

TABLE OF CONTENTS

| Contents | Page |
|--|-------------|
| I. SUMMARY AND OVERVIEW OF THE ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM AND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) PROGRAM BUDGETS APPLICATION FOR THE 2015-2017 PYs | 1 |
| II. ESA PROGRAM PLAN AND BUDGETS APPLICATION FOR PY 2015-2017 | 3 |
| A. ESA Program Background | 3 |
| B. ESA Program Goals and Budgets for The 2015, 2016 and 2017 PYs..... | 15 |
| C. Program Delivery | 31 |
| D. Cost Effectiveness and Energy Savings | 91 |
| E. Measure Portfolio Composition | 95 |
| F. Other Esa Program Elements And Policies: | 101 |
| G. ESA Program Pilots: | 113 |
| H. Studies And Evaluations: | 113 |
| I. Impact Evaluation Study | 115 |
| J. Low Income Needs Assessment..... | 116 |
| K. ESA Program Budget..... | 119 |
| L. Revenue Requirement and Impacts..... | 121 |
| M. Program Funding And Fund Shifting Requests | 127 |
| III. CONCLUSION | 127 |
| IV. EXCEL ATTACHMENTS | 129 |
| A. ESA Program | 129 |
| B. CARE..... | 129 |
| C. Studies and Pilots Proposal Template D | 130 |
| D. Utility Testimony | 130 |

1
2
3
4
5
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**PREPARED DIRECT TESTIMONY OF
SANDRA WILLIAMS AND HORACE TANTUM IV
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY'S
ENERGY SAVINGS ASSISTANCE PROGRAM PLANS AND
BUDGETS FOR PROGRAM YEARS 2015, 2016 AND 2017**

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I. SUMMARY AND OVERVIEW OF THE ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM AND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) PROGRAM BUDGETS APPLICATION FOR THE 2015-2017 PYs

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SDG&E's Energy Savings Assistance ("ESA") Program is designed to achieve maximum energy savings, serve as a reliable energy resource to the State of California, reach eligible households, reduce low income customers' energy bills, and help customers to avoid service disconnections.

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In Decision ("D.") 14-08-030, the California Public Utilities Commission ("CPUC") directed the Investor Owned Utilities ("IOUs")¹ to provide its ESA Program plans and proposed budgets for the 2015-2017 program cycle. D.14-08-030 also directed an authorized budget for the 2015 ESA Program year in the amount of \$23,772,250² with a goal to treat 20,316 homes. Although D.14-08-030 determined that Program Year 2015 ("PY"), a bridge funding period, should be treated as a fourth year of the 2012-2014 program cycle,³ SDG&E is requesting a few modifications to its 2015 program as well as its 2016-2017 ESA Program in accordance with D.14-08-030, as follows:

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- Elimination of housing subsidies to determine income eligibility,
 - Leveraging with water agencies to address the water-energy nexus effort
 - Offering new measures for water and energy savings

¹ IOUs include Southern California Gas Company ("SoCalGas"), Pacific Gas and Electric ("PG&E") and Southern California Edison Company ("SCE").

² SDG&E filed Advice Letters 2652-E and 2335-G which includes the electric and gas revenue requirement for the rate components for the ESA and CARE programs.

³ Ordering Paragraph 2(b) and 3 of D.14-08-030.

- Development of contractor training
- Enhancements to marketing, education, and outreach efforts.

SDG&E is requesting a total annual budget of \$30,649,504 and \$31,631,922 for ESA Program years 2016 and 2017, respectively, with a goal to treat 20,316 homes annually. SDG&E's CARE program is a low income ratepayer assistance program that provides a monthly discount on the energy bill of income qualified residential customers, tenants of sub-metered residential facilities, qualifying group living facilities, agricultural employee housing facilities, and migrant farm worker housing centers.⁴

In D.14-08-030, the Commission directed the utilities to provide their CARE program plans and proposed budgets for the 2015-2017 program cycle. D.14-08-030 also directed an authorized budget for SDG&E's 2015 CARE program year in the amount of \$89,102,339⁵ with a goal of enrolling 90% of all eligible and willing customers into the program. Although D.14-08-030 determined that 2015, a bridge funding period, should be treated as a fourth year of the 2012-2014 program cycle,⁶ SDG&E is requesting a few modifications to its 2015 program as well as its 2016-2017 CARE Program in accordance with D.14-08-030, such as:

- Elimination of housing subsidies to determine income eligibility,⁷
- Customer contact center live CARE telephone enrollment,
- IT system enhancements, and
- Enhancements to marketing, education, and outreach efforts.

⁴ In Rulemaking (R.) 12-06-013, the Commission is addressing the revisions to the CARE discount to comply with Assembly Bill (AB) 327.

⁵ SDG&E filed Advice Letters 2652-E and 2335-G which includes the electric and gas revenue requirement for the rate components for the ESA and CARE programs.

⁶ Ordering Paragraph 2(b) and 3 of D.14-08-030.

⁷ On October 30, 2014, SDG&E filed Advice Letter 2661-E/2331-G which requested authorization to revise its CARE forms to eliminate the housing subsidy effective January 1, 2015.

1 SDG&E is requesting a total annual administrative budget of \$6,647,206 and \$6,835,213 for
2 CARE program years 2016 and 2017, respectively, with maintaining the existing goal of
3 enrolling 90% of all eligible and willing customers.

4 SDG&E is a regulated public utility that provides safe and reliable energy service to 3.4
5 million consumers through 1.4 million electric meters and 861,000 natural gas meters in San
6 Diego and southern Orange counties for residential, commercial, industrial, and agricultural use.
7 Service Territory spans 4,100 square miles.

8 **II. ESA PROGRAM PLAN AND BUDGETS APPLICATION FOR PY 2015-2017**

9 **A. ESA Program Background**

10 **1. ESA Program History**

11 The ESA Program has offered energy saving and no cost home improvements to income-
12 qualified customers since the early 1980's. The ESA Program is ratepayer funded through the
13 Public Goods Charge and is available to residential customers living in all housing types (single
14 family, multi-family, and mobile homes), and is applicable to homeowners or renters.
15 Historically, the ESA Program has been primarily designed to meet the Commission's equity
16 objectives of assisting customers who are highly unlikely or unable to participate in other
17 residential programs.⁸ Over time, however, the focus of the ESA Program has evolved to include
18 other goals for the program. For instance, in recognition of the "changes in the energy markets
19 and the environment, as well as the needs of the low income customers and the larger
20 community"⁹, the Commission in D.07-12-051 updated its policy objectives for the ESA
21 Program stating:

⁸ D.94-10-059, at p.119.

⁹ D.07-12-051, p.3.

1 [T]he key policy objective for the LIEE¹⁰ programs, like that of our non-
2 LIEE energy efficiency programs, is to provide cost-effective energy
3 savings that serve as an energy resource and to promote environmental
4 benefits. We retain our commitment to ensuring the LIEE programs add
5 to the participant’s quality of life, which implicates, equity, energy
6 affordability, bill savings and safety and comfort for those customers who
7 participate in LIEE programs.

8 To achieve these objectives, the Commission adopted an ESA Program programmatic
9 initiative “to provide all eligible LIEE customers the opportunity to participate in LIEE programs
10 and to offer those who wish to participate in all cost effective energy efficiency measures in their
11 residences by 2020.” D.07-12-051 articulated the Commission’s key objective to make the ESA
12 Program a reliable energy resource for the State of California. In July 2008, Commission Staff
13 issued the California Energy Efficiency Strategic Plan (“CEESP”), which provides program
14 guidance to the utilities. The CEESP is designed to increase the opportunities for program
15 participation and energy savings; improve leveraging and integration efforts; improve the ESA
16 Program workforce training requirements so as to facilitate participation of minority and other
17 disadvantaged communities; emphasize long term and enduring energy savings; and organize
18 program marketing, education, and outreach (“ME&O”) that is consistent with CEESP
19 strategies.¹¹

20 SDG&E’s ESA Program strives to help income-qualified customers reduce their energy
21 consumption and costs, while increasing their comfort, health and safety. The program utilizes a
22 “whole house” approach to provide no cost home weatherization, energy efficient appliances and
23 energy education services to income-qualified customers. Program services and measure

¹⁰ The Energy Savings Assistance Program was formerly known as the Low Income Energy Efficiency Program or “LIEE”.

¹¹ In January 2011, the CEESP was updated to include an energy efficient lighting chapter because lighting comprises approximately one-fourth of the electricity use in California. The CEESP established lighting goals that are applicable to three market sectors: residential, nonresidential, and exterior lighting. California Assembly Bill 1109 will phase out traditional, low efficiency incandescent lamps by 2018.

1 offerings have also been relatively standardized among the four IOUs, in large part due to the
2 Statewide Energy Savings Assistance Program Policy and Procedures Manual (“P&P Manual”).
3 To assess program effectiveness and efficiencies, the utilities periodically conduct process and
4 impact evaluation studies. To maintain the cost efficiency of program measures and services, the
5 utilities conduct program cost effectiveness tests, which include non-energy benefits (“NEBs”).

6 **2. ESA Program - Summary**

7 SDG&E’s ESA Program offers its low income natural gas and electric customers
8 weatherization services, energy efficient lighting, energy efficient appliances, energy education,
9 and other services at no cost.

10 **(i) ESA Program Legal Framework**

11 Home-weatherization programs for low income customers were first initiated in 1982 at
12 SDG&E, 1983 at PG&E and SoCalGas, and 1984 at SCE. These programs implemented the
13 “Big Six” measures which included attic insulation, caulking, weatherstripping, low flow shower
14 heads, water heater blankets, duct wrap as well as the minor home repair needed to support these
15 measures.

16 In 1990, California Senate Bill (“SB”) 845 required that Commission ensure that gas and
17 electric IOUs implement the “Big Six” measures in low income customer homes, while taking
18 into account the cost-effectiveness of the services and the reduction of low income resident’s
19 hardship. SB 845 redefined the “Big Six” measures by dropping duct wrap and allowing the
20 IOUs to implement other building conservation measures, as well as providing energy efficient
21 appliances and energy education programs that meet the program’s objectives of being cost
22 effective and of reducing hardship. The utilities’ current ESA Programs have operated on the
23 basis of SB 845 since 1990.

1 (ii) ESA Program Eligibility Guidelines

2 The ESA Program eligibility guidelines are based on several factors for participation,
3 which include household income eligibility, the utility fuel provided to the dwelling, structural
4 feasibility, landlord approval, previous program service provided to the dwelling, and the need
5 for energy efficient measures offered through the ESA Program.

6 For purposes of determining ESA Program income eligibility,¹² all income is considered
7 from all household members, including (but not limited to) wages, salaries, interest, dividends,
8 child support, spousal support, disability or veterans’ benefits, rental income, social security,
9 pensions, and all social welfare program benefits before deductions are made. Customers
10 enrolling in the program are required to provide documentation of income. The total household
11 income¹³ must be equal to or less than 200% of the Federal Poverty Guidelines, with income
12 adjustments for family size, as set forth by the Commission.¹⁴

13 Customers may be eligible to participate under categorical eligibility and can be
14 automatically enrolled in the ESA Program based on their current participation in certain local,
15 state, or federal means-tested programs. Customers enrolling in the ESA Program through
16 categorical eligibility are required to show documentation to reflect current participation in one
17 of the following public assistance programs adopted by the Commission in D.08-11-031¹⁵:
18 Bureau of Indian Affairs General Assistance, CalFresh/Supplemental Nutrition Assistance
19 Program (“SNAP”), CalWORKs/Temporary Assistance for Needy Families (“TANF”), Head

¹² Energy Savings Assistance Program income guidelines are consistent with the CARE program guidelines adopted by the Commission.

¹³ Pursuant to D.12-08-044, by April 1 of each year, the Energy Division issues the update to the income guidelines for the CARE, ESA, and FERA programs, effective June 1 through May31.

¹⁴ D.05-10-044 (the “Winter Initiative” decision) set the program eligibility limits at 200% of the Federal Poverty Guidelines.

¹⁵ D.08-11-03, at p.29.

1 Start Income Eligible (Tribal Only), Low-Income Home Energy Assistance Program
2 (“LIHEAP”), Medicaid/Medi-Cal for Families A & B, National School Lunch Program
3 (“NSLP”), Supplemental Security Income (“SSI”), Tribal TANF, or the Women, Infants, and
4 Children Program (“WIC”).

5 Customers may also be eligible to participate in the ESA Program through self-
6 certification. Self-certification is permitted in certain geographic areas where 80% of the
7 customers are likely to be at or below current ESA Program/CARE income guidelines.

8 Customers enrolling in the program through self-certification must sign a “self-certification
9 statement” to certify that the household meets the current income guidelines.

10 Customers may also be eligible to enroll in the ESA Program if they have been income-
11 qualified through the CARE program’s random post-enrollment verification process. In this
12 case, the utility requests income documentation from the CARE participant which demonstrates
13 that the customer meets the income guidelines for participation in the CARE program, and as
14 such, the CARE customer is also income verified and is eligible to participate in the ESA
15 Program.

16 (iii) ESA program eligible population

17 SDG&E estimates that 70,381¹⁶ eligible and willing households in SDG&E’s service
18 territory remain to be treated by 2020. SDG&E proposes to treat 60,948 of these during the 2015
19 to 2017 program cycle. Details on the calculations supporting this estimate can be found in
20 Section B.3. Willingness to Participate.

¹⁶ The 2009-2020 programmatic initiative consists of four three-year program cycles. The goal in each program cycle is to treat ¼ of the homes remaining to be treated. The 2015-2017 cycle consists of three years of the remaining six years to achieve the programmatic initiative.

1 **3. ESA Program – current proposal**

2 **a) Explain how your current proposal has changed from that in**
3 **prior years, including any proposed new ESA Program**
4 **measures or other activities.**

5 On February 11, 2014, SDG&E held a public workshop on its 2015-2017 Low Income
6 Program Application for its CARE and ESAP to solicit program ideas for program design,
7 outreach and marketing efforts. The meeting participants provided ideas for the programs such
8 as new measures and outreach methods which SDG&E reviewed and analyzed for inclusion in
9 the programs.

10 In general, SDG&E plans to continue its existing program design during program year
11 2015 and provide program enhancements to respond to the drought emergency directive from
12 California’s Governor Brown, the development of the contractor training program, the
13 coordination with California Lifeline and Covered California, and the implementation of two
14 behavioral approaches to aid customers in conserving energy. During 2015, SDG&E is
15 requesting a change to its existing mix of measures offered through the ESA Program projected
16 to occur in the fourth quarter provided the Commission issue a decision in this proceeding by the
17 end of the third quarter of 2015.

18 However during the 2016-2017 program years, SDG&E expects to continue with the
19 program enhancements offered in 2015 as mentioned above. SDG&E’s proposed additional
20 measures and program enhancements are discussed in detail below:

21 New Measures

- 22 • Screw in LED lamps use 15% less energy than equivalent CFLs, warm
23 up faster and last longer than CFLs. In addition LED lamps do not
24 contain mercury.

- 1 • Heat pump water heater uses fans and an evaporator to pull warmth from
2 the surrounding air and transfers it to water in the storage tank.
- 3 • Tub diverter has a special mechanism to prevent leakage through the tub
4 spout while showering.
- 5 • Efficient Fan Controller aka “Enhanced Time Delay” saves energy by
6 continuing to run the blower motor after the air conditioning compressor
7 turns off at the end of the cooling cycle.
- 8 • Combined showerhead/thermostatic shower valve eliminates the need to
9 install two separate measures. There are cost-savings that could be
10 achieved by installing this combined part when feasible.

11 Updated Measures

12 During the 2015-2017 ESA Program cycle, SDG&E plans to update its smart power strip
13 measure currently offered through the program with an advanced version known as the Tier 2
14 smart power strip. The Tier 2 version uses a sensor to determine when devices are being used
15 and when they have been left on unintentionally.

16 In addition during the 2015-2017 program cycle, SDG&E plans to update its duct test and
17 sealing measure currently being offered through the program by applying a different approach
18 which requires a visual inspection of ductwork by weatherization contractors and the sealing of
19 unsealed or improperly sealed ducts.

20 Other Activities – Contractor Training

21 SDG&E also plans to enhancement its ESA Program by providing contractor training
22 which it has not offered in previous years.

1 In response to the recommendation from the Statewide Energy Education Study
2 conducted by HINER and Partners, Inc., SDG&E proposes to implement a Contractor Training
3 Program that will focus on providing standardized training to residential outreach specialists
4 (“ROS”).

5 SDG&E is the only IOU in California which does not currently conduct contractor
6 training. SDG&E has undertaken extensive information gathering to prepare for the transition to
7 provide training. Representatives from SDG&E ESA Program spent four weeks attending ROS
8 training at PG&E, SCE, and SoCalGas facilities and plans to incorporate best practices observed
9 at those trainings into SDG&E’s training module. In addition, multiple focus groups were
10 conducted with customers who received service from the ESA Program to obtain their feedback
11 on the ESA Program enrollment process with special attention paid to the energy education
12 provided by ROS.

13 In order to standardize and improve contractor performance of contractor personnel,
14 SDG&E is working with La Cooperativa, Proteus Inc., and the San Diego Center for
15 Employment Training (“CET”) to design, develop and deploy ESA program training. SDG&E
16 anticipates that standardizing the training across the contractor network will help to elevate
17 individual performance. In addition, the training will link (as closely as possible) the assessment
18 and installation process in an effort to create a seamless transition during the customer hand off.
19 This will enhance the customer experience with the program by setting appropriate program
20 expectations and providing excellent customer service.

21 CET will also provide training opportunities to individuals attending other training held
22 at their facility. This will include structured, hands on, easy to follow training program along
23 with remedial training options for continued improvement. This component will act as a feeder

1 to the ESA Program. CET will also offer Weatherization modules to familiarize trainees with
2 the P&P Manual and the California Installation Standards Manual.

3 Other Activities – ME&O

4 In addition, SDG&E plans to enhance its existing marketing, education, and outreach
5 efforts by using a new customer segmentation strategy which improves how customer data is
6 used and help better identify SDG&E’s ESA Program target audience. SDG&E will continue to
7 leverage general awareness education efforts while incorporating new tactics, such as an
8 interactive tool, customized home energy usage report, and targeted campaigns to multi-family
9 property owners and managers.

10 **b) Based on your review of all of the previous budget cycle study**
11 **findings and working group recommendations, are there any**
12 **new measures, strategies or best practices that could be**
13 **considered for inclusion in this program that could benefit**
14 **California’s low-income customers?**

15 Based on the findings and working group recommendations, SDG&E proposes for
16 inclusion in the PY2015 – PY2017 program cycle the following recommendations:

17 Energy Education Study

- 18 ■ Standardize Energy Education and ROS Training across IOUs by providing
19 consistent and rigorous training for new assessors and refresher training for
20 existing assessors.
- 21 ■ Provide customized Energy Education based on usage level, household size, and
22 whether there are children or seniors in the home.
- 23 ■ SDG&E’s Customer Experience post-enrollment customer survey already
24 includes questions regarding energy education. Augment with specific questions
25 to test retention of information provided by assessor.

26 Multi-Family Segment Study

| | | |
|--|--|-------------------|
| Furnace Repairs (restriction on repair expenditures relative to cost of replacement) | | 50% ¹¹ |
| Central Furnaces Wall/Floor/Direct Vent Furnaces | | 40% |
| Total of All Minor Home Repairs | | \$2,500 |

1 ¹¹ Does not include the costs of Title 24 compliance.

Proposed Caps

Table 2 Caps on Home Repairs

| Service | Average Cost per Home Receiving Service | Maximum Cost for Individual Home |
|--|--|---|
| Furnace Replacements: Central Furnaces Wall/Floor/Direct Vent Furnaces | | \$2,500 ¹¹ \$2,000 |
| Water Heater Repairs and Replacements (Total Combined Cost for home receiving one or the other) | \$1,000 | \$1,400 |
| Other Home Repairs | \$300 | \$750 |
| Furnace Repairs (restriction on repair expenditures relative to cost of replacement) | | 50% ¹¹ |
| Central Furnaces Wall/Floor/Direct Vent Furnaces | | 40% |
| Total of all Minor Home Repairs | | \$3,000 |

¹¹ Does not include the costs of Title 24 compliance.

c) **In early 2014, Governor Brown declared a state of emergency due to the drought and directed state officials to take all necessary actions to prepare for these drought conditions. We note that several of California’s Native American tribes have declared a drought emergency including the Hoopa Valley Tribe, the Yurok Tribe, and the Yocha Dehe Wintun Nation. Each utility’s proposal shall consider the water-energy nexus and propose measures and ways to prioritize the cost-effective ESA measures that also save water and contribute to alleviating the drought emergency.**

In an effort to address the drought situation in California, SDG&E plans to continue offering cost effective measures that provide energy saving as well as water saving. The existing ESA Program measures that meet this criteria are High Efficiency Clothes Washers, Low Flow Showerheads, Thermostatic Shower Valve, and Faucet Aerators. For the 2015-17 program cycle, SDG&E plans to offer the existing energy water savings measures as well as offering the

1 Tub Diverter as a new energy and water saving measure to the ESA Program. There is no
2 priority in cost-effective measure installation because all ESA Program eligible households
3 receive all feasible measures.

4 For the PY2015-17, SDG&E plans to continue to provide energy education at the time of
5 outreach and assessment to eligible and qualified ESA Program customers and it also plans to
6 implement one new aspect which will include water conservation tips and provide shower timers.

- 7 **d) Explain how you coordinated and consulted with water utilities,**
8 **water districts, water agencies, government offices, Native**
9 **American tribes, community-based organizations and non-**
10 **profits, and water experts including the Commission and the**
11 **Commission’s water-energy nexus proceeding(s) to identify**
12 **potential water-energy nexus measures and analyze their cost**
13 **effectiveness. Take into account the potential to forestall use of**
14 **high energy water sources such as desalinization in analyzing**
15 **cost effectiveness.**

16 SDG&E is working with the San Diego County Water Authority, including member
17 water agencies (regulated and non-regulated entities) to identify potential leveraging water
18 saving opportunities for residential customers.

19 SDG&E plans to leverage with the water agencies in its service territory to provide
20 SDG&E customers a water conservation fact sheet and/or a water conservation booklet develop
21 by the water agency.

22 SDG&E also plans to offer customers a comprehensive water audit during the time of
23 ESA Program enrollment and this leveraging effort will be paid solely by the San Diego County
24 Water Authority.

25 **B. ESA Program Goals and Budgets for The 2015, 2016 and 2017 PYs**

26 **1. Strategic Plan: Identify the Strategic Plan Vision, Goals and**
27 **Strategies for the ESA Program.**

28 SDG&E’s proposed 2015-2017 ESA Program is designed to achieve maximum energy

savings,¹⁷ serve as a reliable energy resource to the State of California, reach 60,948 eligible households,¹⁸ reduce low income customers’ energy bills, and help customers avoid service disconnection.¹⁹

SDG&E’s proposed 2015-2017 ESA Program elements²⁰ are specifically designed to reflect the goals of the CEESP for the program because they facilitate SDG&E’s efforts to:

Goal 1: Improve Customer Outreach

| Strategies | Mid Term 2012 – 2015 | Long Term 2016 – 2020 |
|--|--|---|
| 1.1: Strengthen LIEE outreach using segmentation analysis and social marketing tools | Implement energy education designed to help customers understand and change behaviors in ways that support LIEE savings | Continue to assess and evaluate customer-behavior and energy savings; improve upon outreach to eligible communities |
| 1.2: Develop a recognizable and trustworthy Brand/Tagline for the LIEE programs | Launch integrated EE/LIEE/DSM brand | Evaluate progress/refine strategy |
| 1.3: Improve program delivery | Ongoing | Ongoing |
| 1.4: Promote the growth of a trained LIEE *workforce | Implement LIEE workforce education and training. Coordinate resources for training related to LIEE program needs to ensure delivery of LIEE-trained resources to the program | Implement LIEE workforce education and training. Coordinate LIEE workforce and service providers with broader market |

¹⁷ CEESP is a blueprint for achieving maximum energy savings in California for 2009 and beyond. Energy Savings Assistance Program efforts are a significant part of the CEESP for California. *See* Sec. I(B).

¹⁸ To promote the ESA Program’s goals and policies, the Commission adopted an ESA Program programmatic initiative (“programmatic initiative”) “to provide all eligible LIEE customers the opportunity to participate in LIEE programs and to offer those who wish to participate all cost-effective energy efficiency measures in their residences by 2020.” D.07-12-051, at p. 25.

¹⁹ As detailed herein, many of the existing and proposed program plans and measures discussed in this Application facilitate SDG&E’s continued efforts to help customers reduce instances of service disconnections. These plans and measures are in addition to the commitments SDG&E made in the Settlement Agreement between SDG&E, SoCalGas, Center for Accessible Technology Office, The Ratepayer Advocates, The Greenlining Institute, The National Consumer Law Center, and The Utility Reform Network Resolving Issues in the Residential Disconnection Proceeding in Rulemaking 10-02-005 (“Residential Disconnection Settlement Agreement”), approved on December 16, 2010 in D.10-12-051.

See Appendix A.

²⁰ SDG&E’s program elements are: 1) Outreach; 2) Enrollment; 3) Measure Installation; and 4) Inspections.

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Goal 2: ESA is an Energy Resource

| Strategies | Mid Term 2012 – 2015 | Long Term 2016 – 2020 |
|---|--|---|
| 2.1: Increase collaboration and leveraging of other low-income programs and services | Continue to expand partnerships with stakeholders and seek new opportunities for data sharing | Continue to expand partnerships with stakeholders and seek new opportunities for data sharing |
| 2.2: Coordinate and communicate between LIEE, energy efficiency and DSM programs to achieve service offerings that are seamless for the customer | Continually reevaluate and update programs to take advantage of new technologies Explore in-home displays; home area networks and/or “pay-as-you-go” technology to assist low income customers manage their use | Continually reevaluate and update programs to take advantage of new technologies |
| 2.3: Provide low income customers with measures that result in the most savings in the LIEE program | Assess opportunities to incorporate new energy efficiency measures into the LIEE program, e.g., plug-load reduction, new HVAC technology | Continue to evaluate |
| 2.4: Identifying segmented concentrations of customers to improve delivery | Evaluate approach determine whether additional segments are needed | Continue to evaluate |

For PY2015-2017, SDG&E proposes initiatives and activities to achieve the Commission’s key policy objective of making the ESA Program a reliable state energy resource. For example, SDG&E will continue to communicate to customers the need for energy conservation, improve on service and outreach efforts, and utilize the “whole house” approach to provide home weatherization, energy efficient appliances and energy education services to income-qualified customers. SDG&E plans to accomplish the programmatic initiative of reaching 60,948 eligible households during the 2015-2017 program cycle, by: 1) taking a segmented ME&O approach to reach more customers in targeted areas; 2) maximizing leveraging and integration opportunities to reach targeted customer populations (e.g., customers with disabilities, non-English speaking customers, customers with limited English proficiency, hard-to-reach customers); 3) enhancing program outreach, increasing program awareness, and 4) ultimately enrolling more customers into the program. To help customers decrease their energy bills, SDG&E provides at no cost to customers all feasible ESA Program measures and services.

1 In addition SDG&E proposes to continue to aggressively market the program, promote energy
2 conservation and outreach to customers.

3 **2. Participation Goals: Propose specific ESA Program participation**
4 **goals for 2015-2017 (number of homes treated and weatherized).**
5 **Provide the estimated number of eligible and willing households.**

6 SDG&E estimates that 70,381 eligible and willing households in SDG&E’s service
7 territory remain to be treated by 2020. SDG&E proposes to treat 60,948 of these during the 2015
8 to 2017 program cycle. Details on the calculations supporting this estimate can be found in
9 Section B.3. Willingness to Participate.

10 **Table 3 - Households to Be Served in PY2015-2017**

11

| Program Year | Units | Proposed Budget ²¹ |
|--------------|--------|-------------------------------|
| 2015 | 20,316 | \$26,904,989 |
| 2016 | 20,316 | \$30,649,504 |
| 2017 | 20,316 | \$31,631,922 |

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17 **3. Willingness to Participate (WTP): Specify all WTP factors being used**
18 **by your utility, in addition to other factors taken into consideration**
19 **(e.g., CSD treated homes, the modified 3 Measure Minimum**
20 **(Modified 3MM) Rule limitations and non-feasibility based on**
21 **historical tracking data, etc.) in proposing the homes treated goals for**
22 **the next ESA program cycle. The 2013 Low Income Needs**
23 **Assessment (LINA) reports varying WTP estimates (anywhere from**
24 **52%-72%) based on the pool of respondents and various sources.**
25 **This estimate is also dependent on unidentified barriers to**
26 **participation in the ESA Program.**

27 D.08-11-031 established a methodology for estimating the remaining eligible population
28 to be treated in order to meet the programmatic initiative of treating all eligible and willing
29 customers by the year 2020. The methodology consisted of the following steps:

²¹ This represents the ESA Program budget. This is not representative of the revenue requirement as SDG&E plans to partially offset the budget by using unspent carryover funds for PY2015-2017.

- 1 1. Use the estimated number of income eligible households based on the estimates
- 2 submitted in the utilities' annual Estimated Eligibility Updates.
- 3 2. Add a 1% annual growth factor accounting for population growth and economic
- 4 conditions.
- 5 3. Deduct the estimated number of households "unwilling to participate" in the
- 6 program.²²
- 7 4. Deduct the number of homes treated by the ESA Program between 2002 through
- 8 year-end of the most current program year completed.²³
- 9 5. Deduct the projected number of homes treated by the Energy Savings Assistance
- 10 Program for the current program year.
- 11 6. Deduct the number of homes treated by the LIHEAP program between 2002
- 12 through year-end of the most current year completed.
- 13 7. Multiply the result by 25% to determine the estimated number of homes to be
- 14 treated in the next program cycle.²⁴

15 Although the Commission adopted a 5% customer unwillingness factor in D.08-11-031,
16 SDG&E tracked customer receptiveness to the ESA Program in 2009-2011 as well as the 2012-
17 2014 program cycle. SDG&E compiled specific criteria to determine customer's unwillingness
18 to participate in the program. The data was obtained through outreach efforts. As shown on
19 Table 4 below, there were various reasons why customers were unwilling or unable to participate

²² D.08-11-031 used the entire eligible population as a basis and a factor of 5% to estimate unwilling households. However, the Decision stated that "future estimates of willingness may be more precise and may be considered for the 2012-14 budget cycle."

²³ The source of this data was the IOU's Annual Reports (for completed years).

²⁴ See D.08-11-031, at pp. 108-114.

1 in the program. For illustrative purposes, the leads generated results in a range between 36%-
 2 47% of customers that would have been unwilling or unable to participate in the ESA Program.

3 **Table 4 – Reasons Customers are Unwilling to Participate**

| Reason Unwilling/Unable | 2012 | 2013 | 2014 |
|---|---------------|---------------|---------------|
| Customer Declined Program Measures or is Non-Responsive | 10,766 | 9,121 | 11,411 |
| Customer Unavailable -Scheduling Conflicts | 917 | 304 | 175 |
| Household Income Exceeds Allowable Limits | 2,116 | 3,277 | 7,905 |
| Ineligible Dwelling - Prior Program Participation or Dwelling Age | 24 | 28 | 8 |
| Insufficient feasible Measures | 46 | 77 | 21 |
| Other | 204 | 217 | 160 |
| Unable to Provide Required Documentation | 961 | 489 | 830 |
| Total Unwilling/Unable | 15,034 | 13,513 | 20,510 |
| Total Leads | 41,424 | 33,901 | 43,335 |
| Percent Unwilling/Unable | 36% | 40% | 47% |

4 In 2013, a new Low Income Needs Assessment (“LINA”) Study was completed.²⁵ As
 5 part of this study, a new estimate of willingness to participate in the ESA program was estimated.
 6 For this study, the basis of the estimate is the nonparticipant eligible population (those remaining
 7 after the number of treated households are deducted from the overall eligible population). The
 8 LINA Study estimated that 52% of the nonparticipant eligible population were willing to
 9 participate in ESA Program when given the opportunity (i.e. 48% are unwilling). This number
 10 was derived from responses to a statewide telephone survey and then adjusted to account for
 11 survey non-response bias. In using this factor, several considerations are important. First, the
 12 factor must be applied only to the nonparticipant eligible population. Second, the factor was

²⁵ Evergreen Economics, *Needs Assessment for the Energy Savings Assistance and the California Alternate Rates for Energy Programs Final Report*, December 16, 2013.

1 estimated in 2013 and is likely to change in the future. The primary reason for this is that as
2 2020 approaches, the remaining households to be treated will be the ones that are hardest to
3 reach, and it is likely that a greater percentage of them will be unwilling. Third, the factor takes
4 into account only income eligibility and willingness and does not take into account the feasibility
5 of the home for receiving ESA Program measures. This is consistent with the methodology
6 outlined in D.08-11-031 which also did not take this into account.

7 For this Application, SDG&E used the established methodology described above,
8 updating it with the information from the recent LINA Study. In particular, SDG&E is using the
9 new factor of 52% of the eligible nonparticipant population to estimate the number of households
10 willing to participate.²⁶ The calculation is outlined below:

- 11 1. Use the estimated number of income eligible households based on the estimates
12 submitted in the utilities' annual Estimated Eligibility Updates in effect for
13 January 1, 2014.
- 14 2. Add a 1% annual growth factor accounting for population growth and economic
15 conditions.²⁷
- 16 3. Deduct the estimated number of households "unwilling to participate" in the
17 program.²⁸
- 18 4. Deduct the number of homes treated by the ESA Program between 2002 through
19 year-end of the most current program year completed, 2013.²⁹

²⁶ This corresponds to 48% of the eligible non-treated population being unwilling to participate.

²⁷ The use of a 1% annual growth rate in the willingness calculations was established in D.08-11-031.

²⁸ D.08-11-031 used the entire eligible population as a basis and a factor of 5% to estimate unwilling households. However, the Decision stated that "future estimates of willingness may be more precise and may be considered for the 2012-14 budget cycle."

²⁹ The source of this data was the IOU's Annual Reports (for completed years).

- 1 5. Deduct the projected number of homes treated by the Energy Savings Assistance
2 Program for the current program year, 2014.
- 3 6. The number of homes treated by the LIHEAP/CSD program between from 2002
4 through 2013 and the estimated number of homes to be treated by the
5 LIHEAP/CSD programs from 2014 through 2020 was deducted.³⁰
- 6 7. The number of households treated by the CSD programs from 2002 through 2013
7 and the estimated number of homes to be treated by the CSD programs from 2014
8 through 2020 was deducted.³¹
- 9 8. The remainder is the estimate of total eligible and willing homes to be treated by
10 the ESA program during the years 2015 through 2020.

11 Table: 5 below represents a summary of the calculations.

³⁰ CSD treated households are estimated as follows: D.12-08-044 Appendix F reported 7,700 homes were treated by CSD from 2002 through 2007. For 2008, an annual average based on homes treated during 2002 through 2007 was used. For 2009 through 2013, CSD provided the number of homes treated. The estimate of CSD homes to be treated during the years 2014 through 2020 was an annual average based on homes treated during 2009 through 2013 multiplied by 90 percent.

³¹ CSD treated households are estimated as follows: D.12-08-044 Appendix F reported 7,700 homes were treated by CSD from 2002 through 2007. For 2008, an annual average based on homes treated during 2002 through 2007 was used. For 2009 through 2013, CSD provided the number of homes treated. The estimate of CSD homes to be treated during the years 2014 through 2020 was an annual average based on homes treated during 2009 through 2013 multiplied by 90 percent.

Table: 5 Estimation of Eligible Willing Households to be Treated

| Row Label | Description | Value |
|-----------|--|---------|
| A | Athens Research estimate of eligible households on 1/1/14 | 376,427 |
| B | One percent annual growth rate for 2014 through 2020 (value in Row A * (1.01 ⁷)) | 403,581 |
| C | Eligible but unwilling households (Row B * 19%) | 77,721 |
| D | SDG&E ESA treated homes 2002 through 2013 | 208,673 |
| E | Estimated SDG&E ESA treated homes 2014 | 20,316 |
| F | CSD treated homes in SDG&E area 2002 through 2013 | 16,729 |
| G | Estimated CSD treated homes in SDG&E area 2014 through 2020 | 9,760 |
| H | Remaining untreated eligible willing households (B-C-D-E-F-G) | 70,381 |

The calculation for the percentage of total eligible that are unwilling was based on the research conducted in the LINA study. The LINA study estimated that 48% of eligible non-treated households would be unwilling to participate in the ESA Program. For 2013, the year in which the research was conducted, this is analogous to 19% of the total eligible population in the SDG&E territory. The calculations for this are described below.

1. The number of households treated by the ESA and CSD programs from 2002 through 2013 was deducted from the estimate of total eligible households received from Athens Research, resulting in an estimate of non-treated eligible households.
2. This estimate of non-treated eligible households was multiplied by 48% (from the LINA study), resulting in the number of eligible unwilling households.
3. The number of eligible unwilling households divided by total eligible households is the proportion of the total eligible population that is unwilling to participate.

Table 6: Proportion of Unwilling out of Total Eligible Households

| Row Label | Description | Value |
|-----------|---|---------|
| A | Athens Research estimate of eligible households on 1/1/14 | 376,427 |
| B | SDG&E ESA treated homes 2002 through 2013 | 208,673 |
| C | CSD treated homes in SDG&E area 2002 through 2013 | 16,729 |
| D | Remaining eligible untreated homes (A-B-C) | 151,025 |
| E | Unwilling households (D * 48%) | 72,492 |
| F | % unwilling out of total eligible (E/A) | 19% |

4. Response to Barriers to Participation: Identify how your utility has addressed barriers to participation, including WTP related issues, and attempted to serve those customers that have been unwilling to participate. Indicate why those efforts have been successful or not successful.

SDG&E has experienced some barriers to participation which have included property owner do not sign authorizations for installation of measures, spouses not familiar with program and declining service after spouse had expressed interest and enrolled, and customers not responding to calls from contractors to schedule weatherization appointments. To address these barriers, SDG&E implemented the installation of “simple” measures during enrollment. This effort has helped to overcome several of these barriers by ensuring that several energy saving measures get installed in home during the initial visit. In addition, “simple” measures have also been installed in multi-family complexes when owner/manager refused to sign authorization but agreed to installation of measures that do not affect the structure of the unit.

1 **5. 2002-2013 Homes Treated Data: Provide actual or estimated**
 2 **participation data and the number of homes treated or weatherized**
 3 **compared against the benchmarks, if any, established by the**
 4 **Commission for the period 2002 to 2013.**

5 **Table 7: Penetration History**

| Year | Homes Treated | Ineligible & Unwilling | Estimated Eligible in Current Year | Current Year Penetration Rate for Homes Treated |
|--------------------------------|---------------|------------------------|------------------------------------|---|
| 2002 | 14,089 | | | |
| 2003 | 15,706 | | | |
| 2004 | 14,897 | | | |
| 2005 | 11,254 | | | |
| 2006 | 13,771 | | | |
| 2007 | 13,074 | | | |
| 2008 | 20,804 | | | |
| 2009 | 20,927 | 6,685 | 20,384 | 103% |
| 2010 | 21,593 | 8,690 | 20,384 | 106% |
| 2011 | 22,575 | 8,423 | 20,384 | 111% |
| 2012 | 22,415 | 7,871 | 20,316 | 110% |
| 2013 | 17,568 | 13,411 | 20,316 | 86% |
| 2014 | | | | |
| 2015 | | | | |
| 2016 | | | | |
| 2017 | | | | |
| 2018 | | | | |
| 2019 | | | | |
| 2020 | | | | |
| Total Homes Treated since 2002 | 208,673 | 45,080 | 101,784 | |

6 **6. Unique Factors: Discuss unique issues in your utility’s service area**
 7 **that would make 100 percent penetration challenging and also discuss**
 8 **homes projected but not reached in the 2012-2013 PYs.**
 9

10 In 2012, SDG&E’s ESA Program treated 22,416 homes, achieving 110% of the 2012
 11 goal of treating 20,316 homes. In 2013, the ESA Program fell short of reaching goal by treating
 12 17,568 homes achieving 86% of the 2013 goal of treating 20,316. However, when the annual
 13 goal for 2012 and 2013 is combined, SDG&E achieved 98% of its cumulative goal. Looking
 14 toward 2020, SDG&E has achieved 103% of its cumulative homes treated goal from program

years 2009 through 2013. SDG&E has some challenges in ensuring that its annual goals are achieved and plans to make the appropriate changes. For example, obtaining proof that the property manager can act on behalf of the property owner has been difficult to acquire and has hindered SDG&E's ability to enroll customers residing in multi-family dwellings. SDG&E has expanded its array of measures (simple measures) installed by O&A contractors which will enable contractors to achieve the three measure minimum installation upon enrollment and increase the number of households served, and reduce the number of visits required to treat the dwelling unit.

7. Estimated Energy Savings: Provide a chart of estimated energy savings in kilowatt hour (kWh) or Therms from years 2015 to 2017.

SDG&E's estimated energy savings are shown below for each year and for the lifecycle.

Annual

| | PY 2015 | PY 2016 | PY 2017 |
|-------------------------|----------------|----------------|----------------|
| Projected kWh | 6,238,616 | 5,723,386 | 5,723,386 |
| Projected Therms | 364,377 | 331,283 | 331,283 |

Lifecycle

| | PY 2015 | PY 2016 | PY 2017 |
|-------------------------|----------------|----------------|----------------|
| Projected kWh | 68,957,742 | 82,468,972 | 82,468,972 |
| Projected Therms | 3,517,804 | 2,988,865 | 2,988,865 |

In the ESA Program Budgets section of the application, the IOUs must:

- 1. Strategies: Present a detailed discussion that clearly identifies specific strategies and programs for the budget years 2015-2017, including proposed budget strategies, aimed at accomplishing the ESA Program programmatic initiative. In light of Governor Brown's declaration of a state of emergency due to the drought, and other drought emergency declarations, also present any strategies incorporating the Governor's directive and other drought directives, and ways to prioritize the cost-effective ESA measures that also save water and could contribute to alleviating the drought emergency.**

Despite the many challenges faced during the 2012-2014 program cycle, SDG&E continued to implement and improve on many of its existing program elements and strategies.

1 | SDG&E proposes the following program elements and strategies for the 2015-2017 ESA

2 | Program years:

3 | Customer Enrollment

4 | SDG&E plans to continue its existing customer enrollment process, which includes
5 | customer income eligibility, in-home assessment (including structural feasibility), and energy
6 | education.

7 | In-Home Assessment

8 | SDG&E will continue its existing in-home assessment process of determining
9 | the homes' needs before rendering program services and measures. In an effort to
10 | address the drought emergency, SDG&E proposes the following new measures to be
11 | implemented during the in-home assessment:

- 12 | • Contract with the San Diego County Water Authority to leverage
13 | comprehensive water audits to qualified eligible homeowners and
14 | property managers.
- 15 | • Work with Water Authority to incorporate its water conservation fact
16 | sheet and include tips for conserving water to the ESA Program energy
17 | education booklet.

18 | Installation of Measures

19 | SDG&E will continue to provide all feasible measure installations are performed by
20 | licensed contractors who participate in the program. SDG&E proposes to continue to install all
21 | feasible measures, which include: heating and cooling measures, envelope and air sealing
22 | measures, attic insulation, water heating measures, lighting measures, refrigerator and clothes
23 | washer replacements, microwave ovens, and minor home repairs.

1 To produce the most benefit and value based on energy consumption and customer
2 behavior, SDG&E proposes to continue to provide energy education on heating and cooling
3 usage, water heating usage, electric and gas appliance usage, benefits of the ESA Program in
4 reducing greenhouse emissions, water conservation, lighting usage, and ways that the customer
5 can reduce usage through behavior changes. The energy efficiency education, which occurs
6 close in time to the installation of measures, informs and teaches low-income customers about
7 the benefits of energy efficiency. In addition, to address customer confusion, customers are
8 educated on how to read a utility bill and provided information on the CARE and Medical
9 Baseline programs, and other available assistance programs.

10 WE&T

11 As previously mentioned above in Section 3 - ESA Program Current Proposal,
12 SDG&E plans to develop standardize training to improve contractor personnel. The
13 training will link as close as possible the assessment and installation process in an effort
14 to create a seamless transition during the customer hand off from ROS to the installation
15 contractor.

16 Inspections

17 In the 2015-2017 ESA Program cycle, SDG&E plans to continue utilizing in-house
18 inspection personnel to perform inspections of the installation of mandatory and non-mandatory
19 measures.

20 SDG&E also proposes to expand its inspection workforce by utilizing a third-party
21 contractor to perform inspections of the installation of mandatory and non-mandatory
22 measures. Specifically, SDG&E is proposing to employ contractors to perform not only NGAT
23 inspections but also inspections of all feasible measures at the time of the NGAT inspection (if

1 all measures have been installed). Current practice requires two separate inspections resulting in
2 two separate customer home visits. This change is being requested as an effort to minimize the
3 number of customer visits.

4 **2. Actual 2012 and 2013 Expenditures: Provide your utility's actual**
5 **expenditures, along with approved budgets, from 2012 and 2013 by**
6 **line item, consistent with the Accounting and Reporting Requirements**
7 **previously distributed by the Energy Division. Costs must be shown on**
8 **an annual basis; and the 2014 approved budget must also be included.**

9 SDG&E has provided the 2012-2014 approved budgets and expenditures consistent with
10 accounting and reporting requirements distributed by the Energy Division in Exhibit 1. In 2012,
11 the Commission authorized a bridge-period in the first eight months of the year for the IOUs
12 until such time D.12-08-044 was issued for the 2012-2014 Low Income Application. During this
13 bridge-period, the Energy Division directed the IOUs to use the same funding levels for program
14 year 2012 as authorized in program year 2011. The Energy Division revised the accounting and
15 reporting template in effective during the 2009-2011 program cycle. This revision was done to
16 be consistent with the accounting and reporting template utilized by the California Energy
17 Commission. The Energy Division revised and distributed the template for the IOUs to start
18 using for the 2012-2014 program cycle. However the IOUs were unable to start using the
19 revised template until 2013 because the actual accounting was different in 2012 and was
20 consistent with the funding levels and accounting in 2011.

21 The 2014 expenditures reflect the actual expenditures through September and the
22 remaining months of the 2014 ESA Program year are estimated.

23 **3. Carry-over Funds: Discuss carry-over funds from the 2012-2014**
24 **budget cycle. Explain why the carry-over funds exist.**

25 See Exhibit 1 which show the carryover (carryforward) funds available in the 2012-2014
26 program cycle.

1 In 2011, SDG&E exceeded its goal by treating 22,575 homes, which was 111% of the
2 annual goal. To exceed this goal, SDG&E utilized the fund shifting flexibility authorized by
3 D.08-11-031 and as modified by D.10-10-008³² to provide more services to qualified eligible
4 customers.

5 As shown in the tables above, SDG&E had unspent funds at the end of 2011 which it
6 carried forward into 2012 to meet and exceed its 2012 goal by treating 22,415 homes, which was
7 110% of the annual goal. In exceeding this goal, SDG&E utilized the fund shifting treatment
8 within the authorized decision guidelines. On October 29, 2012, SDG&E filed a Motion to
9 request fund shifting from its electric department to its gas department to address the shortfall
10 projected by year end 2012 applicable to gas measure installations. To provide clarification to its
11 Motion, SDG&E filed an Amended Motion on December 10, 2012. An ALJ Ruling dated
12 December 20, 2012 granted SDG&E's request to shift funds. SDG&E used some of the funds
13 requested in the same year and in the following year, 2013, to partially offset the continued
14 increase in gas services being provided to eligible homes.

15 In 2013, SDG&E did not meet its goal however it treated 17,568 homes which was 86%
16 of annual goal. At the end of 2013, SDG&E carried forward funds into 2014. Thus far in 2014,
17 SDG&E anticipates meeting its goal to treat 20,316 homes. SDG&E projects having unspent
18 funds available at the end of 2014 to carry forward into 2015. On October 29, 2012, SDG&E
19 filed a Petition to Modify D.12-08-044 requesting to augment its gas budget by \$3.7 million for
20 the 2012-2014 budget cycle. In OP 5 of D.14-08-030, the Commission granted SDG&E's
21 budget augmentation request. SDG&E plans to use the anticipated unspent funds in 2014 to

³² Revised OP 85, the fund shifting provision, of D.08-11-031.

1 partially offset additional costs anticipated for the continued increase in gas services and measure
2 installations as well as proposed enhancements to the ESA Program.

3 **C. Program Delivery**

4 **1. Program Design**

- 5 a) **Proposal(s): Describe any specific proposed requests to**
6 **enhance the ESA Program during the 2015-2017 program**
7 **years, including budget and proposed program design**
8 **modifications based on Phase II Studies and/or Working**
9 **Groups' Reports findings and recommendations, and also**
10 **describe any requests, including budgets and proposed**
11 **program designs, aimed at furthering your strategies**
12 **concerning the Governor's drought emergency directive, and**
13 **other drought declarations and directives, and ways to**
14 **prioritize the cost-effective ESA measures that also save water**
15 **and could contribute to alleviating the drought emergency.**

16 As previously mentioned above in Section 3 - ESA Program Current Proposal, SDG&E
17 plans to continue its existing program design during the 2015-2017 program cycle and
18 implement program enhancements to respond to:

- 19 • The drought emergency directive from California's Governor Brown;
20 • The development and implementation of a contractor training program;
21 • The coordination with California Lifeline and Covered California; and
22 • The implementation of two behavioral approaches to aid customers in conserving
23 energy.

24 Also during the 2015-2017 program cycle, SDG&E plans to offer a change to its existing
25 mix of measures offered through the ESA Program. See Section 3 above which provides
26 additional details of these program enhancements.

- 27 b) **Approach and Design: Describe how the utility intends to**
28 **approach and design its ESA Program during the 2015-2017**
29 **program years. Discuss past program accomplishments and**
30 **obstacles with regard to program implementation.**

1 **Program Approach and Design**

2 During the 2015-2017 program cycle, SDG&E plans to continue with its existing
3 program approach and design strategies which include outreach and assessment, enrollment,
4 energy education, measure installation, and inspections of installations and services performed.
5 The approach in delivery of the program strategies are briefly described below.

6 Outreach

7 For the 2015-2017 program cycle, SDG&E anticipates its outreach and assessment to be
8 provided by several contractors. These outreach and assessment contractors will be key to
9 SDG&E's success in enrolling qualified customers into the ESA Program by conducting door to
10 door canvassing in conjunction with marketing efforts provided by SDG&E. In addition,
11 SDG&E plans to continue working with contractors in allocating assigned regions, which
12 minimizes drive time, reduces greenhouse gas emissions, and increases efficiencies in the
13 installation and delivery of services to customers.

14 Enrollment

15 During the 2015-2017 program cycle, SDG&E plans to continue its existing enrollment
16 process which includes determining customer income eligibility, performing an in-home
17 assessment (including structural feasibility), and delivering energy education. Customers can
18 qualify for the program through targeted self-certification, categorical eligibility, CARE post
19 enrollment verification, or by providing full income documentation. Once customers are
20 determined to be eligible, the outreach contractor provides an in-home assessment to determine
21 all feasible measures for installation. In addition, customers will be provided with energy and
22 water conservation education that is customized to produce the most benefit and value based on
23 energy consumption and customer behavior.

1 Measure Installation

2 SDG&E plans to continue its existing policy by offering all feasible measures to qualified
3 and eligible dwellings. These measure installations will be performed by licensed contractors
4 participating in the ESA Program. The installation contractors will be responsible for contacting
5 and scheduling appointments with qualified customers to install measures in accordance with the
6 P&P Manual, the California Installation Standards, and government regulations.

7 Inspections

8 During the 2015-2017 program cycle, SDG&E plans to continue utilizing its in house
9 inspection personnel to perform program inspections for the ESA Program and Energy
10 Efficiency programs. SDG&E's ability to utilize its inspection personnel has worked effectively
11 and efficiently in providing quality assurance of work performed by installation contractors and
12 it produces cost savings between programs and provides a higher level of customer service.

13 SDG&E also proposes to expand its inspection workforce by utilizing a third party
14 contractor to perform inspections of the installation of mandatory and non-mandatory
15 measures. This change is being requested as an effort to minimize the number of customer visits.

16 **Past accomplishments and obstacles**

17 As discussed above in Section B.6 – Unique Factors, SDG&E has achieved 103% of its
18 cumulative homes treated goal from program years 2009 through 2013. SDG&E has faced some
19 challenges/obstacles in ensuring that its annual goals are achieved. Specifically, in 2013
20 SDG&E fell short of the annual goal of 20,316 by only treating 17,568 homes achieving only
21 86% of the annual goal. The shortfall was due to a number of factors such as, a reduction in the
22 number of outreach and assessment canvassers, the inability to get property owner waivers
23 signed and difficulty in obtaining proof that the property manager can act on behalf of the

1 property owner. To overcome this particular obstacle to enrollment in the program, SDG&E
2 offers simple measures that can be installed by O&A contractors without authorization from the
3 property owner or property manager. Once the proper documentation is obtained, SDG&E can
4 provide additional measures that may have been assessed that require property owner approval.

5 c) **Complaint History: Describe your utility’s history of any**
6 **customer complaints or concerns.**

7 During the 2012-2014 (YTD September 2014) program cycle, SDG&E received 212
8 complaints or concerns from customers. The issues are captured into four broad categories:
9 enrollment (3), NGAT (1), measure installations (203) primarily weatherization related
10 measures, and customer inquiries regarding program eligibility rules (5). Each issue is entered
11 into the ESA Program’s HEAT database to track and resolve.

12 Customer complaints are directed to ESA Program staff for follow-up and resolution.
13 Program staff works directly with contractor to resolve issues. This process works well and there
14 are no changes planned at this time. For the 2015-2017 program cycle, SDG&E plans to
15 continue its existing process in addressing any customer complaints or concerns.

16 d) **Program Delivery: Describe your utility’s use of CBOs,**
17 **private contractors, third parties, etc.**

18 SDG&E’s ESA Program is implemented through private contractors and CBOs. These
19 licensed contractors are responsible for outreach and assessment, weatherization services, HVAC
20 services, and appliance installations.

21 Third party contractors are used for marketing activities, market research, and
22 door-to-door outreach.

23 e) **Portfolio composition: Describe your utility’s mix of measures**
24 **and proposed new measures. Include potential alternatives to**
25 **mitigate challenges faced by single fuel utilities, such as**
26 **customer reliance on natural gas or propane or similar barriers**
27 **to ESA Program participation.**

1 SDG&E, as a dual fuel utility, does not have the challenges faced by single fuel utilities.
2 SDG&E does not have any recommendations to mitigate challenges faced by single fuel utilities.

3 SDG&E’s portfolio has a well-balanced mix of measures that address electric energy
4 savings, gas energy savings, and water savings. SDG&E also provides customers with measures
5 that provide health, comfort and safety. In addition, SDG&E is proposing to add the following
6 new measures to the 2015-2017 program cycle: LED reflector bulb, LED diffuse bulb, heat
7 pump water heater, tub diverter, efficient fan controller, and combined showerhead/thermostatic
8 shower valves.

9 Table 8 below reflects the measures that are currently offered through the ESA program
10 as well as those measures SDG&E requests to be added to its mix of measures.

11

1

Table 8: New and Existing Measures

| Existing Program Measures | Proposed New Program Measures |
|-------------------------------------|--|
| Appliances | Appliances |
| High Efficiency Clothes Washer | |
| Refrigerators | |
| Microwaves | |
| Domestic Hot Water | Domestic Hot Water |
| Water Heater Blanket | Combined Showerhead/TSV |
| Low Flow ShowerHead | Heat Pump Water Heater |
| Water Heater Pipe Insulation | Tab Diverter |
| Faucet Aerator | |
| Water Heater Repair/Replacement | |
| Thermostatic Shower Valve | |
| Enclosure | Enclosure |
| Air Sealing | |
| Attic Insulation | |
| HVAC | HVAC |
| FAU Standing Pilot Light Conversion | Energy Efficient Fan Control |
| Furnace Repair/Replacement | |
| Room A/C Replacement | |
| Duct Testing and Sealing | |
| Maintenance | Maintenance |
| Furnace Clean and Tune | |
| Central A/C Tune-up | |
| Lighting | Lighting |
| Compact Fluorescent Lights (CFLs) | LED Diffuse Bulb (60W Replace) |
| Interior Hard wired CFL fixtures | LED Reflector Bulb (BR30 Recessed Can) |
| Exterior Hard wired CFL fixtures | |
| Torchiere | |
| LED Night Lights | |
| Miscellaneous | Miscellaneous |
| Smart Strip | |

2

3

4

5

6

f) **Leveraging:** Describe your utility’s coordination activities with other utility programs and other entities to increase efficiency and ensure eligible homes are afforded an opportunity to participate in the ESA Program.

7

Currently, SDG&E works with its CBO network and the LIHEAP contractors to reach

8

customers who may not have responded to other channels of marketing or for various reasons

9

had reservations about enrolling in the ESA Program. To leverage with LIHEAP, SDG&E trains

10

LIHEAP agency employees on how to engage customers in enrolling in the ESA Program during

11

the customer’s visit to the CBOs’ office. SDG&E also partners with Metropolitan Area

1 Advisory Committee (“MAAC”), a LIHEAP contractor to enroll customers who attend its
2 “Budget Management” workshops.

3 In addition, SDG&E’s ESA Program collateral include program information advising
4 customers that they may also be eligible for programs offered by the CSD. Customers whose
5 homes are not eligible for the ESA Program due to previous program participation are referred to
6 CSD for possible participation in the Weatherization Assistance Program.

7 SDG&E also works closely with Grid Alternatives³³ to efficiently identify and serve any
8 ESA Program eligible customers with all feasible measures to ensure that solar installations for
9 single family homes can be accomplished as quickly as possible. The ESA Program enrolled
10 customers may also be enrolled in the Single Family Affordable Solar Homes (“SASH”)
11 program, which offer the low income homeowners incentives on photovoltaic solar systems.

12 2. Marketing, Education and Outreach

13 a) **Renters: Discuss program marketing and outreach** 14 **improvements that will assist with easier enrollment for** 15 **renters, particularly those living in Single Family homes that** 16 **have identified barriers with enrollment such as landlord** 17 **approvals and completed Property Owner Waivers.**

18 Historically, SDG&E has been successful in reaching the renter population eligible to
19 participate in the ESA Program. SDG&E anticipates continued success during the 2015-2017
20 program cycle by increasing its outreach to property managers to identify opportunities to ease
21 enrollments for renters in single family homes. Marketing and Outreach efforts will include
22 direct mail, events, presentations, and training with organizations that serve property
23 owners/operators including real estate, property manager and appropriate trade associations.

³³ Grid Alternatives is a non-profit organization that brings the benefits of solar technology to low income communities that would not otherwise have access, providing needed savings for families, while preparing workers for jobs in the fast-growing solar industry, and helping clean our environment.

1 For the rural audience, SDG&E will use its new Residential Segmentation data and will
2 work closely with its rural outreach contractor to implement a multi-tactic campaign consisting
3 of direct mail, outbound calling, and door-to-door. Education and outreach efforts will focus on
4 organizations that serve rural communities, including identifying new organizations that serve
5 tribal groups, seniors, and special needs.

6 SDG&E will leverage outreach opportunities with tribal and local governments, CBOs,
7 and California and Federal Lifeline providers to offer education, training, materials, enrollment
8 assistance, and direct messaging on the ESA Program.

9 c) **High Poverty Areas (income less than 100% of federal poverty**
10 **guidelines): Identify the very high poverty areas within your**
11 **service territory that have low rates of participation in the ESA**
12 **Program (by ZIP code or county, tribal area, or other**
13 **identified area), and discuss what new strategies your utility**
14 **will employ to increase ESA Program participation. Consider**
15 **coordination with California and Federal LifeLine providers**
16 **offering service in those areas, with CBOs, consultation with**
17 **tribal Governments, and with local government agencies in**
18 **those areas, when developing your marketing and outreach**
19 **strategies.**

20 SDG&E has identified 35 out of 118 zip codes within its service territory where at least
21 15% of the population is considered high poverty (100% of the FPL or below). SDG&E's ESA
22 Program penetration is 80% for those high poverty areas. SDG&E believes that this penetration
23 rate reflects the success of the ESA Program. SDG&E plans to continue building on its success
24 by utilizing its new Residential Segmentation data and will work closely with its door-to-door
25 outreach contractors to implement a multi-tactic campaign consisting of direct mail, outbound
26 calling, and leaving door hangers when customer is not at home. Education and outreach efforts
27 will continue with organizations that serve high poverty communities.

1 SDG&E will leverage outreach opportunities with tribal and local governments, CBOs,
2 and California and Federal Lifeline providers to offer education, training, materials, enrollment
3 assistance, and direct messaging on the ESA Program.

4 d) **Transiency in the Low-Income Population: As outlined in the**
5 **Multifamily Segment Study and echoed in other studies, a large**
6 **component of California’s low-income population is transient,**
7 **particularly those low-income Californians residing in**
8 **multifamily housing. Discuss what systems your utility can use**
9 **to flag and follow past ESA Program participants as they**
10 **relocate, if they remain income eligible.**

11 SDG&E’s customer information system (“CISCO”) maintains records of individually
12 metered customers, which represents the vast majority of the Multifamily Segment. During the
13 2015-2017 program cycle, SDG&E will begin analyzing customer account changes to identify
14 when an existing customer has established new utility service at a premise that has not been
15 served by the ESA Program. This process would be a manual analysis comparing between
16 CISCO and the current home energy assistance tracking (“HEAT”) database system. As the
17 ESA program moves into the Energy Efficiency Collaborative Platform (“EECP”) opportunity
18 exists to automate this process.

19 e) **Non-Transient CARE Population and ESA Program**
20 **Participation: While a high transiency rate is observed for part**
21 **of the low-income population, Commission staff has analyzed**
22 **CARE program data that indicates that a large proportion of**
23 **enrolled CARE customers have lived at their current address**
24 **(and same energy meter/account) for over four years and have**
25 **never participated in the ESA Program. What is your utility’s**
26 **plan to ensure that this specific CARE customer segment**
27 **participates in the ESA Program to both reduce their energy**
28 **burden, energy consumption, and their subsequent CARE**
29 **subsidy impact?**

30 SDG&E estimates that there are approximately 142,000 CARE customers who have lived
31 in their home for 4 or more years. SDG&E estimates that 38% of these customers are CARE
32 eligible and have not yet participated in ESA Program. SDG&E will actively market to this

1 customer segment and included in its efforts utilizing the multi-tactic approach of direct
2 marketing in collaboration with outbound calling and door-to-door outreach.

3 f) **Brand Identity: The 2013 Low Income Needs Assessment**
4 **study reported that few customers knew of the ESA Program**
5 **by its name or acronym, whereas there is much more**
6 **widespread awareness of the CARE Program. This lack of ESA**
7 **Program name recognition was true even of those customers**
8 **who had participated previously or had recently had contact**
9 **with the program. The study makes the recommendations to**
10 **link ESA marketing consistently with existing outreach efforts**
11 **for CARE whenever that is not already done and establish a**
12 **clearer identity and brand for the ESA Program. Describe**
13 **your utility’s response to these two recommendations and**
14 **propose how these two recommendations could best be**
15 **implemented amongst the four IOUs, at a minimum employing**
16 **the examples provided in the study.**

17 The 2013 LINA Study recommends that the ESA Program should consider establishing a
18 clearer identity and brand by which customers consistently hear about the program and are able
19 to refer to it when discussing with the friends, family, and neighbors.”³⁵ SDG&E respectfully
20 disagrees.

21 In D.07-12-051, the Commission directed the assigned Administrative Law Judge
22 presiding over the low income proceeding, in consultation with the Assigned Commissioner, to
23 schedule workshops to consider the development of a common branding strategy for California’s
24 low income energy efficiency products and services and directed utilities to develop a tagline
25 that can be used with the program names used by the utilities.³⁶ On April 1, 2008, an Assigned

³⁵ Needs Assessment for the Energy Savings Assistance and the California Alternate Rates for Energy Programs, Volume 1: Summary Report, dated December 16, 2013; Summary of Key Findings and Recommendations #14 at viii.

³⁶ D. 07-12-051, Ordering Paragraph 12 (3).

1 Commissioners Ruling directed the IOUs to develop a statewide LIEE tagline to use with their
2 program names.³⁷

3 During 2008, the IOUs began the process of trying to coordinate their program names
4 and taglines and hired a market research company, Travis Research, to test various possibilities
5 for the statewide program name and tagline.³⁸ Market research was conducted with customers
6 residing in areas served by the utilities to gauge their reactions to potential program names and
7 descriptions for the program. The research also served to: 1) identify the energy savings
8 methods customers are currently using (aside from those presently sponsored by their utility; 2)
9 probe the awareness and understanding of the Low Income Energy Efficiency program; and, 3)
10 gain insight as to customer impressions of the LIEE program. Based on the Findings of this
11 research, the consultant indicated that combination program name and tagline that most appealed
12 to a broad range of utility customers might be: “Energy Savings Assistance Program” with the
13 tagline “A no-cost energy-saving home improvement program for (income) qualified renters and
14 homeowners.” The IOUs concurrently presented their recommendations to the Commission in
15 response to an Assigned Commissioner’s Ruling, dated June 13, 2008.³⁹

16 In D. 08-11-031 the Commission discussed the progress the IOUs had made in trying to
17 coordinate their program names and taglines, including the testing of various possibilities.

18 However, the Commission articulated its intent to engage marketing professionals and others to

³⁷ “Assigned Commissioner's Ruling Providing Guidance for Low-Income Energy Efficiency 2009-2011 Budget Applications (Guidance Document)”, filed April 1, 2008, Section V(D)(1) and Assigned Commissioner’s Ruling Ordering Large Investor-Owned Utilities To Comply With Prior Commission/Commissioner Directives, Dated June 13, 2008.

³⁸ Low Income Energy Efficiency (LIEE) Program Name/Description Qualitative Research Results, prepared by Travis Research, dated June 19, 2008.

³⁹ Response of San Diego Gas & Electric Company to Assigned Commissioner’s Ruling Ordering Large Investor-Owned Utilities to Comply with Prior Commission/Commissioner Directives, dated June 13, 2008.

1 develop the statewide Marketing, Education, and Outreach program and determined that it was
2 premature to decide whether or not the IOU's proposed program name and tagline was
3 acceptable.⁴⁰

4 In an Assigned Commissioner's Ruling ("ACR")⁴¹ dated May 30, 2011, IOUs were
5 directed to begin using the new statewide program name known as the Energy Savings
6 Assistance Program, including the logo, in place of the former generic references to the low
7 income program and the various utility-specific low income energy efficiency program names
8 used to date by the utilities. In the May 30th ACR the Commission also determined that:

9 [t]his single recognizable and trustworthy brand for the low
10 income energy efficiency program will aid in heightened visibility
11 of and elevated awareness by the potentially eligible customers of
12 the Commission's energy efficiency program for the low income
13 sector. It will also eliminate customer confusion with the different
14 Utilities' utility-specific program names. In turn, heightened
15 program visibility and elevated customer awareness of the program
16 will lead to more at first, and hopefully an ultimately, of the
17 eligible customers participating in the program toward the
18 Strategic Plan's 2020 goal.

19 The IOUs and the Commission have already expended significant resources and funding
20 of approximately \$300,000 in developing the existing ESA Program brand. SDG&E does not
21 recommend adopting the recommendation from the 2013 Low Income Needs Assessment that
22 the program should consider establishing a clearer identity and brand for the ESA Program as it
23 would not be a prudent use of ratepayer funds to expend additional resources for this effort.

⁴⁰ D.11-08-031, at p. 66.

⁴¹ "Assigned Commissioner's Ruling Providing Guidance Concerning the California Alternative (sic) Rates for Energy (CARE) and the Energy Savings Assistance Program (Formerly and Generally Referred to As Low Income Energy Efficiency (LIEE) Program and Related 2012-2014 Budget Applications", dated May 30, 2011.

1 In the majority of SDG&E’s marketing and outreach efforts, both targeted and general
2 awareness, CARE and the ESA Program are promoted as companion programs. CARE is
3 positioned by its offer of an energy bill discount that can provide qualifying customers instant
4 savings on their energy bill, while ESA is promoted as a no-cost energy-efficiency upgrades to
5 the home that can continue to help customers save energy and money in the long-term. Both
6 programs are identified also by the “brands” of CARE and Energy Savings Assistance Program.

7 SDG&E strongly believes that having customers understand the value of these services --
8 the actual offer and what the customer receives -- takes priority over branding/name awareness
9 and leads to better customer engagement. In fact, in a 2013 SDG&E usability study (for the
10 CARE/ESA Program joint online application) SDG&E noted that all the participants in this
11 research were aware that SDG&E offered assistance to lower-income customers, and many
12 recalled marketing efforts such as calls and bill inserts. However, name recall was extremely
13 low.

14 It is also not surprising that CARE has more widespread brand awareness (per the 2013
15 LINA study) given that this program name has had several more years in market than ESA
16 Program. Additionally, the CARE name has only been through one name change in the past
17 twenty plus years, whereas the ESA Program has had multiple names with its most recent change
18 only being a few years ago. The ESA Program brand may also be confused with many other
19 home upgrade offerings including Middle Income Direct Install (“MIDI”), Multi-Family Energy
20 Efficiency Rebate (“MFEER”) and Energy Upgrade California - Home Upgrade Program
21 (“EUC-HUP”). Additionally the ESA Program is generally only executed for the customer
22 once, whereas the CARE Program offer receives much more visibility with the customer over the

1 span of time that the customer is on CARE (i.e., customer recertification, program changes move
2 to a new residence, etc.)

3 SDG&E will continue its efforts of spreading awareness of the ESA Program, not only in
4 conjunction with CARE, but by integrating program messaging as part of its residential,
5 marketing and outreach efforts. For example, SDG&E plans to promote the importance of
6 saving through an energy bill discount along with longer term savings through the ESA Program.

7 **The Guidance document also directed the applications to include the following**
8 **under the ESA Program Marketing, Education and Outreach section.**

- 9 a) **Plans for Improving Enrollment: Describe all current and**
10 **suggested Marketing, Education and Outreach methods,**
11 **including all efforts to coordinate with California and federal**
12 **LifeLine providers in the utility’s service territory and any**
13 **water utilities and water districts in the utility’s service**
14 **territory, CBO, tribal Government, and local government and**
15 **business partnerships to improve ESA enrollment, and include**
16 **the estimated costs.**

17 SDG&E’s ME&O methods integrates the ESA Program with programs such as CARE, EE,
18 Demand Response, Medical Baseline, and etc. For the 2015-17 program cycle, SDG&E plans to
19 continue these integrated activities as they prove to be successful in educating, engaging, and
20 eventually enrolling customers into the program. The ME&O funding level proposed for the
21 activities mentioned in this section for the 2015-2017 ESA Program cycle is \$5,205,324. The
22 following provides a detailed overview of the various tactics SDG&E is currently using and will
23 undertake to promote ESA for PY2015-2017:

24 **CBOs/Energy Solutions Partner (ESP) Network**

25 SDG&E works closely with a network of over 200 CBOs to connect customers to the ESA
26 Program offerings. These organizations represent the diversity of SDG&E’s service area. They
27 have been recruited based on zip codes they serve as well as where there is a high opportunity of

1 enrollment in the ESA Program. The majority are small grassroots organizations and serve
2 customers including multicultural/multilingual, seniors, veterans, special needs and limited
3 English proficient (“LEP”) customers. These partners help to engage and enroll customers in the
4 ESA Program utilizing a variety of outreach tactics including messaging via e-mail and social
5 media channels like Facebook, Twitter and Instagram; posting information on their websites;
6 providing booth space at their events and hosting enrollment day fairs at their locations.

7 Of the 200+ members of the ESP Network, more than 120 serve the
8 multicultural/multilingual customer segment. By partnering with these organizations, SDG&E
9 continues to increase its efforts with customers who may have literacy or cultural barriers and
10 require extra assistance in order to participate in the program. These partners have the trust of
11 their patrons and help to streamline and customize messaging to promote the ESA Program.

12 Of the 200+ members of the ESP Network, more than 35 serve the special needs customer
13 segment. By partnering with these organizations, SDG&E continues to increase its efforts with
14 customers who may require extra assistance and/or have special needs. These customers may
15 have permanent disabilities like vision and hearing impairments, customers struggling with
16 mental or physical health challenges or customers, such as seniors, who may be living on a
17 limited and fixed income. These partners have the trust of their constituents and help SDG&E to
18 streamline and customize messaging for these offerings.

19 SDG&E’s Outreach team works with these partners on an individual basis to customize
20 partnership packages. This partnership package includes a customization of messaging to
21 educate them in energy saving solutions and assist in the application process based upon the
22 most successful tactics each organization uses to reach their patrons.

1 Senior & Community Centers

2 In SDG&E’s service territory, senior and community centers provide excellent venues
3 and events in which to engage seniors, people with special needs, veterans and families on
4 limited incomes. Often times, these organizations offer health screenings and immunization
5 fairs, which drive traffic and provide an opportunity to refer customers to the ESA Program.

6 In the 2015-2017 program cycle, SDG&E plans to expand partners in communities that
7 have a large number of potential program participants.

8 2-1-1 San Diego

9 2-1-1 San Diego connects people in San Diego with community, health and disaster
10 services through a toll-free phone service and searchable online database via the 2-1-1 San Diego
11 website.

12 2-1-1 services include disaster relief, emergency financial assistance, housing, food
13 resources, and literacy programs. 2-1-1 San Diego screens callers to determine eligibility for
14 SDG&E’s assistance programs and refers the customer to the appropriate program.

15 **Business Partnerships**

16 Ethnic Food & Farmer’s Markets

17 Many of SDG&E’s multicultural and multilingual customers frequent the ethnic markets.
18 By teaming up with these markets, SDG&E is able to increase engagement with this audience.
19 Additionally, multilingual personnel staff is used to staff these events. In PY2015-2017,
20 SDG&E plans to continue coordinating these efforts with the assistance of multilingual partners
21 and contractors.

1 Colleges & Language Schools

2 In 2014, SDG&E met with more than 20 colleges and language schools to evaluate the
3 opportunity to increase awareness and enroll students in the programs. For example in the fourth
4 quarter of 2014, SDG&E plans to partner with the financial aid department of San Diego State
5 University to send an email blast to 8,000 students receiving financial aid to promote the CARE
6 and ESA Programs. Additionally, this campaign is targeting 20 language schools to promote
7 CARE and ESA Programs to students who are learning to become proficient in English. If these
8 efforts prove to be successful, SDG&E will continue them in the 2015-2017 program cycle.

9 Healthcare

10 Teaming up with hospitals and clinics is another way used to educate customers about the
11 ESA Program. For example, clinics offer free screening and immunization fairs in the fall,
12 which allows SDG&E's Outreach team the opportunity to inform customers about the ESA
13 Program. Beginning in 2015, SDG&E plans to conduct presentations to patient advocates and
14 financial services staff who are important resources in connecting their patients to important
15 community resources including all of the program services offered through SDG&E.

16 Local Government

17 Police, Fire & Emergency Preparedness Agencies

18 By integrating efforts with SDG&E's Emergency Preparedness program, the outreach
19 team works with first responders to promote CARE, ESA and Medical Baseline programs in
20 SDG&E's service territory. These efforts have allowed SDG&E to attend a number of police
21 and fire station events, and emergency preparedness and safety expos hosted in San Diego and
22 southern Orange County, including some of the most rural areas. In the 2015-2017 program
23 cycle, SDG&E plans to continue to increase these efforts.

1 California and Federal Lifeline

2 SDG&E has identified 37 organizations which include CBOs, tribal organizations, and
3 other public and private organizations that work in conjunction with the California Lifeline
4 and/or the Covered California agencies. SDG&E anticipates using the services of an outside
5 contractor to develop and implement a grassroots leveraging program. The contractor will work
6 with the network of organizations to ensure they have sufficient knowledge of SDG&E's ESA
7 Program in order to provide outreach and education services about the program's value to
8 qualifying low-income customers. In addition, network organizations will also have sufficient
9 information to evaluate the low-income customer for program eligibility given general criteria
10 regarding income, household size and any qualifying circumstances that may result in categorical
11 eligibility.

12 The network of organizations can use existing SDG&E ESA Program collateral, or
13 alternatively, the contractor can develop such collateral. Customers who appear to qualify for the
14 ESA Program will be referred to the contractor for follow-up by a ROS.

15 Although not all outreach and education interactions will result in a program lead, all
16 interactions will contribute to enhanced program awareness. This may directly lead consumers to
17 enroll at a later date or create a "word-of-mouth" effect for friends and family who may qualify
18 for the program and would otherwise not have program awareness.

19 Water Utilities and Water Districts

20 SDG&E is working with the San Diego County Water Authority, including member
21 water agencies (regulated and non-regulated entities) to leverage opportunities to promote the
22 CARE and ESA Programs and improve program delivery. For example, in 2014, SDG&E
23 coordinated efforts and staffed more than 20 water agency community events where CARE and

1 ESA Programs were actively promoted to all event attendees. SDG&E plans to continue these
2 efforts in PY2015-2017. In addition, SDG&E plans to partner with the San Diego County Water
3 Authority to leverage events, presentations and other activities in which education materials can
4 be distributed.

5 **Tribal Government**

6 As mentioned above, education and outreach efforts will include organizations that serve
7 tribal communities. SDG&E has an established network of CBOs that serve tribal communities
8 and will continue to leverage outreach opportunities to offer education, training, materials,
9 enrollment assistance, and messaging on the ESA Program.

10 b) **Coordination Between the ESA and Lifeline Programs: D.14-**
11 **01-036 allows low-income customers to receive subsidized**
12 **wireless service through the California Lifeline Program. In**
13 **what ways can this new opportunity be leveraged to market the**
14 **ESA Program, improve outreach to enroll eligible households,**
15 **and enhance existing PEV and re-certification processes during**
16 **the upcoming 2015-2017 program cycle and beyond? Be**
17 **specific in your response to the above and include opportunities**
18 **for data sharing to support inter-program coordination. In**
19 **particular, address how smart phones can be used to facilitate**
20 **customer education/outreach, and income verification.**

21 SDG&E plans to provide education, program materials and train organizations which
22 include CBOs, tribal organizations, and other public and private organizations that work in
23 conjunction with the California Lifeline and/or the Covered California agencies on ESA Program
24 eligibility and enrollment requirements along with the use of SDG&E's mobile application
25 feature. SDG&E's mobile phone application allows customers to easily enroll in the CARE and
26 ESA Programs, as well as can be used to facilitate education on energy efficiency and other tools
27 customers can use to save or take action. SDG&E has evaluated opportunities to utilize data
28 sharing, and at this time finds it to be cost prohibitive to share data with these agencies due to

1 costs for adherence to SDG&E's information security protocols and cost in developing a data
2 sharing interface. SDG&E believes it is more effective and efficient to leverage these agencies
3 by providing them a marketing incentive for each qualified enrollment processed by working
4 with the California Lifeline and Covered California agencies which SDG&E believes will
5 increase ESA Program enrollment through the mobile phone application. SDG&E is requesting
6 approximately \$46,000 which represents an administration fee and a marketing incentive to the
7 agencies for ESA Program enrollments.

8 The ESA Program does not conduct PEV or recertification for program enrollment. Once
9 the customer has been income qualified and the home has been treated, there is no need or
10 requirement to follow up on the participant's income eligibility because the measures have been
11 already installed and SDG&E would not remove the measures since the customer was qualified
12 at the time of enrollment. The PEV and recertification process is however applicable only to the
13 CARE program participation.

14 c) **Plans for Meeting Participation Goals: Discuss how**
15 **Marketing, Education and Outreach efforts will result in**
16 **meeting program participation goals including any specific**
17 **population sectors or segments.**

18 As mentioned above, SDG&E's ME&O methods integrates the ESA Program with
19 programs such as CARE, EE, Demand Response, Medical Baseline, and etc.

20 SDG&E utilizes a variety of tactics to contact customers and enroll them in the ESA
21 Program. Just as there is diversity in SDG&E's customer population, there is also diversity in
22 how our customers prefer to be reached. As such, SDG&E connects with customers through
23 multiple channels. SDG&E will continue building program awareness and customer engagement
24 through the use of traditional channels (mass marketing, community partnership outreach) with
25 special focus on harder-to-reach segments (i.e. renters and customers living in rural areas).

1 **Multilingual Mass Media Campaign**

2 For television, SDG&E will employ new testimonial spots, in both Spanish and English,
3 using actual SDG&E ESA participating customers. The spots will depict “everyday” people with
4 whom customers can relate. Both English and Spanish spots will be developed to run on English
5 and Spanish television, as well as through social media channels and CBO offices.

6 For radio, additional program visibility will be given through 15- and 30-second
7 promotions during traffic reports on both English and Spanish stations. Print media is essential
8 for targeting ethnic communities and hard to reach areas. Advertisements (in English, Chinese,
9 Tagalog, Spanish, and Vietnamese) will run in various publications with circulation to the
10 African American, Chinese, Filipino, Latino and Vietnamese communities. SDG&E will also
11 run in publications targeted to seniors and rural communities.

12 **Direct Mail**

13 SDG&E has improved its direct mail capability through the use of its Residential
14 Segmentation study data which allows for better targeted messages to ESA Program eligible
15 customers. The study segments residential customers based on various factors such as:
16 household electricity consumption, contact history with SDG&E, SDG&E program participation,
17 communication channel preferences and preferred sources of information.

18 **Bill Inserts & Bill Messages**

19 The ESA Program is regularly promoted through SDG&E’s residential bill newsletter, as
20 well as through bill messaging which appears directly on the customer’s bill. As an
21 improvement for PY2015-2017, SDG&E will be evaluating the possibility of enhanced targeting
22 through bill inserts. For example, a bill insert targeting only rural zip codes.

1 Email

2 SDG&E plans to conduct a monthly email campaign to its ESA Program eligible
3 customers, promoting both CARE and ESA programs. This low-cost option for direct marketing
4 has continued to garner higher than average click-through and open rates.⁴²

5 SDG&E continues to utilize email campaigns to reach both CARE and ESA audiences
6 and is evaluating how to simplify the enrollment process.

7 Online Advertising

8 Online campaigns for the ESA Program consist of display banner advertising and search
9 engine advertising. The online campaigns direct customers to an ESA Program specific landing
10 page where customers can learn more about the program and then apply online. Display banner
11 advertising campaigns will also be used for the ESA Program, specifically for the placement of
12 program banners on select websites (i.e. job search, local news, and etc.).

13 Website

14 SDGE continues to improve and enhance its website (www.SDG&E.com) for customer
15 ease of use and for customers with visual, hearing, motor and/or cognitive disabilities, so that
16 they can better understand, navigate, and utilize SDG&E's website. SDG&E's website is
17 currently available in three non-English languages (Spanish, Vietnamese, and Chinese). The
18 specific ESA Program pages are additionally available in: Arabic, Armenian, Farsi, Hmong,
19 Khmer, Korean, Russian, Tagalog and Thai. SDG&E presents all information in a textual

⁴²Source: SilverPop, SDG&E's consultant for digital marketing. During the period of January – August 2014, the average unique open rate is 33% compared to the industry average of 25%. The average unique click rate is 3.2% which falls within the industry average of 3-5%.

1 format, so that all navigation elements throughout the website can be increased in size for easy
2 visualization, and displayed according to the users' preference.⁴³

3 Mobile App

4 SDG&E recently developed the Customer Assistance button on SDG&E's mobile app,
5 which connects customers directly to the online dual CARE/ESA application. This is a newly
6 launched enhancement which SDG&E is currently tracking for click-through rates to test
7 effectiveness and analyze for further enhancements.

8 Social Media

9 With a growing number of followers on SDG&E's social media channels, including
10 Facebook, Twitter and YouTube, messaging and promotion for the ESA Program happens on a
11 frequent basis. SDG&E messages that promote no-cost home energy upgrades are further picked
12 up and re-messaged by various CBOs and partner organizations, community leaders and
13 customers which help to spread program promotion beyond SDG&E's social media subscribers
14 and followers.

15 Door-to-Door Canvassing

16 Door-to-door canvassing continues to be an effective and efficient way to generate leads
17 for the ESA Program, as well as engage them in other energy saving solutions. Using a third
18 party vendor, door-to-door agents help customers to complete the interest form. Agents are
19 provided with targeted zip code lists in an effort to better canvass high-opportunity
20 neighborhoods and communities. Multilingual agents are used in targeted zip codes where there
21 may be an increased likelihood that a specific language is spoken. Interest forms can be

⁴³ See <http://www.sdge.com/our-company/accessibility>

1 completed through traditional paper or online. SDG&E will continue to work with the door-to-
2 door contractor to target eligible customers by zip code areas.

3 SDG&E Customer-Facing Employee Groups

4 There are several employee groups within SDG&E that have direct, daily contact with
5 customers and provide assistance in connecting customers with solutions such as the ESA
6 Program. Some of these groups include Branch Offices, Customer Contact Center, Credit &
7 Collection and Field Crews. For PY2015-2017, SDG&E will continue to work with these
8 internal groups to connect customers to the ESA Program and other assistance programs like
9 CARE, Medical Baseline and Level Pay Plan.

10 **Branch Offices** – Branch Office staff is trained to assist customers to enroll in the ESA
11 Program. Additionally, each quarter during high-traffic days, the Customer Solutions Outreach
12 Team conducts educational fairs in the parking lot of the Branch Office locations to increase
13 visibility and engagement of these programs with customers. These customer events promote
14 ESA Program as well as other programs, services, tools and rate options.

15 **Customer Contact Center** – Contact Center representatives, called Energy Services
16 Specialists, are trained each year on the CARE & ESA Program offerings and offer these
17 solutions to customers as appropriate. Eligible customers who are interested in the ESA Program
18 offering can complete an online interest form or referred to the ESA Program contractor.

19 **Credit & Collections and Field Crews** – The Credit & Collections team and Field
20 Crews also receive presentations a minimum of two times a year on the CARE and ESA
21 Programs as well as program material to provide directly to customers as appropriate. Credit &
22 Collections also works diligently with customers to utilize the CARE and ESA Program
23 offerings to help those that are facing disconnection or having payment issues. These offerings

1 are also paired with Level Pay Plan and My Account to provide additional support to the
2 customer.

3 **SDG&E Employees** - Educating and engaging SDG&E employees in helping promote
4 energy saving solutions like the ESA Program to customers is an important component of
5 SDG&E's outreach efforts. Utilizing employees, all of whom have their own network of family
6 and friends, as ambassadors of these solutions, is another way customers can learn and engage in
7 these programs. As part of SDG&E's outreach efforts, education is provided a minimum of two
8 times a year on the CARE and ESA Program offerings to the general employee population
9 through a variety of channels including email blasts, digital presentation boards (digiboards),
10 employee fairs and group presentations. Additionally at employee education fairs, employees
11 are encouraged to nominate CBOs with which they have an affiliation, for a presentation on this
12 program and other energy saving solutions. For PY2015-2017, SDG&E will continue these
13 efforts with its employees.

14 **Community Events and Presentations**

15 Participation at community events continues to be an important component of education
16 and awareness for the Customer Assistance offerings. During PY2012-2014, SDG&E began
17 targeting efforts out in the community with the goal of increasing leads for the ESA Program at
18 events. Utilizing zip code data, SDG&E secured community partners in areas where there was a
19 high concentration of potential ESA Program eligible participants. SDG&E leverages partner
20 activities that include community events, presentations, and door-to-door campaigns.

1 Special Campaigns

2 For 2015-2017, SDG&E plans to continue segmented and targeted community event
3 campaigns with groups including ethnic food markets, faith based organizations, schools, senior
4 and community centers, healthcare and health clinics and safety agencies. .

5 Ethnic Food Markets

6 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
7 ME&O efforts.

8 Faith Based Organizations

9 Faith based organizations provide an excellent way to reach both the
10 multicultural/multilingual and senior populations. These venues also provide an opportunity to
11 serve customers with special needs. In 2014, the team launched a special campaign with local
12 places of worship in select zip codes with the goal of increasing awareness of the ESA Program.
13 Moving forward in 2015-2017, SDG&E plans to expand to additional zip codes in the rural and
14 high poverty areas.

15 Colleges & Language Schools

16 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
17 ME&O efforts.

18 Senior & Community Centers

19 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
20 ME&O efforts.

21 Healthcare

22 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
23 ME&O efforts.

1 Police, Fire & Emergency Preparedness Agencies

2 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
3 ME&O efforts.

4 2-1-1 San Diego

5 See Section a) Plans for Improving Enrollment above for a description of SDG&E's
6 ME&O efforts.

7 Multicultural and Multilingual Outreach Contractors

8 In an effort to continue to remove barriers and increase education for customers in the
9 multicultural and multilingual segments, SDG&E employs contractors that are fluent in various
10 languages including Spanish, Vietnamese, Chinese, Korean, Tagalog, Aramaic, and American
11 Sign Language. These contractors represent SDG&E at presentations and events in high
12 populations of non or limited English speaking customers.

- 13 a) **2012-2014 Actual Expenditures and Per Household Cost: For**
14 **each of the program years from 2012 to 2014, provide a**
15 **comparison of the budgeted, recorded or estimated average**
16 **Marketing, Education and Outreach cost per household**
17 **treated.**

18 In the Table 6 below, it reflects the 2012-2014 authorized budgets, actual
19 expenditures, and average cost per household treated for the ME&O category.

1

Table 9: Average Marketing, Education, and Outreach Cost Per Household

| Program Year 2012 | 2012 Authorized Budget | 2012 Homes Treated Goal | 2012 Average Cost by Budget Per Home Treated Goal | 2012 Annual Expenses | 2012 Homes Treated | 2012 Average Cost Per Home Treated |
|------------------------------------|------------------------|-------------------------|---|----------------------|--------------------|------------------------------------|
| Energy Savings Assistance Program: | Electric and Gas | | Electric and Gas | Electric and Gas | | Electric and Gas |
| Marketing, Education, and Outreach | \$ 1,252,282 | 20,316 | \$ 61.64 | \$ 714,922 | 22,415 | \$ 31.89 |
| | | | | | | |
| Program Year 2013 | 2013 Authorized Budget | 2013 Homes Treated Goal | 2013 Average Cost by Budget Per Home Treated Goal | 2013 Annual Expenses | 2013 Homes Treated | 2013 Average Cost Per Home Treated |
| Energy Savings Assistance Program: | Electric and Gas | | Electric and Gas | Electric and Gas | | Electric and Gas |
| Marketing, Education, and Outreach | \$ 1,153,740 | 20,316 | \$ 56.79 | \$ 739,804 | 17,568 | \$ 42.11 |
| | | | | | | |
| Program Year 2014 (1) | 2014 Authorized Budget | 2014 Homes Treated Goal | 2014 Average Cost by Budget Per Home Treated Goal | 2014 Annual Expenses | 2014 Homes Treated | 2014 Average Cost Per Home Treated |
| Energy Savings Assistance Program: | Electric and Gas | | Electric and Gas | Electric and Gas | | Electric and Gas |
| Marketing, Education, and Outreach | \$ 1,164,718 | 20,316 | \$ 57.33 | \$ 739,804 | 17,568 | \$ 42.11 |
| | | | | | | |

2

(1) The expenditures and homes treated reflect the actual expenditures and homes treated through September and the remaining months of the year are estimated.

3

b) Effectiveness: Discuss the effectiveness of your utility's local Marketing, Education and Outreach methods within your service territory and what has been your past experience regarding the success of these methods.

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SDG&E has utilized a variety of tactics to contact and engage with customers and generate leads for the ESA Program. Just as there is diversity in SDG&E's customer population, there is also diversity in how our customers prefer to be reached. As such, SDG&E connects with customers through multiple channels.

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In 2012-2013, SDG&E's various direct marketing and community engagement efforts, in conjunction with general awareness education campaigns, proved to be very effective as detailed below.

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- **General awareness and education:** General awareness campaigns through mass market tactics such as TV, radio and print advertising, social media and online advertising provided a platform for high-level education including the ESA Program

1 offer, benefits and qualifications/eligibility. General awareness tactics were typically
2 measured through SDG&E's quarterly Customer Experience Surveys which asked
3 ESA participants how they found out about the ESA Program. During 2012-2014,
4 through SDG&E's quarterly Customer Experience Surveys, SDG&E found that
5 awareness of the ESA Program was high with an average above 80%, and that
6 customers have high recollection of seeing/hearing about the ESA Program through
7 the general awareness tactics.

- 8 • **Direct Marketing:** SDG&E connects with individual customers through direct
9 marketing tactics such as direct- and electronic-mail campaigns, automated voice
10 messaging ("AVM") campaigns, and door-to-door efforts. From 2012 to September
11 2014, these direct marketing tactics yielded over 49,000 leads for the ESA Program.
- 12 • **Community Engagement:** SDG&E worked in partnership with community-based
13 organizations, government and community leaders, agencies, media and its own
14 employees to connect customers to solutions including the CARE and ESA programs.
15 From 2012 to September 2014 community engagement tactics yielded approximately
16 50,000 leads for the ESA Program.

17 For 2015-2017, SDG&E plans to continue its goal of treating 20,000 homes per year by
18 building on the general awareness, direct marketing and community engagement efforts as
19 described above. This will include new tactics such as improved targeting and messaging and
20 increased community outreach in targeted zip codes and hard to reach populations.

- 21 f) **Statewide Marketing Education and Outreach: Discuss**
22 **alternatives to minimize redundancy and better leverage local**
23 **and statewide Marketing, Education and Outreach efforts**
24 **including approved initiatives and/or funding in the general**
25 **energy efficiency docket, Rulemaking (R.)09-11-014.**

1 The statewide Energy Upgrade California (“EUC”) campaign helps SDG&E’s local
2 marketing efforts in that it provides broader education and awareness of the benefits of and need
3 for energy efficiency. As the EUC campaign drives awareness of energy efficiency and the ESA
4 Program, SDG&E is able to integrate with the campaign with the objective of driving customers
5 to take action.

6 During the 2015-2017 program cycle, the EUC initiative will continue to educate
7 SDG&E’s customers on the benefits to home energy efficiency and act as another trusted brand -
8 ultimately leading customers to SDG&E for more information and to apply for the ESA
9 Program. Because EUC will set the stage for broader energy efficiency and ESA Program
10 education, SDG&E’s ESA Program messaging can then include more detailed information (i.e.
11 program requirements, CARE integration) in order to initiate the process by contacting SDG&E.

12 To that effect, SDG&E will continue to attend the quarterly and monthly Statewide
13 ME&O meetings with the Energy Division, IOUs, Regional Energy Networks, and Center for
14 Sustainable Energy (CSE), as well as meet locally to discuss how to best leverage our local
15 media campaigns and to identify co-marketing strategies. An example of coordination may
16 include SDG&E leveraging opportunities with EUC through media placement and coordination
17 to strengthen its presence within the local market.

18 3. ESA Program Implementation

- 19 a) **Reduce the number of visits to a home for measure**
20 **implementation: One of the barriers identified by the 2013**
21 **Low Income Needs Assessment (LINA) study was that the**
22 **number of visits to a home deterred households from enrolling.**
23 **Discuss how your utility will continue to refine its**
24 **implementation strategies to reduce the number of visits so that**
25 **households that refuse to enroll due to difficulties being home**
26 **for subsequent visits may participate in greater numbers.**

27 SDG&E continues to be concerned with the number of visits that a customer has to
28 schedule in order to participate in the ESA Program. In late 2013, SDG&E in an effort to

1 address the LINA Study’s recommendation to reduce the number of visits and increase
2 participation implemented the installation of “simple measures” by outreach and assessment
3 contractors. The “simple measures” that are installed at the time of assessment are: LED night
4 light, CFL bulbs, faucet aerators, torchiere lamp, smart strip, and microwave. During the 2015-
5 2017 ESA Program cycle, SDG&E plans to continue offering these simple measure installations
6 at the time of outreach and assessment as it is effective in reducing the number of visits to a
7 customer’s home. SDG&E believes that continuing to apply this approach will help overcome
8 customers’ reluctance to participate due to the number of visits needed to treat the home.

9 **b) Priorities for treatment: One of the recommendations**
10 **provided by the 2013 LINA study was to explore the tradeoffs**
11 **associated with screening customers based on energy usage,**
12 **energy burden, and health, comfort and safety criteria to**
13 **determine priorities for treatment and/or tailor ESA Program**
14 **services to the home. Based on the demographics and**
15 **characteristics of those customers exhibiting the highest energy**
16 **burden and insecurity, discuss how your utility will prioritize**
17 **this segment of the low-income population to ensure that they**
18 **are targeted and enrolled into the program, and how their**
19 **homes will be treated, if differently from other low-income**
20 **homes. In light of the drought emergency declared in 2014 and**
21 **uncertainties about future water supplies in California, and in**
22 **light of the energy intense nature of certain water supplies (e.g.**
23 **desalination which may be used in some areas if other supplies**
24 **are not available in sufficient quantities), discuss how your**
25 **utility will prioritize delivery of the ESA measures to save**
26 **water or enable water savings.**

27 SDG&E plans to target homes that have not been served by the ESA Program with high
28 energy usage, using a multi-tactic marketing and outreach approach, consisting of a direct or
29 electronic mail as the first contact, followed up by a phone call and then door-to-door
30 outreach. Customers that are qualified for the program will be assessed for all feasible measures
31 and services under the same criteria established for all ESA Program participants. Every
32 program participant receives the same priority status. As SDG&E has mentioned earlier in this

1 application, it plans to provide existing and new water saving measures in an effort to deliver
2 water savings to assist in drought relief. In addition, SDG&E plans to partner with the San
3 Diego County Water Authority to leverage education materials and services.

4 c) **Overlapping Service territories: Discuss how your utility will**
5 **ensure that in the IOUs' overlapping service areas (especially**
6 **SCE and SoCalGas), customers are screened for both IOUs'**
7 **measures efficiently to increase the number of customers that**
8 **pass the Modified 3MM rule and to provide comprehensive**
9 **treatment.**

10 SDG&E and SoCalGas have an overlapping service area in southern Orange County,
11 where SDG&E is the electricity provider and SoCalGas is the natural gas provider to applicable
12 customers. To ensure that qualified eligible customers receive all feasible measures in the
13 overlapping service territory of the utilities, a single-point of contact contractor has been used
14 and will continue to be used in the 2015-2017 program cycle to outreach, assess, enroll
15 customers, and measure installations into ESA Program. In doing so, this should increase the
16 number of homes eligibility to comply with the modified three-measure minimum rule and it
17 provides customers with a comprehensive treatment of the program services and measure
18 installation.

19 d) **In Home Energy Education: Phase 1 Report of the Energy**
20 **Education Study revealed opportunities for standardization**
21 **and improvement to the existing ESA Program energy**
22 **education materials. What specific enhancements and**
23 **improvements are planned to encourage customer behavior**
24 **changes toward gaining greater energy efficiency and**
25 **conservation in low-income households and to improve their**
26 **awareness of energy efficiency and conservation practices?**

27 SDG&E currently provides an Energy Education booklet to its customers that are
28 enrolled in the program which provides energy savings information such as heating and cooling
29 usage, water heating system usage, electric and gas appliance usage, benefits of energy
30 efficiency programs in reducing greenhouse gas emissions, water conservation, and lighting

1 usage, appliance safety, CFL disposal and recycling, and how to read a utility bill. During 2015-
2 2017 program cycle, SDG&E plans to address the opportunities discussed in the Phase 1 Energy
3 Education Study in collaboration with the IOUs to standardize the Energy Education Booklet.
4 SDG&E envisions that the standardized booklet will not only include the information that is
5 currently in the booklet but will also include other topics that may be important to customers.

- 6 e) **Modified Materials: Describe all modified materials to**
7 **improve customer engagement, recollection and subsequent use**
8 **(e.g., guidebooks, energy wheel, calendars, website or internet-**
9 **based materials, phone apps, etc.), including materials that are**
10 **customized with applicable and tailored content to certain**
11 **household demographics including households with multiple**
12 **members, small children, teenagers, seniors, persons with**
13 **disabilities, non- English dominant speakers, etc.**

14 As addressed above in Section d) In Home Energy Education, SDG&E plans to modify
15 its Energy Education Workbook standardizing it with the IOUs in the 2015-2017 program cycle.
16 SDG&E will update its website to include regular IT system enhancements and program changes
17 as authorized by the Commission for the ESA Program. It is not necessary for SDG&E to modify
18 its phone app because it is merely a link that directly connects the customer to the program page.
19 SDG&E does not currently offer an energy wheel or a calendar, however SDG&E plans to
20 develop an energy wheel and provide to ESA Program participants. SDG&E plans to develop
21 leave behinds to help engage the entire family, as well as be more usable for all members of the
22 household (i.e. larger font size and/or in language).

- 23 f) **Post ESA-treatment Follow-up: Describe all post ESA**
24 **treatment follow-up activities including all mail-back or web-**
25 **based survey, texts, apps, calls or other forms of periodic**
26 **communications that are being considered for the upcoming**
27 **program cycle.**

28 In the 2015-2017 program cycle, SDG&E is planning to implement an innovative,
29 interactive game in follow up to the education received through the ESA Program. The overall
30 objective of this game, which can be obtained via online or mobile, is to further broaden the

1 education of ESA Program participants and help them retain the learning and effective use of the
2 assistance they have received. Any ESA Program participant household member can sign up to
3 play this fun and engaging game. Participants will be asked questions on energy and water
4 conservation to reinforce those conservation messages provided at the time of the In-Home
5 Education, and will be rewarded⁴⁴ as they continue to expand their knowledge and
6 understanding.

7 **g) Training and Materials: Describe plans for standardization of**
8 **training and materials across all four of the IOUs' service**
9 **areas.**

10 Standardized IOU energy education curriculum, best practices and refreshers were
11 recommended in the Energy Education Study. SDG&E plans to work with the other IOUs to
12 standardize efforts on training and education.

13 SDG&E plans to develop an Energy Education curriculum for in-class and web-based
14 trainings, create an energy education training lab within the San Diego Center For Employment
15 Training facility, and establish standards and best practices in coordination with the other IOUs.

16 As recommended in the Energy Education Study Phase I Report, SDG&E plans to work
17 with the IOUs to develop standardized curriculum as identified in the statewide P&P Manual.

18 SDG&E plans to include webinar, web-based training, and refresher training as needed.

19 **h) Compliance Surveys: Describe plans for augmentation of your**
20 **utility's existing compliance surveys and In-Home Inspections**
21 **to ascertain the quality of the Energy Education information**
22 **provided.**

23 SDG&E's compliance survey, which it refers to as the Customer Experience Survey has
24 been conducted since 2002. The objective of the survey is to obtain feedback from customers on

⁴⁴ The type and amount of the reward has not been determined at this time, however the total funding level for this effort is approximately \$58, 000 in total for the program cycle.

1 various aspects of the ESA Program services. The findings provide program management with
2 insight into the effectiveness of the program and to identify potential areas for improvement.

3 Customers are surveyed monthly and asked to rate the ESA Program service on a number
4 of attributes, including sign-up, installation and inspection. The monthly quota is 100 completed
5 interviews and results are reported on a quarterly basis. Participants are asked questions relating
6 to the overall enrollment experience and ease of completing the application. Participants are also
7 asked about information regarding the inspection process.

8 SDG&E plans to revise its Customer Experience Survey to include an additional question
9 to ask what the customer did differently as a result of the energy education received through the
10 ESA Program.

- 11 i) **Comparative Home Energy Usage Reports/Residential**
12 **Behavior-Based Energy Efficiency for Low -Income**
13 **Customers: Home Energy Usage Reports provide customers**
14 **with a comparison of their energy usage to that of their**
15 **neighbors in similar-sized households. Customers who use**
16 **more than their neighbors receive reports that reveal their**
17 **relative higher usage patterns for the month and**
18 **recommendations to lower their energy usage. Customers who**
19 **use less energy than their neighbors receive reports that include**
20 **positive messages to encourage continued “good behavior.”**
21 ***The 2013 Evaluation of Pacific Gas and Electric Company's***
22 ***Home Energy Report Initiative for the 2010–2012 Program***
23 **verified energy savings claims from PG&E’s piloting of**
24 **Comparative Usage Reports. Describe plans, if any, for**
25 **implementing either the same or similar Residential Behavior-**
26 **Based Energy Efficiency efforts to ESA Program eligible**
27 **customers, separately or as part of the subsequent phase of the**
28 **Energy Education Study (Phase 2).**

29 SDG&E plans to launch a comparative Home Energy Usage Reporting program for
30 customers who are post-ESA Program treatment. Home Energy Usage Reports will be delivered
31 to customers following ESA Program treatment to encourage them to save energy at no cost
32 through behavioral change and participation in additional SDG&E programs. The reports will

1 show the customer how their energy use compares to similar households and will also provide
2 tips and resources. Shortly after receiving ESA Program in-home treatment, each household will
3 receive a personalized welcome package that reinforces messages from their ESA Program visit
4 and introduces them to reports they will be receiving going forward.

5 These communications will also help households to save energy by providing energy
6 education for the whole family. The reports are delivered by mail, which the Low Income Needs
7 Assessment found was the preferred method for low-income households to receive information
8 about energy consumption. The paper reports can be shared with all members of the household,
9 and be filed away for later viewing to track energy consumption over time. The reports are
10 designed to resonate with a broad spectrum of ages and education levels by focusing on easy-to-
11 read graphs and charts and through comprehensible and meaningful tips. Households will also
12 receive reports through email, as well as have access to information about their energy usage
13 online.

14 j) **Multifamily Sector: Describe all updated program designs and**
15 **marketing approaches for Multifamily Households, including**
16 **an extended discussion of (1) how your utility proposes to implement**
17 **the recommendations of Multifamily Segment Study adopted in the**
18 **Phase II decision in this proceeding and (2) how your utility proposes**
19 **to coordinate or integrate with non-low-income energy**
20 **efficiency programs. Indicate how these updated design(s) and**
21 **marketing approaches address the ESA program goal s and**
22 **strategies. Indicate how these updated design(s) and marketing**
23 **approaches for Multifamily Households address the dual**
24 **objectives of serving all ESA Program eligible and willing**
25 **households and delivering energy efficiency measures cost-**
26 **effectively. Address all of the topics listed below:**

27 (1) **D.12-08-044 directed the IOUs to implement**
28 **Multifamily Segment Strategy 3 - an updated marketing**
29 **approach to treating this sector. Discuss how your**
30 **utility implemented this strategy in the last program**
31 **cycle.**

1 During PY 2012-2014, SDG&E commissioned qualitative research to better understand
2 the residential owner/manager mindset in terms of why some choose to authorize ESA Program
3 improvements and why others do not. A key finding from the research is that property owners
4 and managers face many challenges in the operation of their business and energy efficiency for
5 rental units is not a top of mind concern. SDG&E provided a dedicated resource to reach out to
6 property manager and coordinate individual or small group meetings. Informational meetings
7 were coordinated with over 25 property management companies to discuss participation in the
8 ESA Program and to promote the benefits to both the property managers and the tenants. In
9 addition, SDG&E conducted one-on-one meetings with interested property management
10 companies to secure and execute the property owner authorization form.

11 In PY2015-2017, SDG&E plans to continue these efforts in getting qualified eligible
12 customers enrolled in the program.

13 (2) **A primary finding of the Multifamily Segment Study**
14 **suggests that the ESA Program employ a marketing**
15 **strategy component that targets the owners and**
16 **operators of multifamily properties with low-income**
17 **residents and to align this new messaging to**
18 **communicate the benefits of building upgrades from an**
19 **investment perspective. Discuss what specific changes**
20 **your utility will be making to the ESA Program’s**
21 **existing marketing and outreach efforts in light of these**
22 **recommendations.**

23 SDG&E plans to conduct education and outreach efforts (events, presentations, trainings
24 and other activities) with organizations that serve property owners/operators including real
25 estate, property manager and appropriate trade associations emphasizing new messaging to
26 communicate the benefits of building upgrades from an investment perspective.

27 (3) **The Multifamily Segment Study recommends that the**
28 **IOUs develop a system to receive notices about low-**
29 **income multifamily buildings planning a**
30 **recapitalization event through the Low Income Housing**

Tax Credit (LIHTC) administered by the State Treasurer’s office and conduct targeted, in-person outreach to these identified properties and owners. Discuss how your utility plans to target low-income multifamily properties and their owners with outreach and marketing at identified “trigger-points” (i.e. scheduled or ongoing building recapitalization, renovation, or refinancing events) and what this targeted outreach will entail.

For low-income multifamily buildings participating in LIHTC, the Outreach team will coordinate in-person visits to evaluate the opportunity to participate in ESA and other programs during the recapitalization period. This will include integrating the ESA Program with EE, demand response and other services for the common area measures as appropriate. SDG&E plans to attend the annual application workshop hosted by the California Tax Credit Committee. Additional outreach may be coordinated, depending on continued level of interest, during periods of renovation and refinancing periods for multifamily property managers. To further this effort, SDG&E plans to contact the State Treasurer’s office to sign up to receive information on multifamily buildings that are planned to be renovated.

(4) Discuss how your utility plans to leverage relationships with lenders and other banking institutions, Local, state, and federal government institutions, tribes, non-profits and others including trade associations to identify, and target outreach to market-rate low-income multifamily property owners initiating or undergoing a recapitalization, renovation, or refinancing event, and whose buildings may house low-income households.

SDG&E plans to integrate ESA Program training and education with internal areas of the company who have the responsibility of being the primary point of contact to work with the EUC MF program to develop a plan for implementing this strategy. Using an integrated implementation approach will further enable ESA and EUC MF to provide services that benefit low-income tenants while producing significant energy savings.

1 **Finance and Lender Leveraging for Targeted Outreach**

2 SDG&E plans to work through its existing government partnerships and other programs
3 (core, third-party, customer assistance) to coordinate outreach efforts to property owners of
4 affordable housing multifamily properties. To maximize the value of our relationships with
5 government agencies, nonprofits, and industry trade associations, the SDG&E will be a part of
6 communications with all partners to ensure outreach cohesiveness. Furthermore, SDG&E will be
7 integral in promoting finance offerings to help address the first cost.

8 In September 2013, D.13-09-044 authorized the IOUs to implement energy efficiency
9 financing pilots to stimulate deeper energy efficiency investment through leveraged financing
10 products. In particular, the IOUs will establish a Master-Metered Multifamily On-Bill
11 Repayment Pilot (“MFOBR”) which focuses on the affordable housing sector where the property
12 owner collects utility charges through the tenant’s rent. As part of the Financing Decision,
13 California Alternative Energy & Advanced Transportation Financing Authority (“CAEATFA”)
14 will take on the role of the California Hub for Energy Efficiency Financing to help increase the
15 flow of private capital to EE projects. The CHEEF will be a mechanism used to facilitate
16 coordination between MFOBR lenders (e.g., community development financial institutions) and
17 the IOUs.

18 The “pre-development” phase of MFOBR is underway as SoCalGas, the lead on this
19 project, is working with the California Housing Partnership Corporation (“CHPC”), the pilot
20 implementer. CHPC, a nonprofit organization, leveraged their relationship in the multifamily
21 segment to help identify properties to participate in the MFOBR. The “pre-development” phase
22 of MFOBR will help to inform the regular track MFOBR program and future program activities.

1 Tribal Targeted Outreach

2 SDG&E will continue leveraging the services of an outside contractor to develop and
3 implement a grassroots leveraging program to target tribal communities. The contractor will
4 work with the network of organizations to ensure they have knowledge of SDG&E’s ESA
5 Program in order to provide outreach and education services about the program’s value to
6 qualifying customers that are part of the tribal segment. In addition, SDG&E will continue to
7 work with its community-based network of organizations that serve the tribal population,
8 providing them with information to evaluate the low-income customer for program eligibility
9 given general criteria regarding income, household size and any qualifying circumstances that
10 may result in categorical eligibility. Part of these partnerships include evaluating and
11 customizing opportunities to conduct training, presentations and/or events with tribal
12 communities.

- 13 (5) **Discuss all new approaches your utility plans to utilize**
14 **to improve the quality of data collected (i.e., building**
15 **vintage data via county assessor and recorder**
16 **information, historical/future permitting data via county**
17 **building inspection data, US Department of**
18 **Agricultural Rural Development housing data, tribal or**
19 **Bureau of Indian Affairs Data, local, state, and federal,**
20 **and CBO data, etc.). Discuss how your utility plans to**
21 **utilize these data to target potential ESA Program**
22 **eligible multifamily properties and their owners.**
23 **Discuss how your utility plans to leverage existing**
24 **relationships and data sharing agreements with**
25 **mainstream energy efficiency funded, local government**
26 **partnerships to acquire the data and insight to help**
27 **target low-income multifamily properties and residents**
28 **for ESA Program participation. Indicate what third**
29 **party data are available, and how your utility will use**
30 **these data to augment your current customer**
31 **database(s) to help identify low-income multifamily**
32 **properties and residents eligible for ESA Program**
33 **participation.**

1 SDG&E’s currently collects some building information, such as building vintage and
2 square footage, but all information is relevant to the individual unit treated within the building,
3 and not the multifamily building structure itself. SDG&E is exploring data sharing opportunities
4 with the mainstream energy efficiency local government partnerships in order to obtain
5 information on the multifamily buildings within their jurisdictions.

6 In addition, SDG&E has identified the State of California Housing and Community
7 Development Department as a resource that provides a rental housing directory on its website
8 which is organized by county. Likewise, the US Department of Agriculture similarly maintains a
9 list of rural development housing rentals by county which SDG&E plans to utilize.

10 **Discuss how your utility’s ESA Program multifamily offerings will utilize**
11 **benchmarking for marketing, education, outreach and other program delivery**
12 **efforts. Discuss whether EPA’s Portfolio Manager benchmarking tool could fulfil the**
13 **benchmarking needs for the ESA Program’s participating multifamily properties.**
14 **Provide an analysis of the costs and benefits of requiring mandatory whole-building**
15 **benchmarking for multifamily property participation in the ESA Program.**

16 SDG&E believes the EPA Portfolio Manager tool for multifamily properties has not been
17 available long enough to evaluate its performance. The EPA Portfolio Manager tool was only
18 recently introduced to the multifamily sector in September 2014. Because of the recent
19 introduction, SDG&E plans to utilize the single point of contact as a channel to assist property
20 owners/managers with the use of the tool so no additional costs will be required. Another
21 consideration is that the ESA Program is not a whole building program and therefore whole
22 building benchmarking should not be mandatory as it relates to program participation.

23 SDG&E’s EE Home Energy Upgrade – Multifamily Program targets the whole building and
24 allows the ESA Program to focus on in-unit services for low income residents.

25 (6) **The Multifamily Segment Study recommends revisiting**
26 **ESA Program policy on expanding the variances under**
27 **which a low-income building qualifies for relaxed**
28 **income verification requirements for the program. The**

1 study also provides a method by which to determine the
2 viability and potential costs and benefits of
3 implementing this recommendation. Indicate which, if
4 any, ESA Program policy and procedure changes your
5 utility requests in regards to allowing documentation
6 that certifies a building for identified income-based
7 subsidy programs (e.g., Section 8, deed-restricted, HUD,
8 TCAC, HCD or USDA) and serve as qualification to
9 enroll tenants in the ESA Program. Using the study
10 consultant's outlined methods, discuss the viability and
11 potential costs and benefits of implementing this
12 recommendation.

13 To improve customer experience, SDG&E has identified an approach to streamline the
14 ESA Program enrollment process for certain multifamily properties that serve low-income
15 customers. Specifically, the policy proposal applies to multifamily master meter buildings that
16 meet one of the three criteria:

- 17 • Are in self certification PRIZM Codes,
- 18 • Are in self certification census tracts
- 19 • Are registered low-income affordable housing, with ESA qualified income
20 documents <12 months old on file

21 For multifamily properties with the above characteristics, SDG&E proposes to accept an
22 affidavit (signed by an owner or authorized representative) certifying that at least 80% of on-site
23 residents meet ESA Program income qualification requirements, based on the program's existing
24 definition of income and categorical programs. By certifying 80% of tenants are eligible for the
25 ESA Program, SDG&E would be able to serve 100% of units under the 80/20 multifamily rule.

26 This proposed policy update will enhance ESA Program participation by simplifying the
27 typical multiple unit income verification process by bringing it under a singular owner
28 representative. Outside of the ESA Program and the MIDI Program, building owners and
29 managers can enroll in EE programs without individual tenant enrollments. When coordinating

1 EE programs (such as EUC and MFEER) with income based energy efficiency programs, the
2 ESA and MIDI Programs currently require that each individual tenant is income verified either
3 through full income document reviews, proof of categorical program participation, or through
4 targeted self-certification. This process can be cumbersome for building owners and tenants, and
5 to address this hurdle for EE integration SDG&E proposes building income eligibility
6 verification by signed affidavit from the property owner/manager. The use of an affidavit is
7 already permitted in the ESA Program P&P for certain instances such as, gifts or cash wages.
8 The proposed building income affidavit may be a separate form or combined with the property
9 owner authorization of measures and services and would require a modification to the current
10 P&P to allow this new verification method.

11 **(7) 80:20 Rule: Discuss how your utility proposes to**
12 **implement a change to the ESA Program policy and**
13 **procedures that would lower the level of verification**
14 **from 80% of a multifamily building's tenants being**
15 **income qualified to treat unoccupied units and the**
16 **building shell and other energy systems, to some lower**
17 **level of verification. Based on historical participant**
18 **data and measure installation costs, describe what your**
19 **utility projects as the resulting impact(s) of instituting**
20 **this rule change in your utility's service territory.**

21 SDG&E is not proposing to change the Statewide ESA Program Policy and Procedures to
22 lower the level of verifications from 80% of a multifamily building tenants being income
23 qualified to treat unoccupied units. SDG&E is concerned about lowering the threshold which
24 would open up the possibility of treating more ineligible households and increasing program
25 costs which in turn would raise rates. If there was a policy change, it would directly impact low
26 income customers, specifically CARE customers as they pay the rate component in the PPP
27 surcharge applicable to the ESA Program.

1 SDG&E is unable to provide information on the number of multifamily dwellings that
2 would be treated if there was a policy change lowering the threshold from 80%. SDG&E does
3 not have individual unit information on multi-family buildings that are master metered, which is
4 the vast majority of multi-family complexes in SDG&E's service territory. Due to the lack of
5 this information, SDG&E would not be able to determine the cost impacts of lowering the
6 threshold below 80%.

7 **(8) Single Point of Contact: D.12-08-044 directed the IOUs**
8 **to implement a single point of contact to coordinate the**
9 **varying IOUs' programs for the multifamily segment.**
10 **For program year 2013, discuss what level of ESA**
11 **Program funding, staff time, or other resources**
12 **supported IOUs' compliance with this directive. Discuss**
13 **your utility's lessons learned from implementing a single**
14 **point of contact and how they are reflected or otherwise**
15 **incorporated in any updated program delivery design.**

16 For six months in 2013, SDG&E dedicated a full-time employee⁴⁵ of the Customer
17 Outreach and Marketing team to identify and cultivate relationships with large apartment
18 building owners and property managers to encourage participation in SDG&E's ESA and CARE
19 programs, other EE programs, and other services that may be a benefit to the tenant. Together
20 with SDG&E's primary O&A contractor this individual functioned as the single point of contact
21 to inform owners/managers of benefits of participation in ESA, MFEER and EUC programs
22 offered through SDG&E.

23 As a result of these efforts, many owners/managers who had previously refused to sign
24 the Property Owner Authorization agreed to allow participation by their tenants in the ESA
25 program. Furthermore, some owners/managers who did not wish to obtain the full array of
26 services the ESA Program provides did agree to installation of simple measures in their units.

⁴⁵ Labor costs for this position was shared among low income and EE programs targeting MF building owners/managers.

1 where applicable. SDG&E will also explore providing integrated contractor training and
2 uniformity of the product offerings.

3 **(11) Multifamily Measure Offerings: Discuss if your utility**
4 **will be proposing to offer common area lighting**
5 **measures and/or other “new” measures to eligible and**
6 **willing multifamily properties via the ESA Program? If**
7 **so, discuss whether there is precedent or justification for**
8 **a mechanism to pool or comingle ESA Program funds**
9 **with MFEER and/or EUC-MF offerings or other energy**
10 **efficiency, energy procurement or demand response**
11 **programs to provide increased incentives for those**
12 **programs for eligible low-income properties?**

13 SDG&E does not propose to fund common area measures through the ESA
14 Program. However, the ESA Program has worked closely with the EE programs to integrate the
15 programs in a way that would provide property owners/managers access to rebates for common
16 area measures, including lighting measures, through the EE programs as described in the section
17 above. Through this integration effort, some common area measures offered through MFEER
18 will be provided through a direct install approach and will serve as a gateway to energy
19 efficiency for building owners who are not ready to undertake more comprehensive
20 retrofits. The MFEER program will also offer rebates on higher cost common area measures
21 such as, boilers and HVAC systems.

22 **k) Energy Upgrade California Multifamily Program (EUC-**
23 **MF)/Middle Income Direct Install Program (MIDI)/Multi-**
24 **Family Energy Efficiency Rebate (MFEER) Coordination for**
25 **Multifamily Sector: Describe all updated plans and proposals**
26 **to coordinate among ESA and EUC-MF/MIDI/MFEER or**
27 **other energy efficiency, energy procurement or demand**
28 **response programs. Specifically, address the items below:**

29 **(1) Per D.12-08-044’s Multifamily Segment Strategy 4,**
30 **describe all steps your utility took since 2012 to**
31 **synchronize the ESA Program’s policies and procedures**
32 **with those of EUC-MF and MFEER.**

1 SDG&E has focused its efforts on streamlining processes between the ESA Program and
2 EE programs to coordinate and expedite the outreach, assessment, and measure installation and
3 services. Specifically, the ESA Program worked with its main outreach and assessment
4 contractor to provide expedited follow-up on the EE program leads to allow for faster measure
5 installation in an effort to not hold up EE projects from moving forward.

6 **(2) Describe whether these efforts been successful. If not,**
7 **identify how your utility plans to overcome these**
8 **barriers in the next cycle.**

9 The coordination efforts between the ESA Program and EE Programs were successful but
10 did identify some challenges related to program policy differences specifically regarding the
11 authorization of work and supporting documentation requirements. SDG&E will continue to
12 work on overcoming program differences in an effort to making it easier for property
13 owners/managers to participate in programs available to the MF sector in the 2015-2017 program
14 cycle.

15 **(3) Describe how your utility plans to implement a single**
16 **intake form for any and all programs that have**
17 **multifamily offerings. Explain whether your utility**
18 **plans to allow or request that the more rigorous audit**
19 **and assessment findings from other IOU programs (i.e.,**
20 **EUC-MF) will fulfill the assessment requirements for**
21 **the ESA Program.**

22 SDG&E will explore the feasibility of a single intake form between the programs. Due to
23 the current rules for each of the programs, changes to requirements may not be possible due to
24 the program authorizations in different proceedings.

25 **(4) Describe how your utility proposes to implement**
26 **comprehensive customer data sharing efforts between**
27 **the ESA Program and other IOU Multifamily programs**
28 **(i.e., EUC-MF and MFEER) to ease integration**
29 **between programs.**

1 SDG&E is currently in the process of upgrading the HEAT system to a new platform that
2 will allow data sharing between EE Programs and the ESA Program. The EECF is currently
3 being developed for use with EE Programs, and the ESA Program will move into this platform in
4 2015. All functions currently performed in the HEAT system, from contractor management to
5 reporting, will be processed in the EECF system. Since the ESA Program will simply be one of
6 many programs using EECF, all customer program participation data will be available in the
7 same software application within a common database.

8 **l) Leveraging and Coordination: Describe all updated plans and**
9 **proposals for leveraging and coordination with other IOU**
10 **programs, Government and Local Agencies, and tribes,**
11 **including the below:**

12 **(1) Department of Community Services Development:**
13 **Discuss the existing leveraging efforts with this agency**
14 **for the pilots listed below and any other similar efforts**
15 **and how lessons learned from those efforts will be**
16 **applied in 2015-2017:**

17 In D.12-08-044, the CPUC noted that leveraging efforts are “essential, and even critical,
18 to transforming the ESA Program into a more effective resource program that yields home
19 energy benefits to the low-income community while also creating cost savings for the IOUs and
20 the ratepayers.”

21 In 2012, the IOUs, California Department of Community Services and Development
22 (“CSD”), and Energy Division began monthly meetings to discuss and explore leveraging
23 opportunities. Four pilots were developed and initiated to explore opportunities to better
24 leverage the IOUs ESA Program and CSDs LIHEAP and Weatherization Assistance Program
25 (“WAP”). All of the four pilots were led by either PG&E or SCE. SDG&E did not lead any of
26 the pilots. However, SDG&E participated in all of the pilots except the “Geographic
27 Coordination Pilot” and for the full pilot results see testimony of PG&E and SCE for the
28 applicable pilot.

1 (i) **Data Sharing Pilot Results**

2 The Data Sharing Pilot was conducted by SCE. See SCE’s Low Income Application for
3 pilot results.

4 (ii) **Geographic Coordination Pilot Results**

5 The Geographic Coordination Pilot was conducted by PG&E. See PG&E’s Low Income
6 Application for pilot results.

7 (iii) **Solar Water Heater Pilot Results**

8 The Solar Water Heater Pilot was conducted by PG&E. See PG&E’s Low Income
9 Application for pilot results.

10 (iv) **Bulk Purchasing Pilot Results**

11 The Bulk Purchasing Pilot was conducted by SCE. See SCE’s Low Income Application
12 for pilot results.

13 (2) **CBOs: Discuss how you will coordinate differently in
14 this next cycle with CBOs to conduct outreach to
15 overcome potential ESA Program customers’ lack of
16 trust in contractors, a significant barrier identified in
17 the LINA study.**

18 SDG&E works closely with a network of over 200 CBOs to connect customers to the
19 ESA Program offerings. These organizations represent the diversity of SDG&E’s service
20 area. They have been recruited based on zip codes they serve as well as where there is a large
21 population of potential ESA Program participants. A majority of these organizations are small,
22 grassroots in nature and serve customers including multicultural/multilingual, seniors, veterans,
23 special needs (people with disabilities) and limited English proficient (“LEP”) audiences. These
24 partners help to engage and enroll customers in the ESA Program utilizing a variety of outreach
25 tactics.

1 In 2015-2017 program cycle, SDG&E plans to continue to leverage these CBO
2 partnerships to connect the customers to the ESA Program as well as to utilize opportunities to
3 introduce program contractors as appropriate. Additionally, SDG&E plans to continue to
4 conduct soft skills training a minimum of two times a year for ESA Program contractors. This
5 training includes best practices and tips for addressing customer issues and resolving conflicts,
6 creative problem solving, professional appearance and confidence, communication strategies and
7 professional responsibility and etiquette.

8 **(3) Other utilities: Discuss coordination plans with other**
9 **water, telephone, energy utilities, or water districts to**
10 **increase and improve outreach to the CARE and ESA**
11 **population and improve program delivery.**

12 SDG&E is working with the San Diego County Water Authority, including member
13 water agencies (regulated and non-regulated entities) to leverage opportunities to promote the
14 CARE and ESA Programs and improve program delivery. For example, in 2014, SDG&E
15 coordinated efforts and staffed more than 20 water agency community events where CARE and
16 ESA Programs were actively promoted to all event attendees. SDG&E plans to continue these
17 efforts in PY2015-2017.

18 In working with telecommunication utilities, SDG&E has identified 37 organizations
19 which include CBOs, tribal organizations, and other public and private organizations that work
20 in conjunction with the California Lifeline and/or the Covered California agencies. SDG&E
21 anticipates using the services of an outside contractor to develop and implement a grassroots
22 leveraging program. The contractor will work with the network of organizations to ensure they
23 have sufficient knowledge of SDG&E's CARE and ESA Programs in order to provide outreach
24 and education services about the program's value to qualifying low-income customers.

1 SDG&E will continue to leverage with SoCalGas to coordinate outreach efforts in
2 southern Orange County, the shared service territory where SDG&E is the electricity provider
3 and SoCalGas is the natural gas provider.

4 (4) **Other coordination: Discuss coordination between ESA
5 and other energy efficiency, energy procurement, or
6 demand response programs and coordination between
7 ESA and local, state, federal, and regional government
8 entities, and California Tribes including associations
9 and service providers for tribes.**

10 SDG&E is utilizing a holistic and integrated approach to coordinate outreach efforts
11 through its network of over 200 CBOs, which represent the diversity of SDG&E's service
12 area. For instance, at outreach activities with California Tribes, SDG&E is promoting the CARE
13 and ESA Programs, along with energy efficiency programs including rebates and the Reduce
14 Your Use thermostat, and tools including My Account/My Energy, online goals and alerts and
15 the online Home Energy audit tool. Information on the CARE and ESA Programs are also
16 promoted through various county and city health and human service agencies, i.e., Aging and
17 Independence Services, as well as at county and city health and wellness events.

18 m) **Program Rule(s) Modification(s): Describe all updated plans
19 and proposals, if any, for modifications to the existing program
20 rules and attendant justifications, including but not limited to:**

21 (1) **Income self-certification**

22 As directed in Ordering Paragraph 40 of D.14-08-030, SDG&E proposes to modify its
23 existing self-certification policy specifically for expedited enrollment treatment for the United
24 States Department of Housing and Urban Development assisted multifamily housing where at
25 least 80% of the tenants have income at or below 200% of the FPG. The expedited enrollment
26 treatment would allow public housing owners or property managers to certify that the tenants
27 living in the applicable housing meets the income eligibility criteria of the ESA Program. This
28 certification can be accomplished through an affidavit from the public housing owners or

1 property managers certifying the building tenants meet the ESA Program income guidelines.

2 All other program requirements for the program remain unchanged.

3 **(2) Modified 3MM Rule**

4 SDG&E is not proposing a change to the existing rules.⁴⁶

5 **(3) 10 Year Go-Back Rule**

6 SDG&E is proposing to change the existing policy to return to the 10 Year Go Back Rule
7 once it has met its 2020 programmatic initiative goal of treating all eligible and willing
8 customers. Based on its willingness to participate proposal, SDG&E anticipates meeting the
9 2020 treated home goal early in the 2018-2020 program cycle. However, if SDG&E is
10 successful in achieving its treated homes goal earlier than anticipated, i.e., the 2015-2017 cycle,
11 SDG&E would like to implement the 10 Year Go Back Rule at that time to be able to continue
12 the program without interruptions. SDG&E would continue offering the ESA Program to new
13 qualified customers that were not previously treated. In addition, SDG&E proposes to return to a
14 home treated in the last 10 years for changes such as:

- 15 • Introduction of new cost effective measures/technologies into the ESA
16 Program.
- 17 • Modification in program guidelines, such as the change in the requirement
18 for refrigerator replacement.
- 19 • Change in household occupancy to a new customer willing to install
20 measures that were refused by the prior resident.

⁴⁶ The measures that can be installed based on the energy savings threshold of 125 kwh or 25 therms for one or two measures combined are shown in the Tables of the Low Income Application, “Revised Exhibit 2”.

1 For implementation of the 10 Year Go Back Rule, the cost implications to the program
2 would be minimal as SDG&E does not anticipate reaching the 2020 goal in the 2015-2017
3 program cycle.

4 **(4) Second Refrigerator replacements & Proposed incentives**

5 SDG&E is not proposing any change to its current guidelines for the replacement of
6 second refrigerators as recommended in the LINA Study because SDG&E currently allows
7 replacement of primary and secondary refrigerators, providing replacement of two refrigerators
8 with one larger unit, and refrigerators that are removed from the home as part of the program are
9 recycled.

10 **(5) High Efficiency Furnaces (95 AFUE) (Model &
11 Efficiency levels)**

12 SDG&E is not proposing to offer this measure in the 2015-2017 program cycle because
13 there is a very limited number of households in its service territory that would be eligible for this
14 type of measure.

15 **(6) Exceptions specific to Multifamily**

16 SDG&E is not proposing a change to the existing rules for MF dwellings.

17 **(7) Exceptions specific to those with high energy burden,
18 energy insecurity, or medical issues**

19 SDG&E is not proposing a change.

20 **(8) Others**

21 SDG&E is not proposing any other changes.

22 n) **Workforce Education and Training (WE&T): Describe the**
23 **current status of WE&T data collection and your utility's plan**
24 **to complete the collection of ESA Program workforce data that**
25 **is necessary for meaningful analysis and addresses concerns of**
26 **uniformity, consistency, accuracy, and granularity by filling**
27 **any current data gap. Describe your utility's proposed plan,**
28 **schedule and budget to develop and implement your WE&T**
29 **plan.**

1 The Energy Savings Assistance Program Workforce, Education and Training Working
2 Group (WE&T Working Group) was one of three working groups ordered in D.12-08-044. In
3 addition, D.12-08-044 also ordered the four IOUs to collect and report contractor data in seven
4 WE&T areas. Per Ordering Paragraph 9, the IOUs collaborated to develop a reporting template
5 for their contractors, filed their WE&T reports with the contractor reported data, and reviewed
6 the preliminary demographic data reported. In an effort to distill the data, the WE&T Working
7 Group refined the reporting template and created a list of researchable questions. The IOUs filed
8 their WE&T Working Group's final report on July 15, 2013, with a set of recommendations for
9 further consideration in future proceedings. The recommendation addressed the refined reporting
10 template, researchable questions, and the applicability of its efforts to the Mainstream Energy
11 Efficiency Portfolio, including the hiring of an expert WE&T consultant to help design a
12 comprehensive approach to the WE&T issues in the energy efficiency portfolios. In D.12-11-
13 015, the CPUC directed the IOUs to hire an expert consultant to assist them in developing a
14 comprehensive plan to address workforce issues in the IOUs mainstream Energy Efficiency
15 portfolio and address the data collection efforts by the IOUs pursuant to D.12-08-044. The hired
16 consultant The University of California, Berkeley Donald Vial Center on Employment in the
17 Green Economy (UCB-DVC) produced the Workforce Issues and Energy Efficiency Programs
18 Guidance Plan in May of 2014. The guidance plan provides recommendations addressing both
19 data collection and reporting workforce requirements. These considerations are discussed greater
20 detail in Subsection F.7.a and F.7.b below.

21 In addition to addressing the recommendations in the UCB-DVC Guidance Plan, SDG&E
22 plans to develop and implement a training program for ESA Program contractors. SDG&E
23 anticipates that standardizing the training across the contractor network will help to elevate

1 individual performance. SDG&E’s training program will also provide training opportunities to
2 individuals attending other types of training to participate in the ESA Program to provide
3 potential candidates for employment for ESA Program contractors.

- 4 o) **Best Practices: Incorporating Best Practices and Lessons**
5 **Learned from 2012-2014 Implementation: Discuss the**
6 **challenges and obstacles your utility experienced in meeting the**
7 **2012-2014 budget cycle goals. Include any changes your utility**
8 **would propose in the program delivery cycle to further your**
9 **success in meeting the strategic planning goals. Consider**
10 **opportunities for partnerships and coordination such as**
11 **coordination with other energy, water or telephone utilities,**
12 **local, state, federal, regional, and tribal governments, CBOs,**
13 **non-profits or trade associations to meet strategic planning**
14 **goals. Consider use of technologies such as apps, text, internet**
15 **services, calls, instant messages, community, tribal, and CBO-**
16 **based outreach, media including non-English language media**
17 **and social media, and other methods and avenues to achieve**
18 **program goals.**

19 As discussed above in Section B.6 – Unique Factors, SDG&E has achieved 103% of its
20 cumulative homes treated goal from program years 2009 through 2013. However, SDG&E
21 faced some challenges/obstacles in ensuring that its annual goals were achieved. For example,
22 obtaining proof that the property manager can act on behalf of the property owner to authorize
23 installation of measures. To overcome this particular obstacle to enrollment in the program,
24 SDG&E offered simple measures that can be installed by O&A contractors without authorization
25 from the property owner or property manager. Once the proper documentation is obtained,
26 SDG&E can provide additional measures that may have been assessed that require property
27 owner approval.

28 In addition, SDG&E continues to receive high customer satisfaction ratings for the ESA
29 Program. SDG&E will continue working with its network of partners to address any challenges
30 and obstacles related to the development and implementation of the ESA Program delivery.

31 These network of partners include energy, water, telephone, local, state, federal, regional and

1 tribal governments, CBO's nonprofits or trade associations. Challenges, obstacles as well as
2 opportunities for improvement in the 2015-2017 program cycle, have been identified in various
3 sections above.

4 **p) Customer Service Strategies: Describe all new and proposed**
5 **Customer Service Improvements and Strategies.**

6 As previously mentioned in this testimony, SDG&E proposes to expand its inspection
7 workforce by utilizing a third party contractor to perform inspections of the installation of
8 mandatory and non-mandatory measures. Specifically, SDG&E is proposing to employ NGAT
9 inspectors to perform not only NGAT inspections but inspections of all feasible measures at the
10 time of the NGAT inspection if all measures have been installed. The current practice requires
11 two separate inspections resulting in two separate visits to a customer's home. This change is
12 being requested as an effort to minimize the number of customer visits.

13 **q) Legislative Changes: Describe your utility's plan and**
14 **proposals to comply with legislative changes including but not**
15 **limited to AB 327 and related budget impact projections.**

16 AB327:

17 AB327 will not have an impact to the ESA Program budget, because SDG&E would
18 continue to promote the program to potential eligible customers. A Joint ALJ Ruling, issued on
19 May 7, 2014, in Rulemaking 12-06-013 and A.11-05-017 *et. al.*, at p. 2, stated:

20 "RROIR Order Instituting Rulemaking and Scoping Memos confirm that the Commission
21 will examine issues surrounding AB 327 (Perea, 2013) and CARE rates, including any
22 marketing, education, and outreach concerns and messaging associated with potential rate
23 changes."

24 Therefore this legislation, AB327, will not affect the ESA Program and budgets.

25 AB1897:

1 AB1897 Chaptered and approved by the Governor of California on September 28, 2014
2 is an act to add Section 2810.3 to the Labor Code, relating to private employment. As stated:

3 “This bill would require a client employer to share with a labor contractor all civil legal
4 responsibility and civil liability for all workers supplied by labor contractor for the payment of
5 wages and the failure to obtain valid workers’ compensation coverage.”

6 This bill relates to contracted labor such as, the use of temporary employees who work
7 through employment agencies under contract with SDG&E. As such, these contracts are
8 managed through SDG&E’s Human Resources Department. Failure to pay the temporary
9 employees would not have a direct impact on the ESA Program as these costs would be covered
10 through SDG&E’s operating and maintenance budgets.

11 r) **AB 270: Describe your utility’s plan and projected costs of**
12 **complying with the data publication requirements of PU Code**
13 **589 as legislated by AB 270.**

14 Consistent with California AB 270, SDG&E coordinates with the Commission regarding
15 the posting of its Energy Efficiency reports on the California Energy Efficiency Statistics
16 (“EEStats”) website. SDG&E already posts its Energy Efficiency portfolio reports and other
17 administrative information (e.g., Program Implementation Plans) to the EEStats website. With
18 respect to Low Income Program reports, SDG&E will coordinate with Commission Energy
19 Division staff regarding the functionality and process to post Low Income reports to EEStats. In
20 addition, SDG&E plans to work with the IOUs to ensure reports are available in a timely and
21 consistent manner. The costs associated with posting the report to the EEStats website are
22 included in the ESA Program’s General Administration labor budget.

23 s) **Single Family Affordable Homes (SASH) Solar Program and**
24 **Multifamily Affordable Solar Housing (MASH) Program:**
25 **Describe your utility’s plan to prioritize SASH and MASH**
26 **applicants in compliance with AB 217, and include a discussion**
27 **of the following:**

1 **(1) Costs, benefits, and barriers to implementing a**
2 **synchronized data exchange/lead generation protocol**
3 **for the SASH, MASH and ESA Programs to ensure that**
4 **the programs work cooperatively and in an integrated**
5 **manner.**

6 SDG&E and Grid Alternatives have worked together to develop a customer verification
7 process whereby GRID Alternatives provides a list of SASH/MASH applicants as potential new
8 leads for ESA program. SDG&E checks for prior program participation. If the dwelling has not
9 participated in the ESA Program previously, SDG&E provides the customer information to the
10 Outreach and Assessment contractor for expedited enrollment.

11 **(2) Costs and benefits of referring your utility’s CARE**
12 **customers with electric usage above 400% baseline to**
13 **the SASH and MASH programs: Discuss whether such**
14 **a referral should be triggered after the first time a**
15 **customer reaches 400% of average use, or rather the**
16 **second time that threshold is reached in a 12-month**
17 **period. What are the costs and benefits of making such**
18 **referrals to tenants of single family households or**
19 **multifamily households. Also discuss the costs and**
20 **benefits of outreach to landlords and landlord**
21 **representatives or associations where tenants use 400%**
22 **of baseline energy; and**

23 In COL 11 of D. 07-11-045, the Commission directs that “low income incentive
24 applicants should obtain an efficiency audit, and enroll in LIEE, if eligible, and have all feasible
25 LIEE measures installed or be on the waiting list for installation prior to receiving solar
26 incentives.”

27 In D.12-08-044, the Commission directed the IOUs to establish a protocol for CARE
28 customers with electricity usage above 400% of baseline. SDG&E implemented the high usage
29 verification process which includes participation in the ESA Program if the customer reached the
30 400% of baseline in one instance. Once this occurs, the customer is required to participate in the
31 ESA Program whereby receiving all feasible measures offered through the program provided that
32 the dwelling was not previously treated. However, during the outreach and assessment for

1 enrollment into the ESA Program, the customer can be referred to SASH or MASH or other
2 programs that may assistance them in reducing their energy usage.

3 SDG&E believes there may be minimal costs to the ESA Program with uncertainty
4 around the benefits associated with referring SDG&E CARE customers with electricity usage
5 above 400% of baseline to the SASH and MASH programs.

6 (3) Any program delivery design benefits from authorizing
7 and training SASH and MASH contractors and
8 outreach workers to do ESA Program assessments and
9 enrollments, keeping in mind that energy efficiency and
10 demand response are first in the loading order.

11 From January 2014 through September 2014, Grid Alternatives provided 157 leads that
12 resulted in 54 ESA Program enrollments as some of the submissions had previously participated
13 in the ESA Program. Because of the small number of ESA Program enrollments that result from
14 the SASH and MASH program, SDG&E believes it would not benefit either program to contract
15 with and train the SASH and MASH program contractors to conduct ESA Program assessments.

16 D. Cost Effectiveness and Energy Savings

17 1. Summary and Overview:

18 Provide a summary and overview of the ESA Program cost effectiveness and
19 energy savings. Include a discussion of plans to prioritize cost-effective
20 measures that also save water and contribute to alleviating the drought
21 emergency. Analysis may also include consideration of all climate-zone
22 specific cost-effective measures that save energy and water and consideration
23 of water saving education to raise awareness of the water energy nexus issues.
24 Include a discussion and analysis with supporting data, if any, of whether any
25 passive efforts such as water education, passive cooling through climate
26 appropriate trees, drought tolerant landscape education or replacement
27 incentives could be considered cost-effective measures in the ESA Program.

28 D.14-08-030 directed the utilities to implement four recommendations from the Cost
29 Effectiveness Working Group White Paper. Specifically, the four recommendations are as
30 follows:

- 1) Program approval will be based on cost effectiveness results at the program level rather than the measure level.
 - 2) Measures should be categorized as “resource” or “non-resource.”
 - 3) Replace the current cost effectiveness tests with two new tests: the Energy Savings Assistance Cost Effectiveness Test (“ESACET”) and the Resource Measure Total Resource Cost Test (“Resource TRC”).
 - 4) Conduct a qualitative Equity evaluation for informational purposes only.
- The Decision did not provide a threshold for the new cost effectiveness tests. Rather, it instructed the utilities to “make every effort to achieve as higher [*sic*] a level of cost efficiency as possible.”

The ESACET is a modified version of the TRC and was calculated using the most recent version of the E3 Calculator approved for the utilities’ energy efficiency programs. The benefits in the ESACET include avoided cost benefits for all measures, participant NEBs and utility NEBs. For the 2015 to 2017 program cycle application, the NEBs will be estimated using the methodology that was established in 2003 and has been used in the utilities’ applications since that date. During the 2015 to 2017 cycle, the utilities propose to modify that methodology as described in the Cost Effectiveness Working Group White Paper. The costs in the ESACET include the total program costs plus any copayments required of participants or third parties.

The Resource TRC test is essentially the traditional TRC with two modifications: only the measures categorized as “resource” are included and administrative costs are excluded. This test does not include the NEBs. The results for the required cost effectiveness tests are presented in Attachments A-5, A-6 and A-7 and summarized below in Table 10.

Table 10: Cost Effectiveness Results for 2015 to 2017

| Program Year | Ratio of Benefits Over Costs | | Net Benefits \$ | |
|--------------|------------------------------|--------------|-----------------|--------------|
| | ESACET | Resource TRC | ESACET | Resource TRC |
| 2015 | 0.79 | 0.58 | (5,517,634) | (6,596,793) |
| 2016-2017 | 0.78 | 0.59 | (12,819,005) | (14,257,460) |

2. 2012-2014:

Specifically discuss the results of the ESA Program efforts, cost effectiveness and energy savings, accomplished during the 2012-2014 program cycle.

Table 11 below shows the results reported in the Annual Reports for program years 2012 and 2013. The cost effectiveness analyses during these years was done with the tests, models and inputs that were current at that time. In particular, the avoided cost benefits, the energy savings benefits and the measure and program costs were different from those used for the 2015 to 2017 analysis. Therefore, the results are not directly comparable across years.

Table 11: Cost Effectiveness Results from Annual Reports for 2012 and 2013

| Test | Net Benefits 2012 | Ratio 2012 | Net Benefits 2013 | Ratio 2013 |
|---------------------------------|-------------------|------------|-------------------|------------|
| Modified Participant Test (MPT) | \$ (2,953,674) | 0.86 | \$ (7,146,892) | 0.60 |
| Utility Cost Test (UCT) | \$ (6,858,625) | 0.68 | \$ (8,155,801) | 0.51 |
| Total Resource Cost Test (TRC) | \$ (10,037,753) | 0.53 | \$ (9,943,021) | 0.40 |

The Cost Effectiveness Working Group White Paper reported results for the two new tests (ESACET and Resource TRC) using the PY2012 Annual Report data. The results reported in the White Paper for SDG&E are 0.86 for the ESACET and 1.63 for the Resource TRC. However, it must be noted that the 2012 results that were reported in the White Paper were obtained using an older version of the E3 Calculator and therefore an older version of the avoided costs. Furthermore, the savings estimates for all measures were updated for this application using the results from the recent ESA Impact Evaluation that was completed in 2013.

Table 9 below illustrates the changes in energy savings estimates across years. As shown, in most cases the estimates have decreased significantly since the last program cycle. In addition, the measure costs projected for 2015 through 2017 are higher than the actual costs paid in 2012. Because of these reasons, the results reported in the White Paper are not directly comparable with the results presented here for years 2015 through 2017.

Table 12: Changes in Energy Savings for Single Family Homes

| Category | Measure | 2012 to 2014 | | 2015 to 2017 | | % difference | |
|---------------|--|--------------|--------|--------------|--------|--------------|--------|
| | | kWh | therms | kWh | therms | kWh | therms |
| Appliance | High Efficiency Clothes Washer | | | 123 | 15.86 | | |
| Appliance | Microwaves | 698 | | 66 | | -90% | |
| Appliance | Refrigerators | 734 | | 613 | | -17% | |
| DHW | Faucet Aerator | 16 | 1.60 | 2 | 0.42 | -86% | -74% |
| DHW | Low Flow Showerhead | 39 | 3.93 | 4 | 0.75 | -90% | -81% |
| DHW | Thermostatic Shower Valve | 399 | 13.60 | 65 | 2.87 | -84% | -79% |
| DHW | Water Heater Blanket | 40 | 3.48 | 4 | 0.49 | -90% | -86% |
| DHW | Water Heater Pipe Insulation | 3 | 0.38 | 0 | 0.05 | -87% | -87% |
| DHW | Water Heater Repair/Replacement | 0 | 0.00 | 0 | 6.80 | | |
| Envelope | Air Sealing heating | 0 | 26.89 | 0 | 3.32 | | -88% |
| Envelope | Air Sealing cooling | 6 | | 50 | | 729% | |
| Envelope | Attic Insulation heating | 0 | 8.77 | 0 | 26.60 | | 203% |
| Envelope | Attic Insulation cooling | 0 | | 97 | | | |
| HVAC | Duct Testing and Sealing | | 0.00 | 56 | 14.54 | | |
| HVAC | FAU Standing Pilot Light Conversion | | 42.00 | | 15.10 | | -64% |
| HVAC | Furnace Repair/Replacement | | 0.00 | | 0.00 | | |
| HVAC | Room A/C Replacement | 39 | | 26 | | -34% | |
| Lighting | Compact Fluorescent Lights (CFLs) (each) | 17 | | 17 | | 0% | |
| Lighting | Exterior Hard wired CFL fixtures | | | 42 | | | |
| Lighting | Interior Hard wired CFL fixtures | 38 | | 42 | | 11% | |
| Lighting | LED Night Lights | 10 | | 1 | | -89% | |
| Lighting | Torchiere | 191 | | 21 | | -89% | |
| Maintenance | Central A/C Tune-up | 223 | | 232 | | 4% | |
| Maintenance | Furnace Clean and Tune | | 0.00 | | 9.69 | | |
| Miscellaneous | Smart Strip | 75 | | 25 | | -67% | |

3. Plans and Proposals:

Explain how your utility plans to incorporate the results and recommendations into the 2015-2017 program cycle while incorporating the Cost Effectiveness Working Group Final Recommendations we adopt in the Phase II decision in this proceeding and coordinating with the directions in the Commission’s Rulemaking proceeding, R.09-11-014. Discuss your utility’s plans to address the water-energy nexus.

SDG&E is incorporating the recommendations from the Cost Effectiveness Working Group White Paper that were adopted by D.14-08-030. First, the measures were categorized into “resource” and “non-resource” measures and only the resource measures were used in the

1 Resource TRC test. Second, results for the two new tests, the ESACET and the Resource TRC
2 test, are presented above and in Attachment A-5. Third, an Equity Evaluation is planned for the
3 2015 to 2017 cycle that will assess all program measures according to the health, comfort and
4 safety criteria provided in the Cost Effectiveness Working Group White Paper. In addition, the
5 utilities propose a study, further described below, that will modify the approach for estimating
6 NEBs and provide an updated spreadsheet for that purpose.

7 Additional new measures are included in the proposed portfolio which address the need
8 for water saving measures. These, along with measures already offered in the portfolio, include
9 high efficiency washing machines, faucet aerators, low-flow showerheads, thermostatic shower
10 valves, and tub diverters.

11 **E. Measure Portfolio Composition**

12 **1. Overall Portfolio Composition:**

13 **Discuss the mix of measures proposed for the 2015-2017**
14 **portfolio, including discussion of the topics below:**

15 **a) Cost Effectiveness and Other Criteria for Program Measures:**

16 **Describe the criteria used to compose the portfolio.**

17 The portfolio was composed of measures that provide energy savings, water savings, and
18 health comfort and safety benefits. Measures offered in the previous program cycle were
19 continued and in some cases upgraded with newer technologies. For example, LED lights are
20 being introduced and will gradually replace CFLs; an improved version of the smart strip is
21 being introduced to replace the older version currently offered, and prescriptive duct sealing is
22 being added. In addition to the current water saving measures that are being retained, a tub
23 diverter and a combination low-flow showerhead and thermostatic valve device are being added
24 to address the need for water savings.

1 **Describe how the portfolio composition results in improved cost-effectiveness.**

2 As described above, the program cost-effectiveness results are not directly comparable
3 across years due to changes in avoided costs, energy savings estimates and measure costs. Table
4 10 below presents a summary of the benefits and costs reported for program years 2012 and 2013
5 as well as the forecasted values for 2015 through 2017.

6 **Table 13: ESA Program Benefits and Costs (in dollars)**

| Program Year | Electric Benefits | Gas Benefits | Participant NEBs | Utility NEBs | Program Budget |
|---------------------|--------------------------|---------------------|-------------------------|---------------------|-----------------------|
| 2012 | 9,208,995 | 2,276,524 | 4,650,181 | 2,409,628 | 21,046,806 |
| 2013 | 4,560,445 | 2,195,921 | 4,057,485 | 2,423,248 | 17,874,649 |
| 2015 | 6,255,565 | 2,892,400 | 8,419,401 | 2,790,724 | 26,904,990 |
| 2016 | 7,304,396 | 3,025,320 | 9,596,886 | 2,682,420 | 30,649,505 |
| 2017 | 7,539,439 | 3,165,786 | 9,838,361 | 2,697,166 | 31,631,922 |

7 **Describe how each measure included in the portfolio achieves the dual objectives of**
8 **maximizing long-term and enduring energy savings and enhancing the participants'**
9 **quality of life.**

10 Each measure in the portfolio does not meet both of these objectives. Some measures are
11 offered with the intention of providing energy savings (e.g. refrigerators), some are offered with
12 the intention of providing health, comfort and safety benefits but do not necessarily provide
13 energy savings (e.g. furnaces and hot water heaters), and some measures provide both types of
14 benefits (e.g. envelope measures). The portfolio is designed as a whole meets both of these
15 objectives.

16 **Discuss the benefit/cost ratio and cost- effectiveness ratio of proposed measures using**
17 **the proposed CE tests. Explain assumed values and variables and other model**
18 **components.**

19 These results are provided in Attachments A-6 and A-7. The components to the cost
20 effectiveness analysis include the following: measure installation quantities and estimated useful
21 lives ("EULs"), estimated energy savings, estimated non-energy benefits, and all program costs.
22 The avoided cost benefits are provided in the E3 Calculator model. The version used for this

1 analysis is the file titled SDGE_2013_v1c4-Draft.xlsm available on the three website.⁴⁷ The
2 non-energy benefit calculations and values are provided in the modified LIPPT model which has
3 been used for the ESA program cost effectiveness analyses since 2003.

4 SDG&E adjusted the water NEB for this analysis. In particular, the average water rate
5 was adjusted from the previously used value of \$2.29 to \$3.59. The updated value was based on
6 a 2013 study by Raftelis Financial Consultants.⁴⁸ The study reported an average variable water
7 charge for the San Diego area of \$53.83, assuming a monthly household usage of 11,220 gallons
8 or 15 ccf. The average variable charge was divided by 15 ccf to obtain the \$3.59 per ccf variable
9 rate used in the NEB analysis.

10 SDG&E also updated the EULs for some measures to be more consistent with DEER and
11 workpaper values. The measure EULs used for this analysis are shown below in Table 14.

⁴⁷ https://ethree.com/public_projects/cpuc4.php

⁴⁸ Raftelis Financial Consultants, Inc. and California-Nevada Section of the American Water Works Association, 2013 Water Rate Survey.

1

Table 14: Measure EULs

| Measure | Previous EUL | Current EUL |
|-------------------------------------|--------------|-------------|
| AC Replacement : Room | 15 | 9 |
| AC Tuneup : Central | 10 | 10 |
| Air Sealing | 5 | 11 |
| Attic Insulation | 25 | 20 |
| CFL Fixtures : Exterior | 20 | 20 |
| CFL Fixtures : Interior | 16 | 16 |
| CFLS | 9 | 6.6 |
| Duct Sealing | 25 | 18 |
| Efficient Fan Controller | | 11 |
| FAU Standing Pilot Light Conversion | 18 | 13 |
| Faucet Aerator | 5 | 10 |
| Furnace Clean and Tune | 13 | 5 |
| HE Clothes Washer | 14 | 11 |
| Heat Pump Water Heater | | 13 |
| HTG Sys Repair/Replace (furnace) | 13 | 20 |
| LED Bulb | | 16 |
| LED Fixture | | 16 |
| LED Nightlight | 9 | 16 |
| Microwave | 15 | 10 |
| Water Heater Pipe Insulation | 5 | 11 |
| Refrigerators | 15 | 14 |
| Shower Heads | 10 | 10 |
| Smart Strip | 20 | 8 |
| Thermostatic Showerhead | 10 | 10 |
| Torchiere | 9 | 16 |
| Water Heater Blanket | 5 | 5 |
| Water Heater Repair and Replace | 13 | 11 |

2

Provide justification for measures included in the portfolio (if any) that do not meet the current criteria of cost effectiveness but serve other important policy objectives. This may include, but is not limited to, consideration of water-energy nexus measures that address the drought or forestall the need to use highly energy intensive water resources such as desalination.

3

4

5

6

7

D.14-08-030 did not provide a criteria of cost effectiveness to use for this analysis. The

8

proposed portfolio is a combination of resource and non-resource measures selected to provide

9

energy savings, water savings, and to improve the health, comfort and safety of participants.

10

Table 15 below provides additional information on each of the measure groups.

1

Table 15: Proposed Measures

| Category | Measure | Benfits Provided |
|-----------------|---------------------------------|---|
| Resource | High efficiency clothes washer | Energy savings, water savings |
| Resource | Microwave | Energy savings |
| Resource | Refrigerator | Energy savings |
| Resource | Heat pump water heater | Energy savings |
| Resource | Duct sealing | Energy savings, comfort |
| Resource | Fan controller | Energy savings |
| Resource | Lighting | Energy savings, safety |
| Resource | Central AC Tuneup | Energy savings |
| Resource | Smart strip | Energy savings |
| Resource | Hot water conservation measures | Energy savings, water savings, health, comfort and safety |
| Non-resource | Furnace measures | Health, comfort and safety |
| Non-resource | Weatherization measures | Energy savings, health, comfort and safety |
| Non-resource | Room AC | Energy savings, health and comfort |

2

If your utility is proposing to go back to homes that have received ESA Program treatment since 2002 to provide additional new measures, discuss the tradeoffs of doing so and include the cost implications.

3

4

5

b) New Measures:

6

- Identify new measures that are being proposed for the 2015-2017

7

program cycle, with the relevant cost effectiveness ratios or

8

justification for deviations as described above.

9

- Provide justification for why such measures should be included in your

10

ESA program portfolio.

11

Table 16 below lists the new measures proposed and the reason for including them in the

12

program. Cost effectiveness results are provided in Attachments 6 and 7.

Table 16: Proposed New Measures

| Measure | Reason for Including in Program |
|---------------------------|--|
| Heat pump water heater | Energy savings |
| Efficient fan controller | Energy savings |
| Combined showerhead & TSV | Energy savings, water savings |
| Tub diverter | Energy savings, water savings |
| LED reflector bulb | Energy savings |
| LED diffuse bulb | Energy savings |

The following describes additional information for these measures:

- Screw in LED bulbs use 15% less energy than equivalent CFLs, warm up faster and last longer than CFLs. In addition LED lamps do not contain mercury.
- Heat pump water heaters use fans and evaporators to pull warmth from the surrounding air and transfer it to water in the storage tank.
- Tub diverters have a special mechanism to prevent leakage through the tub spout while showering.
- Efficient Fan Controllers (“Enhanced Time Delay”) save energy by continuing to run the blower motor after the air conditioning compressor turns off at the end of the cooling cycle.
- Combined showerhead/thermostatic shower valves eliminate the need to install two separate measures. There are cost-savings that could be achieved by installing this combined part when feasible.

c) **Retired Measures:**

- Identify measures from the 2012-2014 portfolio that are being retired or proposed to be retired from the 2015-2017 program cycle.
- Provide a justification for why such measures should no longer be included in your portfolio.

For the 2015-2017 program cycle, SDG&E is not proposing to retire any measures.

1 **F. Other ESA Program Elements And Policies:**

2 **1. Existing Policies:**

3 **Generally, discuss the existing policies that should be**
4 **reiterated and will be continued into the 2015-2017**
5 **program cycle, any existing policies that are being**
6 **proposed to be retired, and any existing policies that are**
7 **being proposed to be expanded or modified in the next**
8 **cycle.**

9 SDG&E is requesting the following:

10 **Existing policies to be continued in 2015-2017 - Explicit**
11 **Authorization For The Utilities To Engage In Joint**
12 **Contracting For Statewide Program Activities To**
13 **Further The Goals Of The Low Income Programs**

14 In OP 7 of D. 14-08-030, the Commission approved SDG&E's request for the Commission to
15 expressly adopt specific language requiring utilities to engage in joint contracting for statewide program
16 activities for the 2012-2014 program cycle, to avoid potential legal issues regarding joint utility
17 cooperation posed by antitrust laws. SDG&E repeats its request and asks that the Commission adopt the
18 same language adopted in Ordering Paragraph 7 of D. 14-08-030 related to joint contracting during the
19 2015-2017 program cycle, and future program cycles.

20 **Existing policy to return to the 10-Year Go-Back Rule**

21 SDG&E is proposing to change the existing policy to return to the 10 Year Go Back Rule
22 once it has met its 2020 programmatic initiative goal of treating all eligible and willing
23 customers. SDG&E anticipates meeting the 2020 treated home goal early in the 2018-2020
24 program cycle.

25 **2. SCE and Audit Findings:**

26 This section is specifically applicable to SCE and not applicable to SDG&E.

27 **3. ESA Program Report Posting to the California Energy Efficiency**
28 **Statistics (EEStats) Site:**

1 In D.01-05-033, the Commission directed the utilities to file regular status reports on the
2 results of their “rapid deployment” efforts within 60 days of the effective date of that Decision
3 and to file monthly status updates every 30 days thereafter. The Decision also directed the IOUs
4 to continue with all annual reporting requirements previously established for the CARE and ESA
5 Programs.⁴⁹ OP 20 of D. 01-05-033 directed utilities to file all required reports and serve via US
6 mail and electronic mail on all appearances and the state service list. Although the Commission
7 has revised reporting content requirements over time, SDG&E has submitted its monthly and
8 annual reports to the state service list in subsequent proceedings since 2001.

9 In addition to continuing to serve the monthly and annual report to the state service list,
10 SDG&E will begin posting the monthly report to the EEStats site beginning with the January
11 2015 monthly report due to the Commission on February 21, 2015. SDG&E will also begin
12 posting the 2014 Annual Report EEStats site, on the May 1, 2015 filing date.⁵⁰

13 **4. San Onofre Nuclear Generating Station (SONGS):**

- 14 **a) San Diego Gas & Electric Company (SDG&E) and SCE**
15 **must describe how your utilities are utilizing the ESA**
16 **Program to reduce load and energy usage in**
17 **transmission constrained areas resulting from the**
18 **decommissioning of the SONGS. Describe efforts to**
19 **coordinate your ESA program efforts with other energy**
20 **efficiency, energy procurement, or demand response**
21 **efforts, and D.14-03-044 which authorized procurement**
22 **for SCE and SDG&E to meet local capacity needs**
23 **stemming from the retired SONGS.**

24 Locational targeting of EE and DR in constrained areas consistent with the direction set
25 forth in D.14-10-046. SDG&E already has the ability to target EE and DR to specific locations,
26 and plans to build on an existing Locational Demand Response pilot that is investigating the

⁴⁹ D. 01-05-033 at p. 65.

⁵⁰ The Commission consolidated the Annual CARE and ESA Program reports into a single report beginning with the PY 2009 Annual Report.

1 feasibility of existing EE and DR programs to solve circuit congestion, the feasibility to dispatch
2 discrete customers who are participating in existing programs, and developing best practices to
3 increase penetration of EE and DR on specific circuits. The locational program that SDG&E
4 will be submitting via an Advice Letter will build on the lessons learned from the pilot⁵¹.

5 In addition, SDG&E's ESA Program is partnering its Demand Response ("DR")
6 programs to focus efforts on the transmission constrained areas. The coordination will include
7 providing DR program information and leveraging with SDG&E's Small Customers Technology
8 Deployment program. This program offers programmable communicating thermostats ("PCTs")
9 to residential customers at no cost in exchange for a customer's agreement to participate in DR
10 events. SDG&E will signal these devices on "Reduce Your Use" days to provide automatic load
11 reduction for these customers. Customers who reduced energy usage will receive a credit on
12 their bill.

13 **b) SDG&E, SCE and Pacific Gas & Electric Company (PG&E)**
14 **must describe how residents in other transmission constrained**
15 **areas in their respective service territories are being prioritized**
16 **for participation in the ESA Program.**

17 The ESA Program marketing and outreach activities blanket the entire SDG&E service
18 territory. However, the ESA Program staff will work with the DR Programs team to identify
19 areas where additional outreach will be conducted.

20 **5. Advanced Metering Initiative:**

21 **With over \$5 Billion dollars in ratepayer funds expended on the**
22 **Advanced Metering Initiative, describe how the smart meter data,**
23 **including Green Button Data, or Smart Meter functionality, are being**
24 **utilized by the ESA Program in planning, implementation, and**
25 **program design. Third party data analytics may be available to do**
26 **remote, appliance level load disaggregation for potential ESA**

⁵¹ Comments Of San Diego Gas & Electric Company (U 902 M) On Order Instituting Rulemaking To Create A Consistent Regulatory Framework For The Guidance, Planning, And Evaluation Of Integrated Demand-Side Resource Programs filed November 7, 2014.

1 **Program participants. Describe how this data interpretation, or**
2 **similar analytics, is being planned for use in outreach, assessment, or**
3 **educating potential ESA Program participants. Describe how Smart**
4 **Meter functionality including local area networks (LANS) is being**
5 **used to implement ESA Program. Describe how Smart Meter LANS**
6 **and other resources could be used to coordinate with water utilities to**
7 **promote water consumption awareness and leak detection to address**
8 **the water-energy nexus.**

9 SDG&E currently offers a suite of online tools within its SDGE.com, My Account-based
10 customer portal and its SmartPhone Mobile App that are available to all residential customers,
11 including ESA Program-eligible customers. These online tools provide customers with smart
12 meters the ability to view and analyze their daily usage and costs online, and provide other
13 extensive energy and bill analysis capabilities to customers.

14 In the 2015-2017 program cycle, SDG&E plans to launch a comparative Home Energy
15 Usage Reporting program for customers who are post-ESA Program treatment. Home Energy
16 Usage Reports will be delivered to customers following ESA Program treatment to encourage
17 them to save energy at no cost through behavioral change and participation in additional SDG&E
18 programs. The reports will show the customer how their energy use compares to similar
19 households and will also provide tips and resources. The paper reports can be shared with all
20 members of the household, and be filed away for later viewing to track energy consumption over
21 time.

22 SDG&E also plans to work with water agencies to promote water conservation messages
23 and install water saving measures to ESA Program participants in an effort to support the water-
24 energy nexus.

25 **6. Workforce Education and Training: D.12-08-044 established the ESA**
26 **Program Workforce, Education and Training Working Group**
27 **(WE&T Working Group). The WE&T Working Group attempted,**
28 **but was unable, to collect and report data in several WE&T areas.**
29 **The ESA WE&T Working Group proposed that the WE&T expert**
30 **consultants selected in the mainstream energy efficiency proceeding**

1 address the ESA Program workforce data collection needs as well as
2 research questions provided in the Working Group's final
3 recommendation filing. However, the expert consultants may not be
4 able to provide the data the WE&T Working Group has
5 recommended. One of the WE&T expert consultants will be
6 developing an action plan that will include recommendations on how
7 the IOUs can begin this data collection effort.

8 a) Describe how and when your utility would be able to
9 implement the plan to collect this ESA Program workforce
10 data to ensure that the data is useful for analysis and addresses
11 concerns of uniformity, consistency, accuracy, and
12 granularity?

13 In D.12-08-044 the Commission established the WE&T Working Group and ordered the
14 four IOUs to collect and report contractor data in seven WE&T areas for program year 2012. The
15 IOUs collaborated to develop a reporting template for their contractors to self-report. The WE&T
16 Working Group reviewed the preliminary IOU WE&T Demographic Data filings and in an effort
17 to distill the data, refined the reporting template and created a list of researchable questions. The
18 questions centered around the fact that the initial data collected was not granular enough to
19 provide definitive workforce demographics since it was not collected by individual work
20 position. In addition, in order to facilitate analysis of the data the WE&T Working Group
21 recommended standardizing the collection templates as well as storing the data in a database that
22 would allow advanced analysis and comparison across all four IOUs. In its final report the
23 WE&T Working Group listed a series of recommendations that included a proposal that the WE
24 &T expert consultant selected in the mainstream energy efficiency proceeding address the ESA
25 Program workforce data collection needs and research questions. This expert consultant, The
26 University of California, Berkley Donald Vial Center for Employment in the Green Economy
27 (UCB-DVC), issued a Guidance Plan in May 2014 which included a recommended framework
28 for the collection of workforce data. This framework includes requiring the IOUs to collectively

1 develop standard language in the contracts to instruct contractor and subcontractors on how to
2 report jobs and workforce data according to standard requirements across all IOUs.

3 SDG&E generally feels that prior to the implementation of any plan to collect workforce
4 data, the objective and scope of the data collection effort would need to be better-
5 defined. Additionally, coordination in the development of an implementation plan among IOUs
6 is critical to ensure the data collected uniform, consistent, accurate and granular to facilitate
7 advanced analysis and comparison across the IOUs ESA Programs. SDG&E recommends that
8 the WE&T Working Group be reformulated to specifically address the recommendations of the
9 DVC Guidance Plan on data collection from ESA Program contractors to develop a unified
10 statewide action plan and implementation timeline for the IOUs in the ESA Program 2015-2017
11 program cycle.

12 **b) As part of the consultant’s action plan, the consultant may**
13 **suggest the IOUs acquire off-the-shelf software tools to track**
14 **workforce data. Describe how your utility would implement**
15 **such tools to develop and report on the workforce data**
16 **requirements outlined in D.12-08-044. Assume for purposes of**
17 **this response that the IOUs would be authorized to pool their**
18 **funding to procure one reporting system that can be utilized**
19 **across multiple programs.**

20 The Workforce Issues and Energy Efficiency Programs: A Guidance Plan for California’s
21 Utilities (Guidance Plan) was published in May 2014 by the IOUs hired expert consultant The
22 University of California, Berkeley Donald Vial Center on Employment in the Green Economy.
23 The Guidance plan includes recommendations for data collection for Energy Efficiency
24 programs, including the ESA Program, in which contractors have a direct contracting
25 relationship with an IOU. The recommendation suggests the IOUs issue a joint Request for
26 Proposal (“RFP”) to procure a third-party program for the purpose of reporting specified jobs
27 and workforce data.

1 In an effort to proactively address this recommendation, the IOUs conducted a joint
2 webinar with its contractor network where an off-the-shelf reporting software was presented as
3 an example of a data collection tool currently available to report employee payroll data. After
4 viewing the presentation of the tool, and garnering contractor feedback, SDG&E believes there is
5 no current off-the-shelf software that can be purchased without requiring detailed customization
6 to address the data collection requirements and ensure uniformity, consistency, accuracy and
7 granularity. Off-the-shelf software that compiles data from certified payroll data, for example,
8 would need to be customized to address needs specific to the WE&T effort. A contractor's
9 certified payroll data would not likely contain all of the data that would be requested. An
10 additional factor that needs to be considered is the different job titles that may exist within the
11 IOUs ESA Program's contractor staff. For example one contractor may have a job title of Office
12 Supervisor and another Office Manager, however their responsibilities may be the same for
13 both. The IOUs will need to work jointly to create standardized reportable categories and/or job
14 titles to facilitate ease of data collection and interpretation.

15 SDG&E supports the recommendation for a standard electronic data collection and
16 reporting system across all four IOUs. In selecting a software application, adequate
17 consideration should be given to automation to minimize the administrative burden to contractors
18 and IOUs. SDG&E recommends the IOUs work together to issue a joint IOU RFP in 2015 with
19 an implementation goal of adding the reporting requirement to the ESA Program contracts in
20 2016 and 2017. SDG&E recommends that the WE&T Working Group be reformulated to
21 specifically address the recommendations of the UCB-DVC Guidance Plan related to data
22 collection, facilitate the RFP and develop the implementation plan and timeline.

- 23 c) **The WE&T expert consultant may recommend instituting a**
24 **wage-floor or prevailing wage for the contractors participating**

1 **in the ESA Program. Include your utility’s estimated budget to**
2 **facilitate a prevailing wage and the cost-effectiveness**
3 **implications of instituting such a change. Consider employer**
4 **savings on turnover costs, increases in productivity, the effect**
5 **on work quality, and accepting a lower profit margin when**
6 **determining cost effectiveness. When could a prevailing wage**
7 **be established in the ESA Program for your utility?**

8 The DVC Guidance Plan recommended that the ESA Program establish a prevailing
9 wage for all contractors that have a direct contracting relationship for IOU programs including
10 the ESA Program. The Guidance Plan acknowledged that the California Department of
11 Industrial Relations would need to make wage determinations by county for the work that ESA
12 Program contractor personnel perform for the Program prior to implementing a prevailing wage
13 plan.

14 SDG&E currently employs 14 contractors who provide services for its ESA Program.
15 The reimbursement rates that SDG&E pays its contractors includes all costs associated with
16 providing these services including labor. Therefore, in the normal course of business, SDG&E
17 would not have information on the impact of its contractors paying a prevailing wage on the
18 Program budget. In an effort to be responsive to the Guidance Document directive to provide a
19 budget to facilitate a prevailing wage in its ESA Program, SDG&E conducted a voluntary survey
20 of its contractors in the hopes of gaining additional information that can be used to assess the
21 impact to the Program. The responses received did not identify cost savings associated with a
22 decrease in turnover costs, an increase in productivity or an increase in work quality. Based on
23 the input it received from its survey, SDG&E estimates that implementing a \$17 wage floor will
24 result in a \$2,970,184 budget increase to cover the 2015-2017 program cycle. And, SDG&E
25 estimates that implementing a \$27 prevailing wage will result in a \$14,850,919 budget increase.
26 The impact to SDG&E’s program cost-effectiveness is shown in Table 17 below.

Table 17: Potential Impact to Cost Effectiveness

| Program Year | Proposed Costs | | Wage Floor | | Prevailing Wage | |
|--------------|----------------|-----------------|------------|-----------------|-----------------|-----------------|
| | ESACET | Net Benefits \$ | ESACET | Net Benefits \$ | ESACET | Net Benefits \$ |
| 2015 | 0.79 | (5,517,634) | 0.76 | (6,402,561) | 0.67 | (9,942,268) |
| 2016-2017 | 0.78 | (12,819,005) | 0.75 | (14,704,106) | 0.67 | (22,244,514) |

d) Worker Training Ladder: How will your utility develop a “career pipeline” for workers currently employed in the IOUs’ ESA Program that articulates career pathways and educational opportunities or certificates for workers to access higher wage and higher skill jobs? Possible career pipeline development strategies can include the release of Requests For Proposals to qualified workforce development entities for the creation of a pre-apprenticeship training and certificate program that will provide the ESA Program workers the skills, training and skills needed to provide access to entry-level residential, non-residential EE, and utility employment.

SDG&E supports the development of career pathways for workers currently employed by ESA Program contractors. SDG&E’s contractor network recruits the majority of its labor resources from the local areas it services, including the low income communities within its service territory. In support of the UCB-DVC recommendation issued in the Guidance Plan in May 2014 to develop a career pipeline for workers currently employed in the ESA Program, SDG&E plans to develop and implement a training program for the ESA Program contractors.

SDG&E also intends to present training offerings, in cooperation with the SDG&E EE programs, appropriate for workers participating in the ESA Program who are also seeking advanced skills development. The SDG&E ESA Program will work cooperatively with the WE&T program to develop an implementation plan designed to provide education and exposure to IOU energy efficiency programs.

Throughout the 2015 -2017 ESA Program cycle SDG&E intends to leverage internal and contractor resources as much as possible in the development of career pipeline strategies and a training ladders plan. SDG&E’s ESA Program training will be conducted at the San Diego

1 Center for Employment Training and intends to leverage their experience to identify skills and
2 trainings ESA Programs workers need for career advancement opportunities in the energy
3 efficiency sector.

- 4 e) **“First Source” Hiring Requirements: A “First Source”**
5 **requirement requires that contractors provide advanced notice**
6 **of upcoming job or internship opportunities to the utilities.**
7 **Moreover, the language requires that the IOUs have existing**
8 **relationships with experienced workforce training providers,**
9 **who can match skilled EE workers to the job openings.**
10 **SDG&E and SoCalGas have begun inserting “Source” and**
11 **“Job Creation” reporting requirements in their contracts with**
12 **energy efficiency contractors. Their language can be easily**
13 **used by other IOUs.⁵² How can your utility implement similar**
14 **“Source” language in the next round of ESA contracting?**
15 **Strong and specific “First Source” language in all ESA**
16 **Program contracts between the IOUs and a given contractor**
17 **can increase access for low-income, disadvantaged workers to**
18 **enter the ESA jobs pipeline. Furthermore, by establishing**
19 **relationships with experienced and skilled workforce**
20 **development organizations, the IOUs can create a pipeline of**
21 **disadvantaged workers with the necessary skills to work in the**
22 **ESA program.**

23 SDG&E’s ESA Program staff will work with its EE Program and Procurement staff to
24 identify and include similar First Source language to the ESA Program contracts.

⁵² The referenced language is as follows: “In the event that new job opportunities arise as a result of this SOW, Contractor shall provide advanced notice of job or internship opportunities and the skills required for those positions to COMPANY or COMPANY’s designee. Advanced notice should be provided at least two weeks before the job or internship opportunity is listed publicly. These opportunities may be shared with organizations that provide EE workforce training.”

1 **6. Database for Energy Efficient Resources (DEER): How will your**
2 **utility’s ESA Program support (via allocated employee resources, etc.)**
3 **the planned updates to the DEER database to include ESA Program**
4 **specific measures, as well as low-income usage profiles for current**
5 **measure entries? What is your utility’s plan to augment or bolster**
6 **these ongoing DEER updates and will these updates be incorporated**
7 **into ESA Program planning? If so, how will this incorporation occur?**

8 The ESA program conducts an impact evaluation each program cycle to develop savings
9 estimates that are used for planning and reporting purposes. The impact evaluations use a billing
10 analysis approach with actual customer billing and household data. This approach has the
11 advantage of using actual data to provide statistically derived estimates with confidence
12 intervals. This approach is very different from the estimation approach used for DEER which
13 uses a simulation approach based on end use load profiles. End use load profiles for many of the
14 ESA measures or measure bundles currently do not exist and would need to be created based on
15 housing type, climate zone and other demographic and housing factors. This would be an
16 expensive and time-consuming effort. Furthermore, measures installed through the ESA
17 Program typically are installed in bundles over a period of time and are accompanied with an
18 overall educational component, making the whole house data used in the impact evaluation more
19 accurate. For these reasons, the IOUs propose continuing with the billing analysis approach for
20 the ESA program.

21 **7. Evaluation, Measurement & Valuation (EM&V):**

22 **The 2012-2014 budget cycle saw several corresponding ESA and**
23 **CARE Program studies that, in conjunction with other planned**
24 **mainstream energy efficiency EM&V efforts, inundated IOUs’ EM&V**
25 **staff and systems with high volume, complex, data demands. As a**
26 **result, there were delays in processing consultant data requests and**
27 **transmitting data to study consultants. What is your utility’s plan to**
28 **support these internal EM&V departments, staff and systems to**
29 **prevent future resource constraints and data delays?**

1 In the 2012 to 2014 program cycle, the utilities were ordered to conduct four statewide
2 comprehensive studies and participate in three statewide working groups simultaneously within a
3 compressed period of time. Not surprisingly, resources were severely constrained and delays
4 occurred in some of these efforts. In addition, SDG&E and other utilities have recently instituted
5 additional protocols for sharing customer sensitive data. These new protocols require additional
6 internal review and approval time and require consultants and third parties to meet certain
7 criteria before data can be delivered. As a result, responses to data requests that involve
8 customer sensitive data demand additional time and documentation than previously required.

9 In order to work within these constraints, SDG&E suggests that, first of all, statewide
10 studies be staggered so that resources are not overwhelmed with multiple simultaneous requests.
11 In addition, studies should minimize the volume of customer sensitive data to be delivered to
12 consultants and third parties. To the extent possible, studies should utilize publicly available or
13 aggregated data, and/or leverage other studies by consolidating customer surveys or billing
14 analyses. The utilities have discussed the possibility of consolidating efforts where possible
15 among the studies proposed for this program cycle. Furthermore, and perhaps most important,
16 the study efforts should allow a reasonable time for completion. Initial requests from third
17 parties for data often reflect misunderstanding of the type of data that is available and that it may
18 exist in multiple databases and different departments in the utility. This often requires additional
19 back and forth discussion between the utility and the consultant to create an appropriate data
20 request. Therefore, it is crucial to the success of the research effort that enough time be allowed
21 for the process to be completed accurately.

22 **8. AB 327:**

23 **In light of potential future rate design changes directed under AB 327**
24 **and under consideration in R.12-06-013, how will your electric utility**
25 **address affordability issues through ESA? Discuss whether your**

1 utility would be seeking to roll out technological solutions, new
2 outreach plans or partnerships, or other initiatives under ESA to
3 address AB 327, and if so, explain how your utility plans to implement
4 the solution, in detail.

5 SDG&E will continue its efforts to proactively educate customers on the effect rate
6 increases and rate reform may have on them. The overall objective of SDG&E's rate reform/AB
7 327 education campaign is to provide broader messaging on the energy-saving solutions SDG&E
8 offers to residential customers to help appease rate increases and bill impacts. Targeted
9 messaging will continue to be developed and used specifically for customers participating in the
10 CARE and ESA programs, informing them of the probable impacts to their bill and providing
11 tips, solutions and resources. SDG&E is not requesting additional funding for new technological
12 solutions, outreach plans or partnerships or other initiatives related specifically to address AB
13 327.

14 **G. ESA Program Pilots:**

15 **Clearly describe a summary of any new pilots being proposed that are**
16 **consistent with the programmatic initiatives findings and recommendations**
17 **of the study reports and working group reports. Describe any new proposals**
18 **for water-energy nexus pilots. Describe any new proposals for pilots to use**
19 **the ESA Program to ameliorate carbon emissions, encourage or support**
20 **carbon offset projects, and address factors that contribute to climate change.**
21 **Discuss specifically how each pilot contributes to meeting the programmatic**
22 **initiative, consistent with the findings and recommendations of the study**
23 **reports and working group reports. All proposals must include proposed**
24 **budgets and detailed justifications for the proposed pilot and budget.**

25 SDG&E is not proposing any pilots for the PY2015-2017.

26 **H. Studies And Evaluations:**

27 **Clearly describe a summary of any new studies and/or evaluations being**
28 **proposed. Discuss how each study/evaluation contributes to meeting the**
29 **programmatic initiative. All proposals must include proposed budgets and**
30 **detailed justifications for the proposed study/evaluation and budget, as**
31 **proposed.**

32 D.14-08-030 instructed the utilities to conduct four statewide studies during the 2015 to
33 2107 program cycle: an Impact Evaluation, a Needs Assessment, an Energy Education Part 2

1 Study, and a Non Energy Benefits and Equity Evaluation. Table 17 below presents the study
2 budgets.

3 **Table 17: Proposed Statewide Study Budgets**

| Statewide Studies | IOU Lead | Total Cost | SDG&E Cost |
|---|-----------------|--------------------|-----------------------|
| Impact Evaluation | SCG | \$550,000 | \$82,500 |
| Low Income Needs Assessment | SCE | \$500,000 | \$75,000 |
| Energy Education Phase 2 | PG&E | \$350,000 | \$52,500 |
| Non Energy Benefits / Equity Evaluation | SDG&E | \$150,000 | \$22,500 |
| Total | | \$1,550,000 | \$232,500 |

4 The Impact Evaluation will be conducted similar to those in the past with a billing
5 analysis. The study will focus on providing updated energy and demand estimates to be used for
6 program analysis and reporting in the subsequent program cycle.

7 The Needs Assessment will focus on the four topics listed in D.14-08-030: provide
8 estimates of remaining energy savings potential, assess energy insecurity and burden, evaluate
9 the level of burden in providing income documentation for CARE participation, and identify the
10 most beneficial program measures.

11 The Energy Education Part 2 Study will analyze the savings potential of the energy
12 education component of the ESA Program. The Study will conduct an analysis to determine if
13 any measureable savings can be identified and attributed to the education component of the
14 program.

15 The Non-Energy Benefits and Equity Evaluation will accomplish two primary objectives.
16 First, it will provide an updated approach for estimating NEBs for the ESA Program and provide
17 an updated spreadsheet that will be used for that purpose. Second, it will provide a rating system
18 for assessing the program measures according to the health, comfort and safety criteria
19 established by the Cost Effectiveness Working Group White Paper.

20 Additional details for each of the studies is presented in Attachment C.

1 **I. Impact Evaluation Study**

2 **1. 2012-2014 Impact Evaluation:**

3 **Discuss the results of the 2012-2014 Impact Evaluation carried out**
4 **during the 2012-2014 program cycle. Explain how those results and**
5 **recommendations will be incorporated into the 2015-2017 program cycle.**

6 The Impact Evaluation was a statewide study managed by SDG&E. The primary
7 objective of this evaluation was to estimate first-year electric and gas savings attributable to the
8 2011 ESA program. The methodology used in the study was a fixed effects billing regression
9 model. Savings estimates were developed at the measure and household level. The study also
10 conducted a customer phone survey of 602 participants whose billing data indicated increased
11 usage in the period directly after program intervention. In an effort to find the best fit for the
12 data in the analysis, various model specifications were used. The final measure-level estimate
13 values were chosen based on whether or not the ex-ante value fell within the resulting 95 percent
14 confidence interval of the impact estimate; if not, evaluator judgment was used to assign a value
15 from either an alternate model or the ex-ante value.

16 The Impact Evaluation found that savings from the ESA Program measures was a small
17 fraction of overall household energy consumption and that a significant number of ESA
18 participant households are actually using more energy after their participation in the ESA
19 Program. The evaluator posited that customers may be unaware that they are using more energy.
20 The final impact estimates were generally consistent with the ex-ante savings values, although
21 there was some deviation from the previous evaluation. Some natural variation across years was
22 expected due to a variety of factors including weather, measure mix and participant
23 demographics. The final study results were presented at a public workshop on August 7, 2013,
24 and the final report was issued in two volumes and posted on the CALMAC website on August
25 30, 2013.

1 Measure level savings estimates developed in this study were used to estimate the savings
2 potential of the proposed 2015 to 2017 program. Recommendations from the Study that will be
3 used in the next impact evaluation include the following:

- 4 • Continue using a billing regression methodology;
- 5 • Use multiple models for more flexibility;
- 6 • Use hourly weather data instead of daily in analyses;
- 7 • Allow more time to complete the evaluation, at least 9 to 12 months;
- 8 • Include an analysis of participation patterns across years to provide more insight on
9 variation in savings;
- 10 • Omit survey data from analysis as this has not been helpful in the past; and
- 11 • Consider using a control group of nonparticipants only if a suitable control group can
12 be identified.

13 **2. 2015-2017 Impact Evaluation:**

14 **In addition to other elements that may be added, the**
15 **2015-2017 Impact Evaluation will estimate first-year gas and**
16 **electric energy savings and coincident peak demand reduction**
17 **attributable to the ESA Program energy savings impact**
18 **estimates, in aggregate, by IOU service territory, by average**
19 **participant, by household, by measure and/or measure group,**
20 **and, where possible and appropriate, by climate zone and**
21 **housing type.**

22 A description of this study is provided in Attachment C.

23 **J. Low Income Needs Assessment**

24 **1. 2012-2014 Low Income Needs Assessment Study:**

25 **Discuss the results of the recently completed Low Income**
26 **Needs Assessment Study that was carried out during the**

1 **2012-2014 program cycle. Explain how those results and**
2 **recommendations will be incorporated into the 2015-2017**
3 **program cycle.**

4 The LINA Study was a statewide study managed by SCE. The overall study objective for
5 the LINA study was to provide information on the needs of the low-income customers eligible
6 for ESA and CARE. In particular, the study was expected to report estimates of eligible
7 households, inform updates of remaining energy savings potential, assess customer perceptions
8 and accessibility of the programs along with willingness and barriers to participate, evaluate
9 energy burden and insecurity, and identify energy-related needs and non-energy benefits.

10 The study conducted telephone surveys and in-home visits with program participants and
11 non-participants. The final study results were presented at a public workshop on December 3,
12 2013. The final report was issued in three volumes and posted on December 16, 2013. The
13 study's key findings related to ESA included the following:

- 14 • Key barriers to participation include lack of customer trust of contractors, difficulty
15 getting landlord's approval for renters, and customers having to be home for
16 appointments. The requirement to provide income documents was not found to be a
17 barrier.
- 18 • Roughly 52% of non-participants are willing to participate in ESA.
- 19 • The mean energy burden was estimated at 8%.
- 20 • Single-family renters have greater energy-related needs and barriers to participation
21 than single-family homeowners and multi-family dwellers.
- 22 • Customers reported that HVAC and weatherization measures are more likely to
23 generate savings and improvements in health, comfort and safety. The next most
24 beneficial measure reported was a refrigerator.

1 One of the barriers identified by the LINA study was the number of home visits required
2 for participation. See Section C.3.a for a discussion of how SDG&E plans to address this in the
3 2015 to 2017 program cycle.

4 **2. AB 327:**

5 **Pursuant to the AB 327 requirement for a triennial needs**
6 **assessment study, the IOUs must propose specific study**
7 **areas or subjects for further study in the next LINA. Present**
8 **a specific areas or subjects and detailed discussion of why**
9 **these areas warrant further study and how the additional**
10 **information works towards accomplishing the ESA**
11 **Program’s programmatic initiatives. At minimum, include**
12 **the following topics:**

- 13 a) **Estimates of Remaining Energy Savings Potential.**
14 b) **Updated Assessment of Energy Insecurity and Energy Burden.**
15 c) **Level of burden in providing income documentation for CARE**
16 **Program participation.**
17 d) **Most beneficial program measures**

18 The 2015 to 2017 Needs Assessment will address the four topics listed above. A
19 description of this study is provided in Attachment C.

20 **3. Energy Education Study - Phase 2 Report:**

21 **On November 1, 2013, a joint petition to modify D.12-08-044 (Joint**
22 **Petition) was filed by the IOUs seeking modification of that decision**
23 **that would authorize an extension of time for the IOUs to complete the**
24 **Energy Education Study ordered in that decision, including**
25 **completing the field study requirements in assessing the benefits of the**
26 **current energy education offerings until the ESA and CARE 2015-**
27 **2017 program cycle. Provide a joint proposal for the subsequent phase**
28 **of the Energy Education Study (Phase 2) for the 2015-2017 program**
29 **cycle pursuant to the requested and granted modifications to D.12-08-**
30 **044.**

31 The Energy Education study to be conducted during the 2015 to 2017 cycle will analyze
32 the savings potential of the energy education component of the ESA program. The Study will

1 conduct an analysis to determine if any measureable savings can be identified and attributed to
2 the education component. Savings attributed to energy education and behavior programs in the
3 industry have typically been low and difficult to measure without very large samples. It would
4 be cost prohibitive to conduct an experimental design for this study, which would require large
5 samples for treatment and control groups. Furthermore, since all program participants receive
6 the educational component, there is no variation within the sample of participants to allow for an
7 estimation of savings related to education in the impact study billing analysis. The utilities have
8 repeatedly voiced concern about this study for these reasons.

9 One possible compromise may be to use a past year of ESA participants as a proxy for a
10 nonparticipant control group. This approach would be based on an assumption that even though
11 the past participants received an educational component as part of their participation, any
12 behavior changes related to that education have since ended, thus allowing them to serve as a
13 nonparticipant control group. The average household savings for this group could then be
14 compared to the average household savings of current participants to assess any differences.

15 Other possible approaches will be researched and considered. A description of this study is
16 provided in Attachment C.

17 **K. ESA Program Budget**

18 **Present a detailed budget discussion that clearly identifies specific strategies**
19 **and programs for budget years 2015-2017 and works towards accomplishing**
20 **the ESA Program's programmatic initiatives.**

21 **1. The proposed budget must clearly outline each program category cost**
22 **and break it into specific components.**

23 Each cost category and subcategory of the proposed budget is presented in Exhibit 2 with
24 a table showing the proposed budget for 2015-2017. The budget each year for 2016 and 2017
25 have been projected based on an estimate of the number of units SDG&E plans to treat.

1 **3. Include a table on the 2012-2014 actual budget, comparing**
2 **the costs with the proposed 2015-2017 budget, and indicate**
3 **the reasons for an increase or decrease in proposed**
4 **allocations for program categories.**

5 Each cost category and subcategory of the proposed budget is presented in Exhibit 3 with
6 a table showing the authorized levels from the 2012-2014 program year as well as actual
7 expenditures in 2012-2014, compared with the proposed budget for 2015-2017. 2014 “actual”
8 expenditures include forecast expenditures for October through December 2014. The budget
9 each year for 2016 and 2017 have been projected based on an estimate of the number of units
10 SDG&E plans to treat.

11 In general, the funding levels for program years 2015-2017 reflect an increase
12 due to the escalation factor of 3% to accommodate increased contractor fees.

13 The following measure costs increased:

- 14 • Lighting – Increased due to inclusion of new lighting measures being
15 offered in the program.
- 16 • Miscellaneous – Increase due to installation of Tier 2 Smart Power Strip measure
17 and increased projection in units installed. The Tier 2 Smart Power Strip is more
18 advanced than the current Smart Power Strip offered through the ESA Program.
19 The Tier 2 Smart Power Strip uses a sensor (type varies by manufacturer) to
20 determine when devices are being used and when they have been left on
21 unintentionally.
- 22 • Customer Enrollment - Increase due to contractor fee increase in call
23 center costs.
- 24 • Training Center – Increase is due to a creation of a training center.

- 1 • Inspections – Increase due to costs associated with third party
2 inspections.
- 3 • General Administration - Increase due to ESA Program IT system
4 enhancements being integrated in the EE Collaborative Platform.

5 **4. Tracking Program Costs - Propose methods for reporting costs and**
6 **demonstrate consistency across the utilities.**

7 SDG&E’s tracking of ESAP and CARE program activity and expenditures are in
8 accordance with the reporting requirements template provided by the Energy Division staff.
9 The reports are submitted to the Commission monthly by the 21st and annually by May 1.
10 The report templates were reviewed, discussed, and modified as necessary in a consistent
11 manner in a collaborative effort between Energy Division staff and representatives from each
12 of the IOUs. SDG&E believes this is an efficient process and recommends that a similar
13 process for the reporting templates be utilized if the Commission decision in this Application
14 warrants a revision to the reporting template for program years 2016 and 2017. Therefore
15 SDG&E is not recommending any changes to the process.

16 **5. Include a discussion on required budget flexibility and**
17 **potential Fund Shifting.**

18 SDG&E finds the existing fund shifting rules adequate.

19 **L. Revenue Requirement and Impacts**

20 **1. Discuss the revenue requirements necessary to achieve the**
21 **program plans and objectives proposed for the three year**
22 **application period as well as the projected rate impacts that**
23 **would arise due to the increased revenue requirements.**

24 **SDG&E – Electric**

25 SDG&E is not proposing any changes to the revenue allocation or rate design for the
26 ESA Program. Consistent with prior decisions (i.e., D.08-11-031 and D.06-12-038) SDG&E

1 proposes recovery of ESA Program costs on an equal-cent-per-kWh approach to all non-exempt
 2 authorized sales as defined in D.97-08-056.

3 SDG&E is not requesting funding for the 2015 ESA program since the Commission
 4 authorized funding in Decision 14-08-030, at the authorized 2014 budget level, for a 12-month
 5 period from January 1, 2015 to December 31, 2015. SDG&E filed Advice Letter (AL) 2652-E,
 6 dated October 1, 2014, to request an update for the electric public purpose program (PPP) rates
 7 effective January 1, 2015.

8 Illustrative rate impacts are presented in Table 15 below. The increase in proposed ESA
 9 Program rates are primarily due to a change in the allocation of Energy Savings Assistance costs
 10 as presented in SDG&E Table A-1a, PY 2015-2017 ESA Program Proposed Electric Budget by
 11 witness Sandra Williams.

12 **Table 18: Present and Proposed Energy Savings Assistance**
 13 **Program Rates (\$/kWh)**

| | Current | 2016 | 2017 |
|---|-----------|-----------|-----------|
| Energy Savings Assistance Program | | | |
| Incremental Funding Request (\$M) | | \$ - | \$ - |
| Energy Savings Assistance Program Rate | | | |
| Residential | \$0.00060 | \$0.00060 | \$0.00060 |
| Small Commercial | \$0.00060 | \$0.00060 | \$0.00060 |
| Med. & Large C&I | \$0.00060 | \$0.00060 | \$0.00060 |
| Agriculture | \$0.00060 | \$0.00060 | \$0.00060 |
| Lighting | \$0.00000 | \$0.00000 | \$0.00000 |
| System Total | \$0.00060 | \$0.00060 | \$0.00060 |

1 **SDG&E – Natural Gas**

2 SDG&E is not proposing any changes to the revenue allocation or rate design for the
3 ESA Program. Pursuant to D.09-11-006, SDG&E’s ESA Program costs are currently recovered
4 using an Equal Percent of Authorized Margin to allocate costs between the customer classes.
5 The ESA Program rates are calculated by multiplying the program cost by the allocation factor
6 and dividing by the applicable billing determinants minus any exempt throughput.

7 SDG&E is not requesting funding for the 2015 ESA program since the Commission
8 authorized funding in Decision 14-08-030, at the authorized 2014 budget level, for a 12-month
9 period from January 1, 2015 to December 31, 2015. SDG&E filed AL 2335-G, dated October
10 31, 2014, to request an update for the gas PPP rates effective January 1, 2015.

11 Illustrative rate impacts are presented in Table 16 below. SDG&E recovers its ESA
12 Program costs through the PPP surcharge. The ESA Program cost is calculated from the revenue
13 requirement which is based on the combination of both the administration costs and the ESA
14 Program budget. SDG&E used the ESA Program costs provided in SDG&E Table A-1b, PY
15 2015-2017 Energy Savings Assistance Program Proposed Gas Budget by witness Sandra
16 Williams.

17 SDG&E requests that the Commission authorize recovery of the program plans and
18 budgets proposed in this Application by means of the proposed ESA Program cost for PY 2015,
19 PY 2016, and PY 2017.

Table 19: Present and Proposed ESA Program Rates (Natural Gas)

| Revenue Requirements and PPS Rates - ESAP | | | | |
|--|-------------|--------------|--------------|--------------|
| | 2014 | 2015 | 2016 | 2017 |
| SDG&E | | | | |
| Increase (Decrease) in PPS Revenue Requirement \$ Millions: | | | | |
| ESAP | \$0 | \$1.2 | \$4.1 | \$0.5 |
| Total PPS Revenue | \$38 | \$40 | \$44 | \$44 |
| Change/year \$millions | | \$1.2 | \$4.1 | \$0.5 |
| Increase (Decrease) in PPS Rate \$/th: | | | | |
| Residential | | \$0.00327 | \$0.01085 | \$0.00130 |
| Core C&I | | \$0.00107 | \$0.00355 | \$0.00042 |
| NonCore C&I | | \$0.00053 | \$0.00176 | \$0.00021 |

2. Include a detailed accounting of funds unused from prior budget cycles and how these funds will reduce the revenue requirement.

In Section B.3. Carry-over Funds, SDG&E discusses the unused carryover funds from prior program budget cycles and why the funds exist. SDG&E projects that at 2014 year-end, there will be approximately \$20 million in unspent electric and gas ESA Program funds (approximately \$10 million electric and \$10 million gas). The unspent funds represent program authorized budget minus program expenditures.

D.14-08-030 authorized \$23,772,250 for the total 2015 electric and gas budget. Of this budget, the allocation for electric and gas is \$12,432,395 and \$11,339,855, respectively.

SDG&E plans to retain the 2014 year-end unspent gas funds⁵³ and use those funds to partially offset the gas ESA Program budget in 2015. SDG&E's ESA Program budgetary needs for 2015 falls short by approximately \$3.13 million in gas funds. As mentioned, D.14-08-030 authorized \$23,772,250 total electric and gas budget for the 2015 ESA Program based on the funding level authorized for program year 2014. To accommodate the ESA Program plans for 2015 SDG&E will need a budget of \$26, 904,989 (specifically, \$23,772,250 authorized in D.14-

⁵³ The funds forecasted for 2014 year-end in the gas PGLIEE Balancing Account, discussed below in Section 4, are an overcollection of \$8.9 million.

1 08-030 plus \$3,132,739 prior unspent carryover funds equals\$26,904,989). This \$3.1 million
2 unspent gas funds has been allocated to the 2015 gas measures as shown above in Section K.1.
3 and will not result in an increase in rates attributable to the ESA Program. The remaining
4 unspent gas funds will be carried into the 2015-17 program cycle and used to provide more gas
5 services and measures.

6 SDG&E is requesting an electric ESA Program budget of \$15,169,593 and \$15,656,147
7 for program years 2016 and 2017, respectively to provide electric services and measures to
8 qualified customers. SDG&E plans to partially offset the electric revenue requirement for
9 program years 2016 and 2017 by using \$2,737,198 and \$3,223,752 respectively, of unspent
10 electric ESA Program funds⁵⁴ to provide rate stability over those years at the 2015 revenue level.
11 This proposal will not result in an increase in rates attributable to the ESA Program. For rate
12 making purposes, SDG&E is only seeking recovery of the net electric amount of \$12,432,395
13 each year for 2016 and 2017.

14 **3. Include a brief discussion of the costs and the benefits of these**
15 **programs and how they impact the rates and the general well-**
16 **being of ratepayers of your service area and priorities such as**
17 **energy reliability, safety, and the water- energy nexus.**

18 ESA Program costs recovered through the PPPS are recovered from all SDG&E
19 residential customers, including CARE customers. All direct costs of customer outreach,
20 assessment, energy education, measure installation, inspection, and program administration are
21 recovered through the PPPS. Costs of NGAT”, a required safety check any time a home receives
22 air infiltration measures, are not recovered through the PPPS, nor are they requested in this
23 filing, but rather through SDG&E’s General Rate Case (“GRC”) proceeding. Certain indirect

⁵⁴ The funds forecasted for 2014 year-end in the electric LIEE Balancing Account, discussed below in Section 4, are an overcollection of \$6.2 million.

1 costs associated with SDG&E’s General and Administrative (“G&A”) activities supporting ESA
2 Program are also recovered through the GRC and are not addressed herein.

3 **4. Include a brief description of the balancing accounts for the**
4 **ESA Program and CARE Programs. Explain any changes to**
5 **the balancing accounts.**

6 Below, SDG&E has provided a brief description of the ESA Program balancing accounts.
7 The CARE balancing accounts are described in the CARE Testimony of Witness Sandra
8 Williams, in Section N. Revenue Requirements and Rate Impacts.

9 **SDG&E – Electric**

10 SDG&E maintains the electric Low-Income Energy Efficiency Balancing Account
11 (“LIEEBA”) to record the ESA Program expenses incurred against revenue.

12 Pursuant to Commission D.03-04-027, SDG&E files an advice letter by October 1st of
13 each year requesting to establish the electric PPP rate effective January 1st of the following year.
14 The rate revenue consists of Commission approved ESAP expenses for the following year and
15 the amortization of the applicable portion of the forecasted current year-end LIEEBA balance.

16 SDG&E does not propose any changes to the LIEEBA at this time. It does plan to file a
17 cleanup advice letter to incorporate Commission approved changes that have not been reflected
18 in the Preliminary Statement.

19 **SDG&E – Natural Gas**

20 SDG&E maintains the Post-2005 Gas Low Income Energy Efficiency Balancing Account
21 (“PGLIEEBA”) to record the ESA Program expenses incurred against gas surcharge funds
22 reimbursed from the State Board of Equalization. The gas surcharge was established pursuant to
23 AB 1002 and implemented by the utilities pursuant to Commission Resolution G-3303 (dated
24 12/21/2000) and the Natural Gas Surcharge D.04-08-010. SDG&E maintains the PGLIEEBA by

1 recording at the end of each month ESAP expenses and gas billed surcharges. SDG&E also
2 records as applicable remittances/reimbursements to/from the State Board of Equalization.

3 Pursuant to Commission D.04-08-010, SDG&E files an advice letter by October 31st of
4 each year requesting to establish the gas PPP rate effective January 1st of the following year. The
5 rate revenue consists of Commission approved ESAP expenses for the following year and the
6 amortization of the applicable portion of the forecasted current year-end PGLIEEBA balance.

7 SDG&E does not propose any changes to the PGLIEEBA at this time. It does plan to file
8 a cleanup advice letter to incorporate Commission approved changes that have not been reflected
9 in the Preliminary Statement.

10 **M. Program Funding And Fund Shifting Requests**

11 SDG&E requests that the Commission authorize recovery in rates of proposed program
12 funding for 2015-2017, including any necessary adjustments based on any difference between
13 bridge funding already granted by the Commission, and the eventual adopted budget.

14 SDG&E has not experienced issues during the 2012-2014 program cycle associated with
15 fund shifting. SDG&E requests the continuation of fund shifting during 2015-2017 program
16 cycle.

17 **III. CONCLUSION**

18 SDG&E respectfully requests the Commission to approve its ESA Program proposal for
19 PY 2015-2017 as described in this testimony and to authorize as follows:

- 20 • Approval of its 2015 – 2017 ESA Program plans and budgets herein.
- 21 • Approval to continue its existing ESA Program into PY 2015, using PY2015 program
22 funds, should the Commission be delayed in issuing a decision in this proceeding

1 before year-end 2014, and count program achievements toward PY2015
2 accomplishments.

- 3 • Approval to shift funds in the ESA Program consistent with fund shifting authority in
4 D.08-11-031 and as modified by D.10-10-008.
- 5 • Approval to use \$3.1 million in carryover funds for the 2015 ESA Program budget.
- 6 • Approval to use unspent electric funds to partially offset the electric revenue
7 requirement for 2016 and 2017 ESA Program years.
- 8 • Approval of the mix of measures reflected in Attachment A-6 and A-7 for the ESA
9 Program.
- 10 • Approval to add new measures as proposed in Section II.E.1.b.
- 11 • Approval of the marketing and outreach elements requested herein.
- 12 • Approval to use the methodology adopted for the eligible population as revised
13 herein.
- 14 • Approval to return to the 10-year go back rule to provide for a sustainable ESA
15 Program.
- 16 • Approval to continue integration and leveraging efforts.
- 17 • Approval of statewide impact evaluation, low income needs assessment, energy
18 education (Phase 2) and cost-effectiveness studies for the 2015-2017 program cycle.

19 **Provide your utility's potential bridge funding estimates for your utility's ESA and**
20 **CARE Programs, in the event that a decision on the applications for the 2015-2017**
21 **ESA and CARE Programs is not adopted before January 1, 2015. Provide your**
22 **utility's bridge funding estimates for a delay of 3 months, 6 months, 9 months and 12**
23 **months for both the CARE and ESA Programs to continue without disruption.**

24 OP 2 (b) of D.14-08-030 authorized a 12 month bridge funding starting January 1, 2015
25 to December 31, 2015 at the authorized 2014 budget for the ESA and CARE programs.

1 Ordering Paragraph 3 directed the IOUs to treat 2015 as the fourth program year and
2 continuation of the 2012-2014 program cycle for purposes of shifting funds. In accordance with
3 these Commission directives on the bridge funding for 2015, SDG&E is not proposing a change.

4 **IV. EXCEL ATTACHMENTS**

5 **The IOUs must use the attached excel templates to be filed with their 2015-2017**
6 **application and testimony.**

7 **A. ESA Program**

- 8 1. ESA Program Budget Proposal Template
- 9 2. ESA Program Budget Proposal Template- Electric
- 10 3. ESA Program Budget Proposal Template- Gas
- 11 4. ESA Program Planning
- 12 5. ESA Program Comprehensive Measures List
- 13 6. ESA Program Penetration
- 14 7. ESA Program - Detail By Housing Type
- 15 8. ESA Program - Cost Effectiveness
- 16 9. ESA Program - Cost Effectiveness- Weather Sensitive
- 17 10. ESA Program - Cost Effectiveness- Non-Weather Sensitive
- 18 11. ESA Program Studies And Pilots Proposal
- 19 12. SUMMARY: All Proposed Changes To The ESA Program

20 **B. CARE**

- 21 1. CARE Budget Proposal Template
- 22 2. CARE Rate Impacts
- 23 3. CARE Rate Impacts- Gas
- 24 4. CARE Rate Impacts- Electric

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5. CARE Penetration

6. CARE Program Detail- Usage and Savings

7. CARE Studies and Pilots Proposal

8. SUMMARY: All Proposed Changes to the CARE Program

C. Studies and Pilots Proposal Template D

D. Utility Testimony

1 **STATEMENT OF QUALIFICATIONS**
2 **HORACE TANTUM IV**

3 My name is Horace Tantum IV. I am employed by San Diego Gas & Electric Company
4 (SDG&E) as the Residential Marketing Manager. My business address is 8335 Century Park
5 Court, CP 12F, San Diego, California, 92123-1569.

6 I have been employed by SDG&E as the Residential Marketing Manager since May,
7 2014. I am responsible for leading the residential marketing team to develop and implement
8 marketing plans for residential customer programs, including goals and objectives, strategies,
9 target audiences, key messaging and metrics. Prior to my current position in residential
10 marketing, I held the position of Senior Communications Advisor primarily supporting
11 Commercial/Industrial programs.

12 Before joining SDG&E in December 2012, I spent nearly two years as Marketing
13 Director for MJE Marketing, where I was responsible for the development, implementation and
14 supervision of integrated marketing, advertising, Public Relations and social media campaigns
15 for clients including the Port of San Diego, California Bank & Trust, First 5 San Diego, and the
16 City and County of San Diego. From 2002-2011, I was the Senior Account Supervisor for
17 Brandon Taylor, SDG&E's general market advertising agency of record. As my primary role, I
18 translated objectives of SDG&E customer communications staff, market advisors, program
19 managers, and executives into integrated plans including: advertising campaigns for TV, radio,
20 print, outdoor and digital media, direct mail, videos and collateral materials for most of the
21 residential and commercial customer programs.

22 I graduated from the University of Colorado in 1989 with a Bachelor of Arts degree in
23 Economics. I also earned an MBA with a marketing emphasis in 1992 from the University of

1 Colorado. I have more than twenty years of experience in marketing, communications,
2 advertising, business management, and creative direction in various industries.

3 I have not previously testified before the Commission.

EXHIBIT 1

San Diego Gas & Electric Company

ESA Exhibit 1 - 2012 Authorized Budgets and Expenditures

| Energy Savings Assistance Program: | 2012 Authorized Budget | | | 2012 Annual Expenses | | | End of 2012 Budget to be Carryforward into 2013 | | |
|---|------------------------|---------------------|-------------------------|----------------------|----------------------|----------------------|--|-----------------------|---------------------|
| | Electric | Gas | Elec & Gas - Authorized | Electric | Gas | Elec & Gas - Spent | Electric | Gas | Elec & Gas - Spent |
| Energy Efficiency | | | | | | | | | |
| - Gas Appliances | | \$ 2,626,325 | \$ 2,626,325 | \$ - | \$ 4,201,557 | \$ 4,201,557 | \$ - | \$ (1,575,232) | \$ (1,575,232) |
| - Electric Appliances | \$ 7,361,534 | | \$ 7,361,534 | \$ 4,302,956 | \$ - | \$ 4,302,956 | \$ 3,058,578 | \$ - | \$ 3,058,578 |
| - Weatherization | \$ 1,428,577 | \$ 3,353,045 | \$ 4,781,622 | \$ - | \$ 6,135,445 | \$ 6,135,445 | \$ 1,428,577 | \$ (2,782,400) | \$ (1,353,823) |
| - Outreach and Assessment | \$ 1,399,746 | \$ 1,399,746 | \$ 2,799,492 | \$ 1,685,156 | \$ 1,685,156 | \$ 3,370,312 | \$ (285,410) | \$ (285,410) | \$ (570,820) |
| - In Home Energy Education | \$ 202,988 | \$ 202,988 | \$ 405,976 | \$ 241,022 | \$ 241,022 | \$ 482,045 | \$ (38,034) | \$ (38,034) | \$ (76,069) |
| - Education Workshops | | | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| - Pilot | | | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| Energy Efficiency TOTAL | \$ 10,392,845 | \$ 7,582,104 | \$ 17,974,949 | \$ 6,229,134 | \$ 12,263,181 | \$ 18,492,315 | \$ 4,163,711 | \$ (4,681,077) | \$ (517,366) |
| Training Center | | | | | | | | | |
| Inspections | \$ 27,873 | \$ 27,873 | \$ 55,745 | \$ 51,631 | \$ 51,631 | \$ 103,262 | \$ (23,759) | \$ (23,759) | \$ (47,517) |
| Marketing | \$ 626,141 | \$ 626,141 | \$ 1,252,282 | \$ 357,461 | \$ 357,461 | \$ 714,922 | \$ 268,680 | \$ 268,680 | \$ 537,360 |
| M&E Studies | \$ 95,000 | \$ 95,000 | \$ 190,000 | \$ 43,793 | \$ 1,607 | \$ 45,400 | \$ 51,207 | \$ 93,393 | \$ 144,600 |
| Regulatory Compliance | \$ 153,277 | \$ 153,277 | \$ 306,554 | \$ 92,354 | \$ 92,354 | \$ 184,709 | \$ 60,923 | \$ 60,923 | \$ 121,845 |
| General Administration | \$ 945,738 | \$ 945,738 | \$ 1,891,476 | \$ 747,683 | \$ 749,832 | \$ 1,497,515 | \$ 198,055 | \$ 195,906 | \$ 393,961 |
| CPUC Energy Division | \$ 22,500 | \$ 22,500 | \$ 45,000 | \$ 4,341 | \$ 4,341 | \$ 8,682 | \$ 18,159 | \$ 18,159 | \$ 36,318 |
| TOTAL PROGRAM COSTS | \$ 12,263,374 | \$ 9,452,633 | \$ 21,716,006 | \$ 7,526,399 | \$ 13,520,407 | \$ 21,046,806 | \$ 4,736,975 | \$ (4,067,774) | \$ 669,200 |
| Carryforward From Prior Years | | | | | | | \$ 4,820,436 | \$ 1,977,040 | \$ 6,797,476 |
| Prior Period Adj | | | | | | | \$ 1,026,186 | \$ 177,245 | \$ 1,203,431 |
| Motion to shift funds (2012 current year authorized) | | | | | | | \$ (3,227,895) | \$ 3,227,895 | \$ - |
| Motion to shift funds dated carryover from prior years. | | | | | | | \$ (4,200,000) | \$ 4,200,000 | \$ - |
| Total | | | | | | | \$ 3,155,702 | \$ 5,514,405 | \$ 8,670,107 |
| Funded Outside of ESA Program Budget | | | | | | | | | |
| Indirect Costs | | | | \$ 500,801 | \$ 539,641 | \$ 1,040,442 | This is not Program costs and not applicable to fund shift rules | | |
| NGAT Costs | | | | \$ - | \$ 334,963 | \$ 334,963 | This is not Program costs and not applicable to fund shift rules | | |

San Diego Gas & Electric Company
ESA Exhibit 1 - 2013 Authorized Budgets and Expenditures

| 2013 Authorized Budget | | | | 2013 Annual Expenses | | | End of 2013 Budget to be Carryforward into 2014 | | |
|---|----------------------|---------------------|-------------------------|----------------------|---------------------|----------------------|--|---------------------|----------------------|
| Energy Savings Assistance Program: | Electric | Gas | Elec & Gas - Authorized | Electric | Gas | Elec & Gas - Spent | Electric | Gas | Elec & Gas - Total |
| Energy Efficiency | | | | | | | | | |
| Appliance | \$ 3,703,271 | \$ 891,923 | \$ 4,595,194 | \$ 1,791,754 | \$ 547,775 | \$ 2,339,529 | \$ 1,911,517 | \$ 344,148 | \$ 2,255,665 |
| Domestic Hot Water | \$ 48,473 | \$ 1,579,959 | \$ 1,628,432 | \$ 34,564 | \$ 1,117,569 | \$ 1,152,133 | \$ 13,909 | \$ 462,390 | \$ 476,299 |
| Enclosure | \$ 1,424,793 | \$ 1,855,723 | \$ 3,280,516 | \$ 1,642,554 | \$ 2,177,339 | \$ 3,819,893 | \$ (217,761) | \$ (321,616) | \$ (539,377) |
| HVAC | \$ 380,775 | \$ 1,272,769 | \$ 1,653,543 | \$ 202,870 | \$ 2,441,848 | \$ 2,644,717 | \$ 177,905 | \$ (1,169,079) | \$ (991,174) |
| Maintenance | \$ 4,334 | \$ 549,917 | \$ 554,251 | \$ 125 | \$ 342,377 | \$ 342,502 | \$ 4,209 | \$ 207,540 | \$ 211,749 |
| Lighting | \$ 2,694,452 | \$ - | \$ 2,694,452 | \$ 1,700,003 | \$ - | \$ 1,700,003 | \$ 994,449 | \$ - | \$ 994,449 |
| Miscellaneous | \$ 470,826 | \$ - | \$ 470,826 | \$ 46,795 | \$ - | \$ 46,795 | \$ 424,031 | \$ - | \$ 424,031 |
| Customer Enrollment | \$ 1,592,991 | \$ 1,592,991 | \$ 3,185,982 | \$ 1,363,391 | \$ 1,363,391 | \$ 2,726,782 | \$ 229,600 | \$ 229,600 | \$ 459,200 |
| In Home Education | \$ 208,900 | \$ 208,900 | \$ 417,800 | \$ 193,940 | \$ 193,940 | \$ 387,880 | \$ 14,960 | \$ 14,960 | \$ 29,920 |
| Pilot | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| Energy Efficiency TOTAL | \$ 10,528,814 | \$ 7,952,182 | \$ 18,480,996 | \$ 6,975,995 | \$ 8,184,238 | \$ 15,160,233 | \$ 3,552,819 | \$ (232,056) | \$ 3,320,763 |
| Training Center | | | | | | | | | |
| Inspections | \$ 28,738 | \$ 28,738 | \$ 57,475 | \$ 48,782 | \$ 48,781 | \$ 97,563 | \$ (20,044) | \$ (20,044) | \$ (40,088) |
| Marketing and Outreach | \$ 576,870 | \$ 576,870 | \$ 1,153,740 | \$ 369,902 | \$ 369,902 | \$ 739,804 | \$ 206,968 | \$ 206,968 | \$ 413,936 |
| Statewide ME&O | \$ 30,000 | \$ 30,000 | \$ 60,000 | \$ 2,274 | \$ 2,274 | \$ 4,548 | \$ 27,726 | \$ 27,726 | \$ 55,452 |
| M&E Studies | \$ 27,500 | \$ 27,500 | \$ 55,000 | \$ 36,702 | \$ 36,702 | \$ 73,405 | \$ (9,202) | \$ (9,202) | \$ (18,405) |
| Regulatory Compliance | \$ 169,692 | \$ 169,692 | \$ 339,384 | \$ 106,202 | \$ 106,201 | \$ 212,403 | \$ 63,490 | \$ 63,491 | \$ 126,981 |
| General Administration | \$ 974,474 | \$ 974,474 | \$ 1,948,947 | \$ 789,785 | \$ 789,788 | \$ 1,579,573 | \$ 184,688 | \$ 184,686 | \$ 369,374 |
| CPUC Energy Division | \$ 22,500 | \$ 22,500 | \$ 45,000 | \$ 3,560 | \$ 3,560 | \$ 7,119 | \$ 18,940 | \$ 18,940 | \$ 37,881 |
| TOTAL PROGRAM COSTS | \$ 12,358,587 | \$ 9,781,955 | \$ 22,140,542 | \$ 8,333,202 | \$ 9,541,446 | \$ 17,874,649 | \$ 4,025,385 | \$ 240,509 | \$ 4,265,894 |
| Carryover From Prior Years | | | | | | | \$ 3,155,702 | \$ 5,514,405 | \$ 8,670,107 |
| Total | | | | | | | \$ 7,181,087 | \$ 5,754,914 | \$ 12,936,001 |
| Funded Outside of ESA Program Budget | | | | | | | | | |
| Indirect Costs | | | | \$ 418,962 | \$ 430,984 | \$ 849,946 | This is not Program costs and not applicable to fund shift rules | | |
| NGAT Costs | | | | \$ - | \$ 292,397 | \$ 292,397 | This is not Program costs and not applicable to fund shift rules | | |

San Diego Gas & Electric Company
ESA Exhibit 1 - 2014 Authorized Budgets and Expenditures

| 2014 Authorized Budget [1, 2] | | | | 2014 Estimated Annual Expenses (actual thru September and forecast thru Dec) | | | Estimated End of 2014 Budget to be Carryforward into 2015 | | |
|---|----------------------|----------------------|-------------------------|--|---------------------|----------------------|--|-----------------------|-----------------------|
| Energy Savings Assistance Program: | Electric | Gas | Elec & Gas - Authorized | Electric | Gas | Elec & Gas - Spent | Electric | Gas | Elec & Gas - Total |
| Energy Efficiency | | | | | | | | | |
| Appliance | \$ 3,626,319 | \$ 1,306,214 | \$ 4,932,533 | \$ 2,001,793 | \$ 670,692 | \$ 2,672,484 | \$ 1,624,526 | \$ 635,523 | \$ 2,260,049 |
| Domestic Hot Water | \$ 58,216 | \$ 1,997,303 | \$ 2,055,518 | \$ 36,196 | \$ 1,170,352 | \$ 1,206,549 | \$ 22,019 | \$ 826,950 | \$ 848,969 |
| Enclosure | \$ 1,806,512 | \$ 2,783,334 | \$ 4,589,847 | \$ 1,721,335 | \$ 2,281,770 | \$ 4,003,105 | \$ 85,177 | \$ 501,564 | \$ 586,741 |
| HVAC | \$ 392,199 | \$ 3,535,658 | \$ 3,927,857 | \$ 147,335 | \$ 1,932,565 | \$ 2,079,900 | \$ 244,863 | \$ 1,603,093 | \$ 1,847,957 |
| Maintenance | \$ 4,464 | \$ 566,414 | \$ 570,879 | \$ 163 | \$ 279,572 | \$ 279,735 | \$ 4,302 | \$ 286,842 | \$ 291,144 |
| Lighting | \$ 2,775,285 | \$ - | \$ 2,775,285 | \$ 1,911,511 | \$ - | \$ 1,911,511 | \$ 863,774 | \$ - | \$ 863,774 |
| Miscellaneous | \$ 484,540 | \$ - | \$ 484,540 | \$ 419,076 | \$ - | \$ 419,076 | \$ 65,464 | \$ - | \$ 65,464 |
| Customer Enrollment | \$ 1,692,820 | \$ 1,692,820 | \$ 3,385,641 | \$ 1,567,018 | \$ 1,567,018 | \$ 3,134,037 | \$ 125,802 | \$ 125,802 | \$ 251,604 |
| In Home Education | \$ 215,167 | \$ 215,167 | \$ 430,334 | \$ 221,060 | \$ 221,060 | \$ 442,120 | \$ (5,893) | \$ (5,893) | \$ (11,786) |
| Pilot | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Energy Efficiency TOTAL | \$ 11,055,522 | \$ 12,096,911 | \$ 23,152,433 | \$ 8,025,488 | \$ 8,123,029 | \$ 16,148,516 | \$ 3,030,035 | \$ 3,973,882 | \$ 7,003,917 |
| Training Center | | | | | | | | | |
| Training Center | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inspections | | | | | | | | | |
| Inspections | \$ 49,603 | \$ 49,603 | \$ 99,206 | \$ 49,603 | \$ 49,603 | \$ 99,206 | \$ - | \$ - | \$ - |
| Marketing and Outreach | | | | | | | | | |
| Marketing and Outreach | \$ 582,359 | \$ 582,359 | \$ 1,164,718 | \$ 450,000 | \$ 450,000 | \$ 900,000 | \$ 132,359 | \$ 132,359 | \$ 264,718 |
| Statewide ME&O | | | | | | | | | |
| Statewide ME&O | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| M&E Studies | | | | | | | | | |
| M&E Studies | \$ 57,500 | \$ 57,500 | \$ 115,000 | \$ 100,692 | \$ 100,692 | \$ 201,384 | \$ (43,192) | \$ (43,192) | \$ (86,384) |
| Regulatory Compliance | | | | | | | | | |
| Regulatory Compliance | \$ 161,107 | \$ 161,107 | \$ 322,214 | \$ 150,000 | \$ 150,000 | \$ 300,000 | \$ 11,107 | \$ 11,107 | \$ 22,214 |
| General Administration | | | | | | | | | |
| General Administration | \$ 1,003,209 | \$ 1,003,209 | \$ 2,006,417 | \$ 1,000,000 | \$ 1,000,000 | \$ 2,000,000 | \$ 3,209 | \$ 3,209 | \$ 6,417 |
| CPUC Energy Division | | | | | | | | | |
| CPUC Energy Division | \$ 22,500 | \$ 22,500 | \$ 45,000 | \$ 10,000 | \$ 10,000 | \$ 20,000 | \$ 12,500 | \$ 12,500 | \$ 25,000 |
| TOTAL PROGRAM COSTS | \$ 12,931,800 | \$ 13,973,188 | \$ 26,904,988 | \$ 9,785,783 | \$ 9,883,324 | \$ 19,669,106 | \$ 3,146,017 | \$ 4,089,864 | \$ 7,235,882 |
| Carryover From Prior Years | | | | | | | \$ 7,181,087 | \$ 5,754,914 | \$ 12,936,001 |
| [1] 2014 authorized budget per D.14-08-030 includes carryforward from prior years. | | | | | | | \$ (499,405) | \$ (2,633,334) | \$ (3,132,739) |
| [2] Per D.14-08-030 authorized budget augmentation of \$3,796,896 in gas funding for 2012-14 cycle. | | | | | | | | \$ 2,513,264 | \$ 2,513,264 |
| Total | | | | | | | \$ 9,827,699 | \$ 9,724,708 | \$ 19,552,408 |
| Funded Outside of ESA Program Budget | | | | | | | | | |
| Indirect Costs | | | | \$ 600,000 | \$ 630,000 | \$ 1,230,000 | This is not Program costs and not applicable to fund shift rules | | |
| NGAT Costs | | | | \$ - | \$ 300,000 | \$ 300,000 | This is not Program costs and not applicable to fund shift rules | | |

EXHIBIT 2

"Revised Attachment G" - 3 Measure Minimum - Measures That Qualify for One Measure Installation

PY 2015 - 2017 LIEE Planning Assumptions
San Diego Gas & Electric Company

| Measures | Units | PY 2015 Planned | | | | | PY 2016 Planned | | | | | PY 2017 Planned | | | | |
|---|-------|--------------------|--------------|-------------|-----------------|---------------|--------------------|--------------|-------------|-----------------|---------------|--------------------|--------------|-------------|-----------------|---------------|
| | | Quantity Installed | kWh (Annual) | kWh Savings | Therms (Annual) | Therm Savings | Quantity Installed | kWh (Annual) | kWh Savings | Therms (Annual) | Therm Savings | Quantity Installed | kWh (Annual) | kWh Savings | Therms (Annual) | Therm Savings |
| Appliances | | | | | | | | | | | | | | | | |
| High Efficiency Clothes Washer | Each | 1,985 | 12,171 | 6 | 29,912 | 15 | 1,985 | 12,171 | 6 | 29,912 | 15 | 1,985 | 12,171 | 6 | 29,912 | 15 |
| Refrigerators | Each | 3,650 | 2,254,147 | 618 | - | - | 3,650 | 2,254,147 | 618 | - | - | 3,650 | 2,254,147 | 618 | - | - |
| Microwaves | Each | 5,725 | 26,475 | 5 | 125,557 | 22 | 5,718 | 26,275 | 5 | 125,463 | 22 | 5,718 | 26,275 | 5 | 125,463 | 22 |
| Domestic Hot Water | | | | | | | | | | | | | | | | |
| Water Heater Blanket | Home | 870 | 99 | 0 | 372 | 0 | 870 | 99 | 0 | 372 | 0 | 870 | 99 | 0 | 372 | 0 |
| Low Flow ShowerHead | Home | 11,100 | 1,989 | 0 | 5,858 | 1 | 11,100 | 1,989 | 0 | 5,858 | 1 | 11,100 | 1,989 | 0 | 5,858 | 1 |
| Water Heater Pipe Insulation | Home | 1,790 | 126 | 0 | 51 | 0 | 1,790 | 126 | 0 | 51 | 0 | 1,790 | 126 | 0 | 51 | 0 |
| Faucet Aerator | Home | 17,900 | 1,950 | 0 | 4,790 | 0 | 17,900 | 1,950 | 0 | 4,790 | 0 | 17,900 | 1,950 | 0 | 4,790 | 0 |
| Water Heater Repair/Replacement | Each | 1,300 | - | - | 8,840 | 7 | 1,300 | - | - | 8,840 | 7 | 1,300 | - | - | 8,840 | 7 |
| Thermostatic Shower Valve | Each | 5,000 | 17,436 | 3 | 11,089 | 2 | 5,000 | 17,436 | 3 | 11,089 | 2 | 5,000 | 17,436 | 3 | 11,089 | 2 |
| New - Combined Showerhead/TSV | Each | 4,500 | 15,735 | 3 | 41,216 | 9 | 4,500 | 15,735 | 3 | 41,216 | 9 | 4,500 | 15,735 | 3 | 41,216 | 9 |
| New - Heat Pump Water Heater | Each | 25 | 69,975 | 2,799 | - | - | 25 | 69,975 | 2,799 | - | - | 25 | 69,975 | 2,799 | - | - |
| New - Tub Diverter | Each | 2,500 | 8,882 | 4 | 4,662 | 2 | 2,500 | 8,882 | 4 | 4,662 | 2 | 2,500 | 8,882 | 4 | 4,662 | 2 |
| Enclosure | | | | | | | | | | | | | | | | |
| Air Sealing [1] | Home | 13,090 | 291,947 | 22 | 36,022 | 3 | 13,090 | 291,947 | 22 | 36,022 | 3 | 13,090 | 291,947 | 22 | 36,022 | 3 |
| Caulking | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Weatherstripping | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Utility Gaskets | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attic Access Weatherstripping | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Evaporative Cooler Cover | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| AC Vent Cover | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attic Insulation | Home | 550 | 24,130 | 44 | 14,267 | 26 | 550 | 24,130 | 44 | 14,267 | 26 | 550 | 24,130 | 44 | 14,267 | 26 |
| HVAC | | | | | | | | | | | | | | | | |
| FAU Standing Pilot Light Conversion | Each | 380 | - | - | 5,738 | 15 | 380 | - | - | 5,738 | 15 | 380 | - | - | 5,738 | 15 |
| Furnace Repair/Replacement | Each | 5,229 | - | - | - | - | 5,229 | - | - | - | - | 5,229 | - | - | - | - |
| Room A/C Replacement | Each | 220 | 5,540 | 25 | - | - | 220 | 5,540 | 25 | - | - | 220 | 5,540 | 25 | - | - |
| Central A/C Replacement | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Heat Pump Replacement | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Evaporative Coolers (Replacement) | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Evaporative Coolers (Installation) | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Duct Testing and Sealing | Home | 350 | 111 | 0.3 | 5,007 | 14 | 350 | 111 | 0 | 5,007 | 14 | 350 | 111 | 0 | 5,007 | 14 |
| New - Energy Efficient Fan Control | Home | 25 | 2,763 | - | - | - | 25 | 2,763 | 111 | - | - | 25 | 2,763 | 111 | - | - |
| New - Prescriptive Duct Sealing | Home | 10,000 | 74,000 | - | - | - | 10,000 | 74,000 | 7 | - | - | 10,000 | 74,000 | 7 | - | - |
| Maintenance | | | | | | | | | | | | | | | | |
| Furnace Clean and Tune | Home | 7,285 | - | - | 74,986 | 10 | 7,285 | - | - | 74,986 | 10 | 7,285 | - | - | 74,986 | 10 |
| Central A/C Tune-up | Home | 100 | 25,554 | 256 | - | - | 100 | 25,554 | 256 | - | - | 100 | 25,554 | 256 | - | - |
| Evaporative Cooler Maintenance | Home | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Lighting | | | | | | | | | | | | | | | | |
| Compact Fluorescent Lights (CFLs) | Each | 135,000 | 2,359,700 | 17 | - | - | - | - | - | - | - | - | - | - | - | - |
| Interior Hard wired CFL fixtures | Each | 3,500 | 146,965 | 42 | - | - | 3,500 | 146,965 | 42 | - | - | 3,500 | 146,965 | 42 | - | - |
| Exterior Hard wired CFL fixtures | Each | 2,800 | 117,572 | 42 | - | - | 2,800 | 117,572 | 42 | - | - | 2,800 | 117,572 | 42 | - | - |
| Torchiere | Each | 9,680 | 220,850 | 23 | - | - | 9,680 | 220,850 | 23 | - | - | 9,680 | 220,850 | 23 | - | - |
| Occupancy Sensor | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| LED Night Lights | Each | 20,000 | 22,478 | 1 | - | - | 20,000 | 22,478 | 1 | - | - | 20,000 | 22,478 | 1 | - | - |
| New - LED Diffuse Bulb (60W Replace)[2] | Each | 10,000 | 143,300 | 14 | (2,640) | (0) | 134,999 | 1,934,536 | 14 | (35,640) | (0) | 134,999 | 1,934,536 | 14 | (35,640) | (0) |
| New - LED Reflector Bulb (BR30 Recessed Can)[2] | Each | 3,000 | 80,631 | 27 | (1,350) | (0) | 3,000 | 80,631 | 27 | (1,350) | (0) | 3,000 | 80,631 | 27 | (1,350) | (0) |
| Miscellaneous | | | | | | | | | | | | | | | | |
| Smart Strip | Each | 12,820 | 314,090 | 25 | - | - | - | - | - | - | - | - | - | - | - | - |
| Pool Pumps | Each | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| New - Smart Strip Tier II | Each | - | - | - | - | - | 15,001 | 367,525 | 25 | - | - | 15,001 | 367,525 | 25 | - | - |
| Pilots | | | | | | | | | | | | | | | | |
| | Each | | | | | | | | | | | | | | | |
| | Each | | | | | | | | | | | | | | | |
| Customer Enrollment | | | | | | | | | | | | | | | | |
| Outreach & Assessment | Home | 20,316 | | | | | 20,316 | | | | | 20,316 | | | | 4,135,667 |
| In-Home Education | Home | 20,316 | | | | | 20,316 | | | | | 20,316 | | | | 456,541 |

Reflects measures that can be installed as one measure based on the energy savings threshold of 125 kWh or 25 therms. Or can be installed for one or two measures combined.
 [1] The Air Sealing measures are bundled. Air Sealing measures include: Caulking, Weatherstripping, Utility Gaskets, Attic Access Weatherstripping, Evaporative Cooler Cover, AC Vent Cover, and Minor Home Repair.
 [2] The new lighting measures (LED diffuse bulb and LED reflector bulb) show positive kWh savings along with negative therm savings (interactive effects). The savings estimates used for these measures are the deemed savings used in the energy efficiency programs which include negative therms for interactive effects. Savings estimates for the remaining lighting measures were obtained from the most recent ESA Impact Evaluation.

EXHIBIT 3

**San Diego Gas & Electric Company
ESA Program - Exhibit 2**

| Category | 2015 | 2016 | 2017 |
|--|----------------------|----------------------|----------------------|
| | Proposed Expenses | Proposed Expenses | Proposed Expenses |
| Appliances | | | |
| High Efficiency Clothes Washer | \$ 1,429,200 | \$ 1,472,076 | \$ 1,516,238 |
| Refrigerators | \$ 2,930,950 | \$ 3,018,879 | \$ 3,109,445 |
| Microwaves | \$ 572,383 | \$ 588,833 | \$ 606,498 |
| Domestic Hot Water | | | |
| Water Heater Blanket | \$ 47,311 | \$ 48,730 | \$ 50,192 |
| Low Flow ShowerHead | \$ 698,788 | \$ 719,751 | \$ 741,344 |
| Water Heater Pipe Insulation | \$ 36,713 | \$ 37,814 | \$ 38,949 |
| Faucet Aerator | \$ 208,535 | \$ 214,791 | \$ 221,235 |
| Water Heater Repair/Replacement | \$ 338,547 | \$ 348,703 | \$ 359,165 |
| Thermostatic Shower Valve | \$ 300,950 | \$ 309,979 | \$ 319,278 |
| New - Combined Showerhead/TSV | \$ 189,000 | \$ 194,670 | \$ 200,510 |
| New - Heat Pump Water Heater | \$ 48,175 | \$ 49,620 | \$ 51,109 |
| New - Tub Diverter | \$ 187,500 | \$ 193,125 | \$ 198,919 |
| Enclosure | | | |
| Air Sealing | \$ 4,000,000 | \$ 4,119,909 | \$ 4,243,505 |
| Caulking | \$ - | \$ - | \$ - |
| Weatherstripping | \$ - | \$ - | \$ - |
| Utility Gaskets | \$ - | \$ - | \$ - |
| Attic Access Weatherstripping | \$ - | \$ - | \$ - |
| Evaporative Cooler Cover | \$ - | \$ - | \$ - |
| AC Vent Cover | \$ - | \$ - | \$ - |
| Attic Insulation | \$ 589,847 | \$ 607,611 | \$ 625,839 |
| HVAC | | | |
| FAU Standing Pilot Light Conversion | \$ 123,120 | \$ 126,814 | \$ 130,618 |
| Furnace Repair/Replacement | \$ 3,108,354 | \$ 3,201,335 | \$ 3,297,375 |
| Room A/C Replacement | \$ 231,997 | \$ 238,956 | \$ 246,125 |
| Central A/C Replacement | \$ - | \$ - | \$ - |
| Heat Pump Replacement | \$ - | \$ - | \$ - |
| Evaporative Coolers (Replacement) | \$ - | \$ - | \$ - |
| Evaporative Coolers (Installation) | \$ - | \$ - | \$ - |
| Duct Testing and Sealing | \$ 60,606 | \$ 62,424 | \$ 64,297 |
| New - Energy Efficient Fan Control | \$ 3,780 | \$ 3,893 | \$ 4,010 |
| New - Prescriptive Duct Sealing | \$ 400,000 | \$ 412,000 | \$ 424,360 |
| Maintenance | | | |
| Furnace Clean and Tune | \$ 557,379 | \$ 574,100 | \$ 591,323 |
| Central A/C Tune-up | \$ 13,500 | \$ 13,905 | \$ 14,322 |
| Evaporative Cooler Maintenance | \$ - | \$ - | \$ - |
| Lighting | | | |
| Compact Fluorescent Lights (CFLs) | \$ 1,089,285 | \$ - | \$ - |
| Interior Hard wired CFL fixtures | \$ 266,000 | \$ 273,980 | \$ 282,199 |
| Exterior Hard wired CFL fixtures | \$ 156,800 | \$ 161,504 | \$ 166,349 |
| Torchiere | \$ 871,200 | \$ 897,336 | \$ 924,256 |
| Occupancy Sensor | \$ - | \$ - | \$ - |
| LED Night Lights | \$ 180,000 | \$ 185,400 | \$ 190,962 |
| New - LED Diffuse Bulb (60W Replace) | \$ 140,000 | \$ 1,946,686 | \$ 2,005,086 |
| New - LED Reflector Bulb (BR30 Recessed Can) | \$ 72,000 | \$ 74,160 | \$ 76,385 |
| Miscellaneous | | | |
| Smart Strip | \$ 484,540 | \$ - | \$ - |
| Pool Pumps | \$ - | \$ - | \$ - |
| New - Smart Strip Tier II | \$ - | \$ 618,041 | \$ 636,582 |
| Pilots | | | |
| Customer Enrollment | | | |
| Outreach & Assessment | \$ 3,385,641 | \$ 4,015,210 | \$ 4,135,667 |
| In-Home Education | \$ 430,334 | \$ 443,244 | \$ 456,541 |
| Fund shifting Offset* | \$ (3,132,739) | | |
| Total Energy Efficiency | \$ 20,019,695 | \$ 25,173,480 | \$ 25,928,683 |
| Training Center | \$ 42,500 | \$ 469,445 | \$ 325,154 |
| Inspections | \$ 98,570 | \$ 147,838 | \$ 151,848 |
| Marketing and Outreach | \$ 1,240,563 | \$ 1,827,695 | \$ 2,137,066 |
| Statewide Marketing and Outreach | \$ - | \$ 60,000 | \$ 60,000 |
| Measurement and Evaluation Studies | \$ 77,500 | \$ 77,500 | \$ 77,500 |
| Regulatory Compliance | \$ 261,743 | \$ 268,592 | \$ 275,757 |
| General Administration | \$ 1,986,680 | \$ 2,579,956 | \$ 2,630,913 |
| CPUC Energy Division | \$ 45,000 | \$ 45,000 | \$ 45,000 |
| Total Program | \$ 23,772,250 | \$ 30,649,505 | \$ 31,631,921 |

EXHIBIT 4

San Diego Gas & Electric Company

ESA Program - Exhibit 3

| Energy Efficiency | 2012-2014 Historical | | | | 2015 - 2017 Proposed | | | |
|---|----------------------|--------------|--------------|--------------|----------------------|--------------|--------------|--------------|
| | 2012 | 2013 | 2014 | Total | 2015 | 2016 | 2017 | Total |
| Appliances | | | | | | | | |
| Authorized | \$4,775,958 | \$4,595,194 | \$4,932,533 | \$14,303,685 | | | | |
| Actual | \$2,321,341 | \$2,339,529 | \$2,672,484 | \$7,333,354 | \$4,932,533 | \$5,080,509 | \$5,232,924 | \$15,245,966 |
| Domestic Hot Water | | | | | | | | |
| Authorized | \$1,582,344 | \$1,628,431 | \$2,055,518 | \$5,266,293 | | | | |
| Actual | \$1,853,886 | \$1,152,133 | \$1,206,549 | \$4,212,568 | \$2,055,518 | \$2,117,184 | \$2,180,699 | \$6,353,401 |
| Enclosure | | | | | | | | |
| Authorized | \$3,187,672 | \$3,280,517 | \$4,589,847 | \$11,058,036 | | | | |
| Actual | \$4,385,747 | \$3,819,893 | \$4,003,105 | \$12,208,745 | \$4,589,847 | \$4,727,520 | \$4,869,345 | \$14,186,712 |
| HVAC | | | | | | | | |
| Authorized | \$1,609,636 | \$1,653,543 | \$3,927,857 | \$7,191,036 | | | | |
| Actual | \$2,716,463 | \$2,644,717 | \$2,079,900 | \$7,441,080 | \$3,927,857 | \$4,045,422 | \$4,166,785 | \$12,140,064 |
| Maintenance | | | | | | | | |
| Authorized | \$538,565 | \$554,251 | \$570,879 | \$1,663,695 | | | | |
| Actual | \$399,153 | \$342,502 | \$279,735 | \$1,021,390 | \$570,879 | \$588,005 | \$605,646 | \$1,764,530 |
| Lighting | | | | | | | | |
| Authorized | \$2,618,194 | \$2,694,452 | \$2,775,285 | \$8,087,931 | | | | |
| Actual | \$2,964,984 | \$1,700,003 | \$1,911,511 | \$6,576,498 | \$2,775,285 | \$3,539,066 | \$3,645,238 | \$9,959,589 |
| Miscellaneous | | | | | | | | |
| Authorized | \$457,113 | \$470,826 | \$484,540 | \$1,412,479 | | | | |
| Actual | \$0 | \$46,795 | \$419,076 | \$465,871 | \$484,540 | \$618,041 | \$636,582 | \$1,739,163 |
| Customer Enrollment | | | | | | | | |
| Authorized | \$2,799,492 | \$3,185,982 | \$3,385,641 | \$9,371,115 | | | | |
| Actual | \$3,370,312 | \$2,726,782 | \$3,134,037 | \$9,231,131 | \$3,385,641 | \$4,015,210 | \$4,135,667 | \$11,536,518 |
| In Home Education | | | | | | | | |
| Authorized | \$405,975 | \$417,800 | \$430,334 | \$1,254,109 | | | | |
| Actual | \$480,429 | \$387,880 | \$442,120 | \$1,310,429 | \$430,334 | \$443,244 | \$456,541 | \$1,330,119 |
| Energy Efficiency Total | | | | | | | | |
| Authorized | \$17,974,949 | \$18,480,996 | \$23,152,433 | \$59,608,378 | | | | |
| Actual | \$18,492,315 | \$15,160,234 | \$16,148,516 | \$49,801,065 | \$23,152,434 | \$25,174,201 | \$25,929,427 | \$74,256,062 |
| 2012-2014 Historical | | | | | | | | |
| 2015 - 2017 Proposed | | | | | | | | |
| Training Center | | | | | | | | |
| Authorized | \$0 | \$0 | \$0 | \$0 | | | | |
| Actual | \$0 | \$0 | | \$0 | \$42,500 | \$469,445 | \$325,154 | \$837,099 |
| Inspections | | | | | | | | |
| Authorized | \$55,745 | \$57,475 | \$99,206 | \$212,426 | | | | |
| Actual | \$103,262 | \$97,563 | \$99,206 | \$300,031 | \$98,570 | \$147,838 | \$151,848 | \$398,256 |
| Marketing and Outreach | | | | | | | | |
| Authorized | \$1,192,282 | \$1,153,740 | \$1,164,718 | \$3,510,740 | | | | |
| Actual | \$714,922 | \$739,804 | \$900,000 | \$2,354,726 | \$1,240,563 | \$1,827,695 | \$2,137,066 | \$5,205,324 |
| Statewide Marketing Education and Outreach | | | | | | | | |
| Authorized | \$60,000 | \$60,000 | \$0 | \$120,000 | | | | |
| Actual | \$0 | \$4,548 | \$0 | \$4,548 | \$0 | \$60,000 | \$60,000 | \$120,000 |
| Measurement and Evaluation Studies | | | | | | | | |
| Authorized | \$190,000 | \$55,000 | \$115,000 | \$360,000 | | | | |
| Actual | \$45,400 | \$73,405 | \$201,384 | \$320,189 | \$77,500 | \$77,500 | \$77,500 | \$232,500 |
| Regulatory Compliance | | | | | | | | |
| Authorized | \$306,554 | \$339,384 | \$322,214 | \$968,152 | | | | |
| Actual | \$184,709 | \$212,403 | \$300,000 | \$697,112 | \$261,743 | \$268,592 | \$275,757 | \$806,092 |
| General Administration | | | | | | | | |
| Authorized | \$1,891,477 | \$1,948,947 | \$2,006,417 | \$5,846,841 | | | | |
| Actual | \$1,497,515 | \$1,579,573 | \$2,000,000 | \$5,077,088 | \$1,986,681 | \$2,579,956 | \$2,630,913 | \$7,197,550 |
| CPUC energy Division | | | | | | | | |
| Authorized | \$45,000 | \$45,000 | \$45,000 | \$135,000 | | | | |
| Actual | \$8,682 | \$7,119 | \$20,000 | \$35,801 | \$45,000 | \$45,000 | \$45,000 | \$135,000 |
| Total Program | | | | | | | | |
| Authorized | \$21,716,006 | \$22,140,542 | \$26,904,988 | \$70,761,536 | | | | |
| Actual | \$21,046,806 | \$17,874,649 | \$19,669,106 | \$58,590,561 | \$26,904,991 | \$30,650,227 | \$31,632,665 | \$89,187,883 |