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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Southern California Edison
Company (U338E) for Approval of Energy
Efficiency Rolling Portfolio Business Plan.

Application 17-01-013

And Related Matters.

Application 17-01-014
Application 17-01-015
Application 17-01-016
Application 17-01-017

**PACIFIC GAS AND ELECTRIC COMPANY'S OPENING
COMMENTS ON THE PROPOSED DECISION
ADDRESSING WORKFORCE REQUIREMENTS AND
THIRD-PARTY CONTRACT TERMS AND CONDITIONS**

STEVEN W. FRANK
TESSA M.G. CARLBERG

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94120
Telephone: (415) 973-7950
Facsimile: (415) 973-5520
E-mail: tessa.carlberg@pge.com

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Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

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I. INTRODUCTION

In accordance with Rule 14.3 of the California Public Utilities Commission (CPUC or Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) submits opening comments on the Proposed Decision *Addressing Workforce Requirements and Third-Party Contract Terms and Condition*, dated September 7, 2018. PG&E supports the Commission’s phased approach for incorporating workforce requirements, allowing parties and stakeholders to gain experience and better understand the practical implications of requiring workforce standards on energy efficiency portfolios. In these comments, PG&E respectfully requests that the Commission consider revising the proposed decision to adopt the investor-owned utilities’ (IOUs) proposed definition of disadvantaged worker.

II. DISCUSSION

A. PG&E Requests that the Commission Revise the Definition of Disadvantaged Worker

In the *Joint Motion for Approval of Proposed Standard Third-Party Contract Terms* filed on March 19, 2018, the IOUs proposed the following definition of disadvantaged worker:

“Disadvantaged Worker” means a worker that (1) has a referral from a collaborating community-based organization (CBO), state agency, or workforce investment board; or (2) lives in a ZIP code that is in the top 25% in one or more of the five socioeconomic indicators as defined in the California Office of Environmental Health Hazard

Assessment’s CalEnviroScreen Tool. These economic indicators are educational attainment, housing burden, linguistic isolation, poverty, and unemployment.

This definition is informed by stakeholder input, is based on publicly-available data, and does not require IOU and third-party implementers to collect personal information that may violate employment policies.

By contrast, the proposed decision seeks to establish a definition that “covers important categories without being too prescriptive.”^{1/} The PD defines a disadvantaged worker as:

“Disadvantaged Worker” means a worker that meets at least one of the following criteria: lives in household where total income is below 50 percent of Area Median Income; is a recipient of public assistance; lacks a high school diploma or GED; has previous involvement with the criminal justice system; is a custodial single parent; is chronically unemployed; has been aged out or emancipated from the foster care system; has limited English proficiency; or lives in a high unemployment ZIP code that is in the top 25 percent of only the unemployment indicators of the CalEnviroScreen Tool.”

While the PD’s definition includes additional categories, most of the additional criteria established in the PD’s definition are already captured in the CalEnviroScreen Tool as illustrated in Table 1 below.

Table 1: Proposed DW definition analysis

Proposed DW definition component	Addressed by a Cal EnviroScreen Socio-economic Factor?
1. lives in a household where total income is below 50 percent of Area Median Income;	Yes: poverty and housing burden
2. is a recipient of public assistance;	Yes: poverty and housing burden
3. lacks a high school diploma or GED;	Yes: educational attainment
4. has previous involvement with the criminal justice system;	No
5. is a custodial single parent;	No
6. is chronically unemployed;	Yes: unemployment
7. has been aged out or emancipated from the foster care system;	No
8. has limited English proficiency;	Yes: linguistic isolation
9. lives in a high unemployment ZIP code that is in the top 25 percent of only the unemployment indicators of the CalEnviroScreen Tool.	Yes: unemployment

However, the CalEnviroScreen Tool does not capture directly three criteria in the PD’s definition of disadvantaged worker: (1) whether the worker has involvement with the criminal

1/ PD, p. 57.

justice system, (2) is a custodial single parent, and (3) has been aged out or emancipated from the foster care system. In order for an IOU or third party implementer to qualify a disadvantaged worker under one of these three criteria, the IOU or third party implementer would have to ask the worker directly or somehow gather that information from the applicant.

The questions would constitute non-employment related information and is likely to be considered personal or private by the applicant. These privacy concerns could deter potential applicants and would, in practice, have the opposite effect as intended. Rather than attract a more diverse workforce, the three non-publicly available criteria included in the disadvantaged worker definition in the PD may discourage applicants from participating in energy efficiency programs.

In order to eliminate potential intrusion into applicants' privacy, PG&E suggests that the Commission adopt the IOUs' definition of disadvantage worker because it incorporates the important five economic indicators (educational attainment, housing burden, linguistic isolation, poverty, and unemployment) without additionally seeking sensitive and non-publicly available information. PG&E's proposed revisions to the applicable Conclusion of Law and Ordering Paragraph are included in Appendix A.

i. Administrative Burden to Workforce Education & Training (WE&T) Class Attendees and Partners

The Disadvantaged Worker definition impacts all programs in the energy efficiency portfolio. The approved definition needs to be appropriate in both contracts and in program metrics contexts. As proposed, the PD's definition would create undue burden on WE&T class attendees who would be required to answer highly personal questions in order to participate (e.g., Are you a single parent? Have you been involved in the criminal justice system?). WE&T core energy education partners and implementers would also be burdened by having to collect this information for their program metrics. This burden may limit participation of both educational partners who are unwilling to gather this personal information, and participants who see this as an invasion of their privacy.

PG&E requests that the Commission revise the PD to incorporate the IOUs' zip code-based definition of a Disadvantaged Worker. If the Commission does not adopt the IOUs' definition, the Commission should consider a revised definition that is less intrusive and is based on information that can be collected readily and legally by program administrators and third-party implementers.

III. CONCLUSION

PG&E appreciates the opportunity to comment on the Proposed Decision and the Commission's consideration of these comments.

Respectfully Submitted,

By: /s/ Tessa M.G. Carlberg

TESSA M.G. CARLBERG

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94120
Telephone: (415) 973-7950
Facsimile: (415) 973-5520
E-Mail: tessa.carlberg@pge.com

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Attorney for
PACIFIC GAS AND ELECTRIC COMPANY

APPENDIX A

Conclusion of Law

31. The Commission should establish a definition of “disadvantaged worker” that includes an individual that ~~meets at least one of the following criteria: (1) has a referral from a collaborating community-based organization (CBO), state agency, or workforce investment board; lives in a household where total income is below 50 percent of Area Median Income; is a recipient of public assistance; lacks a high school diploma or GED; has previous involvement with the criminal justice system; is a custodial single parent; is chronically unemployed; has been aged out or emancipated from the foster care system; has limited English proficiency; or (2) lives in a high unemployment ZIP code that is in the top 25 percent of one or more of the five socioeconomic indicators only the unemployment indicators as defined in the California Office of Environmental Health Hazard Assessment's in the CalEnviroScreen Tool. These economic indicators are educational attainment, housing burden, linguistic isolation, poverty, and unemployment.~~

Order Paragraph

7. All energy efficiency program administrators shall define “disadvantaged worker,” for purposes of their energy efficiency portfolios, as an individual that ~~meets at least one of the following criteria: (1) has a referral from a collaborating community-based organization (CBO), state agency, or workforce investment board; lives in a household where total income is below 50 percent of Area Median Income; is a recipient of public assistance; lacks a high school diploma or GED; has previous involvement with the criminal justice system; is a custodial single parent; is chronically unemployed; has been aged out or emancipated from the foster care system; has limited English proficiency; or (2) lives in a high unemployment ZIP code that is in the top 25 percent of one or more of the five socioeconomic indicators only the unemployment indicators as defined in the California Office of Environmental Health Hazard Assessment's in the CalEnviroScreen Tool. These economic indicators are educational attainment, housing burden, linguistic isolation, poverty, and unemployment.~~