



MTAB Meeting Notes

May 26, 2023

NRDC Offices, San Francisco, CA

Margie Gardner (CalMTA) opened the May 26 meeting with introductions and an icebreaker. She then reviewed the meeting agenda with attending market transformation advisory board (MTAB) members.

Review April Meeting Notes

Margie called for any changes to the previous orientation meeting notes. Two small changes were accepted, and the meeting notes were made final.

Summary of "Success"

Margie reviewed outputs from the "what success would look like" exercise from the April orientation meeting.

Overall Request for Ideas (RFI)/Initiative Development Process

Margie reviewed the schedule for developing market transformation initiatives (MTIs) and milestones, including the following reports:

- **RFI Disposition Report**, which includes a description of the development process and a summary of ideas collected and identifies 15-20 ideas to move into development (Phase 2).
- **MTI Advancement Plans**, which documents activities needed to develop priority ideas into full MTI Plans.
- **MTI Plans**, which contain all information relevant to MTI strategy and implementation (e.g., logic model, return on investment [ROI], stakeholder engagement needs, data management plan).

MTAB members then discussed several aspects of the process with comments and some clarifying questions. Key discussion items included:

- Whether development of initiatives that are “highly advanced” will be the responsibility of CalMTA staff or the idea submitter. CalMTA staff responded that they would develop all viable ideas into MTI Plans and reach out to submitters for more information as needed, with the understanding that some ideas will take longer to develop than others.
- Establishing checkpoints for external engagement will be an important part of the process.
- It will be necessary to continually monitor the state of each market as conditions change. For instance, if efficiency levels exceed initial projections, this may prompt an increase in stringency.
- Whether there was flexibility around funding some of the early opportunities.
- If "exiting" is the right word for the ramping-down of MTIs, or if describing the process as a hand off or transition is more appropriate. This process was highlighted because we don't want markets to become dependent on the interventions, but instead need to plan for how the investment can phase out.
- If opportunities exist to adjust the MTI model in Stage 4 (Strategy Testing). It was explained that the primary purpose of this stage is to confirm the initial approach.
- CalMTA staff confirmed that the Stage 6 monitoring process will be long-term, but the specific timeframe will be described in the plan, along with defined indicators for monitoring. This framework will be important for understanding longer-term progress on key market indicators, such as workforce development.
- The need for long-term monitoring in market transformation since there should not be an expectation of immediate results. CalMTA staff explained that monitoring is needed to measure impacts over a longer period than what is typically required for resource acquisition programs.

Margie then explained the RFI intake process and the MTAB's role, followed by further discussion clarifying key milestones at which the advisory board would be needed. Margie also clarified that some submitted ideas will need further design and development support before we can adequately prioritize them or determine their viability. Energy savings potential, for instance, may require additional exploration. Proxies may be used in Phase 1 with the intent to refine in Phase 2, with significant judgement involved during evaluation. The RFI scoring team is conducting calibration meetings where these issues are vetted.

It was raised that because engagement with disadvantaged communities and community-based organizations may not result in near-term interest but will spark future interest, we should identify a way to present these “hopeful assumptions.”

There was discussion clarifying how much influence and input the MTAB should have on the process. CalMTA staff shared that the members would not be asked to score but should provide feedback on evaluation criteria and its weighting. Additionally, the MTAB should give advice on whether an idea should move forward after top-scoring ideas are identified. This process relies on the MTAB’s expertise and feedback.

A question was asked about whether submitted ideas could be combined and how that would be handled. Margie explained that those groupings would likely happen naturally by sector or technology: for instance, there may be multiple submissions for high-performance windows but focused on either new or existing buildings, market segments that would be addressed very differently in an MTI. It was suggested that in addition to full MTAB meetings, individual conversations could be held to get MTAB members' feedback and input.

Staff explained that while there will not be an MTAB decision to determine which priority MTIs move to Phase 2, members will have the opportunity to formally object to an MTI selection. In addition, the Disposition Report will serve as a record of the RFI evaluation process, but the CPUC does not require a checkpoint for the Disposition Report.

RFI Intake Materials and Process

Jennifer Barnes (2050 Partners) gave an overview of the intake process and the approach by which RFI questions and evaluation criteria were developed and tested. She added that CalMTA will never reject ideas, but archive those that may not be ready to develop or right for market transformation.

Questions and discussion about the process included the following:

- The timing for possible conversations with an idea's submitter. It was clarified that the process is intended to be flexible and can happen at any time depending on the nature of the submission (e.g., whether the submitter has a stake in the idea or is simply passing on information).
- When ideas are achieved and how to ensure that ideas not selected for MTI development can support other MTIs that will move forward. Jennifer

confirmed that flagging these supportive ideas should be integrated into the development process.

- Mechanisms for passing on ideas that are not right for market transformation to the labs, utilities or other program opportunities. It was shared that coordination with CalNEXE and other programs/organizations is being established.
- If an idea is archived and/or forwarded to another entity, this should be communicated to the submitter. Similarly, linking submitters back to the CPUC decision and the parameters within which CalMTA is working would be helpful. It was clarified that this information was on the website, but CalMTA could prompt submitters to access the material.
- Whether submissions focused simply on marketing a specific product to drive sales would be scored lower. There was discussion considering if that outcome would be considered restraint of trade. Staff agreed to be diligent about documenting decisions related to those types of submissions.

Public Comment

Margie called for public comment.

Steve Nadel (American Council for an Energy-Efficient Economy) shared in the online chat that regarding "exit strategies," ACEEE often uses the term "transition strategy." He noted that multiple potential transition strategies exist, such as strengthening qualifying levels to achieve the next tier of savings or conducting promotional activities to help new market players prosper.

MTI Criteria and Prioritization

Jeff Mitchell (CalMTA) introduced the RFI scoring exercise and process. MTAB members broke into groups of two to discuss the sample idea and create their own scores based on the criteria provided. The members compared scores and discussed reasoning for their choices. Some key points in the discussion included:

- A need to make assumptions on information gaps in the idea. Attendees acknowledged the subjectivity of a scorer in determining what assumptions might be reasonable.
- How the readiness scoring is defined and how accessibility is assessed. Attendees also raised the need to recognize that current low adoption rates may not be an indicator of a product's market-readiness and may require further assessment.

- About the challenge of numeric scoring and its potential to tell the full story of market transformation potential.
- Confirmation that CalMTA will prepare for potential overlap with codes and standards to affect market change.
- That cost-effectiveness will be a factor for MTIs, but not at this stage: more information would need to be collected to make that determination.
- Whether to determine an MTI as “economically feasible” as a broad consideration and if this would encompass supply and demand.
- The authority of a reviewer to increase an idea's score if missing information was collected. For example, lack of partnerships in an environmental and social justice (ESJ) submittal would result in a low score, but scorers could communicate that if the submitter partnered with a willing organization, the idea could have more opportunity and be scored higher.
- ESJ partners may play a role as a messenger and community outreach partner as opposed to a technical partner. These partners are trusted messengers with ties to the community and can be as important as the MTI implementers. It was also noted that partners who are doing the outreach should be funded.
- It was emphasized that submitters should have the opportunity to upload documents filling in any information gaps that could not be addressed due to the brevity of the answer.

2023 Operations Plan

Margie introduced the *2023 Annual Operations Plan* to inform CalMTA stakeholders about the work underway and to be completed this year. The operations plan is in the process of being finalized, after which it will be posted on the website and shared.

2024 Budget Planning and MTAB Role

Jim Giordano (CalMTA) presented the 2024 budget planning process and the MTAB’s role in recommending the budget for approval through an Annual Budget Advice Letter (ABAL). He reviewed the budget format with background about how the CPUC decision allocates funding to the CalMTA.

MTAB members discussed the typical timing of approval and process for an ABAL submission. There was a question about what would happen if a budget was not approved by January 1 and whether Ordering Paragraph 5, which would allow the program to work from the previous year’s budget until the ABAL was finalized, would apply to CalMTA.

It was recommended that CalMTA submit the budget through an ABAL filing as soon as possible in preparation for any protests. If any protests arise and delay the decision, CalMTA could collaborate with the CPUC on a path forward and potentially file a motion to clarify whether unspent funds could be used or if the ordering paragraph applies.

There was further discussion about potential scenarios for the ABAL approval timeline.

Next Steps and Next Meeting

Given the pressing need for the budget recommendation, MTAB members discussed upcoming meeting dates for review and feedback as well as the MTI concept development review later in the year. This discussion included potential strategies to ensure members who are unable to attend particular meetings can still provide review and feedback.

The upcoming MTAB meeting schedule includes (all times are Pacific):

Virtual Meetings

- Thursday, June 8: 11 am - 1 pm
- Friday, June 30: Noon - 2 pm
- Friday, September 8: 11 am - 3 pm

All-Day In-Person Meetings

- Thursday, November 30: Noon - 5 pm and Friday, December 1: 9 am - 3 pm
- Thursday, January 25: 9 am - 5 pm

Public Comment

Margie called for public comment.

Hale Forester (Consortium for Energy Efficiency) asked about the MTI prioritization process. She stated that this is an interesting conversation and was struck by the process's thoughtfulness in thinking about a market intervention and its components: audience, product or practice, content of intervention, and delivery. Hale asked how the list of scores aligns with the ideas based on audience and technology solicited through the RFI. She also asked how MTI criteria is differentiated from the resource acquisition programs.

Jeff Mitchell explained that this differentiation will happen as part of MTI development in Phase 2. We will test interventions and then move to a full MTI deployment plan, which is where interventions in the market are implemented.

There was further discussion on the scoring criteria and how MTIs will collaborate with other efforts in California including codes and standards and emerging technology. CalMTA staff shared that MTIs coordinated across these efforts would typically receive a higher score, with special attention to ensure savings are properly attributed between related offerings. To yield the greatest benefit to ratepayers, MTIs should leverage existing programs as much as possible while avoiding any double-counting or inappropriate attribution of savings. It was suggested that the best way to approach this is to bring partners together for co-creation. The members discussed the requirement that a coordination plan be created to address overlapping efforts. It was mentioned that this is part of the MTI Plan Outline.

There was a final question about whether scoring criteria would be considered final at the end of this meeting or if there were next steps (e.g., assessing potential risk). It was shared that risk would be assessed on a portfolio basis. Staff will take MTAB feedback from the meeting to adjust criteria accordingly before finalizing for the RFI.

The meeting was adjourned.

Attendees

MTAB Members

Christie Torok, California Public Utilities Commission

Peter Miller, Natural Resources Defense Council

Ky-An Tran, California Public Advocates

Fred Gordon, Energy Trust of Oregon

Lujuana Medina, SoCalREN

Haley Goodson, The Utility Reform Network

Jeff Harris, Northwest Energy Efficiency Alliance

Randall Higa, Southern California Edison

Steven Miller, Strategic Energy Innovations (proxy for Cyane Dandridge)

Staff and Consultants

Stacey Hobart, CalMTA (administered by Resource Innovations)

Margie Gardner, CalMTA (administered by Resource Innovations)

Karen Horkitz, The Cadmus Group

Jeff Mitchell, CalMTA (administered by Resource Innovations)

Nils Strindberg, CalMTA (administered by Resource Innovations)

Taqua Ammar, CalMTA (administered by Resource Innovations)

Jennifer Barnes, 2050 Partners

Lynette Curthoys, Resource Innovations

Guests

Carol Yin, Yinsight, Inc.

Leo Sommaripa, DNV

Carlo Gavina, Southern California Gas Company