

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Concerning Energy
Efficiency Rolling Portfolios, Policies, Programs,
Evaluation, and Related Issues.

R.13-11-005
(Filed November 14, 2013)

**TRI-COUNTY REGIONAL ENERGY NETWORK 2021 ENERGY EFFICIENCY
ANNUAL BUDGET ADVICE LETTER WORKSHOP REPORT**

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San Luis Obispo County, Santa Barbara County, and Ventura County

Date: February 19, 2021

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Pursuant to the California Public Utilities Commission’s (CPUC or Commission) order in Decision (D.)18-05-041, the Tri-County Regional Energy Network (“3C-REN”) submits this 2021 Energy Efficiency Annual Budget Advice Letter Workshop Report (“Report”). The purpose of the Report is to summarize the workshop held on February 4, 2021, in compliance with D.18-05-041. The report details 3C-REN’s programs, budget and cost-effectiveness strategies. It also describes 3C-REN’s pathway to achieve savings goals in program year 2021. The ABAL workshop report is attached as Attachment 1. 3C-REN is looking forward to receiving stakeholder feedback on 3C-REN’s 2021 ABAL workshop report.

Respectfully submitted,

/s/ Alejandra Téllez

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Dated: February 19, 2021

Attachment 1

3C-REN 2021 ENERGY EFFICIENCY ANNUAL BUDGET ADVICE LETTER WORKSHOP REPORT



TRI-COUNTY REGIONAL ENERGY NETWORK

SAN LUIS OBISPO • SANTA BARBARA • VENTURA

3C-REN 2021 ENERGY EFFICIENCY ANNUAL BUDGET ADVICE LETTER WORKSHOP REPORT

February 19, 2021

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Introduction

On December 22, 2020, the Energy Division rejected the Tri-County Regional Energy Network (“3C-REN”) 2021 Energy Efficiency (“EE”) Annual Budget Advice Letter (“ABAL”) filing because it failed to meet its savings targets from its 2019 “true-up” ABAL while also approving 3C-REN’s spending budget and cost recovery request. Pursuant to Decision (D.)18-05-041, program administrators (“PAs”) that do not meet their proposed forecast must hold a workshop for stakeholders within 45 days of Commission staff’s approval of its ABAL filing. Additionally, PAs must provide notice of the workshop to the service list of Rulemaking 13-11-005 or its successor, no later than 30 days prior to the workshop date.

Pursuant to D.18-05-041, this report summarizes the discussion presented at the workshop. The workshop provided an overview of the challenges that impacted 3C-REN’s ability to achieve a forecasted savings, described 3C-REN’s pathway to achieve a forecast by the end of the 2021 program year, and to describe how 3C-REN will achieve its savings targets. Stakeholders and participants provided comments and questions throughout the workshop presentation. Those responses are included in this report.

3C-REN held the 2021 ABAL Workshop remotely, consistent with Executive Orders N-25-20 and N-29-20 and the recommendations from the California Department of Public Health to encourage physical distancing to slow the spread of COVID-19. The final agenda was provided to the service list of R.13-11-005 on January 15, 2021. The presentation and agenda are included in the appendix.

Workshop Summary

I. Introduction to 3C-REN

At the beginning of the workshop, Alejandra Tellez provided an overview of the 3C-REN team and its organizational structure. The organization is a joint venture of the Counties of Ventura, Santa Barbara, and San Luis Obispo designing and administering resource and non-resource energy programs. The presenter also included a short summary of the programs overseen by 3C-REN, emphasizing the importance of the Regional Energy Networks’(RENs) ability to coordinate with stakeholders to seek community input for energy efficiency programs that are customized to a region’s need.

II. 3C-REN & 2021 Portfolio Overview

3C-REN provided a summary of its 2021 portfolio programs. The approval of the 2021 program year budget was announced, which stands at \$8,696 million. The programs that are included in the budget are known as Residential Direct Install (RES DI); Codes and Standards (C&S); and Workforce,

Education, and Training (WE&T). The forecasted TRC is .23, which includes administrative costs. For the 2021 program year, 3C-REN forecasted energy savings targets are the following:

- kWh: 1,548,512
- kW: 123
- Therm (MM): .10

III. History of 3C-REN's 2019-2021 Program Cycle

During the workshop, 3C-REN provided an historical overview of their programs. The RES DI program offers free and discounted energy efficiency upgrades to 3C-REN customers. The C&S program provides regional services, resources, and trainings for building professionals. 3C-REN's WE&T program is similar to the C&S program but target entry-level and disadvantaged workers. The business plan for these programs were approved in late 2018. 3C-REN started designing the programs, and by Q3 of 2019, the C&S and WE&T programs were launched. The RES DI program had its official launch date on March 16th, 2020. However, 3C-REN had to switch to virtual assessment for this program due to COVID-19.

The RENs are designed to serve disadvantaged communities (DACs) and hard-to-reach (HTR) communities and track their value add to their regional communities through value metrics. The value metrics for 3C-REN include:

- Diversity, Equity, and Inclusion: All Tri-Counties residents will have the access, information, and path to achieve deeper energy retrofits.
- Climate: Building Departments will have the necessary tools and resources to increase energy code compliance.
- Economic Impact: To have a profitable workforce capable of delivering buildings at quality and efficiency levels mandated by the State and through building codes.

3C-REN will partner with community-based organizations serving HTR communities and disadvantaged workers, coordinate with their jurisdictions to supplement current climate datapoints, and partner with community colleges to track job placements and supplement workforce training needs to achieve these goals.

IV. Budget and Cost-effectiveness Overview

3C-REN discussed how past and current budgets were designed to meet the Commission's energy efficiency goals. The 2019 budget was used to ramp up the RES DI, C&S, and WE&T programs. The 2020 budget was used to support the RES DI program launch. Some of the 2020 budget was carried to the 2021 program year, to support the expansion of the RES DI program to the multifamily residential segment.

3C-REN addressed how the COVID-19 pandemic had an immediate and significant impact to Central

Coast residents and addressed how programs have pivoted despite these impacts. The Home Energy Savings (HES) is the public facing name of the RES DI program. When the tri-county governments started to enact shutdowns, the team halted in-person assessments and installations and conducted virtual assessment and sent out self-installed energy efficiency starter packs. The HES program was able to launch a heat pump direct install project for a farm worker housing cooperative, which had single family and multifamily units. This pilot project proved that the HES program could be cost-effective in the multifamily residential segment, and how the single-family segment can be better served. There will be an RFP released in mid-February for a multifamily HES program implementer. In mid-2021, the single-family sub-program will be refreshed.

V. Strategies to Achieve Forecast

3C-REN is continuously working towards achieving a cost-effective EE portfolio that meets the objectives of D.18-05-041. For program year 2021, 3C-REN will expand the HES program to the multifamily residential segment, which was approved through the 2021 ABAL. 3C-REN has one resource program, RES DI/HES. 3C-REN will focus on achieving cost-effectiveness while serving hard-to-reach communities through engaging more property owners and reducing marketing costs.

Strategies for increasing the cost effectiveness of this program in 2021 include:

- Agile program design and deployment
- 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
- Collaborative and coordinated approach with PG&E, SCE, and SoCalGas

VI. Non-resource Program Optimization

Energy Code Connect (ECC), also known as the C&S program, serves the private and the public sector. The ECC team provides support for professionals seeking help navigating residential and non-residential codes. The program's goal is to increase code compliance, comprehension, and enforcement throughout the tri-county region. To achieve this goal, 3C-REN's ECC team provides scheduled and on-demand consultations, trainings, and forums to building professionals. For 2021, ECC will launch an outreach campaign to expand its program's reach.

The Building Performance Training (BPT) program is 3C-REN's workforce education and training program. There have been over 30 BPT online events during 2020, with over half of audience member being repeat attendees. The BPT program will continue online trainings, with the objective of reaching more audience members. Simultaneously, the program team has conducted a workforce assessment to understand what soft-skills and training gaps exist within the tri-county area. Through this assessment, 3C-REN engaged many staff members at community colleges who are interested in having their curriculum supplemented to better serve HTR communities and DACs. The BPT team

will work with entities in the surrounding area to establish career pathways within the building sector.

VII. Stakeholder Recommendations, Questions, and Comments

Through the 2021 ABAL process, stakeholders emphasized that the RENs are essential to supporting the residential sector and HTR commercial businesses. Therefore, their budgets should not be reduced due to not achieving cost-effectiveness. At the end of the presentation, the 3C-REN team held time for questions and comments by the audience. There was a total of nine questions and one comment. The questions, comment, and responses were as followed:

1. **QUESTION:** Was there a shift in budget to increase the multifamily sector program away from the HERS program?
RESPONSE: For budget, we shifted out spent to kick-off the multifamily sector subprogram. We are not doing any work around HERS. However, we still intend to focus on the single-family subprogram for HES. Currently, we are assessing the program to understand how we can best deliver to these customers.
2. **QUESTION:** What was the program name for single and multifamily program with the heat pumps installed?
RESPONSE: The name of the program is called Home Energy Savings (HES), and the single family and multifamily segments are subprograms. Currently, we see that there is an opportunity to install heat pumps in the multifamily sector. We are engaging the multifamily sector as our goal is to work with property owners who have multiple units, so we can complete more projects. Our program determines single family buildings as buildings with 1 to 4 units, while multifamily buildings are considered more than 5 units. However, the farmer worker's housing project had a mix of single family and multifamily buildings.
3. **QUESTION:** Can I receive copy of multifamily market study?
RESPONSE: Yes. It is on our website, but we can also follow up with you by email.
4. **QUESTION:** There is a SoCalGas multifamily request for proposal currently out. How does this your multifamily solicitation differ from theirs?
RESPONSE: We are working with SoCalGas to develop a Joint Coordination Memorandum (JCM). Our goal is to layer our program with theirs, and ensure our measures compliment their program.
5. **QUESTION:** How are you planning on attracting applicants for your multifamily request for proposals?
RESPONSE: 3C-REN hopes to receive a lot of respondent to this solicitation. In the past, we have not been able to get the “big respondents” to apply as we do not have the scaled workforce to carry out this work. To attract more applicants, we will share our RFP through Ventura county’s and CAEECC bid system.
6. **QUESTION:** Could you reach out to SoCalGas to amplify your bid on their platforms?
RESPONSE: We have not discussed this with SoCalGas, but we will bring this to their attention on our JCM discussion call.

7. **QUESTION:** On the value metrics slide, you mentioned new ideas and methodologies for assessing your value add, were there concerns and challenges gathering baseline data?
RESPONSE: The value metrics selected were informed by our work with the CPUC REN evaluation consultant. Gathering data and access to such data was considered. 3C-REN also researched available data, and make an internal assessment as to what 3C-REN can influence. This work informed the the proposed value metrics.
8. **QUESTION:** Relating to the value metrics, have you talked to the (CPUC) Evaluation team about running evaluations for RENs?
RESPONSE: Yes, the evaluation team has been great. They have seen the metrics. They have given us recommendations on how we can collect data and what datapoints should be of focus.
9. **QUESTION:** Does 3C-REN intend to extend services to HTR commercial customers?
RESPONSE: Our current Director has asked for a new business development plan that will include small commercial customers.
10. **COMMENT:** I recently attended a Building Decarbonization brainstorming event hosted by California Energy Alliance. There was a discussion about workforce development relating to heat pumps. 3C-REN's soft-skills training may be of interest to them.
RESPONSE: Thank you for sharing. We will reach out to them.

Conclusion

Pursuant to D.18-05-041, parties may file comments within 20 days of the workshop report. 3C-REN looks forward to reviewing stakeholder feedback and developing a draft framework for making portfolio improvements to ensure the portfolio is on track to meeting the ABAL review criteria in future program years.

Appendix A

3C-REN's 2021 Energy Efficiency ABAL Workshop Attendees

Appendix A: 2021 ABAL Workshop Attendees

Tri-County Regional Energy Network 2021 Annual Budget Advice Letter Workshop Attendees

Name	User Email
Alejandra Tellez (TriCounty REN)	tricountyren@ventura.org
Pam Bold	bold@highsierraenergy.org
Nicole Hoffman	nicole@slocoastalre.com
Nancy Barba	nbarba@frontierenergy.com
Mikela Topey	mtopey@frontierenergy.com
Marisa Hanson-Lopez	mhanson@co.santa-barbara.ca.us
Jose Buendia	jose.buendia@sce.com
Jordan Garbayo	jgarbayo@co.slo.ca.us
Jon Griesser	kgriesser@co.slo.ca.us
Ivan Jimenez	ivan@utilityadvocates.org
Ian Logan	ian.logan@ventura.org
Erica Helson (TriCounty REN)	tricountyren@ventura.org
Cody Coeckelenbergh	codyc@lincus.com
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Ashley Watkins	awatkins@co.santa-barbara.ca.us
Alison LaBonte	alison.labonte@cpuc.ca.gov
Aisha Cissna	acissna@redwoodenergy.org

Appendix B

3C-REN's 2021 Energy Efficiency ABAL Workshop Presentation

Appendix B: 2021 ABAL Workshop Presentation

2021 Energy Efficiency Annual Budget Advice Letter Workshop



February 4, 2021



1

Agenda

- 3C-REN & 2021 Portfolio Overview
- History of 3C-REN's 2019-2021 Program Cycle
- Budget and Cost-effectiveness Overview
 - Forecasted vs Claimed Savings
- Challenges of 3C-REN's 2021 Forecast
 - Strategies to Achieve Savings Targets
- Stakeholder Recommendations for 3C-REN's Portfolio



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Workshop Purpose

- Compliance with D.18-05-041
 - To hold a workshop for stakeholders, to explain why 3C-REN did not meet their 2019 forecast.
 - To describe strategies for achieving savings targets for 2021.
 - To receive stakeholder feedback to develop a draft framework for portfolio improvements.



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Organizational Structure

- The Tri-County Regional Energy Network (3C-REN) is a collaboration and joint venture among the Counties of Ventura, Santa Barbara, and San Luis Obispo to design and administer the delivery of a portfolio of regional customized energy efficiency programs

A map of the coastal region of California, highlighting three counties: San Luis Obispo County (purple), Santa Barbara County (orange), and Ventura County (yellow). The map shows the coastline and the relative positions of these counties.

SAN LUIS
OBISPO
COUNTY

SANTA
BARBARA
COUNTY

VENTURA
COUNTY

4

3C-REN 2021 Portfolio Overview

- 2021 Program Year budget is \$8.696 million.
 - Includes the following programs:
 - Residential Direct Install (RES-DI) (TCR-Res-001)
 - Codes and Standards (C&S) (TCR-CS-001)
 - Workforce, Education and Training (WE&T) (TCR-WET-001)
 - Forecasted TRC of 0.23 (Including Admin)
 - Forecasted savings targets
 - kWh: 1,548,512
 - kW: 123
 - Therm (MM): .10



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History of 3C-REN's 2019-2021 Program Cycle

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

- In mid 2019, 3C-REN finalized the energy efficiency measures and the incentive structure for those measures.
- Project tracking infrastructure was designed and developed, and a program implementer was selected.
- Program launched in March 2020.
- Due to COVID-19, RES-DI launched a virtual version of the program across all three counties.
- In 2021, this program will begin to serve multifamily homes.

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

- In 2019, C&S completed program design, launched forum and training events, and initiated a pilot for the Energy Codes Coach service.
- C&S held its first regional forum in August 2019, held its first two training events in November 2019, and completed the Energy Code Coach pilot in December 2019 in preparation for full launch.
- The C&S team is expanding training events that will support transition to the new code cycle, holding forums virtually, and offering the Energy Code Coach service to the public.

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

- In 2019, the program marked two key accomplishments: completion of program design and launch of the program.
- From April through December, 18 events were held across the region, reaching hundreds of attendees.
- Strong participation numbers in 2019 reinforced a demand for local training.
- 3C-REN is broadening the types of industries engaged in the program through targeted outreach and new course offerings

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Value Metrics & Indicators

Value	Goal	Metric/Indicator	Program(s)	Methodology
Diversity, Equity, and Inclusion	All Tri-Counties residents will have the access, information and path to achieve deeper energy retrofits.	Metric: Percentage of event 3C-REN attendees considered hard-to-reach (HTR)	<ul style="list-style-type: none"> Codes and Standards WE&T 	From 3C-REN event attendees, calculate the number of attendees considered HTR over the total number of attendees
Climate	Building Departments will have the necessary tools and resources to increase energy code compliance.	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 	Provide jurisdictions specific estimated GHG emission reductions from 3C-REN programs to inform Climate Action and Adaptation Plans.
Economic Impact	To have a profitable workforce capable of delivering buildings at quality and efficiency levels mandated by the State and through building codes.	Indicator: Number of jobs and economic value, inclusive of job creation at counties	<ul style="list-style-type: none"> Codes and Standards WE&T 	Administer a survey after trainings, after six months, and at one year out.

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Budget Overview

Sector	2019 Program Year Budget	2020 Program Year Budget	2021 Program Year Budget
Residential	\$2,896,876	\$3,169,197	\$5,914,078
Codes & Standards	\$1,796,748	\$1,814,620	\$1,404,181
WE&T	\$1,270,776	\$1,278,805	\$1,280,298
Subtotal	\$5,964,400	\$6,262,622	\$8,598,557
EM&V	\$79,028	\$71,679	\$98,310
Total Spending Budget	\$6,043,428	\$6,334,301	\$8,696,867
Uncommitted/Unspent Carryover Balance	\$0	\$2,862,165	\$4,482,831
Total PY Budget Recovery Request	\$6,043,428	\$3,472,136	\$4,214,036
Authorized PY Budget Cap	\$6,043,428	\$6,345,601	\$6,662,881



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- Serves households that are historically underserved
- Offers flexible options –
 - **Free home assessment**
 - **Free and discounted home upgrades**
- Lowers energy bills and improves homes



9

Challenges of 3C-REN's 2021 TRC Forecast

- Delayed program launch
 - Development of measure list and incentive structure
- COVID-19 Impacts
 - In-person assessments and installations halted in March
- Hard-to-Reach target audience

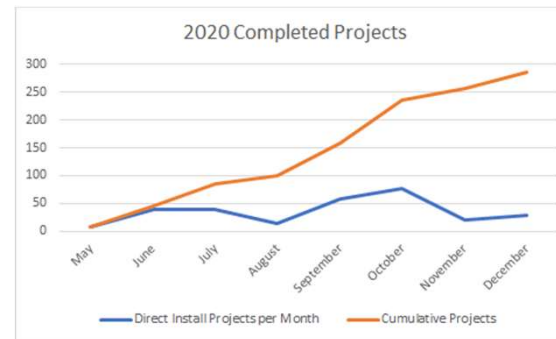


10

Program Optimization

- Actions Taken
 - Pivoted to virtual assessments and Energy Efficiency Starter Packs
 - In-person installs began in August 2020
 - Message testing with Spanish speakers
 - Tapered lower energy savings activities (e.g. Starter Packs)
 - Refocus on opportunities with higher energy savings potential

- Next Steps
 - Refresh single family program
 - Multi-family RFP out soon



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Strategies to Achieve Forecast

- Agile program design and deployment
- 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
- Collaborative and coordinated approach with PG&E, SCE, and SoCalGas



12

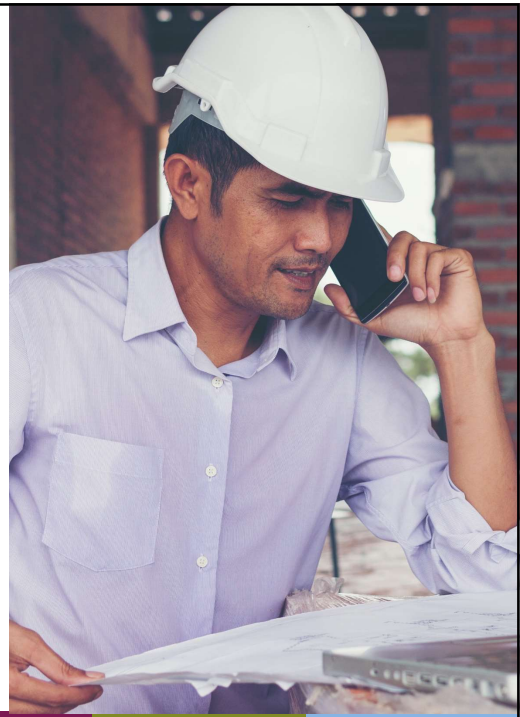


Non-Resource Program Optimization

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- Serves all building professionals
- Three distinct services –
 - **Energy Code Coach**
 - **Training and Support**
 - **Regional Forums**
- Makes the Energy Code easy to follow



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Energy Code Coach

- Maximized service access with online and hotline services
- Reached building professionals including architects, building inspectors and plans examiners, CEAs and HERS Raters, engineers, and contractors
- “Office Hours,” introduced in late 2020, provide an open forum for live interaction with building professionals
- Engaged public sector through Energy Code Coaches roadshow
- Planned text message feature to better accommodate professionals in the field



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2020 Energy Code Connect Courses



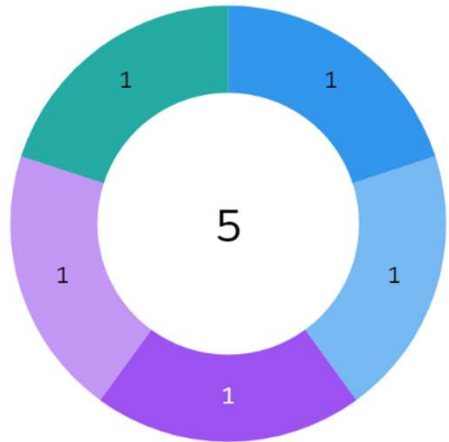
Attendees

271



16

2020 Energy Code Connect Forums



Attendees

250



17

Energy Code Connect Program Optimization

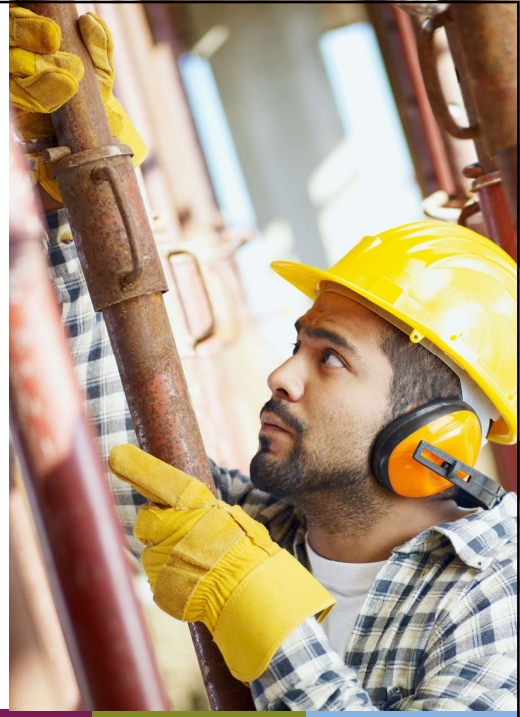
- Continuing to develop relationships with stakeholders and partner organizations across our region and leveraging for event engagement/attendance.
- Delivering relevant and topical courses and forums that boost energy efficient construction in the tri-county territory.
- Developing effective outreach campaigns that encourage participation from contractors and installation professionals, as well as design and public building professionals.
- Diversifying the Energy Code Coach service as an effective and valuable resource for building professionals.



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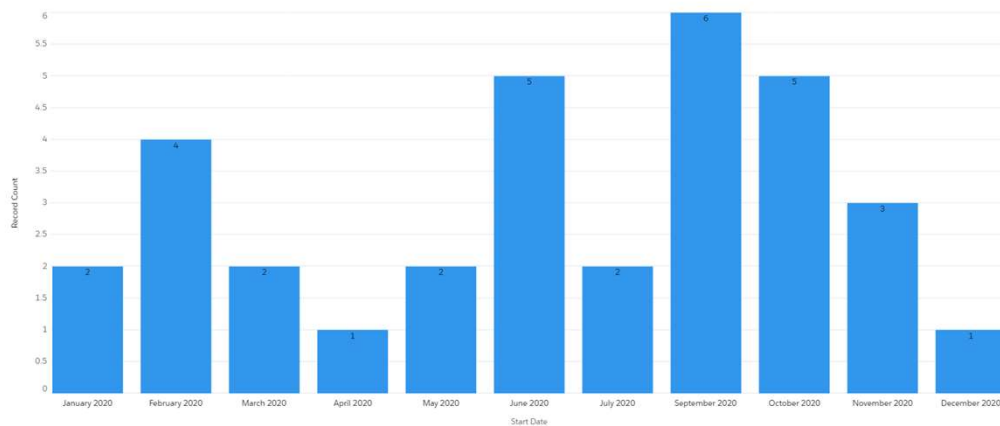
- Serves current and prospective building professionals
- Expert instruction:
 - **Technical skills**
 - **Soft skills**
- Helps workers to thrive in an evolving industry



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Building Performance Trainings

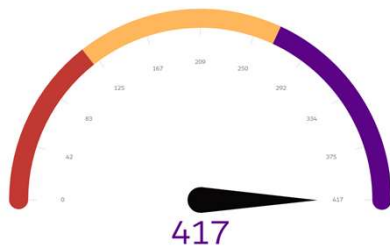
BPT 2020 Event Count by Month



20

2020 Training Attendees

Total Event Attendees



Hit 379 in 2019

Unique Attendees Total



Hit 294 in 2019



21

Building Performance Program Optimization

- Specific targeted outreach to DAC/HTR workforce
- Partnerships
 - Community Colleges
 - Workforce Tri-County groups
- Career Pathways



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Stakeholder Recommendations for 3C-REN's Portfolio

- REN budgets should not be reduced as a result of cost effectiveness as RENs are not held to a cost-effectiveness standard.
- The Commission should allocate more resources to the residential sector and affirms that RENs are an ideal PA for this activity.
- HTR commercial customers could be better served.



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Q&A

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Appendix C

3C-REN's HES Program Solicitation Timeline

Issue Request for Proposal (RFP)	February 16, 2021
Last day for questions	February 26, 2021
Proposals Due	March 12, 2021
Evaluation-award	April 15, 2021
Start Work*	May 15, 2021

*Subject to Change