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California Energy Commission

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By Email

California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512
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**RE: Comments of the California Construction Industry Labor
Management Cooperation Trust on the California Energy
Commission's First Triennial Investment Plan for the Electric
Program Investment Charge (EPIC) Program (Docket No. 12-EPIC-
01)**

Dear Commissioners and Staff:

We provide the following comments on behalf of the California Construction Industry Labor Management Cooperation Trust (CILMCT or "the Trust"), pursuant to the July 17, 2012 Notice of Staff Workshops on the First Triennial Investment Plan for the Electric Program Investment Charge Program.

The Trust is a joint Labor-Management Cooperation Trust, established by major construction contractors and power generation operators in California, together with the unions that represent their employees pursuant to sections 205a and 302(c)(9) of the Labor Management Relations Act, 29 U.S.C. §§ 175a, 186(c)(9). The Trust promotes joint labor-management efforts to advance the economic growth and development of California's energy and power generation industries. In accordance with these purposes, the Trust seeks to advance the state's goal of pursuing energy efficiency and clean energy technology policies that benefit utility ratepayers, and to promote the contractor and workforce training necessary to meet the needs of the state's growing green economy.

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In Decision 12-05-037, the California Public Utilities Commission concluded that the EPIC program would include program tracking, education and outreach, and workforce development.¹ The Commission's First Triennial Investment Plan will include a mapping of the planned investments to grid operations/market design, generation, transmission, distribution, and demand-side management, eligibility criteria for award of funds, and the amount of funds that will be developed for each program, among other topics. We strongly encourage the Commission to make workforce development an investment priority for the program as it moves forward and offer the following strategic recommendations for the type of training programs that should be emphasized and encouraged by the Commission.

The Trust supports a "high-road" vision for the clean energy economy, which values both quality workmanship as well as career-path jobs. We believe that achieving the State's clean energy goals requires that energy efficiency and clean energy work be carried out by contractors that can ensure quality work and successful program outcomes, and that employ properly trained and skilled workers. In an absence of appropriate standards for contractor and worker qualifications, improper installation and maintenance of energy efficiency equipment can lead to lost savings,² and the risk of poor performance can be a major obstacle to investment in energy efficiency, as we have seen in segments of the California HVAC industry.³

Through EPIC, the Commission should support strategic workforce planning and innovative demonstration projects that are designed to address these obstacles to the growth of California's clean energy economy. Achieving the "commercial maturity" stage on the EPIC Technology Maturation Curve requires not only technological and product development, but also accompanying training and certification strategies with skills standards that are linked to EPIC-supported projects to ensure that this technology is deployed successfully.⁴ These "supply-

¹ California Public Utilities Commission, Order Instituting Rulemaking on the Commission's Own Motion to Determine the Impact on Public Benefits Associated With the Expiration Of Ratepayer Charges Pursuant to Public Utilities Code Section 399.8, Rulemaking 11-10-003, at pp. 61-62.

² California Energy Commission, Staff Report: Strategic Plan to Reduce the Energy Impact of Air Conditioners, June 2008, CEC-400-2008-010, at p. 36.

³ Harcourt Brown & Carey Inc., Energy Efficiency Financing in California: Needs and Gaps, Preliminary Assessment and Recommendations, July 8, 2011, at pp. 44-45.

⁴ See Turhal, Cem and Andy Schwartz. *Electric Program Investment Charge* powerpoint (August 9, 2012). California Public Utilities Commission - Energy Division. Slide 3.

push” and “demand-pull” strategies have already been endorsed by the California Public Utilities Commission for the IOU-administered energy efficiency programs.⁵ The Trust recommends that the Commission also fund training and link high-road training and certification requirements to incentives for energy efficiency through program eligibility requirements, or other measures. Incentive-based skills standards are essential because they create a demand for a labor force that can adequately support advanced technologies and help ensure the attainment of energy savings through the successful deployment of those technologies.

One example of an existing program that is intended to include incentive-based skills standards is the California Advanced Lighting Controls Training Program (CALCTP). CALCTP is the premier example of a training and certification program designed to overcome workforce-related barriers in order to advance the commercialization of energy-saving technology. The program was designed to fix installation quality problems with advanced lighting controls, which had led to substandard performance and/or device disabling, resulting in lost energy savings. CALCTP offers training and certification in advanced lighting controls for state-certified electricians and licensed electrical contractors. The utilities are also creating an incentive for the energy-saving equipment that will require the use of a CALCTP-certified contractor, slated to become available in early 2013.

Another way that CALCTP represents a best practice model for training is that it builds off the successes of California’s state-certified electrical apprenticeship programs. By requiring that participants on the electrical track are licensed journeymen electricians, CALCTP targets experienced, highly-skilled workers for training, and supports long-term, high-road career pathways in the construction trades. The state-certified apprenticeship programs represent the state-of-the-art model of high-road sector strategies training, and California’s foremost resource for training workers in hands-on green construction and technology. Apprenticeship is an employer-driven training model, meaning that training is linked directly to industry demand, and workers are given clear pathways to advance their skills and wages and to acquire industry-recognized certifications.

The CALCTP model can and should be applied to other innovative clean technologies, such as microgrids and energy storage, energy management for zero

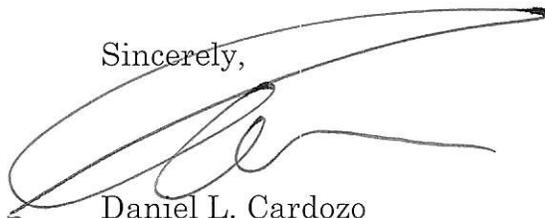
⁵ California Public Utilities Commission, Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues, Rulemaking 09-11-14, Decision 12-05-015, at pp. 277-80.
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net energy commercial buildings, and electric vehicle charging stations. The Electric Vehicle Infrastructure Training Program is built on the CACLTP model, designed to provide the Electric Vehicle Transportation sector of the electrical industry a structured platform to facilitate training and certification for the installation of Electric Vehicle Supply Equipment (EVSE) across Residential and Commercial/Public markets.

Finally, we recommend that the Commission encourage collaboration and coordination of EPIC-funded workforce development efforts with the state workforce development agencies, in particular the Division of Apprenticeship Standards and the California State Workforce Investment Board, as well as the Joint Apprenticeship Training Committee, and industry. These stakeholders have expertise in workforce development policy, and would help to ensure the strategic and effective use of ratepayer funds.

We thank you for this opportunity to comment and look forward to engaging more with EPIC as the program advances.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel L. Cardozo', with a long horizontal flourish extending to the right.

Daniel L. Cardozo
Elizabeth Klebaner

EK:clv