

ENERGY EFFICIENCY PROGRAM OPTIONS

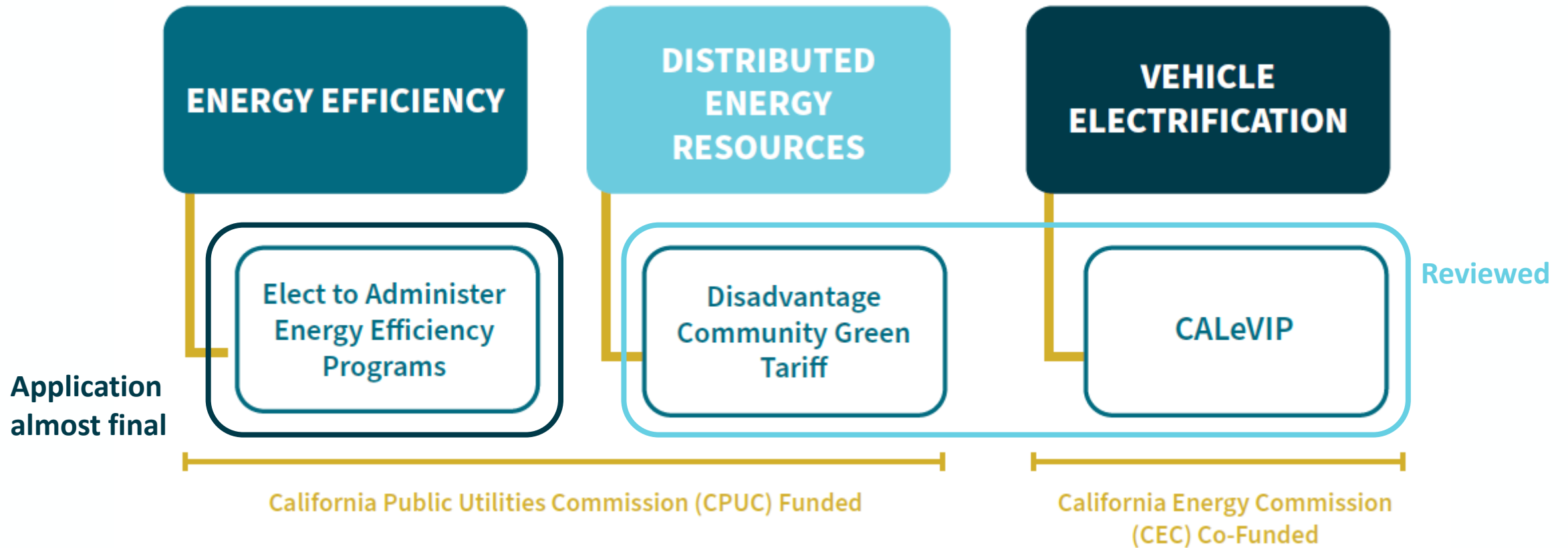


2/11/2021

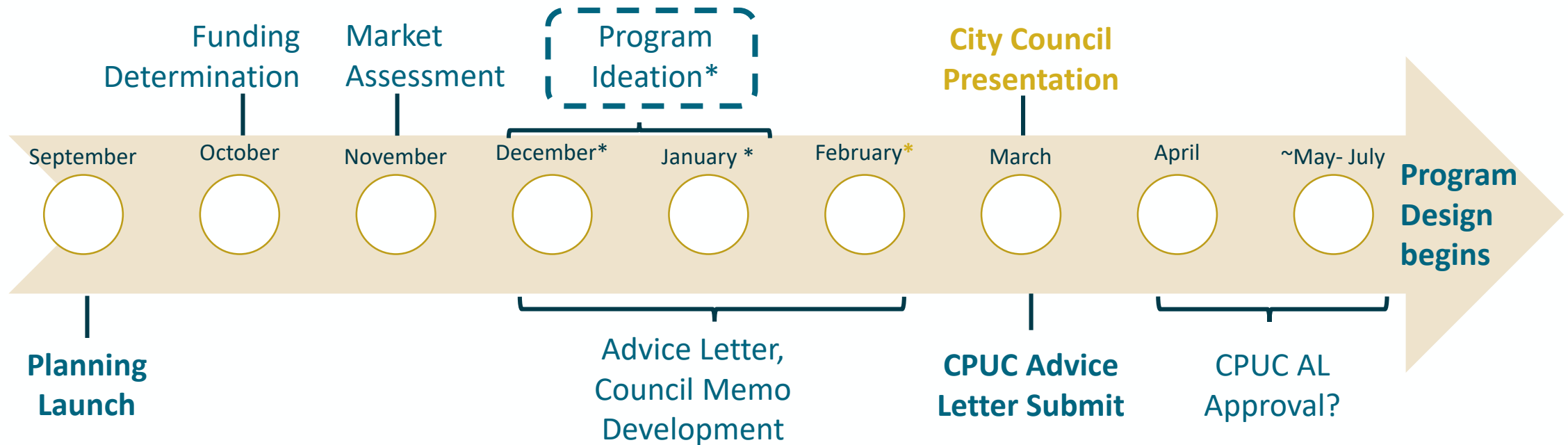
TODAY'S OBJECTIVES

1. **Revisit:** Energy Efficiency program goals and options
2. **Recommend:** Final 2 programs to include in EE application
3. **Outline:** Next steps from City Council approval of application to launch of programs

NEAR TERM PROGRAMS



CPUC APPLICATION TIMELINE



*CECAC Reviews

CPUC COST EFFECTIVENESS REQUIREMENTS

Cost Effectiveness

Costs

- Administration
- Implementation
- Marketing
- Incentives
- Measure Costs

Benefits

- Energy Savings
- Avoided grid costs
- Avoided GHGs

- Total Resource Cost Test (TRC)
- Program Administrator Test (PAC)

- 3-Year program plan and budget
- Cost effectiveness with Total Resource Cost > 1.0
- Can reapply every three years
- \$1.7 million per year estimated budget

PROGRAM OPTIONS PRESENTED JAN. 14

	TRC	Annual Budget	Annual Net kWh Savings	Annual Net therm Savings	Annual CO2 MT Savings
Single Family	0.21	\$254,548	42,765	2,758	26
Small-Medium (SM) Commercial Only	1.16	\$1,442,437	4,573,057	1,921	1052
SM Commercial + Schools	1.18	\$1,442,437	2,761,660	47,041	879
Single Family + SM Commercial + Schools	1.05 (Combined)	\$1,696,985	2,804,425	49,799	905
Single Family + SM Commercial Only	1.04 (Combined)	\$1,696,985	4,615,822	4,679	1078

← SJCE Preference

UPDATES SINCE LAST MEETING

1. Finalized annual funding determination (\$1.69 million)
2. Refined approaches for preferred programs
3. Continued alignment with PG&E, BayREN, and other project funding opportunities (i.e., AB 841 for schools)
4. Developed internal draft timeline for implementation
5. Drafted funding application and plan for submittal to CPUC

RECOMMENDED PORTFOLIO & PROGRAMS

	Customers Served/Year	Annual Net kWh Savings	Annual Net therm Savings	Annual CO2 MT Savings	TRC
Single Family	250	42,765	2,758	26	0.21
SM Commercial + Schools	103	2,761,660	47,041	879	1.18
Portfolio	353	2,804,425	49,799	905	1.05 (Combined)

RECOMMENDED PORTFOLIO & PROGRAMS

	Administration	Marketing	Direct Implementation	Incentives	EM&V	Total Budget
Single Family	\$25,333	\$15,200	\$83,095	\$126,669	\$3,040	\$253,338
SM Commercial + Schools	\$143,558	\$86,135	\$470,872	\$717,793	\$17,227	\$1,435,586
Portfolio	\$168,892	\$101,335	\$553,967	\$844,462	\$20,267	\$1,688,925

SINGLE-FAMILY PROGRAM: ENERGY EFFICIENT-ELECTRIC APPLIANCES

- **Targeted Customers:** single-family low-income households
- **Measures:** Refrigerator, Dryer, Smart Thermostat, Dishwasher, Smart Power Strip, Washing Machine, Room Air Conditioner
- **Summary of Approach**
 - Focuses on energy savings and products customers will see/use
 - Uses neighborhood and community engagement to drive participation
 - Leverages group buying options to provide customers product discounts
 - Reduces electric load to prepare for cost-effective electrification
 - Enables load shifting and demand response opportunities

SM COMMERCIAL + SCHOOLS PROGRAM

- **Targeted Customers:** Medical/Dental/Nursing offices, small-medium retail stores, restaurants, convenience stores, school districts, junior colleges
- **Measures:** HVAC system and components, refrigerated display cases, and water heating components
- **Summary of Approach**
 - Builds relationships with multiple customer segments for future programs
 - Uses contractor-driven services to provide cost-effective and high performing measure packages tailored to targeted market sectors
 - Positions existing relationships with schools to benefit from future funding opportunities (AB 841; upcoming federal stimulus, etc.)
 - Allows for additional business district and community engagement to drive participation

NEXT STEPS

1. Council Approval to Submit (March 9)
2. CPUC Advice Letter submitted (late March)
3. 3rd Party Implementer Procurement (Apr-June)
4. CPUC Funding Approval (TBD; July is earliest expected)
5. Council approves Implementer contract (post CPUC approval)
6. Final Program Design and Set up (Q3/Q4 2021)
7. Launch of Program Services (late 2021/early 2022)



APPENDIX

Cost Effectiveness Details

Program Measure Details

Market Assessment Approach

FUNDING DETERMINATION METHODOLOGY

How eligible funds for Elect to Administer programs are calculated

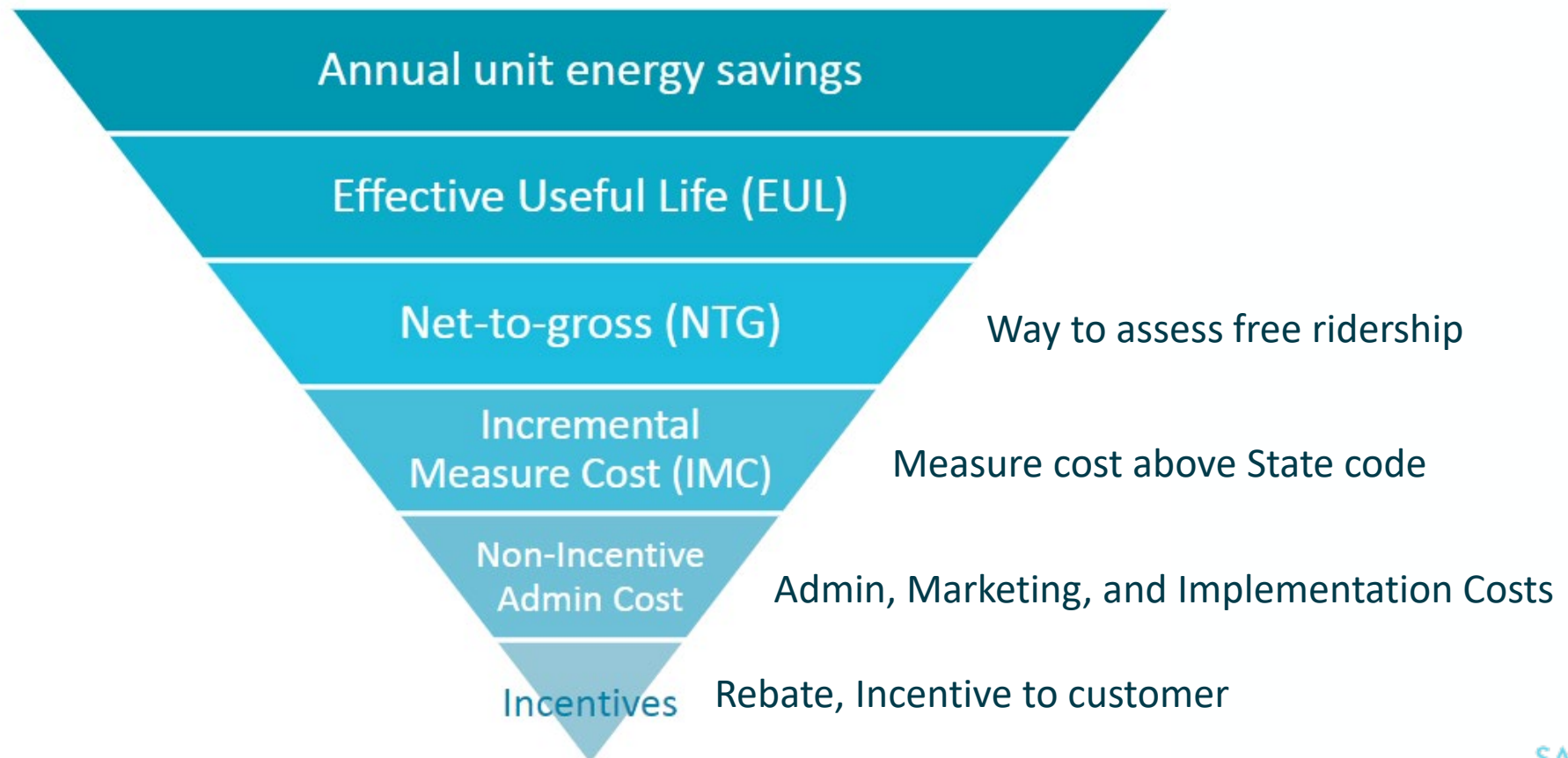
Based on:

1. SJCE Public Purpose Program Charges
2. % of PG&E program funding that is “local”, or per CPUC terms is not:
 - 1) Available statewide or
 - 2) Available across all PG&E territory

Calculated using the PG&E programs approved and operating during the year of the submitted ETA application

WHAT INPUTS DRIVE COST EFFECTIVENESS

Inputs that *generally* impact the TRC the most:



PROGRAM MEASURE DETAILS (SINGLE FAMILY)

Program Concept	Measure Description	CET Volume	CET Normalizing Unit	Incremental Measure Cost	Unit Incentive Amount	Incentive %
Res	Electric Clothes Dryer, Residential	50	Each	\$84.00	\$84.00	100%
Res	Electric Clothes Washer, Residential	50	Each	\$78.74	\$78.74	100%
Res	Smart Power Strips	250	Each	\$51.21	\$51.21	100%
Res	Electric Dishwasher, Residential	50	Each	\$144.00	\$144.00	100%
Res	Smart Thermostat, Residential	250	Each	\$142.46	\$142.46	100%
Res	Electric Refrigerator or Freezer, Residential	50	Each	\$52.00	\$52.00	100%
Res	Electric Room Air Conditioner, Residential	50	Each	\$22.00	\$22.00	100%

PROGRAM MEASURE DETAILS (COMMERCIAL + SCHOOLS)

Customer Type	Measure Description	Number of Sites	CET Volume	CET Normalizing Unit	Assumptions (Average NormUnit/Site)
Commercial	Variable Speed Drive for HVAC Fan Controls	100	1,500	Rated-HP	15
Commercial	Economizer Controls, Commercial	20	500	Cap-Tons	25
Commercial	Enhanced Ventilation for Packaged HVAC	40	1,000	Cap-Tons	25
Commercial	Supply Fan Controls, Commercial	40	1,000	Cap-Tons	25
Commercial	Bare Suction Line Insulation	25	2,500	Len-ft	100
Commercial	Medium Display Case With Doors	25	500	Len-ft	20
Commercial	Low-Temperature Display Case With Doors	25	500	Len-ft	20
School	Variable Speed Drive for HVAC Fan Controls	3	750	Rated-HP	250
School	HVAC Occupancy Sensor, Classroom	1	500	Cap-Tons	475
School	Economizer Controls, Commercial	3	1,500	Cap-Tons	475
School	Enhanced Ventilation for Packaged HVAC	3	1,500	Cap-Tons	475
School	Supply Fan Controls, Commercial	2	1,000	Cap-Tons	475
School	Recirculation Pump Timer, Commercial	3	3	Each	1

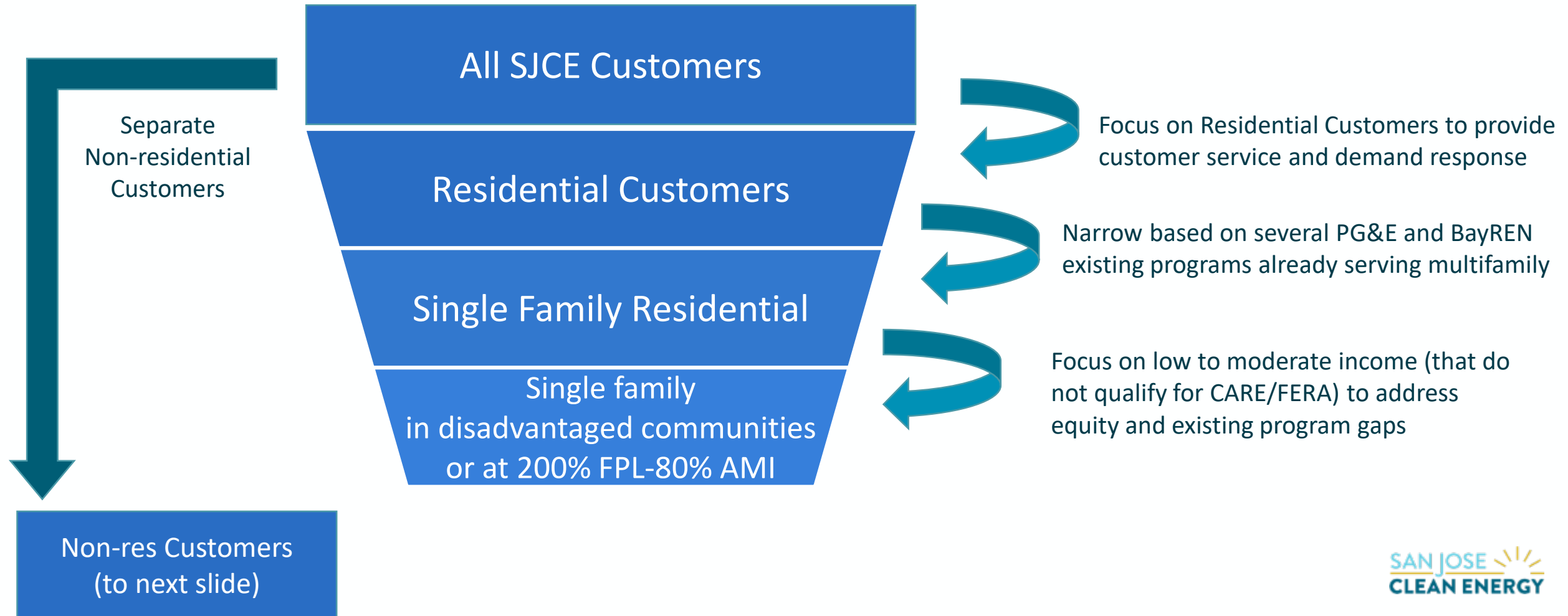
CPUC ENERGY EFFICIENCY PROGRAM REQUIREMENTS

- “Elect to Administer” (ETA) through Advice Letter
- Lancaster Choice Energy, Redwood Coast Energy Authority, CleanPowerSF, EBCE applied or applying for funds

Programs shall:

1. Advance cost-effective electricity savings and benefits
2. Accommodate need for statewide and regional programs
3. Meet CPUC audit and reporting requirements

PROGRAM CONCEPT FILTERING (1 OF 2)



PROGRAM CONCEPT FILTERING (2 OF 2)

