BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

FILED
08-03-12
04:59 PM

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)

RESPONSE OF BRIGHTLINE DEFENSE PROJECT

JOSHUA ARCE
EDDIE H. AHN
Brightline Defense Project
1028A Howard Street
San Francisco, CA 94103
Telephone: 415-252-9700
Facsimile: 415-252-9775
E-mail: eddie@brightlinedefense.org

August 1, 2012

I. Introduction

Pursuant to the Administrative Law Judge's Ruling Consolidating Applications and Setting Preliminary Schedule ("Consolidation Ruling") issued July 13, 2012, Brightline Defense Project ("Brightline") submits this Response to the consolidated applications from Pacific Gas and Electric Company ("PG&E"), Southern California Edison Company ("SCE"), Southern California Gas Company ("SoCalGas"), and San Diego Gas & Electric Company ("SDG&E") (collectively, the IOUs) for their 2013-2014 energy efficiency program portfolios filed on July 2, 2012. Also pursuant to Rule 2.6 (c) of the California Public Utilities Commission's ("Commission" or "CPUC") Rules of Practice and Procedure, Brightline presents information that it believes would be useful to the Commission acting on the application.

Brightline is a policy advocacy non-profit that works to promote sustainability in otherwise vulnerable communities. Our focus is on quality-of-life improvements and environmental justice concerns in low-income communities and communities of color, particularly those historically polluted by dirty power plants. Specifically, environmental justice means not only mitigating environmental pollution but also high-road job opportunities for communities that have been historically burdened with such pollution.

II. Workforce Education & Training Issues

Brightline's participation in this proceeding will focus on forming a concrete workforce development and jobs placement strategy that connects ratepayers, particularly low-income ratepayers residing in disadvantaged communities and environmental justice communities historically bearing a disproportionate share of pollution, with jobs created through the 2013-2014 Energy Portfolio Workforce Education and Training. Referenced also as "demand-pull" strategies, local and targeted hire have been successful strategies in job placement.

The Commission's Long Term Energy Efficiency Strategic Plan contains the specific goal of including disadvantaged, low-income, and minority workers in training and job placement.[1] Yet a March 17, 2011 report by the Donald Vial Center on Employment in the Green Economy reveals that thousands of graduates of green job training programs still face unemployment.[2] The lack of widespread industry-recognized certifications has lead to confusion and lack of coordination in the workforce development system, resulting in the conclusion that "concerns about shortages of jobs for recent graduates of education and training programs are real and likely to persist through 2020, particularly for those with less than four years of college."[3] In other words, systemic unemployment will continue hamper efforts to connect jobs to local communities.

This inability to link recent graduates to jobs is troubling given the continued focus by IOUs upon only training.[4] While detailing laudable efforts to expand outreach and training, the IOUs do not address the need for IOUs to sets high-road labor and targeted hire standards. On the other hand, the Commission has begun to address these workforce issues. In Commission Decision (D.) 12-05-015, the Concurrence of Commissioner Timothy Alan Simon has called for requiring IOUs to include in their 2013-2014 program applications "detailed plans to train *and hire* from diverse and historically disadvantaged communities.[5] Commissioner Simon understands the specificity needed in describing WE&T plans in order to meet hiring goals.

---

[1] California Public Utilities Commission, Energy Efficiency Strategic Plan: January 2011 at 70.
[2] The Donald Vial Center on Employment in the Green Economy, Institute for Research on Labor and Employment, University of California, Berkeley. *California Workforce Education and Training Needs Assessment for Energy Efficiency, Distributed Generation, and Demand Response* xi. March 17, 2011.
[3] Id. at xvi, 284.
[4] Id. at 4.
[5] "*Requiring* IOUs to describe exactly how they will meet this Energy Efficiency Strategic Plan goal would have provided stronger impetus for them to meet hiring goals." D. 12-05-015, Concurrence of Commissioner Timothy Alan Simon at 2 (emphasis added).

As in San Francisco, a targeted job creation and local hire strategy can guide IOUs in meeting hiring goals. Now in its second year of implementation, San Francisco's Local Hiring Policy for Construction provides a blueprint for moving beyond the usual "good faith efforts" approach and guaranteeing access to jobs for local residents. When contractors previously exercised "good faith" in hiring local, public works had only averaged a 24% local workforce, a number that had dropped to 20% by 2010.[6] Since the implementation of targeted hiring requirements with financial penalties for noncompliance in early 2011, San Francisco has seen its local workforce exceed far beyond the minimum hiring percentages, increasing hiring from local communities to 34%, an increase of 70% above "good faith" levels.[7] In cooperation with community stakeholders, organized labor, contractors, the CityBuild pre-apprenticeship program, and City contracting departments, Brightline has continued to work across jurisdictions in ensuring the success of this policy and connecting local residents from impacted communities with construction projects and green jobs.

Additionally, this type of demand-pull strategy can help build career ladders and pipelines for communities into high-road jobs. The case of San Francisco demonstrates how IOUs can work with contractors, pre-apprenticeship programs, and state-certified apprenticeship programs to build a pipeline of local blue- and green-collar workers.[8] IOUs have long focused on their current partnerships and outreach efforts with community-based organizations,

---

[6] Chinese for Affirmative Action and Brightline Defense Project, "The Failure of Good Faith: Local Hiring Policy Analysis and Recommendations for San Francisco," August 2010, p. 42.

[7] In its first year, the City and County of San Francisco reached 34 percent local hiring on city-funded projects over the past 12 months, exceeding the first year goal of 20 percent. San Francisco Office of Economic and Workforce Development, "San Francisco Local Hiring Policy for Construction, 2011-2012 Annual Report," March 27, 2012, pp. 4-5, 12-13.

[8] 335 annual local jobs are now guaranteed by requiring city contractors to hire local and disadvantaged workers within every construction trade on city-funded construction, mandating 20% local residents in 2011 with that number increasing 5% annually until reaching the goal of 50% by 2017, with a citywide review of the program before the requirement increases beyond 30%. Brightline Defense Project, "Putting Local Hire to Work," March 2012, p. 14.

workforce investment boards, and community colleges. By moving beyond just outreach and training, these partnerships will achieve greater success with guaranteed job access for graduates of such local workforce development and training programs.

III. Proceeding Category, Need For Hearings, and Proposed Schedule

Brightline agrees with the IOU's proposed categorization of the consolidated Applications as a "rate-setting" proceeding within the meaning of Rules 1.3(e) and 7.1.

At this time, Brightline does not anticipate the need for evidentiary hearings. However, Brightline reserves the right to call for a hearing if discovery warrants.

Brightline does not currently object to the proposed schedules included in the Applications.

IV. Conclusion

Regarding this Response, please communicate with the representatives of Brightline indicated below.

Dated: August 1, 2012

Respectfully submitted,

/s/ Joshua Arce
Joshua Arce
Executive Director
Brightline Defense Project

/s/ Eddie H. Ahn
Eddie H. Ahn
Policy Counsel
Brightline Defense Project