders; tackling numerous

issues; finding hard to-reach consensus; and producing an in-depth report that will facilitate faster decision-making at the CPUC.

- Nine Members cited the role of the CAEECC as a platform for sharing information, facilitating robust public dialogue, and enabling diverse stakeholders to work together to bring forward and exchange ideas.
- Five Members cited the CAEECC's ability to support the CPUC's processes and decision-making by making information available and transparent, diving into unresolved or contentious issues, and providing input to the CPUC.

Other CAEECC accomplishments mentioned by multiple CAEECC Members include:

- The facilitation of conversations on the Annual Budget Advice Letters (ABALs)
- The DEER Peak Workshops
- The Workshops on contract terms and conditions
- The Workshop on disadvantaged worker definitions
- Information sharing on the rollout of the 3P solicitation process

To date, which substantive or process issues have been most challenging for the CAEECC to address, and why?

Challenges cited by CAEECC members generally fell into three categories: (1) Specific topic areas that proved challenging for the CAEECC to address; (2) Structural challenges with the CAEECC; and (3) Challenges associated with the CAEECC's role or purpose.

Specific topic areas identified as challenging by at least two Members include:

- The ABALs — because the goals and expectations of the CAEECC meetings on the ABALs were unclear, too much content was covered in too little time, the presentations on the ABALs were insufficiently detailed for Members to provide feedback, the PAs did not fully respond to feedback provided to them, and the amount of time from when the CAEECC meetings occurred and when the ABALs were filed was not adequate to allow for a meaningful process.
- Cost-effectiveness in the MTWG — because different Members have different views that may not be fully resolvable.
- The rolling portfolios — because there was a need for greater transparency and more detailed information to be shared on this topic and/or additional topics and key issues to be discussed (like the potential need for an independent evaluator)..

Structural challenges identified by at least one Member included the need for:

- Greater parity among Members at meetings--a perception that IOUs dominate agenda setting and meeting discussions.
- Addressing the challenges associated with remote meeting participation.
- Keeping participants on topic.

- Adequate time for review and discussion at meetings of important topics.
- Greater diversity of views on the CAEECC.
- Greater transparency in regard to agenda setting and prioritization.
- More time for public comment.

Challenges associated with the CAEECC's role that were identified by two or more Members included:

- The expectation that the CAEECC will find consensus when it is assigned issues for which it is nearly impossible to reach consensus.
- The need for more clarity on the CAEECC's purpose and role.
- The CAEECC's lack of authority and ability to enforce deliverables.

C) Value Creation

Have the CAEECC discussions/deliberations of issues created relatively more value than if they had only been dealt with at the CPUC (in terms of additional insights, greater specificity, higher degree of convergence and consensus on issues, and more-timely outcome).

All the Members felt that the CAEECC process has created relatively more value for certain issues than would have been likely had the same issues only been dealt with at the CPUC. The two most commonly cited examples were the MTWG and the DEER Peak workshops (based on reports of the Member organizations that participated in those efforts).

For the MTWG, Members felt that if these issues had stayed at the CPUC (following the two technical sessions held by the CPUC after the release of the staff straw proposal), little additional progress would have been made, and the process would have taken much longer. Instead, Members felt that the MTWG was able to explore options and interests in detail and to develop consensus on all recommendations except for two — all in a fairly compressed time period.

According to Members, the DEER Peak workshops created value by tackling a challenging issue and helping Members to converge on a set of recommendations that evolved meaningfully over the course of the two workshops held. Several pointed out that stakeholders' positions would have likely ended up much more divergent on DEER Peak without the CAEECC workshops.

On some of the other issues, Members' assessment of the relative value produced by the CAEECC process was more mixed. All Members who commented on the CAEECC Working Group on Contract Terms and Conditions (including workforce standards and disadvantaged workers) felt that it was very successful in efficiently exploring a multitude of issues in detail and discussing alternatives in a way that would have been far more cumbersome to address at the CPUC. However, some Members were frustrated that the PAs

did not make more of their suggested changes, while some of the PAs felt that the non-PAs were being inflexible and unrealistic on certain issues.

Members also expressed less certainty that the Full CAEECC meetings on the ABALs created additional value beyond what a CPUC process alone would have provided. All Members agreed that the CAEECC provided a reasonably good forum to hear about the ABALs, ask clarifying questions, and provide some feedback. But some non-PAs were frustrated that the PAs did not implement more changes based on the feedback provided, and some PAs were frustrated that the meetings did not reduce the number of protests filed at the CPUC—although they appreciated that there were few, if any, surprises in those protests.

Generally, Members expressed the view that the CAEECC provides substantial value beyond that afforded by the CPUC proceedings in terms of allowing a diverse set of leading stakeholders to come together to discuss a wide range of pertinent energy efficiency-related issues in a manner and level of detail that is more conducive to understanding issues and perspectives, exploring alternatives, and reaching agreement on recommendations (when applicable). Many also pointed out that the CAEECC can respond more nimbly and expeditiously than the CPUC is generally able to. Finally, Members pointed out that even when the CAEECC does not resolve issues or eliminate protests, it does generally result in comments to the CPUC that are better informed and formulated, and more useful than they would have been otherwise.

Does CAEECC create more value when exchanging timely information and providing feedback (i.e., being an expert sounding board), or when it seeks to develop recommendations on an issue?

We attempted to delve deeper into the issue of value creation by asking Members whether the CAEECC created more value when exchanging timely information and providing feedback or when attempting to develop recommendations on an issue. Although we framed this question as a binary “either/or” question, the most common Member response was that “both” activities are equally important and can create significant value. One of the Members who stated that both were equally important in creating value also pointed out these two objectives can be mutually re-enforcing.

While the most common response to this question was “both,” the second most common response among Members was that more value is created when the CAEECC seeks to develop recommendations. This in turn was very closely followed by those who felt that more value is created through exchanging timely information and providing feedback.

Regarding the exchange of timely information and feedback, Members felt that the CAEECC generally serves as a very important forum to help them keep up to date on energy efficiency related-policy and implementation developments and to better understand the views of diverse stakeholders. There was a range of opinions, however, on how useful the feedback has been on issues. Many acknowledged that the value of the feedback varies from topic to topic. This variability appears to relate to a combination of the ripeness of an issue for feedback (i.e., is it in the early stages or is it nearly “fully baked” already), the

expertise of CAEECC Members on the issue, and the interest of the accountable parties in receiving feedback. Finally, we note that a couple of Members landed in this camp because they believe that the CAEECC as a body is currently not allowed to make formal recommendations to the CPUC.

Among those who made the case for recommendations, most did not deny that exchanging timely information was important but felt that developing recommendations was ultimately a higher and better use of the CAEECC. As one Member explained, “The former is valuable, but the real value of the CAEECC is in the latter—bringing out positions, crisping them, and finding consensus recommendations where we can, before any formal record development occurs at the CPUC.” Several Members provided the additional insight that when the CAEECC has sought to make recommendations (such as on DEER Peak, market transformation, and on standardized contract terms and conditions), these have been on cross-cutting policy or implementation issues, rather than recommendations on individual PA BPs or ABALs—and that these kinds of cross-cutting issues seem to be more fertile ground for the CAEECC.

D) Goals and Objectives

Did you feel like the Goals and Objectives of the meetings were clearly articulated before meetings and successfully accomplished during meetings?

Nearly all Members felt that meeting goals and objectives were clearly articulated in advance of each meeting. Six Members specifically noted that the posting and distribution of agendas and other meeting materials in advance of each meeting helped to establish clear expectations and/or keep meetings on-track. Five Members mentioned the work of the facilitation team as important for setting goals and/or keeping meetings within scope. Two Members said that discussing meeting goals at the outset of each meeting was a beneficial practice.

Nearly all Members felt that meeting goals were achieved at each meeting, though two Members noted that goals were better achieved in some meetings versus others.

Four Members suggested that more time could be allocated during meetings to discuss certain topics, and two Members recommended that meeting action items could sometimes be better articulated.

E) Program Administrators Responsiveness

Generally, how responsive have all program administrators (PAs) been to stakeholder input over the course of these 15 months (in terms of real-time responsiveness in the deliberations and as reflected in post-meeting statements and written documents)? Examples where they were particularly responsive? Where not particularly responsive?

Broadly speaking, a majority of both PAs and non-PA Members said that PAs listen and respond to Member input (in other words, they are good at “active listening”). At the same time, several Members also emphasized that levels of responsiveness vary significantly depending on the PA or the specific issue or topic under discussion.

Members generally felt that PAs, and in particular the IOU PAs, were less responsive in terms of their willingness to make changes based on stakeholder input. Members said that while IOUs strive to listen to and respond to stakeholder issues during deliberations, they are not necessarily willing to commit during meetings, nor do the IOU’s post-meeting statements or written documents necessarily reflect a stance responsive to stakeholder concerns. Non-PA Members acknowledged that the PA representatives do not necessarily have the authority to commit in real time without going back to their organizations, but expressed frustration that this inability slows the process, requiring that issues be revisited.

IOU Members likewise pointed out that while they appreciate learning about stakeholder concerns, they do not necessarily always agree with those concerns, or ultimately make the recommended changes. Both non-PA and PA Members pointed out that, in addition, regulatory requirements may prevent PAs from making changes suggested by CAEECC Members. A PA Member added that exhibiting responsiveness is also more difficult under tight timelines (e.g., the relatively short time that elapsed from when CAEECC feedback was provided on the draft ABALs to when they were filed).

In providing specific examples where PAs were particularly responsive, the most often-mentioned topic was deliberations in the MTWG. Deliberations in the DEER Peak Workshops and on Contract Terms and Conditions (at least for some of the terms and conditions) were also mentioned as examples of PA responsiveness.

Regarding examples where PAs were not particularly responsive, many Members expressed frustration that PAs (particularly the IOUs) were not more responsive during CAEECC deliberations on the ABAL filings, and that the ABAL filings did not reflect sufficient stakeholder input from those deliberations. A few PA Members noted that more changes were made to ABALs than were perhaps readily visible to stakeholders as a result of the CAEECC meetings (e.g., stakeholder concerns were investigated and discussed in the filing, although this did not change the results much). A few Members (both PA and non-PA) noted that they appreciated that the CAEECC forum created an opportunity for PAs to respond to questions and to explain the PA restrictions, challenges and uncertainties; and that the ABAL filings did reflect stakeholder input.

A few Members stated (in response to this and other related questions) that PAs are generally more responsive with regard to cross-cutting policy issues than to suggestions made regarding changes to their own portfolios.

Members’ comments focused mostly on IOU PAs, but some also addressed REN responsiveness. Some Members noted that the RENs tend to be more responsive than IOUs, as their CAEECC representatives are more likely to have the authority to make decisions at

the table and do not have to “check back home” with a more extensive internal team. They also noted that RENs are often only being asked by other CAEECC Members to “stay the course,” whereas IOUs are under more pressure to make more substantial adjustments.

F) Members Flexibility

Generally, how flexible were CAEECC Members (including PAs) in seeking outcomes that were potentially mutually agreeable, where applicable? Examples where particularly flexible? Where they were particularly not flexible?

All Members but one said that CAEECC Members (including PAs) are generally flexible in seeking mutually agreeable outcomes. Members said that while CAEECC Members often come to the table with strong positions and the desire to represent their own interests, they also often exhibit an openness and flexibility. Members noted that good communication in the CAEECC was a first step toward improving mutual understanding, though it did not always (and was not always expected to) yield specific agreements. For example, Members clearly explaining their positions and interests clarifies issues, allows Members to identify areas of potential alignment, and advances broader conversations. One Member characterized the approach as, “Everyone is flexible to the extent they can be flexible. For example, in the Market Transformation Working Group, all could agree on principles, but on a couple of details, Members could not come to a mutually agreeable solution (e.g., the 1.25 or 1.5 cost effectiveness threshold).” Finally, another Member noted that the new facilitation team has improved collaboration at the CAEECC, which has helped Members to be more flexible (where they can).

Asked to name topics on which the CAEECC Members exhibited flexibility, the following examples were offered by at least one Member:

- Market Transformation
- Contract Terms and Conditions, including disadvantaged communities
- DEER Peak
- Normalized Metered Energy Consumption
- Deliberations on new CAEECC Membership

Several Members who expressed positive responses to this question also stated that, nonetheless there is “room for improvement” when it comes to Members listening to and acknowledging stakeholder proposals or viewpoints, as well as explaining their own organization’s positions during meetings.

A Member critical of the IOU’s inflexibility noted that “IOUs are more flexible with CAEECC than without it but still have room to grow.” Several Members identified reasons why CAEECC Members did not exhibit even greater flexibility:

- Some CAEECC Members at the table do not have the authority to commit their organizations without further internal discussions

- Member organizations are unwilling to give up litigation leverage
- CAEECC Member organizations have fundamentally divergent interests, so expecting full consensus on some issues is unrealistic

Asked to name topics on which the CAEECC Members did not exhibit flexibility, a few Members listed the ABAL filings. The following examples were also offered by at least one Member:

- Deliberations on Disadvantaged Community Terms and Conditions
- The issue between the City of San Francisco and PG&E. (On this issue, the Member raising it noted that ultimately PG&E's flexibility was constrained by the CPUC.)

G) Facilitation

Introduction: The tasks of our Facilitation Team are multifaceted, so we posed several specific questions that examine Facilitation Team effectiveness from a variety of angles. With the exception of one Member, all Members characterized the facilitators as very effective across all dimensions. Numerous Members offered specific examples to support this observation. Brief summaries of the comments on the Facilitation Team's effectiveness by the various sub-questions follows "*How effective have the facilitators been in...*":

Facilitating timely information sharing/posting?

All Members felt that facilitators have effectively enabled the timely posting and distribution of information, and several added that this timeliness has improved the effectiveness of the CAEECC process. Specifically, several Members volunteered that materials are well organized on the CAEECC website, making access to information easy. Some observed that the deadlines and the rhythm established for this round of the CAEECC process (e.g., groundrules requiring that meeting documents be posted on the CAEECC website at least one week prior to meetings) applies useful pressure on the PAs and non-PAs alike to produce materials in a timely manner. One Member noted that while the CAEECC protocol of posting materials one week ahead of meetings is an annoyance, "It is a good annoyance."

Related comments were that responsiveness in getting materials in on time (meeting deadlines) has improved over the prior facilitators, and that advance notice increases the ability of some Members to participate in meetings. A PA Member noted that while some PAs initially resisted review of presentations by the Facilitation Team prior to posting, they now see the benefits of having the facilitators help clarify written documents.

Fostering constructive and efficient meetings?

All Members but one felt that the facilitators have fostered constructive and efficient meetings, and several Members called out specific tactics that the Facilitation Team has

used including: well-structured agendas; allowing individuals to provide topics for the CAEECC to consider; providing appropriate time for each topic; redirecting off-topic discussion; giving timely reminders of the groundrules; or using a “parking lot” to table and revisit issues later. A few Members added that effective facilitation has allowed the CAEECC to tackle important, substantive issues in greater depth than it was previously able to achieve.

Some Members suggested ways in which the process could be even more productive. Several Members pointed out that not enough time has been allotted for engagement of the public. Additionally, a few Members were frustrated that the CAEECC has acted disproportionately as a sounding board for PA issues (PAs present and receive CAEECC feedback) and felt that it should allow more time for other Member presentations on issues that would benefit from CAEECC discussion and feedback.

Being impartial and ensuring that no one dominates discussions?

All Members, with the same one-member exception, felt that the Facilitation Team has consistently acted in an impartial and non-partisan manner (i.e., not favoring any particular side). Just one Member felt that the facilitators are not impartial in that they appear to have accorded more power to frame agenda topics and outcomes to those CAEECC Members with greater political capital.

Members also stated that the facilitation has ensured that no single person dominates a given discussion, everyone has the opportunity to participate, and conversations flow. Members pointed out specific tactics used by the facilitators to ensure a balanced discussion, including: redirecting Members who are inclined to take up too much air time; taking comments and questions in an orderly sequence by asking Members to signal their wish to speak by raising their name placards; and keeping the discussion on track relative to the agenda. One Member stated that this dimension of facilitation is much improved over past facilitation: “The discussion now feels very balanced. There are no bullies on their bully pulpit.”

Accurately documenting outcomes in a timely fashion?

Members stated that meeting summaries have been both accurate and timely. Some Members said that they use the summaries as a reference, and that information is easy to look up and “very helpful.” Another Member noted that summaries allow for information exchange between Members and non-Members, which is an extremely valuable element of the CAEECC process. One Member who regularly reads the summaries stated that they are accurate.

Assisting in clarifying perspectives, narrowing disagreements, and seeking agreements, where applicable?

All Members but the same one noted above stated that the facilitators have been effective in clarifying perspectives, narrowing disagreements, and seeking agreements where

applicable. Several noted specific tactics that are effective, including restating/summarizing statements, reframing comments/proposals, and seeking consensus during meetings. However, one PA asked that facilitators bear in mind that PAs may need to “go back to the management” on certain issues and are often unable to make commitments to proposed revisions or solutions in real time.

Some called out specific examples where the facilitation was particularly effective or resulted in productive outcomes (e.g., the MTWG, the Contract Terms and Conditions Working Group, and moderating animated discussions between the IOUs and local governments).

Helping to ensure that the overall CAEECC process is transparent (in terms of agenda setting etc.)?

All but two Members felt that the CAEECC process has been transparent, noting that materials are available on the CAEECC website to both Members and non-Members, that facilitators send out the agenda and ask for feedback in advance, that Members receive materials simultaneously, and that facilitators discuss topics to address in upcoming meetings and ask for buy-in in advance.

Some Members noted that agenda setting could be still more transparent, and one Member suggested providing an opportunity for Members to provide input into agenda topics closer to the meeting. (Facilitators’ note: Agendas are generally set at least one month prior to the Full Quarterly CAEECC Meetings.) One Member offered the view that any new CAEECC Working Group or Workshop should be approved by the CAEECC rather than having this responsibility primarily handled by the facilitators/Co-Chairs.

H) CAEECC Future Topics

Going forward, what energy efficiency related topics/issues should the CAEECC focus on and why?

To this open-ended question, **the most often mentioned topic/issue was cost-effectiveness**. Half of the Members interviewed recommended that the CAEECC should work on updating California’s cost-effectiveness framework to better achieve the state’s energy efficiency and other goals. One Member explained that cost-effectiveness would be ripe for the CAEECC to address because it’s a multifaceted topic about which there are a lot of different opinions; there is widespread agreement the existing framework needs significant updating; and that there are no easy solutions. Another Member described why CAEECC would be a good forum for cost-effectiveness: “This is an issue that would be difficult for the CPUC to address, and the kind of issue that is a good fit for the deep dive, consensus-building framework that the CAEECC provides.” At the same time, several Members acknowledged that, although many CAEECC Members have been advocating for taking this issue on at CAEECC, that other than allowing the CAEECC-hosted MTWG to include cost-effectiveness in its discussions when developing an overall MT framework, the

CPUC has not been amenable to having the CAEECC take on broader cost-effectiveness issues.

While we received suggestions for over a dozen other suggested topics/issues for CAEECC to pursue, none of them were mentioned nearly as often as cost-effectiveness. Below we list all of the topics/issues that were mentioned, arranged in order of those mentioned most frequently (i.e., 5 times) to those mentioned only once. We note that two Members did not offer any topics/issues.

- Rolling portfolio/3P implementation
- California decarbonization and electrification goals and the role of energy efficiency
- ABALs/BPs
- “Hard-to-reach” definition update
- Equity/disadvantaged communities/social justice
- Data-related issues
- Advanced building approaches—e.g., the Internet of Things (IoT), advanced controls, refrigerants
- Integration of other resources with energy efficiency (distributed generation, electric vehicles, etc.)
- Workforce issues
- Estimating potential and setting goals for energy efficiency
- Local government partnerships
- Normalized Metered Energy Consumption
- Metrics issues
- Codes and standards

Would you suggest any refinements to Energy Division’s guidance as to when CAEECC can tackle an issue?

- A) CPUC has initiated a starting point (e.g., issued a white paper on a topic); and***
- B) Diversity of opinions on issue (if not significant diversity of opinion should stay with CPUC); or***
- C) CPUC has directed CAEECC to take on an issue (e.g., thru an order).***

Approximately half of the Members interviewed felt that the guidance/criteria that the Energy Division now uses to decide whether the CAEECC can and should take on an issue are reasonable and adequate. The other half of the Members interviewed felt that some refinements were warranted.

The most common concern raised was that there should be some mechanism to enable the CAEECC to take on topics that its Members feel are important, even if the CPUC hasn’t initiated a starting point and/or requested CAEECC’s input. As one Member put it, “The CAEECC shouldn’t just be reactive but proactive on important issues.” Some felt that if an issue of interest received a super-majority or consensus support of CAEECC Members, then the CAEECC should be able to take it on without Energy Division’s pre-approval. Others,

while supporting this idea, cautioned that even if an issue could be initiated by CAEECC with broad support of its Members, that without a clear sign of CPUC interest and support, the CAEECC input and work products on that issue would likely languish at the CPUC and would therefore not be worth undertaking.

Another refinement suggested by several Members was to relax the requirement that the CPUC has to have initiated a formal starting point (such as a white paper), arguing that it should be enough to have the CPUC identify a topic it wants input on, perhaps with a listing of sub-topics or questions on which it wants feedback, rather than essentially requiring a CPUC straw proposal on an issue before the CAEECC can tackle it. Two Members thought that CAEECC should be able to pick up the baton on important energy efficiency issues that the CPUC won't or is not planning to address in the near-term.

One Member suggested that CAEECC should be able to tackle legislative issues or issues identified by the California Air Resources Board (CARB). Another mentioned that the CPUC criteria are fine but that the CPUC Energy Division needs to work with CAEECC to establish reasonable timelines and Member resource expectations for assigned topics/issues. Finally, one Member suggested that stakeholders should be able to petition the CPUC to either have the CAEECC take on an issue or to request that the CPUC hold a workshop(s) on the issue - depending on which approach is more expedient.

I) Potential Process or Structural Improvements

Any CAEECC-related process and/or structural improvements suggestions that you'd like to recommend?

Many Members said that they didn't have any suggested improvements at this time (one added that "CAEECC is a well-oiled machine"). But most Members offered potential improvements. The following improvement suggestions were offered by one or more Members on a range of process and structural issues.

- **CAEECC Membership**
 - Avoid duplicative Membership on the CAEECC, particularly including both a membership organization and, separately, some of its Members
 - Have specific groundrules for off-boarding Members (e.g., if a Member is not participating or being productive)
 - Refine criteria for new potential Members, (e.g., maybe require that a new member have the sponsorship of two CAEECC Members and demonstrate an ability to work collaboratively)
 - Add a Member specializing in social justice issues
- **Planning Process** (including topics CAEECC can tackle, how and when to tackle an issue, and agenda development)
 - Be selective on issues that the CAEECC should address in addition to those that are required (e.g., ABALs).

- Broaden efforts to provide Member input into agenda planning and setting
 - Garner more timely feedback from the CPUC when approving topics/agenda items for the CAEECC to address
 - Elaborate/refine Energy Division's criteria for what issues the CAEECC can undertake; including potentially the ability for the CAEECC to add important issues/topics without CPUC pre-approval in certain instances
 - More transparency on the agenda setting process with more succinct and clear explanations of agenda setting decisions
- **CAEECC Meetings**
 - More structured time and space for comments from the public
 - More time to review lengthy documents before meetings
 - More opportunity for discussion of issues during CAEECC meetings (beyond presentations)
 - Meeting length should be guided by topic complexity
 - Extend meeting times to be able to cover more issues
 - Allow CAEECC members other than the PAs to present
- **Other Structural Options**
 - The CAEECC should be able to request and have resources to engage technical experts on occasion
 - Another process option for dealing with particular issues (besides using the CAEECC) may be to have the CPUC take on issues directly, but with outside facilitation help

Chapter 4: Facilitation Team Findings and Recommendations

In this Chapter, the Facilitation Team provides a high-level summary of key findings and a limited set of recommendations. The findings and recommendations are based on four inputs: 1) the formal post-meeting/process evaluation surveys (instituted approximately mid-way through this period of evaluation and covering almost half of the meetings) (See Chapter 2); 2) our recent, detailed interviews with each of the CAEECC Members (See Chapter 3); 3) our own observations of the CAEECC; and 4) our extensive experience facilitating/mediating and assessing comparable processes.

Facilitation Team Findings

A) Overall Success, Challenges, and Value Added

The majority of participants found the CAEECC meetings to be generally successful: Participants have generally found the Full CAEECC Meetings and CAEECC-Hosted Working Groups and Workshops to be successful. For the seven meetings and processes that were evaluated, participants rated the average overall success from 4.8 to 5.5 on a scale of 6. The Member interviews reflecting on all the meetings and processes to date also were mainly positive about the CAEECC's overall success during this 15-month period.

a. Meetings structured to solve problems were the most successful:

Certain CAEECC undertakings were more universally deemed successful by participants and the Facilitation Team than others. The two most often cited CAEECC successes were the Market Transformation Working Group (MTWG) and the DEER Peak Workshops. In both instances a high-degree of consensus or convergence was reached among the participants. What is also noteworthy about these two cases is that the participants were respectively focused on co-creating an entirely new market transformation framework that they were all genuinely interested in for a variety of reasons; or fixing a problem (the time period for measuring peak savings) that virtually everyone agreed needed revisiting and updating. In both instances, there were multiple, dedicated meetings (with substantial work in between meetings) to focus on these issues.

b. Meetings structured in a sounding board fashion had mixed success:

CAEECC was perceived by participants to have more mixed success in regard to the Contract Terms & Conditions Working Group and the two Full CAEECC meetings dedicated to presenting and providing feedback on the ABALs. In both instances the dynamic was the IOUs collectively in the first instance, and the PAs individually in the second instance, presenting their drafts, answering questions, and then getting structured feedback. Although the Terms and Conditions discussions had more of a feel of a joint exploration than the ABALs, in both cases the dynamic was more reactive than was the case for both the MTWG and DEER Peak Workshops. The

other constraint on these processes that was frustrating to non-PAs and PAs alike was the very tight timeframe that both were under—in terms of when filings needed to be made—and the difficulty that timeframe posed in terms of having time to make changes. The need for the ABALs to meet the cost-effectiveness threshold further limits the PAs’ abilities to make suggested changes. Nonetheless, these CAEECC processes did result in some changes to the proposed Terms and Conditions and to the ABALs, and importantly, educated everyone such that their subsequent filings and comments with the CPUC were better informed, and there were no major surprises.

- c. **CAEECC’s highest value-add occurred when working toward recommendations on cross-cutting policy or implementation issues:** Related to the above findings, while the CAEECC is valuable as an important forum for information exchange on related energy efficiency matters and as a sounding board for individual PA Business Plans and ABALs, it seems to potentially create its highest value-add when working toward recommendations on cross-cutting policy or implementation issues (such as on DEER Peak or market transformation).
- d. **CAEECC deliberations provided more value on certain types of issues than had those issues simply remained at the CPUC:** In these instances (most notably on cross-cutting policy or implementation issues), CAEECC deliberations provided relatively more value than if these issues had only remained at the CPUC (and can complement and supplement the CPUC deliberations on these issues). CAEECC could do this by acting nimbly and with professional facilitation/mediation to tailor a joint problem solving and negotiation process where participants could learn together, explore interests, and seek mutually agreeable outcomes where possible—and otherwise crisp up alternatives. The detailed evaluation of the MTWG and Member interview responses affirms this finding.

B) CAEECC Collaboration: Program Administrators’ Responsiveness and Members’ Flexibility

The ALJ directed, “The CAEECC facilitator to provide an assessment of collaboration in the CAEECC process, including PAs’ responsiveness to stakeholder input and all stakeholders’ (including the program administrators) flexibility in reaching outcomes that are mutually agreeable.” From the Facilitation Team’s perspective, “PAs’ responsiveness” has two distinct aspects. First, it can mean that PAs show that they are listening, acknowledging and understanding the points that other non-PA Members make (even if they don’t agree with them). This form of responsiveness is sometimes referred to as active listening or empathy. Second, responsiveness can refer to PAs’ willingness to make (and actually implement) changes based on input from non-PA Members.

- a. **Program Administrators' Responsiveness was generally high for "active listening":** With respect to first aspect of responsiveness (active listening/empathy), the PAs generally do this pretty well—listening and acknowledging others' points of view and asking for clarifications when necessary. However, this can sometimes vary by PA representative (depending on personality/style) or by issue (i.e., on more contentious issues where PAs know there will be significant disagreements they may appear to be less engaged with other Members from the outset).
- b. **Program Administrators' Responsiveness was more mixed for "making changes":** With respect to the second aspect of responsiveness (PAs' willingness to make changes based on feedback), the PAs responsiveness is more mixed. The PAs have shown willingness at times to make changes where non-PA Members or other stakeholders have pointed out errors or made suggestions to PA proposals that made sense to the PAs. This willingness to make changes or forge agreements has been more forthcoming on some of the cross-cutting issues than on individual PA draft filings (e.g., Market Transformation, DEER Peak, and even some of the standardized terms and conditions). In many other cases, particularly around their draft ABALs, the PAs have appeared less responsive to stakeholder feedback. However, it is important to point out that, while this can be frustrating at times to non-PA stakeholders, if the PAs decide to stick to their original position for good reason (e.g., a recommended change would make their portfolio not cost-effective) or a difference in policy choice (e.g., whether the Market Transformation Administrator should be the existing PAs or a new independent, statewide entity) this should not automatically be construed as being non-responsive. That said, when PAs aren't making changes suggested by stakeholders because they don't have time to process them internally and make the filing deadlines, that's a structural issue that should be addressed.
- c. **Members' (PAs and non-PAs alike) flexibility was greater on CAEECC undertakings intentionally structured to seek mutually agreeable outcomes:** Regarding all stakeholders' (i.e., CAEECC PA and non-PA Members and other participants in CAEECC processes) flexibility in reaching mutually agreeable outcomes, we first note that only some of the CAEECC undertakings over the past 15 months have been structured to actively seek mutually agreeable outcomes (most notably the Market Transformation Working Group (MTWG) and the DEER Peak Workshops) through deliberation and negotiation. In those instances, participants showed a remarkable willingness and flexibility in seeking mutually agreeable solutions on most sub-issues. The fact that the MTWG ended up with only two non-consensus issues (albeit significant ones) was testament both to the participants' flexibility and hard work to bridge differences and also defines the appropriate boundaries of that flexibility (i.e., when there

are significant policy differences among sub-groups that ultimately need sorting out by the CPUC).

- d. Members were often more partisan and less flexible for the CAEECC undertakings which were not intended or designed to actively seek mutually agreeable outcomes:** Most other topics that the CAEECC undertook over the past 15 months were not really intended or designed to actively seek mutually agreeable outcomes, and in those cases Members (PA and non-PAs alike) generally appeared more positional and less flexible. The ABALs are a good example of this. Each PA presents their draft, receives questions and is given feedback by other Members; and then, after internal discussions, makes whatever changes it deems warranted and files at the CPUC—but there is very little, if any, deliberation on the issues among Members.¹⁰ There was also a whole set of issues touched on briefly at one or more Full CAEECC meetings where the goal was to educate Members on a short discussion, but neither time nor space was allocated (or necessarily desired by the Energy Division or others) for the CAEECC to develop recommendations. The Contract Terms and Conditions including Workforce Standards is an area where PAs and non-PAs showed some flexibility in certain areas but less in others, and more flexibility and resolution may have surfaced if there had been more time and a more active consensus-seeking CAEECC process design.

C) CAEECC Topic Selection and Agenda Setting

Topics that CAEECC can and cannot pursue are currently pre-approved by the Energy Division staff. Midway through this past 15-month period, Energy Division put in place a set of screening criteria that it uses to pre-approve CAEECC topics:

- i. CPUC has initiated a starting point (e.g., issued a white paper on a topic); and*
 - ii. Diversity of opinions on issue (if not significant diversity of opinion should stay with CPUC); or*
 - iii. CPUC has directed CAEECC to take on an issue (e.g., through an order)*
- b. Members want more flexibility and agency in CAEECC topic selection:** Most CAEECC Members are generally supportive of these criteria. However, numerous CAEECC Members raised two concerns and suggestions during our interviews. The first is that there should be more flexibility as to what constitutes a “CPUC starting point,” suggesting that it should be enough for

¹⁰ In the evaluation of the 2nd Full CAEECC meeting on the ABAL filings, participants rated both “PAs responsiveness” and “all Members’ flexibility to seek mutually agreeable outcomes” at 4.1—while this is still marginally positive, these were the lowest ratings for these questions across all the meetings/processes that had formal evaluations. For those other meetings/processes the average ranged from 4.5-5.5 for “PAs responsiveness” and 4.6-5.3 for “Members flexibility.”

CPUC to have identified an important topic on which it wants stakeholder input, and perhaps for the CPUC to issue some key questions—without having to issue a detailed CPUC white paper or proposal on the topic before the CAEECC can address it. The second is that the CAEECC itself should be able to place issues of Member concern on its own agenda (for example, if agreed to by a super-majority of CAEECC Members), without necessarily seeking CPUC or Energy Division’s pre-approval (although, when pressed, most advocating for this acknowledged that if the CPUC wasn’t interested in CAEECC Member input on a particular topic, any such input would just languish at the CPUC). Relatedly, the most-often mentioned topic of interest to CAEECC to take on in the future was cost-effectiveness—which ED has not wanted CAEECC to tackle to-date (except within the MTWG discussions).

- c. **Members suggested several improvements on CAEECC strategy and agenda setting:** Once a topic has been pre-approved by Energy Division, along with the related goals, it is generally left to the Facilitation Team, in consultation first with the Co-Chairs and then with the other CAEECC Members, to choose the appropriate venue (Full CAEECC meeting(s), Working Group, or Workshop(s)); determine the appropriate number of meetings to schedule (although Energy Division is often involved in this as well); and then establish the detailed goals and strategy for working through the issue (i.e., detailed agenda setting and meeting design). Although this process has worked reasonably well from the Members’ and our perspective, there were a few suggestions for improvement made by Members that we agree with:
- i. **Member confirmation on venue and strategy for each major new undertaking;** Before launching any new Working Group or Workshop(s) on topics that have been pre-approved by the CPUC, the topic and approach should be run by the CAEECC Members for feedback, particularly on the timing and strategy (while this has been routine when the initiation timing coincides with a regular Full CAEECC meeting, several Working Groups/Workshops were initiated between meetings);
 - ii. **Clearer goals for each topic and agenda item (i.e., education, structured feedback, or consensus-seeking/recommendations); CAEECC participants emphasized** the need to be even clearer with Members about the goals and nature of any agenda item, Working Group, or Workshop(s) (i.e., education, structured feedback, or consensus-seeking/recommendations)
 - iii. **Allowing more time for discussion and public comment.** CAEECC Members suggested that enough time be allotted on agendas for discussion (as opposed to just presentations and Q & A) and for public comment.

D) Member Engagement in CAEECC Meetings

a. Participation has been quite robust in all CAEECC meeting types:

- i. Virtually all Members (or their designated alternates) have participated in each of the Full (Quarterly) CAEECC meetings. Only a few Members (and their alternates) have, on occasion, missed Full CAEECC meetings.
- ii. A majority of Members (or other representatives from their organizations) have participated in each and every CAEECC-hosted Working Group and Workshop.
- iii. Attendance by other stakeholders (non-Members) has been fairly robust at all meetings; however, with the exception of CAEECC Workshops, where Members and other interested stakeholders participate equally, non-Member stakeholder input is, by design, somewhat limited and constrained.
- iv. Energy Division staff have participated as ex officio members in Full CAEECC meetings and in some of the Working Groups and Workshops (e.g., Market Transformation and NMEC/M&V).

b. Presentations are now regularly posted in a timely fashion:

Presentations are now almost always posted at least one week prior to meetings, consistent with CAEECC groundrules, with only limited exceptions, and with occasional reposting for corrections or late-breaking developments. This appears to allow adequate time for Members to review documents, discuss with peers, and come to the meetings prepared—to everyone's benefit. Most, but not all CAEECC Members, review all of the key documents prior to each meeting.

c. Facilitation Team review of draft materials is considered beneficial:

The CAEECC groundrule to provide the Facilitation Team with draft presentations and other documents several days prior to the posting deadline for a "clear, concise, and on topic" review was initially met with some resistance by certain Members (who initially didn't see the value). This is generally complied with now, and largely understood to benefit the presenters and the CAEECC process as a whole.

d. CAEECC member feedback on written materials could be timelier:

Adherence to the CAEECC groundrule to "provide input, feedback, and written material when requested by the Facilitation Team or Co-Chairs in a timely manner" could be better. On very important and time-critical requests from the Facilitator, Members are usually fairly responsive (especially when prompted by the Co-Chairs). However, for more routine matters like comments on draft agendas before meetings or on meeting summaries afterwards, Member input and feedback tends to be limited.

Typically, about half of the Member attendees respond to post-meeting evaluation surveys with the exception of the MTWG, where all but one Working Group Member filled out the survey. (This high response rate required several follow up emails from the Facilitation Team and prodding by the Co-Chairs.)

E) Facilitation of CAEECC Meetings

- a. Facilitation effectiveness rated highly in evaluations and Member interviews by nearly all:** For the meetings/processes for which we provided an online evaluation survey, the effectiveness of the facilitation was rated highly across all meetings and Working Groups—with averages ranging from 4.8 to 5.8. This was borne out in our Member interviews, where, with the exception of one Member, all Members characterized the facilitators as being “effective to very effective.” See Chapter 3 for more detailed Member feedback on various aspects of the facilitation, including: timely information sharing/posting; fostering constructive and efficient meetings; being impartial and ensuring that no one dominates discussions; accurately documenting outcomes in a timely fashion; assisting in clarifying perspectives, narrowing disagreements, and seeking agreements where applicable; and helping to ensure that the overall CAEECC process is transparent.

Facilitation Team Recommendations

In this section we provide eight over-arching recommendations segmented by the main actor or actors that would be responsible for each recommendation. We end the section with numerous additional potential recommendations suggested by one or more Member during our interviews which we also believe are worthy of consideration.

Energy Division/CPUC; CAEECC Members; & Facilitation Team:

- 1) Identify Cross-Cutting Policy or Implementation Issues:** The CPUC, CAEECC Members, and stakeholders should continue to identify cross-cutting policy or implementation issues that would be appropriate and ripe for CAEECC to tackle and should allow for sufficient time (and resources) to increase the likelihood of success.
- 2) Articulate Desired Outcomes & Appropriate Venues:** Be even more deliberate in regard to expected outcomes for each issue the CAEECC undertakes, in terms of specifying end-goals (education, using CAEECC as a sounding board, or developing joint recommendations/proposals), then select the appropriate CAEECC venue (Full CAEECC, Working Group, or Workshop) and structure the process appropriately. Be even clearer about these goals in the chartering documents related to any new topic undertaken by CAEECC, regardless of whether the topic is undertaken by a Working Group, through a Workshop, or as an agenda item at a Full CAEECC meeting.

- 3) **Strengthen Non-PA Input and PA Responsiveness Before Individual and Joint PA Filings at the Commission:** Seek ways to improve non-PA input into the ABAL filings and other individual or joint IOU/PA efforts well before they are filed at the Commission. At a minimum, there needs to be sufficient time for 1) PAs to develop and present their proposals to the CAEECC; 2) for the CAEECC Members to digest the proposals and provide meaningful feedback; and 3) for the PAs to have enough time to incorporate the changes they can agree to. Also explore ways to improve these processes by making them more collaborative, potentially including engaging non-PA CAEECC Members and other interested stakeholders earlier on (e.g., before ABALs are drafted) and in a joint problem-solving fashion. At this point, the current timeframes for the ABAL filings do not appear to provide adequate space and time for implementing these recommendations.¹¹

Energy Division/CPUC:

- 4) **Refine Energy Division Topic Pre-Approval:** Energy Division should consider whether it can be more flexible in determining what constitutes a “CPUC starting point” required for CAEECC to tackle an issue. Specifically, could it be enough in some instances for CPUC to have identified an important topic that it wants stakeholder input on, and perhaps to issue some key questions—without having issued a detailed CPUC white paper or proposal? Relatedly, are there certain circumstances where CAEECC can undertake an issue of concern and interest to all or nearly all CAEECC Members without Energy Division pre-assignment? Finally, when Energy Division is reviewing a CAEECC topic request, it should be as expeditious as possible in its response.

Facilitation Team:

- 5) **Confirm New Working Groups/Workshops:** Before launching any new Working Group or Workshop(s) on topics that have been pre-approved by the CPUC, the topic and approach should be run by the CAEECC Members for feedback, particularly on the timing and strategy either at a quarterly Full CAEECC meeting or by email, depending on timing.
- 6) **Elicit Topics for Agenda Setting:** Continue to periodically solicit potential CAEECC topics from CAEECC Members, and to allow CAEECC Members to review draft Full CAEECC meeting agendas at least one month before meetings. Provide further explanation of topic inclusion and exclusion especially with regard to topics requested by CAEECC Members.

¹¹ We note that the Public Advocates Office is putting forward a straw proposal on refining the Business Plan and ABAL process for discussion at the 6/10/19 Full CAEECC Meeting (and probably beyond). The CAEECC and Commission could consider addressing this recommendation in any changes to the Business Plan and ABAL processes.

- 7) **Allocate Adequate Time in Agendas: Seek ways to carve out adequate time on agendas** for discussion (in addition to presentations and Q & A) and for public comment.

CAEECC Members:

- 8) **Observe CAEECC Member Roles & Responsibilities:** Members should continue their good track record in attending all Full (quarterly) CAEECC meetings, Working Group and Workshop(s) of interest; working with the Facilitation Team in preparing and posting meeting materials ahead of meetings; and carefully reviewing materials and coming to meetings prepared to fully participate. Members should also do a better job of responding to Facilitation Team (and Co-Chair) review requests, including, but not limited to, agenda reviews and post-meeting online surveys.

Other Potential Improvements: The recommendations below were made by one or more CAEECC Member during our interviews and were not already covered in our recommendations above. We believe these recommendations are worthy of consideration. We've refined the recommendation language in many cases for clarity and organization (see pages 40-41 for all CAEECC Member recommendations).

a. CAEECC Membership

i. Existing Members:

1. Consider adding specific groundrules for off-boarding existing Members (e.g., if and when a Member is not attending meetings or is being unproductive/non-collaborative)

ii. New Members:

1. Consider adding criteria that any proposed new member must have the sponsorship of at least two CAEECC Members and demonstrate an ability to work collaboratively
2. Avoid overly duplicative Membership on the CAEECC. Consider guidelines for when it's acceptable to include both a membership organization and, separately, some of its Members
3. Periodically consider whether important stakeholders are missing from current CAEECC make-up—e.g., an organization specializing in social justice issues

b. CAEECC Meetings

- i. Provide more time than one week to review lengthy or complex documents before meetings
- ii. Decisions on meeting length and method of convening (i.e., in-person or by phone) should be guided by the number of topics and each topic's complexity and desired outcome

c. Other Structural Considerations

- i. Should the CAEECC be permitted to request and mobilize resources to engage technical experts on occasion?
- ii. Is another option for dealing with particular issues (aside from the CAEECC process) to have the CPUC take on issues directly, with the assistance of professional outside facilitation?

Appendix A: CAEECC Goals & Groundrules

California Energy Efficiency Coordinating Committee (CAEECC) Goals, Roles & Responsibilities, and Ground-rules

Adopted by CAEECC-February 15, 2018

Amended 8/2/18 with CAEECC Membership Criteria/Process
[See Attachment a]

I. Goals of the Coordinating Committee

- A. Support the development and expansion of high-quality energy-efficiency programs that reduce greenhouse-gas emissions in line with state climate and energy goals while responding to customer needs and market dynamics
- B. Provide meaningful and useful input to the Program Administrators (PAs) in the development and implementation of their energy-efficiency business plans
- C. Improve collaboration and communication among parties and with the California Public Utilities Commission (CPUC) on energy-efficiency matters
- D. Resolve disagreements among stakeholders whenever possible to reduce the number of matters that need to be litigated before the CPUC

II. CAEECC Meeting Types

- A. **Full CAEECC Meetings**—These are formal meetings of the entire CAEECC membership convened to discuss on-going as well as periodic issues of broad interest to CAEECC Members. The Full CAEECC Meetings will be scheduled at least quarterly, and otherwise as needed, in person or via conference call. The public will be given an opportunity to provide input periodically as time allows and at the discretion of the facilitator.
- B. **CAEECC Working Group and Subcommittee Meetings**—These are dedicated meetings of CAEECC Members or their proxy/designees whose organizations are interested in specific topics of importance identified by the CAEECC (or the CPUC) for which CAEECC advice or recommendations are sought. Subcommittees, if any, will generally be focused on sector-specific issues. Working Groups will generally be focused on non-sector-specific issues. The public will be given an opportunity to provide input periodically as time allows and at the discretion of the facilitator.
- C. **Ad Hoc CAEECC Workshops**—These are generally one-off workshops on issues identified by the CPUC or CAEECC where broader public input is desired. There will generally be greater time allocated for public input at these workshops than typically allocated at other CAEECC meetings. Seeking formal CAEECC

advice or recommendations is not an expected focus of these workshops.

III. CAEECC Roles and Responsibilities

A. Coordinating Committee Members (and their proxies/designees):

i. Attendance:

1. Make every attempt to attend all Full CAEECC meetings (in person preferred)
2. Participate in all Working Group and Subcommittee meetings and Ad Hoc Workshops on topics of interest, by direct Member attendance or through a proxy or a designee
3. Be on time to meetings and workshops

ii. At Meetings/Workshops:

1. Come prepared to discuss agenda items (by reviewing all documents disseminated prior to the meeting, conferring with your organization and other colleagues, etc.)
2. Be forthright and communicative about the interests and preferences of your organization and actively seek agreement if CAEECC recommendations/advice are being sought
3. Be clear so that everyone understands your interests and proposals
4. Be concise so that everyone who wants to provide input has an opportunity to do so
5. Minimize electronic distractions during meetings

iii. Between Meetings:

1. Keep your organizations informed of developments in the CAEECC process
2. Confer with other Members during meeting breaks and in between meetings, as needed
3. Notify the Facilitator Team prior to the meeting (by telephone or e-mail) if you or your proxy cannot attend a Full CAEECC meeting
4. Be responsible for actively tracking Facilitator Team and Co-Chair communications as well as relevant proceedings and policies
5. Provide input, feedback, and written material when requested by the Facilitation Team or Co-Chairs in a timely manner
6. Any presenter (Member or their proxy or designee) should have their presentation ready for posting at least five business days prior to the meeting; and presenters should work with the Facilitator Team prior to the posting deadline to help ensure that materials are clear, concise, and on topic
7. Discuss pertinent matters with the Facilitator Team and Co-

Chairs when and if the need arises

iv. CAEECC Membership: Criteria and Process [See Attachment 1]

B. Facilitator Team

- i. Overall Goal: Help design and facilitate a productive and fair CAEECC process
- ii. Before Meetings:
 1. Set appropriate meeting agendas based on CAEECC workplan and discussions at prior meetings, in consultation with Co-Chairs, and through soliciting additional input from CAEECC Members
 2. Ensure that agenda items (and discussions) are align with CAEECC goals
 3. Work with any and all presenters to help ensure that all meeting materials are available for posting in a timely manner (at least 5 business days prior to meetings), and help ensure that materials are clear, concise, and on topic
 4. Ensure compliance with the CPUC's CAEECC Conflict of Interest policy both in setting agendas, and that no conflict of interest discussions take place at CAEECC
- iii. During Meetings:
 1. Ensure that discussions at meetings stay focused on the agenda topics (and on time), and are conducted in an efficient and effective manner
 2. Help foster a constructive forum where diverse points of view are voiced and examined in a professional and balanced way
 3. Facilitate all meetings impartially and in a non-partisan manner, (i.e., not favoring any representative, alternate, or organization over another)
 4. Ensure that individual Members (whether representing an IOU or non-IOU organization) do not dominate the discussion;¹²
- iv. After Meetings:
 1. Prepare meeting summaries that are sufficiently detailed (capturing agreements, disagreements, important discussions, and clear next steps)
 2. Post all pre/post meeting materials to the common website/calendar (at least 5 business days before/no more than 5 business days after meeting)
- v. On-Going and Periodically:
 1. Work with Co-Chairs and Members to develop an annual workplan (topics, timing, etc.) for Full CAEECC Meetings; Working Group and Subcommittee Meetings; and Ad Hoc Workshops

¹² D.15-10-028, p.75

2. Work with Co-Chairs, Members, and CPUC staff outside the regularly scheduled meeting as requested and/or as needed
3. Check in with CAEECC Members periodically to make sure the CAEECC process is as effective as possible

c. Coordinating Committee Co-Chairs

- i. Work with the Facilitator Team (and CAEECC Members) between and during meetings to help:
 1. Develop and propose meeting agendas
 2. Identify and plan for additional Working Groups and Subcommittees and Ad Hoc Workshops, as needed
 3. Identify suitable locations/hosts for each meeting and workshop (alternating between Northern and Southern California at a minimum for the quarterly Full CAEECC meetings)
 4. Coordinate and help seek input from their respective cohorts (e.g., PA or non-PA Members)
 5. Develop an annual CAEECC workplan to be filed by a PA as a Tier 1 Advice Letter in January of each year¹³
- ii. Review and approve monthly invoices from the Facilitator Team
- iii. Note: Co-Chairs will be approved annually by the Members. If a Co-Chair does not complete his or her term (either voluntarily or as a result of removal by the Members for cause), the Members will need to select a replacement consistent with the groundrules below and the replacement will serve for the duration of the annual term.

d. CPUC – TBD (after discussions w/ CPUC)

IV. CAEECC Ground-rules on Substantive and Process Issues

A. Substantive Issues (Discussing Issues, Developing Options, and Exploring Agreement)

- i. The goal of the process is to fully explore substantive issues before the CAEECC, define options, elicit constructive feedback, clarify and narrow points of divergence, seek consensus where feasible, and document points of convergence and any remaining divergence.
- ii. During the substantive discussions, if a Member cannot agree with a substantive option under consideration that member should explain why and propose a specific alternative that he or she can support.
- iii. Documentation (e.g., in the high-level meeting summary) of consensus and multiple options on any particular issue would include a clear

¹³ D.15-10-028, p.74

description of each option and supporting rationale, and include the Members supporting each option.

- iv. The intended use of the documentation (e.g., the high-level meeting summary) is to serve as a reference document to inform and assist Members (and groups of Members) in preparing formal advice or recommendations to the CPUC, PAs, and others, if they so choose.
- v. All the above ground-rules would apply to all Full CAEECC, Working Group and Subcommittee meetings. However, unless the CAEECC previously agreed at a Full CAEECC meeting that the particular Working Group or Subcommittee was delegated to complete the deliberations on behalf of the Full CAEECC on those specific issues, any options devised or consensus agreement-if any-would come back to the full CAEECC to review, refine if need be, and finalize.

B. Process Issues

- i. For any **significant process-related issues** (including the annual selection (or removal) of Co-Chairs, whether or not to launch a CAEECC Working Group or Subcommittee on a particular topic, and approval of new Members, etc.) the goal would again be to reach a consensus. However, if a consensus is not achieved in a timely fashion, a decision can be made if two-thirds of the CAEECC Members present (including those participating on the phone) agree.
- ii. For secondary **process related issues** (including setting meeting dates, finalizing agenda designs, etc.) the Facilitator Team in consultation with the Co-Chairs, and after seeking input and feedback from CAEECC Members, will have the responsibility to make these decisions.

The above roles and responsibilities and ground-rules will be revisited annually, or as needed.

Attachment 1 (to Appendix A): CAEECC Membership: Criteria and Process August 2, 2018

Criteria:

For the Member Organization

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

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

- A detailed understanding of and working familiarity with CA's EE policies including its cost-effectiveness framework
- Agreement to abide by all the CAEECC roles and responsibilities for Members and by the CAEECC [groundrules](#)

- Ability to attend all Full CAEECC Meetings (in person) [Note: Can send proxy from organization on occasion in Member cannot attend]; and willingness to attend CAEECC Working Groups and Ad Hoc Workshops on topics of interest to your organization

Process:

1. CAEECC Facilitator annually checks with then current individual lead Members as to whether they wish to discontinue their participation in the CAEECC (i.e., an opt out process), and if so whether they are proposing that someone else from their organization will take their place
2. CAEECC Facilitator posts criteria on CAEECC for CAEECC membership and the CAEECC Member selection process
3. CAEECC Facilitator periodically notifies interested stakeholders when there are openings in the CAEECC (by informing CAEECC Members posting on website, and potentially notifying the CAEECC list serve)
4. Interested potential Members will be required to submit a short application to the CAEECC Facilitator, including the following:
 - a. Name of proposed Member organization including names and titles of the lead Member and any alternate Proxy
 - b. Briefly explain how your organization and proposed lead Member and any alternate Proxy satisfy all of the criteria described above (interest, qualifications, knowledge of CAA EE policy and cost-effectiveness framework, and ability to abide by all the CAEECC roles and responsibilities and groundrules)
5. In assessing whether to accept a new Member, CAEECC Members should consider the following factors: A) how well the Member meets all of the Membership criteria outlined above; B) overall size of the CAEECC (e.g., in the 20-25 Member range); and C) the composition of the CAEECC as a whole, (i.e., so that there's reasonable balance among the different stakeholder interests and that there's not redundancy of interests among Members)
6. CAEECC Facilitator compiles applications and annually circulates application letters to Full CAEECC for their consideration (either at a regularly-scheduled CAEECC meeting or some other process agreed to by the CAEECC), along with an initial proposal based on the criteria above for Member discussion and approval
7. After discussion by the CAEECC, facilitator will attempt to get a consensus of the Members present within the allotted time on the disposition of each new Member application (defined as unanimity). If there is no consensus of the Members present, then the CAEECC will vote on each new Member application—and a minimum of $\frac{3}{4}$ of the total Membership are needed to approve the new Member [Note this #7 was added after discussion and agreement from Members present at the 8/2/18 meeting]

Appendix B: CAEECC Members/Interviewees

| Organization | First | Last |
|---------------------------------------|-----------|----------------|
| 3C-REN/County of Ventura | Alejandra | Tellez |
| BayREN | Jenny | Berg |
| CALCTP | Doug | Avery |
| California Energy Commission | Brian | Samuelson |
| CEDMC | Arthur | Haubenstock |
| CEE | Bernie | Kotlier |
| Center for Sustainable Energy | Beckie | Menton |
| CodeCycle | Dan | Suyeyasu |
| LGSEC | Lou | Jacobson |
| JCEEP | David | Dias |
| Lincus ¹⁴ | Cody | Coeckelenbergh |
| MCE | Alice | Stover |
| NRDC | Lara | Ettenson |
| PG&E | Ryan | Chan |
| Public Advocates Office ¹⁵ | Michael | Campbell |
| SCE | Matt | Evans |
| SDG&E | Athena | Besa |
| SF Department of the Environment | Lowell | Chu |
| SJVCEO | Courtney | Kalashian |
| Small Business Utility Advocates | Ivan | Jimenez |
| SoCalGas | Erin | Brooks |
| SoCalREN | Lujuana | Medina |
| The Energy Coalition | Marc | Costa |
| WHPA Inc. | Elsia | Galawish |

¹⁴Lincus was included in the Member interviews and in our write-up, but Lincus withdrew as a CAEECC Member afterwards.

¹⁵ Dan Buch was also included in our interview, as he was the lead representative when Michael was on leave.