

PUBLIC UTILITIES COMMISSION

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Date: August 19, 2024

To: San Diego Gas & Electric (SDG&E)

From: Lisa Paulo and Peter Biermayer, California Public Utilities Commission (CPUC)

Cc: R.13-11-005 Service Lists

Subject: MID-YEAR FEEDBACK - 2024 EX ANTE REVIEW (EAR) PERFORMANCE

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Pursuant to Decision (D).13-09-023, D.15-10-028, D.16-08-019, and D.20-11-013, California Public Utilities Commission (CPUC) Staff and consultants are providing the 2024 Ex Ante Review (EAR) Performance Mid-year Feedback on the investor-owned utilities (IOUs) respective activities as of June 30, 2024. D.20-11-013 placed a moratorium on EAR awards¹ but directed that ex ante review scoring and evaluation processes shall continue. The mid-year feedback focuses on specific accomplishments and issues or concerns identified as part of ongoing measure package and custom project reviews. This feedback will help the IOUs address these issues for the remaining year.

I. CPUC Staff Findings 2024 Mid-year Activities Feedback

The following sections of this memorandum provide a description of the findings, including areas of achievement and areas requiring improvement for both custom projects and measure packages review activities.

A. Custom Projects Review Overview

1. Summary of 2024 Mid-year Achievements

This feedback is based on one CPUC staff project review dispositions issued between January and June 2024. CPUC staff found the project review disposition was ready to proceed without exceptions and therefore did not have any issues. Additionally, the project documentation was submitted well before the SB 1131 requirement.

2. Summary of Areas Requiring Improvement

The one project reviewed did not have any action items.

B. Measure Packages Review Overview

1. Summary of 2024 Mid-Year Achievements

CPUC staff observed strengths in SDG&E's development and management of measure package submissions in the following area:

- **Timeliness.** SDG&E submittals have met timelines and SDG&E has been responsive to addressing CPUC staff comments through the measure log.
- **Collaboration.** SDG&E has had improved collaboration with CPUC staff on measure package and measure package plan submittals. Additionally, SDG&E is collaborating with CPUC staff on HVAC performance curves for Variable Refrigerant Flow and Variable Capacity Heat Pumps. SDG&E has also collaborated effectively to work with the Ex Ante Review Team to review and approve PY2025 refrigerant standard updates and navigate the eTRM

¹ The EAR awards were part of the Efficiency Savings and Performance Incentive (ESPI) awards.

2. Summary of Areas of Improvement

CPUC staff highlights the following direction for improvement:

- **Content and Completeness.** SDG&E should continue to focus on QA/QC practices to ensure measure packages include the most recent and applicable code requirements and supporting documentation is available for assumptions. SDG&E should continue efforts to avoid minor typos and inconsistent language in measure packages.
- **Cover sheet.** SDG&E should continue to conduct detailed review on the cover sheet prior to measure package submission within the eTRM. The cover sheet can provide aggregate changes to savings, NTG, or EULs that can be misrepresented. With the migration to EnergyPlus and future methodology updates, normalizing unit changes should also be considered for review.

II. Discussion

The following sections of this memorandum provide a detailed description of the findings, including, areas of achievement and areas requiring improvement for both custom projects and measure packages.

A. Custom Projects Performance Review

Each year, CPUC staff reviews a selected sample of custom project energy efficiency program applications. The review findings and directions to the IOUs are presented in documents referred to as “dispositions.” During the first half of 2024 (January through June), CPUC staff issued one project review dispositions to SDG&E. This feedback is based on the one disposition.

The comments below are organized by the five metric areas prescribed in D.16-08-019. No scores are provided for these metrics in the mid-year memo. All feedback provided at this time is qualitative.

1. Timeliness of Submittals

During the first half of 2024, CPUC staff issued one project review disposition to SDG&E. SDG&E complied with SB1131 guidelines for submitting documentation before the 15 business days required. SDG&E is complying with CPUC requirements under this metric.

2. Content, Completeness, and Quality of Submissions

For the one project disposition issued in the first six months of 2024, CPUC staff found the project was ready to proceed without exceptions and noted no deficiencies or action items that needed to be addressed, demonstrating SDG&E’s due diligence in this area.

3. Proactive Initiative of Collaboration

In the first half of 2024, SDG&E continued to bring measures, projects, or studies forward for discussion with CPUC staff prior to submittal and review, and continued to provide updates on the status of their programs. In particular, SDGE brought 3rd party implementers during the biweekly

calls to discuss a retro-commissioning project at a large hospital prior to submission. Additionally, SDGE continues to participate in SW forums by collaborating with other IOUs, 3 PIs and CalTF.

4. PA's Due Diligence, Quality Assurance, and Quality Control (QA/QC)

Project and measure level disposition performance results reviewed under Metric 2 are used as a proxy for the level of QA/QC occurring by the PA. One disposition was issued during the first half of 2024 and the project had no issue areas noted and was recommended by the CPUC to proceed without exception.

5. PA's Responsiveness

When reviewed at a portfolio level, CPUC staff assesses the time series of rejections and exceptions, the alignment of program policy and procedures with the number of actual rejections and exceptions based on eligibility and attribution, and the adaptation to changes in rules over time. SDG&E had only one project review disposition issued with no action items identified. CPUC staff will observe the trend of any issues over the next six months for reporting and scoring on the year-end memo.

B. Measure Packages Performance Review

SDG&E had thirteen measure packages disposed in the first half of 2024 and has 18 measure packages currently under review.

The comments below are organized by the five scoring metric areas created in D.16-08-019. The narrative includes observations common to multiple measure packages and feedback related to the measure package development process as well as direction for future measure packages.

Specific measure package feedback is provided in tables in Attachment A, at the end of this document. The first table, the Measure Package Reviews table provides feedback on the submitted measure package that was reviewed and disposed of during the review period. The second table, the Measure Package Submissions table lists all the measure packages submitted by SDG&E during the review period and their status. CPUC staff acknowledges that measure package development may have been supported by multiple PAs; however, at the time of this mid-year review, feedback is directed to the submitting PA, with the assumption that they have led the development.

1. Timeliness of Submittals

SDG&E submitted the measure package on time and responded to CPUC staff comments in a timely manner through the measure log. SDG&E prioritizes communicating with the Ex Ante Review Team to continue to share timeline updates with CPUC staff during monthly calls.

2. Content, Completeness, and Quality of Submissions

The content, completeness, and quality of measure packages has generally met standards. SDG&E completed a comprehensive update to Room Air Conditioner, Residential to reflect ENERGY STAR v5.0 requirements and to include 2019 California Statewide Residential Appliance Saturation Study (RASS) values. SDG&E should ensure measure case description aligns with the ENERGY STAR v5.0 reference. New offerings with higher EER tiers were added to Multiple Capacity Unitary Air-Cooled Commercial Air Conditioners Between 65 and 240 kBtu/hr and required minimal

comments from CPUC staff. Key updates to economizer requirements initially were not reflected in the characterization for Unitary Air-Cooled Air Conditioner or Heat Pump, Under 65 kBtu/hr, Commercial. Documentation supporting assumptions for High-Efficiency Toilets, Residential and Commercial was not initially included with the measure package submission.

3. Proactive Initiative of Collaboration

SDG&E has had improved collaboration with CPUC staff on measure package and measure package plan submittals, including Duct Seal, Commercial. SDG&E is collaborating with CPUC staff on HVAC performance curves for Variable Refrigerant Flow and Variable Capacity Heat Pumps. Additionally, SDG&E has been an active participant in the Energy Plus commercial prototypes office hours for the development of the Frequently Asked Questions (FAQ) document. SDG&E has collaborated with the Ex Ante Review Team effectively to align eTRM logistics to approve the PY2025 refrigerant standard update to HVAC measure packages.

4. PA's Due Diligence, Quality Assurance, and Quality Control (QA/QC)

While there has been an improvement in the quality of measure packages, SDG&E should continue to focus on QA/QC practices to avoid minor typos and inconsistent language in measure packages. SDG&E exceeded expectations on documenting 2025 refrigerant standard updates to the HVAC measures.

5. PA's Responsiveness

SDG&E has generally been responsive to CPUC staff comments and has met the expectation of CPUC staff guidance. SDG&E connected with LADWP to document assumptions and savings behind the High-Efficiency Toilets measure package to satisfy Ex Ante Review comments to document assumptions and savings.

III. Attachments

Attachment A: Measure Package Feedback contains the measure package summary tables showing the qualitative components for each metric.

Questions or comments about the feedback should be directed to Lisa Paulo (lisa.paulo@cpuc.ca.gov) or Peter Biermayer (peter.biermayer@cpuc.ca.gov). Note that pursuant to D.13-09-023, CPUC Staff will schedule a meeting with SDG&E staff to discuss this memorandum.

Attachment A: Measure Package Feedback

The tables below list the ID numbers associated with each measure package submission or disposition. The PA may refer to the individual dispositions for more detailed descriptions of the specific actions staff required for each measure package. The qualitative feedbacks are designated as follows:

Measure Package Review – All Disposed in 2024			
SW MP ID	Rev	Title	Comments
SWAP008	3	Room Air Cleaner, Residential	PY2024 measure package update to include data collection requirements updates, building HVAC updates, measure application type updates, building vintage updates, delivery type updates, and baseline class and restricted permutations entries to the permutations. Measure package approved after addressing one minor comment requesting clarification on PA tracking. New construction MAT added into measure.
SWHC014	4	Unitary Air-Cooled Air Conditioner or Heat Pump, Under 65 kBtu/hr, Commercial	PY2024 measure package update to include new permutations, delivery type updates, cost updates, building vintage updates, building type and delivery type exclusions, data collection requirements updates, characterization updates, shared parameters and value tables updates, CET data, baseline class entries, restricted permutations entries to the permutations. Measure package approved after addressing three comments on code requirements, data collection requirements, and effective date.
SWHC013	4	Unitary Air-Cooled Air Conditioner, Over 65 kBtu/hr, Commercial	PY2024 measure package update to include building type and delivery type exclusions, data collection requirements updates, characterization updates, shared parameters and value tables updates, baseline class entries, and restricted permutation entries to the permutations. Measure package approved after addressing one comment on data collection requirements.
SWLG020	2	UL Type B LED Screw-in Lamp HID Retrofits	PY2024 measure package update to include data collection requirements updates, program requirements updates, eligibility updates, technology group updates, net-to-gross ratio updates, baseline class updates, characterization updates, and reference updates. Measure package approved after addressing comments on data collection requirements, net-to-gross IDs, and references.
SWHC043	4	Multiple Capacity Unitary Air-Cooled Commercial Air Conditioners Between 65 and 240 kBtu/hr	PY2024 measure package update to include new offerings with higher EER tiers, building vintage updates, building type updates, data collection requirements updates, costs updates, characterization updates, shared value tables updates, baseline class entries, and restricted permutation entries to the permutations. Measure package approved after addressing comments on DEER Measure, IDs, eligibility requirements, and data collection requirements.

Measure Package Review – All Disposed in 2024			
SW MP ID	Rev	Title	Comments
SWAP001	6	Refrigerator or Freezer, Residential	PY2024 measure package update to include data collection requirements updates, code requirements updates, building HVAC updates, baseline class entries, restricted permutations entries to the permutations, and DEER Measure ID updates. Measure package approved after addressing comments on data collection requirements, Technology IDs, and DEER Measure IDs.
SWHC049	4	SEER Rated AC and HP HVAC Equipment, Residential	PY2024 measure package update to include accelerated replacement requirements updates, baseline class entries, restricted flag entries, and data collection requirements updates. Measure package approved after addressing clarifying comments on data collection requirements.
SWHC050	4	Ductless Heat Pump, Residential	PY2024 measure package update to include accelerated replacement requirements updates, data collection requirements updates, baseline class entries, restricted flag entries, and measure application type-baseline class exclusion table. Measure package approved after addressing clarifying comments on data collection requirements.
SWHC059	2	Smart Fan Controller, Residential	PY2024 measure package update to include data collection requirements updates, baseline class entries, restricted flag entries, and characterization updates. Measure package approved after addressing clarifying comments on building vintage eligibility and characterization language.
SWSV013	4	Duct Optimization, Residential	PY2024 measure package update to include data collection requirements updates, program exclusion updates, characterization updates, baseline class entries, and restricted permutations entries to the permutations. Measure package approved after addressing one clarifying comment on the effective date for applicable codes and standards.
SWAP007	3	Room Air Conditioner, Residential	Mid-cycle measure package update to include data collection requirements updates, eligibility requirements updates, Energy Star v5.0 requirements updates, electric savings updates with 2019 RASS values, costs updates, baseline class entries, restricted permutations entries to the permutations, net-to-gross ratio updates, and Energy Star Advanced Tier offering ID removal. Measure package approved after addressing three clarifying comments on NC and NR eligibility requirements and measure case description.
SWMI003	1	High-Efficiency Toilets, Residential and Commercial	First version of measure package. Measure package approved after addressing comments requesting clarification in the characterization including documentation of assumptions.

Measure Package Review – All Disposed in 2024

SW MP ID	Rev	Title	Comments
SWHC013	5	Unitary Air-Cooled Air Conditioner, Over 65 kBtu/hr, Commercial	PY2025 measure package update to include code requirements updates, program requirements updates, data collection requirements updates, removal of NC/DI permutations, characterization updates, and shared parameters and value tables updates due to new refrigerant GWP regulations. Measure package approved without comments.

Measure Package Submittals – All Submitted in 2024

SW MP ID	Title	Comments
SWAP008-03	Room Air Cleaner, Residential	Interim approval.
SWHC014-04	Unitary Air-Cooled Air Conditioner or Heat Pump, Under 65 kBtu/hr, Commercial	Interim approval.
SWHC013-04	Unitary Air-Cooled Air Conditioner, Over 65 kBtu/hr, Commercial	Interim approval.
SWLG020-02	UL Type B LED Screw-in Lamp HID Retrofits	Interim approval.
SWHC043-04	Multiple Capacity Unitary Air-Cooled Commercial Air Conditioners Between 65 and 240 kBtu/hr	Interim approval.
SWAP001-06	Refrigerator or Freezer, Residential	Interim approval.
SWHC049-04	SEER Rated AC and HP HVAC Equipment, Residential	Interim approval.
SWHC050-04	Ductless Heat Pump, Residential	Interim approval.
SWHC059-02	Smart Fan Controller, Residential	Interim approval.

Measure Package Submittals – All Submitted in 2024		
SW MP ID	Title	Comments
SWSV013-04	Duct Optimization, Residential	Interim approval.
SWAP007-03	Room Air Conditioner, Residential	Interim approval.
SWMI003-01	High-Efficiency Toilets, Residential and Commercial	Interim approval.
SWHC013-05	Unitary Air-Cooled Air Conditioner, Over 65 kBtu/hr, Commercial	Interim approval.
SWMI002-03	No Savings	Detailed review in progress.
SWHC043-05	Multiple Capacity Unitary Air-Cooled Commercial Air Conditioners Between 65 and 240 kBtu/hr	Detailed review in progress.
SWHC020-04	Air-Cooled Chiller	Detailed review in progress.
SWHC027-05	Package Terminal Air Conditioner or Heat Pump, Under 24kBtu/hr	Detailed review in progress.
SWMI004-01	Weather-Based Irrigation Controllers and Soil Moisture Sensor Systems, Residential and Commercial	Detailed review in progress.
SWMI005-01	Turf Removal, Commercial and Residential	Detailed review in progress.
SWHC005-04	Water-Cooled Chiller	Detailed review in progress.
SWAP015-04	Efficient Electric Cooking Appliances, Residential	Detailed review in progress.
SWHC049-05	Ducted AC and HP HVAC Equipment, Residential	Detailed review in progress.
SWHC050-05	Ductless Heat Pump, Residential	Detailed review in progress.
SWAP007-04	Room Air Conditioner, Residential	Detailed review in progress.

Measure Package Submittals – All Submitted in 2024		
SW MP ID	Title	Comments
SWSV001-07	Duct Seal, Residential	Detailed review in progress.
SWSV013-05	Duct Optimization, Residential	Detailed review in progress.
SWAP001-07	Refrigerator, Residential	Detailed review in progress.
SWHC059-03	Smart Fan Controller, Residential	Detailed review in progress.
SWAP008-04	Room Air Cleaner, Residential	Detailed review in progress.
SWSV005-04	Economizer Repair, Commercial	Detailed review in progress.
SWSV010-04	Economizer Controls, Commercial	Detailed review in progress.