

PG&E Solicitation Training QA

Topic: Request for Proposals (RFP) Process Basics

Question	Answer
When you mention sustainability are you referring to environmental sustainability or the sustainability of the program?	We are rating RFA/RFPs on environmental sustainability.
Will feedback be provided on why abstracts were rejected?	Yes.
Will submitted RFAs be made public?	No.
Is a workpaper a requirement for an abstract? What are the directions on a program idea involving a new technology and having no prior workpaper?	<p>No, not necessarily. An abstract should present a viable program idea. If it is a resource acquisition program, vendors should describe how energy savings will be measured and claimed.</p> <p>Work papers are used to estimate savings for prescriptive measures. But there are other ways you can calculate savings from an ex post perspective in California, such as custom and meter based savings. We would like to see in the abstract your plan for estimating savings. If you would like to go the prescriptive route and there is no approved work paper in CA, provide your plan to get the work paper approved.</p> <p>We appreciate the need to integrate new technology into our portfolios, but we need to understand the risk associated with new program and technology ideas.</p>
Will independent evaluator step cause delays to the RFA/RFP process?	The IE process may cause a delay in the RFA/RFP process. The IE process should be defined in the Commission’s Decision on Business Plans (estimated to be issued in December 2017). We will have a better idea of potential delays after the Decision is released.
Do you have a general outline for writing the abstract?	We are developing a template that will outline expected content, level of detail, etc.
Will structure/scope of the second round of solicitations change based on abstracts received?	Maybe. Depending on the abstracts we receive, RFPs may be tailored to reflect specific program criteria outlined in abstracts.
Is cost effectiveness analysis required for RFA?	We would like a high level understanding of the pricing structure and energy savings potential, but in depth cost effectiveness analysis is not required for RFA.
If RFA and RFP processes take 15 months from January 2018, what is the plan for 2018 DSM programs?	2018 programs are business as usual.
Will the abstract scoring criteria be shown in the RFA?	RFA will include guidelines on the key selection criteria. We likely won’t include complete weighting criteria.
What portion of the portfolio will be outsourced and what portion will be considered core programs? Will this information be in the RFA?	<p>PG&E anticipates outsourcing the bulk of program design and delivery to third parties. However, PG&E will likely maintain a “self-service” channel for trade pros and customers who do not need a soup-to-nuts solution.</p> <p>Please see PG&E’s solicitation plan comments for a full description of PG&E’s outsourcing strategy:</p> <p>https://docs.wixstatic.com/ugd/0c9650_ca153882ff354b97850a6a812c2350aa.pdf</p>

PG&E Solicitation Training QA

<p>How will the transition from legacy programs look? Will there be a clean break with a transition to new programs or will old and new ones run parallel? When and how will we learn which programs are transitioning gradually without giving incumbents an advantage?</p>	<p>Each existing program will likely have a unique transition plan. PG&E will meet individually with existing vendors to discuss specific transition plans, once new programs are launched.</p> <p>Given the new paradigm in CA, all programs are proposed, designed, and delivered by new parties so we won't know what programs will transition and when. We also do not anticipate receiving a proposal for the exact same program, so this issue is unlikely to surface.</p> <p>Please see PG&E's solicitation plan for more details on transition planning:</p> <p>https://docs.wixstatic.com/ugd/0c9650_ca153882ff354b97850a6a812c2350aa.pdf</p>
<p>For incumbent and new programs, what are the program sizes and contracts? With Independent evaluators as part of procurement processes, will it increase admin/procurement costs or sizes of contracts?</p>	<p>We don't have a specific target in mind for size and number of contracts, but we do not plan to grant the whole portfolio to just one vendor. We envision a more streamlined portfolio than we have today. We prefer to reduce it from the one hundred programs that exist today.</p> <p>PG&E's solicitation plan identifies energy savings goals by sector. We don't anticipate increased admin costs due to independent evaluators as we streamlined the RFA/RFP process.</p> <p>Please see PG&E's solicitation plan for more details on savings by sector:</p> <p>https://docs.wixstatic.com/ugd/0c9650_ca153882ff354b97850a6a812c2350aa.pdf</p>
<p>What part does certification play in scoring (DBE for instance)?</p>	<p>This will be covered in the IOU panel next session.</p>
<p>How do newly defined statewide programs fit into these solicitations?</p>	<p>The statewide lead IOU will facilitate the solicitation for the statewide program. The other IOUs will play a supporting role.</p>
<p>Past third party programs have not had overlaps in targeted customers. Do you see that changing?</p>	<p>At this time, PG&E plans to issue RFAs/RFPs by sector so we anticipate that there will be little to no overlap.</p>

PG&E Solicitation Training QA

Topic: Qualifications and Supply Chain Responsibility

Question	Answer
The safety statistics mentioned are state/national/international level?	ISN injury and illness stats are the contractor's company-wide injury/illness rates as compared to the national industry average injury/illness rate per the U.S. Bureau of Labor Statistics.
When and why did IOUs decide to use PowerAdvocate over PEPMA?	<p>We went with PEPMA as the notification source about 2 years ago. We can more easily communicate and send documentation over PowerAdvocate. PEPMA will be used for announcements through 2018.</p> <p>Among IOUs it gets complicated too, as SCG uses PEPMA. But we are migrating to Ariba, which is similar to PowerAdvocate.</p>
Will data be provided in the RFA/RFP process?	We don't have plans to provide data up front. IOUs are discussing data requirements for bidders. Abstracts are still high level. We are looking into secure data rooms for more access to useful data for proposal development. We want to know what kind of data is useful for bidders, in what form, etc.
Where is the space for innovation?	PG&E sees the space for innovation in program design and delivery. These are not typical RFAs/RFPs where every task is defined and descriptive. Third parties will have flexibility to describe innovative approaches and process that result in cost effective programs.
What are the safety prequalification requirements?	Safety prequalifications apply for high/medium risk work; the criteria are listed on the link in the slide deck for PG&E's safety policy. We will require bidder to provide total reportable incident rate, days away restricted or transfer rate, experience modifier rate, etc.
Is Networkworld desired or required? PG&E uses this as a way to track safety and other requirements.	If a vendor has ISN, this will override the safety questionnaire (which is meant for those without ISN).
When a contractor is implementing a Supplier Responsibility plan, would we (as a contractor) get a lower proposal score if one or more of our suppliers do not meet our same standards?	The expectation is for all subcontractors to meet standards. It is hard for IOUs to verify qualifications given they are subcontractors. IOUs rely on vendors to implement a remediation plan if not all subcontractors meet requirements.
How will the definition of statewide administration change the solicitation process for statewide programs?	<p>Solicitation process is similar for statewide programs. The main difference is that the lead IOU for the statewide program will issue the solicitation for the statewide program. Other IOUs participate in development of the solicitation and review proposals. It is important that each IOU has representation during the process because the program crosses IOU boundaries.</p> <p>IOUs want the statewide programs to overlap the 60% third party definition. While the names and types of statewide programs have been defined by the Commission in D.16-08-019, the IOUs would like vendors to propose creative new approaches to these existing statewide programs.</p>
You mentioned that the focus is on Tier 2 DBEs, what does that mean? Do SCE or other IOUs have targets for specific types of DBEs?	Tier 2 is the subcontracting level. Many companies overlook this portion, but we ask that if you outsource any work it go to a DBE. Veteran groups are one of the areas our supplier diversity group is concentrating on.
Are there resources available to contact DBEs	There is no established process in solicitation, but we intend to

PG&E Solicitation Training QA

besides today's networking?	create these kinds of sessions where vendors can mix and determine joint bidding and subcontracting opportunities. We are not anticipating any formal process for linking diverse businesses.
You indicated certain diverse certifiers, are those the only accepted certifications?	PG&E recognizes multiple certification organizations. We consider any company that holds an external certification as a DBE. When submitting to CPUC for spending, they must be certified by a CPUC recognized organization.
How will conflicts between safety/IT security requirements at each IOU be handled for statewide programs? Do lead IOUs have control or is it by greatest common denominator?	We are still working this out. IOUs are working together on governance. IT security will be fairly similar across IOUs.
Do DBEs need to be CA based or would a DBE located outside of CA fulfill the requirement?	If the company can qualify for CPUC certification then it meets the requirement for reporting spending. We also recognize national certification for CA companies. Most important is meeting CPUC requirements.
What is the plan for performing M&V for programs? Will M&V be built in as part of the programs, or will there be a separate process for that?	The next panel will cover this topic.
Does the prime contractor need a certain license if the subcontractor has the license?	No, as long as you are subcontracting the work to the contractor that has the license then it is compliant.
Will there be any response to RFAs not chosen?	PG&E plans to provide feedback to respondents.

PG&E Solicitation Training QA

Topic: Platforms and How to Measure Savings (California Style!)

Question	Answer
Behavior is listed as a platform, but uses meter based savings. What is the distinction?	Third parties could use AMI data (e.g., meter-based approaches) to estimate savings from behavioral programs. However, there are other ways to measure behavioral savings such as randomized control trials and other ex post EM&V techniques. Third parties should identify in abstracts their approach to measure energy savings.
What is the EUL of a meter based program and if it is three years, how can this be cost effective? Any suggestions?	The EUL of meter-based programs is an interesting question that we are actively talking about with the Commission. We don't want to overstate lifetime savings, but we do want a practical EUL long enough to facilitate successful programs. We are seeking a reasonable method to balance accuracy with administration and implementation burden. Hopefully we will have guidance to provide within the meter-based platform.
How would you advise bidders on program design?	<p>PG&E will provide rulebooks on the consolidate Commission guidance and best practices in ways to estimate energy savings (e.g., deemed, custom, meter-based). The platform rulebook will be ongoing, iterative. Assume few of today's rules will be changed by December.</p> <p>CA technical forum is working on an update to DEER for user friendliness, called Electronic Technical Reference Model. This is a current set of most deemed values and methodologies.</p> <p>PG&E will not prescribe program design as part of RFA/RFPs.</p>
Any discussion on interpretation of life cycle net savings for meter based programs?	<p>That is tied to net-to-gross reporting. We will provide guidance in the platforms' rulebooks.</p> <p>Current energy savings goals in CA are net annual. Life cycle savings are very important for cost effectiveness tests.</p>
Will the meter based platform be just for PG&E, or are you collaborating with other utilities?	The meter based platform rulebook is a PG&E developed document produced in collaboration with other IOUs. We hope to make it statewide. Rules around NMEC shouldn't be different.
Are you going to be relying on meter data from smart meters only? Meter data from smart meters is hard to disaggregate for plug load/HVAC load. Are you open to looking at other meter approaches such as sub-metering?	Yes, other approaches like sub-metering are open. Sub-meters have other concerns that we generally don't have for utility meters (e.g. calibration, accuracy) and will likely have to meet additional requirements as a result.
Our firm specializes in meter data analysis and related concerns, like data privacy, processing scale, etc. How can firms like us contribute to meter based platform activity without bidding to run entire programs?	Please let us know your suggestions. Rulebooks will be updated as the best available guidance/information changes.
If hypothetically deemed savings turn out to be more lucrative and lower risk than meter based, this would be an indication that we've been rewarding deemed programs at levels higher than have manifested at the meter, but it would also create a strong preference among implementers	We are interested in comprehensive approaches but understand that different programs may have different objectives. Program designs will be evaluated with portfolio needs in mind.

PG&E Solicitation Training QA

<p>to be evaluated with deemed savings. What can be done to encourage adoption of at the meter approaches under these conditions?</p>	
<p>With uncertainty in custom measure review, platforms will help give some certainty. If we are going to develop a platform, will we get ex ante input prior to publishing? Will it be an identified document used for bidders for solicitations?</p>	<p>Conversations with Commission staff are ongoing regarding methodologies in the platform rulebook. Some areas won't be completely finished, but will provide best available guidance.</p> <p>We are not assuming CPUC will approve the documents, but they were formulated based on CPUC guidance. Custom rulebook is a good example - provided to Commission staff who provided good feedback. Will keep documents updated as guidance changes, so documents are TBD.</p>
<p>Excited about NMEC and its use in platforms. How does PG&E expect to coordinate programs and platforms within customer segments or subsegments?</p>	<p>As we receive responses to RFAs and RFPs, PG&E will need to evaluate them based on portfolio need. PG&E will need to balance risks and opportunities.</p> <p>We need to form a portfolio that addresses our needs cost-effectively. We need guidance from vendors in RFAs and RFPs. If you submit a program, you don't have to pick just one platform to use. A program design could incorporate multiple platforms.</p>
<p>How do you separate mixed measures in NMEC given different EULs? Is there effort to determine certainty of NMEC? How do we effectively feed into the process?</p>	<p>We are actively discussing EULs of multi measure interventions with the Commission. We want to create conventions for doing this that don't require disaggregation, potentially through a weighting mechanism. We need to get some clarity on this because of the significant impact to cost effectiveness. PG&E's meter-based platform team has explored a couple of different options for EUL.</p>
<p>Is there guidance on how to address savings in P4P proposals?</p>	<p>Work that went into meter based platform was from existing meter based activities in the portfolio, such as HOPPS and other early meter based work. Not thinking that this platform will apply retroactively to the existing portfolio, but will be applied to new meter-based programs on a go-forward basis.</p>

PG&E Solicitation Training QA

Topic: PG&E's Residential Pay for Performance (P4P)

Question	Answer
On slide 52, are you referring to the implementer payment or customer incentive payment?	I am referring to implementer incentive payments. The aggregator decides how to distribute the payments.
Thoughts on how we will be evaluated?	In P4P, we separated payable from claimable savings. Bidders will be paid based on simple weather normalized metered savings. PG&E has already designed and will implement the EM&V plan to include a quasi-experimental design control group analysis to determine claimable savings and report them to the CPUC.
What will be the title of the RFA being released on PEPMA in four weeks?	The title will include residential Pay for Performance.
Has EM&V cost been deducted from the greater cost of program implementation for P4P?	Evaluation Measurement and Verification (EM&V) costs are not reflected at the program level, rather at the portfolio level. Measurement and Verification (M&V) costs would be included at the program level, as direct implementation costs.
Incentive kicker may not be based entirely on claimed savings. Modest incentive booster?	CalTRACK is a set of methods developed with CPUC and CEC and residential data experts over the past year and a half. Steps to do site based calculations of proposed energy savings and aggregation steps for aggregate energy savings summary. See docs.caltrack.org for methods. We hope it becomes the standard for performing residential energy savings analysis. It is important that we have standard protocols. Forum set up for improving methods in the future. Kicker - put in 5% year additional payment if net to gross is over 0.6. We may potentially up this percentage in future RFPs/future contracts to motivate implementers to focus on achieving net savings.

PG&E Solicitation Training QA

Topic: Overview of Cost Effectiveness

Question	Answer
Clarify the TRC equation: why is the net-to-gross (NTG) ratio in both numerator and denominator? Doesn't it cancel out?	The NTG ratio doesn't cancel out because the NTG is only applied to a portion of the denominator and not the whole denominator.
Is the CET set up for meter based -savings? It seems the inputs are different for meter based.	The CET is applicable to meter based programs. We need a savings value to put in the equation, which can easily be pulled from DEER for widget based programs. But you will need to justify the value.
How do incentives affect TRC? Are incentives a component of measure cost?	Incentives were placed in the TRC denominator by a 2006 CPUC decision. It is considered a cost for TRC as free riders would have done the EE measure regardless.
Will embedded energy from water savings be included moving forward?	We are working on that for existing measures and programs. It is something to consider if there are embedded water savings, which could be included in the inputs.
What criteria are PG&E and other IOUs using to determine cost for programs in solicitation? Are you looking purely at net cost per kWh and outputs, or is it based on gross cost per kWh? Would this be in the abstract or proposal?	<p>All costs incurred to implement a program should be included in the abstract and proposal. Cost includes administration, implementation, and marketing. Please refer to the CPUC's EE Policy Manual v. 5 for a list of program costs.</p> <p>Not all proposal evaluation metrics are determined. We will provide an overview of evaluation criteria in the RFA/RFP.</p> <p>At a sector and portfolio level, PG&E will be evaluated based on leveled costs. We will be considering net annual savings given the state shift to net annual goals.</p>
How should non-resource programs consider these cost effectiveness tests when designing our programs? Will non-resource programs be held to these tests and if so, will guidelines for doing so be developed and made available?	<p>There is not cost effectiveness test for non-resource programs.</p> <p>Please see PG&E's revised metrics filing for cross-cutting program metrics:</p> <p>https://docs.wixstatic.com/ugd/0c9650_afb857b79ebe42a39d400917e397638e.pdf</p>
Net to gross is always determined after the fact, and then fed in to programs moving forward. Part of the solicitation may address net to gross. How is this fed in when reducing free riders in implementation?	Default NTG values from DEER should be used. Adders for Hard to Reach, Emerging Technologies, and School-related projects could be used as well. If you propose a unique net to gross, it must be justified.
For emerging technologies, in the event that the DEER values for marginal cost are larger than in reality, their resulting TRC will be inaccurate and not cost-effective, which works against emerging technologies. Are there other approaches or suggestions for addressing this issue?	If we have data to conclude DEER values should be updated, we will recommend updates to the CPUC. You may also use a creative solution via meter based savings or custom measures.
What are the discount factors and DEER values in the evaluation process?	<p>Cost effectiveness is affected by install rates/realization rates and NTG.</p> <p>NTG ratios exist for every possible program. It is required on an ex ante basis to use the DEER value. The program may or may not</p>

PG&E Solicitation Training QA

	be evaluated ex post. A different net to gross may be determined through evaluation.
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PG&E Solicitation Training QA

Topic: Evaluation: The Basics

Question	Answer
When you refer to IOU sector level metrics, are you referring to PA proposed metrics, or the CPUC proposed revised metrics?	<p>On July 14, 2017 PG&E and other PAs filed Revised Portfolio and Sector-Level Metrics Proposals with the CPUC:</p> <p>https://docs.wixstatic.com/ugd/0c9650_afb857b79ebe42a39d400917e397638e.pdf</p> <p>These metrics are dependent on approval in the Business Plans Decision, expected December 2017. Program Administrators (PAs) are required to report on portfolio and sector-level metrics, and PAs will need the data from implementers to meet these reporting requirements. These portfolio and sector-level metrics are different from the program-level performance metrics discussed in this presentation which Program Implementers will be responsible for developing and tracking.</p>
Will IOUs be expecting implementers to include data collection to assist PAs reporting their sector metrics?	Yes. Regular reporting of data and metrics is a fundamental requirement for implementers, and proposals should address in detail data collection and data QA processes. Timely and accurate data from all program implementers will be required to inform sector-level and portfolio-level metrics that PAs will report to the Commission.
Historically CA impact evaluations have not involved implementers. In some cases the evaluators have not accurately evaluated projects. I've heard evaluators say they can't talk to implementers because they work for the PA. Will that be the case going forward?	The CPUC leads impact evaluation of the portfolio. Commission Decision requires collaboration between evaluators and implementers and there is no restriction on who can talk to whom. The impact evaluators' primary responsibility is to develop accurate estimates of project/program savings, using all methods at their disposal, which can certainly involve talking to installers, implementers, engineers, designers, and anyone else that can inform that estimate. That being said, there are schedule and budget limits to get evaluation work completed, so not every stone is always turned. More specifically, in custom programs, PG&E has facilitated an annual deep dive into select projects where there are large discrepancies between claimed and evaluated savings. The goal of these meetings is to better understand why savings discrepancies occur. The best way that all implementers (not just custom) can help is to carefully follow program rules, and as appropriate clearly document: decisions (e.g. baseline selection), calculations, installation parameters, and collect accurate data. In addition to CPUC-managed impact evaluations, PG&E will incorporate "early M&V" into our process evaluations with the fundamental objectives of providing early feedback to implementers on savings, rates of free ridership, program processes, and customer satisfaction. In our Business Plan, this type of evaluation is referred to as "embedded evaluation."
There are products that allow for real-time data collection during project implementation. Is PG&E interested in doing more embedded evaluation to monitor savings and program	Yes, we are interested in this area and we suggest that you provide detailed information on how you propose leveraging sub-metering, device-specific usage data, and the "Internet-of-Things" in your program design. This could be a good example of

PG&E Solicitation Training QA

<p>performance?</p>	<p>Internal Performance Analysis that Lucy presented. Implementers can include in their proposals how they are planning to use enhanced data collection to ensure that savings are realized as expected, that the savings persist, and to detect potential program/project implementation problems to take early corrective action. Enhanced data collection could also support program metrics and KPIs discussed in the presentation. The Commission still retains ultimate authority to conduct program and portfolio impact evaluations.</p>
<p>Can you help us determine the appropriate balance between cost of data collection/cleaning vs. its value to evaluation</p>	<p>Data collection and QA processes should be designed to benefit implementers' Internal Performance Analyses as much as for evaluation purposes. We expect that successful implementers will build continuous improvement into their program designs that include metric-based internal benchmarking, and that there will be a large overlap between these internal metrics and the metrics to be reported to Program Administrators. With mobile tools and web services that enable electronic-based recordkeeping and QA checks, data collection and verification should be less burdensome than ever before. That said, we recognize that there are costs. We don't expect gold plated data collection and cleaning, but we do need "good." To the extent possible, we will detail that balance in the RFP, and we expect implementers to propose workarounds if data reporting requirements seem too burdensome. I would recommend erring on the side of more and higher data quality in your proposals where there is uncertainty. Discussions around tradeoffs and particular data collection and costs can occur during final contract discussions.</p>
<p>What tools do we use to calculate TRC?</p>	<p>The CET is the only approved tool to calculate TRC for resource programs. PG&E will develop a CET training that provides a general overview of cost effectiveness and a technical walk-through of using the CET tool.</p>
<p>I use the CET quite a bit and inputs are limited to certain values, e.g. DEER values. Can I use other input values?</p>	<p>If vendors choose to deviate from using DEER and pre-populated values, PG&E recommends that they will need to very clearly document where, why and how they are making changes, and the justification for those changes.</p>
<p>Will clear data reporting guidelines for each platform be provided?</p>	<p>Yes. Platform rulebooks will include some of this information. Much of this is tied to specific implementation, so it's not going to be possible to specify one set of exact data requirements that would uniformly apply to every conceivable program implementation. Err on the side of comprehensiveness and be sure to propose metrics that will assist in your own Internal Performance Analyses.</p>

PG&E Solicitation Training QA

Q&A Session

Question	Answer
Describe your favorite program metrics and KPI for proposals?	<p>Remember that there is a difference between the PA Proposed Portfolio and Sector Level Metrics, and Program level metrics and KPIs that you should propose for your programs. Program-level metrics and KPIs are up to implementers to propose. We encourage you to propose metrics and KPIs that you would naturally want to track during your implementation so as not to impose undue burden on implementation.</p> <p>Please see revised metrics for what we are looking for:</p> <p>https://docs.wixstatic.com/ugd/0c9650_afb857b79ebe42a39d400917e397638e.pdf</p>
What is the total expected budget for all programs across the state, and what percentage of this will be specified for commercial programs?	<p>IOUs have not provided specific budgets by program; rather third parties should propose budgets that tie to their proposed savings goals, and/or other metrics. Total portfolio budgets are included in the IOUs' Business Plans.</p> <p>Please see the IOUs' Solicitation Plans for estimated statewide program budgets:</p> <p>https://docs.wixstatic.com/ugd/0c9650_ca153882ff354b97850a6a812c2350aa.pdf</p>
In P4P and NMEC based programs, do these reduce the need for program data collection and take evaluation costs off the program? Is there a difference between aggregated meter-based estimates vs. site specific?	<p>There are funds set aside for EM&V that are separate from program funds. It is up to implementers to propose platforms for their programs, and meter data will be used for the NMEC platform. Programs in the custom platform will continue to use calculated approaches. Programs in the deemed platform will continue to use DEER savings values, or other approved non-DEER workpapers.</p> <p>An aggregate approach is more appropriate for programs with higher participation numbers and the site-specific approach is better for non-residential whole premises. We are open to program ideas using all methods available.</p> <p>Programs proposed on the NMEC platform will still have data reporting requirements like other platforms. We'll still need to know things like what was installed, where, when, number of measures, etc. Utility AMI data is not a replacement for implementer data collection and reporting.</p>
For pricing and RFP will there be guidelines and strengths to adhere to or is it up to the third party?	<p>We are having discussions through the end of the year about flexibility and structure. We are considering framework for the offer but want the most flexibility for incentivizing and compensation.</p>
Can a technology be submitted as a market cross cutting technology? For a specific proposal, should we submit one per	<p>We are trying to move to a segment based customer oriented portfolio program, thinking strategically with the structure of the business plan and market place. If a program crosses utility</p>

PG&E Solicitation Training QA

IOU or one for all?	territory, we each need a response to RFP unless it is a statewide program administered by an IOU on behalf of all IOUs.
How soon will we receive feedback from evaluators?	It depends on the evaluation. If it is CPUC led impact evaluations, they typically begin about a year after implementation. If it's PA-led process or market studies, they can happen anytime on a rolling basis.
Can direct communication occur earlier in the evaluation process? Or is communication only accessible through meetings with IOUs? Do you encourage communication between implementers and evaluators?	Much of the PAs program evaluation depends on speaking to the implementers directly. A CPUC evaluation would begin with collecting data. So the timing of communication depends on who is conducting the evaluation. However, there is no rule restricting open communication among PAs, implementers, and CPUC.
In the transition from E3 to CET, are EM&V costs included in CET calculation for administration?	EM&V (CPUC or PA led) costs are not included in CET calculations. In certain cases, third parties may build in the cost of data tracking for EM&V purposes into direct implementation budgets. M&V is included in program costs. EM&V is a portfolio cost, not a program cost.
When you are considering pricing, were you envisioning a line item for M&V in the proposal?	M&V costs would be captured in the direct implementation budget in the CET tool.
For programs across territories, can IOUs streamline the requirements? This would lower our costs.	We have made a commitment to align our RFA/RFP requirements across IOUs as much as possible. IOUs have different proposed schedules so we are unlikely to be asking for the same segment proposals at simultaneously. However, with streamlined proposal requirements it is now easier to adapt a previously proposed program to the taste of the soliciting IOU.
With PG&Es P4P, don't aggregators need to incorporate M&V costs associated with analyzing NMEC data into their CET calculations?	Yes, M&V is an ex ante function and should be included as a line item cost in direct implementation.
What is IOU preference for pricing? PG&E's P4P asked for delivery kWh costs and labor costs.	We are always looking for fair price for services rendered. Given that there have been many changes since the first third party programs and contracts were conceived, it's unlikely the current payment structure will remain unchanged.
How to calculate observed versus gross claimable versus net claimable savings? What should Implementers say? Pay over time for savings, delayed payment? There is risk associated with M&V versus EM&V calculations.	We are working on this. Our HOPPs pilots have challenged us to tackle these questions and will help inform the future portfolio. We expect payment criteria to be detailed in the final contracts. PG&E's NMEC platform documents will provide definitions of claimable gross and net savings. Over the course of implementation of an NMEC program, PG&E may conduct Early M&V to provide early feedback to an implementer on both gross and net savings and inform the composition of any comparison groups. We are looking to implementers to propose innovative payment structures that mitigate risk of over or under paying for ex post net savings.
How do you value programs willing to take the risk for final claimable savings?	Good question, we don't have an answer to this yet. Note that PAs' ultimate goals, the accomplishments that feed into the CEC's demand forecast and are reported to the legislature, are ex post net savings, so Implementers willing to align to the same goal are ideal, in theory. Practically speaking though, there could be some challenges to that. One is ex post evaluation doesn't occur for every program, and when it does there can be a considerable

PG&E Solicitation Training QA

	<p>time lag for final results. Additionally, only the CPUC may conduct impact evaluations that determine final ex post net savings. We would need to think through how to handle those situations so that it workable and fair to all parties. But as mentioned above, we are really looking for implementers to propose payment structures that do not greatly deviate from ex post net savings, and we see great value for embedded evaluation to provide early feedback to implementers to help facilitate this result.</p>
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