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Cc: Chase Lipscomb, Tugi Gotora, James Harville, PUCT

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Date: January 13, 2023

Subject: Energy Efficiency Stakeholder Working Groups

This memo overviews the Energy Efficiency Stakeholder Working Groups that the EM&V team is facilitating on behalf of the PUCT. The working groups will allow the EM&V team to organize stakeholder input for broader Energy Efficiency Implementation Project (EEIP) discussion. These discussions may be considered in a future energy efficiency rulemaking.

INTRODUCTION

The Stakeholder Input process began in October 2022 when the PUCT hosted its biannual EEIP meeting for the investor-owned utility (IOU) energy efficiency programs. As part of the agenda, the second half of the meeting was dedicated for stakeholders across the industry to provide input on what changes should be considered in a future potential rulemaking to amend PUC Subst. 25.181 (Energy Efficiency Goal) and 25.182 (Energy Efficiency Cost Recovery Factor). Two presentations were given, one led by Oncor Electric Delivery and the other by the Sierra Club. Both presentations generated discussion regarding areas of focus for potential rulemaking and general discussions.

The PUCT tasked its EM&V contractor to then develop and implement a stakeholder survey building on the EEIP discussions. The EM&V team developed a stakeholder input survey that reviewed specific topics discussed at the EEIP meeting, obtained feedback from stakeholders, and prioritized issues to inform potential working groups. The EM&V team implemented the online survey with stakeholders over a three-week period (November 7-29). The survey achieved a good response with 47 total completes representing different types of stakeholder groups.

Based on the survey results, the EM&V team recommended four working groups are formed around the following topics:

1. Program Goals
2. Program Planning
3. Low-Income and Other Underserved Segments
4. Role of Demand Response/Load Management

Commission Staff agreed with the EM&V team's recommended working groups; the results and working group recommendations were distributed to EEIP and filed in Project No. 38578 on December 20, 2022. On January 3, 2023, Commission Staff distributed an invitation to complete a working group interest form via the EEIP listserv and filed the invitation in Project No. 38578. A reminder to complete the interest form by January 10 was sent on January 9. The on-line interest

form received healthy responses with 44 unique company organization competes¹ and representation across stakeholder groups similar to the November input survey.

No table of figures entries found. Total Responses by Stakeholder Group

Stakeholder Group ²	Total
Energy Efficiency Implementation Contractor/Consultant	14
Regulated Utility	8
Advocacy Group (environmental, low-income, policy, etc.)	8
Retail Electric Provider	6
Trade Ally (Contractor, Builder, Distributor, Retailer, Manufacturer)	4
Local Government	4
Total	44

Next, we overview working group organization, process and assignments.

WORKING GROUP ORGANIZATION

Commission Staff and the EM&V team agreed that each company or organization would be assigned to participate in only one working group. The one working group designation was carefully considered in order to balance both working groups and stakeholder representation as follows:

- **Smaller groups foster active discussion; full group EEIP discussions will take place.** Working groups are to identify high-level issues to be brought back for full group EEIP discussion. At that time, all members of EEIP can provide their viewpoint on issues. An optimal size for the working groups based on recommended market research best practices to foster active dialogue and issue-generation is 7-12 participants³. Given the interest from different companies and organizations, assigning each to one working group is already at the top of this range with 10-12 participants per working group.
- **Stakeholder groups facilitate a range of viewpoints.** Various types of companies and organizations are stakeholders and include publicly-owned companies such as the investor-owned utilities, non-profits such as environmental or policy advocates and small businesses. Since participating in all four groups would be overly burdensome for some stakeholder groups, participation in more than one working group would likely result in overly representing stakeholder groups with larger staff members.

The EM&V team referenced respondent preferences provided in the January 2023 working group interest form to assign stakeholders to working groups. While we attempted to assign companies and organizations in order of interest expressed in working group interest forms, this was not always possible. As noted in the working group interest form, to balance different stakeholders across working groups, respondents may receive an invitation to a working group other than their first or second choice. In addition, the eight investor-owned utilities (IOUs) were assigned across

¹ Several duplicate responses for a company/organization were collapsed. Responses without company or contact information were removed. In addition, two respondents sent completed answers directly to the EM&V team director, which are included in the count.

² Different advocacy groups were collapsed into a single stakeholder type. Respondents answering 'other' were all a consultant or vendor; therefore, they were combined with the implementation contractor category, which is broadened to reflect other types of consulting firms.

³ [FocusGroupBrief.doc \(mmgconnect.com\)](#)

working groups in order to ensure each working group had both an IOU operating in the ERCOT market and a bundled IOU (referred to as non-ERCOT utility).

In response to concerns of limiting participation to one working group for those who prefer to participate in two or more working groups, a listen-in only option will be made available upon request (both a muted live attendee and meeting recording option will be offered). Those requesting a listen only option will be able to send additional ideas separately to the working group facilitator.

WORKING GROUP PROCESS

Each working group will meet four times prior to the March EEIP progress update. Meetings will be held biweekly Monday through Thursday from 3 to 5 pm starting the week of January 23 ending the week of March 6. The EM&V team will record all working groups and synthesize key issues identified by each working group for the EEIP progress update which will be held the week of March 27. An example progress update outcome for one working group and one topic area is provided below for illustrative purposes only; this does not represent an actual outcome of the working group discussions.

The EM&V team as the working group facilitators will organize content to result in high-level summaries for the March EEIP progress update. These high-level summaries will be used to generate further discussion amongst all of EEIP. One possible example for the Program Goals Working Group is provided below as the type of outcome that could result from the Working Group discussions.

Program Goals Working Group: Identified Issues

Issue	Summary	Working Group Priority and Why
Example Issue 1: Claimed savings	Both winter and summer peak kW are defined and important for grid reliability and customer savings. However, utilities can only claim savings for winter or summer peak kW for a measure, but not both.	Medium Priority. Both winter and summer peak are important, but claiming and reporting only one does not recognize the value energy savings measures contribute to both peaks.
Example Issue 2:		

Program Goals Working Group: Issue Overview

Key Issue	Areas of Agreement	Areas of Debate	Would this require new Legislation? If so, what	Would this require Rulemaking? If so, what?
Example Issue 1: Peak kW claimed savings.	Winter and summer peak kW are both important and should be	If utilities claim both winter and summer peak kW savings for a measure, how should that be reflected in kW goals? Viewpoints include separate summer and winter peak goals,	No	Yes. Current rule limits claimed savings to winter or summer.

	tracked and claimed	increased total kW goals, no change in goals as baselines are rising and uncertainty in the role of demand response		25.181 (c)(44) and (e)(3)(G)
Example Issue 2:				

WORKING GROUP ASSIGNMENTS

Below we summarize the working groups, members and meeting dates. Meeting invites will be sent the week of January 16. While meeting invites will only be sent to one person per company, participating companies are welcome to invite other staff at their company to attend the same working group (up to 4 staff per company/organization).

PROGRAM GOALS WORKING GROUP

The program goals working group will discuss peak demand goals, energy savings goals and considerations that affect goals (marketing, industrial opt-outs, cost caps).

Meeting dates are: Mondays, January 23, February 6, February 20⁴ and March 6, 3-5 pm.

Working Group Member	Role	Stakeholder Group
Tetra Tech	Facilitator	EM&V team
Energy Bees	Facilitation support	EM&V team
Commission	Attendee	Regulatory
Oncor Electric Delivery (Oncor)	Participant	ERCOT Regulated utility
Southwest Public Service Company (SWEPCO)	Participant	Non-ERCOT Regulated utility
Sierra Club	Participant	Advocacy group
Texas Consumer Association	Participant	Advocacy group
Just Energy	Participant	REP
ICF	Participant	Implementation Contractor/Consultant
JNP Resources LLC	Participant	Implementation Contractor/Consultant
ANB Systems	Participant	Implementation Contractor/Consultant

⁴ If this is a holiday for the majority of working group participants, an alternative date and time will be discussed if needed.

Mitsubishi	Participant	Trade Ally
Steering Committee of Cities Served by Oncor	Participant	Local government

PROGRAM PLANNING WORKING GROUP

The program planning working group will discuss program planning cycle, avoided costs, cost-effectiveness, performance incentives and REP participation.

Meeting dates are: Thursdays, January 26, February 9, February 23 and March 9, 3-5 pm.

Working Group Member	Role	Stakeholder Group
Tetra Tech	Facilitator	EM&V team
Energy Bees	Facilitation support	EM&V team
Commission	Attendee	Regulatory
CenterPoint Energy (CNP)	Participant	ERCOT Regulated utility
Entergy Texas (ETI)	Participant	Non-ERCOT Regulated utility
SPEER	Participant	Advocacy Group
CCL	Participant	Advocacy Group
NRG	Participant	REP
EnerChoice	Participant	Implementation Contractor/Consultant
Texas Association of Community Action Agencies	Participant	Implementation Contractor/Consultant
CPower	Participant	Implementation Contractor/Consultant
DN Tanks	Participant	Trade Ally
Google	Participant	Trade Ally
City of El Paso	Participant	Local government

LOW-INCOME AND UNDERSERVED SEGMENTS WORKING GROUP

The low-income and underserved segments working group will discuss low-income and hard-to-reach programs, other underserved sectors and coordination with other programs and funding sources.

Meeting dates are: Tuesdays, January 24, February 7, February 21 and March 7, 3-5 pm.

Working Group Member	Role	Stakeholder Group
Tetra Tech	Facilitator	EM&V team

Energy Bees	Facilitation support	EM&V team
Commission	Attendee	Regulatory
Texas New Mexico Power (TNMP)	Participant	ERCOT Regulated utility
El Paso Electric (EPE)	Participant	Non-ERCOT Regulated utility
Environmental Defense Fund	Participant	Advocacy Group
Enel North America	Participant	Advocacy Group
OhmConnect Texas	Participant	REP
Texas Energy Association for Marketers (TEAM)	Participant	REP (association)
CLEAResult	Participant	Implementation Contractor/Consultant
Energy HUB	Participant	Implementation Contractor/Consultant
Two Rivers	Participant	Implementation Contractor/Consultant
Recurve	Participant	Implementation Contractor/Consultant
Harris County	Participant	Local government
Texas Advanced Energy Business Alliance	Participant	Trade ally (association)

DEMAND RESPONSE/LOAD MANAGEMENT WORKING GROUP

The demand response and load management working group will discuss the role of the programs in the energy efficiency portfolio including peak kW contributions, peak periods and best practices.

Meeting dates are: Wednesdays, January 25, February 8, February 22 and March 8, 3-5 pm.

Working Group Member	Role	Stakeholder Group
Tetra Tech	Facilitator	EM&V team
Energy Bees	Facilitation support	EM&V team
Commission Staff	Attendee	n/a
American Electric Power (AEP)	Participant	ERCOT Regulated utility
Xcel Energy	Participant	Non-ERCOT Regulated utility
US Green Building Council Texas Chapter	Participant	Advocacy group

Texas Energy Poverty Research Institute	Participant	Advocacy Group
Reliant	Participant	REP
Rhythm Ops, LLC	Participant	REP
Frontier Energy	Participant	Implementation Contractor/Consultant
TRC	Participant	Implementation Contractor/Consultant
Voltus	Participant	Implementation Contractor/Consultant
Pecan Street	Participant	Implementation Contractor/Consultant
City of Lewisville	Participant	Local government