

Thanks Pacific Gas and Electric developed Responses to Recommendations (RTR) contained in the evaluation studies of the 2013-2015 Energy Efficiency Program Cycle and beyond. This Appendix contains the Responses to Recommendations in the report:

RTR for the Third-Party Commercial Programs Impact Evaluation, Program Year 2022 (DNV, Calmac ID # CPU00371.01)

The RTR reports demonstrate PG&E’s plans and activities to incorporate EM&V evaluation recommendations into programs to improve performance and operations, where applicable. PG&E’s approach is consistent with the CPUC Decision (D.) 07-09-043¹ and the Energy Division-Investor Owned Utility Energy Efficiency Evaluation, Measurement and Verification (EM&V) Plan² for 2013 and beyond.

Individual RTR reports consist of a spreadsheet for each evaluation study. Recommendations were copied verbatim from each evaluation’s “Recommendations” section.³ In cases where reports do not contain a section for recommendations, the PG&E attempted to identify recommendations contained within the evaluation. Responses to the recommendations were made on a statewide basis when possible, and when that was not appropriate (e.g., due to utility-specific recommendations), the PG&E’s responded individually and clearly indicated the authorship of the response.

The Joint IOUs are proud of this opportunity to publicly demonstrate how programs are taking advantage of evaluation recommendations, while providing transparency to stakeholders on the “positive feedback loop” between program design, implementation, and evaluation. This feedback loop can also provide guidance to the evaluation community on the types and structure of recommendations that are most relevant and helpful to program managers. PG&E believes this feedback will help improve both programs and future evaluation reports.

¹ Attachment 7, page 4, “Within 60 days of public release, program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings as they relate to potential changes to the programs. Energy Division can choose to extend the 60 day limit if the administrator presents a compelling case that more time is needed and the delay will not cause any problems in the implementation schedule, and may shorten the time on a case-by-case basis if necessary to avoid delays in the schedule.”

² Page 336, “Within 60 days of public release of a final report, the program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings. The IOU responses will be posted on the public document website.” The Plan is available at <http://www.energydataweb.com/cpuc>.

³ Recommendations may have also been made to the CPUC, the CEC, and evaluators. Responses to these recommendations will be made by Energy Division at a later time and posted separately.

Response to Recommendations (RTR) in Impact, Process, and Market Assessment Studies

Study Title: Third-Party Commercial Programs Impact Evaluation, Program Year 2022
Program(s): Commercial Efficiency Program or NetOne Commercial Efficiency Program (PGE_Com_003)
Author: DNV
Calmac ID: CPU0371.01
ED WO:
Link to Report: [CPUC Group A Commercial Third-Party Programs PY2022 Impact Evaluation Final Report.pdf \(calmac.org\)](https://www.calmac.org/CPUC_Group_A_Commercial_Third-Party_Programs_PY2022_Impact_Evaluation_Final_Report.pdf)

| MANAGEMENT APPROVAL AFTER REVIEWING ALL IOU RESPONSES | | |
|---|-------------------------|----------|
| Name | | Date |
| PG&E | Billy Roderick, Manager | 9/6/2024 |
| PG&E | Paolo Pecora, Manager | 9/3/2024 |
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| Item # | Page # | Findings | Best Practice / Recommendations (Verbatim from Final Report) | Recommendation Recipient | PG&E (if applicable) | |
|--------|--------|---|--|--|--------------------------------------|---|
| | | | | | Disposition | Disposition Notes |
| | | | | If incorrect, please indicate and redirect in notes. | Choose: Accepted, Rejected, or Other | Examples: Describe specific program change, give reason for rejection, or indicate that it's under further review. |
| 1 | 57 | The GRRs for electric energy savings attributed to PAs exceeded 100%. This outcome can primarily be attributed to adjustments in relative humidity levels for anti-sweat heater controls. The recalibration of passage time and duration parameters for auto-closer measures in refrigeration cases is another impact factor but not a high-profile update. | To enhance the accuracy of savings estimations, especially for significant refrigeration measures, it is recommended to incorporate the data collected during the evaluation into the update process for measure packages. This should include more detailed information on types, efficiencies, and operational parameters of refrigeration and HVAC systems. | All | Accept | PG&E will work with the statewide measure package leads to make updates for PY 2028, if applicable. The auto-closer measure package has been sunset as of 4/1/2024. |
| 2 | 57 | Third-party implementers reported a lack of brand recognition and market momentum from past utility-run initiatives due to PAs not allowing effective affiliation or co-branding. | Allow programs to reference the utilities and past utility-run programs. | All | Rejected | PG&E does not prohibit cobranding of program materials, reserving that option for an implementer, subject to a review by PG&E marketing and web teams. The NetOne program identifies PG&E not only in its coverage map but also in its eligibility requirements and customer participation agreements. Referencing past PG&E programs is unlikely since it may not have been of the same model, strategy, or implementer as is the case with the NetOne program. |
| 3 | 57 | The project contact data provided by the PAs and implementation contractors often did not contain accurate key project decision-makers even after the evaluation team had specifically requested such decision-maker names. Consequently, this led to many NTG surveys having incomplete information. | Ensure PAs and implementation contractors provide contact details for end-user sites and decision-makers. This streamlines evaluations by facilitating simultaneous communication, avoiding delays when site contacts aren't key decision-makers, and reducing the need for additional data requests. | All | Accept | While the comment is accepted since we know these instances always occur, there are times when a decision maker, local facility manager, or local project manager may only have interacted with only part of the project scope or tasks. Also, the duration between the project and the subsequent evaluation may contribute to personnel changes which may provide contacts which may have left the facility. That said, having no or only one contact on a project is not a practice that has served us well and can be continuously improved upon. |
| 4 | 57 | Actual program practices as reported in implementer interviews are inconsistent with what is written in the PIPs. | Review PIPs at least annually to assess them against actual practice and justify variance from written plan through amendments, including updating logic models. | All | Accept | Annual review and update of the implementation plan is a prudent action for the purposes stated to inform the public and provide a record of causes and impacts of change in a program model or strategy. |
| 5 | 57 | The third-party run programs are recognized for their potential to drive innovation. However, the analysis indicates that these programs frequently capitalize on established relationships and existing savings opportunities. | For future third-party program designs, the CPUC should enforce the use of the updated definition of innovation as documented in the latest version of the Energy Efficiency Programs Implementation Plan Program Guidance ⁴² (May 2020 as of the publication of this report). It's implied that the IOUs must align their program designs with the updated definition. This recommendation aims to ensure consistency and clarity across all third-party program designs. | All | Other | While programs strive to perform in comprehensive and innovative manners, the outcome and scope of the project is typically the decision made by the customer. A program may offer a wide range of treatments for EE (Energy Efficient) interventions, but as stated in the IP (Implementation Plan), the program is tasked to address the needs of the customer as dictated by them. Certain customers' corporate strategy and standards of personnel compensation and metrics which can influence the strategy for choosing shorter process, claimable (in the same corporate fiscal year) savings deemed measures vs more comprehensive and longer-term ROI strategies. The implementer may determine the inventory of measures and approaches to be offered, but the customer decides the journey. Cost effectiveness requirements and compensation models may also influence implementer reliance on established relationships in which commitment and project development provide a less speculative pathway to achieve program contract goals. |
| 6 | 58 | Coordination between third-party programs and existing utility-operated programs is minimal, despite the participant | Establish a collaboration framework to facilitate more fre- | All | Rejected | Coordination among local 3P programs, LGP, REN, and CCA (Commercial Choice Aggregation) offerings is |

| Item # | Page # | Findings | Best Practice / Recommendations (Verbatim from Final Report) | Recommendation Recipient | PG&E (if applicable) | |
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| | | crossover between multiple commercial programs. This lack of interaction fails to recognize the diverse experiences of participants when engaging with PAs and third parties, leading to a disjointed program experience. | quent information sharing, checks and balances, and coordination between utility-run and third-party-run programs. | | | addressed through Joint Cooperation Memos (JCM). Attention to potential overlap is high on PG&E Programs with bi-weekly to monthly discussions with program implementers, PG&E Customer Service Representatives, REN/CCA and LGPs. |
| 7 | 58 | Program attribution was very high with overall program NTGRs being 97% for electric energy savings and 98% for gas energy savings. Survey respondents emphasized the importance of the program incentives in project implementation. The program's focus on refrigeration technologies that are less commonly known or adopted in the marketplace likely also contributed to these high NTGRs. | Continue the program's focus on refrigeration technologies that are less commonly known or adopted in the marketplace since these technologies will likely continue to have high NTGRs until market adoption becomes more common. Minimize the promotion of widely marketed energy-saving technologies like TLEDs, which have lower evaluated NTGRs (e.g., 35% for TLEDs), since the market already supports them without program help. | | Accepted | This assessment is accepted but also supports the outcome of NTG and the breadth of measures chosen by customers. Recommending program focusing on less commonly known refrigeration technologies acknowledges the realities that a whole building, comprehensive measure package will not suit every customer strategy and may result in a lower NTG by project. Certainly, higher NTG measures in program results benefit the effective use of funds in a program, but this outcome is dictated by customer choices. |
| 8 | 58 | Programs met savings and cost-effectiveness goals on the strength of the high evaluated NTGRs. As filed with ex ante NTGRs, no program met goals. | All else being equal, continuing to enroll customers that would not otherwise install energy efficiency measures will be important for programs to meet their goals. | | Accepted | The ultimate program goal is to meet goals cost effectively with measure choices broad enough to embrace a degree of comprehensiveness, with a mix of new and established customer relationship, which demonstrate influence to improve efficiency and cultivate a customer culture of continuous improvement. |