

EE Portfolio Application Template

1. Exhibit 01: Strategic Business Plan

- a. PA's Vision for EE in CA: 2024-2031
 - i. Desired outcomes of portfolio
in narrative form, and description of broad principles that drive the proposed business plan strategies.
 - ii. Description of service territory
and service territory-related factors that could make achieving EE goals easier or harder. This may include a discussion of types, substantive differences, and relative impact of climates within service territory or other aspects unique to service territory.
 - iii. PA's EE Strategy
Identify and **summarize** major strategies in this application, including but not limited to:
 1. Strategy for application/use of various and new methods for savings forecasting and quantification methods (e.g., normalized metered energy consumption including requirements in Public Utilities Code section 25310(c)(5))
 2. Strategies for market intervention and energy efficiency adoption: e.g., targeted points of intervention; delivery channels/platforms/methods
 3. New strategies for spurring innovation: e.g., cultivating new, diverse, businesses to enter EE design/implementation, cultivating relationships with traditional actors in other markets to enter EE design/implementation, supporting the adoption of new and evolving GHG reducing technologies
 4. Strategy for incorporating low global warming potential (low-GWP) refrigerants in the portfolio
 5. Portfolio management strategies
 - a. Segmentation Strategy Summary (including Resource Acquisition, Market Support, Equity)
 - b. Sector Strategy (Ag, Commercial, Cross-Cutting, Industrial, Public, Res)
 - c. Very high-level discussion of strategies driving distribution of budget among sectors and segments
 - d. Outsourcing (required for IOUs only)
 - i. Strategy for continuing to maintain outsourcing target
 - ii. High-level discussion of solicitation strategies (scope, schedule). Identify major changes to strategies from prior strategic business plan
 - e. Portfolio Coordination (other PAs, statewide programs, other DSM programs)
 6. Evaluation, measurement and verification (EM&V)

7. Alignment with Legislative and CPUC Requirements and Relevant Action Plans
 - a. Demonstrated alignment of business plan strategies and outcomes with Legislative and CPUC requirements
 - b. Discussion of how the portfolio design and budget aligns with relevant action plans beyond the energy efficiency proceeding related to providing clean, safe, reliable, affordable energy to all customers. This includes, for example, the Environmental and Social Justice Action Plan, greenhouse gas reduction, reliability, and integrated resources planning.
- b. Annual portfolio budgets
Annual projected portfolio budgets adding up to the 8- year authorized budget cap including Savings, Cost Effectiveness & TSB forecasts
- c. Recommendations for New or Modified EE Policy

2. Exhibit 02: 2024-2027 Portfolio Plan

- a. Portfolio Summary
 - i. Key metrics and outcomes
 1. Discussion of business plan proposed outcomes as they tie to portfolio-, sector-, and segment-level metrics in 4-year portfolio application that are critical for tracking and quantifying progress of 4-year portfolio and budget that will lead to achieving 8-year business plan strategic plan outcomes.
 2. Narrative on portfolio goals and portfolio performance metrics to be achieved in 4 years
 - ii. Portfolio Strategies
 1. Strategy for application/use of various and new methods for savings forecasting and quantification methods (e.g., normalized metered energy consumption including requirements in Public Utilities Code section 25310(c)(5))
 2. Strategy for incorporating low global warming potential (low-GWP) refrigerants in the portfolio
 3. New strategies for spurring innovation: e.g., cultivating new, diverse, businesses to enter EE design/implementation, cultivating relationships with traditional actors in other markets to enter EE design/implementation, supporting the adoption of new and evolving GHG reducing technologies
 4. Strategies for market intervention and energy efficiency adoption: e.g., targeted points of intervention; delivery channels/platforms/methods
 - iii. Application summary tables covering the 4-year budget request
 1. Annual budget request over four years.
 2. Distribution of effort (budget) across segments and sectors
 3. For all segments: Projected sector-level and portfolio-level cost effectiveness (Total Resource Cost and Program Administrator Cost)

- a. to show the TRC and program administrator cost (PAC) ratios for all segments of the portfolio, separately and combined, including separately showing the portfolio cost-effectiveness with and without the C&S segment of the portfolio
 - 4. For resource acquisition segment: Forecasted program-, sector-, and portfolio-level cost- effectiveness over 4-year period
 - 5. For all segments: forecasted annual program-, sector-, and portfolio-level Total System Benefit (TSB), kilowatt-hours, kilowatts, therms, and CO2e.
 - a. Include comparison of projected TSB to adopted TSB goals
 - 6. Projected percentage of portfolio that is third-party-solicited (for IOUs)
- b. Forecast Methodology

Demonstration of reasonableness of request via zero-based budgeting for portfolio: i.e., budget breakdown by expenditure category (incentive, direct implementation non-incentive costs, administrative costs, marketing, evaluation, etc.) and the value delivered (forecasted performance metrics and quantitative contribution toward portfolio, segment, and sector goals/outcomes) for expenditure.

 - i. Program Modifications from 2023 Portfolio

Description of program modifications (e.g., categorization changes or significant budget shifts), new programs and discontinuation of existing programs from current portfolio
 - ii. Portfolio Administration vs Program Implementation Costs

Reference D.21-05-031 pp 32-33
- c. Segmentation Strategy
 - i.e. Resource Acquisition, Market Support, Equity, Codes and Standards
 - i. Strategies driving distribution of budget among segments and alignment with broader portfolio objectives
 - ii. Resource Acquisition
 - 1. Preliminary distribution of budget among segments for 2024-2027, and rationale for the distribution
 - 2. Segment-specific strategies, goals, and outcomes
 - 3. For all segments: Projected annual portfolio- and sector-level metrics
 - 4. Segment-specific Coordination (if needed)
 - iii. Codes & Standards
 - 1. Preliminary distribution of budget among segments for 2024-2027, and rationale for the distribution
 - 2. Segment-specific strategies, goals, and outcomes
 - 3. For all segments: Projected annual portfolio- and sector-level metrics
 - 4. Segment-specific Coordination (if needed)
 - iv. Market Support
 - 1. Preliminary distribution of budget among segments for 2024-2027, and rationale for the distribution
 - 2. Segment-specific strategies, goals, and outcomes
 - a. For all segments: Projected annual portfolio- and sector-level metrics

- b. For market support and equity segments: projected annual segment and program-level performance metrics per recommendations of the CAEECC metrics working groups
 - 3. Segment-specific Coordination (if needed)
 - 4. Interaction with Market Transformation activities
 - v. Equity
 - 1. Preliminary distribution of budget among segments for 2024-2027, and rationale for the distribution
 - 2. Segment-specific strategies, goals, and outcomes
 - a. For all segments: Projected annual portfolio- and sector-level metrics
 - b. For market support and equity segments: projected annual segment and program-level performance metrics per recommendations of the CAEECC metrics working groups
 - 3. Segment-specific Coordination (if needed)
- d. Sector Strategy
 - i. Strategies driving distribution of budget among sectors, and alignment with broader portfolio objectives
 - ii. Description of sectors program administrator proposes to serve (noting expansion into new sectors or withdrawal from sector)
 - iii. Preliminary distribution of budget among sectors for 2024-2027, and rationale for the distribution
 - iv. Agricultural Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment
Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details
 - a. "Cards" for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans
 - b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
 - v. Commercial Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment
Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details

- a. “Cards” for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans
 - b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
- vi. Cross-cutting Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment
Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details
 - a. “Cards” for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans
 - b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
- vii. Industrial Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment
Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details
 - a. “Cards” for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans
 - b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
- viii. Public Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment
Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details
 - a. “Cards” for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans

- b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
- ix. Residential Sector
 - 1. Sector-specific goals, objectives and strategies
 - 2. Sector-specific coordination (if needed)
 - 3. Categorization by Segment

Categorization of programs and/or sectors into the following segments: resource acquisition, market support, and equity (and Codes & Standards)
 - 4. Program Details
 - a. "Cards" for Existing programs: 1-2 pages per program, additional detail in workpapers and implementation plans
 - b. New programs being proposed as part of this application: longer discussion of each program, fulfilling AL requirements for new programs
 - c. Include program-specific coordination (if needed)
- e. Portfolio Management
 - Overview
 - i. Strategies to optimize portfolio and manage risk
 - 1. Approach to use of goals and metrics for portfolio optimization
 - 2. Plans and procedures PA will follow for staying "on-target" in its ability to meet savings/TSB goals and cost-effectiveness targets
 - 3. Approach to risk management, such as planning for the unpredictable events. Include here any lessons learned from COVID that informed PAs management approach.
 - ii. Approach to flexible portfolio management

Portfolio aspects for which PA deems flexibility must be retained to allow PA to meet goals and outcomes[PA]-led Programs. This is not an accounting of the details of each program, but a discussion of how programs are managed by the PA.
 - iii. Planned procedures and thresholds for course correction if portfolio is off-track

Program administrator's planned procedures and thresholds for course correction if off-track from meeting 4-year cost-effectiveness requirements, goals, and/or metrics
 - iv. Third-Party Programs
 - 1. Responsibility of program administrator in relation to third party designers/implementers
 - 2. Solicitation Strategy
 - a. Strategies for designing scope and schedule of solicitations
 - b. Third-party solicitation schedule from 2024-2027
 - c. Risk distribution
 - d. Incorporation of input on current solicitation practices

- e. Supplier diversity
 - i. Approach to outreach to and participation of a diversity of businesses in solicitations, especially new, small, and/or DBE, as well as organizations and businesses in markets that have not historically engaged with EE programs
 - ii. How does third party solicitation approach align with PA's overall DBE target
 - f. Continued stakeholder engagement on solicitation process
Discuss approach
 - 3. Statewide Programs
 - a. PA-led Statewide programs
 - b. Statewide programs managed by other PAs
 - c. Proposed changes in the designated lead PA for the statewide administration of programs, and/or proposal to convert regional programs to statewide
 - 4. Assessment and mitigation of risk from portfolio diversity, in different companies contracted, size of company, type of company (new, existing; DBE), contract budget amount
 - 5. Contract Management
- v. Portfolio Coordination
 - 1. Coordination with other PAs
 - 2. Description of how the program administrator's portfolio is complementary with the portfolios of other program administrators with overlapping service territory
 - 3. (IOU PA Only) Description, for both statewide and regional programs, of how strategies have been coordinated with the other program administrators, including designation of the lead for statewide programs and level of coordination for both statewide and regional programs.
 - 4. Description of how the 4-year portfolio and budget considers and coordinates with other energy programs to mitigate duplication of effort, unnecessary spending, and customer confusion or a customer participating in a suboptimal program for their needs
 - 5. Coordination with other demand-side programs
Description of how the program administrators coordinate their energy efficiency efforts with other demand-side programs (such as marketing, joint rebates for energy efficiency/demand response, Income-qualified Energy Savings Assistance programs, etc.). This should include coordination plans with building decarbonization programs, as well as plans to coordinate with Market Transformation, particularly in the area of codes and standards.
 - 6. Stakeholder engagement in the development of this Application

Summary of feedback received through stakeholder engagement process in developing application, with items rejected/accepted, and why.

- f. Evaluation, Measurement & Verification
 - i. Summary of planned EM&V Studies and Activities
 - ii. PA/ED Budget Allocation and Justification
- g. Cost & Cost Recovery (Approx. 5-10 pages)
 - i. Summary of costs at portfolio-level
 - ii. (IOU PA Only) Cost recovery through continued use of Balancing Account
 - iii. PA's approach to classification of which unspent funds are designated "committed" and thus not applied to reduce recovery in future years

3. Exhibit 03: Appendix

- a. Appendix A
- b. Appendix B
- c. Appendix C
- d. Appendix D
- e. Appendix E
- f. Appendix F
- g. Appendix G
- h. Appendix H
- i. Appendix I
- j. Appendix J
- k. Appendix K

Program Details (cards) – SAMPLE

Program Name: Sample Residential Program	
Program ID: SCE-XX-RES-001A New / Existing Link to implementation plan if existing (see D.21-05-031)	
Portfolio Segment: Resource Acquisition	Implementation Party: Third-Party Implementer
Applicable Sector: Residential	Market Sub-Sector: Single Family Residential
Sector Challenge: Existing single-family homes remain inefficient and costly to implement	Sector Opportunity: Increased participation in EE program and adoption of EE measures
Known Equity Concerns in the Selected Markets:	Proposed Solutions to Equity Concerns:
Program Description: The Sample Residential Program focuses on implementing behavior intervention strategies designed to help customers understand and manage their household energy use. The SR Program also offers single family residential customers incentives or direct installation of HVAC, lighting, water heating, etc. measures.	
Intervention Strategy: Downstream – SR will utilize retailers and their rewards programs to engage households Behavioral – SR's use of a rewards program will motivate purchasing decisions	Program Metrics: XXX kWh, XXX Therms, \$XXX TSB
High-level description of delivery workforce including necessary scale and its risks: Workforce requirements include cashiers, delivery drivers, etc. There are high quantities of these workers in place. A closure or suspension of regular services of one or more major retailers could pose a risk to program effectiveness.	

Market Actors necessary for success:	
<ul style="list-style-type: none"> • Home Depot • Lowe's 	
Solicitation Strategy: Third Party Solicited	Transition Plan: Not applicable
Expected Program Life: 2024 - On going	Short Term Plan Ramp up third-party program to full implementation to serve XX,000 customers
Cost Effectiveness TRC: 1.5	Long Term Outlook Move 50% of the single-family market to high efficiency equipment
Proposed Annual Budgets for 2024-2027:	Anticipated directional and scale changes in budget for years 2028-2031:
Implementation Plan: {LINK}	