

## DOCKETED

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*Comment Received From: Kellie Smith*

*Submitted On: 4/22/2016*

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**Aliso Canyon Action Plan Comments**

*Additional submitted attachment is included below.*

April 22, 2016

The Honorable Robert B. Weisenmiller  
Chair, California Energy Commission  
1516 Ninth Street  
Sacramento, California 95814-5512

RE: Aliso Canyon Action Plan  
Docket No. 16-IEPR-02

Dear Dr. Weisenmiller:

The Efficiency Council is a statewide trade association of non-utility companies that provide energy efficiency and demand response services and products in California. Our member businesses employ many thousands of Californians throughout the state. Member companies include implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and manufacturers of energy efficiency and demand response products and equipment. The Efficiency Council's mission is to support energy efficiency and demand response policies and programs for all Californians to create sustainable jobs, long-term economic vitality, stable and reasonably priced energy systems, and environmental improvements.

We have been closely monitoring the proceedings related to summer reliability in the L.A. Basin. We have reviewed the joint agency draft Action Plan which included staff recommendations for near-term mitigation measures to improve the reliability of the Los Angeles basin energy system for summer 2016. Many of our member companies are already working on the mitigation measures recognized in the Action Plan including actions to "Expand Gas and Electric Efficiency Programs Targeted at Low Income Customers" and to "Expand Demand Response Programs that Target Air Conditioning and Large Commercial Use" both of which have been called for by rulings of the CPUC in March.

Today we focus our comments on the additional key strategy in the Action Plan to "Focus and Reprioritize Existing Energy Efficiency Towards Projects with Potential to Impact Usage this Summer and Coming Winter." We think that there are immediate opportunities to pursue to achieve this objective.

We recognize that it does take time “for program implementers to develop the infrastructure needed to roll out new efficiency measures” as stated in the Action Plan. With *new* programs that can be the case. However the Action Plan further opines that “it is unlikely that major program changes beyond what is already in the pipeline will have major impacts on gas or electric demand this summer.” Please know that many of our member companies advise us that they are already working in the L.A. Basin and if provided a channel through which to formally provide program options, can in fact provide the utilities with opportunities to pursue energy efficiency savings immediately. This would be achieved by expediting service within some existing programs or through such avenues as direct install programs which could be initiated and approved on a timely basis through the CPUC’s advice letter process.

More critically we think that there are immediate savings to be achieved in the area of “custom projects” which are generally large, unique projects with significant savings for commercial, industrial and agricultural customers. We are certain that there is a large pool of potential savings that can be achieved this summer from these projects by taking these specific actions and revising policy guidelines as mandated by the Legislature last year:

- First, the CPUC could move immediately to suspend rules that require studies to determine a calculated or modeled baseline, and instead accelerate the use of metered energy consumption as the baseline which was authorized by the Legislature last year.<sup>1</sup> This would generate savings from the set of projects that have been recently rejected due to dispositions that have required the modeled baseline, instead of actual savings, as well as savings from new projects that would now qualify;
- Another suggestion is to release projects that have been held up in the CPUC’s custom review process queue for longer than six weeks meaning they are stuck in the “current pipeline” referenced in the Action Plan. These projects have been fully developed and engineered, have gone through utility-level approvals, and were selected by the CPUC for further review. The projects are pending final approval but instead have gotten stuck in the process for various reasons; and
- Our final suggestion is to suspend recent dispositions that prevent operational, behavioral efficiency (including retrocommissioning) from eligibility for ratepayer incentives. These dispositions have effectively stopped utility programs from being

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<sup>1</sup> This is entirely consistent with the language in AB 802 (Williams) (Chapter 590, Statutes of 2015) to mandate that the CPUC use existing building conditions as the baseline for savings, and to also measure those savings based on normalized metered energy consumption.

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able to encourage customers to find immediate operational savings and equipment adjustments that could save energy right now. Temporarily suspending this disposition could achieve savings immediately.

Thank you for this opportunity to comment. We remain available to help the agencies address the critical energy needs in the L.A. Basin and can be reached at KSmith@efficiencycouncil.org.

Respectfully submitted,

/s/

Kellie Smith, Policy Director  
California Energy Efficiency Industry Council