



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 27, 2017

Scheduled for 9:00am – 10:00am PDT

#### Call to Order

The WHPA HVAC Stakeholder Engagement Strategy Committee (HSES) Co-Chair, Bob Wiseman (IHACI), called the meeting to order at 9:04 a.m. PDT. The meeting was recorded for note purposes.

#### Roll Call

Wendy Worrell (WHPA Staff – InfoPlast) 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. 14 participants (or proxies) attended the meeting with a quorum (8+) of eligible members as indicated below:

P = Present at meeting A = Absent from meeting; if proxy has been assigned it will be noted 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	P
HARDI (Heating, Air Conditioning & Refrigeration Distributors International)	Talbot	Gee	Distributor Association	P
HVAC Excellence	Eugene	Silberstein	Certifying Body	A
IHACI (Institute of Heating and Air Conditioning Industries)	Bob	Wiseman	Contractor Association	P (Co-Chair)
Indio Cooling & Heating Supply	Tim	Mann	Distributor	A
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	A
	Christian	Weber	California IOU	A
SCE (Southern California Edison)	Scott	Higa	California IOU	P - Proxy for SDG&E
SDG&E (San Diego Gas & Electric Company)	Paul	Thomas	California IOU	A (Co-Chair) – Proxy to SCE
SoCalGas (Southern California Gas Company)	Harvey	Bringas	California IOU	A
SynergyNexGen	Barbara	Hernesman	Energy Efficiency Program Consultant	A
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))	Jeorge	Tagnipes	California PUC	A
SDG&E (San Diego Gas & Electric Company)	Pedro	Ramirez	California IOU	A
<b>WHPA Staff</b>				
Better Buildings, Inc.	Mark	Lowry	Other Stakeholder	P (Legal Entity Lead)
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 HSES Committee roster by WHPA Staff prior to the meeting, along with meeting reference slides:



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 27, 2017

Scheduled for 9:00am – 10:00am PDT

PDT TIME	TOPIC	FACILITATOR
5 min. 9:00-9:05	Roll Call	Wendy Worrell
5 min. 9:05-9:10	Co-Chair's Opening Comments (Mark Lowry Welcome)	Bob Wiseman
5 min. 9:10-9:15	EC Vote on HSES Recommendation	Bob Wiseman
45 min. 9:15-10:00	Scoping Questions Discussion	Mark Lowry
by 10:00am	Adjournment	Bob Wiseman

#### **Co-Chair's Opening Comments**

Co-Chair Bob Wiseman (IHACI) welcomed Mark Lowry (WHPA Staff - BBI) to the Committee. Mark has been part of WHPA since its foundation, and has held numerous roles, including previously serving as Chair of the Council of Advisors and of the Chartering Committee. Mark is currently CEO of Better Buildings, Inc., which has handled WHPA facilitation to this point. The Co-Chair reported that Mark is helping to lead the next steps process, including facilitation of the scoping questions discussion during this meeting.

#### **EC Vote on HSES Recommendation**

Co-Chair Bob Wiseman (IHACI) reminded of the HSES Committee's recommendation to explore taking WHPA to a legal entity structure with non-profit status as an option and provided an overview of the related October 18, 2017 WHPA Executive Committee decisions to:

1. Approve taking the WHPA to legal entity structure with non-profit status as an option.
2. Authorize the (re) formation of a Chartering Committee, reporting to the Executive Committee, to support taking the WHPA to legal entity structure with non-profit status as an option.

Co-Chair Bob Wiseman (IHACI) reported that there a lot of changes coming due to the above vote approvals. The goal going forward will be to look at the scoping questions for how to achieve the task of taking WHPA to legal entity structure as a non-profit.

#### **Scoping Questions Discussion**

Mark Lowry (WHPA Staff – BBI) clarified that based on his experience having Chaired the initial WHPA Chartering Committee, there are two paths that could be undertaken toward the goal of taking WHPA to a legal entity structure. One way is to have the (re)activated Chartering Committee develop a process and then bring it back to the HSES Committee, although Mark indicated that path would take longer than having the HSES Committee continue its discussion in tackling the larger questions about what the goal structure and decisions are so the Chartering Committee can craft documents accordingly.

#### STEPS TO STARTING A CA NONPROFIT PUBLIC BENEFIT CORPORATION

Mark Lowry (WHPA Staff – BBI) provided an overview of the needed steps to undertake should the path toward nonprofit public benefit corporation take place (*See meeting slide 7*). The goal is to get to the point of filing the initial registration form with all the prior steps “in our back pocket”. The HSES Committee will focus on determining the scope to feed into preparation for that background information.

Mark Lowry (WHPA Staff – BBI) reported that the full resource documents detailed on meeting slide 8 were distributed to the roster prior to the meeting for additional reference as desired.

#### SCOPING QUESTONS FOR WHPA

Mark Lowry (WHPA Staff – BBI) overviewed the following list of scoping questions to be answered, and noted that discussion on charitable contributions leads into focus on who will be funding the effort.

1. *Purpose of WHPA going forward:*
  - a. *Maintain historic mission/vision/goals?*
  - b. *California-centric vs. national?*
  - c. *Strictly HVAC (refrigeration?)*



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 27, 2017

Scheduled for 9:00am – 10:00am PDT

2. Maintain member paradigm?
  - a. Also, open to charitable contributions?
3. Lobbying/political action?
4. Board of Directors
  - a. Executive Committee?
  - b. Council of Advisors?
5. Officers of the Corporation – who fills these roles?

#### Question 1: Purpose of WHPA Going Forward Discussion

Mark Lowry (WHPA Staff – BBI) opened discussion about the purpose of WHPA going forward and asked for comments on the following:

- Does WHPA maintain its historic mission/vision/goals?
- Does WHPA focus as California-centric vs. national?
- Should WHPA remain strictly focused on HVAC, or should it be more broadly based to perhaps expand to refrigeration as a sector. (*NOTE: It was reported that for those studying the Business Plans and activities going forward, there is a lot in the agricultural and industrial sector about large scale commercial and process refrigeration that WHPA does not currently address, but that a lot of the HVAC supply chain players have interest in those areas as well.*)

Mel Johnson (NCI) commented that WHPA's initial foundation was around the California Long Term Energy Efficiency Strategic Plan (CEESP), but noted that the new Business Plans will most likely replace the CEESP. While the Business Plans have changed, they have yet to be fully adopted. He further noted that, "The HVAC industry will always be the delivery vehicle in California for what happens" with legislation, but questioned what the best mechanism was for the HVAC industry to have a voice going forward. While acknowledging understanding of the need for it, Mel noted his personal opinion that the quickness of how WHPA is handling its forward planning process "feels like putting the cart before the horse". He clarified that businesses are formed for identified need with revenue to support it, but that for WHPA there is a question about what that looks like at this point. He asked how WHPA can provide input on something yet to be approved and indicated that it puts the HVAC industry at the table to transact and determine how it wants to be involved in this. Overall, he expressed that if the CEESP is not the Business Plan that is in place, it seems premature to take the next steps until a replacement Business Plan or Strategic Plan has been established to determine how best to transact with that foundation.

- Talbot Gee (HARDI) noted agreement with Mel Johnson's (NCI) comments. He clarified that HARDI's biggest motive will be to have a clear vision of the next steps. They will always look for the ability to influence and impact programs that are hopefully having positive business impact for HARDI members. Talbot reported that he has been a bit unclear since the latest changes with the new model in California for how industry accomplishes that. For him, it is not a question on if the new WHPA entity could do it, but rather on how they do it.

Mark Lowry (WHPA Staff – BBI) brought attention to the WHPA Charter, Vision, Mission, and Goals on the WHPA Website ([http://performancealliance.org/Home\(old\)/Charter/tabid/160/Default.aspx](http://performancealliance.org/Home(old)/Charter/tabid/160/Default.aspx)). He clarified that:

1. The **Vision** outlines the desired future where "there are no blackouts or brown outs, and everyone has efficient equipment indoors, and values the HVAC supply chain, the energy management industry, and Utilities for helping them do that sustainably."
  2. The **Mission** is a little more specific and clarifies that it is a collaboration of HVAC Energy Efficiency Facilitation Management, Utilities, and Government to maximize the many benefits of cooling, heating, indoor air quality, and energy efficiency services to consumers, plus minimize the use of gas and electricity to benefit the individuals and organizations that ably deliver "the above" to consumers and society. The Mission summarizes that, "Through this collaboration, the residential and small commercial HVAC market will be transformed and will ensure that technology, equipment; installation and maintenance are of the highest quality to promote energy efficiency and peak load reduction."
- Mark Lowry (WHPA Staff- BBI) confirmed that he did not disagree with Mel Johnson's (NCI) nor Talbot Gee's (HARDI) comments, but pointed out that an entity could exist based on the broad spectrums in the Vision and Mission, but not focus on the Goals in terms of if they should support or evolve the Action Plan, the Strategic Plan, or to whom counsel is being provided until the specifics for the incorporation documents are developed. Mark also noted appreciation that discussion for understanding of how that works helps organizations determine if they would want to be part of it.
  - Bob Barks (CALBO) suggested that the existing Vision and Mission do not need to be changed. He commented that going forward, whether focusing on specific programs coming through the state of California or not, discussion of WHPA



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 27, 2017

*Scheduled for 9:00am – 10:00am PDT*

focused on the Business Plan of the State of California is a moot point because, “The California State Government is not going away as long as there is State. There will be some sort of plan or regulations or legislation that includes coordination with the State and the jurisdictions within the State.” As change will be a constant, Bob suggested that WHPA would be best served by keeping focus primarily on stakeholder interaction for development of language to present to California officials that are enacting legislation affecting the HVAC industry. He further suggested that the Goals need to be updated to clarify focus on the State of California in general and not on a specific program from the CEC, the IOUs, or any particular party.

- Mel Johnson (NCI) recommended a California-centric option in which the existing WHPA Mission would be updated to ensure it captures the broader market sectors for broader vision. Mel noted that the new Business Plan is market driven and reflects the overall marketplace better than WHPA’s narrower concentrations on residential and small commercial HVAC. He also reminded that with \$3 billion being invested into “Energy Efficiency and double down goals”, those living and doing business in California need to have a voice. He clarified that since Utilities will be running more of a portfolio management approach rather than focusing on products in the portfolio as third parties will be focused there, Utilities will be looking to see if things are being characterized appropriately and hitting targets, “We need a voice in that.” The stated that the WHPA Goals also need to be reviewed, and that it would be another discussion if WHPA is more nationally focused.

Mark Lowry (WHPA Staff – BBI) clarified that a fundamental question to answer is on determining preference for WHPA to be California centric or concentrated on a larger focus and asked for input from the HSES Committee.

- Bob Barks (CALBO) voiced endorsement for keeping the concentration California centric at this point. He agreed with Mel Johnson’s (NCI) comments that the Mission could be more inclusive, but suggested that keeping it simple at this point is the best solution to start moving things forward. “Bylaws can be revised a year from now to cover additional scope as needed as bylaws of an organization are not static.” He indicated that focus should be on the needs of the State of California and noted that HVAC interaction with the IOUs, State Agencies, and others is a large world itself as a starting point.
- Per Mark Lowry’s (WHPA Staff – BBI) inquiry, Talbot Gee (HARDI) clarified that “selfishly a national focus would be best for HARDI”, but that he “did not believe that most would feel that way. Talbot confirmed that HARDI agrees that at this point WHPA should focus in California, then merge with other activities in other states.
- Co-Chair Bob Wiseman (IHACI) confirmed agreement that being California centric is natural for WHPA focus, but noted that as some goals overlap with national interest in the future, it could be expanded.
- Scott Higa (SCE) and Dave Dias (JCEEP) voiced agreement that California centric is the path at this point.
- Mark Lowry (WHPA Staff – BBI) asked for any opposing thoughts. None were offered.

**DECISION:** There was general agreement that future WHPA focus should be California centric.

Regarding focusing WHPA Goals on the Strategic Plan or the new Business Plan, Mark Lowry (WHPA Staff – BBI) reported that per the current Charter setup, argument could be made that “we have remained largely fixated on the Utility needs and goals that help inform their portfolios” but that industry transformation needs, such as those clarified in the HVAC industry and communication goals, as well as the consumer outreach goals, and to some degree the technology development goals, were also identified ten years ago. Mark suggested that, in a way, it is possible to say the existing goals already lay the foundation for broader perspective than just input to Utility Programs. Although historically WHPA has stayed more focused on Utility needs, partially because of the Utility funding, Mark asked if the focus is freed up for concentration on the other goals previously identified in the listed set of goals on the WHPA website if the Utilities are not the primary funder going forward.

- Scott Higa (SCE) voiced the IOU perspective that there is a lot of connection with the IOU Programs, but confirmed agreement that discussion around the industry as a whole may have a broader impact for the HVAC industry.
- Mel Johnson (NCI) voiced agreement as well. He noted that WHPA was constructed for the Utilities to go through the process with a facilitation order, but that the process for how the entity would need to be structured going forward is different now. He clarified that the new setting (a legal, non-profit entity structure) would not have the same administrative constraints. He recommended that while it no longer needs to specifically state focus on the CEESP, the WHPA Charter could reference focus on the California State plan. He suggested taking the goals that were part of the transactional structure and making them purposefully ambiguous, but with “enough teeth” to get specified things done. Based on his firsthand experience, Mel reminded that the procurement process in a Utility must be very specific for a deliverable due to ratepayer funding, but that with WHPA no longer being required to specifically focus toward Utility programs, the product could now be for multiple audiences.



## WHPA HVAC Stakeholder Engagement Strategy Committee (HSES)

### Teleconference Summary Notes

Friday, October 27, 2017

Scheduled for 9:00am – 10:00am PDT

- Mark Lowry (WHPA Staff – BBI) noted his agreement for focus on broader language, but reported that while the goals do not have to be in the articles of incorporation and the bylaws, they also cannot be too ambiguous.
- Bob Barks (CALBO) concurred with Mel Johnson’s (NCI) “well stated comments”.
- Scott Higa (SCE) noted that, in general, it seems like the stated WHPA goals could be utilized with modification so that specific documents are updated to broader language that can be modified as decisions are made. He asked for confirmation on if that is “where we are headed”.
- Mark Lowry (WHPA Staff – BBI) confirmed that to be what he is hearing, but asked for other thoughts. No other comments were made.

**DECISION:** There was general agreement that the existing WHPA Vision, Mission, and Goals should be modified to be more general in nature, but not too ambiguous.

Mark Lowry (WHPA Staff – BBI) reported that the historical WHPA operations with the Charter, etcetera, and modification of that do help ease the process of getting nonprofit status.

Mel Johnson (NCI) asked if the next steps are to make decisions and get them to the Chartering Committee to develop some direction and then get back to the HSES Committee.

- Mark Lowry (WHPA Staff – BBI) reported that the other large scoping questions should be answered at the next HSES Committee meeting before communication to the Chartering Committee. The HSES Committee can also start to draft suggested Vision, Mission, and Goals language during meetings.
- Co-Chair Bob Wiseman (IHACI) confirmed agreed with Mark Lowry’s perspective for next steps. The Co-Chair added that he is “hearing this HSES Committee will keep discussion at the higher level, but leave wordsmithing to the Chartering Committee”.
- Mark Lowry (WHPA Staff – BBI) confirmed agreement with the Co-Chair’s summarization. Mark further reported that work from the Chartering Committee will come back to the HSES Committee for input.

**ACTION:** HSES Committee members to review Scoping Questions 2 – 5 for discussion at the next HSES meeting, including considering funding when thinking about the charitable contributions question.

### Adjournment

The next HSES Committee meeting was confirmed for November 10, 2017 from 9:00am – 10:00am PDT per the established schedule.

Co-Chair Bob Wiseman (IHACI) asked for a motion to adjourn. Mel Johnson (NCI) motioned and Bob Wiseman (IHACI) seconded the motion to adjourn the meeting. Co-Chair Bob Wiseman (IHACI) adjourned the meeting at 10:02 a.m. PDT with no further discussion.

\* \* \* \* \*

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

#### ACTION ITEMS

1. **ACTION:** WHPA Staff to post the final October 13, 2017 meeting minutes based on email approval and reflective of any edits received thru October 31, 2017. (DONE)
2. **ACTION:** HSES Committee members to review Scoping Questions 2 – 5 for discussion at the next HSES meeting, including considering funding when thinking about the charitable contributions question. (IN PROCESS)

#### KEY DECISIONS

1. **DECISION:** There was general agreement that future WHPA focus should be California centric.
2. **DECISION:** There was general agreement that the existing WHPA Vision, Mission, and Goals should be modified to be more general in nature, but not too ambiguous.