STATE OF CALIFORNIA

Gavin Newsom, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

Date: March 30, 2020

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

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

Cc: R.12-01-005 and R.13-11-005 Service Lists

Subject: 2019 EFFICIENCY SAVINGS AND PERFORMANCE INCENTIVE (ESPI) PERFORMANCE SCORES

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I. Summary of 2019 ESPI Scores - Custom Projects and Workpapers

Pursuant to Decision (D).13-09-023, D.15-10-028 and D.16-08-019, California Public Utilities Commission (CPUC) Staff and consultants score the investor owned utilities (IOUs) based on their performance during the pre-approval phase (or "ex ante" phase) of developing an energy efficiency project or measure. This performance score is a component of the annual Efficiency Savings and Performance Incentive (ESPI) awarded to each utility. CPUC Staff and consultants completed the 2019 ESPI performance review scoring as prescribed in Table 3 of D.16-08-019. Decision D.16-08-019 established consolidated metrics to evaluate and further direct the utilities. Ordering Paragraph 19 of this decision states that the ESPI scores "shall be weighted for the utility program administrators based on the proportion of deemed savings and custom measures in each utility's portfolio". The scores contained in this memo are final, and San Diego Gas and Electric Company (SDG&E) shall use the total final performance points from the table below together with the weighting[1] for each category to calculate the 2019 ESPI performance review component award.

A breakdown of SDG&E's 2019 ESPI performance score of 67.40/100 for workpapers[2] and custom projects is shown below in Table 1. SDG&E's 2019 total points is an increase over its 2018 total points of 46.67. Scores for 2018 are provided in Table 2 on the following page.

Table 1: SDG&E 2019 ESPI Scoring for Workpapers and Custom Projects

SDG&E 2019 ESPI Performance Scores and Points		Workpapers				Custom			
Metric	Metric Area of Scoring	Metric Score	Metric Weight Factor	Points	Max Points	Metric Score	Metric Weight Factor	Points	Max Points
1	Timing and Timeliness of Submittals	2.50	10%	2.50	5	4.89	10%	4.89	5
2	Content, Completeness, and Quality of Submittals	2.86	30%	8.57	15	2.35	30%	7.03	15
3	Proactive Initiative of Collaboration	5.00	10%	5.00	5	3.10	10%	3.10	5
4	Due Diligence and QA/QC Effectiveness	4.17	25%	10.42	12.5	4.00	25%	10.00	12.5
5	Responsiveness to Needs for Process/Program Improvements	2.86	25%	7.14	12.5	3.50	25%	8.75	12.5
Total				**33.63**	**50**			**33.77**	**50**

[1] D.16-08-019 Ordering Paragraph 19 specifies that "Energy Savings Performance Incentive scores shall be weighted for the utility program administrators based on the proportion of deemed savings and custom measures in each utility's portfolio." Therefore, the final score cannot be determined until the utilities have submitted and CPUC Staff has compiled their final 2018 savings claims and published for each utility the weights for the custom and deemed categories.
[2] A workpaper documents the data, methodologies, and rational used to develop values for deemed measures. A workpaper is prepared and submitted by program administrators and approved by the CPUC.

Table 2: SDG&E 2018 ESPI Scoring for Workpapers and Custom Projects

SDG&E 2018 ESPI Performance Scores and Points		Workpapers				Custom			
Metric	Metric Area of Scoring	Metric Score	Metric Weight Factor	Points	Max Points	Metric Score	Metric Weight Factor	Points	Max Points
1	Timing and Timeliness of Submittals	2.36	10%	2.36	5	2.50	10%	2.50	5
2	Content, Completeness, and Quality of Submittals	2.00	30%	6.00	15	3.19	30%	9.58	15
3	Proactive Initiative of Collaboration	4.58	10%	4.58	5	2.25	10%	2.25	5
4	Due Diligence and QA/QC Effectiveness	1.00	25%	2.50	12.5	1.83	25%	4.58	12.5
5	Responsiveness to Needs for Process/Program Improvements	2.50	25%	6.25	12.5	2.43	25%	6.06	12.5
Total				**21.69**	**50**			**24.98**	**50**

The metric scoring area descriptions are expanded in Attachment A. The final category scores are explained in more detail below as well as in Attachment B through Attachment D to this memo. As required by the ESPI decision D.13-09-023, the relative weighting of performance during custom project development versus workpaper (or "deemed"[3]) development of the performance component of the ESPI will be published by CPUC Staff in June 2020 after reviewing the utilities' final 2019 savings claims to be filed on May 1, 2020.

II. CPUC Staff Findings 2019 Activities

A. Custom Projects Review Overview

1. Summary of 2019 Achievements

In 2019, CPUC Staff selected no new custom projects for review in the first half of the year due to delays in the procurement of a review contractor. Project review activities were resumed in July of 2019. From the period beginning July 2019 to the end of December 2019, SDG&E submitted 78 custom projects to CPUC Staff for review selection. CPUC Staff selected 36 of these projects for review and issued 18 custom project dispositions and 1 review waiver[4] out of the 36 projects selected for review. The remaining 17 SDG&E projects selected for review in 2019 were reviewed and had dispositions issued in early 2020 due to the timing of their selection.[5] A review of the project dispositions and the Review Process Score Enhancements points resulted in SDG&E's custom project score increasing by 8.79 points over 2018 scores (24.98 in 2018 vs. 33.77 in 2019 as shown in Tables 1 and 2 above). SDG&E continues to demonstrate efforts to improve its performance.

[3] Deemed are a set of predetermined savings values for efficiency measures that are developed from commonly accepted data sources and analytical methods.
[4] Review waivers are issued where CPUC Staff have not conducted an in-depth review of all of the submitted project documentation. CPUC staff neither approves nor disapproves any aspects of this project. The project application is directed to proceed without further CPUC Staff review.
[5] Projects selected by CPUC Staff at the end of 2019 were reviewed and disposed in early 2020 and therefore are not included in the 2019 performance scoring.

CPUC Staff's observations include:

- **The fraction of issues regarding gross impacts dropped dramatically.** Although SDG&E had several issues regarding gross savings impacts in 2018, only 3 dispositions were issued that year which does not provide a reliable comparison. In 2017 however, issues related to gross savings impacts were 72 percent of the total issues. In 2019, the fraction of issues regarding gross savings impacts dropped to 38 percent. SDG&E is showing improvements in the processes and procedures used to estimate gross impacts.
- **SDG&E continues to implement screening surveys to identify customers that have high levels of free-ridership**. Custom Project Review had no issues in 2017 and an issue with one project in 2019.
- **SDG&E staff initiated discussions on project reviews to seek guidance and input from CPUC Staff.** Examples include discussions on a phase change material measure for walk-in coolers.

2. Summary of Areas Requiring Improvement

Areas that were most problematic, frequent, and/or are in need of improvement include:

- The fraction of issues in the Process, Policy and Program rules area went up from 16.5 percent in 2017 to 36 percent in 2019. Project review and approval policies must align with the Statewide Custom Projects Guidance document (July 2019) and subsequent updates.
- SDG&E must ensure that large projects, such as CPUC Project ID 235, have a measurement and verification (M&V) plan in compliance so that the final M&V results are based on a well thought-out and agreed upon methodology that aligns with initial stipulated savings estimates.
- SDG&E must provide weighted effective useful life (EUL) for Savings by Design (SBD) projects where they are particularly important to estimating lifecycle savings. Approximately 44 percent of SDG&E projects had missing or incorrect EUL's provided.
- SDG&E must clearly articulate calculation methodology and provide supporting calculations. Several measures within projects were not articulated clearly to allow reviewers to follow the train of logic, and savings calculations were not provided on all projects.
- SDG&E must clearly align submitted plans with submitted simulation models for Savings by Design projects.
- SDG&E must improve consideration of non-routine events in baseline models using a normalized metered energy consumption (NMEC) methodology.
- SDG&E must address issues noted with the EnergyPro software used in the Savings by Design program.
- SDG&E must ensure that measurement and verification (M&V) plan guidance is consistent with the LBNL Site Level Technical Guidance.[6]
- SDG&E must include project cost and EUL data for all projects and test the simple payback against the project EUL.
- SDG&E must confirm savings reported in bi-monthly uploads match the values in program

[6] LBNL, "Site Level NMEC Technical Guidance: Program M&V Plans Utilizing Normalized Metered Energy Consumption Savings Estimation, Ver 2.0." 12-15-2019.
https://www.cpuc.ca.gov/WorkArea/DownloadAsset.aspx?id=6442463695.

documentation.

B. Workpapers Review Overview

1. Summary of 2019 Achievements

SDG&E's workpapers scores have increased compared to last year by 11.94 points (from 21.69 in 2018 to 33.63 as shown in Tables 1 and 2 above). SDG&E continues to demonstrate efforts to improve its performance. CPUC Staff observed improvements in SDG&E's development and management of workpaper submissions in the following areas:

- **Successful transition to statewide workpapers**. SDG&E, in collaboration with the other program administrators (PA), has managed the revision and/or development of a high volume of workpapers during the review period. CPUC Staff acknowledges SDG&E's role in making this submission cycle successful and timely.
- I**n-depth review and reporting of DEER anomalies**. SDG&E has systematically reviewed aspects of Database for Energy-Efficient Resources (DEER)[7] or Preliminary Ex Ante Resource database (PEAR)[8] and reported back anomalies in a clear succinct manner. This has been beneficial to all stakeholders.

2. Summary of Areas of Improvement

CPUC Staff highlights the following recommendations for improvement:

- SDG&E has played a limited role in the development and management of workpaper submissions during the review period. CPUC Staff encourages SDG&E to find a leadership role in some area of interest.
- SDG&E, in collaboration with the other PAs, should plan workpaper updates holistically, with research activities coordinated across workpapers of the same end-use.
- SDG&E, in collaboration with the other PAs, should identify disruptive issues earlier and propose methods for their orderly resolution.
- Workpaper plans should include detailed schedules and they should allocate adequate subject matter expert review time and adequate stakeholder notification.

III. Discussion

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

[7] The Database for Energy Efficient Resources contains information on selected energy-efficient technologies and measures.
[8] The Preliminary Ex Ante Resource database contains proposed updates to DEER for vetting before being finalized in DEER.

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 program administrators (PA) are presented in documents referred to as "dispositions". CPUC Staff acknowledges that prior to July of 2019 project applications were not always selected at random, rather selected based upon the type of projects that had past issues or projects where the CPUC expected to find deficiencies for various reasons. Projects were also selected to determine whether a utility has corrected issues from similar projects that CPUC Staff reviews identified in the past, e.g., Savings by Design projects using the EnergyPro software.

In 2019, CPUC Staff selected no new custom projects for review in the first half of the year due to delays in the procurement of a review contractor. Project review activities were resumed in July of 2019. From the period beginning July 2019 to the end of December 2019, CPUC Staff selected 36 new SDG&E projects for review and of those 18 received dispositions and 1 received a review waiver. The remaining 17 projects' dispositions were issued in early 2020 due to the timing at which they were selected. The comments below are organized by the five metric areas of scoring prescribed in D.16-08-019 with metric scores shown prior to any enhancement points. A summary table of all issued dispositions is included in Attachment B. Attachment D contains an embedded custom scores workbook that includes a tab with details on the individual project level disposition scores and feedback from the project reviewer.

Table 3 below presents the custom disposition points given to SDG&E for each metric both with and without the addition of any Enhancement Points.

Table 3: SDG&E Custom Disposition Points Awarded by Metric

Metric	Metric Area of Scoring	Weight Factor	Custom Disposition Points		Max Points
			With Enhance Pts	w/o Enhance Pts	
1	Timeliness of Submittals	10%	4.89	4.89	5
2	Content, Completeness, and Quality of Submittals	30%	7.03	7.03	15
3	Proactive Initiative of Collaboration	10%	3.10	1.60	5
4	PA's Due Diligence and QA/QC	25%	10	7.50	12.5
5	PA's Responsiveness	25%	8.75	6.25	12.5
Total			**33.77**	**27.27**	**50**

1. Timeliness of Submittals

In 2019, SDG&E received a custom disposition score of 4.89 out of 5.0 for Metric 1 (Timeliness of Submittals) prior to the addition of any enhancement points. This disposition score was based on the 18 SDG&E custom project reviews completed in 2019. Out of these 18 projects reviewed, 2 projects were submitted a day later than required and 8 projects were submitted several days earlier than required per timeline mandated in Senate Bill 1131 and Section 381.2 of the Public Utilities Code.[9]

[9] "The electrical corporation or gas corporation shall make the project application supporting documentation available to the CPUC for review within 15 business days of the CPUC review selection date".

2. Content, Completeness, and Quality of Submissions

In 2019, SDG&E received a custom disposition score of 7.03 out of 15.0 for Metric 2 (Content, Completeness, and Quality of Submissions) prior to the addition of any enhancement points. This disposition score was based on the completeness of the 18 SDG&E custom project reviews. Of these 18 dispositions, 7 projects (38 percent) contained no errors that were critical to the completeness of the submittal. However, 6 out of the 18 projects reviewed (33 percent) had significant errors which resulted in a loss of points under this metric.

Table 4 below summarizes the 55 action items identified across the 18 dispositions issued between July 1, 2019 and December 31, 2019. These action items illustrate errors that were critical to the project's efficiency savings estimate calculations.

Table 4: Summary of Categorized Action Items for Custom Projects

Action Categories	Summary of CPUC Staff Required Action by the PA:	Summary of CPUC Staff Notes or Instructions:	Total	Percent of Total
Analysis assumptions	6	3	9	43%
Calculation method	3	4	7	33%
Calculation tool	1	0	1	5%
M&V plan	4	0	4	19%
Subtotals	**14**	**7**	**21**	**100%**
Eligibility	5	3	8	40%
EUL/RUL	3	4	7	35%
Incentive calculation	1	0	1	5%
Measure cost	3	0	3	15%
Self generation	1	0	1	5%
Subtotals	**13**	**7**	**20**	**100%**
Missing documents	0	3	3	38%
Missing required information	3	0	3	38%
Project scope unclear	2	0	2	25%
Subtotals	**5**	**3**	**8**	**100%**
Program influence	1	0	1	100%
Subtotals	**1**	**0**	**1**	**100%**
Continue Document Upload	2	2	4	80%
Update bimonthly upload to match program	0	1	1	20%
Subtotals	**2**	**3**	**5**	**100%**
Grand Total	**35**	**20**	**55**	**100%**

Specific examples of project and measure level deficiencies are provided below.

- **Incorrect EUL** was the most prevalent deficiency discovered and occurred in 8 out of the 18 projects reviewed (44 percent) which resulted in a significant reduction in points for this metric. Sampled projects containing this deficiency were CPUC Project IDs 232, 255, 256, 270, 271, 272, 304, and 305.
- **Measure Not Articulated Clearly** occurred for 3 of the 18 projects reviewed (17 percent) and resulted in a meaningful deduction of points related to this metric. Sampled projects that contained this deficiency were CPUC Project IDs 271, 272, and 273.
- **Fuel Substitution Test Failed** for only one sampled project (CPUC Project ID 268), however due to the importance of this test the project received the minimum points under this metric.
- **Issue with Parameter Assumptions** occurred on only 2 of the 18 projects reviewed (11 percent), however projects with these issues also had additional issues such as incorrect EUL or issue with calculation method and resulted in a significant loss of points for this metric. Sampled projects that contained this deficiency were CPUC Project IDs 270 and 305.
- **Incomplete Documentation of Program Influence** occurred only in one sampled project (CPUC Project ID 256) but because sufficient documentation of program influence is a critical requirement to demonstrate the project received the minimum point under this metric.

3. Proactive Initiative of Collaboration

In 2019, SDG&E received a custom disposition score of 1.6 out of 5.0 for Metric 3 (Proactive Initiative of Collaboration) prior to the addition of any enhancement points. At the portfolio level, SDG&E did not appear to make a significant effort to bring measures, projects, or studies forward for discussion prior to CPUC Staff review. Additionally, very few topics were reviewed during bi-weekly calls. CPUC Staff expects PAs to bring topics forward that may impact project reviews for early opinions, particularly if they are high impact projects (such as for CPUC Project IDs 232 and 289). Aside from uploading a report about phase changes for walk-in freezer panels, and sharing the technical review workbook, SDG&E met only the minimum expectations with regards to proactive collaboration under this metric.

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

In 2019, SDG&E received a custom disposition score of 7.5 out of 12.5 for Metric 4 (PA's Due Diligence, Quality Assurance, and Quality Control) prior to the addition of any enhancement points. Project and measure level disposition performance results reviewed under Metric 2 were used as a proxy for the level of QA/QC performed by the PA. As such, the number of dispositions proceeding without exception was weighed against those that required resubmissions or resulted in rejections. Of the 18 projects reviewed, 8 projects (44 percent) proceeded without exception, while 7 projects (39 percent) were allowed to proceed with exceptions as noted in the review. The remaining 3 projects (17 percent) were rejected, resulting in lower than expected performance for this metric as it pertains to effective QC of projects prior to submitting for review.

CPUC Staff looked at what procedure documents were in place and found that SDG&E had a significant number of post installation and post M&V QC checks in place. SDG&E demonstrated compliance with this metric by providing evidence in uploads that PA staff had reviewed the document and performed QC. Overall CPUC Staff believes SDG&E made efforts to meet CPUC expectations for this metric, however updates to QC practices that result in fewer rejections would be beneficial to improving this score in the future.

5. PA's Responsiveness

In 2019, SDG&E received a custom disposition score of 6.25 out of 12.5 for Metric 5 (PA's Responsiveness) prior to the addition of any enhancement points. When reviewed at the portfolio level, CPUC Staff assessed the time series of rejections and expectations, the alignment of program policy and procedures with the number of actual rejections and exceptions based on eligibility and attribution, and adaption to rule changes over time. CPUC Staff found that projects reviewed from July 2019 through December 2019 exhibited a slight downward trend in terms of project performance over time. (i.e. project submissions had more issues when submitted later in 2019 compared to earlier in the year). CPUC Staff also noted that 20 out of the 55 comments made on projects (36 percent) were related to eligibility issues and were therefore out of compliance with CPUC policies and previous disposition guidance. SDG&E did update M&V requirements in compliance with requests made by CPUC Staff but did not exceed expectations for what was required.

B. Workpapers Performance Review

SDG&E had 28 workpapers which were submitted or disposed in 2019, 20 of which were adoptions[10] of previously approved workpapers, 5 of which were straightforward DEER updates, and 3 of which were statewide consolidated workpapers. SDG&E was the lead for the statewide HVAC measures and submitted 3 workpapers that were revisions due to the DEER Resolution, which requires less CPUC Staff engagement.

The comments below are organized by the five scoring metric areas created in D.16-08-019.[11] The narrative includes observations common to multiple workpapers and feedback related to the workpaper development process. Specific workpaper feedback is provided in tables in Attachment C, at the end of this document. The Workpaper Detailed Review Table provides feedback on specific workpapers. The Workpaper Submissions Table lists all workpapers submitted by SDG&E during the review period. Workpapers were selected for feedback from those that were led by SDG&E and were either disposed or reached approval status during the review period. CPUC Staff acknowledges that workpaper development may have been supported by multiple PAs; however, at this time, there is no mechanism for apportioning feedback among PAs. Therefore, feedback is only provided for the submitting PA, with the assumption that they are the lead PA. The scoring rubric for workpapers is defined as follows:

'+' indicates a positive scoring impact which receives 100% of total points for the metric

[10] An adoption is a short form submission referencing another PA's previously approved workpaper without any revisions in content or values, except for necessary PA related measure identification codes.
[11] See D.16-08-019 at 87.

'-' indicates a negative scoring impact which receives 0% of total points for the metric
'Yes' indicates meeting minimum expectation which receives 50% of total points for the metric
'No' indicates the review feedback is not applicable to a metric and does not impact the average
The assigned percentage scores were averaged across all the reviewed items.

Table 5 below presents the workpaper disposition points given to SDG&E for each metric both with and without the addition of any enhancement points.

Table 5: SDG&E Workpaper Disposition Points Awarded by Metric

Metric	Metric Area of Scoring	Weight Factor	Workpaper Disposition Points		Max Points
			With Enhance Pts	w/o Enhance Pts	
1	Timeliness of Submittals	10%	2.50	2.50	5
2	Content, Completeness, and Quality of Submittals	30%	8.57	8.57	15
3	Proactive Initiative of Collaboration	10%	5.00	2.50	5
4	PA's Due Diligence and QA/QC	25%	10.42	6.25	12.5
5	PA's Responsiveness	25%	7.14	7.14	12.5
Total			**33.63**	**26.96**	**50**

1. Timeliness of Submittals

In 2019, SDG&E received a workpaper disposition score of 2.50 out of 5.0 for Metric 1 (Timeliness of Submittals) prior to the addition of any enhancement points. SDG&E generally met deadlines for submission of statewide workpapers in the review period and all workpapers received a Yes, indicating that minimum expectations were met for timeliness.

SDG&E submitted two workpaper plans. Should SDG&E submit a new or revised workpaper, CPUC Staff and consultants expect that a workpaper plan will be submitted and include a target workpaper submission date early in the development cycle. As the development cycle advances, the schedule should become more detailed with itemized tasks, interim deliverables, and Staff review milestones with projected due dates. A detailed workplan schedule allows CPUC Staff to monitor the progress of the workpaper development and to schedule subject matter expert to review deliverables. The Food Services workpaper plan includes a schedule that can be used as a template for future workpaper plan detailed schedules.

CPUC Staff requests that the PA joint Work Paper Plan required by D.15-10-028, and typically submitted in October, include all planned workpaper submissions, including Phase 2,[12] resubmitted Phase 2, and PA adoption workpapers, as well as 2020 Phase 1 workpapers. The PAs complied and submitted a Work Paper Plan in October and SDG&E did not submit any unplanned workpapers through the end of 2019.

2. Content, Completeness, and Quality of Submissions

In 2019, SDG&E received a workpaper disposition score of 8.57 out of 15.0 for Metric 2 (Content, Completeness, and Quality of Submissions) prior to the addition of any enhancement points. The content, completeness, and quality of workpapers has generally met standards. From the CPUC

[12] Phase 2 workpapers are for new measures or revisions to workpapers that are not submitted in response to the DEER Resolution.

Staff perspective, the consolidation process has gone well, considering the volume of workpapers, the coordination that has been required, and the difficulties acquiring all the reference building prototypes.

SDG&E submitted about half as many workpapers as any other PA and those that were submitted were, for the most part, straightforward updates or adoptions of previously approved workpapers. The submitted workpapers did not have any issues. SDG&E provided a briefing on the policy behind the workpaper and the Water Energy Nexus (WEN) tool which was very helpful. SDG&E averaged 57 percent of the direct work product points for this metric, slightly exceeding minimum expectations for workpaper content.

PAs have an important responsibility to identify new technologies and delivery methods, and to develop workpapers where a deemed option makes sense. SDG&E has one workpaper under development for a phase change material for walk-in refrigeration applications. CPUC Staff encourages the continued development of new measure workpapers to ensure innovative measures.

CPUC Staff encourages planning workpaper updates more comprehensively and by end-use, borrowing elements from the workpaper consolidation planning. Planning by end-use (such as lighting or refrigeration) provides an opportunity to leverage research activities across multiple measures and workpapers. CPUC Staff notes that the catalog of potential areas of improvement by end-use is also very useful and should be continuously updated as issues arise.

Rather than single workpaper or workpaper parameter updates, CPUC Staff encourages comprehensive updates by workpaper groupings, like the in-progress update of five food services workpapers. The plan for updating these five workpapers includes standard practice research, equipment testing, customer surveys, hours of operation measurements, and updated compilation of product characteristics. Updating the uncertain and impactful parameters means these workpapers should not require updating again for a significant period. CPUC Staff encourages a proposal from the PAs for updating workpapers grouped by end-use spaced over a multi-year time horizon.

Workpapers are focused on defining well-supported savings and cost estimates, but measures are delivered in a program and regulatory context that is not described in the workpaper. CPUC Staff finds it useful to hear SDG&E's views on program and regulatory issues and encourages briefing when appropriate. As an example, the SoCalGas smart communicating thermostat program manager described to CPUC Staff and consultants the measure's role in multiple co-offerings with other PA programs. Also, SCE presented to CPUC Staff and consultants a data-rich analysis of workpaper trends and their potential impact on the portfolio savings and cost-effectiveness. Both of these presentations were excellent, and CPUC Staff encourages similar communication by SDG&E of thoughtful and data-rich program and regulatory perspectives on important issues. CPUC Staff will be reaching out to the SDG&E regularly to better understand how individual workpapers might impact the market and expect regular updates of market conditions related to workpapers in the regularly scheduled meetings.

3. Proactive Initiative of Collaboration

In 2019, SDG&E received a workpaper disposition score of 2.50 out of 5.0 for Metric 3 (Proactive Initiative of Collaboration) prior to the addition of any enhancement points. Workpapers met the

minimum expectations of collaboration which was required to ensure each workpaper met all PAs' needs, therefore all workpapers received a "Yes". CPUC Staff recognizes that the consolidation of workpapers into single, statewide workpapers has required considerable coordination and collaboration between the PAs, and SDG&E is are to be commended and has been further recognized in the Process Adder Score.

SDG&E is the lead for HVAC measure development; however, CPUC Staff engagement has been limited during the review period. SDG&E collaborated with the other PAs and CPUC Staff to present a Third Party Workpaper Q&A webinar on April 11, 2019.

4. PA's Due Diligence, Quality Assurance, and Quality Control

In 2019, SDG&E received a workpaper disposition score of 6.25 out of 12.5 for Metric 4 (PA's Due Diligence, Quality Assurance, and Quality Control) prior to the addition of any enhancement points. The quality of SDG&E's workpapers was adequate and averaged 50 percent of the direct work product points for this metric, meeting minimum expectations for workpaper quality control.

CPUC Staff expects that the PAs manage workpaper development well, including the submission of a workpaper plan and schedule early in the development process, as noted in Section 1, and that the schedules are managed to meet deadlines. The phase change material commercial refrigeration measure workplan included a timeline, but not a detailed schedule, nor has it been updated since the mid-year review. CPUC Staff expects that when SDG&E leads a workpaper they will coordinate with other PAs to ensure each submission is complete from the perspective of all PAs.

5. PA's Responsiveness

In 2019, SDG&E received a workpaper disposition score of 7.14 out of 12.5 for Metric 5 (PA's Responsiveness) prior to the addition of any enhancement points. Of the 28 workpapers disposed, SDG&E was the lead for the 8 workpapers listed in Attachment C. These 8 workpapers were straightforward and did not require substantial analysis or research. Leading this workpaper development taxes PA resources, and CPUC Staff acknowledges PAs taking on this work. SDG&E averaged 57 percent of the direct work product points for this metric, slightly exceeding minimum expectations for individual workpaper leadership.

SDG&E partnered with CPUC Staff and other PAs to resolve common issues and implement process improvements. Examples of these include:

- Development of a solution for implementing the new Measure Application Types (MAT). Resolution E-4952 had redefined the codes for new application types and workpaper data tables had not been revised. The PAs worked together with CPUC Staff to develop a timely and efficient solution.
- Implementation of workpaper cover page. All workpaper submissions from SDG&E have included a complete cover page since its rollout.

SDG&E has been particularly alert to DEER and PEAR database issues. On numerous occasions, SDG&E has systematically reviewed aspects of DEER or PEAR and reported back anomalies in a clear succinct manner. The DEER database team has found this to be most helpful and beneficial

to all users of the system. For example, SDG&E found and reported that refrigerant charge measures were missing in DEER.

While there have been some procedural improvements, SDG&E, along with the PAs as a whole, have been deficient in anticipating and acting to resolve looming issues, such as the MAT implementation and defining the workpaper references for the September Annual Budget Advice Letters. Although these issues were ultimately resolved, the schedule was more compressed than necessary. As a group, the PAs need to better manage potential problems by first articulating issues early and then developing an action plan to resolve them in an orderly fashion. CPUC Staff requests that the monthly joint meeting includes a standing agenda item to inventory upcoming issues and to begin formulating action plans to address them. CPUC Staff expects PAs to volunteer to lead high-priority issues.

The consolidated measure workpapers, new third-party contracting process, and implications of Resolution E-4939[13] all set the stage for rethinking the workpaper processes. It is incumbent upon the PAs to provide their vision of what these processes might be, although other stakeholders will also have important input on the final processes. CPUC Staff will seek organized and thoughtful input on this topic.

IV. The Scoring Methodology

The 2019 performance score was developed using five detailed scoring metrics for each directly reviewed work product (i.e., workpaper and custom project), as well as a scoring of the utility's internal due diligence processes, QA/QC procedures and methods, as well as program implementation enhancements to support improved forecasted values.

Attachment A summarizes the Metrics adopted in D.16-08-019 as well as the CPUC Staff developed scores and points for 2019. D.16-08-019 also directed that the custom and workpaper scores be weighted together into a final score based on the PA total claims for custom and deemed activities, respectively. The weights for custom and deemed scores will be developed and published by CPUC Staff in June 2020 based upon the PAs final 2019 savings claims to be filed on May 1, 2020.

In accordance with D.13-09-023, the PAs' activities are assessed against a set of five metrics on a rating scale of 1 to 5. Once activities are assessed, the ratings for each are converted onto this scale, where 1 is the lowest score assigned and 5 is the highest score assigned. A maximum score on all metrics for both workpapers and custom projects will yield 100 points whereas a minimum score on all metrics would yield 20 points. The 1 to 5 rating scale is distinguished as follows:

1. Consistent underperformer in meeting the basic expectations.
2. Makes a minimal effort to meet CPUC expectations but needs dramatic improvement.
3. Makes effort to meet CPUC expectations, however improvement is required.
4. Sometimes exceeds CPUC expectations while some improvement is expected.
5. Consistently exceeds CPUC expectations.

[13] Resolution E-3949 sets forth principles for regular updates of measure baselines.

As with the 2018 performance scores, the final scores were "built-up" from a metric-by-metric assessment of each reviewed work product. It is CPUC Staff's expectation that this detailed scoring approach, along with the detailed qualitative workpaper and custom project level feedback, is consistent with the direction provided in D.13-09-023. We believe this scoring approach provides specific guidance to the utilities on how to improve their due diligence review and scores moving forward.

A "Direct Work Product Review" portion of each metric score was developed based upon the individual scoring of dispositions issued for custom project or workpapers. Each reviewed utility work product was first determined to have components either applicable or not applicable to a metric.[14] If a metric was determined to be not applicable to a given disposition, the metric was identified as not applicable ("N/A") and the metric was assigned a score equal to the average 1 to 5 score from the remaining applicable metrics. Assigning this average score to any "N/A" metrics essentially normalized the final score so that a disposition neither benefitted nor was penalized as a result of a non-applicable metric.

For workpapers, if an item was determined to have activity applicable to a metric, the item was then assigned a qualitative rating as to the level of due diligence applied to the item. The scoring rubric for workpapers is defined as follows:

'+' indicates a positive scoring impact which receives 100% of total points for the metric
'-' indicates a negative scoring impact which receives 0% of total points for the metric
'Yes' indicates meeting minimum expectation which receives 50% of total points for the metric
'No' indicates the review feedback is not applicable to a metric and does not impact the average

The assigned percentage scores were averaged across all the reviewed items. Individual workpaper level disposition scoring, as well as related workpaper activities, are provided in Attachment C. Note the following approach to scoring individual workpapers by metric:

- Metric 1 Timeliness: The workpaper submission schedule was designed to distribute the workpapers through the months leading up to August. This was accomplished, so all workpapers were assigned a "Yes".
- Metric 2 Content: Straightforward workpaper received a "Yes", complex revisions received a "+", unless there were errors in the content, which warranted a "-".
- Metric 3 Collaboration: Statewide consolidation required expected collaboration between all parties, therefore all workpapers received a "Yes" in this metric.
- Metric 4 Quality Assurance: Workpapers that were complete, consistent, and without meaningful errors received a "Yes". Those workpapers with inconsistencies between the data tables and narrative or where values were left undefined received a "-" score.

[14] For example, workpapers and custom projects which do not involve measures which in some way are expected to utilize DEER values, assumptions or methods, in the development of new kWh, kW and therm savings values would not receive scoring for Metric 2 ("Content, Completeness, and Quality of Submittals"). Another example would be a minor workpaper which may not require proactive collaboration with CPUC Staff and therefore not receive a score for Metric 3 ("Proactive Initiation of Collaboration").

- Metric 5 Process: Since workpaper development is an important task, the workpaper lead received a "Yes" for straightforward and "+" for complex workpaper submissions.

For custom projects, each applicable metric was directly scored according to the unique metric scoring methodology outlined below. A project by project summary of the custom project scoring is included in a custom tables workbook which has been included as an embedded excel file in Attachment D.

A. Custom Metric 1 Scoring Methodology

This metric is related to the timeliness of submittals and a maximum of 5 points is allocated to this metric based on the PA's responsiveness to requests and follow-up documentation required to complete the review. Scoring for this metric occurs at the individual project review stage.

An allocation of 15 business days is given for the PA to submit materials following the date selected for review. PAs begin with a score of 5 and after 15 business days have passed, 1.0 point is deducted for each day the submittal is late.

B. Custom Metric 2 Scoring Methodology

This metric is related to content and completeness of submittals and a maximum of 15 points is allocated to this metric. Scoring occurs on each custom project during the individual project review stage. On a percentage basis Metric 2 is the single greatest determinant of the overall ESPI score. Scoring for Metric 2 is achieved through numerous areas throughout the custom project review workbook. PA's begin with a full score of 5 for each custom project in the review workbook with each noted deficiency reducing the points accordingly. Deficiencies are not weighted equally, with significant issues such as failure of the fuel substitution test or inadequate documentation of program influence receiving a heavier weighting compared to tests such as incorrect site location information. The scores from all custom projects are then averaged together to arrive at an average disposition score for Metric 2.

C. Custom Metric 3, 4 and 5 Scoring Methodology

Whereas Metrics 1 and 2 are assessed at the project level, Metrics 3, 4, and 5 are assessed at the portfolio level for each PA. As such, no individual custom project receives a unique score for these metrics. Additionally, unlike Metrics 1 and 2 which rely on deductions under each metric, scores for Metrics 3, 4, and 5 are awarded based on the PA's performance as it relates to the components of each metric.

For Metric 3, points are awarded when the PA proactively brought high impact or unique projects forward to CPUC Staff prior to developing a study or project, or if the CPUC Staff determined that an early opinion was not needed for a project. The final score for Metric 3 is therefore representative of the average performance of custom projects across the portfolio of projects.

Scoring for Metric 4 relies upon disposition results and findings identified under Metric 2 as well as the overall depth and correctness of the technical review team. The PA's performance on dispositions assist in serving as a proxy for quality control under Metric 4. In addition, several

project specific elements such as whether changing market practices and updates to DEER were considered, or if a project demonstrated evidence of review activities are used to assess the scoring for this metric. Similar to Metric 3, a final score is representative of the average performance of custom projects across the portfolio of projects.

With Metric 5, a review of process enhancement tools and techniques, tracking improved disposition performance over time, and highlights provided throughout the year by the PA assist in determining an average score related to process and programmatic improvements. Similar to Metrics 3 and 4, a final score is representative of the average performance of custom projects across the portfolio of projects.

D. Score Enhancement Methodology

The above process resulted in custom project and workpaper work product review scores. Next, PA-specific "Review Process Score Enhancements" were developed for each applicable metric based on observed policy and technical reviews or program implementation processes/procedures developed and implemented in 2019 in order to positively impact future project reviews. CPUC Staff believes it is important to provide ESPI "Enhancement" points for positive due diligence developments to recognize the effort and to provide additional encouragement even before a change in project-level results is observed.

In the custom scoring process CPUC Staff added "Enhancement" points in the area of Policy/Technical QA/QC for Metrics 3, 4, and 5 to reflect SDG&E staff's positive efforts in these metric areas as discussed earlier. Those initiatives included:

- Documented changes to Savings by Design models and included post-install QC report in packet prior to final payment.
- Continued improvement on the Technical Review Workbook developed in 2018 with stated 13.8 saved hours per project. More developments are forthcoming.
- Created macro to highlight confidential information to streamline efforts for quicker turnaround.
- Collaborated with evaluation team on SEM to incorporate three additional participants from original four SEM participants.
- Led effort to create SW Tech Review Workbook by all implementors. Plans to host webinar on how to redact and upload docs.
- Comparison of few "rejected" dispositions to high number of those "approved without exception" indicate a high level of QC is occurring.
- Quarterly updates on activities outside normal view of CPUC Staff was implemented as intended by SDG&E staff.

Although these efforts may not yet be reflected in project specific disposition scores, CPUC Staff believes recognition of the efforts of SDG&E's technical and policy review staff is warranted. These activities offer promise to improve the overall SDG&E performance in the future.

Workpaper scores also include "Review Process Score Enhancements." Process issues represent

critical deemed measure development topics where CPUC Staff believes improvement is needed or improvement has occurred, but those activities are not necessarily reflected in the areas of direct review. These activities, as discussed above, are noted in the narrative, but are summarized here by metric as:

- Metric 1: Timeliness: There were no adder points for this metric.
- Metric 2: Content. There were no adder points for this metric.
- Metric 3: Collaboration: SDG&E was acknowledged for the collaboration shown in the last year in the completion of the workpaper consolidation.
- Metric 4: Management: SDG&E was acknowledged for its role in managing emerging issues such as the collaborative decisions on selecting workpapers to be used in ABAL reporting and the successful Q&A webinar. SDG&E was also recognized for its attentiveness to DEER data issues.
- Metric 5: Process improvements: There were no adder points for this metric.

To produce the final workpaper scores, the metric scores for the two workpaper contributing areas were added together, using a 50 percent weight for the process issues score. The 50 percent weight given to the process review has the effect of being a "score enhancement" or increase to the direct review score. Furthermore, within each contributing area (direct and process review areas), CPUC Staff also assigned weights for individual items as a way to reflect greater importance of different individual review items. The separate process scoring provides an avenue for assessing overall QA/QC processes and procedures put into place by SDG&E.[15]

Attachment D contains custom and workpaper summary tables showing the components and total scores and points for each metric in each of the two component areas of scoring described above.

Questions or comments about the feedback or final scores should be directed to Peter Lai (peter.lai@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 and its final scores by April 30, 2020.

[15] The guidance on scoring approach provided in D.13-09-023, at 74, provides that when only a small number of submissions are available for scoring and the submissions have varying impacts on the portfolio overall, that appropriate weighting should be allied to the submission and observed performance that should carry across multiple metrics. "Low scores for metrics that assess specific and important quantities (e.g., if the utility only uploads a small percentage of custom projects and receives a low score for Metric 1), will have a proportional impact on the total score the utility could receive for later metrics that measure the quality of custom project submittals." "For example, doing an outstanding job on a large number of very low-impact, standardized projects will not make up for doing a poor job on a few projects that represent a major portion of portfolio dollars."

Attachment A: Final ESPI Performance Scores (without Enhancement Points)

Metric		Workpapers Max Points	Workpapers Max Percent of Total Points	Workpapers 2019 Score	Workpapers 2019 Points	Custom Max Points	Custom Max Percent of Total Points	Custom 2019 Score	Custom 2019 Points
1	**Timing and Timeliness of Submittals** Timely submittals: all lists, inventories, plans, studies, workpapers and project/measure documentation; timing and advanced announcement of submittals (spreading out submission when available rather than holding and turning in large batches); timely follow-up PA responses to review disposition action items including intention to submit/re-submit with proposed schedule.	5	10%	2.50	2.50	5	10%	4.89	4.89
2	**Content, Completeness, and Quality of Submittals** Completeness, appropriateness, comprehensiveness, accuracy, and clarity of submittals. Submittal adherence to CPUC policies, Decisions, and prior CPUC Staff dispositions and/or guidance. Do the submittals include all materials required to support the submittal proposed values, methods, and results? Is the project or measure clearly articulated? Are proposed or utilized methods clearly explained including step-by-step method or procedure descriptions. Will the proposed or utilized approach provide accurate results. Are all relevant related or past activities and submittals appropriately noted or disclosed, analyzed, or discussed. Are the pros/cons of alternate possible approaches or conclusions discussed to support that the chosen one is most appropriate.	15	30%	2.86	8.57	15	30%	2.34	7.03
3	**Proactive Initiative of Collaboration** PA efforts to bring either measures, projects, studies, questions, and/or savings calculation methods and tools to CPUC Staff for discussion in the early formative stages, before CPUC Staff review selection. In the case of tools, before widespread use in the programs. CPUC Staff expects collaboration among the PAs to develop common or coordinated submissions and for the PAs to undertake joint or coordinated planning activities and study work. The PAs are expected to engage with CPUC Staff in early discussions on unique or high profile, high impact measures or projects before program or customer commitments are made. The PAs are expected to engage with CPUC Staff on planning and execution of studies that support proposed offerings, tools, or determination of proposed baselines or other programmatic assumption that can impact ex ante values to be utilized.	5	10%	2.50	2.50	5	10%	1.6	1.6

4	**Program Administrator's Due Diligence and Quality Assurance/Quality Control Effectiveness** CPUC Staff expects the PA to have effective Quality Control (QC) and Quality Assurance (QA) processes for their programs and measures. The PAs are expected to have a pro-active approach to reviewing existing measure and project assumptions, methods and values and updating those to take into account changes in market offerings, standard practice, updates to DEER methods and assumptions, changes to codes, standards and regulations, and other factors that warrant such updates. The depth and correctness of the PA's technical review of their ex ante parameters and values, for both Core, Local Government and Third Party programs, are included under this metric. The depth and correctness of the PA's technical review of their own staff and subcontractor work related to supporting deemed and custom measure and project submissions are included in this metric. Evidence of review activities is expected to be visible in submissions so that CPUC Staff can evaluate the effectiveness of the PA internal QA/QC processes.	12.5	25%	2.50	6.25	12.5	25%	3.0	7.50
5	**Program Administrator's Responsiveness to Needs for Process and Program Improvements** This metric reflects the PAs ongoing efforts to improve their internal processes and procedures resulting in increased ex post evaluated gross and net savings impacts. CPUC Staff looks not only to the PA's internal QC/QA processes, but also whether individual programs and their supporting activities incorporate and comply with CPUC policies and prior CPUC Staff disposition guidance in their program rules, policies, procedures and reporting. This includes changes to program rules, offerings and internal operations and processes required to improve overall review and evaluation results. A particularly important area for focus is the improvement of net portfolio performance via the removal of measures and or participation with low program attribution (NTG).	12.5	25%	2.86	7.14	12.5	25%	2.5	6.25
Total		**50**	**100%**		**26.96**	**50**	**100%**		**27.27**

Attachment B: Custom Project Scores and Feedback

The table below lists the identification numbers associated with each disposition. All custom projects were scored using new metrics adopted in 2016. The metrics are shown in the Table below.

Table 3 *2016 Adopted Performance Metrics*

Metric	2016 CPUC Adopted Performance Metrics	Maximum Points	Percent of Total Points
Metric 1	**Timeliness and Timing of Submittals** Timely submittal of all documentation and follow-up utility responses to review disposition action items.	**5.0**	**10%**
Metric 2	**Content, Completeness and Quality of Submittals** Completeness, appropriateness, comprehensiveness, accuracy, and clarity of submitted documentation. In addition, this metric is an assessment of the utility's adherence to CPUC policies, Decisions, and prior CPUC Staff disposition guidance.	**15.0**	**30%**
Metric 3	**Proactive Initiation of Collaboration** Utility's efforts to bring either measures, questions, and/or savings calculation tools to CPUC Staff for discussion in the early formative stages, before CPUC Staff review selection. In the case of tools, before widespread use in the programs. CPUC Staff expects collaboration among the utilities and for the program administrators to engage with CPUC Staff in early discussions on high profile, high impact measures well before customer commitments are made.	**5.0**	**10%**
Metric 4	**Utility Due Diligence and QA/QC Effectiveness** CPUC Staff expects the utility to have effective Quality Control (QC) and Quality Assurance (QA) processes for its programs and measures. The depth and correctness of the utility's technical review of its ex ante parameters and values, for both Core and Third Party programs, are included under this metric.	**12.5**	**25%**
Metric 5	**Utility Responsiveness to Needs for Process & Program Improvements (Course Corrections)** This metric reflects the utility's efforts to improve, operationalize, and improve its internal processes which are responsible for the creation and assignment of ex ante parameters and values. CPUC Staff looks not only to the utility's internal QC/QA process, but also whether individual programs incorporate and comply with CPUC policies and prior CPUC Staff disposition guidance in its program rules, policies, and procedures.	**12.5**	**25%**

Metric	2016 CPUC Adopted ex ante Metrics	Maximum Points	Percent of Total Points	Total Scored Points	# Scored Dispositions	Scoring Notes (Portfolio Level[16])
Metric 1	**Timeliness and Timing of Submittals** Timely submittal of all documentation and follow-up utility responses to review disposition action items.	**5**	**10%**	**4.89**	**18**	In general SDG&E complied with SB1131 guidelines for submitting documentation well before the 15 business days required. Only 2 projects were found to be late by a day, reducing the average score down slightly.
Metric 2	**Content, Completeness and Quality of Submittals** Completeness, appropriateness, comprehensiveness, accuracy, and clarity of submitted documentation. In addition, this metric is an assessment of the utility's adherence to CPUC policies, Decisions, and prior CPUC Staff disposition guidance.	**15**	**30%**	**7.03**	**18**	Approximately 38% of submitted projects had significant deficiencies including missing EUL on Savings By Design Projects, EUL not exceeding simple payback, unclear savings methodology, a failed fuel substitution test, incorrect baseline, measure efficiency found to be less than baseline, or a lack of program influence documentation. Conversely, another 38% had no significant deficiencies detected, indicating that SDG&E has mixed success on ensuring submittals are comprehensive and errors are minimized.
Metric 3	**Proactive Initiation of Collaboration** Utility's efforts to bring either measures, questions, and/or savings calculation tools to CPUC Staff for discussion in the early formative stages, before CPUC Staff review selection. In the case of tools, before widespread use in the programs. CPUC Staff expects collaboration among the utilities and for the program administrators to engage with CPUC Staff in early discussions on high profile, high impact measures well before customer commitments are made.	**5**	**10%**	**1.60**	**18**	CPUC Staff did not find that SDG&E made a significant effort to bring measures, projects, or studies forward for discussion prior to review. Topics reviewed during bi-weekly calls with CPUC Staff were below what was expected to demonstrate proactive collaboration. SDG&E does receive merit for their collaboration and willingness to work with CPUC Staff by including more SEM participants than originally anticipated in 2019, a willingness to engage in collaborative efforts to streamline processes, and their increased frequency of updates on activities outside normal view of CPUC Staff.
Metric 4	**Utility Due Diligence and QA/QC Effectiveness** CPUC Staff expects the utility to have effective Quality Control (QC) and Quality Assurance (QA) processes for its programs and measures. The depth and correctness of the utility's technical review of its ex ante parameters and values, for both Core and Third Party programs, are included under this metric.	**12.5**	**25%**	**7.50**	**18**	CPUC Staff weighted the number of dispositions proceeding without exception against those that required resubmissions or resulted in rejections. Of the projects reviewed, only 42 percent proceeded without exception, while another 42 percent were allowed to proceed with exceptions and 4 percent required resubmittal. The remaining 12 percent of projects were rejected, resulting in lower than expected performance with regards to effective QC of projects prior to submitting for review. Conversely, CPUC Staff found that SDG&E had a significant number of post installation and post M&V QC checks in place, such as documenting changes

[16] The Metric 1 and 2 scores for each of the individual custom projects are included in the final custom workbook which is embedded in Attachment D.

						in SBD models, that demonstrate a commitment to improving the QC process.
Metric 5	**Utility Responsiveness to Needs for Process & Program Improvements (Course Corrections)** This metric reflects the utility's efforts to improve, operationalize, and improve its internal processes which are responsible for the creation and assignment of ex ante parameters and values. CPUC Staff looks not only to the utility's internal QC/QA process, but also whether individual programs incorporate and comply with CPUC policies and prior CPUC Staff disposition guidance in its program rules, policies, and procedures.	**12.5**	**25%**	**6.25**	**18**	SDG&E Projects reviewed from July 2019 through December 2019 exhibited a slight downward trend in terms of project performance over time. (i.e. project submissions performed more poorly over the course of the 2019 review period). CPUC Staff also noted that 20 of the 55 comments made on projects (36 percent) were related to eligibility issues and therefore were not complying with the base level of CPUC policies and previous disposition guidance. SDG&E did demonstrate improvement through streamlined project intake tools as well as continued improvement on the TRW developed in 2018 with a stated 13.8 saved hours per project. Both these efforts demonstrate compliance with CPUC policies as well as a willingness to improve and streamline internal processes.

Attachment C: Workpaper Scores and Feedback

The table below lists the ID numbers associated with each workpaper submission or disposition and the workpaper review process "score enhancements" scoring area. The listed weight is used in the combining all the individual rows together into a single score for all the rows in the two scoring components ("direct review" and "process issues"); then each category total score gets equal weighting in the final total score for the metric. The PA may refer to the individual dispositions for more detailed descriptions of the specific actions staff required for each workpaper. The qualitative ESPI scoring feedbacks are designated as follows:

'+' indicates a positive (from midpoint) scoring impact on a metric,
'-' indicates a negative (from midpoint) scoring impact on a metric,
'Yes' indicates meeting expectation; neutral (midpoint) scoring impact on a metric,
'No' indicates the review feedback is not applicable to a metric.

Workpaper Reviews				ESPI Metrics					
WP ID	Rev	Title	Comments	Weight	1	2	3	4	5
WPSDGEWEN0001	1	Water Energy Nexus	Embedded savings calculated using WEN calculator v 1.05. SDG&E led this workpaper which generated interest from various stakeholders and provided an extremely helpful briefing on the policy behind the workpaper and the WEN tool. The analysis required using WEN tool outputs to report additional energy savings due to energy reductions.	1	Yes	+	No	Yes	+
SWSV002	1	Refrigerant Charge, Commercial	The electric unit energy savings (UES) for refrigerant charge adjustments were retrieved directly from the Database of Energy Efficient Resources (DEER version D20 v1; Resolution E-4952 approved the DEER updates for 2020, which included the electric savings values for this measure). This was straightforward DEER update workpaper.	1	Yes	Yes	No	Yes	Yes
SWSV003	1	Evaporator Coil Cleaning, Commercial	"The electric unit energy savings (UES) for the evaporator coil cleaning measure were retrieved directly from the Database of Energy Efficient Resources (DEER version D20 v1). SDG&E led this workpaper. This was a straightforward DEER update workpaper.	1	Yes	Yes	No	Yes	Yes
SWSV004	1	Condenser Coil Cleaning, Commercial	"The electric unit energy savings (UES) for condenser coil cleaning measure were retrieved directly from the Database of Energy Efficient Resources (DEER version D20 v1). SDG&E led this workpaper. This was a straightforward DEER update workpaper.	1	Yes	Yes	No	Yes	Yes
WPSDGENRAG0003	0	Agricultural Greenhouse Thermal Curtains	SDG&E led this workpaper. Review did not result in any comments.	1	Yes	Yes	No	Yes	Yes
WPSDGENRAG0001	2	Sprinkler to Drip Irrigation	SDG&E led this workpaper. Review did not result in any comments.	1	Yes	Yes	No	Yes	Yes
WPSDGENRAP0001	0	Gas Dryer Modulating Valve Commercial and Multi-Family	SDG&E led this workpaper. Review did not result in any comments.	1	Yes	Yes	No	Yes	Yes

Process Adder	ESPI Metrics					
	Weight	1	2	3	4	5
SDG&E has been particularly alert to DEER and PEAR database issues and has provided quick feedback in a clear manner when issues were found. The DEER team has found this to be most helpful.	1	No	No	No	+	No
SDG&E, in collaboration with the other PAs, has managed the revision and/or development of a high volume of workpapers during the review period. CPUC Staff acknowledges SDG&E's role in making this submission cycle successful and timely.	1	No	No	+	No	No
SDG&E partnered with the CPUC Staff and other PAs to resolve common issues and implement process improvements. Examples of these include: Development of a solution for implementing the new measure application types (MAT), implementation of workpaper cover page, coordinating the WPs to be used for ABAL 2020. As noted in another score, the identification and resolution of these issues should have happened earlier.	1	No	No	No	Yes	No
SDG&E collaborated with the other PAs and CPUC Staff to present a Third Party Workpaper Q&A webinar on April 11.	1	No	No	No	Yes	No

Attachment D: 2019 Performance Annual Ratings

Custom Scoring

2019 Annual Custom Ratings		Metric 1	Metric 2	Metric 3	Metric 4	Metric 5	
Direct Work Product Review Score	Disposition Score (1-5)	4.89	2.34	1.60	3.00	2.50	
Review Process Score Enhancements	Technical & Policy QC Increase	0.00	0.00	1.50	1.00	1.00	
	Implementation Increase	0.00	0.00	0.00	0.00	0.00	
Total Score	Adjusted Final Metric Score (1-5)	4.89	2.35	3.10	4.00	3.50	Total Points
	Adjusted Metric Points	4.89	7.03	3.10	10.00	8.75	33.77

2018 Annual Custom Ratings		Metric 1	Metric 2	Metric 3	Metric 4	Metric 5	
Direct Work Product Review Score	Disposition Score (1-5)	2.50	3.19	2.25	1.83	1.43	
Review Process Score Enhancements	Technical & Policy QC Increase	0.00	0.00	0.00	0.00	0.50	
	Implementation Increase	0.00	0.00	0.00	0.00	0.50	
Total Score	Adjusted Final Metric Score (1-5)	2.50	3.19	2.25	1.83	2.43	Total Points
	Adjusted Metric Points	2.50	9.58	2.25	4.58	6.06	24.98

SDGE-CustomTables.xlsx This embedded workbook contains all of the SDG&E Custom Scoring tables.

Workpaper Scoring

2019 Annual Workpaper Ratings		Metric 1	Metric 2	Metric 3	Metric 4	Metric 5	
Direct Workproduct Review Score	SDG&E "-"	0%	0%	0%	0%	0%	
	SDG&E "+"	0%	14%	0%	0%	14%	
	SDG&E "Yes"	100%	86%	100%	100%	86%	
	Dispositions Score %	**50%**	**57%**	**50%**	**50%**	**57%**	
	Dispositions Score	**2.50**	**2.86**	**2.50**	**2.50**	**2.86**	
Review Process Score Enhancements	SDG&E "-"			0%	0%		
	SDG&E "+"			100%	33%		
	SDG&E "Yes"			0%	67%		
	Process Score %	**0%**	**0%**	**100%**	**67%**	**0%**	
	Process Increase Score	**0.00**	**0.00**	**5.00**	**3.33**	**0.00**	
	Process Increase Weight	**0.50**	**0.50**	**0.50**	**0.50**	**0.50**	
	Process Increase Wtd Score	**0.00**	**0.00**	**2.50**	**1.67**	**0.00**	
Total Score	**Final Metric Score (1-5)**	**2.50**	**2.86**	**5.00**	**4.17**	**2.86**	**Total Points**
	Metric Points with Weighting	**2.50**	**8.57**	**5.00**	**10.42**	**7.14**	**33.63**

2018 Annual Workpaper Ratings		Metric 1	Metric 2	Metric 3	Metric 4	Metric 5	
Direct Workproduct Review Score	SDG&E "-"	56%	20%	0%	67%	100%	
	SDG&E "+"	0%	0%	0%	0%	0%	
	SDG&E "Yes"	44%	80%	100%	33%	0%	
	Dispositions Score %	**22%**	**40%**	**50%**	**17%**	**0%**	
	Dispositions Score	**1.11**	**2.00**	**2.50**	**0.83**	**0.00**	
Review Process Score Enhancements	SDG&E "-"	0%	0%	0%	100%	0%	
	SDG&E "+"	0%	0%	67%	0%	100%	
	SDG&E "Yes"	100%	0%	33%	0%	0%	
	Process Score %	**50%**	**0%**	**83%**	**0%**	**100%**	
	Process Increase Score	**2.50**	**0.00**	**4.17**	**0.00**	**5.00**	
	Process Increase Weight	**0.50**	**0.50**	**0.50**	**0.50**	**0.50**	
	Process Increase Wtd Score	**1.25**	**0.00**	**2.08**	**0.00**	**2.50**	
Total Score	**Final Metric Score (1-5)**	**2.36**	**2.00**	**4.58**	**1.00**	**2.50**	**Total Points**
	Metric Points with Weighting	**2.36**	**6.00**	**4.58**	**2.50**	**6.25**	**21.69**

Explanations of scoring tables row entries

- The row labeled with PA "-" lists the percent of workpaper reviews undertaken where the CPUC Staff evaluation of the materials or information indicated that the PA performance in this metric for the submission did not meet minimum expectations or requirements relative to the metric.
- The row labeled with PA "+" lists the percent of workpaper reviews undertaken where the CPUC Staff evaluation of the materials or information indicated that the PA performance in this metric for the submission exceeded minimum expectations or requirements relative to the metric.
- The rows labeled with PA "Yes" lists the percent of workpaper reviews undertaken where the CPUC Staff evaluation of the materials or information indicated that the PA performance in this metric for the submission exceeded met minimum expectations or requirements relative to the metric.
- The "Dispositions Score %" row (and "Process Increase Score" for workpapers) indicates how the combination of the three rows of scores (+, -, and yes) sum into a total points multiplier for each metric. Each row contributes to the total based on the row count over the total count for all three rows.
- The "Disposition Score" (and "Process Increase Score" for workpapers) row converts the percent score into a numeric value of up to five by directly applying the percent to a value of 5.
- The custom row labeled with "Technical & Policy QC Increase" lists CPUC Staff points added to the metric based on an evaluation of the overall PA performance in putting into place quality

assurance and/or quality control methods, documents and/or training for staff and contractors related to this metric area that are expected to improve the ability of review personnel to identify and cure issues going forward on projects started during 2016 but not yet seen in the custom review activity.

- The custom row labeled with "Implementation Increase" lists CPUC Staff points added to the metric based on an evaluation of the overall PA performance in putting into place new or changed program rules, eligibility criteria, incentive structures, application and implementation contract processes and procedures in 2016 related to this metric area that are expected to improve performance going forward on projects started but not yet seen in the custom review activity.
- The workpaper rows labeled with "Review Process Score Enhancements" lists CPUC Staff scoring for each metric based on an evaluation of the overall PA performance in putting into place quality assurance and/or quality control methods, documents and/or training for staff and contractors that are expected to improve the ability of review personnel to identify and cure issues going forward on workpapers. This score is weighted as an increase to the disposition score based on the fractional weight listed in the "Process Increase Weight" row.
- The "Final Metric Score" row indicates the total score for each metric as a sum of the Direct Work product Review Score plus the Review Process Score Enhancements (either as a simple sum for custom or a weighted value sum for workpapers) to provide a final metric score with the final score constrained between a maximum score of 5 and a minimum score of 1.
- The "Metric Points" row provides the point value derived from the Final Metric Score row. If the maximum point value associated with a metric is greater than 5 then the score is multiplied by the max point value divided by 5 to obtain the metric point value related to the final score.