**ENERGY DIVISION PROCESS CHECKLIST TO ENERGY EFFICIENCY PROGRAM ADMINISTRATORS FOR PROGRAM CLOSURES AND LAUNCHES (12/31/2021)**

Staff shall keep the most updated version of this checklist available on the Commission’s web site at: [Rolling Portfolio Program Guidance (ca.gov)](https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/energy-efficiency/rolling-portfolio-program-guidance) and at: <https://caeecc.org>. This checklist is in compliance with CPUC Decision (D.) 21-05-031, Ordering Paragraph 12, which required that, by December 31, 2021, Energy Division create a checklist of steps required by program administers and Energy Division staff to close an existing or launch a new energy efficiency program. These steps will lead to a more transparent process for the launch or closure of programs and consistent review criteria of these advice letters. This is staff level guidance and may be periodically updated, as needed.

The program administrators (PAs) should use the following process for program closures:[[1]](#footnote-2)

1. Communicate with program implementer: The first step for the PAs when they have decided to terminate a program[[2]](#footnote-3) is to notify their program implementers that they plan to close a program and provide an estimated date for when the program is to close. The implementer(s) should inform all of their vendors and subcontractors that the PA plans to close the program and the estimated date of closure.
2. Notify service list: For all program closures outside of the normal or planned closures through the third-party solicitation process the PAs must notify the correct service list(s) of the forthcoming program closure and that they will host a webinar on the program closure at least 45 days in advance of filing an advice letter to request approval to close a program.[[3]](#footnote-4)
3. Host webinar: The PA shall host a public webinar 20 days before filing the advice letter requesting a program closure to allow stakeholder input to the transition steps, including their proposed date for closure and indicate if they are replacing the program with a third-party solicited program.[[4]](#footnote-5)
4. File an advice letter: The program closure advice letter is filed, and includes:
   1. a description of program, implementer, region and customer/sector served by program;
   2. justification for closure, including; demonstration of alignment with State GHG emissions reductions goals and EE goals and discussion of impact to ratepayers from program closure~~.~~
   3. year program started;
   4. date program was due to sunset;
   5. most recent three program years (inclusive of current year) filed (i.e. forecasted) budget, Total Resource Cost (TRC), and savings, per Total System Benefit (TSB) metric if applicable;
   6. most recent two years (excluding current year) program budget expenditures, claimed TRC and savings, per (TSB) metric if applicable;
   7. a discussion and overview of stakeholder feedback and any changes to transition to closure as a result of input from the webinar to ensure that program implementers are aware of the PA’s plan; and
   8. what, if any, plans the PAs has to replace the program.
5. Staff review and disposition: Staff disposition of the advice letter would include review of whether the PA followed steps 2-4 and whether its justification for closure is reasonable.
6. Update program status on CEDARS: Once the program is approved for closure the PA shall update the program status to “Closed”, when all program activity has ceased including paying out rebates to customers, reimbursing the implementers and completing all projects.

For launching new programs, the PAs should do the following:

1. Notify service list: For all new programs[[5]](#footnote-6) created outside the third party solicitation process, the PAs must notify the correct service list(s) about their plan and date to host a webinar to launch a new program at least 45 days in advance of the filing of the advice letter for the new program.[[6]](#footnote-7)
2. Host webinar: The PA is to host a public webinar allowing stakeholder input to update attendees on the reason for the program implementation as a core PA[[7]](#footnote-8) program as opposed to third party solicited, proposed design, launch date, targets, and budget for the new program at least 20 days in advance of filing program launch advice letter.
3. File an advice letter: The program approval advice letter is filed and also includes a discussion and overview of stakeholder feedback and any changes to program or launch plan as a result of input from the webinar and what if any programs that this new program would replace, how the new program aligns with approved strategies and sectors from the PA’s business plan, and how the new program supports the State’s GHG emissions reductions and EE goals and is in the best interest of its ratepayers.
4. Staff review and disposition: Staff disposition of the advice letter should be limited to whether the PA followed steps 1-3, that the new program aligns with the PA’s approved business plan strategy, State goals and that the program is compliant with any relevant program level guidance by the Commission and/or Energy Division.
5. Update program status on CEDARS: The PA should update the new program’s status as “Active.”
6. Update Implementation Plan on CEDARS: Within 60 days of the approval of the advice letter.

Nothing in 21-05-031 changes anything to the processes for launching or closing program that are competitively solicited.

1. Per OP 12 and page 47 of D.21-05-031, A webinar or workshop shall not be required in the narrow circumstance where a third-party program is ending according to its original contract term length. [↑](#footnote-ref-2)
2. Note this requirement is not required for in the circumstances above in footnote 1, where a program is closed due to a third-party program ending according to its original contract term length. [↑](#footnote-ref-3)
3. Note that the advice letter and program closure webinar may include multiple programs that the PA plans to close. This can be done during the cycle via a standalone program closure advice letter or with the mid-cycle true up advice letters. [↑](#footnote-ref-4)
4. Per page 46-47 of D.21-05-031 transition steps covered in webinar shall include “make proposed implementation plan updates and host a webinar or workshop that lays out timelines and milestones for the ramping down of an existing program or the ramping up of a new one” [↑](#footnote-ref-5)
5. New programs are defined in D.21-05-031, OP 12 and page 47 as: “A program is considered new if it makes a change in the market sector, a change in implementation or delivery strategy, or meet already-existing triggers for third party contract approvals given in Decision 18-01-004, OP 2.” [↑](#footnote-ref-6)
6. Note that the advice letter and program launch webinar may include multiple programs that the PA plans to launch. This can be done during the cycle via a standalone program launch approval advice letter or with the mid cycle true up advice letters. [↑](#footnote-ref-7)
7. For the purposes of “core” program we mean programs that did not go through the competitive solicitation process and EE Procurement Review Group. [↑](#footnote-ref-8)