

Considerations for reviewing and providing comments on PA Business Plan Chapters

Please consider the following questions as you review the Business Plan chapters. The second page provides a template into which your feedback may be captured.

Prior to reviewing and commenting on the Business Plan drafts, a reviewer may wish to review the updated “NRDC Compilation of CPUC Business Plan Guidance and PA Consensus Outline” found on the CAEECC [Guidance webpage](#). That document merges a number of sources of guidance to PAs into a convenient outline format that the PAs have collectively agreed to leverage as they draft their documents. The following areas of review are intended to highlight those items that would be helpful in updating the business plans before the next draft. We do not expect stakeholders to answer all questions. Please choose those that are relevant to your interests. There is also an open row for additional comments that might not fit into the following format.

1. Structural Review

- a. Do the chapter layout and order of topics comply with NRDC compiled guidance document “outline”?
- b. Does the stylistic/visual presentation allow for easy navigation through the chapter (i.e., allowing easy comparison of the chapter against the NRDC compilation)?
- c. What examples from other PA chapters (whether same PA different sector or different PA all together) would you suggest be considered for this document

2. Content-Related Review

- a. Are all key pieces of information, tables, graphics, and supporting documents called for in the NRDC Compiled guidance document present in the Chapter?
- b. Are your previous comments and input addressed in the document?
- c. Is the overall sector plan coherent and clear?
- d. Are proposed activities (intervention strategies) sufficiently justified by the market assessment and other data analyses presented?
- e. Are substantive assertions and conclusions supported with clear reasoning and adequate citations?
- f. Are metrics relevant, representative, and associable with future IPs and PIPs?
- g. Is material presented at the right level of detail for a Business Plan?

On the next page, please find the comment template in which substantive comments can be recorded and then submitted to facilitator@caecc.org. If you have any questions about using this form or the review process, please contact the facilitator by phone or email. Caution: this form is set up as an 8.5 X 14 inch document and will not properly print on 8.5 X 11 paper.

Instructions: Please make comments specific, reference pages where appropriate, and be focused on Business Plan level strategies.

Commenter: Please Fill In This Part Of The Form					For PA Use	
Comment #	Sector	Page #	Comment	Rationale for Comment (include references to evaluations, studies, etc., if applicable)	Integrated (Y/N)	Rationale for Y/N
TURN-1	AG	pp. 4, 14 (water conservation the priority for farmers, not EE)	<p>Observations</p> <ul style="list-style-type: none"> PG&E explains, “PG&E will reach a greater proportion of existing customers, with particular emphasis on: Greater focus on energy efficiency measures that also yield water savings, such as advanced groundwater pumping and irrigation. Groundwater pumping accounts for approximately 62% of the electricity used in crop production, with irrigation of fruit and nut crops accounting for 18% of total agricultural electricity usage statewide. In the long run, PG&E envisions supporting a whole-farm approach to management of water and energy, unlocking even deeper savings in both.” TURN agrees that It is critical that electric and gas utility efficiency agricultural offerings and activities more closely align with most farmers’ motivations of “water (rather than energy) [as the] primary concern under current conditions.”(1) While not suggesting that PG&E subsidize water efficiency measures, TURN does believe that energy efficiency AG efforts should focus in the <u>near term</u> on the farmers’ relationship with water, that is, ground water pumping and forms of irrigation.(2) <p>Recommended Action</p> <ul style="list-style-type: none"> Water availability and conservation and associated costs are a significant game changer in PG&E’s AG efficiency efforts. It appears that PG&E is very cognizant of this fact. TURN recommends that PG&E further sharpen its immediate and near term AG efficiency around water availability and conservation to minimize possible key conflicts between energy efficiency and water conservation (ie. price 	<ul style="list-style-type: none"> (1) PG&E at 14, citation to 2015 study by Evergreen Economics on San Diego Gas & Electric (SDG&E)’s agricultural sector. (2) % PG&E electric use, w/ 63% for crop production, and 62% for groundwater pumping, or (TURN math) 3.5% of total PG&E electric use for AG groundwater pumping and, a shift from flood to sprinkler and drip could reduce AG water use in state 17%. See PG&E p. 14, citation to 2009 study by the Pacific Institute. 		

			differences between standard and higher efficiency larger pump for deeper groundwater).			
TURN-2	AG	p. 23 (tactics to improve focus on EE)	<p>Observations</p> <ul style="list-style-type: none"> PG&E lists the following tactics to improve and prioritize energy efficiency agricultural program offerings relevant to water conservation and the water/energy nexus: <p>Tactic: new, midterm: Expand pump efficiency test program model to irrigation system evaluation and design, expanding awareness and access to energy efficiency tools linked to irrigation.</p> <p>Tactic: new, midterm: Cross-cutting – Emerging Technologies. Explore new products and tools that incorporate water savings, including work with deep-root irrigation and closed-loop irrigation that save growers both energy (in reduced pumping and irrigation) and water.</p> <p>TURN supports these tactics and believes they should be expedited.</p> <p>Recommended Action</p> <ul style="list-style-type: none"> These and similar related tactics should be advanced to near-term. Given the increasing focus on water, TURN recommends a discussion of strategic partnerships with regional water districts and water entities, including status of partnerships to date, what’s working well, and ongoing opportunities and challenges. 			

TURN-3	AG	p. 6 (partnerships)	<p>Observations</p> <ul style="list-style-type: none"> Strategic partnerships including regional water districts <p>Recommended Action</p> <ul style="list-style-type: none"> Given the increasing focus on water, TURN recommends a discussion of strategic partnerships with regional water districts and water entities, including status of partnerships to date, what’s working well, and ongoing opportunities and challenges. 	•		
TURN-4	AG	p. 26 (financing)	<p>Observations</p> <ul style="list-style-type: none"> PG&E discusses the following barriers to EE: “Available financing options are insufficient and inflexible. The sector faces high upfront cost barriers to implementing energy efficiency, and low adoption of existing OBF/OBR offerings. Energy efficiency alone may not offer sufficient funding to encourage the customers to act.” PG&E offers the following tactics for overcoming these barriers: <p>New, midterm: Cross-cutting - Finance: Expand existing and planned financing offerings such as OBF and OBR, and develop new financing partnerships to address problems around capital availability for first costs, with a specific focus on project co-pays over the \$100,000 ceiling for OBF.</p> <p>New, midterm: Cross-cutting Finance: Explore extending OBF repayment periods beyond the current standard of five years– up to ten– to provide near-term relief for customers requiring greater flexibility for large capex investments.</p> <p>New, midterm: Cross-cutting - Finance: Explore new, lower risk financing structures for the sector as they become available, beyond simply supplementing existing OBF (up to the current \$20,000 cap) with OBR (which carries variable risk depending on how third-party loans are structured) for</p>	•		

			<p>greater liquidity.</p> <p>Recommended Action</p> <ul style="list-style-type: none"> This is a critical barrier with potentially important tactics. TURN very strongly suggests that these tactics be moved to the near term. 				
<p>TURN-5</p>	<p><u>OVERVIEW</u></p> <p>TURN’s review and comment on PG&E’s draft Agricultural business plan chapter focuses on Item 2. Content-Related Review, items d – g, of the CAEECC’s suggested guidance review.</p> <ul style="list-style-type: none"> d. Are proposed activities (intervention strategies) sufficiently justified by the market assessment and other data analyses presented? e. Are substantive assertions and conclusions supported with clear reasoning and adequate citations? f. Are metrics relevant, representative, and associable with future IPs and PIPs? g. Is material presented at the right level of detail for a Business Plan? <p>TURN also considered the extent to which the draft BP chapter addresses customer sector market barriers to greater participation and deeper savings through innovations and synergies via existing and possibly new customer- and market-based strategies and tactics.</p> <p>TURN’s assessment of PG&E’s agricultural BP chapter is that it is a very crisp and clean overview and presentation of the agriculture sector in PG&E service territory, and a thoughtful and thorough set of strategies and tactics to advance energy efficiency as the ongoing drought further complicates the resource (time and money) competition farmers’ face.</p> <p>The draft BP chapter serves the key dual purposes of reasonably informing policy makers, regulators, and stakeholders of PG&E’s ongoing efficiency plans for the agricultural sector, while providing non-utility implementers a reasonable amount of information and data to begin to consider possible competitive efficiency opportunities.</p> <p>TURN looks forward to reviewing PG&E’s BP in its entirety.</p>						

<p>TURN-6</p>	<p><u>GENERAL COMMENT</u></p> <p>Observations</p> <ul style="list-style-type: none"> Customer sector goals and program savings, budgets, and cost-effectiveness are forward looking. The BPs are intended to be integral to California moving the current generally flat or stagnant needle on energy efficiency. Some quantitative context to the current portfolios and programs would be very helpful. <p>Recommended Action</p> <ul style="list-style-type: none"> We recommend that all data on projected customer sector goals and program savings, budgets, and cost-effectiveness be given some context relative to ongoing customer sector activities and accomplishments. There needs to be some demonstration as to how the BP will advance savings and improve cost-effectiveness. 		
<p>TURN-7</p>	<p><u>GENERAL COMMENT</u></p> <p>Observations</p> <ul style="list-style-type: none"> It is not clear whether projected savings are gross annual. In D.16-08-019 (at p. 21), the Commission directed a return to net goals and the development of cumulative goals for application in 2018 to support the State’s SB 350 efforts. <p>Recommended Action</p> <ul style="list-style-type: none"> If not already included, we recommend that PG&E provide projected customer sector goals and program savings in net annual and net cumulative form, with the basis for net provided, and cumulative specified by the estimated average EUL by customer sector and key programs. Indicate the basis (ie end use, measures) for the estimated average EUL(s). 		
<p>TURN-8</p>	<p><u>GENERAL COMMENT</u></p> <p>Observations</p> <ul style="list-style-type: none"> SCE in its Public Sector BP chapter (p. 13) states: “The declining cost and increased adoption of solar and battery storage is making a great impact on the EE marketplace.” TURN observes that this statement also applies to PG&E’s BP and is a critically important matter that should be addressed. <p>Recommended Action</p> <ul style="list-style-type: none"> TURN recommends PG&E address the impact of solar and battery storage on the EE marketplace as part of a discussion of overarching market trends. 		