Update CAEECC-Hosted Market Transformation Working Group

Full CAEECC Quarterly Meeting

2/28/19

CAEECC Facilitator: Dr. Jonathan Raab, Raab Associates

Market Transformation Work Group (MTWG) Member Orgs

Member Organizations	
California Efficiency + Demand	San Diego Gas & Electric (SDG&E)
Management Council	
Center for Sustainable Energy (CSE)	Sheet Metal Workers Local 104
ClearResult	Small Business Utility Advocates
Coalition for Energy Efficiency (CEE)	Southern California Gas Company (SoCalGas)
CodeCycle	Southern California Regional Energy Network
	(SoCalREN)
Energy Solutions	Southern California Edison (SCE)
Natural Resources Defense Council (NRDC)	The Energy Coalition
Pacific Gas and Electric (PG&E)	The Utility Reform Network (TURN)
Public Advocates Office	Western HVAC Performance Alliance
Resource Innovations	
Ex Officio/Resource Members	
California Energy Commission (CEC)	Northwest Energy Efficiency Alliance (NEEA)
California Public Utilities Commission (CPUC)	

MTWG Meetings

- Working Group meetings (day-long)
 - December 6-7; January 14; and February 27
- Sub-Work Groups
 - More than half dozen
 - Each had several meetings between each WG meeting, and developed draft recommendations and supporting text for full WG
- WG Recommendations
 - By consensus (i.e., unanimity of MTWG members)
 - Where not consensus, 2 or more options listed with description and supporters (and potential new option to abstain)

Outline of Recommendations in Report to be Served

Section 1	Introduction & Overview
Section 2	MTI Principles, Guidelines, & Strategies
Section 3	MT Stage-Gate Proposal
Section 4	Stakeholder Roles & Responsibilities
Section 5	Administration Options
Section 6	Budget
Section 7	MT Cost-Effectiveness (CE) Framework
Section 8	Market Transformation Initiatives and Resource Acquisition Programs
Appendices	 (A) MTWG Organizations & Participants (B) Ground Rules; (C) Draft Stage-gate Criteria; (D) Draft Intake Form; and (E) Staff Proposal's Content Guidance for MT Accord

DRAFT Proposed Market Transformation Stage/Gate Process

Phase I Phase III Phase II Concept Development Program Development Market Deployment Stage 3 Stage 5 Stage 1 Stage 4 Stage 6 Stage 2 Stage 7 Concept Concept Scanning & Strategy Transition or Sunset Strategy Testing Development & Long Term Monitoring Market Development Development Identification MTI Assessment Scanning, identification, ·Use available, structured Baseline data collection & Market test & strategies •MT •Full(er) scale MT •MTI monitored for long identification performed incentives/interventions & collection of MT ideas data into prioritization deployment term benefits vs. costs model concluded and/or Market & product •MT Accord development MT intake & ideation Periodic review of market Long term market transitioned to: Abstract of barriers. assessment (leverage initiated (Tier II AL) interventions to identify progress indicators points) A.)Codes & Standards opportunity & program Commitment to market re-tooling tracked development Early EM&V and Portfolio B.) EM&V for long term Refine logic models Refine coordination plans Develop initial logic Coordination Plan is monitoring Long Term market with rolling portfolio developed model C.)Program team for MT indicators development relaunch 1) Market characterization Note: Criteria for each Periodic report out of 1) A successfully 1) List of MT concepts 1) Disposition report on all Review 1) Completed pilot test Review Review MTI deployment progress studies, including MTI will be unique to transitioned or ranked on the general MT concept submissions reports, or other MT baselines the MTI. Stage 5 & exited MTL MT criteria, validated with 2) Rank-ordered list of concept due diligence Criteria and market · leverage points Stage 6 will likely run in 2) Report on savings currently available data submissions, based on MT reports · market potential (high progress indicators will parallel. achieved, lessons 2) Preliminary development PA SMEs' high-level review 2) Rank ordered list of be unique to each MTI. level) learned plans for data/research of MT Initiatives (MTIs) MT Accord candidates. All MTI-specific criteria · market progress needed to conduct due including reports on indicators and market indicators will diligence on each MT how well they meet the be laid out in the MT 2) Workpapers and/or concept, including budgets general MT criteria: Accord. technology assessment and timelines reports After stakeholder review, 3) Pilot testing plans, the top MT concept including pilot evaluation development plans can be plans included in a draft the MT 4) Portfolio fit risk Development Plan Advice assessment (projections of Letter. savings potential, savings likelihood, and impact on EE portfolio goals) Level 1 Funding (Source TBD) Level 2 Funding (MT B/A) Level 3 Funding (MT B/A) Review 1: Review collected info on the concept development phase and Review 2: Review the draft Market Transformation Accord and Review 3: Periodically review of the long-term progress

Decision

Activities

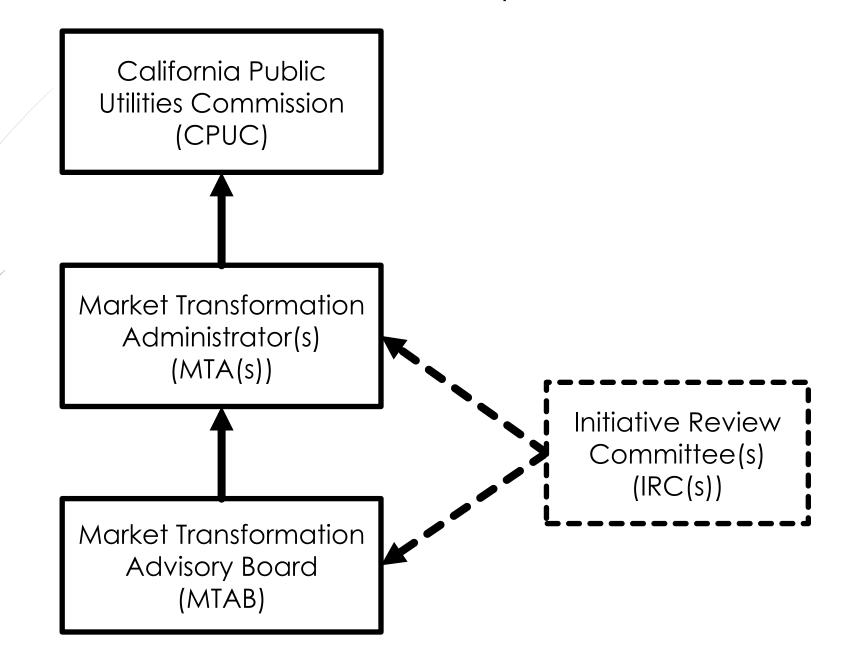
Deliverables

Review 1: Review collected info on the concept development phase and provide a recommendation on 3-5 MTIs to proceed and authorize funding for the execution of the MTI Development Plan

provide a recommendation on whether the MTI is worth scaling up to Phase III, Market Deployment.

Review 3: Periodically review of the long-term progress indicators and decide whether further action is needed on the MTI before transitioning or sun setting.

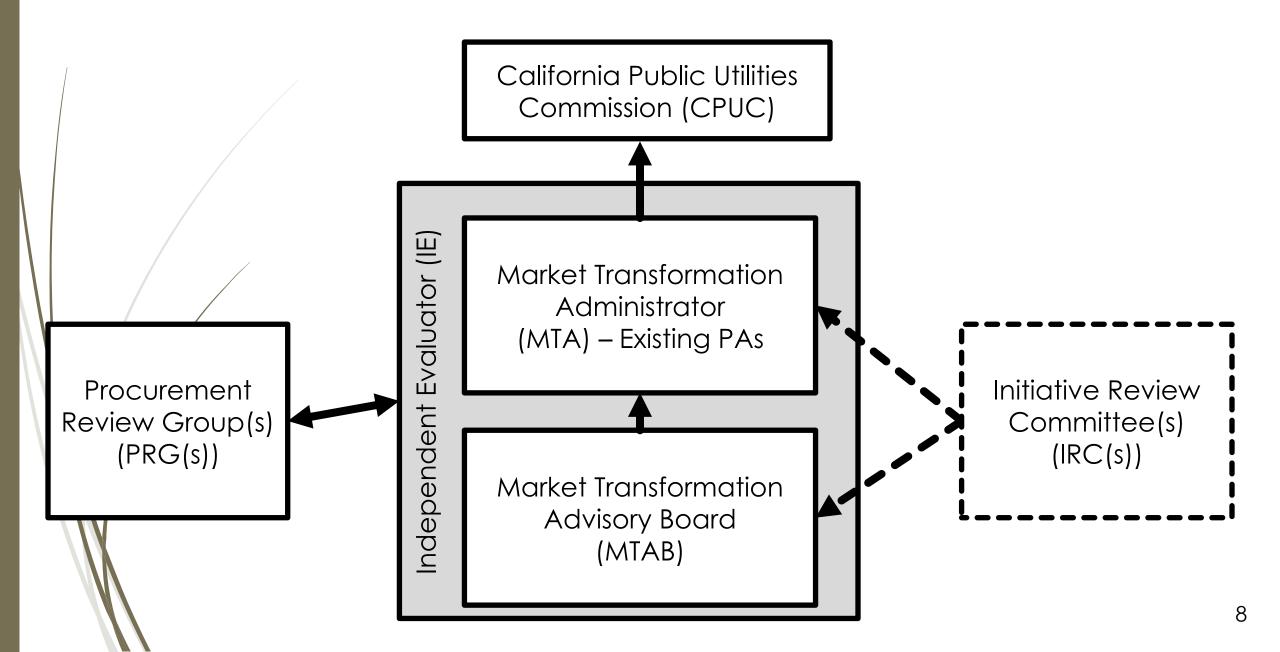
Stakeholder Roles & Responsibilities



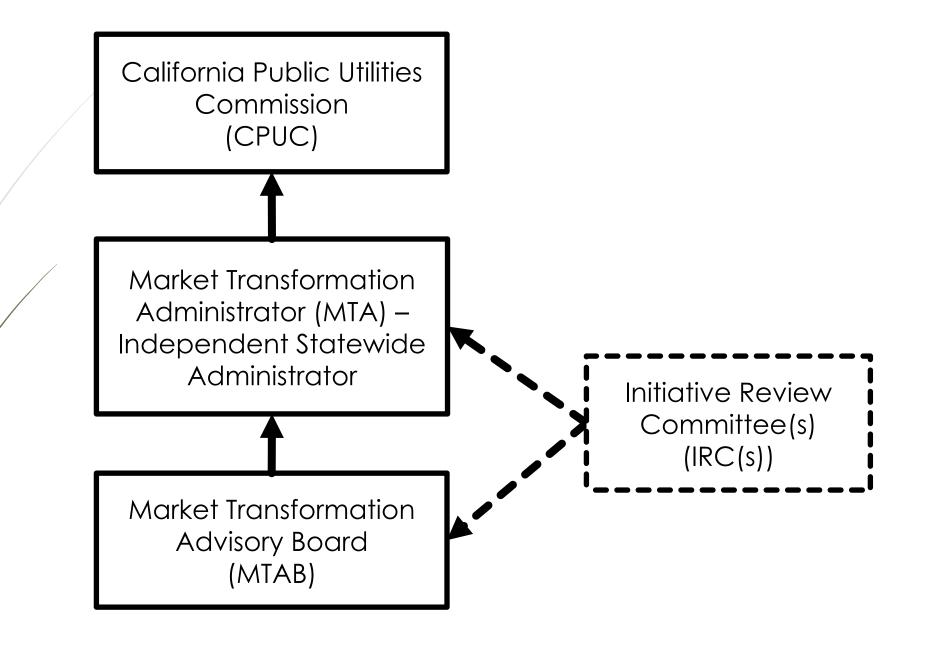
Non-Consensus Issues

- MT Administrator(s) Existing Program Administrator(s) vs. Single, Statewide Independent Administrator
 - Related features Members of MT Advisory Board, and whether or not to use an IE & PRGs
- 2. MT Cost-Effectiveness Threshold 1.5 vs. 1.25

MTA Option 1—Existing Program Administrators



MTA Option 2—Single, Independent Statewide Administrator



Next Steps

- 2/28 Draft red line from meeting circulated
- ■3/1 CPUC confirms process for serving Report
- ■3/4 Final sign-off for non-consensus issues
- 3/6 Distribution of draft final report
- 3/13 Deadline for identification of any significant remaining/additional issues
- → 3/14 Circulation of any significant remaining/additional issues
- 3/20 Tentative phone call to discuss any significant remaining/additional issues
- 3/15-3/29 (exact date TBD) Final Report served