

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 1, 2023

Joseph Mock  
Director, Regulatory Affairs  
Southern California Gas Company  
555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011

**Subject: Staff Disposition of Southern California Gas Company's Advice Letter (AL) 6107-G for Approval of Energy Efficiency (EE) Third-Party Solicitation for Multifamily Whole Building Third-Party Contract with Richard Heath & Associates, Inc. (RHA).**

Dear Mr. Mock,

The California Public Utilities Commission's (CPUC) Energy Division (ED) approves Southern California Gas Company's (SoCalGas) AL 6107-G with an effective date of May 1, 2023.

**Background**

On March 9, 2023 Pursuant to Ordering Paragraph (OP) 2 of D.18-01-004, SoCalGas submitted AL 6107-G, containing its Multifamily Whole Building Energy Efficiency Third-Party Contract with RHA.

Decision D.18-01-004, the Third-Party Solicitation Process Decision, requires the four California Investor-Owned Utilities (IOUs) to file a Tier 2 advice letter for any third-party contracts that are valued at \$5 million or more and/or that have contract terms of longer than three years.<sup>1</sup> This contract meets that threshold and is valued at \$18,000,000 and with a term of 36 months.

On April 3, 2023, Energy Division staff suspended this AL for additional staff review.

**Protests**

No protests to the AL were filed.

**Discussion**

In operationalizing the review of third-party advice letters, EE Staff focused its review on the fairness of the solicitations process, size of contract budget and forecasted savings, and the contract's contribution to the portfolio-level cost-effectiveness requirements. Approval of this advice letter is not evidence of CPUC approval of future program implementation. It is SoCalGas' responsibility to manage its portfolio to ensure it remains in compliance with its approved business plan and all CPUC Decisions.

*Implementation Plan Development*

Decision D.18-05-041, the Business Plan Decision, Ordering Paragraph 2 requires implementation plans to be posted within 60 days of contract execution, or within 60 days of CPUC approval if the contract meets the advice letter threshold. With the issuance of this disposition, the implementation plan for this program is due to be updated and posted no later than July 1, 2023.

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<sup>1</sup> D.18-01-004, pg. 57

PUBLIC UTILITIES COMMISSION

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SAN FRANCISCO, CA 94102-3298



Please direct any questions regarding Energy Division's findings in this non-standard disposition to Jessie Levine at [jessica.levine@cpuc.ca.gov](mailto:jessica.levine@cpuc.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "L. Tesfai", followed by the word "FOR" in a simple, blocky font.

Leuwam Tesfai  
Deputy Executive Director for Energy and Climate Policy/  
Director, Energy Division  
California Public Utilities Commission

Cc: Service List R.13-11-005  
Simon Baker, Energy Division  
Jennifer Kalafut, Energy Division  
Alison LaBonte, Energy Division  
Jessie Levine, Energy Division



**Joseph Mock**  
Director  
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March 9, 2023

Advice No. 6107  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Southern California Gas Company's Request for Approval of a Third-Party Contract from the Multi-Family Whole Building Solicitation, Pursuant to Decision (D.) 18-01-004**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (CPUC or Commission) a third-party contract for The Comprehensive Multifamily Incentive (CoMFI) Program, resulting from the Residential Multifamily Whole Building Sector solicitation.

### **Purpose**

Pursuant to D.18-01-004, Ordering Paragraph (OP) 2, program administrators (PAs)<sup>1</sup> are directed to submit a Tier 2 Advice Letter for each third-party contract, or a batch of third-party contracts, which is valued at \$5 million or more and/or with a term of longer than three years, for Commission review.<sup>2</sup>

### **Background**

On January 17, 2018, the Commission issued D.18-01-004, addressing the required process for third-party solicitations in the context of the rolling portfolio energy efficiency (EE) programs overseen by the investor-owned utilities (IOUs) PAs. D.18-01-004 also required that independent evaluators (IE) be utilized for third-party solicitations. Moreover, the Commission required all third-party contracts to include a formal IE report

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<sup>1</sup> In OP 2, the utility PAs are Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), and SoCalGas.

<sup>2</sup> D.18-01-004, OP 2 at 61.

to be submitted via a Tier 2 Advice Letter for those contracts that are valued at \$5 million or more and/or with terms of longer than three years.

This new program aims to deliver a new, innovative, resource-based program to address specific segment barriers, as identified in SoCalGas' business plan, resulting in more comprehensive and deeper, longer-term sustained energy savings, which may include natural gas, electric and/or water savings. The new program will provide a program design that will facilitate and encourage customer engagement, enrollment and deliver the deepest energy saving interventions, while helping customers feel satisfied in their choice of a whole building retrofit approach. SoCalGas will support this new program and avoid overlapping program enrollments by conducting verification of previous customer participation and tracking and monitoring new program enrollments.

### **Third-Party Contract Solicitation**

SoCalGas' CoMFI program is the only third-party contract resulting from the Residential Multifamily Whole Building solicitation that meets the threshold requiring Commission approval of the contracts. All executed and anticipated contracts are listed in Table A, below.

<b>Table A: Contracts in the Gas Emerging Technologies Solicitation</b>			
<b>Contract</b>		<b>Budget</b>	<b>Duration</b>
<b>Residential Multifamily Whole Building</b>			
1.1	Comprehensive Multifamily Incentive (CoMFI)	See Appendix B	36 months

Table B summarizes the contracts requiring approval via an Advice Letter.

<b>Table B: General Contract Summary – Richard Heath &amp; Associates, Inc. (RHA)</b>		
1	Solicitation name	Residential Multifamily Whole Building Solicitation
2	Type of program: local, regional, or statewide	Local
3	Delivery Type – specify the delivery type (i.e., direct install, upstream, midstream, or downstream).	Downstream
3.1	A. Direct Install/Downstream Customer Targeting (Yes or No)	Yes
3.2	B. Customer Targeting brief description, if applicable.	Equity
3.3	C. Midstream/Upstream Market Actors receiving incentives [i.e., manufacturers, distributors, contractors, or other (specify)].	No
4	Market/Sector(s)	Multifamily
5	Customer Segment(s)	Market-rate and affordable

<b>Table B: General Contract Summary – Richard Heath &amp; Associates, Inc. (RHA)</b>		
		housing with a special focus on Hard-to-Reach (HTR) and Disadvantaged Communities (DAC).
6	Third-Party Implementer/Subcontractor name	Richard Heath & Associates, Inc.
7	Name of program or service	Comprehensive Multifamily Incentive (CoMFI) Program
8	Brief description of program or service (2-3 sentences).	<p>The CoMFI Program is a Residential Multifamily Whole Building (MFWB) program that offers property owners and managers customized support to complete energy efficiency upgrades. Services include no-cost energy audits, incentive reservations, construction oversight and project closeout. Incentive amounts correspond with the level of energy efficiency achieved and whether the property is market-rate or in a Disadvantaged Community (DAC) or Hard to Reach (HTR).</p> <p>The program will market the CoMFI Program to market-rate and affordable multifamily customers with an increased focus on customers in Disadvantaged and other Hard-to-Reach communities. These target audiences align with the program’s focus on equity and the CPUC’s Environmental and Social Justice (ESJ) Action Plan. Contractor will be the prime contractor for the CoMFI Program, and as such, will be responsible for the overall program delivery.</p>

<b>Table B: General Contract Summary – Richard Heath &amp; Associates, Inc. (RHA)</b>		
		<p>Contractor will coordinate with other Program Implementers (Company or Third Parties under Contract with Company), where applicable. Upon program launch, Contractor may refer and/or forward customer inquiries pertaining to services provided by other programs.</p> <p>Contractor has projected 95% of all projects enrolled in the CoMFI program will follow a simplified, streamlined enrollment path as a program delivery method that will be based on deemed savings projection. Conversely, Contractor has estimated that 5% of all CoMFI projects will use a custom calculation delivery method for more involved projects that merit a different level of attention and analysis.</p>
9	Total kWh Energy Savings (First year, net)	137,874
10	Total MW Energy Savings (First year, net)	N/A
11	Total therms Energy Savings (First year, net)	467,414
12	HTR Customers. <sup>1</sup> Provide forecasted total number of HTR customer accounts (by customer segment) receiving program and total savings (net first year kWh, kW, and therms) to HTR customers from program over all years program in effect.	HTR Projects: Projection 10%
13	DAC Customers. <sup>2</sup> Provide forecasted total number of DAC customer accounts (by customer segment) receiving program and total savings (net first year kWh, kW, and therms) to DAC customers over all years program is in effect.	DAC Projects: Projection: 40%
14	Forecasted Number of Customers Served by Program Year (PY)	PY2023 – 20/month (average) Annual Estimate=240

<b>Table B: General Contract Summary – Richard Heath &amp; Associates, Inc. (RHA)</b>		
		PY2024– 20/month (average) Annual Estimate=240 PY2025 – 20/month (average) Annual Estimate=240
15	Area(s) Served (including service territory, climate zones, cities, and/or counties, as applicable).	SoCalGas Service Territory
16	Program TRC ratio [Cost Effectiveness Tool (CET) output]. <sup>3</sup>	1.05
17	Program Administrator Cost (PAC) ratio (CET output)	1.33
18	Program \$/kWh (TRC levelized cost, CET output)	N/A
19	Program \$/kWh (PAC levelized cost, CET output)	N/A
20	Program \$/MW (TRC levelized cost, CET output)	N/A
21	Program \$/MW (PAC levelized cost, CET output)	N/A
22	Program \$/therm (TRC levelized cost, CET output)	N/A
23	Program \$/therm (PAC levelized cost, CET output)	N/A
24	Budget: Forecast budget by PY for each year contract in effect.	See Appendix B
25	Budget: Forecast expenditures by PY for each year contract in effect.	See Appendix B
26	Budget: Total Program Budget (include explanation for difference, if any, from total contract budget provided in Table A).	See Appendix B
27	Budget: If EE/Demand Response component to the program, provide dollar amount and percent of total budget dedicated to EE/DR component.	N/A
28	Measure(s)	<ul style="list-style-type: none"> <li>• Clothes Washer Residential</li> <li>• Ceiling Insulation, Residential</li> <li>• Furnace, Residential</li> <li>• Smart Thermostat, Residential</li> </ul>

Table B: General Contract Summary – Richard Heath & Associates, Inc. (RHA)		
		<ul style="list-style-type: none"> <li>• Domestic Hot Water Loop</li> <li>• Temperature Controller, Multifamily &amp; Commercial</li> <li>• Hot Water Pipe Insulation, Nonresidential and Multifamily</li> <li>• Demand Control for Centralized Water Heater Recirculation Pump, Multifamily &amp; Commercial</li> <li>• Central Storage Water Heater, Multifamily</li> <li>• Boiler, Multifamily</li> <li>• Space Heating Boiler, Commercial &amp; Multifamily</li> <li>• Tankless Water Heater, Residential</li> <li>• Storage Water Heater, Residential</li> <li>• Faucet Aerator Residential</li> <li>• Low-flow Showerhead, Residential</li> <li>• Diverting Tub Spout with TSV, Residential</li> <li>• Solar Thermal Water Heating System, Multifamily</li> <li>• Gas Heat Pump Water Heater, Multifamily</li> <li>• Heater for Pool or Spa, Commercial and Multifamily</li> <li>• Placeholder for Additional Custom Measures</li> </ul>
29	Savings Determination Type (i.e., custom, deemed, Net Metered Energy Consumption, or randomized Control Trial).	Deemed 95%; Custom 5%



<b>Table B: General Contract Summary – Richard Heath &amp; Associates, Inc. (RHA)</b>		
30	Savings Calculation Method(s) (Meter-Based, Deemed, Calculated, Multiple and/or Other). If Multiple or Other, please specify.	Deemed, Calculated
31	Contract start date and end date.	Contract will commence for 36 months upon Advice Letter approval.
32	Program start date and end date. If program dates aren't defined by the period the program is open for customer participation, explain, and include customer participation period.	Implementer will begin shortly after Advice Letter approval and completion of Implementation Plan.

Notes:

1. HTR Customers: Specific criteria were developed by staff to be used in classifying a customer as HTR. Two criteria are considered sufficient if one of the criteria met is the geographic criteria defined below. There are common as well as separate criteria when defining HTR for residential versus small business customers. The barriers common to both include:
  - Those customers who do not have easy access to program information or generally do not participate in EE programs due to a combination of language, business size, geographic, and lease (split incentive) barriers. These barriers to consider include:
    - Language – Primary language spoken is other than English; and/or
    - Geographic – Businesses or homes in areas other than the United States Office of Management and Budget Combined Statistical Areas of the San Francisco Bay Area, the Greater Los Angeles Area, and the Greater Sacramento Area or the Office of Management and Budget metropolitan statistical areas of San Diego County.
  - For small business added criteria to the above to consider:
    - Business Size – Less than 10 employees and/or classified as Very Small (Customers whose annual electric demand is less than 20kW, or whose annual gas consumption is less than 10,000 therm, or both); and/or
    - Leased or Rented Facilities – Investments in improvements to a facility rented or leased by a participating business customer.
  - For residential added criteria to the above to consider:
    - Income – Those customers who qualify for the California Alternative Rates for Energy (CARE) or the Family Electric Rate Assistance Program (FERA); and/or
    - Housing Type – Multi-family and Mobile Home Tenants (rent and lease).
2. DAC Customers: DACs are located in the most environmentally burdened California census tracts, as determined by the top 25 percent highest scores when using California Environmental protection Agency's (CalEPA's) CalEnviroScreen tool. DACs are the communities that suffer a disproportionate impact from one or more environmental hazards and are likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities.
3. TRC is for the implementer only. The TRC filed in The California Energy Data and Reporting System will include SoCalGas administrative costs.

### **Solicitation Process Overview**

The Residential Multifamily Whole Building solicitation was conducted in a two-stage process in accordance with D.18-01-004. The two-stage solicitation comprised of a Request for Abstract (RFA) stage and a Request for Proposal (RFP) stage, with oversight from the Energy Efficiency Procurement Review Group (EE PRG) and IE. The IE for this solicitation was Apex Analytics. Further details of the solicitation process are explained below.

## **IOU Solicitation Process**

### **1.a) Solicitation Timeline**

#### *Stage One – Requests for Abstracts*

The first stage began with an RFA, which was open to all interested parties. Potential bidders were notified of the release of the Stage One RFA through a SoCalGas posting to the Proposal Evaluation and Proposal Management Application (PEPMA) website in February 2022. PEPMA is a public website, administered by the California IOUs, under the auspices of the Commission. The PEPMA notice directed bidders to access the SoCalGas sourcing platform, PowerAdvocate, to download the RFA documents and receive additional information regarding the solicitation. Respondents were required to utilize the provided abstract template to respond to the solicitation. Bidders had 35 days to develop RFA documents, which were required to be submitted to PowerAdvocate on April 29, 2022.

The RFA was intentionally designed to be less burdensome for Bidders and aimed to foster a marketplace for innovative ideas. However, Bidders were advised to carefully adhere to the RFA's guidelines and seek to present information regarding themselves and their proposed program designs, implementation approaches, and management of the proposed program that were clear and convincing and included sufficient detail to enable SoCalGas to assess whether the program was likely to be successful in implementation.

The RFA included exhibits and attachments that, if required, must have been responded to by the Bidder and returned with the Bidder's submittal. Exhibits provided necessary supplemental information to the Bidder. Attachments were submitted by the Bidder as a response to the RFA. Additionally, several required and mandatory fields needed to be completed by the Bidder in PowerAdvocate. All required fields and schedules were identified in the RFA Checklist section of the RFA.

Determination of which Bidders would move to Stage Two was based on the evaluation criteria including the Bidder's proposed program design, implementation approach, and demonstrated ability to implement a successful program. However, SoCalGas did not receive sufficient feedback from the bidding community at the RFA stage. After conducting a survey to obtain feedback from the Bidding Community, SoCalGas determined to move forward with an Open Stage Two – Request for Proposal.

### *Stage Two – Requests for Proposals*

The Stage Two RFP release was issued through PowerAdvocate on July 15, 2022. Bidder submissions were due through PowerAdvocate on September 1, 2022.

The RFP requested Bidders to provide detail about their proposed program(s), including program design, implementation approaches, cost and energy savings, program experiences, staff qualification, measurement and verification information, and other documents to assist SoCalGas in making its selection.

After scoring the proposals, with oversight by the IE, and presenting to the EE PRG, SoCalGas notified the selected shortlist of Bidders on October 14, 2022. Negotiation of contracts immediately followed, with execution of the contract requiring Advice Letter approval occurring on December 28, 2022.

#### **1.b) Communications With Respondents**

SoCalGas managed all solicitation activity through PowerAdvocate. All interested Bidders were required to register in PowerAdvocate to access the respective RFA and RFP documents, submit questions to SoCalGas, and submit their abstracts and proposals. SoCalGas hosted optional Bidder conferences for both the RFA and RFP stages. Any communication with respondents outside the Optional Bidder Conference, until negotiation with the selected Bidder, was required to be sent in the messaging tab via PowerAdvocate. No questions from respondents were to be directed to any SoCalGas employees and any direct contact with any SoCalGas employees regarding the Residential Multifamily Whole Building solicitation may have resulted in disqualification.

In addition to the formal bidding process through PowerAdvocate, SoCalGas also conducted optional Bidder conferences to explain the process and answer potential Bidder inquiries. During the RFA stage, a pre-bid conference was held on March 31, 2022. During the RFP stage, a pre-bid conference was held on July 21, 2022.

In the RFA stage, SoCalGas held one round of questions and answers (Q&A), and in the RFP stage, SoCalGas held two rounds of Q&A, allowing respondents to ask questions about the specific solicitation.

Over the course of the Residential Multifamily Whole Building solicitation, SoCalGas received a total of nine questions (nine questions in the RFA Q&A round and zero questions in the RFP Q&A rounds) from the bidding community on an array of topics. In the RFA stage, overarching themes included prime-sub matchmaking, payment terms and clarifying RFA Package requirements. In the RFP stage, no questions were asked from the bidding community.

### **1.c) Independent Evaluator Participation**

The Residential Multifamily Whole Building IE, Apex Analytics, participated in the preparation and review of the RFA and RFP Packages. The IE reviewed all Bidder communication prior to SoCalGas issuance, including Bidder shortlisted communications, Bidder webinar notifications, Q&A responses, and finalist notifications. Following RFA and RFP release, the IE reviewed the respective optional Bidder conference presentation materials and attended the optional Bidder conferences. The IE also reviewed the composition of the scoring team prior to the commencement of the evaluation period. Once Bidder submittals were received, the IE conducted independent scoring of all Bidder materials and participated in the calibration and shortlist meetings. The IE also monitored the entire contract negotiation process.

The RFA and RFP scoring processes consisted of the following key steps with IE oversight:

- A. Pre-screening: After the bids were due, SoCalGas Supply Management conducted a Threshold Assessment to see if all required documents were submitted on-time. SoCalGas provided the results of the threshold review to the assigned IE for IE's agreement/feedback.
- B. Scoring Training: SoCalGas conducted scoring team training to help inform the scoring team about the scoring process and answer any immediate questions. The IE reviewed the training materials and guidance document; and observed the scoring training meeting.
- C. Individual Scoring: SoCalGas distributed the RFA, and RFP bid submissions that passed pre-screening to the scoring team and IE, with a due date/time. The IE conducted "shadow scoring" to better understand the way the scoring team was conducting its scoring and to help ensure the results were fair. IE scores were not part of SoCalGas' official scores.
- D. Calibration Meeting: The meeting was held after individual scoring was completed. IEs also participated in calibration meetings and offered observations.
- E. Shortlists Meetings: The SoCalGas scoring team, including SoCalGas management and IE, met to discuss the results of the bids and recommendations.
- F. Contract Negotiations: The IE oversaw the entire negotiation process and was included on all e-mail communications and invited to observe all meetings between SoCalGas and contractors.

The following section summarizes IE recommendations and input. The full redacted IE report is provided in Attachment A.

#### ***RFA/RFP Development:***

- In total, SoCalGas responded to 19 IE Comments and any Energy Division or PRG member Comments relating to the Residential Multifamily Whole Building RFA. SoCalGas accepted all the recommendations presented by the

IE and accepted all comments from Energy Division staff. SoCalGas held a meeting with Energy Division, Public Advocates Office, and the IE to address comments provided. The PRG checklist was complete and all PRG recommendations were accepted.

- Key comments addressed at the RFA Stage included: Scorecard: Improvements, Scope of Work clarification, Program Characteristics, Eligible Programs and Measures and Customer Eligibility.
- In total, SoCalGas responded to 23 IE Comments and any Energy Division or PRG member Comments relating to the Residential Multifamily Whole Building RFP. SoCalGas accepted and addressed all comments and recommendations presented.
- Key comments addressed included: Clarifying the scope of work, incorporating bidder feedback from the survey to allocate additional time for RFP response and adding available data/resources and updating the RFP scorecard criteria to be in alignment with the appropriate category.
- IE reported no significant issues identified in the program solicitation.

***RFA/RFP Shortlist Process:***

- Due to lack of participation, no RFA evaluation was conducted.
- IE reviewed and supported the survey developed by SoCalGas to seek feedback from the bidding community. IE supported SoCalGas' recommendation to conduct an open RFP.
- At the RFP stage, the IOU and IE rankings were consistent, and scores were comparable. Three of the four proposals submitted moved to RFP evaluation.
- A calibration meeting was held with open discussions and encouragement of consistency and adherence to scorecard.
- The IE supported the IOU's final selection.

***Contract Negotiations:***

- SoCalGas concluded contract negotiations with Richard Heath & Associates (RHA) in December 2022 on the CoMFI Program Contract. SoCalGas responded to 61 IE comments with a majority being accepted. Key negotiation topics included:
  - Program Design – Streamlined Comprehensive Solution Path and Advanced Comprehensive Solutions Path.
  - Cost and Budget
  - Payment Structure including Pay-for-Performance
  - Enhanced SoCalGas Support Services - Account Executive and Data Analytics

**Marketing and Outreach**

To increase public and potential Bidder awareness of the Residential Multifamily Whole Building solicitation process, SoCalGas posted a notification to the California Energy Efficiency Coordinating Committee (CAEECC) website and hosted a webinar on August

29, 2018, in preparation for the Rolling Portfolio Program solicitations. The webinar included information regarding RFAs. SoCalGas also posted a notice on the CAEECC website and conducted a Bidders' conference with potential Bidders on December 5, 2018, at SoCalGas' Energy Resource Center in Downey, California. SoCalGas posted the RFA release notification on the CAEECC website on March 29, 2022, and the RFP release notification on July 18, 2022.

Furthermore, SoCalGas announced the RFA event on the PEPMA website, which is administered by California's four IOUs, under the auspices of the CPUC. The PEPMA announcement directed the Bidders to PowerAdvocate: SoCalGas' sourcing platform. Overall, the solicitation outreach was adequate, as it generated more than 79 registered bidders on SoCalGas' procurement website (i.e., PowerAdvocate) interested in the initial RFP.

## **2. Solicitation Event Schedule**

The event schedule for the solicitation is presented in Table C.

<b>Table C: Solicitation Event Schedule</b>		
<b>Activities</b>		<b>Date</b>
<b>Stage 1 RFA Events</b>		
1	RFA issued	3/25/2022
2	Pre-Bid Conference (optional)	3/31/2022
3	Bidder's deadline to submit written questions	4/8/2022
4	IOU response due to bidder questions	4/15/2022
5	Bidder's abstract submission due	4/29/2022
6	Shortlist notification	N/A
<b>Stage 2 RFP Events</b>		
1	RFP issued	7/15/2022
2	Pre-Bid Conference (optional)	7/21/2022
3	Bidder's deadline to submit questions to IOU (two rounds)	7/28/2022, 8/11/2022
4	Bidder's deadline to submit CET to IOU for preliminary review (optional)	N/A
5	IOU responses due to bidder questions (two rounds)	8/4/2022, 8/18/2022
6	IOU responses due to preliminary CET review	N/A
7	Bidder's proposal submission due	9/1/2022
8	Bidder interviews conducted by IOU	N/A
9	Bidder shortlist notification	10/14/2022
10	Contract negotiations and execution	10/15/2022 - 12/28/2022
11	Tier 2 Advice Letter submission	3/10/2023

### **3. Independent Evaluator**

As required by D.18-01-004, SoCalGas selected an IE for oversight and consultation throughout the process. The IE for the Residential Multifamily Whole Building solicitation was Apex Analytics.

A full description of the IE's involvement, recommendations, and input is provided in Section 1 - IOU Solicitation Process, above. Please see Appendix A in Attachment A for the full IE Report.

The IE presented findings to the EE PRG on:

- Final RFA Package – 3/1/2022
- RFA Recommendations – 6/7/2022
- Final RFP Package – 7/5/2022

- RFP Evaluation Results and Shortlist Recommendations – 10/4/2022
- Contract Update report-outs – 11/1/2022, 12/6/2022

### **Transition Plan from Pre-Existing Program to New Program**

SoCalGas closed its core, utility administered 2022 Multifamily Whole Building (MFWB) program by stopping new enrollments on 12/31/22. SoCalGas will allow for the final energy efficiency retrofit projects enrolled in the 2022 program to complete construction and receive their program incentive per program terms and conditions by the end of 2023. The CoMFI program will begin upon approval of this Advice Letter but will not conflict with the completion of final projects enrolled in MFWB in 2022.

### **Confidentiality**

Due to the confidential nature of the information in Appendices A-E of Attachment A, a declaration requesting confidential treatment is included. The unredacted version of Appendices A-E of Attachment A is only being provided to Energy Division under the confidentiality provisions of General Order (GO) 66-D, Section 583 of the Public Utilities Code, and D.17-09-023.

All information marked for redaction is subject to non-disclosure agreements, confidentiality agreements, and/or other confidentiality restrictions. Such information includes:

- Vendor bid and pricing information (including rates and invoices)
- Customer and/or vendor proprietary information

Please see attached declaration of confidentiality in support of these designations.

### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date of this Advice Letter, which is March 30, 2023. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). Due to the COVID-19 pandemic, SoCalGas is currently unable to receive protests or comments to this Advice Letter via U.S. mail or fax. Please submit protests or comments to this Advice Letter via e-mail to



the addresses shown below on the same date it is mailed or e-mailed to the Commission.

Attn: Gary Lenart  
Regulatory Tariff Manager  
E-mail: [GLenart@socalgas.com](mailto:GLenart@socalgas.com)  
E-mail: [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

### **Effective Date**

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. This submittal is consistent with D.18-01-004. Therefore, SoCalGas respectfully requests that this submittal be approved on April 9, 2023, which is 30 calendar days from the date submitted.

### **Notice**

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list and the Commission's service lists in R.13-11-005 and A.17-01-013. Address change requests to the GO 96-B service list should be directed via e-mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov).

*/s/ Joseph Mock*  
Joseph Mock  
Director – Regulatory Affairs

Attachments



# ADVICE LETTER SUMMARY

## ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC       GAS       WATER  
 PLC       HEAT

Contact Person:

Phone #:  
E-mail:  
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type:  Monthly     Quarterly     Annual     One-Time     Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes     No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes     No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

**ATTACHMENT A**

**Advice No. 6107**

**Third-party contract for The Comprehensive Multifamily Incentive (CoMFI) Program, resulting from the Residential Multifamily Whole Building Sector solicitation**

**Confidential and Protected Materials Pursuant to  
General Order (GO) 66-D, Section 583 of the Public Utilities  
Code, and D.21-09-020**

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

**DECLARATION OF PRISCILLA R. HAMILTON  
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS  
PURSUANT TO D.21-09-020**

I, Priscilla R. Hamilton, do declare as follows:

1. I am Priscilla R. Hamilton, Customer Programs Regulatory Support Manager in the Customer Programs and Assistance Department of Southern California Gas Company (“SoCalGas”). I was delegated authority to sign this declaration by Donny Widjaja, in his role as Vice President of Customer Solutions at SoCalGas. I have reviewed the confidential information included within SoCalGas’ Energy Efficiency Solicitations SharePoint regarding the *CONFIDENTIAL Energy Efficiency Multi-Family Whole Building Program Third-Party Solicitation Advice Letter* submitted concurrently with this Declaration. I am personally familiar with the facts in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decision (“D.”) 17-09-023 and General Order (“GO”) 66-D to demonstrate that the confidential information (“Protected Information”) provided in the Response is within the scope of data protected as confidential under applicable law.

3. In accordance with the narrative justification described in Attachment A, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 9th day of March 2023, at Los Angeles.



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Priscilla Hamilton  
Customer Programs Regulatory Support Manager

# ATTACHMENT A

## SoCalGas Request for Confidentiality of its Energy Efficiency Multi-Family Whole Building Program Third-Party Solicitation Advice Letter

Location of Protected Information	Legal Citations	Narrative Justification
<p>All information marked for redaction in the documents provided to SoCalGas by bidders are subject to non-disclosure agreements, confidentiality agreements, and/or other confidentiality restrictions. Such information includes:</p> <ul style="list-style-type: none"> <li>• Vendor bid and pricing information (including rates and invoices)</li> <li>• Vendor proprietary information</li> <li>• Information submitted in connection with a Request For Abstract or Request For Proposal with expectations of confidentiality on the part of the bidders.</li> <li>• Negotiated draft contract resulting from the solicitation process.</li> </ul>	<p>CPRA Exemption, Gov't Code § 6254(k) ("Records, the disclosure of which is exempted or prohibited pursuant to federal or state law")</p> <ul style="list-style-type: none"> <li>• See, e.g., D.18-01-004, 2018 WL 555610 (2018) (allowing for confidential treatment of bid information submitted in the Energy Efficiency Solicitation process);</li> <li>• SCC Acquisitions, Inc. v. Superior Court, 243 Cal. App. 4th 741, 756 (2015) (corporations have right to privacy over their financial information);</li> <li>• See, e.g., D.20-03-021, 2020 WL 1807503 (2020) (allowing for confidential treatment of applicants' agreements and financial information);</li> <li>• See, e.g., D.20-02-054, 2020 WL 1667279 (2020) (agreeing that non-public proprietary financial information should remain confidential);</li> <li>• 15 U.S.C. § 1, et. seq. prohibits price fixing between competitors;</li> <li>• Section 5 of the Federal Trade Commission Act prohibits "unfair methods of competition" and has been applied to a broad range of pricing and contracting practices;</li> <li>• See, e.g., D.20-12-021, 2020 WL 7862639(2020) (agreeing that risk of exposure of proprietary information should outweigh public interest in disclosure of information).</li> </ul>	<p>Based on input received by bidders, and based on SoCalGas' concurring position, the produced documents are proprietary, and represent and contain proprietary, commercially sensitive, and other content not intended for public disclosure. This information includes budgets, compensation, program design, and personnel profiles.</p> <p>All bidders engage in work product that is intended only for access by designated members. Public disclosure would pose potential negative impacts to bidder and the bidding process. Failure to protect the bidder's investment of time and resources during the solicitation process could result in loss of competitive advantage, and result in less competition in the marketplace, which may lead to higher program prices or less innovative program elements. The public's interest is best served when energy-efficiency programs deliver the largest amount of savings in the most cost-effective manner. Bidders invest knowledge and time, and determine an acceptable level of risk and compensation, to deliver increasingly energy-efficient programs. Public disclosure of proprietary methods before contracts are executed would discourage investment into the solicitation process and result in less participation in the process, less competition and higher prices. Thus, the public's interest is better served by not disclosing</p>

	<p>CPRA Exemption, Gov't Code § 6255(a) (Balancing Test)</p>	<p>the information as opposed to disclosing the information.</p> <p>The contract is provided confidentially in its entirety per the advice letter template provided by Energy Division.</p>
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