



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 13, 2017

Scheduled for 9:00am – 10:00am PDT

#### Call to Order

The WHPA HVAC Stakeholder Engagement Strategy Committee (HSES) Co-Chairs, Paul Thomas (SDG&E) and Bob Wiseman (IHACI), called the meeting to order at 9:03 a.m. PDT. The meeting was recorded for note purposes.

#### Roll Call

WHPA Staff (Wendy Worrell) conducted roll call based on the current roster. As no voting panel has been assigned in favor of consensus voting, members are organized by voting eligibility status. 18 participants (or proxies) attended the meeting with a quorum (8+) of eligible members as indicated below:

Organization	First Name	Last Name	WHPA Category	Attendance
<b>Voting Eligible</b>				
ACCA (Air Conditioning Contractors of America)	Don	Langston	Contractor Association	A
AHRI (Air-Conditioning, Heating, and Refrigeration Institute)	Garrett	McGuire	Director, Government Relations	P
CALBO (California Building Officials)	Bob	Barks	Codes & Standards Official (Association or Jurisdiction)	P
CEC (California Energy Commission)	Lea	Haro	Government (Other than CPUC)	P
CPUC (California Public Utilities Commission) Energy Division	Peter	Biermayer	California PUC	A
Galawish Consulting Associates	Elsia	Galawish	Energy Efficiency Program Consultant	A
HARDI (Heating, Air Conditioning & Refrigeration Distributors International)	Talbot	Gee	Distributor Association	P
HVAC Excellence	Eugene	Silberstein	Certifying Body	P
IHACI (Institute of Heating and Air Conditioning Industries)	Bob	Wiseman	Contractor Association	P (Co-Chair)
Indio Cooling & Heating Supply	Tim	Mann	Distributor	P
JCEEP (Joint Committee on Energy and Environmental Policy)	David	Dias	Organized Labor	P
NCI (National Comfort Institute)	Mel	Johnson	Educator, Trainer	P
PG&E (Pacific Gas and Electric Company)	Mark	Salavitch	California IOU	P
	Christian	Weber	California IOU	P
SCE (Southern California Edison)	Scott	Higa	California IOU	P
SDG&E (San Diego Gas & Electric Company)	Paul	Thomas	California IOU	P (Co-Chair)
SoCalGas (Southern California Gas Company)	Harvey	Bringas	California IOU	P
SynergyNexGen	Barbara	Hernesman	Energy Efficiency Program Consultant	P
Transformative Wave	Joe	Schmutzler	Controls (Manufacturer or Distributor)	P
Tre'Laine Associates	Pepper	Hunziker	Energy Efficiency Program Consultant	P
<b>Voting Eligible (upon meeting attendance)</b>				
ICSC (International Council of Shopping Centers)	Keith	Walker	Owner/Facility/Property Management Association	A
SMUD (Sacramento Municipal Utility District)	Ravi	Patel	Public Owned Utility	A
<b>Guests</b>				
CPUC (California Public Utilities Commission (Energy Division))	George	Tagnipes	California PUC	A
SDG&E (San Diego Gas & Electric Company)	Pedro	Ramirez	California IOU	A
<b>WHPA Staff</b>				
InfoPlast	Wendy	Worrell	Other Stakeholder	P (Host/Scribe)

*\*\* Organization is Not a Member of the WHPA; + Individual is NOT Registered with the WHPA; (P) = Member Organization is Pending Approval from the WHPA Executive Committee.*

#### AGENDA

The following agenda was distributed to the WHPA Compliance Committee roster by WHPA Staff prior to the meeting:



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PDT TIME	TOPIC	FACILITATOR
5 min. 9:00-9:05	Roll Call	Wendy Worrell
10 min. 9:05-9:15	Co-Chair's Opening Comments (Stakeholder Engagement Definition, Themes Summary)	Bob Wiseman
45 min. 9:15-10:00	Next Steps Discussion	Bob Wiseman/Paul Thomas
by 10:00am	Adjournment	Co-Chairs

#### Co-Chair's Opening Comments

Co-Chair Bob Wiseman (IHACI) thanked the Committee members for their time and summarized that some repetitive comments and “themes” have begun to emerge from prior discussions. He reported that the goal going forward is to determine what structure is really going to make sense.

#### STAKEHOLDER ENGAGEMENT DEFINITION

Co-Chair Bob Wiseman (IHACI) clarified that the working stakeholder engagement definition is focused on the broader HVAC industry and that for that to occur, new leadership is required. It will include people, time, and money to make it happen - the amount of which will depend upon the structure developed.

#### THEMES SO FAR

Co-Chair Bob Wiseman (IHACI) reported the following “themes” developed so far for review and consideration, noting that “time is the enemy” at this point:

1. The challenges of building a strawman structure around something that has no structure (in the absence of the California Energy Efficiency Strategy Plan - CEESP).
2. Consideration of less frequent brainstorming meetings (possibly quarterly in-person charrettes) in lieu of monthly teleconference Committee meetings.
3. Whether the future focus is through the HVAC lens or expanded to the Whole Building lens.
4. Consideration of email campaigns for stakeholder input on specifically identified problems rather than using the same pool of ideas from those regularly volunteering.
5. Not losing sight of the need to “meet the boots on the ground where they are at” to solicit input.
6. The importance of looking at what “we already have” in WHPA and then going forward preserving the uniqueness of it being where “all come together in one place to talk about pertinent subject matter affecting the HVAC industry” and where “people are active in this organization” with their “efforts voluntary” because they can have conversations on neutral territory and “perhaps impact the path of the State in the future”.
7. The diversity of the WHPA as its biggest value with most of WHPA’s beneficial work product coming out of focused, smaller groups, and with the diversity of thought and the ability to provide feedback going both ways as a key element.
8. Whether the WHPA should have a California or National focus.
9. The uncertainty of who is guiding the HVAC vision. Is it CEC/CPUC/Utilities/Third party implementers?
10. Clarification that WET (Workforce Education & Training) will be an important part of the future.
11. The importance of providing continued information about coming legislation and EE (Energy Efficient) programs for input.
12. The importance of ensuring CEC and CPUC are also engaged in the process.
13. Striving for market transformation.
14. The need for commitment of time and resources by someone, or a group of organizations, to continue what has been started.

#### WHPA Staff Notes:

- *The above list was developed from the September 15, 2017 and the September 29, 2017\* meetings, as well as requested post meeting input.*
- *\*The Final Draft September 29, 2017 Meeting Minutes were emailed for HSES Committee review on October 12, 2017. The finalized minutes will be posted reflective of received edits on October 18<sup>th</sup>.*

The Chair requested that meeting participants think about the above content in the high-level structure context rather than getting “into the weeds” at this point. He noted that WHPA does not currently exist as a non-profit status nor in any other entity formation



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and that the current structure has been concentrated around the CPUC's California Energy Efficiency Strategic Plan (CEESP), which is outdated and not being updated in the near term.

#### Next Steps Discussion

Co-Chairs Bob Wiseman (IHACI) and Paul Thomas (SDG&E) facilitated discussion on the prompt: *“What type of structure will best support addressing these themes?”*

Mel Johnson (NCI) noted that when putting together an ideal structure, it is important to note that the WHPA has moved from an internal stakeholder group with procurement contracts from the IOUs to more of an external stakeholder one. Mel **suggested** that going forward structure discussion should be focused on an “external” structure.

- Co-Chair Paul Thomas (SDG&E) asked for clarity on the concept of “internal versus external”.
- Mel Johnson (NCI) clarified that prior to WHPA's formation, HVAC industry input was done in a manner that most realized did not work so the idea developed to make an organized structure and base it on the CEESP. Mel's reference to an internal stakeholder means that the WHPA funding structure put together roles and responsibilities that would enable CEESP to be operationalized. That structure worked internally to collaborate between Utilities, the CEC, and CPUC with funding in a neutral role. When it goes external, it is no longer a neutral role.
- Co-Chair Paul Thomas (SDG&E) thanked Mel Johnson (NCI) for the comments and noted that he wanted to process Mel's description of internal versus external before commenting further.
- Co-Chair Bob Wiseman (IHACI) commented that this will somehow become an external organization with the question being “how formal is that organization”.

Bob Barks (CALBO) suggested that WHPA follow the non-profit status path. “Some sort of incorporating structure is needed going forward and non-profit is a common one.” Bob cited his prior experience (over 30 years ago) in taking a small “national board – local chapter” association to non-profit status. Bob reported that the organization had a budget of about \$35,000 from collected monies in 1970's dollars, and that it was overseen by a salaried person in Chicago who worked at the National Board level. In the 1980's, that individual's health issues resulted in the need to find a new way forward. They organization incorporated as a non-profit and took bids for new management, eventually hiring Smith Buckland in Chicago primarily because they were also doing “IIAR” and were a large, well organized firm. The budget increased to about \$250,000 at that time so they “scrambled for additional funds”. It was reported as a good decision in the end that worked well for the group. Smith Buckland did a good job of managing day-to-day operations, so the volunteer members could “oversee a nationwide organization on a volunteer basis”. There was a National Board that met in person a couple of times a year and developed long term strategy. There were also local Chapters that met and coordinated with the “boots on the ground” people in the field. Bob suggested that the same basic structure would work for WHPA as it already has most of that structure with the Executive Committee functioning essentially as the National Board, and the Committees being the equivalent to the Chapter structure. He noted that there would also need to be someone coordinating the overall effort since it is too big a job for volunteers. Bob commented that, in the end, there is need for hired administrative staff, a volunteer Executive Board, and volunteer Committees/Chapters to do the work.

- Co-Chair Bob Wiseman (IHACI) expressed appreciation for the comments and noted that WHPA has a current Charter that could be modified for whatever structure is developed.

Dave Dias (JCEEP) noted that he had been gone for the month of September, but that he read through the prior meeting minutes and “themes”. He commented that some of the questions presented in the “themes” need to be answered while structure is developed.

- Co-Chair Bob Wiseman (IHACI) agreed that there are a lot of questions to answer, but clarified that there is a very limited timeframe for the Committee's task. “In a perfect world, we would have started this process a year ago” and been able to develop a full vision to “hand-off to the Executive Committee (EC)”. Given that there are two months left on the IOU facilitation contract and knowledge that the EC would be meeting the next week, the Co-Chair asked if the HSES Committee could decide on a high-level structure recommendation to present at that EC meeting, so Charter implications could be evaluated, and the opportunity could be enabled to take advantage of the remaining contract resources to move forward more productively.
- Dave Dias (JCEEP) asked for clarification on if the future focus is on the IOUs or on a broader scale, on California or on a National level, if it will be a coordinated effort with CAEECC, etcetera.
- Paul Thomas (SDG&E) confirmed that Dave Dias (JCEEP) presented some relevant information and apologized for confusion he may have caused previously while “trying to wear too many hats” for IOU representation as well as the needs, wants, and visions of the broader group. Paul voiced agreement with the idea that this effort is broader than the



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IOUs, noting that a foundational thought for him throughout this effort is on if the focus is on value that only benefits the IOUs in terms of their efforts as stewards of rate payer dollars, or if it is beyond that. From his personal perspective and based on what he has heard, Paul confirmed understanding that there is value beyond the IOU efforts, but noted that if that is the case, it makes sense to take it outside IOU structure or control. “If you want to kill it, we should take it on and try to run it as a program because I don’t think it fits within what we do.” The IOUs have been funding the facilitation contract and while “some value has been seen”, Paul commented that it does not seem to be “the right setup for what everyone wants to accomplish.” Paul noted that the Co-Chairs have been discussing what the appropriate structure might be to ensure value beyond just the IOUs.

- Co-Chair Bob Wiseman (IHACI) agreed that there are other stakeholders well beyond the IOUs, including CEC, CPUC, and CSLB that can greatly benefit from this process.
- Paul Thomas (SDG&E) confirmed that it is well beyond those entities too, particularly for stakeholder engagement. He clarified that the IOUs, CEC, and CPUC “are not set up” for supporting that broader perspective.

Talbot Gee (HARDI) noted value and place for California organizations within the WHPA, but commented that he was increasingly trying to justify “how an international organization such as HARDI can justify budgeting dues dollars for an organization like this”. He clarified that in its current state, WHPA does not currently benefit enough overall HARDI members, and that there is also a question on if those who are solely California based significantly benefit from it. As those questions are too unclear presently, Talbot was unsure how HARDI would allot significant resources to a new organization. He added that HARDI’s focus is on: “What drives business value for our members?” Talbot commented that HARDI’s evaluation would be in looking at their role rather than just being “an awareness organization for our distributor members who are in California” who may want to get engaged in the organization on their own.

- Tim Mann (Indio Cooling & Heating Supply) noted that he is a dues’ paying member of HARDI and that WHPA has been very valuable for him as a HARDI member who solely makes his money in California. As a small distributor doing his best to engage with contractors and the regulatory requirements in California, Tim “thinks this is a great step” and one that he “hopes will be beneficial to all the distributors”. He confirmed that there are many contractors in the State who do not see a lot of merit, but noted that when the rules and regulations come up, many complain, so “there needs to be an opportunity to engage in the process”. While California is unique with different issues than other states, Tim reported that he has found WHPA engagement very important.
  - Talbot Gee (HARDI) confirmed understanding of Tim Mann’s (Indio Cooling & Heating Supply) comments and noted that the biggest benefit Tim presented is policy centric, which would have a different structure, cost structure, etcetera. He reported that while WHPA tried not to be policy centric, it seemed to move toward that because of a “few specific issues here and there”. Talbot confirmed that HARDI would have a vested, national benefit should WHPA become a policy centric organization.
- Co-Chair Bob Wiseman (IHACI) asked if Talbot Gee (HARDI) had thoughts about a suggested structure for WHPA going forward that might make sense.
  - Talbot Gee (HARDI) replied that the key question of focus needs to be answered first. He suggested that if the focus is on policy, then WHPA should take all those who have any type of facility to engage at the policy level with the value proposition engrossed on giving a venue for collaboration and access that would be difficult to gain “on your own”. If focus is outside of that or is exclusively non-policy oriented, Talbot suggested the structure needs to concentrate on how to get business benefit, perhaps thinking about if it is influencing Programs that can generate business, or if it is dramatically influencing the growth or expansion of qualified installers which helps expand business.

Co-Chair Paul Thomas (SDG&E) voiced appreciation for the comments received. He clarified that when it comes to efficiency in California, it is impossible for there not to be at least tangential policy involvement. Noting that he was “stepping out of his comfort zone”, Paul commented that there is a difference between policy and advocacy/lobbying.

- Talbot Gee (HARDI) agreed that there are differences if it is related to regulatory or legislative policy on a state or broader perspective. He confirmed that WHPA was not founded that way. He added that WHPA was built to influence programs that were intended to drive business and improve quality contracting, but that “for building impact, that was rather limited”. He suggested that if that is the sole focus, work needs to be done to determine how to be more effective as it is still unclear how “we would win in this whole deal”.

Mel Johnson (NCI) commented that WHPA was constructed around HVAC centric goals that were driven by what California was doing for energy efficiency and that those goals and roadmaps found themselves into programs. It was transacting by better informing how to reach those goals and by better informing the programs through input, so they were relevant to those goals. He



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asked if WHPA was going to still transact as a goal oriented organization that is external and solely focused on these elements of HVAC. The current structure concentrates on code compliance, maintenance, installation, whole building design, technologies, diagnostics, and on how it cross cuts. In the future, these also cross cut through market sectors to the Business Plan. He stated that “something needs to be there to support that effort”, but how will the structure identify itself in those transactions? Will it be goal centric or formed in another way?

Co-Chair Bob Wiseman (IHACI) asked if the HSES Committee is the group that should go through this thought process, if a Charter Committee should be developed to review the specific aspects from a detail perspective, or if the HSES Committee should work in parallel with a Charter Committee to battle the limited turnaround time frame. The Co-Chair confirmed that he is “not at all suggesting that the HSES Committee is done with their work”.

- Bob Barks (CALBO) commented that the sooner a group of people who are broadly representative of the stakeholders can look through the Charter and determine how it would change without IOU facilitation the better. He suggested narrowing it down and concentrating on what the organization’s focus has been on HVAC, the betterment of California, and the markets and industry in California. He noted that once a simple structure is in place, it can be further modified in the future (1 year or 5 years, etc.) “This needs to be done now. One of the benefits of WHPA is that it is neutral ground and not specifically focused on advocating for one particular group.”
- Pepper Hunziker (Tre’Laine Associates) asked if there has been WHPA Executive Committee (EC) and WHPA Council of Advisors input for cross-cutting and reshaping, particularly in terms of concentration toward California centric or national activities, etcetera. She reminded that it is difficult to determine structure without having the answers and asked for clarification on who should be answering those questions.
- Co-Chair Paul Thomas (SDG&E) clarified that many EC members are on this HSES Committee and that the EC is looking to the HSES Committee for some sort of strategy recommendation. He acknowledged that there is a bit of a “chicken and the egg” situation with this process, and that he understands both sides to the argument. Paul stated his belief that the argument Co-Chair Bob Wiseman (IHACI) made for moving toward establishing structure and then working out the details is the stronger one. Paul recommended enacting the suggestion for the EC to consider the formation of a non-profit to get an answer on general structure. He reported that if non-profit structure was in place, as an IOU, he could put funds toward that.

**MOTION:** Paul Thomas (SDG&E) motioned to make a recommendation for the WHPA Executive Committee to pursue taking WHPA to a legal entity structure with consideration of non-profit status as an option. Bob Barks (CALBO) seconded the motion.

#### VOTE DISCUSSION:

- Co-Chair Bob Wiseman (IHACI) clarified that the decision about a lot of the specifics for how legal entity formation would occur should be answered in the HSES Committee with recommendation to a Charter Committee and the Executive Committee. The rush on the vote is to try to leverage existing structure as much as possible.
- Bob Barks (CALBO) reported that by incorporating as a non-profit, it would also create a protection mechanism for Committee members and for the Board of Directors through the legal structure.
- Co-Chair Paul Thomas (SDG&E) “implored” support for the motion and clarified that he would support the effort as much as he could with resources he has identified to support its development.

**VOTE:** The motion to make a recommendation for the WHPA Executive Committee to pursue taking WHPA to a legal entity structure with consideration of non-profit status as an option carried by voiced consensus “aye”, except for abstentions cast by HARDI (Talbot Gee) and AHRI (Garrett McGuire).

#### Adjournment

Co-Chair Paul Thomas (SDG&E) confirmed that the next HSES Committee meeting is set for October 27, 2017 from 9:00am – 10:00am PDT per the established schedule.

The Co-Chairs adjourned the meeting at 10:02 a.m. PDT.

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**Summary of Action Items and Key Decisions (from above)**

**ACTION ITEMS**

1. **ACTION:** WHPA Staff to post the final [September 29, 2017 Meeting Minutes](#) reflective of any edits received by October 18, 2017. (DONE)

**KEY DECISIONS**

1. **VOTE:** The motion to make a recommendation for the WHPA Executive Committee to pursue taking WHPA to a legal entity structure with consideration of non-profit status as an option carried by voiced consensus “aye”, except for abstentions cast by HARDI (Talbot Gee) and AHRI (Garrett McGuire).