

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



FILED

04/16/19
04:59 PM

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

R.13-11-005
(Filed November 14, 2013)

**COMMENTS OF THE SONOMA CLEAN POWER AUTHORITY
ON ADMINISTRATIVE LAW JUDGE'S RULING SEEKING
COMMENT ON FUTURE OF REGIONAL ENERGY NETWORKS**

Neal Reardon
Director, Regulatory Affairs
Sonoma Clean Power Authority
50 Santa Rosa Avenue, Fifth Floor
Santa Rosa, California 95402
E-mail: nreardon@sonomacleanpower.org

April 16, 2019

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

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

R.13-11-005
(Filed November 14, 2013)

**COMMENTS OF THE SONOMA CLEAN POWER AUTHORITY
ON ADMINISTRATIVE LAW JUDGE’S RULING SEEKING
COMMENT ON FUTURE OF REGIONAL ENERGY NETWORKS**

I. INTRODUCTION AND SUMMARY

In accordance with the March 27, 2019 *Administrative Law Judge’s Ruling Seeking Comment on Future of Regional Energy Networks* (“Ruling”), Sonoma Clean Power Authority (“SCP”) respectfully submits the following comments in response to the questions set forth on pages 7-8 of the Ruling. SCP does not have comments on all of the questions, but reserves the right to address the matters raised therein going forward.

Energy efficiency (“EE”) is by its very nature a local opportunity. Whether reducing greenhouse gas emissions from buildings or transportation, it all begins with daily choices by communities and their members. However, efficiency services can be out of reach for community members who, for a variety of reasons, cannot participate in Investor-Owned Utility (“IOU”) statewide EE programs. This means that local EE needs, and opportunities, often fall within the gap between statewide cost-effectiveness requirements and community climate, economic, and equity implementation needs.

SCP’s comments highlight these key issues as related to Regional Energy Networks (“RENs”):

- RENs play an important role by administering activities that the for-profit IOUs cannot, or will not, undertake

- RENs fill an important gap in providing EE services which are regionally effective and integrated with local agencies
- The California Public Utilities Commission (“Commission”) should not pre-emptively and unnecessarily restrict the ability of RENs to help address yet-unknown challenges presented by the climate crisis

II. RESPONSES OF SCP

1. Are RENs still appropriate (new or existing) in light of likely geographic overlap, and/or portfolio overlap, with CCAs and LGPs? Why or why not? What unique value do RENs bring, if any, compared to CCA or LGP programs?

Yes, RENs are appropriate and valuable. As local partners, SCP and its associated REN, the Bay Area Regional Energy Network (“BayREN”), are uniquely positioned to fill that gap with program offers tailored to the particular EE requirements of the communities they serve. SCP exists to provide broad public benefits relating to affordability, reliability, climate change and sustainability, coordination with local agencies, customer programs, and to support the local economy. Since 2016, SCP has pursued EE programs and educational outreach efforts designed to satisfy the specific needs of the residents and businesses SCP serves — addressing local needs that do not fit within the statewide program criteria and may not satisfy statewide cost-efficiency requirements.

SCP seeks to support and supplement the existing customer programs offered by local agencies, BayREN, and Pacific Gas and Electric Company (“PG&E”) by delivering forward-thinking programs that are not allowed under Commission rules (*e.g.*, fuel substitution) or are not appropriate for an IOU to deliver (*e.g.*, short duration, experimental, fast-paced, or targeted to specific neighborhoods or industry).¹ SCP currently operates 15 customer programs, all of which are designed to provide positive grid impacts including renewable integration/system reliability, load reducing, load shifting, and minimal load impact. SCP does not currently see value in duplicating or competing with IOU customer programs, but instead advertises them to customers or

¹ See *Sonoma Clean Power 2018 Integrated Resource Plan*, October 4, 2018.

promotes creative ways to layer additional offerings on those programs. One example of these effective programs is SCP's free Electric Vehicle charging station program for multifamily properties, which is being done in collaboration with BayREN, PG&E, Bay Area Air Quality Management District, and Center for Sustainable Energy,² while Sonoma County's BayREN representative, the Regional Climate Protection Authority, continues to lead local administration of BayREN programs serving SCP customers.

Concurrently, BayREN has pursued its CPUC directive to administer activities that IOUs cannot or do not intend to undertake – for example, pilot activities where there is no current utility program offering, and where there is potential for scalability to a broader geographic reach; and pilot activities in hard to reach markets, whether or not there is a current utility program that may overlap.³ As a regional entity, BayREN implements effective regional energy saving programs that draw on the expertise, experience, and proven track record of Bay Area local governments to develop and administer successful EE, climate, resource, and sustainability programs. Covering the nine Bay Area counties, BayREN currently runs single family, multifamily, code and standards, green labeling, and water bill savings programs.

BayREN fills an important gap in the provision of EE services providing a regional solution that better connects to local communities and conditions than is typically possible from a large IOU. In addition, the BayREN provides services across jurisdictions, which creates a consistent marketplace that enables EE vendors to compete throughout the program area.

2. Should the Commission consider cancelling REN programs after the expiration of the current business plan period? Why or why not?

No, unless presented with strong evidence to the contrary, the Commission should not cancel REN programs after the current business plan period. Allowing REN programs to continue to operate in parallel with other programs will provide customers

² See Sonoma Clean Power, Board of Directors Meeting Agenda, February 7, 2019, Staff Report Item 2; Sonoma Clean Power Program Group Strategic Action Plan.

³ See California Public Utilities Commission, Decision 12-11-015, Decision Approving 2013-2014 Energy Efficiency Programs and Budgets.

another venue for accessing EE measures. The BayREN, by its public nature, is accountable to community needs and serving all ratepayers and citizens; is led by local governments committed to greenhouse gas reductions; coordinates activities with a variety of related local government programs, such as housing renovation, water conservation, community planning, economic, and job development and training to serve multiple community needs; and provides a range of program support services including economies of scale, increased capacity, and focused administrative coordination with utilities and state government.

3. Should the Commission consider discontinuing the opportunity for formation of new RENs? Or should the Commission consider new REN proposals? Why or why not?

No. So long as RENs are providing programs which are not duplicative of those offered by an IOU, the formation of new RENs or expansion of REN programs should not be limited.

4. Are the criteria adopted in D.12-11-015 and reaffirmed in D.16-08-019 still the appropriate criteria to apply to RENs and their programs? Or should new or different criteria be developed and applied?

SCP has no comment at this time.

5. Should REN programs be required to meet all of the criteria from D.12-11-015 and not just one? Why or why not?

No. This would unnecessarily constrain the ability of RENs to develop programs that contribute to statewide goals.

6. Should the Commission consider proposals for formation of new RENs that overlap with existing or other new REN proposals? Why or why not?

SCP has no comment at this time.

7. If you recommend that the Commission consider formation of new RENs, when during the rolling portfolio cycle should such proposals be considered?

SCP has no comment at this time.

8. Should RENs be limited to delivering programs in specific sectors (e.g., the public sector, or multi-family buildings) or to specific populations (e.g., hard-to-reach communities)? Explain your rationale.

No. Preemptively restricting the sectors or populations that RENs would be able to address could create harmful barriers in the future. For example, in the wake of the 2017 fire storms, BayREN and SCP convened coordination meetings with local stakeholders that resulted in the Resilient Rebuild Features guide to rebuilding for health, resiliency, and EE. This collaboration ensured that the identified resilience features resonated with the green building industry and worked in conjunction with the Advanced Energy Rebuild principles. The Resilient Rebuild Features guide was distributed at events and online.

In addition, BayREN's Codes and Standards program worked with local building departments to accelerate energy code compliance in the permitting process. BayREN also presented a Zero Net Energy Introduction training for building professionals at the 2018 Rebuild Green Expo and sponsored a series of high performance residential design and construction trainings.

These activities provided rapid assistance to customers of varying sectors (*e.g.*, multi-family, single-family dwelling), income levels, and geographic areas. Indeed, the only thing they shared was the tragedy of the wildfires. Had restrictions been in place limiting RENs to, for example, multi-family buildings, BayREN and SCP would not have been able to provide the same response. As we cannot know what future challenges and opportunities may face RENs, particularly in light of the mounting climate crisis and its manifestations, it would be imprudent to preemptively restrict their ability to respond today.

9. Should RENs be limited to offering certain types of programs only (e.g., non-resource programs or resource programs)?

No. See rationale to question 8 above.

10. Should RENs be required to meet a certain cost-effectiveness threshold in order to be approved or continued? If so, what level, and why?

No. On the contrary, the ability to offer programs that are not constrained by traditional evaluation metrics - or do not reach a certain segment of the population - is an inherent benefit that RENs bring to the State.

11. Are there specific studies that the Commission should undertake to more directly evaluate the effectiveness of the REN programs thus far? Please describe.

SCP has no comment at this time.

VI. CONCLUSION

SCP's focus on forward-thinking, grid-oriented services and BayREN's portfolio of building efficiency programs ensure greater access to energy saving opportunities for all community members. SCP regards BayREN as an essential partner, an effective building efficiency services provider, and a vital complement to SCP's grid-services program strategy.

The future of EE is local — and collaborative. The opportunities to deliver EE benefits are as diverse as the communities we serve. Whether creating positive grid impacts with grid services or supporting regional markets for building efficiency, working together optimizes resources and helps us ensure all citizens have equal access to EE benefits.

SCP appreciates the opportunity to provide feedback on this important topic.

Dated: April 16, 2019

Respectfully submitted,

/s/ Neal Reardon

Neal Reardon
Director, Regulatory Affairs
Sonoma Clean Power Authority
50 Santa Rosa Avenue, Fifth Floor
Santa Rosa, California 95402
E-mail: nreardon@sonomacleanpower.org