



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Application of Southern California Edison)
Company (U338E) for Approval of its)
2012-2014 California Alternative Rates for)
Energy (CARE) and Energy Savings)
Assistance Programs and Budgets)

Application 11-05-017
(Filed May 16, 2011)

Application of Southern California Gas)
Company (U904G) for Approval of)
Low-Income Assistance Programs and)
Budgets for Program Years 2012-2014)

Application 11-05-018
(Filed May 16, 2011)

Application of Pacific Gas and Electric)
Company for Approval of the 2012-2014)
Energy Savings Assistance and California)
Alternative Rates for Energy Programs and)
Budget (U39M))

Application 11-05-019
(Filed May 16, 2011)

Application of San Diego Gas & Electric)
Company (U902M) for Approval of)
Low-Income Assistance Programs and)
Budgets for Program Years 2012-2014)

Application 11-05-020
(Filed May 16, 2011)

**Response of Intervenors Green for All and Brightline
Defense Project to ALJ Kim's First Set of Questions**

Green for All and Brightline Defense Project hereby submit their response to ALJ Kim's first set of questions, specifically on Workforce Education and Training, in this proceeding:

32. Green For All and Brightline Defense Project are directed to provide an analysis as to whether the integration of the ESAP into the IOUs' Sector Strategy Action Plans outlined in their 2010-2012 Statewide Workforce Education and Training (WE&T) Program Modifications Advice Letters meet the WE&T needs outlined in the 2008 California Long Term Energy Efficiency Strategic Plan.

1. Introduction

Green for All and Brightline Defense Project do not feel the IOUs' Sector Strategy Action Plans identified in their 2010-2012 Statewide Workforce Education and Training (WE&T) Program Modifications Advice Letters (hereby: Advice Letters) meet the WE&T needs outlined in the 2008 California Long Term Energy Efficiency Strategic Plan (CEESP) for two primary reasons: 1) few details are given about the ESA program WE&T improvements in the letters, neither generally nor in the Sector Strategy Action Plan, and 2) while the IOUs describe a sector strategy to meet many of the training goals called for in the CEESP, they fail to plan for transition into "rewarding careers in energy services¹" following employment in the ESA program, as proposed by the CEESP. To remedy these shortfalls, Green for All recommends that the CPUC give program guidance for the ESA program asking IOUs to give specific details about how the sector strategy will achieve WE&T goals within the ESA program, how the sector strategy will achieve those goals, and what metrics will be gathered to evaluate success. Further, towards the goal of providing rewarding career opportunities in energy services, we recommend the CPUC offer guidance on what data the IOUs track to determine if this goal is being met and require the IOUs hold contractors accountable to achieving that goal.

¹ CEESP pg. 70 (2011)

2. Incorporating the ESA Program into the IOUs Sector Strategy

The Additional Supplemental Joint Filing: 2010-2012 Statewide Workforce Education and Training (WE&T) Program Modifications based on Findings of WE&T Needs Assessment (Advice 2260-E-B/2041-G-B, 4249-B, 2588-E-B, and 3212-G-B/3852-E-B) sets forth IOU efforts to improve WE&T in three subcategories: Centergies, Connections, and Strategic Planning and Implementation.² The IOUs address Sector Strategies as part of their Centergies subcategory.

In the Advice Letters, the IOUs state “Sector Strategies could more efficiently create important and natural industry relationships for course structure changes that better support growth in certification and credential offerings.”³ It then lists “low-income weatherization” as a trade category “that could benefit from a Sector Strategy review and possible refinement by the IOU’s WE&T programs.”⁴

Green for All and Brightline Defense Project agree with both of these statements. However, we find the Advice Letters give inadequate detail about the goals, scale, and metrics of a sector strategy for low-income weatherization (i.e. the ESA program), nor the process with which the IOUs plan to implement a sector strategy within the ESA program. We believe the CPUC should require the following details from the IOUs concerning their planning progress for incorporating Sector Strategies into ESAP:

- Goals the IOUs plan to meet with a sector strategy initiative and how the strategy will accomplish those goals.
- Scope of a sector strategy initiative and how it will be structured
- Key partners required, their roles and the criteria for their selection
- Timeline, Staffing, & Budget for implementing a sector strategy
- Metrics for evaluating the success of sector strategy

Given the existing structure of WE&T programs within the ESA program, which currently does not embrace a sector strategy, these details are particularly important.

² Additional Supplemental Joint Filing: 2010-2012 Statewide Workforce Education and Training (WE&T) Program Modifications based on Findings of WE&T Needs Assessment, 10/24/2011, Pg. 3

³ Pg. 8

⁴ Pg. 9

Additional details that could improve WE&T outcomes, such as contractor selection criteria, CBO partnerships, and data tracking, are included at the end of the response.

Green for All and Brightline Defense Project are concerned that the ESA program will not be included in future improvements to WE&T programs to meet the needs outlined in the CEESP. As indicated in conversations with Utilities before and during our 10/31/2011 WE&T Workshop held in San Francisco and as indicated by the reply testimonies of PG&E⁵ and SCE⁶, IOU representatives do not believe that the WE&T goals stated within the CEESP applied to, or were relevant to, the ESA program. To remedy this, Green for All and Brightline Defense Project believe that the CPUC should clarify what goals the IOUs should be meeting through the ESA program and require that for any CEESP goals the ESA program should meet, IOUs offer specific descriptions of how they plan to incorporate WE&T goals into the ESA program.

We believe that the CEESP requires the ESA program to be improved along with other WE&T programs. The CEESP states: “To promote substantial growth in a trained LIEE workforce, the IOUs will integrate LIEE program installation training with other energy efficiency training. This integration will enable a wider network of providers to provide for LIEE services and provide those trained in LIEE access to other energy service opportunities.”⁷

3. Including Strategies to Provide Rewarding Career Opportunities.

The Advice Letters additionally fall short in meeting the 2008 CEESP in their failure to plan for transition into “rewarding careers in energy services”⁸ following employment in the ESA program.

Concerns have been raised about high employee turnover in the ESA program, which can deplete available training funds.⁹ To date, IOUs have not published

⁵ Pacific Gas and Electric Company Reply Testimony on the Energy Savings Assistance Program and California Alternate Rates for Energy Budget Proceeding for Program Years 2012, 2013, and 2014, p. 30, lines 9-10.

⁶ Rebuttal Testimony in Support of Southern California Edison Company’s Application for Approval of its California Alternate Rates for Energy (CARE), Energy Savings Assistance, and Cool Center Program and Budgets for 2012-2014, p. 3, lines 10-19.

⁷ CEESP pg. 25 (2011), see also Low Income Residential Segment Goal 1-4, “Promote the growth of a trained LIEE workforce”

⁸ CEESP pg. 70 (2011)

information about employee retention. During the WE&T Workshop held, IOUs indicated that they did not track this data, nor did they track wages, promotions, or opportunities in other energy efficiency services – a goal specifically stated in the CEESP,¹⁰ by the employees of the ESA program contractors. Without tracking this information, it is impossible to know if the ESA program is creating “rewarding careers” for its employees.

To remedy these shortfalls, we wish to make further recommendations about the details the CPUC should require from the IOUs about their Sector Strategies for the ESA program. This information should be included with the general information outlined above:

- 1) IOUs should give specific details about how they will incorporate WE&T goals as an integral part of the selection process for ESA contractors. In order to fulfill utilities’ WE&T goals, utilities should adjust their contractor selection criteria to give weight to the contractors’ provision of jobs and training opportunities to targeted workers. Criteria used to select contractors to offer services in the ESA program should include their ability to source their workforce from targeted communities (i.e. low-income, disadvantaged, at-risk youth), hire employees from community colleges and other high-functioning community based training institutions, such as pre-apprenticeship programs that provide sector strategy based training to employees, provide high quality jobs to their workforce as evidenced through wages, benefits, career advancement and low employee turnover, and offer career ladders and/or opportunities in other energy efficiency programs to employees. Possible career paths include employment in the IOUs, employment in other EE programs, and entry into state-certified apprenticeship.

- 2) IOUs should give specific details about how they will refine partnerships with community colleges and community-based organizations to offer sector-based training and transferable credentials. In order to meet the goals of creating career pathways and

⁹ Presentation by Dr. Carol Zabin, “Implementing IOU-specific workforce education and training program recommendations from the statewide needs assessment” 4/6/2011. Slide 21.

¹⁰ CEESP pg. 70 (2011)

creating opportunities in other energy efficiency services¹¹ as well as the goal of partnering with community colleges and CBOs¹² to better represent and include energy efficiency training in the educational tracks they offer, the IOUs must work with community colleges and other high performing community-based training providers to offer sector-based training for energy efficiency that leads to transferable, industry recognized credentials. The utilities cannot offer program-specific training in isolation if they are to achieve the goals stated above or if they hope to successfully offer workers from disadvantaged communities entry into career ladders through the ESA program.

While IOUs are currently working with CBOs on outreach efforts, it is unclear how many workers from “disadvantaged communities” (as required by WE&T Goal 2-1 in the CEESP)¹³ are entering “rewarding careers.” Though IOUs claim a significant portion of the ESA workforce are hired from the communities that ESA serves, without tracking data about how many workers come from those communities and what positions (along with training, wages, and career opportunities) they receive, it is impossible to definitively meet the goals stated in the CEESP.

3) IOUs should give specific details about how they will work with ESA contractors to track data and document progress towards achieving WE&T goals. In order to track whether and how they are meeting WE&T goals, utilities need to track additional data and require participating contractors to report data about their workforce, the training and career development opportunities provided and the quality of jobs provided through the ESA program.

More information about these recommendations is given in prior Green for All testimony.

4. Conclusion

Given the lack of detail about the ESA program WE&T improvements in the

¹¹ WE&T Goal 1-3, CEESP pg. 75 (2011). “Establish or expand key financial and placement partnerships that demonstrate employment prospects for trained personnel”.

¹² WE&T Goal 1-2, CEESP pg. 75 (2011). “Support the community college and adult education efforts to support students to develop their education based on visible career paths in energy efficiency and related fields.”

¹³ CEESP, pg. 74 (2011)

Advice Letters, the CPUC needs to give guidance on what WE&T goals IOUs should be addressing in ESA and require specific plans for doing so. Specifically, the CPUC needs to address ESA specifically in plan for a sector strategy to train workers. To subsequently build a career ladder for targeted workers following training, the IOUs should also specify how they will refine their partnerships to adjust targeted hiring and training as well as offer sector-based training and transferable credentials.

Finally, IOUs should ensure these goals are being met with adequate systems holding contractors accountable for meeting goals. Contrary to IOU claims, data about wages, zip code, credentials, and future additional training is already available, and tracking additional data points already collected from contractors will not add more costs. As a result, including ESA in a sector strategy will not be burdensome to ratepayers, particularly those interested in seeing returns through available job opportunities to their communities, and these efforts will better fulfill WE&T goals in the ESA program.

Respectfully submitted,

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