



ADVICE LETTER SUMMARY



ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Tri-County Regional Energy Network (3C-REN)/CPUC #220

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Alejandra Tellez, County of Ventura

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EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

09/01/2020

Advice Letter (AL) #:3C-REN AL 6-E/5-G (CPUC #220)

Tier Designation: Tier II

Subject of AL: Compliance Filing of Energy Efficiency Rolling Portfolios Annual Budget Advice Letters (ABAL) for proceeding R.13-11-005 and A.17-01-013, et al. by the Tri-County Regional Energy Network (3C-REN).

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: In compliance with D.15-10-029 and D.18-05-041

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 10/1/20

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
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ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

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September 1, 2020

California Public Utilities Commission
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3C-REN Advice Letter 6-E/5-G **(CPUC # 220)**

Tier Designation

This Advice Letter has a Tier 2 designation pursuant to Decision 18-05-041¹.

Subject

3C-REN 2021 Energy Efficiency Annual Budget Advice Letter

Purpose

The purpose of this Advice Letter is to seek approval for the 2021 Energy Efficiency Annual Program and Portfolio Budget request for the Tri-County Regional Energy Network (“3C-REN”).

This Advice Letter is filed in compliance with Ordering Paragraph (OP) 4 of Decision 15-10-028, which directs program administrators to file a Tier 2 Advice Letter containing the budget for the next calendar year’s EE portfolio; and with OP 41 of Decision 18-05-041, which directs PAs to include information identified in Section 7.2.

Background

The 3C-REN is a collaboration of three counties, Ventura, Santa Barbara, and San Luis Obispo, in the California Central Coast Region, with a diverse service area that is geographically isolated from utility hubs, has pockets of rural and disadvantaged communities, and large, underserved Spanish-speaking populations. After several years’ experience and cooperative administration of energy and sustainability programs, the three counties formed the 3C-REN, led by the County of Ventura, to better leverage resources in the delivery of effective programs on a regional level. In Decision 16-08-019², the California Public Utilities Commission (“CPUC” or “Commission”) provided guidance for Energy Efficiency (“EE”) Rolling Portfolio Business Plan (“BP”) filings

¹ See D. 18-05-041 page 58.

² See D.16-08-019 page 10.

and included consideration of the formation of new Regional Energy Networks (“RENs”). Since filing 3C-REN’s business plan to serve public agencies and their constituencies within Southern California Edison’s (“SCE’s”), Southern California Gas’ (“SoCalGas’s”), and Pacific Gas and Electric’s (“PG&E’s”) service territories, 3C-REN has continued participation in the California Energy Efficiency Coordinating Committee (“CAEECC”) process. 3C-REN remains intent on delivering programs that meet CPUC criteria as indicated by Decision 12-11-015 in the formation and implementation of programs including: filling gaps that the investor-owned utilities (“IOUs”) are not serving; developing programs for hard-to-reach markets; and piloting new approaches to programs that have the potential to scale and offer innovative avenues to energy savings.

In Decision 14-10-046 the Commission authorized funding for EE programs until 2025. In 2015 the Commission issued Decision 15-10-028 approving the mechanics for EE rolling portfolio and outlining the business plan application process. On January 23, 2017 3C-REN filed a motion for approval of its rolling portfolio business plan and budget proposal. Decisions 15-10-028 and 18-05-041 provided the requirements of the Annual Budget Advice Letter (“ABAL”) and directed Program Administrators to file ABALs. In Decision 19-05-019 the Commission directed the ABALs going forward to include the results of the Program Administrator Cost (PAC) and the Ratepayer Impact Measure (RIM) test and cost-effectiveness estimates.

As directed by D.18-05-041 and additional guidance provided by Commission staff, 3C-REN has submitted via CEDARS the 2021 3C-REN Budget Filing; the confirmation receipt is attached hereto as Attachment 1. The Budget Filing Detail Report is publicly available on CEDARS.

Required Cost Effectiveness, Budget, Energy Savings and Metrics Components of ABAL³

1. 3C-REN 2021 Budget Request

3C-REN, requests a total portfolio and Evaluation, Measurement and Verification (“EM&V”) budget of \$8,696,867. The budget breakdown is reflected in Table 1.

Table 1: 3C-REN 2021 Budget

Program	2021 Budget
Residential	\$5,914,078
Codes and Standards	\$1,404,181
WE&T	\$1,280,298
Program Subtotal	
EM&V (3C-REN only)	\$98,310
Total 3C-REN 2021 Spending Budget	\$8,696,867

³ See D. 18-05-041 page 124-127.

2. 3C-REN 2021 Forecasted Energy Savings and Cost-Effectiveness

3C-REN’s forecast energy savings in kWh, kW, and therms (MM) are included alongside the sector level budget in Table 2. Forecast cost effectiveness for 2021 in TRC, PAC and RIM is also included below.

Table 2: 3C-REN FORECAST ENERGY SAVINGS (Net)⁴

Sector	2021 Program Year Budget	PA FORECAST ENERGY SAVINGS (Net)		
		PA forecast kWh	PA forecast kW	PA forecast therms (MM)
Residential	\$5,914,078	1,548,512	123	0.10
Codes and Standards	\$1,404,181	NA	NA	NA
WE&T	\$1,280,298	NA	NA	NA
Subtotal	\$8,598,557	1,548,512	123	0.10
3C-REN Savings Target per PY 2019 ABAL True-up		916,263	586	0.11
% of Savings Target		169%	21%	88%
PA EM&V	\$98,310			
Total 3C-REN PY Spending Budget¹	\$8,696,867			
Uncommitted and Unspent Carryover balance²	\$4,482,831			
Total 3C-REN PY Budget Recovery Request³	\$4,214,036			
Authorized PY Budget Cap (D.18-05-041)	\$6,662,881			
Forecast PY TRC				0.22
Forecast PY PAC				0.30
Forecast PY RIM				0.30

¹ Total proposed program year budget spending, including uncommitted unspent carryover.

² The balance of unspent uncommitted must reflect the total unspent uncommitted starting Jan 1, 2018 through Dec 31 of current year (PY-1). Because each ABAL is filed in Q3, this unspent uncommitted amount will be an estimate for the year in which the ABAL is filed.

³ Amount of funds to be collected for the 2021 Program Year - Total 3C-REN PY Spending Budget less Uncommitted and Unspent Carryover balance.

⁴ Forecast energy savings (net) calculated using the updated CET which excludes the market effects.

3. Sector-Level Metrics

As directed in D.18-05-041 Ordering Paragraph 9, the metrics, targets and indicators for 3C-REN's portfolio and specific programs, were filed on May 1, 2020 along with 3C-REN's 2019 Annual Energy Efficiency Report.

This Decision⁵ allows program administrators to propose in annual advice letter filings new or modified metrics or indicators. Specific to certain existing metrics and indicators for Codes and Standards, 3C-REN – together with the BayREN⁶ – requests modifications and additions as provided in redline/track changes in Attachment 1 which has the proposed changes together with the reasoning for the changes and additions.

The Sector-Level Metrics requested changes are included as Attachment 1.

3C-REN proposes new “value metrics” as directed by D19-12-021, that the RENs “propose savings goals and metrics associated with their unique value, as well as a methodology for measuring progress toward their metrics.”⁷ Additionally, the Commission noted that when considering new or renewed REN business plans, the REN must meet the three REN criteria while also “showing new or unique value to the Commission’s energy, climate, and/or equity goals.”⁸

As a relatively new REN, 3C-REN approached the value metrics development from two perspectives: practical implementation, and vision for its future. On the practical implementation side, 3C-REN began by documenting potential opportunities to demonstrate unique value through its existing programs. 3C-REN may propose refinements to its Vision and Goals in the 2021 Business Plan. As the REN’s Vision and Goals mature, so will its unique values and thus its value metrics. Additionally, while these values and subsequent value metrics have been shaped by staff’s understanding of community needs, 3C-REN plans to further incorporate additional stakeholder input in future updates.

The proposed value metrics are included as Attachment 2.

⁵ D.18-05-041, Ordering Paragraph 9, page 184

⁶ BayREN, includes the counties of Sonoma, Napa, Solano, Marin, Contra Costa, Alameda, Santa Clara, San Mateo and San Francisco, also has a Codes and Standards program. Whenever possible, 3C-REN and BayREN collaborate including the sharing of training materials

⁷ D.19-12-021, pages 30

⁸ D.19-12-021, pages 32

4. Discussion of Proposed Program and Portfolio

All 3C-REN programs are designed to align with the criteria established in D.12-11-005.

Residential Direct Install (RES-DI) (TCR-Res-001)

The 3C-REN offers a RES-DI program (Home Energy Savings) designed to fill gaps in current IOU offerings for the 3C-REN territory, as the region is far removed from IOU outreach and implementation efforts. The 3C-REN Region is served by three different IOUs – PG&E to the north, SCE to south, SoCalGas in all three counties – with overlapping electrical services in Santa Barbara and Ventura. This increased coverage has not resulted in a higher level of service, but instead led to increased customer confusion due to different programs, requirements and providers.

Additionally, most of the homes in the tri-county region were built prior to the existence of the California energy code. As a result, homes use more energy, cost more, and are less comfortable, while the cost for improving these conditions through energy efficiency is often prohibitive for residents. Historically, residential energy efficiency programs have either been too prescriptive and required expensive, whole-home retrofits, or been limited to low-income households. This has made necessary energy improvements to housing stock inaccessible to a large portion of the population.

The RES-DI program includes two sub-programs, single-family and multi-family, designed address these barriers. The single-family sub-program will deliver a direct install (DI) that targets hard-to-reach (HTR) residential customers, including renters and owners, and Disadvantaged Communities (DACs) in Ventura, Santa Barbara and San Luis Obispo Counties, offering a single, unified program to regional residents.

The single-family sub-program will provide energy and behavior change education, installation of simple energy saving measures to build customers trust and interest while delivering a pathway to deeper savings by offering co-pay options for more substantial upgrades. 3C-REN's program implementers for the single-family sub-program are local non-profits, who also currently deliver the Energy Savings Assistance (ESA), Middle Income Direct Install (MIDI), and Low-Income Home Energy Assistance Programs (LIHEAP). This approach allows 3C-REN to leverage their experience and infrastructure to provide 3C-REN program services to a broader audience than these non-profits currently serve.

Qualifying customers will receive a virtual or in-home visit from a trained assessor who will collect information on the home, provide consumer education and install DI measures. As in-person services are contingent on guidance related to COVID-19, 3C-REN may choose to provide the customer self-install packages of DI measures and advise the resident on self-installation when in-home visits are not recommended or possible.

After the initial site visit, an expert Energy Advisor will follow up with the customer to provide more detailed information on co-pay measure options. If the Energy Advisor conducted a virtual

assessment and sent a self-install package in lieu of an initial site visit, they will also follow up with the customer but discuss direct install in addition to copay measure options. Using the information obtained during the assessor site visit (or virtual assessment), the Energy Advisor will help customers identify a scope of work as well as provide technical advice, pricing information, a cost-benefit analysis and financing options (e.g. Residential Energy Efficiency Loans). Customers interested in making more substantial upgrades will work with the implementer to complete their project.

A Workforce Education and Training and Codes and Standards overlay is included in this program as 3C-REN will work with the implementer to help build their staffing capacity and provide training, as well as code coaching for permitted projects. Some projects may also be used as hands-on, in-the-field training opportunities resulting in increased quality assurance. Partnering with implementers that serve low-income and disadvantaged communities also provides an opportunity to create career pathways for disadvantaged workers as many of the crew members and contractors live in the disadvantaged communities that they serve.

In 2021, 3C-REN will launch the multifamily sub-program. The research and design phase for the multifamily sub-program is currently underway. Program design activities include development of a market characterization study that will analyze local building attributes, technology adoption barriers, climate zone considerations, split incentive issues, and marketing and outreach options. 3C-REN plans to release a request for proposals in late 2020.

The program budget for 3C-REN RES DI, (TCR-Res-001) shall be \$5,914,078.

The 3C-REN RES-DI program will target HTR residential customers, including single-family and multi-family, renters and owners, and moderate-income families not currently being served by, nor meeting the criteria of current ESA, LIHEAP, or MIDI in Ventura, Santa Barbara and San Luis Obispo Counties.

This resource program will include measure types including lighting, air sealing, insulation, HVAC measures, water flow controls, smart thermostats, power strips, plug load feedback devices, duct system servicing, appliances, and water heating measures. 3C-REN has engaged IOUs and other energy program providers to identify additional measures beyond those currently offered by existing programs. Single measures will be allowed. Savings will be deemed per measure.

Codes and Standards (C&S) (TCR-CS-001)

The 3C-REN offers a cross-cutting C&S program designed to fill gaps in current IOU offerings for the 3C-REN territory because the region is far removed from IOU training & resource hubs. The 3C-REN C&S program offers three services: local, in-person and online energy code trainings; Regional Forums; and an Energy Code Coach service available to public and private sector building professionals.

The Energy Code Coach service is available online, over the phone, over the counter, or in the field and will provide support and mentoring related to Title 24, Parts 6 and 11 comprehension, compliance, and enforcement. The 3C-REN coordinates with IOUs and the CEC to leverage

existing Statewide C&S resources and energy code compliance and enforcement resources in support of its C&S program services. A goal of the 3C-REN C&S program is to foster greater comprehension and consistency in compliance and enforcement throughout the Tri-County Region, providing the workforce with a more stable business climate and known code compliance resources.

The program budget for 3C-REN C&S, (TCR-CS-001) shall be \$1,404,181.

The target audience is construction design-side stakeholders, including building departments, architects, field inspectors, mechanical engineers, and plan checkers. This is a non-resource program.

Workforce, Education and Training (WE&T) (TCR-WET-001)

The 3C-REN offers a cross-cutting WE&T program designed to fill gaps in current IOU⁹ offerings for the 3C-REN territory, as the region is far removed from IOU training & resource hubs. The current IOU training and education programs require substantial travel to energy centers outside of the Tri-County area and are often not designed to meet the needs of local building professionals. The 3C-REN program will offer career pathways and enrichment by providing access to in-person trainings, mentorship opportunities and cross promotion of IOU workforce trainings, including hard-to-reach (HTR) workers and those in identified disadvantaged communities (DACs).

Building professionals living and working in the 3C-REN territory face unique challenges given the dispersed nature of communities within the Tri-County Region. The region, and its building professional workforce, have historically struggled to fill key positions in energy efficiency, including the retrofit market and energy code compliant new construction. The 3C-REN WE&T activities will address these challenges through collaboration with existing providers, programs, apprenticeship-style learning, targeted management, technical trainings for building professionals, and integrated resources for design and compliance professionals.

The program vision is to deliver technical and soft skill trainings and certifications focused on high performance buildings (i.e. energy efficient and resilient buildings). The program supports building professionals and those seeking career pathways in residential and commercial design, construction, and related industries. Trainings are delivered locally and designed to meet the unique needs of the Tri-County region.

Example learning targets include: technical skills for the application of Title 24, net zero energy and carbon, healthy and resilient buildings, valuation of high-performance homes, and business development skills.

The 3C-REN applies a holistic approach to the market with highly targeted training events, using apprenticeship and mentoring style models to enhance the workforce within the 3C-REN territory. Workforce training will be real world reinforced while simultaneously influencing direct energy

⁹ For the purposes of this ABAL, the IOUs consist of SoCalGas, SCE and PG&E.

savings. As a result of a stronger workforce, building departments will increase efficiency and efficacy with existing resources.

The program budget for 3C-REN WE&T (TCR-WET-001) \$1,280,298.

The program targets local building professionals needing more in-depth training, such as contractors, HVAC, engineers, architects, designers, certified energy managers, local jurisdictions' building & safety department staff, lighting professionals, real estate professionals, raters, including professionals in DACs and HTR areas, as well as other key market actors.

The 3C-REN's WE&T program is non-resource and will serve to support 3C-REN and IOU programs in the region by training the workforce that can deliver resource programs.

5. Strategies for increased cost-effectiveness

By the very nature of how REN activities are defined (e.g. "pilot activities in hard-to-reach markets") RENs address market segments that are typically not as cost-effective. Nevertheless, it is 3C-REN's intention to develop improved programs that enhance services, cost and energy savings, and deliver other benefits to increase participation while continuing to improve overall cost-effectiveness. 3C-REN will engage in activities that serve hard-to-reach customers who have not had access to or generally have not participated in energy efficiency programs.

While 2020 will be 3C-REN's first full year of program delivery in all three sectors, with a directive to be more cost-effective, 3C-REN's forecasted energy savings are projected to improve over time. 3C-REN has one resource program, Residential Direct Install. Strategies for increasing the cost effectiveness of this program in 2021 include:

- Residential Direct Install Program
 - Agile program design and deployment
 - Leveraging existing infrastructure, bulk purchasing, marketing and outreach activities of local non-profits, who currently deliver low income energy efficiency programming
 - Collaborative and coordinated approach with PG&E, SCE, and SoCalGas
 - Scale up participation to improve cost effectiveness
 - Analysis of program processes to facilitate continual process improvements that increase efficiency and reduce costs
 - Evaluation of available measure mix to identify additional measures that have the potential to improve cost effectiveness

RENs excel at locally adapted programming and providing on-the-ground engagement, which complement and enhance IOU programs. RENs offer innovative program delivery that has strong potential for success and scalability to engage hard-to-reach markets. The RENs should be evaluated as a complimentary addition to the IOU Statewide programs.

6. Portfolio Changes, Annual Spending, and Fund Shifting

The COVID-19 pandemic continues to have immediate and significant impact to Central Coast residents and workforce. Our in-person trainings and outreach quickly pivoted to online trainings and virtual energy efficiency audits. Our RES DI single-family program halted in-person audits and equipment installation in March following adoption of local ordinances and direction from Public Health officials in each county and began offering virtual assessments and self-install energy savings starter kits. In 2021 and beyond 3C-REN will continue to focus on capacity building and economic support for the Tri-County region's workforce, with continued and increased online and in-person training. As COVID-19 restrictions lift, 3C-REN will ramp up RES DI single-family residential activities and release a request for proposal to select an implementer for the multi-family sub-program at the end of 2020. 3C-REN will begin full implementation of the multifamily program in 2021. This timing aligns with the filing of the revised business plan.

3C-REN's 2020 annual spending is projected to be below the 2020 ABAL filing. This is due to the COVID-19 pandemic and resulting necessary restrictions that limited the ability of the programs to perform as originally intended.

Protest

Anyone may protest this Advice Letter. The protest must state the grounds upon which it is based. The protest must be made in writing and received by the Commission within 20 days of the date this Advice Letter was filed with the Commission, which is September 1, 2020. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

Public Utilities Commission
CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. It is also requested that a copy of the protest be sent by email to address shown below on the same date it is mailed or delivered to the Commission.

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Effective Date

3C-REN requests that this Tier 2 advice filing become effective on regular notice October 1, 2020, which is 30 calendar days from the date of this filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to service list for R.13-11-005 and A17-01-013. Address changes to the General Order 96-B service list should be directed to Alejandra Tellez at Alejandra.tellez@ventura.org or by calling 805-654-3835. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Alejandra Tellez

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For the 3C-REN, Tri-County Regional Energy Network

Attachments

1. Metrics: REN Codes and Standards Metrics Changes
2. Metrics: Proposed Value Metrics and Additional Indicators
3. Supplemental Budget Information
4. 2021 Program Level Explanation
5. CEDARS Filing Confirmation

Metrics: REN Codes and Standards Metrics Changes

Metric/ Indicator	3C-REN C+S Reporting Item	Type and Reason for Change
Metric	The percentage increase in closed permits for building projects triggering energy code compliance within participating jurisdictions	Remove because data collection is difficult and burdensome and even when collected would not effectively show progress toward our goals since energy code compliance is not information that is collected in a permit application
Indicator	Number and percent of jurisdictions organizations with staff participating in an Energy Policy Forum	Update broadens beyond jurisdictions, reflecting total number of organizations participating in forums across all sectors and includes different stakeholders
Indicator	Number and Percent of jurisdictions with staff participating in an Energy Policy Forum	Minor update maintains focus on jurisdictions by reporting % of jurisdictions participating in forums
Indicator	Total number of attendees participating in an Energy Policy Forum	New reporting item: indicates overall participation in forums which produces opportunities to build relationships and collaborate among energy actors
Indicator	Number of organizations directly engaged in Codes & Standards activities and percent of jurisdictions receiving Energy Policy technical assistance.	Update broadens beyond jurisdictions and policy technical assistance to reflect <u>full reach</u> of <u>all</u> REN Codes & Standards activities, i.e. to include the private sector and other stakeholders
Indicator	Number and Percent of jurisdictions directly engaged in Codes & Standards activities receiving Energy Policy technical assistance.	Update maintains focus on jurisdictions but broadens beyond policy technical assistance
Indicator	Buildings receiving enhanced code compliance support and delivering compliance data to program evaluators	Minor update the RENs are obligated to provide data to evaluators when requested; therefore, this seems unnecessary

Key to proposed changes

- ~~Strikethrough text~~ is to be deleted
- **Bold** text is to be added

Summary of Revised REN C+S Metrics

- Number of local government reach codes implemented (joint IOU and REN metric) – *no changes and not listed above*
- Number of organizations and percent of jurisdictions with staff participating in a Forum, and total attendees
- Number of organizations and percent of jurisdictions directly engaged in REN C+S activities
- Number of buildings receiving enhanced code compliance support

Metrics: Proposed Value Metric and Additional Indicators

In D.19-12-021, RENs were asked to “propose savings goals and metrics associated with their unique value, as well as a methodology for measuring progress toward their metrics...” (p. 30). Additionally, the Commission noted that when considering new or renewed REN business plans, the REN must meet the three REN criteria while also “showing new or unique value to the Commission’s energy, climate, and/or equity goals” (p. 31). To create “unique” value metrics, 3C-REN defined “unique” as reflecting its local-government-powered regional focus, and targeting populations not served through existing ratepayer-funded programs in the region.

As a relatively new REN, 3C-REN approached the value metrics development from two perspectives: practical implementation, and vision for its future. On the practical implementation side, 3C-REN began by documenting potential opportunities to demonstrate unique value through its existing programs. The process started by reviewing the three criteria for becoming a REN and discussing opportunities to demonstrate unique value while meeting key criteria. 3C-REN's leadership team developed a list of potential metrics that reflect its regional and service focus and continued identifying and discussing additional ideas to demonstrate 3C-REN's merits. These initial potential metrics were used to identify value-oriented themes that have been used to make program decisions and meet 3C-REN's goals. Finally, the team incorporated the 2018 Business Plan Vision and Goals and refined the themes into a set of four unique 3C-REN values below.

- **Diversity, Equity and Inclusion.** Execute program design, procurement, delivery and participant targeting to deliver diverse, equitable, and inclusive participation across the Tri-County region.
- **Service.** Serve Tri-County residents not otherwise served by existing ratepayer-funded programs.
- **Climate Action.** Support Tri-County member agencies in meeting climate goals.
- **Economic Impact.** Positively impact the economic development of the Tri-County region through its built environment and workforce.

These values reflect the programmatic decisions made to date, and guide future planning activities. The Metrics and indicators shown below demonstrate progress toward fulfilling these values through 3C-REN activities, while tracking toward specific 3C-REN goals as outlined in the 2018 Business Plan. As a reminder, 3C-REN’s goals as defined in the 2018 Business Plan are:

1. Goal 1. All Tri-Counties residents will have the access, information and path to achieve deeper energy retrofits.
2. Goal 2. The Tri-Counties Region will substantially increase implementation and adoption of energy retrofits for their residential buildings.
3. Goal 3. The Tri-Counties will have a profitable workforce capable of delivering buildings at quality and efficiency levels mandated by the State and through building codes.
4. Goal 4. Building Departments will have the necessary tools and resources to increase energy code compliance.

3C-REN may propose refinements to its Vision and Goals in the 2021 Business Plan. As the REN’s Vision and Goals mature, so will its unique values and thus its value metrics. Additionally, while these values and subsequent value metrics have been shaped by staff’s understanding of community needs, 3C-REN plans to further incorporate additional stakeholder input in future updates.

Value	Goal	Metric/Indicator	Program(s)	Target & Baseline	Methodology
Diversity, Equity and Inclusion	Goal 1	Metric: Percentage of event 3C-REN attendees considered hard-to-reach (HTR)	<ul style="list-style-type: none"> Codes and Standards WE&T 	Target: Percentage of HTR attendees over total number of 3C-REN attendees; timeline to be determined after 2021 baseline established Baseline: Reported in 2021 reporting	From 3C-REN events, collect HTR criteria qualifiers from all attendees. Calculate the number of attendees considered HTR over the total number of attendees
Climate	Goal 4	Metric: Number of Tri-County member jurisdictions receiving annual 3C-REN data that informs member jurisdictions achievements toward climate action plans GHG emission reduction goals	<ul style="list-style-type: none"> Residential 	Target: Target and timeline to be determined after 2020 baseline established Baseline: Reported in 2020 reporting	Share a report that provides jurisdiction-specific estimated GHG emission reductions from 3C-REN programs. Provide to jurisdictions with GHG emission reduction goals to inform Climate Action and Adaptation Plans (CAAP).
Economic Impact	Goal 3	Indicator: Number of jobs and economic value, inclusive of job creation at counties	<ul style="list-style-type: none"> Codes and Standards WE&T 	Target: N/A Baseline: Reported in 2020 reporting	Administer a survey after trainings and then six months and one year out. The questions asked will align with indicator.

DESCRIPTION OF 3C-REN IN-HOUSE EE ORGANIZATIONAL STRUCTURE & ASSOCIATED COSTS

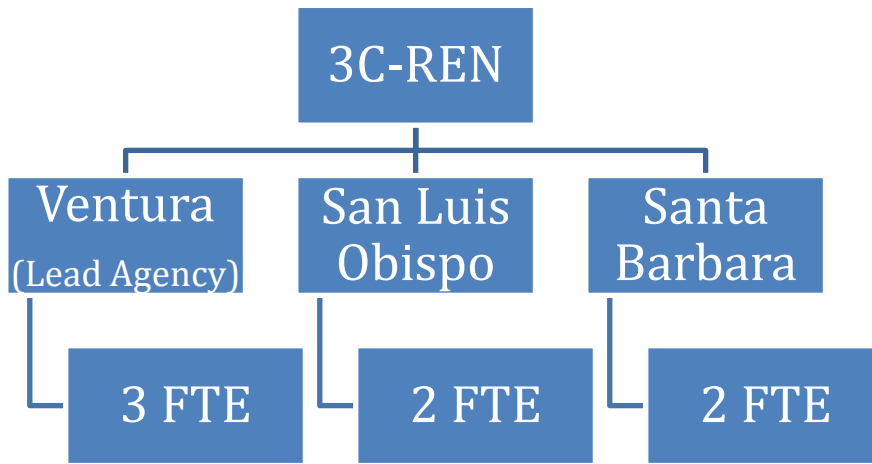
To the best of its ability, the County of Ventura, for 3C-REN, has provided requested budget information below in the format resulting from the stakeholder agreement in response to the TURN/PAO request for additional budget related information.

A. Narrative description of in-house departments/organizations supporting the PA's EE portfolio

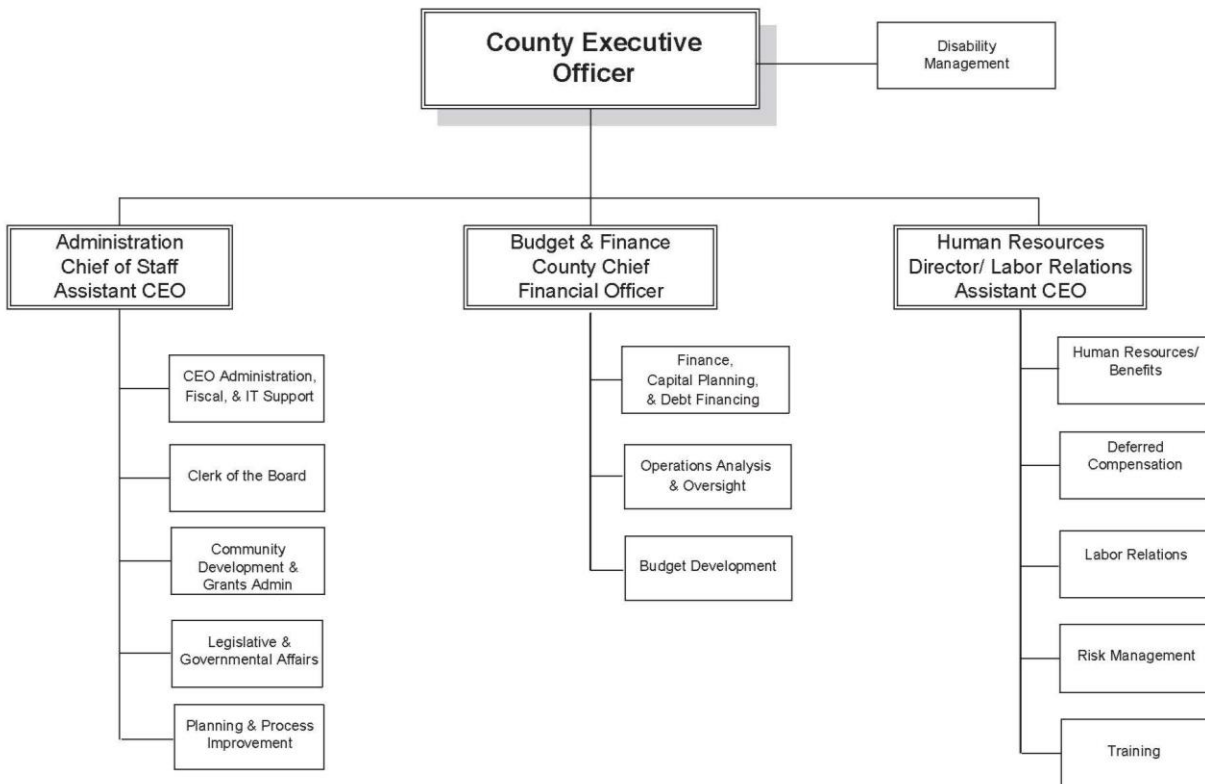
The County of Ventura is the lead agency in the administration of 3C-REN programs. As part of the Executive Office Team, staff has expertise working with Utilities as partners on several programs. Program design has been developed by the 3C-REN team in coordination with the utilities, in addition to using best practices already established by other REN programs and local government designed programs. Hence, program administration has been manageable and efficient; in addition, 3C-REN has utilized existing resources within our county government structure to assist with overall program design, implementation and management of contracts thereby allowing 3C-REN to be streamlined. Examples of applied resources include Ventura Procurement services, legal support from County Counsel, and fiscal oversight from the Auditor Controller, among others. In addition, 3C-REN also applies the expertise of Santa Barbara and San Luis Obispo counties and their knowledgeable staff who have extensive experience planning and implementing energy programs and working with utilities and other relevant stakeholders.

The following 3C-REN Organizational Chart shows administration and full-time equivalents (FTE). The County Executive Office (CEO) Organizational Chart reflects the potential management structure applicable to 3C-REN.

3C-REN Organizational Chart



County of Ventura CEO Organizational Chart



Staffing needs are described further in **section B** and the forecasted cost is detailed in **section C**. These cost projections were determined using current rates for each position. Expected cost-drivers are outlined in **section D**.

B. Table showing PA EE “Full Time Equivalent” (FTE) headcount by department/organization

The functional groups for 3C-REN fit within the agreed template created through the PA’s meet and confer process, however there are some categories that are not expected to be filled by FTE’s and it would be beneficial for the function to be outsourced to a sub-contractor or consultant. Functions Definitions are in ABAL Appendix. The table below shows FTE comparison for 2020 and 2021.

3C-REN Projected FTE¹⁰

Functional Group	2020	2021
Policy, Strategy, and Regulatory Reporting Compliance	1.0	1.0
Program Management	2.0	2.0
Portfolio Analytics	1	1.0
ME&O	2.0	2.0
IT	1.5	1.5
Total	7.5	7.5

FTEs perform a variation of duties in two or more functional categories. Activities include regulatory filings, participation in proceedings, managing of individual contracts, overall coordination with other PA’s and any other needs to follow CPUC guidance. 3C-REN structured programs within the organizational structure above, all three counties work together to design and implement programs.

¹⁰ This includes staffing for all three counties. Rows belonging to functional groups with no FTEs were deleted from the table in this narrative. The complete table can be seen in the ABAL Appendix Template uploaded to CEDARS.

In addition, 3C-REN works with SoCalREN and BayREN to apply already established successful best practices in all the above functions creating a network of successful REN programs that provide uniform delivery practices and programs in all PA territories.

C. Table showing costs by functional area of management structure

The following table illustrates labor and non-labor cost for 2021:

Residential Sector Labor and Non-labor Costs for 2021¹¹

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)	
Residential	Labor (1)	Policy, Strategy, and Regulatory Reporting Compliance	\$0.072	\$0.132	
		Program Management	\$0.155	\$0.278	
		Portfolio Analytics	\$0.050	\$0.189	
		ME&O (Local)		\$0.225	
		IT	\$0.063	\$0.111	
		Labor Total		\$0.341	\$0.935
	Non-Labor	Non-Labor	Non-Labor		
			Program Implementation	\$0.014	\$1.060
			Policy, Strategy, and Regulatory Reporting Compliance	\$0.058	\$0.198
			Program Management		\$0.124
			Customer Application/Rebate/Incentive Processing		\$0.099
			Portfolio Analytics	\$0.027	\$0.244
			ME&O (Local)	\$0.006	\$0.149
			Incentives--(PA-implemented and Other Contracts Program Implementation) Programs		\$3.105
				Non-Labor Total	\$0.106
Residential Total			\$0.446	\$5.914	
Other (collected through GRC) (2)	Labor Overheads				
Notes:	(1) Labor costs are already loaded with (state loaders covered by EE)				
	(2) These costs are collected through GRC D.16-06-054				
	(3) LGP contracts that directly support the sector is included/not included in this item				
	(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance".				

¹¹ Rows with functional groups that have no expenditures have been deleted in the tables within this narrative. Complete tables can be found in the ABAL Appendix Template uploaded to CEDARS.

Cross-cutting Labor and Non-labor Costs for 2021¹²

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Cross Cutting	Labor (1)	Policy, Strategy, and Regulatory Reporting Compliance	\$0.072	\$0.132
		Program Management	\$0.372	\$0.213
		Portfolio Analytics	\$0.147	
		ME&O (Local)		\$0.147
		IT	\$0.059	\$0.219
	Labor Total		\$0.650	\$0.710
		Other Contracts		
	Non-Labor	Policy, Strategy, and Regulatory Reporting Compliance	\$0.059	\$0.519
		Program Management	\$0.137	\$0.198
		Engineering services	\$0.083	\$0.287
		Customer Project Inspections		\$0.386
		Portfolio Analytics	\$0.027	\$0.100
		ME&O (Local)	\$0.026	\$0.149
		IT	\$0.054	\$0.335
		Non-Labor Total	\$0.386	\$1.974
Cross Cutting Total (5)			\$1.035	\$2.684
Other (collected through GRC) (2)	Labor Overheads			
Notes:	(1) Labor costs are already loaded with (state loaders covered by EE)			
	(2) These costs are collected through GRC D.16-06-054			
	(3) LGP contracts that directly support the sector is included/not included in this item			

Overall labor costs are expected to be well balanced in all categories to deliver targeted outreach and engagement.

Non-labor costs focus on program delivery; energy coach service, workforce education and training instructors, quality control, marketing to local homeowners and contractors. These costs also include development of a robust data collection platform to evaluate program analytics/EM&V. Currently, customer data is collected by IOU service territory, rather than by County or region.

¹² Rows with functional groups that have no expenditures have been deleted in the tables within this narrative. Complete tables can be found in the ABAL Appendix Template uploaded to CEDARS.

D. Table showing cost drivers across the EE organization

The following table summarizes the projected cost drivers and the percent increase expected:

Expected Cost Drivers for 2020-2021

	Increase ¹³	% of Increase by Cost Category
Admin	230,440	36%
Marketing & Outreach	137,994	36%
Direct Implementation	227,855	6%
Direct Install	-67,483	-7%
Incentives	1,807,129	544%
Increase 2019 to 2021	298,222	37%

3C-REN has launched programs and sub-programs in phases, each associated with a projected increase in offerings and customer participation. For 2021, the plan is to launch the multifamily sub-program. Program Delivery is considered a cost driver due to the expected increase in the number of EE projects, with the launch of the multifamily sub-program and the expected full delivery of single family sub program, after a slow start in 2020 due to the disruption and impacts of the COVID-19 pandemic. As program uptake increases and new sub-programs rollout, costs are expected to increase.

Overall program administration and management is also expected to be a significant cost driver with the scoping ruling directing all program administrators to file a new business plan in 2021.

E. Explanation of allocation of labor and O&M costs between EE-functions and GRC-functions or other non-EE functions

The 3C-REN has no planned allocation of labor costs attributable to GRC functions and, the costs described are fully attributable to 3C-REN programs. Labor costs are fully loaded and are tracked at the project and/or activity level by all staff. Contract rates for County labor rates are calculated to provide for total cost recovery. Each County is treated as a separate cost center and a rate is established for each classification within each division in each County. General guidelines are used in determining all rates, and costs are easily traced to or associated with a specific job/ program. Only 3C-REN EE functions will be directly allocated to 3C-REN budget.

¹³ The increase is calculated from the 2020 Approved Budget. The 2020 expenditures are projected to be approximately significantly less than budgeted and approved in large part due to the impacts from shifting program activities from in person to remote and virtual program delivery during 2020 in response to the COVID -19 pandemic.

2021 Program Level Explanation

PA justification	Third party implementer or Core	Statewide or Local	Programs to be closed with the disposition of 2021 ABAL	% change	2020 Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
NA	NA	NA	NA	N/A	NA	NA	NA	NA	NA	NA	NA
PA justification	Third party implementer or Core	Statewide	Programs to be closed upon completion of commitments	% change	2020 Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
NA	NA	NA	NA	N/A	NA	NA	NA	NA	NA	NA	NA

PA justification	Third party implementer or Core	Statewide	Programs with reduced budgets (>40% budget decrease), to continue in 2021	% change	2020 Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
NA	NA	NA	NA	N/A	NA	NA	NA	NA	NA	NA	NA

PA justification	Third party implementer or Core	Statewide	Programs with enhanced budgets (>40% budget increase)	% change	2020 Claimed TRC ¹⁴	2021 Filed TRC	2021 Budget	2020 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting, or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts ramp up , or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004.
Residential direct install program design expanded to serve multifamily properties	Third party implementer	Local	TCR-Res-001: Residential Direct Install	86.61%	0.00	0.23	\$ 5,914,078	\$ 3,169,197	2019	New Core	NA

¹⁴ No claims have yet been submitted to calculate TRC. TRC will be determined by quarterly reporting due 9/15.

PA justification	Third party implementer or Core	Statewide	Programs that are new in 2021	% change	2020 Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	MM/YY program to start	MM/YY Program is due to sunset; and flag as "NEW 3P" program if program is result of 3P solicitation process per D1801004	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts ramp up , or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004
NA	NA	NA	NA	N/A	NA	NA	NA	NA	NA	NA	

CEDARS Filing Confirmation

Tellez, Alejandra

From: cedars@sound-data.com
Sent: Tuesday, September 1, 2020 12:52 PM
Subject: CEDARS 2020 filing submitted for TCR

CEDARS FILING SUBMISSION RECEIPT

The TCR portfolio filing has been submitted and is now under review. A summary of the filing is provided below.

PA: Tri-county Regional Energy Network (TCR)

Filing Year: 2021

Submitted: 19:50:45 on 01 Sep 2020

By: Casey Connorton

Advice Letter Number: 6-E-5-G

*** Portfolio Filing Summary ***

- TRC: 0.2242
- PAC: 0.2965
 - TRC (no admin): 0.4447
 - PAC (no admin): 0.8619
- RIM: 0.2965
- Budget: \$8,696,866.90

*** Programs Included in the Filing ***

- TCR-CS-001: Codes & Standards
- TCR-EMV-001: TCR EM&V
- TCR-Res-001: Residential Direct Install
- TCR-WET-001: Workforce Education & Training

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CEDARS Administrator

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