BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Application of Pacific Gas and Electric Company for Approval of 2013-2014 Energy Efficiency Programs and Budget (U39M)	APPLICATION 12-07-001 (Filed July 2, 2012)
Application of San Diego Gas & Electric Company (U902M) for Approval of Electric and Natural Gas Energy Efficiency Programs and Budgets for Years 2013 through 2014.	APPLICATION 12-07-002 (Filed July 2, 2012)
Application of Southern California Gas Company (U904G) for Approval of Natural Gas Energy Efficiency Programs and Budgets for Years 2013 through 2014.	APPLICATION 12-07-003 (Filed July 2, 2012)
Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency and Demand Response Integrated Demand Side Management Programs and Budgets for 2013-2014.	APPLICATION 12-07-004 (Filed July 2, 2012)

Reply of California Center for Sustainable Energy to Responses to the Consolidated Applications of Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company for Approval of 2013-2014 Energy Efficiency Programs and Budget

California Center for Sustainable Energy

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I. INTRODUCTION

The California Center for Sustainable Energy (CCSE) enjoyed reading the myriad responses and protests of parties to the energy efficiency applications of Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company and Southern California Gas Company ("Applications"). California is at a crossroads on its path to a sustainable energy future, and energy efficiency policy in California impacts a great number of varied stakeholders; the responses submitted reflect this. Parties (including CCSE) have frequently referred to the Long Term Energy Efficiency Strategic Plan (LTEESP) and other state energy/climate goals as "ambitious" and "aggressive." With 2020 now only seven years away, we are concerned that these descriptors will soon be replaced with "unachievable" and "impossible" if appropriate implementation that strikes the right balance between short- and long-term priorities is not put into action now. We applaud the Commission for its leadership in guiding energy efficiency programs and its recognition of the need for overarching changes in the way these programs are carried out. While we recognize there are many important discussions being had in these responses and protests by all parties, we consider the whole house initiative an important example of the collision between short- and long-term priorities and goals, and a cautionary tale that proves the adage, "the devil is in the details." This is especially true when considering the project before us: actually implementing at the customer, building, and community level the policy goals outlined in the LTEESP and related climate and energy policies. The need for California to reduce its energy consumption and greenhouse gas emissions is urgent and necessary and involves connecting with Californians both at the individual level and at scale. This effort was begun in earnest with Energy Upgrade California, and while corrections and improvements certainly need to be made, the transition from ARRA to ratepayer funding to continue these efforts must not lose sight of the ambitious scale the program must achieve, nor can it be done at the expense of what has already been started. Thus we direct this reply to issues raised in responses and protests related to the whole house programs.

II. WHOLE HOUSE PROGRAMS SHOULD NOT BE JUST ANOTHER IOU PROGRAM

CCSE is deeply rooted in on-the-ground implementation of sustainable energy market transformation, working in a variety of roles and contexts on a variety of programs from the California Solar Initiative and SunShot Initiative to the Clean Vehicle Rebate Project and Energy Upgrade California. As a non-profit public benefit corporation, CCSE does not have customers in the same way as a utility or manufacturer does, and yet in implementation of programs, we place our focus always on the customer, whom we define as those who participate in our programs and those who benefit from those programs as individuals and communities. In every program activity we undertake, we seek to understand and serve the needs of those participating in and benefiting from the programs. Our experience implementing many aspects of the Energy Upgrade California (EUC) program, including consumer marketing and outreach, contractor co-operative marketing and lead generation support, contractor training and mentoring, workforce development with apprenticeship and job placement, real estate and finance community outreach, local government support, overall stakeholder facilitation and coordination, and the management of a combined market-based and direct-install low-to-moderate income program has allowed us to learn many lessons and gain precisely the "increased knowledge that result[s] in solutions", which DRA speaks about. Much of this hard-won knowledge was articulated by CBPCA, and we recognize that the program recommendations and observations made in their response reflect reality in the market. This perspective is all too often missing from these policy discussions, and we encourage the Commission to carefully consider CBPCA's response.

The achievement of the goals outlined in the LTEESP and various other state energy and climate policies is heavily dependent on whole house style programs to achieve 40% reductions in energy usage in existing homes by 2020.[1] Following the lead of State policies, local governments, who are on the hook for meeting AB 32 goals, are looking to comprehensive retrofit programs to achieve their own local climate action planning goals as well. The City of San Diego, for example, is seeking to reduce energy usage in 30% of existing residential building stock by 30% by 2020. As the California Energy Commission continues its work to build the "Comprehensive Energy Efficiency Program for Existing Residential and Nonresidential Buildings" mandated by AB 758, it's important to recognize that the many ARRA-funded programs implemented under the Energy Upgrade California brand over the last few years have been part of that development, effectively serving as pilot programs for the AB 758 program.[2] Corollary to that, it is important for those of us focused on ratepayer-funded programs in these proceedings to recognize that these represent only a portion of the overall effort, albeit the primary portion that is in the marketplace currently. Thus, the proverbial rubber has already hit the road on AB 758 implementation in the form of Energy Upgrade California, and we are at a critical decision point regarding maintaining commitment to the bold, comprehensive effort or pulling back to business as usual.

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[1] *California Long Term Energy Efficiency Strategic Plan*, September 2008, Section 2, page 11.
[2] ARRA AB 758 Pilot Programs: http://www.energy.ca.gov/ab758/pilot-programs.html

It must also be acknowledged that comprehensive retrofit programs, like Energy Upgrade California, are intrinsically different efforts than those the utilities have engaged in previously. The marketing and sales channels are more fragmented, the delivery mechanism and implementation actors are not directly accountable to the IOUs, and the energy savings require significantly greater resources to acquire. Moreover, the goals are unlike those of any utility market transformation program to date: This is not a program whose goal is to bring down the cost of a given technology; rather, we are building an *industry*, a fundamentally different undertaking altogether. It should in fact be thought of as a market-building program, and the transformation is to create a market that is not currently there, from stimulating demand to ensuring it can be filled. Scaling this effort as a market-based and market-driven program is the only way to reach our policy goals. For these reasons, we do not believe it is appropriate for the whole house program to simply be subsumed into the IOUs' portfolios, where it would be subject to potentially detrimental changes and budget reductions based on its drag on portfolio cost-effectiveness and shareholder concerns, rather than on-the-ground programmatic requirements for success to meet the ambitious policy agenda.

III. CBPCA'S RESPONSE

We very much enjoyed reading CBPCA's response, as they concisely and accurately articulate many of the very issues that CCSE has been grappling with while implementing various aspects of Energy Upgrade California on the ground. We agree and have noted in myriad comments in the R.09-11-014 proceeding that contractors are "the individuals on the front lines of the EUC program."[3] We also agree with CBPCA that these programs are directly intertwined with efforts to meet a variety of statewide climate and energy policies, and we

[3] *Comments of the California Building Performance Contractors on the Presentations by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company Regarding 2013-2014 Energy Efficiency Programs and Budgets,* August 2012, page 2.

reply and elaborate on their concern that the programs will not meet LTEESP goals if they continue to be "relegated to lower level program managers who do not have adequate authority to take the most efficient path to achieve program success." Indeed many of the issues highlighted by CBPCA with regard to EUC program deficiencies are related to the manner in which IOU management has approached the whole house programs. It has been our experience that IOU program managers are diligent and professional and work hard on this program, but their success is challenged by a few key factors. The first is a misalignment of goals with the scope of this endeavor. IOU upper level management seems to view this only as one of many programs offered to residential customers to meet their energy-savings goals and not, in line with its policy aims at the local, state and federal levels, as a transformational effort aimed at changing how residents think about and inhabit their homes and at building a new industry of businesses and jobs dedicated to delivering systemic energy efficiency services. The second factor stems from governance relationships within the Energy Upgrade California programs. Under the direction of the California Energy Commission (CEC), Energy Upgrade California had a three-part governance structure comprised of a steering committee, coordinating group and technical advisory committee. The steering committee included representatives from the CEC, CPUC, the IOUs and ARRA Contract Administrators and Local Governments and was intended to "make key organizational decisions for EUC" and stated to be "accountable for the delivery of EUC".[4] Its goals were outlined by the CEC as follows:[5]

- Develop a structure that takes responsibility for full program implementation and integration.
- Have a communication system in place to facilitate a statewide program that is stable and ongoing.

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[4] *Energy Upgrade California Governance Structure*, CEC Revised 11-14-11. (C. Collopy, Personal Communication, June 19, 2012).

[5] *Goals of the Energy Upgrade California Organizational Management Structure,* CEC (C. Collopy, Personal Communication, June 19, 2012).

- Develop a decision-making structure that responds to policy issues that arise.
- Coordinate a program that is under one brand where statewide partners work together to leverage resources to achieve greater outreach to consumers.
- Create a robust whole home retrofit program that creates opportunities for employment in the construction sector.
- Implement a program that acts as a platform for future energy efficiency, renewable energy and water efficiency programs.

This was a well-intentioned and planned effort, but the IOUs were not required to fully participate in the CEC structure. In comments to the CEC, the CPUC stated its commitment to "contributing to the program's success, including contributing actively to the proposed organizational structures" but also noted that "Energy Division would see the proposed Steering Committee as having no binding authority over the specifics of IOU EUC program implementation," relegating any recommendations from the committee to an advisory capacity, while also noting that the "CPUC would hope the IOUs would seriously consider any such recommendations."[6] Thus, the goals and purpose of the steering committee and its related subcommittees were not aligned on by all stakeholders, and from the IOU perspective, this effort functioned more like a Program Advisory Group (PAG). All feedback on IOU implementation of the program has been treated as advisory in nature. While IOU program managers have made efforts to be open to such feedback and have at various times adjusted their program delivery to respond to it, the structure by which such feedback was to be evaluated and improvements were to be quickly and consistently made across the state was not able to enforce accountability to its purpose. Furthermore, those changes have been relatively slow and piecemeal and have not met the market's need. Moreover, some aspects of the IOU programs are local in design and administration and some are statewide, each

[6] *CEC Response to Comments on Proposed EUC Org Structure Rev 2-17-11* (C. Collopy, Personal Communication, June 19, 2012).

presenting a barrier in that local variations in program design have confused the marketplace. Lack of statewide coordination across all IOUs slows improvements to specific problem areas, including the Basic Path.

We further agree with CBPCA that "contractors must be an integral part of program design", and CCSE has worked with and supported SDG&E to include the contractor community in the San Diego region in program design and development. In our training and mentoring of contractors on behalf of SDG&E's program, we work with SDG&E staff to solicit feedback from contractors regularly and to respond to contractor concerns, and we appreciate SDG&E's responsiveness to this feedback. Together with RHA on the program implementation team, we have innovated in several areas of the local program, including allowing contractors to provide direct feedback on the program handbook, enabling HERS raters to participate in the program more fully, and most recently, evaluating challenges and barriers to the Basic Path. In the San Diego region, we have also recognized that program input is needed from a broad selection of stakeholders in addition to contractors and raters, including local governments, realtors and finance professionals, and community-based organizations. To this end, CCSE formed the Retrofit Advisory Council (RAC) as part of its work on San Diego County's AB 758 pilot to gain insight into contractor-customer relationships, market dynamics, and the ways in which the program could be supported and improved to drive participation. The RAC has several committees that engage specific market actors, including contractors and members of the real estate industry and financial community who drill down on market barriers and seek solutions to recommend to the region. We agree with CBPCA that "it is imperative to embrace the Participating Contractors as principal allies, not potential liabilities to be guarded against,"[7] and we believe that this is best accomplished through mentoring and technical training with a special focus on "soft" skills. Home

[7] *Id.*

performance is a complicated customer proposition, and contractors need support in selling its benefits and delivering the quality experience that will make people recommend this activity to their family, friends and neighbors.

We note that in the San Diego region, CCSE is already doing many of the things that CBPCA recommends, including:

- "Fund marketing, sales, and business skills training"[8]: Through programs like TOPHVAC, CCSE provides precisely this type of "soft" skills training to contractors.
- "Marketing programs need to leverage ongoing and frequent validation from the most visible politicians"[9]: CCSE recently worked with the City of San Diego's Mayor's office to send out 40,000 letters from the Mayor informing specifically targeted neighborhoods about program opportunities, including additional incentives for MIDI-eligible participants to take advantage of a leveraged EUC/MIDI program designed and managed by CCSE and the City's financing program. This effort resulted in 1,600 e-mail and phone responses from residents seeking further information.
- "Develop loan-loss reserves"[10]: CCSE worked with the County of San Diego Board of Supervisors to ensure that the CHF loan programs was made available in San Diego, and CCSE has worked with the City of San Diego, a local credit union and multiple financing programs to help educate contractors in the use and marketing of available loan programs.

[8] *Comments of the California Building Performance Contractors on the Presentations by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company Regarding 2013-2014 Energy Efficiency Programs and Budgets,* August 2012, page 4.
[9] *Id.*
[10] *Id.* at 5.

IV. PARTY POSITIONS AND PROPOSALS

A number of parties made recommendations for improvements to the whole house program in their responses and protests to the IOU applications, including TURN, NRDC, DRA and others.

NRDC

NRDC makes a number of prescient observations regarding the "start and stop" nature of the EE program cycles. "The 'start and stop' approach to program design introduces uncertainty into the industry and makes it challenging to gain momentum and enable the industry to sufficiently invest in expansion of their production and workforce. Further, it is unclear that short program cycles provide the necessary commitment to substantially ramp up efficiency efforts in a timely manner."[11] We could not agree more, and we note that the negative impacts of "start and stop" cycles provide a particularly detrimental barrier to building the market for whole house programs, which rely on a diffuse community of contractors for program delivery. "Start and stop" cycles are challenging for third-party implementers and local governments as it is, and the more experienced of these have found ways to deal with some of the uncertainty involved. Contractors, on the other hand, who have no such experience and no third-party or other contract with the utilities, will likely not be able to mitigate the fall-out resulting from program stops and starts. Rather, as CBPCA notes has already occurred, they will simply drop the program entirely, and possibly home performance elements of their business as well, due to the high costs of uncertainty created by such an approach to EE programs. Potential customers are the recipients of contractor confusion and are likely to be turned off by unclear or varying information on incentives and financing.

[11] *Response of the Natural Resources Defense Council (NRDC) to the Utility Applications for 2013-2014 Efficiency Programs and Budgets,* August 2012, page 27.

TURN

TURN's protest focuses in large part on the IOUs' apparent failure to align their portfolios with the LTEESP, and specifically the residential sector goals contained therein. We agree with TURN's assessment of the residential sector proposals within the applications, and we have come to the same conclusions regarding the inadequate focus on comprehensive retrofit programs. TURN notes, "[w]ithin the residential sector, the "Energy Advisor" program contributes about 5% of energy and therm savings, and the "Plug Load and Appliances" program contributes about 5% of energy, demand, and therm savings. Neither of these can be characterized as a comprehensive retrofit program."[12] We agree that while Energy Advisor can be valuable *in conjunction with* other programs, and plug load and appliances are also important, neither will get us anywhere near the 40 percent reductions in residential energy use required by 2020 in the LTEESP. TURN further points out that, "the utilities failed to propose changes in their 2013-2014 applications to increase moderate income household participation in the Basic Path. Rather, they propose that this issue be considered generally during the transition cycle."[13] This slow response to improving this customer on-ramp to home performance for moderate income families is a source of major concern for stakeholders who have worked painstakingly to build the existing EUC infrastructure on the ground.

DRA

DRA also filed a protest to the applications on August 3, 2012, and focused many of its comments on the whole house program. Having recognized many of the same issues facing the whole house program that other parties noted, DRA puts forth a proposal, developed jointly with NRDC and the IOUs, for a "collaborative framework for whole house market transformation."[14] The focal point of the proposal involves the IOUs' hiring of a market

[12] *Protest of The Utility Reform Network,* August 3, 2012, page 19.
[13] *Id.*
[14] *Protest of the Division of Ratepayer Advocates,* August 3, 2012, page 2.

transformation consultant to "redesign the program and to develop program cost effectiveness, evaluation, and measurement methodologies."[15] The proposal *then* (post-program "redesign") envisions a process to "secure input from market participants and other stakeholders" as well as a "non-market, non-financially interested [group of] stakeholders… to facilitate the sharing of confidential and market-sensitive information."[16] The goal of this group is ostensibly to "allow candid discussions (especially related to market characterization assessments) and greater understanding of program strategy and design."[17]

We appreciate the earnest efforts of DRA and NRDC to work with the IOUs to find a way forward for the whole house program, and we agree that the correct and appropriate application of market transformation methodologies is certainly a required element for improving whole house programming. We are concerned, however, by what follows in the proposal as described by DRA:

> "DRA hopes the proposed collaborative framework for whole house market transformation will facilitate an adaptive process that can more easily and rapidly accommodate adjustments in program strategies, approaches, and designs, that can be applied to the utilities' whole house programs. This requires a commitment to such an adaptive process by the utilities, which are the program administrators of their whole house program, by market participants that have contracts with utilities, by other stakeholders, and by the Commission… As program administrators the utilities should be singularly accountable for whole house market transformation program outcomes. Prescriptive regulatory oversight of program strategy, design and implementation could confuse accountability… While input and advice from a

[15] *Id.*
[16] *Id.*
[17] *Id.*

> broad spectrum of stakeholders is provided, it should be clear that program decisions rest with the utilities"[18]

We are 100 percent committed, along with DRA and NRDC, to advancing the goals outlined in the LTEESP as they relate to the residential sector; however, in light of our previous comments regarding the nature of the whole house program, we are skeptical that such a utility-centric approach will truly lead to success. First, the process begins in the wrong place, with an apparent lack of any engagement of the contractor community in the program redesign process. Rather, the proposal appears to envision taking the whole house program into a closed room, where the actors that are the most distant from the actual on-the-ground reality will "redesign" the program possibly from the ground up. While we welcome all candid discussions about strategy and design related to whole house programs and their role in reaching the goals of the LTEESP and other long-range policy plans, and certainly also consider a critical look at market characterization assessments important, we would have liked to have seen the IOUs participate in that activity with commitment and candor in the closed steering committee meetings convened by the CEC for the last two years while the programs were developed. We also anticipate many of those discussions to happen as part of the public participation process led by the CEC in its development of the Comprehensive Energy Efficiency Program for Existing Residential and Nonresidential Buildings, and we are very concerned about the implication in this proposal that the IOUs will pull back dramatically on the program they have already started and reimagine it at a foundational level. Little about this process appears "adaptive" nor is it clear how it would "easily and rapidly accommodate adjustments in program strategies, approaches, and designs," particularly when the proposal makes clear that it is the IOUs who will be driving this process, with or without the actual use of any substantive input from those who must then attempt to make the program a success in

[18] *Protest of the Division of Ratepayer Advocates,* August 3, 2012, page 4.

the marketplace. We sincerely appreciate efforts to improve the IOU whole house program; however, we find little in this proposal that speaks to the ground-level issues articulated by CBPCA as well as others whose voices are not represented in these proceedings. We are also very concerned about coordination that better serves consumers and ask the Commission to be thoughtful about governance of whole house programs especially with potential approval of both the IOU and REN applications and the CEC's continuing development of AB 758 programming and consider lessons learned from the previous experience.

V. CCSE'S ALTERNATIVE PROPOSAL

Based on our comments above, and building from our opening response, CCSE proposes an alternative path for the IOU whole home program, which we hope the Commission will consider alongside that of DRA/NRDC and the IOUs. First off, the program must continue to be associated with the brand "Energy Upgrade California," and should not assume a new brand identity as "WHUP," and we do not believe it was the Commission's intention to do so. The Energy Upgrade California brand was developed under the direction of the CEC and the CPUC in relation to meeting the mandate for AB 758. It can be transitioned to an umbrella brand and still be closely correlated to this whole house effort for consumers and contractors; to divorce the two now would be detrimental to the whole house effort and defeat the purpose of choosing an existing brand to develop into the umbrella. We will work with the IOUs to assess and measure the Energy Upgrade California brand today, so we can assess and measure the success of the transition period at the end of 2014 with regard to brand awareness. We will also manage the brand transition such that it builds effectively on what has been done to date in the marketplace and drives interest by consumers and small businesses to be part of this major effort to transform our relationship to energy. At the core of that transformation for residential consumers is comprehensive, systemic, performance-based building improvements, along with changing rate structures, the information and tools for management now available with smart meters and disruptive business offerings in distributed generation, and advanced energy storage. Given how it engages residential consumers in thinking dramatically differently about their homes' relationships to energy and how it encourages a systemic view of energy use and management, the whole house program could be considered a core consumer engagement strategy for statewide ME&O.

On a related note, the Energy Upgrade California whole house program has been and continues to be ill-suited for inclusion into the EE portfolios as just one of many program offerings to the residential sector. If it is allowed to be viewed and treated this way, the program will not achieve the scale and impact that it must have if we are to even attempt to reach 40 percent reductions in energy use by 2020. This service offering is remarkable: We are asking consumers to reimagine how their homes perform systemically with regard to energy consumption and to purchase a service to improve that performance from a diverse array of providers in the marketplace at market rates. We must concurrently train that marketplace to provide and sell this service as the remarkable innovation that it is. Not only is this program different than other IOU programs, it must fundamentally be a marketing, education and outreach effort if it is to succeed, as one of the primary hurdles facing the program is customer and contractor awareness. We agree with DRA that a mission-driven, market transformation oriented organization and a single point of accountability for the performance of the whole house program are both needed for success, and after much consideration, we believe there is sufficient reason to place that oversight and accountability for the EUC whole house program with the same entity that will administer the statewide Energy Upgrade California brand. The ability to understand and lead this effort is part of what made CCSE so uniquely qualified to transition the Energy Upgrade California brand. As noted previously on the record and by SDG&E it in its testimony for these applications, CCSE has unique experience managing other ratepayer-funded programs and working with IOUs on another statewide brand, Go Solar California. Additionally, CCSE is a Building Performance Institute Test Center and training affiliate and a sponsor of Home Performance with Energy Star, and has been active in Energy Upgrade California whole house programs at every level.

Working with a revised version of the CEC governance structure and multiple stakeholders, CCSE could act as the lead entity in managing implementation of the next iteration of the whole house program as a service offering of the Energy Upgrade California Statewide ME&O program. As noted in our opening response, this special consideration and approach is uniquely appropriate for this program in that it takes into account the following inherent characteristics of EUC: (1) it is statewide and not local; (2) it is delivered to consumers by a marketplace of contractors and does not particularly require nor benefit from IOU management; and (3) it is having its brand transitioned to broader goals after two years of brand-building for the home performance service offering, which is causing marketplace confusion that could undermine the home performance industry if not properly managed.

CCSE would coordinate oversight of the program through the statewide steering committee, as was intended from the beginning of Energy Upgrade California, allowing for substantive guidance and input from a diverse group of stakeholders, and ultimately accountability to the Commission. The IOUs would count the savings in their IOU EE portfolios and participate in the steering committee with a commitment to its authority and would not directly manage implementation of the program. The steering committee would be comprised of the CPUC and CEC staff, the IOUs, home performance and market transformation experts, program implementers, and RENs and related local governments and would be coordinated by CCSE. We envision a governance structure in which the steering committee has direct oversight of the program under the auspices of the statewide marketing, education and outreach program and reports quarterly on program progress to the Commission, not unlike the regular reporting provided by the California Solar Initiative. Also, similar to CSI Solar Statistics, this effort would work to standardize and publicize relevant market data in an aggregated, consumer-protected fashion that would serve to build the industry. The steering committee would be supported by regional Retrofit Advisory Committees (RACs) throughout the state that would provide ground-level input from the contractor, real estate, and community-based organizations implementing whole house programming, ensuring that this crucial input is flexibly and rapidly translated into program modifications as needed. CCSE has continually demonstrated this program flexibility in its stewardship of the Self-Generation Incentive Program (SGIP), CSI, and EUC programs here in the San Diego region, and we seek to bring this forthright approach to the whole house program statewide, in alignment with the overall effort to engage residential and small business consumers in taking action to better manage their energy use.

Under such a structure, the Statewide Steering Committee would truly be a “steering” committee with real oversight authority, not merely an advisory body convened for the purpose of *appearing* to engage with stakeholders. CCSE would lead this coordinated oversight and would oversee the implementing organizations, which would also serve on the committee, under the auspices of the statewide ME&O program, thereby ensuring that the whole house marketplace is not lost in the brand transition and that consumers are engaged in this worthwhile effort effectively in coordination with overall marketing, education and outreach about energy management.

VI. CONCLUSION

CCSE respectfully submits to the Commission this reply to protests and responses to the Consolidated Applications of Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company for Approval of 2013-2014 Energy Efficiency Programs and Budget. We hope the Commission will take to heart our sincere concerns regarding the future of the EUC whole house program and consider carefully the various proposals put forth by DRA/NRDC and the utilities as well as by CCSE. Our sole mission with respect to these proposals is to ensure the success of these vital programs, and we are eager to work with the Commission and other parties, including the IOUs, to design an appropriate coordinating structure for the state's whole house programs that is flexible, adaptive, transparent, and truly responsive to stakeholder input. We look forward to continuing these discussions in a collaborative manner in the coming weeks and months.

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