codecycle

December 10, 2019

Coby Rudolph & Genesis Tang
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

Dear Coby Rudolph and Genesis Tang,

CodeCycle appreciates the thoughtful approach that Energy Division has taken to scoping and initiating the next Energy Efficiency Potential & Goals Study. Many of the underlying assumptions of the efficiency sector are in flux, and the studies that guide this field must adapt. As many existing programs prove less cost-effective, there is an equal opportunity to identify and launch new programs that provide additional efficiency savings for ratepayers.

3.b. "Please identify areas/topics that could be incorporated into the 2021 study."
CodeCycle wishes to make one comment regarding the next Potential & Goals Study: we believe that the assessment of energy code compliance levels should no longer be seen solely as an input to the assessment of energy savings for code development activities (i.e. IOU Code Advocacy programs). A "top down" analysis would see the gap presented by current compliance levels as a notable opportunity to deliver additional energy savings.

The current compliance analysis used for Code Advocacy programs generally looks only at the savings that result from newly adopted code measures. Simply changing the compliance assumptions in that analysis will underestimate the potential that can come from improved code compliance because a robust compliance improvement program is likely to address both new code measures and older code measures that have been on the books for some time. That said, the existing compliance assessment used for the analysis of IOU Code Advocacy programs represents at least an initial, conservative assessment of the technical potential that can come from improving code compliance practices.

We acknowledge that all current compliance improvement programs are operating as non-resource programs and that there are not yet methodologies in place to assess the technical or economic potential of advanced compliance improvement programs. But methodologies can be developed, and once the compliance improvement potential is more explicitly acknowledged, there is a better chance that PAs will seek to run compliance programs as resource programs in the future, likely improving overall portfolio cost-effectiveness.

Sincerely,

Dan Suyeyasu
Director, CodeCycle