

Energy Savings Assistance Procurement Review Group Charter

Background for the Multifamily Whole Building Program Solicitation

California Public Utilities Commission (“Commission” or “CPUC”) Decision (D.) 21-06-015 (the “Decision”) orders Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company (collectively, the “IOUs”) to develop a competitive solicitation for the implementation, delivery, and certain design aspects of the multifamily whole building (“MFWB”) program by a third-party, using a single-stage solicitation process with two-step selection that will include the use of an Energy Savings Assistance Procurement Review Group (“ESA PRG”) and an Independent Evaluator (“IE”).¹ The ESA PRG members and the IE are to be approved by the Energy Division Director.²

Furthermore, pursuant to the Decision, the IOUs must issue solicitations and administer two MFWB programs one for a Northern MFWB, and another for a Southern MFWB. SDG&E and PG&E are the “Lead IOUs,” whereas SDG&E is designated as the lead utility leading the solicitation process and program management for the Southern MFWB, and PG&E is designated as the lead utility leading the solicitation process and program for the Northern MFWB program.³

The Lead IOUs will convene the ESA PRG at each stage of both the Northern MFWB, and Southern MFWB third-party program solicitations. The ESA PRG will be conducted in a similar manner to the Energy Efficiency (EE) PRGs. To facilitate consistency to the extent possible, the Lead IOUs have coordinated to develop the following standard ESA PRG materials (Attachments):

- Non-Disclosure Agreement (NDA),
- Conflict of Interest Form, and
- ESA PRG Member Questionnaire

The purpose of this charter is to provide the ESA PRG members with an overview of the ESA PRG’s objectives and scope of review, eligibility and intervenor compensation requirements, and roles and responsibilities.

The Lead IOUs will facilitate the PRG and selection of the IE in consultation with the other IOUs. The IOUs should utilize joint IOU meetings on a consultative basis to determine program vision, design/delivery, and implementation. The Lead IOUs shall still prioritize the PRG and IE recommendations on matters germane to their roles and responsibilities.

The Lead IOUs will use one IE for both the Northern MFWB, and Southern MFWB solicitations to monitor the entire third party solicitation process, from Request for Proposal (RFP) design through contract execution, prepare specific reports on solicitation and contract results to the ESA PRG, and file reports to the Commission detailing observations about the solicitation process. The IE will provide analysis of the awarded RFP and contract, the Decision, and applicable Commission statutes, policies, and guidance.⁴

The IE shall provide at least the following services:

- Monitor the development of the scope of work and scoring criteria developments and other solicitation materials;
- Monitor the evaluation of the proposals and other support for the solicitation as needed;
- Monitor contract development.

¹ D.21-06-015, Ordering Paragraph (OP) 116, p. 500

² D.21-06-015, OP 121, p. 501

³ D.21-06-015, OP 120, p. 501

⁴ D.21-06-015, p. 357

- For each solicitation produce a monthly report on its status and progress to be presented to the PRG;
- For each solicitation produce a final report to be submitted with the Tier 2 Advice Letters seeking review of such contracts;
- A public final report on the overall process and conduct of the third party solicitations to be filed in the relevant low-income energy efficiency proceeding, and
- Consult and provide support to the PRG, especially Energy Division staff, as requested.

Lastly, the lead IOUs for the Northern and Southern MFWB programs must submit a Tier 2 Advice Letter within 15 days of when the solicitation process concludes and contracts are executed, and at a date no later than November 30, 2022, detailing the MFWB program design, including a budget by category, measure offerings, energy savings goals, treatment targets, cost effectiveness values, contract terms, and IE report.⁵

Objective

The ESA PRG shall advise and provide feedback to the IOUs in connection with the IOUs' Northern and Southern MFWB third-party program solicitations.

Scope

The ESA PRG will be involved at all stages of both the Northern MFWB and Southern MFWB third-party solicitation process, including:⁶

- Draft Request for Proposal (RFP) review;
- Review of RFP bid selection criteria;
- Review of RFP shortlist and selected bidders to advance to interviews;
- Review of interview questions and bidder responses;
- Review IE evaluations and reports for each solicitation, and
- Review draft contracts with program's Implementation Plan

The ESA PRG will be allowed to provide feedback and recommendations on the final program design, including available measures.

Eligibility

All ESA PRG members must be non-financially interested parties, as defined in D.05-01-055:

“A financially interested party is any person who engages in the purchase, sale or be [sic] marketing of energy efficiency products or services, or who is employed by a private, municipal, state or federal entity that engages in the purchase, sale or marketing of energy efficiency products or services, or who provides consulting services regarding the purchase, sale or marketing of energy efficiency products or services, or an employee of a trade association comprised of entities that engage in the purchase, sale, or marketing or (sic) energy efficiency products or services

Energy efficiency services include among other things, performing energy audits and advising clients and potential customers about potential energy savings they can achieve, but does not include evaluating, measuring and verifying the installation and/or results of energy efficiency products or services, or research to develop new energy efficiency products or services.”

⁵ D.21-06-015, OP 122, p. 501

⁶ D.21-06-015, p. 357-358

Energy Efficiency products and services refer to any products and services that can be offered either through Energy Efficiency programs or to ESA program customers.

The Public Advocates Office, Commission Staff, and IEs must participate in the ESA PRG process, in accordance with the Decision.⁷

Intervenor Compensation

ESA PRG members will be eligible for compensation in accordance with the Commission’s intervenor compensation program.⁸ Parties interested in claiming intervenor compensation are encouraged to read the Commission’s “Intervenor Compensation Program Guide” and must submit all required documents to the Commission for review and approval.⁹

Roles and Responsibilities

The key parties involved in the ESA PRG process are the IOUs, ESA PRG members, and IEs. The primary roles and responsibilities for each of these parties as they relate to the ESA PRG process are presented below:

IOUs	<ul style="list-style-type: none"> • Notice: the Lead IOUs will notice all meetings at least three business days in advance, which will include call in numbers for all participants • Materials: any materials including an agenda to be discussed shall be distributed at least three business days in advance • Facilitation: the Lead IOUs will administer and facilitate PRG meetings • Meeting Notes: the Lead IOUs will distribute meeting notes to PRG participants within one week of the meeting conclusion
ESA PRGs¹⁰	<ul style="list-style-type: none"> • ESA PRG participants must commit to serving on an ESA PRG until at least Q1 of 2023, attend meetings to the extent possible, and faithfully review meeting materials • ESA PRGs are advisory groups and do not have decision-making authority • ESA PRGs will be consulted at all stages of solicitations, including but not limited to: <ul style="list-style-type: none"> ○ Reviewing the solicitation plan; ○ Providing timely input into draft solicitation language and evaluation criteria; and ○ Providing recommendations based on review of materials
IEs	<ul style="list-style-type: none"> • IEs will serve as consultants to the PRGs and participate in PRG meetings • For each solicitation, a monthly report on its status and progress should be presented to the PRG • IEs will observe each solicitation and prepare and submit a report including their findings and recommendations with the PRGs and the Commission (if required) at the end of the solicitation process

⁷ D.21-06-015, OP 121, p. 501

⁸ D.18-01-004, Finding of Fact (FOF) 11, p. 57

⁹ These materials are available on the CPUC’s website at <https://www.cpuc.ca.gov/proceedings-and-rulemaking/intervenor-compensation>

¹⁰ D.21-06-015, p. 358