

DOCKETED

Docket Number:	16-EBP-01
Project Title:	2016 Existing Buildings Energy Efficiency Action Plan
TN #:	214327
Document Title:	Pacific Gas & Electric Comments: on 2016 Existing Building Action Plan Update
Description:	N/A
Filer:	System
Organization:	Pacific Gas & Electric
Submitter Role:	Public
Submission Date:	11/1/2016 2:59:01 PM
Docketed Date:	11/1/2016

Comment Received From: Pacific Gas & Electric

Submitted On: 11/1/2016

Docket Number: 16-EBP-01

Pacific Gas and Electric Comments on 2016 Existing Building Action Plan Update

Additional submitted attachment is included below.

November 1, 2016

**POSTED ELECTRONICALLY TO
DOCKET 16-EBP-01**California Energy Commission
Dockets Office, MS-4
Docket No. 16-EBP-01
1516 Ninth Street
Sacramento, CA 95814-5512Re: Docket 16-EBP-01: Pacific Gas and Electric Company Comments on the Draft 2016 Existing
Buildings Energy Efficiency Action Plan Update

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments on the California Energy Commission's (CEC) Draft 2016 Existing Buildings Energy Efficiency Action Plan Update (Action Plan).

PG&E is a strong proponent of the State's energy efficiency goals. We recognize and appreciate the time and effort put in by CEC staff to implement and update the Action Plan and are broadly supportive of the direction provided in this update. The Action Plan update was used to inform PG&E's draft Business Plans (BP) submitted to the California Energy Efficiency Coordinating Committee (CAEECC) on October 18. PG&E's comments focus on supporting and advancing the Action Plan in a way that is most beneficial to all Californians.

I. Cost Effective Updates

PG&E supports the codes and standards cost-effectiveness updates detailed on pages 19 and 20 of the Action Plan.¹

While codes and standards have contributed significantly to greenhouse gas emission reductions, higher baselines presented a challenge to energy efficiency program administrators, until the passage of Assembly Bill (AB) 802. AB 802 presents an opportunity to target customers with stranded potential through targeted value propositions for installing efficient equipment. Targeting stranded potential will reduce the building sector's energy consumption and the corresponding greenhouse gas emissions, improve the value of buildings, and play an important role in meeting California's climate goals while growing the economy.

On page 19 of the Action Plan, PG&E proposes the following changes to the text:

Energy Commission will also consider whether it is appropriate to use a different discount rate *or period of analysis* for existing building alterations than the discount rate *or period of analysis* for

¹ http://docketpublic.energy.ca.gov/PublicDocuments/16-EBP-01/TN213983_20161012T145616_Exisiting_Buildings_Energy_Efficiency_Action_Plan.pdf

new buildings, when determining the life-cycle costs of current and/or future standards requirements for existing building alterations.

This change would clarify that the length of the analysis period is important.

II. State Policy Leadership

PG&E is an active participant in CAEECC as well as the California Technical Forum (Cal TF). The coordinated efforts in these fora are important for supporting high-quality efficiency programs that reduce greenhouse gas emissions in line with state climate and energy goals while responding to customer needs and market dynamics.

CAEECC is a valuable venue by which stakeholders can provide input into the development of the Program Administrators' energy efficiency Business Plans, Implementation Plans, and related matters that are central to Energy Efficiency portfolios approved by the CPUC. PG&E will continue to play a leadership role as CAEECC works toward finalizing BPs for the rolling portfolio on energy efficiency.

III. Data Driven Decision Making

PG&E agrees that good progress has been made toward Goal 2, Data-Driven Decision Making, but there is more work to be done. These data efforts feature prominently in PG&E's most recent CAEECC BPs.² Solutions are available to provide individual customers secure access to energy usage data to support their ability to make energy efficiency decisions and avoid unnecessary energy usage. Additionally, individual customers can provide data to third parties to allow for targeted, cost-effective identification of energy efficiency opportunities. Customer data privacy is a key concern with all of these efforts. Finally, per Strategy 2.1.8, PG&E already works to securely provide data to research organizations and is supportive of continuing such efforts.

IV. Performance-Driven Value

PG&E is very supportive of Strategy 3.2 in the Action Plan. Performance-driven value shows up as a key feature of the various market sectors in our recently filled BPs³. PG&E firmly believes that pay-for-performance (P4P) models that use a normalized metered consumption validation approach and embedded evaluation measurement and verification strategies will allow investor-owned utilities (IOUs) to scale energy efficiency more cost-effectively.

V. Affordable and Accessible Energy Efficiency is Essential

PG&E is also very supportive of Goal 5, Affordable and Accessible Energy Efficiency Solutions. This strategy was another important feature of PG&E's recent BP. PG&E recommends moving toward the use of more finance tools and away from traditional deemed incentives.

Loans, rebates, and incentives have always played a major role in PG&E's energy efficiency offerings. In the future, data analytics and the advent of meter-based savings present an opportunity for PG&E to target

² <http://www.caeccc.org/pg-e-s-draft-bp>

³ *Ibid.*

bundled financial solutions for customers with high savings potential, for both residential and non-residential customers, as well as low-income communities.

Investments in finance programs will allow PG&E to more cost-effectively achieve energy efficiency savings, which aligns with the state's vision for energy efficiency financing. As detailed in the draft BPs, PG&E's goals for statewide (SW) financing include overcoming customer transaction barriers to investment and increasing the supply and access to affordable capital.

VI. Energy Use Intensity Targets Should be Used

PG&E supports establishing Energy Use Intensity (EUI) targets for existing buildings for performance levels, per Strategy 3.4. EUI targets should be established for the most common building types, with adjustments for climate zones. Based on case studies of both new and retrofit buildings, documented by PG&E, it has been shown that many typical buildings and building types can perform at a site EUI in the range of 17-25 kBtu/square foot/year, prior to the installation of renewables. Another useful metric for existing buildings would be Energy Star. Existing buildings with an Energy Star score of 90 and above without renewables installed would be, in general, zero net energy (ZNE)-ready. With EUI targets, there will be buildings for which high-level targeting is not useful and which will require exceptions, but initial target setting would serve as a useful way of framing the scale of the retrofit task.

VII. Data Will Help Achieve Workforce Goals

PG&E agrees with Strategy 3.3.7. In the most recent draft BP, PG&E suggested a more data-driven process. Additional data being sought includes: market actors that can have the most impact (technicians, designers, building operators, etc.), job market forecast data saying about job potential in those sectors.

Regarding Strategy 3.3.9, PG&E recommends removing "certified" from this strategy as certifications do not always equate to higher quality work or increased energy savings.

PG&E supports the intent of Strategy 3.3.10. IOUs can implement strategies such as first-source hiring, announcements to organizations that serve low-income or economically disadvantaged communities, as well as providing career awareness and training. Additionally, planned changes to the Workforce Education and Training (WE&T) programs will further align the efforts of the program administrators with those of the Action Plan. Strategy 3.3.10 specifies that energy efficiency work provide opportunities to workers from disadvantaged communities, a direct outcome of the high level recommendations issued by the UC Berkeley Labor Center.^[1] In the upcoming Energy Efficiency Business Plan applications (due January 15, 2017), the utilities are proposing the addition of the Career & Workforce Readiness (CWR) statewide program. The new offering will provide its primary target audience with energy education and workforce development resources through collaborations with organizations that serve disadvantaged workers and communities, such as workforce investment boards, community-based organizations, and workforce development agencies. The IOUs intend the result to be the removal of barriers or disadvantages to participating in energy efficiency opportunities, just as the CEC envisioned for the workforce alignment work.

^[1] Workforce Issues and Energy Efficiency: A Plan for California's Utilities, UC Berkeley Labor Center, 2014, as accessed at <http://laborcenter.berkeley.edu/workforce-issues-and-energy-efficiency-programs-a-plan-for-californias-utilities>.

VIII. Conclusion

PG&E appreciates the opportunity to comment on the CEC's Action Plan, and looks forward to continuing to collaborate with staff as the implementation of statewide energy efficiency goals.

Sincerely,

/s/

Wm. Spencer Olinek