

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the
Commission's Future Energy Efficiency Policies,
Administration and Programs.

Rulemaking 01-08-028
(Filed August 23, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
CREATING LIST OF EVALUATION, MEASUREMENT AND
VERIFICATION CONTRACTORS FOR 2002-03
LOCAL ENERGY EFFICIENCY PROGRAMS**

In Decision (D.) 02-05-046, the Commission delegated to me the authority to issue rulings related to the selection of Evaluation, Measurement and Verification (EM&V) contractors to evaluate the performance of 2002-03 third party local energy efficiency programs. On June 17, 2002 and September 13, 2002, I issued two rulings asking parties awarded local energy efficiency funding for 2002-03 to submit lists of potential independent EM&V contractors, and asking potential contractors to submit their qualifications and evidence of their independence.

This ruling designates, for each local energy efficiency program the Commission funded for 2002-03 in Decision (D.) 02-05-046 and D.02-06-026, several potential EM&V contractors. The list¹ does not contain EM&V contractors that Commission staff determined had an actual or potential conflict of interest with the program they sought to evaluate or the program suggesting

¹ The list appears as Appendix A to this ruling.

the contractor. The entity running the program² may choose any contractor that the attached list designates as acceptable for its program, with the following proviso: The EM&V contractor chosen shall be the lowest qualified bidder.

Immediately upon issuance of this ruling, each entity running a local program shall contact each EM&V contractor listed for its program and solicit bids for the EM&V work. No later than December 10, 2002, each program shall submit to the Commission's Energy Division by e-mail to ewk@cpuc.ca.gov, and to the IOU administering its program, the name of the lowest qualified bidder. Unless it receives a negative response from the Commission's Energy Division to its selection on or before December 20, 2002, the program sponsor may then work with the EM&V contractor directly to commence EM&V activities.

The Energy Division will need initial evaluative data related to each local program no later than mid-February 2003. Therefore, the local programs should begin working as soon as possible after EM&V contractor selection on gathering data necessary to evaluate programs and beginning to conduct such evaluation.

Each local energy efficiency provider should also be aware that on September 17, 2002, I issued the following ruling, available at <http://www.cpuc.ca.gov/static/industry/electric/energy+efficiency/rulemaking.htm>, designating a contractor to enter into the "Evaluation, Measurement and Verification Master Contract," required by the Commission in D.01-11-066, *mimeo.*, at 19:

² The entity running the program is the entity that applied for the program's funding, not the Investor Owned Utility (IOU) chosen by the Commission to administer the program.

a. Evaluation, Measurement & Verification Master Contract

The utilities should hire a team of evaluation, measurement and verification experts to coordinate with all utilities and parties on a statewide basis to:

- Serve as an expert resource for individual third-party program implementers designing evaluation, measurement and verification plans for their programs
- Help develop the next generation framework for evaluation of program activities
- Coordinate with CALMAC to, for example, incorporate new parties and host forums on particular technical and methodological topics
- Recommend methodological changes or updates to cost-effectiveness or other related protocols

See http://www.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/11332-03.htm#P377_30898.

The Commission expanded its discussion of this Master Contract in D.02-05-046, *mimeo.*, at 29-33, and especially at 31:

Because we require the local program providers to contract the EM&V activities associated with their programs to independent third parties (see Section F below), we clarify in this decision what we seek from the Evaluation, Measurement and Verification Master Contract Study that we specified in D.01-11-066. In that study, the IOUs should hire a team of EM&V experts to coordinate with all utilities and third parties on a statewide basis to:

- Consolidate EM&V activities between similar programs to minimize costs and overlaps associated with these activities. The group of experts should become familiar with the scope of programs being offered on a statewide and local basis, and develop a comprehensive approach for coordinating all EM&V activities associated with local and statewide programs, to be circulated to the service list in this proceeding.

- Help develop the next generation framework for evaluation of program activities. This development should include a thorough analysis of past EM&V practices and recommendations for future, more effective, practices.

See http://www.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/15622-04.htm#P1041_49067.

In approving the Master Contractor, TecMKRT Works, I ruled as follows:

TecMKRT Works will lead this effort, but should be ever cognizant of the following rules applicable to any contractor evaluating energy efficiency programs funded by this Commission:

Its evaluation of programs shall be independent and not influenced in any way by the provider of the program it evaluates.

Because third party programs will have their own EM&V contractors (Contractors) carrying out specific EM&V for each of their programs, the job of TecMKRT Works should not impinge on these Contractors' efforts except to the extent TecMKRT Works is attempting to coordinate evaluations so programs may be compared to one another.

The Commission retains the right to direct the work of TecMKRT Works to ensure that any evaluation it performs is truly independent and to intervene in any disputes that may arise between TecMKRT Works and any energy efficiency program provider.

During the week of November 4, 2002, TecMKRT Works sent its preliminary plan to the Commission,³ and I requested the parties' input on the plan on or before November 12, 2002. To the extent I find appropriate TecMKRT Works' recommendations regarding third party local program EM&V, the

³ Anyone wishing a copy of the plan may send an e-mail request to Eli Kollman at ewk@cpuc.ca.gov.

affected programs shall work with TecMKRT Works to ensure its recommendations are followed.

TecMKRT Works also makes recommendations regarding consolidation of the EM&V activities related to certain Investor Owned Utility (IOU) state and local programs. The affected IOUs shall work with TecMKRT Works to follow those recommendations.

Parties shall direct any questions regarding this ruling to the Energy Division's Eli Kollman at (415) 703-5469 or ewk@cpuc.ca.gov.

IT IS ORDERED that:

1. Immediately upon issuance of this ruling, each entity running a 2002-03 local energy efficiency program listed in this Commission's Decision (D.) 02-05-046 and D.02-06-026 shall contact each Evaluation Measurement and Verification (EM&V) contractor listed in Appendix A to this ruling for its program and solicit bids for EM&V work for its program.
2. To the extent I find appropriate, after comment, TecMKRT Works' recommendations regarding consolidation of third party local program EM&V, the affected programs shall work with TecMKRT Works to ensure its recommendations are followed.
3. The Investor Owned Utilities (IOUs) shall work with TecMKRT Works to follow its recommendations regarding consolidation of EM&V activities for IOU state and local energy efficiency programs.
4. No later than December 10, 2002, each program shall submit to the Commission's Energy Division by e-mail to ewk@cpuc.ca.gov, and to the IOU administering its program, the name of the lowest qualified bidder.
5. Unless it receives a negative response from the Commission's Energy Division to its selection on or before December 20, 2002, the local energy

efficiency program sponsor may begin work directly with the EM&V contractor it selects to commence EM&V activities.

6. The Energy Division will need initial evaluative data related to each local program no later than mid-February 2003. Therefore, the local programs all begin working as soon as possible after EM&V Contractor selection on gathering data necessary to evaluate programs and beginning to conduct such evaluation.

Dated November 8, 2002, at San Francisco, California.

/s/ SARAH R. THOMAS

Sarah R. Thomas
Administrative Law Judge

APPENDIX A**Page 1****EM&V CONTRACTORS**

Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
118	ADM Associates, Inc	Mobile Energy Clinic Program	Quantum	RER	Xenergy	Robert Mowris and Associates
119	ADM Associates, Inc	Upstream High Efficiency Gas Water Heater Program	Quantum	RER	Xenergy	Robert Mowris and Associates
142	Alliance to Save Energy	Green Schools, Green Communities	Nexant	Zebadee & Associates	Shel Feldman	Vanward Consulting
171	American Synergy Corporation	Comprehensive Hard-to-Reach Mobile Home Energy Savings	Stellar Processes Inc	Alternative Energy Systems Consulting	Aspen Systems	Business Economic Analysis and Research
201	American Synergy Corporation	Comprehensive Hard-to-Reach Mobile Home Energy Savings	Stellar Processes Inc	Alternative Energy Systems Consulting	Aspen Systems	Business Economic Analysis and Research
244	ASW Engineering	The Energy Savers Program	Aspen Systems	Occidental Analytical Group	Nexant	Sisson & Associates
172	California Building Performance Contractors Association	Comprehensive Whole-House Residential Retrofit Program	Lutzenhiser & Associates	RER	Energy Market Innovations	Summit Blue
311	California State University Chancellor's Office	California State University Energy Efficiency Program Proposal	Arizona Public Service Energy Services	Aloha Systems	CGM Engineering	Power Logic

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
230	California State University Fresno	Agriculture Pumping Efficiency Program	Equipoise Consulting	Energy Nexus Group	Nexant	Aspen Systems
162	California Urban Water Conservation Council	Pre-Rinse Spray Head Installation Program for the Food Service Industry Proposal	ASW Engineering	Quantum	SBW Consulting	Stellar Processes
234	CHEERS	Building Department and Small Builder Title 24 Standards Training	Sisson & Associates	Ridge & Associates	Summit Blue	The Holding Group
116	City of Davis	Davis Comprehensive Energy Efficiency Program (DCEEP)	RER	RLW Analytics	Nexant	Heshong Mahone Group
284	City of San Diego	Whole House Energy Retrofit Incentive Program	Aloha Systems	Energy Nexus Group	RER	Business Economic Analysis and Research
203	City of Stockton / InSync	Stockton Area Comprehensive Local Proposal	Xenergy	RER	Davis Energy Group	Energy and Environmental Economics
156	County of Los Angeles	The County of Los Angeles Internal Services Division Energy Efficiency Program	Aloha Systems	Alternative Energy Systems Consulting	Heshong Mahone Group	Occidental Analytical Group
292	D&R International	Appliance and Lighting Products in Residential New Construction	Quantec LLC	RER	Xenergy	Power Logic
99	Ecology Action of Santa Cruz	Small Business Energy Efficiency Program	Xenergy	RER	Davis Energy Group	Newcomb Anderson Associates

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
245	Ecos Consulting	LiteVend Program	RER	Quantec	Research into Action	Sisson & Associates
258	Ecos Consulting	Energy Star CFL Program for Small Hardware and Grocery Retailers	RER	Quantec	Research into Action	Sisson & Associates
258	Ecos Consulting	Energy Star CFL Program for Small Hardware and Grocery Retailers	RER	Quantec	Research into Action	Sisson & Associates
141	Electric & Gas Industries Association	A Proposal to Develop & Administer an Interest Rate Buy-Down for the Installation of High Efficiency HVAC Equipment	Davis Energy Group	Energy Market Innovations	Summit Blue	Stellar Processes
208	Energx Controls Inc	Local Small Commercial Energy Efficiency & Market Transformation Program	Occidental Analytical Group	Robert Mowris & Associates	Stellar Processes	Nexus Market Research
98	Energy Analysis Technologies	Residential Duct Services Program	Kodiak Enterprises	Leauge of California Homeowners	Quantum Consulting	Occidental Analytical Group
232	Energy Coalition	The Energy District Approach for Sustainable Energy Efficiency in California	Aloha Systems Inc	Shel Feldman Management Consulting	ASW Engineering	The Holding Group
148	Energy Solutions	LightWash	Equipoise Consulting	Xenergy	Quantec	RER
243	EnSave Energy Performance Inc	California Variable Speed Drive Farm Program	RLW	kW Engineering	ADM Associates	SBW Consulting
113	Fisher-Nickel Inc	Energy Efficiency in Commercial Food Service	Equipoise Consulting	Energy Solutions	Quantum Consulting	ADM Associates

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
126	Frontier Associates	Green Building Technical Support Services	Davis Energy Group	Shel Feldman Management Consulting	The Holding Group	Equipoise Consulting
180	GeoPraxis	Time-of-Sale Home Inspection Proposal	Rick Ridge & Associates	Robert Mowris & Associates	Lutzenhiser & Associates	Nexus Market Research
130	Geothermal Heat Pump Consortium	Proposal to Promote Geexchange to SCE Customers	Global Energy Partners	RER	Quantec	Stellar Processes
248	Global Energy Partners, LLC	Energy Efficiency Services for Electricity Consumption and Demand Reduction in Oil Production in the State of California	Nexant	RER	Quantec	SBW Consulting
278	Global Energy Services	Chinese Language Efficiency Outreach (CLEO)	ASW Engineering	Digital Energy	Robert Mowris & Associates	Power Logic
255	Heschong Mahone Group	Efficient Affordable Housing Program	Xenergy	Nexant	Robert Mowris & Associates	Aspen Systems
134	ICF Associates Inc	Partnership for Energy Affordability in Multi-Family Housing	Nexant	Quantum	Xenergy	Energy Market Innovations
218	ICF Associates Inc	Demand Control Ventilation Pilot Program	Nexant	Quantum	Xenergy	Energy Market Innovations
184	Local Government Commission	Regional Energy Authority Pilot Projects	Summit Blue	Robert Mowris & Associates	Ridge and Associates	Heshong Mahone Group

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
237	PECI	Proposal for Delivering Energy Efficiency Services to Local Independent Grocery Sector	Quantum	ADM Associates	RER	Aspen Systems
290	Proctor Engineering Group Ltd.	Check Me	RER	kW Engineering	SBW Consulting	Power Logic
106	Quantum Consulting Inc	Municipal Wastewater Retro-Commissioning	RER	kW Engineering	SBW Consulting	Power Logic
174	Quantum Consulting Inc	The Oakland Energy Partnership Program	RER	kW Engineering	SBW Consulting	Power Logic
179	Richard Heath & Associates, Inc.	Proposal to Provide A Small Nonresidential Energy Fitness Program	RER	Xenergy	Robert Mowris & Associates	Stellar Processes
287	Richard Heath & Associates, Inc.	Mobile Home Energy Efficiency & Education Program	Business Economic Analysis and Research	Power Logic	Robert Mowris & Associates	Stellar Processes
182	Rita Norton & Associates	South Bay Communities & Affiliates Energy Efficiency Program	Global Energy Partners	kW Engineering	SBW Consulting	Quantec LLC
125	RLW Analytics Inc	The Energy Savers Program	Aspen Systems	Occidental Analytical Group	Nexant	Sisson & Associates
300	San Diego Regional Energy Office	San Diego Public Agency Information and Technical Support Program	Nexant	Zebadee & Associates	RER	Aspen Systems
301	San Diego Regional Energy Office	San Diego Region Energy Resource & Education Center	Nexant	Zebadee & Associates	RER	Aspen Systems

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
303	San Diego Regional Energy Office	San Diego Region Cool Communities Shade Tree Program Proposal	Nexant	Zebadee & Associates	RER	Aspen Systems
304	San Diego Regional Energy Office	San Diego Region Agriculture, Water and Energy Progm	Nexant	Zebadee & Associates	RER	Aspen Systems
305	San Diego Regional Energy Office	San Diego Region Direct Install Small Commercial Program	Nexant	Zebadee & Associates	RER	Aspen Systems
306	San Diego Regional Energy Office	San Diego K-12 Energy Education Program	Nexant	Zebadee & Associates	Shel Feldman	Vanward Consulting
97	SBW Consulting, Inc.	Compressed Air Management Program	Ridge & Associates	Equipoise Consulting	Sisson and Associates	Davis Energy Group
197	SESCO, Inc.	The Gas-Only Multi-family Gas Program	Occidental Analytical Group	Robert Mowris & Associates	Winegard	Summit Blue
177	State & Consumer Services Agency	Proposal for a Local K-12 Schools Energy-Efficiency Program	Ridge & Associates	Equipoise Consulting	Shel Feldman	Vanward Consulting
144	Xenergy	Energy Efficient Local Government Partners Program	Energy & Environmental Economics	kW Engineering	Quantec	Business Economic Analysis and Research
202	Xenergy	Comprehensive Compressed Air Program	Energy & Environmental Economics	kW Engineering	Quantec	Business Economic Analysis and Research
11	PGE	School Resources Program	Equipoise Consulting	Ridge & Associates	Vanward Consulting	The Holding Group

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
15	PGE	Energenius	Equipoise Consulting	Ridge & Associates	Vanward Consulting	The Holding Group
19	PGE	Pacific Energy Center (PEC)	Newcomb Anderson Associates	Ridge & Associates	Alternate Energy Systems Consulting	Stellar Processes
37	SCE	Residential In-Home Energy Survey Program	Quantum Consulting	KVDR Research Consulting	Global Energy Partners	The Holding Group
40	SCE	Small Nonresidential Hard to Reach Program	Alternative Energy Systems Consulting	R M Engineering	Quantec LLC	RLW Analytics
42	SCE	Pump Tests & Hydraulic Services Program	Equipoise Consulting	HDR Engineering	Aloha Systems	CGM Engineering
43	SCE	Demonstration & Information Transfer	Ridge & Associates	Energy Market Innovations	Opinion Dynamics Corporation	Shel Feldman
44	SCE	Local Government Initiative	Wirtshafter Associates	Newcomb Anderson Associates	Research Into Action	RER
45	SCE	Codes & Standards Program	RLW Analytics	Newcomb Anderson Associates	Global Energy Partners	Ridge and Associates
83	SCG	Nonresidential Financial Incentives Program	Quantum Consulting	RLW Analytics	RER	Nexus Market Research

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)			
84	SCG	Diverse Markets Outreach Program	Quantum Consulting	RLW Analytics	RER	Nexus Market Research
63	SDGE	Hard to Reach Lighting Turn In Program	Quantum Consulting	RLW Analytics	RER	Nexus Market Research
64	SDGE	In-Home Audits Program	Quantum Consulting	RLW Analytics	RER	Nexus Market Research
65	SDGE	Small Business Energy Assessments	Alternative Energy Systems Consulting	R M Engineering	Quantec LLC	RLW Analytics
66	SDGE	EZ Turnkey Program	Alternative Energy Systems Consulting	R M Engineering	Quantec LLC	RLW Analytics
70	SDGE	Codes and Standards	Quantum Consulting	RLW Analytics	RER	Nexus Market Research

(END OF APPENDIX A)

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail, to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Creating List of Evaluation, Measurement and Verification Contractors for 2002-03 Local Energy Efficiency Programs on all parties of record in this proceeding or their attorneys of record.

Dated November 8, 2002, at San Francisco, California.

/s/ TERESITA C. GALLARDO
Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074,

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Proposal Number	Proposal Sponsor	Program Title	Approved EM&V Contractor (In No Particular Order)
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TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.