



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Regional Energy Network #940

Utility type:

ELC       GAS       WATER  
 PLC       HEAT

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EXPLANATION OF UTILITY TYPE  
ELC = Electric      GAS = Gas      WATER = Water  
PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 15-E/15-G

Tier Designation: 2

Subject of AL: COMPLIANCE FILING REGARDING SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK 2022-2023 ENERGY EFFICIENCY PROGRAM PORTFOLIO CHANGES AND FUNDING REQUEST

Keywords (choose from CPUC listing): Energy Efficiency, Portfolio,

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.15-10-028, D.18.05-041, D.14-10-046, D.21-05-031

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: no

Summarize differences between the AL and the prior withdrawn or rejected AL: n/a

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: 12/8/21

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

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## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



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November 8, 2021

**Advice Letter 15-E/15-G**  
(CPUC Identification #940)

Public Utilities Commission of the State of California

**SUBJECT: COMPLIANCE FILING REGARDING SOUTHERN CALIFORNIA  
REGIONAL ENERGY NETWORK 2022–2023 ENERGY EFFICIENCY  
PROGRAM PORTFOLIO CHANGES AND FUNDING REQUEST**

**I. PURPOSE**

The Southern California Regional Energy Network (SoCalREN) submits its 2022–2023 Energy Efficiency (EE) portfolio budget by Tier 2 Advice Letter (AL) to the California Public Utilities Commission (Commission), in compliance with *Decision Re: Energy Efficiency Goals for 2016 and Beyond and Energy Efficiency Rolling Portfolio Mechanics*, the "Rolling Portfolio Decision," (D.15-10-028), the *Decision Addressing Energy Efficiency Business Plans* (D.18-05-041), the *Decision Assessment of Energy Efficiency Potential and Goals and Modification of Portfolio Approval and Oversight Process* (D.21-05-031), *Decision Adopting Energy Efficiency Goals for 2022–2032* (D.21-09-037), and guidance from the Commission's Energy Division (ED) Staff.

This Biannual Budget Advice Letter (BBAL) covering program years 2022 and 2023 provides budget information, programmatic adjustments, and updated supporting documentation for EE programs SoCalREN will offer in 2022 and 2023.

SoCalREN requests that the Commission approve its 2022–2023 EE Budget, effective as of January 1, 2022. SoCalREN also requests the approval of its proposed portfolio segmentation and updated common metric targets.



## II. KEY UPDATES

### A. Impact of COVID-19 on the 2022–2023 Portfolio

Through the successful implementation of COVID-19 mitigation strategies, such as remote energy assessments, virtual workshops, and online customer enrollment, SoCalREN is currently forecasting to meet its 2021 portfolio energy savings goals. However, SoCalREN currently faces several COVID-19 related challenges that may impact its 2022-2023 portfolio.

COVID-19 and its related impacts led to factory shutdowns and decreased production globally. This has resulted in supply shortages and a backlog in demand within and outside the energy efficiency industry. For example, the supply chain slowdown<sup>1</sup> impacts the delivery of equipment to energy efficiency contractors. Several public sector projects anticipated for 2021 installations have already been delayed into 2022, which will then cause further delays for projects previously scheduled for installation in 2022.

The supply chain backlog at the Ports of Los Angeles and Long Beach<sup>2</sup> is already delaying project installations anticipated for savings claims in 2021, with contractors noting that equipment is currently stuck on cargo ships at sea. Although it is unclear how soon the backlog at the Ports will be remedied, SoCalREN is anticipating that the forthcoming years will likely see a sharp upward turn in EE portfolio pipelines as supplies are injected into the industry.

SoCalREN programs have also felt the impact of rising material and equipment prices for energy efficiency projects compared to prior program years. Increased equipment prices have resulted in higher submitted project costs, leading to higher program incentive expenditures. Unfortunately, industry analysts predict that shortages and high costs are expected to continue into 2022 and possibly even 2023.<sup>3</sup> To ensure successful 2022–2023 implementation, while also controlling incentive and program expenditures, SoCalREN has incorporated budget and strategy adjustments which are detailed in the sections below. SoCalREN expects that these changes will help address some of these continued and anticipated COVID-19 impacts.

Although the government at all levels, from County to Federal, trying to address the many barriers in the supply chain, it remains a global problem which will persist in the 2022–2023 cycle.<sup>4</sup>

SoCalREN continues to monitor COVID-19's impact on the State's EE portfolio and will continue

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<sup>1</sup> Global supply chains buckle as virus variant and disasters strike, Reuters

<sup>2</sup> U.S. Ports See Shipping Logjams Likely Extending Far Into 2022, Wall Street Journal

<sup>3</sup> Biden, Battling Supply Chain Woes, to Announce Port Will Operate 24/7, New York Times

<sup>4</sup> Ibid

to implement mitigation strategies in an effort to achieve 2022–2023 goals. Budget and savings forecasts detailed in this document are estimates reflecting the best currently available information. SoCalREN anticipates that it will continue to utilize virtual methods, and other process improvements developed during the pandemic, where applicable and necessary, to support the success of the 2022–2023 programs and beyond.

### **III. BACKGROUND**

#### **A. Commission Directed Filing Requirements**

D.15-10-028 requires each EE Program Administrator (PA) to file a Tier 2 Advice Letter with the PA's annual EE budget for the coming year in September of each year. D.18-05-041 provided further guidance to PAs in submitting Annual Budget Advice Letters (ABAL). D.18-05-041 requires that the Regional Energy Network (REN) ABALs include the following:

- Forecasted energy savings goals must meet or exceed the annual energy savings targets included in the PA's business plan; and
- Forecasted budget must not exceed the PA's annual budget in the approved business plans, or (if applicable) the revised annual budget in the September 4, 2018 ABAL, for the program year for which the ABAL requests budget authority, plus any unspent funds from previous years in the business plan period, by more than 20 percent.<sup>5</sup>

Beginning in 2019, D.18-05-041 also directed all PAs to include the following:

“Beginning with the Annual Budget Advice Letters due on September 3, 2019, the Program Administrators must include updated budget estimates in the same format as the supplemental budget information filed in this proceeding on June 12, 2017.”<sup>6</sup>

This supplemental budget information is included in Attachment B of this Advice Letter.

A subsequent decision (D. 21-05-031) addresses changes to the rolling portfolio framework which will require that new business plans and program portfolios from all PAs be filed by February 15, 2022 for programs to start in the year 2024. In addition, the decision also adopts a new approach to segmenting the energy efficiency program portfolios and a new metric, called Total System Benefit (TSB), which combines and optimizes the energy and peak demand savings goals, along with greenhouse gas benefits of energy efficiency, into one metric that can be forecasted and tracked. In response to these new directives and framework, the Commission made changes to

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<sup>5</sup> D.18-05-041, p. 134

<sup>6</sup> D.18-05-041, Ordering Paragraph (OP) #44 p.192

the ABAL process for 2022 and 2023. For program years 2022-2023, D.21-05-031 directs all PAs<sup>7</sup> to:

- File a Tier 2 advice letter no later than September 1, 2021, following the requirement for the Annual Budget Advice Letters outlined in Decision 18-05-041, except for the requirement to consult in advance with the California Energy Efficiency Coordinating Committee, covering both program years 2022 and 2023; and
- Include a TSB metric calculation and portfolio segmentation proposal.

For program years 2022-2023, D.21-09-037 directs that PAs<sup>8</sup>:

- Must use the 2020 Avoided Cost Calculator for 2022–2023 budget proposal and associated purposes; and
- Shall have until November 1, 2021 to submit their 2022–2023 Annual Budget advice letters.

### **B. Energy Division Staff ABAL Requirements**

In addition, the Commission directed its staff to develop templates and further guidance as needed for ABAL submissions. On July 19, 2018, the Commission’s Energy Division (Energy Division) issued its guidance for the PAs’ ABAL submissions. The Energy Division instructed the PAs to include the following additional information in their ABALs:

- PA’s Program Year Budget and Forecasted Savings
- A Narrative of Program and Portfolio Information, including:
  - Proposed program changes
  - Proposed portfolio changes
  - Additional explanations if the investor-owned utility (IOU) PA’s TRC is between 1.0 and 1.25 or if the forecasted energy savings are below Commission-established goals

On June 30, 2020, the Energy Division developed, in collaboration with the PAs, a 2022-2023 Bi-Annual Budget advice letter (BBAL) appendix template. This template includes the budget uploaded to the California Energy Data Reporting System (CEDARS) and the difference between the budget and the revenue requirement as well as prior year commitments and programmatic budget adjustments. This information is presented throughout the AL and is included in Attachment A.

### **C. Contents of this Filing**

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<sup>7</sup> D.21-05-031, OP #13 p. 84

<sup>8</sup> D.21-09-037, Section 4 p. 21

SoCalREN's BBAL is organized as follows:

- Budget
- Total System Benefit
- Energy Savings
- Cost Effectiveness
- Program Segmentation
- Proposed Program and Portfolio Changes
  - Proposal for a new public sector program
- 2022-2023 Portfolio Metrics

In addition to the information above, SoCalREN's BBAL includes the following materials:

- Attachment A – SoCalREN 2022-2023 BBAL Tables
- Attachment B – CEDARS Filing Confirmation
- Attachment C – Per D.18-05-041, Supplemental Budget Information
- Attachment D – Public Sector Program Proposal: Streamlined Savings Pathway Program
- Attachment E – CPUC Common Sector Level Metrics: Updated Targets
- Attachment F – SoCalREN Program Level Explanation of Modifications

#### **IV. 2022-2023 EE PORTFOLIO SUMMARY**

As part of the BBAL planning and development process, SoCalREN developed an optimized and cost-efficient portfolio that aims to drive deeper energy savings despite current market challenges. In addition, SoCalREN's portfolio continues to support the Commission's objectives for RENs to serve hard-to-reach customers and to fill gaps within the EE portfolios.

To continue optimizing its portfolio for its goals and cost-effectiveness requirements, SoCalREN proposes the following adjustments to its 2022–2023 EE portfolio:

- Optimizing all measures and programs to maximize benefits and cost-effectiveness;
- Reducing programs that contain strategies that are no longer viable while introducing new program strategies that will fill market gaps; and
- Continuing to reduce portfolio costs by leveraging third-party implementation within in its portfolio in support of third-party proposed, designed, and delivered programs.

In recognition of the new framework which adopts a single metric that fully captures the value of energy efficiency benefits as well as the market support and equity-based elements of a PA's portfolio, SoCalREN will implement new strategies that lead to claimable savings while continuing



its market support and equity strategies that have proven to be successful and necessary in the market.

## **V. 2022-2023 EE PORTFOLIO BUDGET**

### **A. Discussion**

#### ***1) An increase in Resources Needed to Mitigate Public Sector Gaps and to Support Momentum in the Market***

As new directives are implemented, markets may experience gaps because of the new dynamics. One such example involves the public sector, which is facing the impacts of the closure of programs by SoCalREN's electric IOU partner and the delay of third-party implemented programs arriving in market. The lack of access to funding options that public agencies are experiencing will have a direct detrimental impact on public agency energy efficiency projects, since agencies rely heavily on incentives to overcome financial barriers to EE.

An influx of state and federal funding dollars designed to address climate change through the promotion of cost-efficient clean energy strategies—including EE—has caused increased interest and momentum in EE in the public sector. However, the delays agencies experience due to custom project reviews and incentive application processing delays has had a detrimental and costly impact on public agencies.

To address this gap and to help public agencies overcome barriers and to continue to support the current momentum in the public sector market, SoCalREN will be seeking to increase its public sector budget by \$1.7 M in 2022 and \$960K in 2023. This requested increase will support the new proposal which is outlined in Attachment D and SoCalREN's existing public agencies pipelines with an emphasis on performance-based strategies that result in savings.

#### ***2) Pipeline of Residential Sectors Thriving and Incentive Costs Increasing***

Despite the impacts of COVID-19, the Residential Multifamily sector continued to thrive. SoCalREN instituted a COVID mitigation and safety strategy that allowed its program to continue to flourish in 2021. However, other market impacts have revealed that the SoCalREN Multifamily Program's current incentive structure will not meet market demand and will not allow the program to reach its aggressive energy savings targets over the next two years. For this reason, SoCalREN seeks to increase its Residential sector budget by \$2.1M in 2022 and \$1.3M in 2023.



Of this requested increase, 100 percent would be allocated to support the construction pipeline and to pay direct incentives to customers.

Incentives are influenced by project costs, which are impacted by fluctuating market prices, making incentives difficult to predict based on historical data. SoCalREN's current multifamily program incentives are determined based on the qualified savings percentage above baseline energy usage and multiplied by the number of residential units. The incentive is capped at the lesser of the per unit incentive or 60 percent of the project cost for non-Disadvantaged Community (DAC) properties and 75 percent of project cost for DAC properties. COVID-19 has had significant economic impacts on project costs and supply costs have increased substantially thus causing upward pressure on incentive budgets.

In 2022, SoCalREN will seek to modify its incentive structure to accommodate for any future market impacts and to ensure that it can achieve its targets within its subsequent approved annual budgets for 2022–2023. SoCalREN will seek to implement an incentive structure that aligns with each project's actual kWh and therm savings achieved. SoCalREN acknowledges that efficiencies and improvements to mitigate long term ratepayer impacts must constantly be identified thus will adopt a new incentive structure in the upcoming program years.

## **B. Summary of Request**

SoCalREN requests a total 2022–2023 portfolio and evaluation, measurement, and verification (EM&V) budget of \$49,090,168. This budget complies with the total authorized portfolio cap as adopted in D.18-05-041 and includes a budget increase to accommodate a new Public sector Resource Acquisition (RA) program, expand existing Public programs, and address COVID-19 impacts on the Residential sector.

Specifically, SoCalREN is proposing to increase the Residential Multifamily program budget to address rising equipment and project costs related to the continued impacts of COVID-19 on the supply chain. The additional proposed Public sector budget is to accommodate both the increased number of complex projects and the growing number of enrolled underserved agencies who require additional resources to identify and complete projects.

Table 1 provides an overview of SoCalREN's 2022-2023 forecasted portfolio budget, savings, and cost-effectiveness.

**Table 1. SoCalREN Budget, Cost Effectiveness and TSB Forecast**

Sector	Program Year Budget	
	2022	2023
Residential	\$10,246,000	\$9,345,971
Commercial	\$0	\$0
Industrial	\$0	\$0
Agriculture	\$0	\$0
Emerging Tech	\$0	\$0
Public	\$13,340,078	\$13,002,000
Codes and Standards	\$0	\$0
WE&T	\$750,000	\$800,000
Finance	\$550,000	\$500,000
<b>Subtotal</b>	<b>\$24,886,078</b>	<b>\$23,647,971</b>
<b>SoCalREN PY 2019 ABAL 2021 Savings Goal Adopted Submission<sup>1</sup></b>		
Forecast Savings as a % of PY 2019 ABAL Adopted Submission		
SoCalREN EM&V <sup>2</sup>	\$285,153	\$270,966
<b>Total SoCalREN PY Spending Budget<sup>3</sup></b>	<b>\$25,171,231</b>	<b>\$23,918,937</b>
<b>Uncommitted and Unspent Carryover balance (PY 2013-2020)<sup>4</sup></b>	<b>\$557,073</b>	<b>\$0</b>
<b>Total SoCalREN PY Budget Recovery Request<sup>5</sup></b>	<b>\$24,614,158</b>	<b>\$23,918,937</b>
<b>Authorized PY Budget Cap (D.18-05-041)</b>	<b>\$22,086,959</b>	<b>\$22,558,994</b>
<b>Forecast TSB</b>	<b>\$13,537,863</b>	<b>\$17,357,684</b>
<b>Forecast PY TRC</b>	<b>0.38</b>	<b>0.51</b>
<b>Forecast PY PAC</b>	<b>0.55</b>	<b>0.74</b>
<b>SoCalREN Unspent Committed funds (from all prior PY through December 31, 2020)</b>		<b>\$0</b>

**Table 1. Footnotes:**

<sup>1</sup> Per D. 19-08-034, p. 28.

<sup>2</sup> Per D.16-08-019, the SoCalREN 2022-2023 EM&V budget is based on the proportion of IOU allocated EM&V funds.

<sup>3</sup> Total proposed program year budget spending, including uncommitted unspent carryover

<sup>4</sup> The balance included this filing reflects the Investor-Owned Utility (IOU) Partner—SoCalREN Reconciliation Exercise of uncommitted/unspent funds from program years 2013–2020. Due to the uncertainty regarding 2022, both the IOU Partners [Southern California Edison (SCE) and SoCalGas®] and SoCalREN agreed it is too early to identify 2022 unspent/uncommitted funds at this time. However, the value of unspent/uncommitted funds for years 2020 will help true up the collected ratepayer balance thus allowing the IOU partners the need for a reduced budget recovery request for 2022 and relieving ratepayer collection.

<sup>5</sup> Amount of funds to be collected for the Program Year—Line 18 less Line 19

In D.18-05-041, the Commission approved annual and total funding levels for SoCalREN's EE portfolio for PYs 2018–2025.<sup>9</sup> Table 2 provides an overview of SoCalREN's budget request and the remaining budget of the rolling business plan period.

**Table 2. SoCalREN Rolling Portfolio Budget Forecast True-Up**

Total Budget Spend PY 2018-2020	\$53,720,846
D.18-05-041 SoCalREN Rolling Portfolio Budget	\$173,569,424
<b>Rolling Portfolio Budget Balance</b>	<b>\$119,848,578</b>
<b>Proposed SoCalREN Budget PY 2022-2023</b>	<b>\$49,090,168</b>

### C. 2022-2023 Budget Offset (*Uncommitted and Unspent for PY 2020*)

SoCalREN and its IOU Partners, Southern California Edison (SCE) and SoCalGas, performed an annual reconciliation exercise that identified the uncommitted/unspent dollars for PY 2020. This identification amounted to \$557,073 of 2020 ratepayer funds as uncommitted and unspent. This amount is now being utilized to true-up the value requested for the SoCalREN 2022–2023 BBAL budget as shown below in Table 3. SoCalREN and its IOU Partners both agreed to not include forecasted PY 2022-2023 uncommitted and unspent funds due to the uncertainty of the 2022–2023 program years.

Table 3 below shows the budget uploaded to CEDARS and identifies the difference between the budget requested and the offset due to the IOU-SoCalREN reconciliation exercise for PY 2020 unspent/uncommitted funds.

**Table 3. SoCalREN 2022–2023 Budget Request**

<b>SoCalREN 2022–2023 CEDARS Budget</b>	
Program/Portfolio Budget	\$48,534,049
EM&V Budget	\$556,119
<b>Total SoCalREN 2022-2023 Budget</b>	<b>\$49,090,168</b>
<b>SoCalREN's 2022–2023 Funding Request</b>	
Program/Portfolio Budget	\$48,534,049
EM&V Budget	\$556,119

Total SoCalREN 2022-2023 PY Spending Budget	\$49,090,168
<b>PY 2013–2020 Unspent/Uncommitted Funds</b>	<b>\$557,073</b>
<b>Total 2022–2023 Funds to be Collected from Ratepayers</b>	<b>\$48,533,095</b>

## **VI. 2022-2023 TOTAL SYSTEM BENEFIT (TSB)**

D.21-05-031 Ordering Paragraph #13 requires EE PAs to include a TSB metric calculation within their BBAL. D.21-09-037 further directs PAs to use the 2020 Avoided Cost Calculator (ACC) for their 2022–2023 budget proposal. SoCalREN proposes the overall 2022 and 2023 TSB metric below, which were direct outputs taken from the Commission-provided Cost-Effectiveness Tool (CET) on the CEDARS Web platform using the 2020 ACC.<sup>10</sup>

**Table 4. SoCalREN Total System Benefit Forecast**

<b>Program Year</b>	<b>Total System Benefit</b>
2022	\$13,537,863
2023	\$17,357,684
<b>Total</b>	<b>30,895,547</b>

As shown above, SoCalREN anticipates a portfolio TSB increase of 28 percent between 2022 and 2023. Since the 2022 and 2023 TSB contributions for both the Public sector Normalized Metered Energy Consumption (NMEC) and Residential sector Multifamily programs are similar for each program year, the 2023 TSB increase is mostly due to the ramp up of Resource Acquisition programs such as the proposed Streamlined Savings Pathway (SSP) program, which if approved would launch in 2022. SoCalREN will continue to identify strategies that couple direct benefits that result in an incremental increasing TSB while also meeting its REN criteria of filling market gaps and prioritizing hard-to-reach (HTR) segments and DACs.

## **VII. 2022-2023 EE PORTFOLIO SAVINGS**

Table 5 below provides SoCalREN's forecast of energy savings and demand reduction for SoCalREN's 2022-2023 EE portfolio. All savings and cost-effectiveness figures used in this BBAL

<sup>10</sup> <https://cedars.sound-data.com/filings/dashboard/>

are direct outputs taken from the Commission-provided Cost-Effectiveness Tool (CET) on the CEDARS Web platform.

**Table 5. SoCalREN Annual Energy Savings Forecast for kWh, kW, and Therms**

Sector	SoCalREN FORECAST ENERGY SAVINGS (Net) 2022			SoCalREN FORECAST ENERGY SAVINGS (Net) 2023		
	Forecast kWh	Forecast kW	Forecast therms (MM)	Forecast kWh	Forecast kW	Forecast therms (MM)
	Residential	5,061,529	236	293,957	4,415,660	217
Commercial	na	na	na	na	na	na
Industrial	na	na	na	na	na	na
Agriculture	na	na	na	na	na	na
Emerging Tech	na	na	na	na	na	na
Public	3,921,750	733	1,221	5,816,250	889	5,551
Codes and Standards	na	na	na	na	na	na
WE&T	na	na	na	na	na	na
Finance	na	na	na	na	na	na
<b>TOTAL</b>	<b>8,983,279</b>	<b>969</b>	<b>295,178</b>	<b>10,231,910</b>	<b>1,106</b>	<b>431,968</b>
SoCalREN PY 2019 ABAL 2021 Savings Goal Adopted Submission <sup>1</sup>	5,765,953	774	162,983	5,881,614	790	169,568
<b>Forecast Savings as a % of PY 2019 ABAL Adopted Submission</b>	<b>156%</b>	<b>125%</b>	<b>181%</b>	<b>174%</b>	<b>140%</b>	<b>255%</b>

**VIII. 2022-2023 PORTFOLIO AND PROGRAM COST-EFFECTIVENESS**

SoCalREN anticipates achieving a TRC of 0.38 and 0.51 in 2023. SoCalREN is committed to progressively increase the value over the rolling portfolio term each year and is forecasting a 34 percent increase in its overall portfolio TRC. COVID-19 has presented significant challenges to the energy efficiency industry; despite those impacts, SoCalREN is forecasted to increase its TRC over the next two years in both its Resource Acquisition program segment and its overall portfolio.

**Table 6. SoCalREN Portfolio and Resource Acquisition Programs TRC and PAC Values**

Resource Acquisition Program	PY 2022		PY 2023	
	TRC	PAC	TRC	PAC
Public Agency NMEC Program (SCR-PUBL-B3)	0.61	2.3	0.63	1.96
Streamlined Savings Pathway Program (SCR-PUBL-B4)	0.37	0.42	0.82	2.14
Multifamily Program (SCR-RES-A1)	0.63	1.2	0.89	1.5
<b>PORTFOLIO</b>	<b>.38</b>	<b>.55</b>	<b>.51</b>	<b>.74</b>



SoCalREN continues to assess the impact of COVID-19 on the energy landscape, and what it means for future development and implementation of EE programs and services. The following tactics, as well as others as necessary, will be deployed to address portfolio cost-effectiveness:

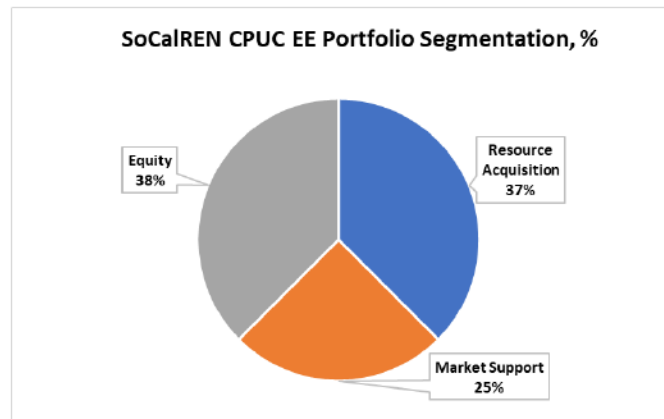
- Price reductions in third-party implemented contracts, allowing more resources to become available for implementation of new cost-efficient resource strategies
- Increased resources for innovative strategies that result in quantifiable energy savings
- Leveraging additional partnerships with local governments to collaborate and lessen the ratepayer cost burden
- Utilizing approaches in underserved sectors that capture below code stranded savings.
- Identifying areas that reduce SoCalREN administrative costs

**IX. PORTFOLIO SEGMENTATION**

D.21-05-031 Ordering Paragraph #13 requires PAs to include portfolio segmentation (i.e., Resource Acquisition, Equity, Market Support) based on the primary purpose of the program within the BBAL. Figure 1 below provides a high-level distribution by program and Table 7 provides details regarding the logic of SoCalREN’s proposed portfolio program segmentation.

**Figure 1. SoCalREN’s Portfolio Segmentation Overview**

Sector	Program Name	Decision Segmentation Category
Residential	Multifamily Program	Resource Acquisition
Residential	Kits for Kids	Market Support
Public Sector	PA EE Project Delivery Program (PDP)	Market Support
Public Sector	DER DAC PDP	Equity
Public Sector	PA NMEC Program	Resource Acquisition
Public Sector	Streamlined Savings Pathway Program	Resource Acquisition
Finance	PA Revolving Loan Fund	Equity
WE&T	Workforce Education & Training Program	Equity



**Table 7. SoCalREN Portfolio Segmentation by Category and Logic**

Sector	Program Name (Pg ID)	Decision Segmentation Category	Logic for Category Selection
Residential	Multifamily Program	Resource Acquisition	<ul style="list-style-type: none"> <li>• Primary resource program that does serve the HTR/DAC but is designed to achieve deep energy comprehensive retrofits thus savings claims are prioritized</li> <li>• Secondary label could be equity however the program is not limited to HTR/DAC only properties</li> <li>• Program provides outreach tools and resources to non-English speaking customers to aid understanding and increase participation among HTR customers throughout the territory</li> </ul>
Residential	Kits for Kids	Market Support	<ul style="list-style-type: none"> <li>• Primary objective is to educate school-age children and to drive action; direct self-installation of EE measures provided through the program's Kit</li> <li>• We hope in turn that this segment reached will eventually drive deeper energy savings either through behavior or by incorporating deeper retrofits because they see the real-time benefit of EE</li> <li>• Program can serve both multifamily and single-family customers; not limited to HTR customers</li> </ul>
Public Sector	PA EE Project Delivery Program (PDP)	Market Support	<ul style="list-style-type: none"> <li>• The Primary objective of this program is to provide all the support services need to drive a</li> </ul>

Sector	Program Name (Pg ID)	Decision Segmentation Category	Logic for Category Selection
			<p>public agency EE project to inception to completion</p> <ul style="list-style-type: none"> <li>• Not limited to HTR or DAC</li> </ul>
Public Sector	DER DAC PDP	Equity	<ul style="list-style-type: none"> <li>• The primary objective of this program is like the PDP; however, this program is limited to public facilities in DAC, rural, and low-income communities.</li> <li>• This program through non-CPUC funds supports the incorporation of support services that go beyond EE and drive DERs in DACs, rural and low-income communities providing the necessary environmental justice.</li> <li>• Secondary label could be market support</li> </ul>
Public Sector	PA NMEC Program	Resource Acquisition	<ul style="list-style-type: none"> <li>• The primary objective of this program is to drive deep energy retrofits and optimize facility usage in the public sector</li> <li>• Not limited to HTR but prioritized for DACs, low income, and rural serving facilities</li> </ul>
Finance	PA Revolving Loan Fund	Equity	<ul style="list-style-type: none"> <li>• The primary objective of this program is to support projects in the public sector when capital is not readily available in short term</li> <li>• Limited to HTR/DACs, low income, and rural serving facilities</li> </ul>

Sector	Program Name (Pg ID)	Decision Segmentation Category	Logic for Category Selection
			<ul style="list-style-type: none"> <li>Secondary label could be market support</li> </ul>
Public Sector	Streamlined Savings Pathway Program	Resource Acquisition	<ul style="list-style-type: none"> <li>The primary objective of this program is to generate persistent and long-term electric savings and greenhouse gas (GHG) emissions reductions through EE retrofit projects and increase program participation in underserved communities by offering enhanced monetary incentives to fund energy upgrades</li> <li>Not limited to HTR but prioritized for DACs, low income, and rural serving facilities</li> </ul>
WE&T	Workforce Education & Training Program	Equity	<ul style="list-style-type: none"> <li>The primary objective of this program is to educate, train and support small businesses that are classified as WMDVBES, minorities and disadvantaged workers (which include youth, at-risk populations, homeless, returning citizens) within the EE industry or to enter the industry</li> <li>Secondary label could be market support</li> </ul>

## **X. 2022-2023 PROPOSED PROGRAM AND PORTFOLIO CHANGES**

### **1. SoCalREN 2022-2023 Portfolio Level Changes**

SoCalREN's 2022–2023 EE Portfolio continues to leverage well established successes that were originally adopted during the inception of the RENs in D.12-11-015 and conforms to the authorization adopted in D.18-05-041. SoCalREN's 2022–2023 EE portfolio is a continuation of SoCalREN's commitment to adopt a long-term path toward administrative efficiency and its

endeavor to find areas that maximize outcomes, customer benefits, and program performance, while minimizing costs. This path includes tactics such as:

- Identifying administrative tasks within program implementation that can be automated or eliminated so long as regulatory compliance or customer support is not compromised.
- Leveraging external resources to offer more strategies while reducing ratepayer cost burden.
- Identifying strategies that are no longer viable and adjusting the portfolio for these changes.

## **2. Reduced and Expanded Programs**

As mentioned above, SoCalREN has proposed in this BBAL some performance adjustments to its existing portfolio that allocate more funding resources to strategies that lead to quantifiable energy savings to increase portfolio cost-effectiveness.

Pursuant to D.18-05-041, Table 8 below reflects the list of reduced and expanded programs whose total budget increased or decreased by more than 40 percent. In SoCalREN's PY 2022-2023 planning efforts to achieve goals with increased cost effectiveness, SoCalREN optimized its portfolio by expanding resource programs, while shifting funds from non-resource programs that are proposed to be closed. This optimization allows for greater achievement in claimable savings to ensure that every ratepayer dollar within the portfolio is being used efficiently in PY 2022–2023.

***Table 8. List of Expanded and Reduced Programs***

<b>Program ID</b>	<b>Program Name</b>
<b>Program Closures</b>	
<b>FIN-C2</b>	<b>Residential Loan Loss Reserve</b>
<b>New Program Proposed for CPUC Approval</b>	
<b>SCR-PUBL-B4</b>	<b>Streamlined Savings Pathway Program</b>
<b>Existing Programs with Expanded Budgets greater than 40%</b>	
<b>PUBL-B2</b>	<b>DER DAC Project Delivery Program</b>
<b>PUBL-B3</b>	<b>Public Agency NMEC Program</b>
<b>Existing Programs with Reduced Budgets greater than 40%</b>	
<b>N/A</b>	<b>N/A</b>

## **3. SoCalREN 2022-2023 Program Level Changes**

Except as discussed below, SoCalREN's portfolio of programs will primarily remain the same as 2021 offerings.



**a) Reduced Programs and Sub-Programs**

SoCalREN proposes closing its Residential Loan Loss Reserve (LLR) program which was originally planned for launch in 2020. The LLR program was designed to broaden access to finance for multifamily property owners and contractors for energy efficiency upgrades by allowing a financial institution partner to modify its underwriting criteria through a credit enhancement that would reduce the borrowing rate for the borrower while designing an easy program process for all stakeholders. The program had difficulty securing lending partners in 2020 during the progression of the COVID-19 pandemic, as financial institutions transitioned to a more risk averse business model due to uncertainty and focused more on existing business. The program did launch in the market with a funding partner in 2021 but then found that the multifamily property owner market was hesitant to pursue energy efficiency retrofit project financing. Those seeking financing pursued capital channels within their existing financial institution relationships. As a result of poor market demand, the program officially stopped marketing its offerings and accepting applications as of September 1, 2021.

**b) Enhanced Programs and Sub-Programs**

As mentioned previously, COVID-19 has presented significant challenges, however it has also presented significant opportunities. The EE industry is faced with significant challenges; however, there is significant momentum in the clean energy and construction industry. The need for climate action and support is more prevalent now than ever. SoCalREN is proposing to increase its Public Sector budget by 15 percent, specifically to enhance the Public Agency NMEC program budget by 85 percent over the 2022–2023 Program Years. This will allow SoCalREN to accommodate the program's expanded regional reach to enroll additional DAC and HTR agencies. With IOU High Opportunity Program and Projects (HOPP) program closures, the SoCalREN NMEC program will need additional budget to support such public agencies that want to pursue performance-based EE projects and may require additional support through incentives due to the loss of availability of IOU program incentives.

In addition, and based on interest from the public market segment, SoCalREN is enhancing its Public Agency DER DAC Project Delivery Program to allow for additional DAC and HTR agencies the opportunity to leverage the comprehensive services offered by the program.

**c) New Programs and Sub-Programs**

SoCalREN proposes a new Public Sector program, the SoCalREN Public Agency Streamlined Savings Pathway (SPP) program. This Resource Acquisition program seeks to fill public sector market gaps by creating a pathway for public agencies to develop energy projects and capture verifiable electric savings that are no longer eligible for support nor incentives through closed SCE programs. This downstream program will provide deemed and custom incentive opportunities based on GHG emission reductions, with a focus on HTR customers and DACs.

As mentioned above, there is currently a major gap in the EE portfolio to support the completion and electric savings claims of public sector projects in SoCalREN service territory. The typical project life cycle for public agencies can take 18 to 24 months from identification to completion, with water and wastewater projects potentially requiring up to 36 months or more due to process considerations and permit compliance. The SSP will help public agencies complete the installations of energy projects and capture verifiable electric savings. SoCalREN expects that the SSP may achieve minimal TRC of 0.32 in 2022 but begin delivering significantly increasing TRC starting in 2023 which is forecasted to be 0.83, an increase of 60 percent over the 2022 predicted TRC.

Additional details of this proposed program can be found in Attachment D.

## **XI. 2022-2023 EE PORTFOLIO METRICS**

### **A. CPUC Common Metric Targets**

Based on the PY 2021 Common Metric targets updated because of the COVID-19 crisis and to also adjust for on-coming implementation of enhanced and new resource acquisition strategies in 2022, SoCalREN submits updated Common Metric targets for Commission review and approval. These revised targets reflect updated short, mid, and long-term targets values for its portfolio and authorized sectors that take in consideration strategies adopted in SoCalREN's PY 2022–2023 BBAL filing.

#### **1. Progress to Date**

D.18-05-041 Ordering Paragraph 11 directs each PA to include its metrics results and assessments in the PA's EE annual reports. To access SoCalREN's most recent metrics report, see SoCalREN's 2020 EE Annual Report for metrics and assessments for Program Year 2020.

### **B. SoCalREN Unique Value Metrics**

SoCalREN initiated in 2020 a Portfolio-level evaluation study which has been conducted over the last 12 months. The “**Draft** SoCalREN 2020 Process-Level Evaluation Study, 2021” looks across SoCalREN’s portfolio of programs to determine appropriate metrics by which to measure SoCalREN’s value and express the impacts/strengths of SoCalREN’s programs. This portfolio-level evaluation effort took place within an evolving context, i.e., energy efficiency programs are changing and the regulatory environment is changing. The study’s objective is to assist SoCalREN understand how it can improve program coordination, provide more effective delivery of services, and maximize outcomes and customer benefits. In addition, the study also aims at providing recommendations and updates to SoCalREN’s initial value metrics that SoCalREN proposed in their 2021 ABAL (submitted in late 2020). The assessment and fine-tuning of its value metrics also included incorporation of the new directives regarding segmentation directed in D.21-05-031 so that the initial proposed value metrics and SoCalREN core values are better aligned with this new segmentation.

The study is scheduled to be posted for public comment on November 10, 2021 on the CPUC Public Document Area and will be available for stakeholder comment for two weeks. SoCalREN is aiming to finalize the study by November 30, 2021 and incorporate recommendations from the study which will include updating its initial value metrics filed in its 2021 ABAL filing. SoCalREN will file a subsequent Tier 1 advice letter compliance filing providing those unique value metrics and core value updates.

### **Protests**

Anyone may protest this Advice Letter. The protest must state the grounds upon which it is based. The protest must be made in writing and received by the Commission within 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

Public Utilities Commission  
CPUC Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov). It is also requested that a copy of the protest be sent by email to addresses shown below on the same date it is mailed or delivered to the Commission.

Minh Le  
Energy and Environmental Services  
General Manager  
County of Los Angeles Office  
1100 North Eastern Avenue  
Los Angeles, CA 90063-3200  
(323) 267-2006  
[MSLe@isd.lacounty.gov](mailto:MSLe@isd.lacounty.gov)

### **Effective Date**

Per D.14-10-046 this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. The SoCalREN respectfully requests that this Advice Letter be made effective on December 8, 2021, which is 30 calendar days after the date filed.

### **Notice**

A copy of this Advice Letter is being sent to the Commission's service lists for R.13-11-005 and A.17-01-013 (et al.). For changes to R.13-11-005 or A.17-01-013 (et al.) service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov).

Respectfully Submitted,

/s/ Minh Le  
Minh Le, General Manager  
Energy and Environmental Services  
County of Los Angeles Office  
1100 North Eastern Avenue  
Los Angeles, CA 90063-3200  
(323) 267-2006  
[MSLe@isd.lacounty.gov](mailto:MSLe@isd.lacounty.gov)

**ATTACHMENT A**

**SoCaIREN 2022-2023 ABAL Tables**



Pa Name: SoCalREN  
 Budget Year: 2022-2023

Spending Budget Comparison

Tab 3 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)  
 Tab 4 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)  
 Tab 7 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)  
 Tab 8 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)  
 Tab 9 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)

	2022	2023
Tab 3 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	\$ 25,171,232	\$ 23,918,937
Tab 4 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	\$ 25,171,232	\$ 23,918,937
Tab 7 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	\$ 25,171,232	\$ 23,918,937
Tab 8 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	\$ 25,171,232	\$ 23,918,937
Tab 9 - PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	\$ 25,171,232	\$ 23,918,937

Difference - -

Revenue Requirement or Cost Recovery Comparison

Tab 4 - PA Revenue Requirement Request  
 Tab 7 - PA Revenue Requirement Request (Cost Recovery)

	2022	2023
Tab 4 - PA Revenue Requirement Request	\$ 25,171,232	\$ 23,918,937
Tab 7 - PA Revenue Requirement Request (Cost Recovery)	\$ 25,171,232	\$ 23,918,937

Difference - -

Program Budget by Cost Category

Tab 4 - Program Budgets  
 Tab 8 - Caps & Targets

2022				2023			
Admin	Mktg	DINI	DI Incentive	Admin	Mktg	DINI	DI Incentive
\$ 2,389,104	\$ 1,446,465	\$ 14,050,804	\$ 6,999,706	\$ 2,336,967	\$ 1,416,180	\$ 13,495,118	\$ 6,399,706
\$ 2,389,104	\$ 1,446,465	\$ 14,050,804	\$ 6,999,706	\$ 2,336,967	\$ 1,416,180	\$ 13,495,118	\$ 6,399,706

Difference - -

Tab 9 - Incentives Column, EE Total

			\$ 6,999,706				\$ 6,399,706
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Difference - -

Unspent/Uncommitted compared to CEC 2020 and beyond

Tab 4 - CEC value 2020 and Beyond amount  
 Tab 3 - Table 3d - 2020 and 2021 Unspent/Uncommitted

	2022	2023
Tab 4 - CEC value 2020 and Beyond amount	\$ -	\$ -
Tab 3 - Table 3d - 2020 and 2021 Unspent/Uncommitted	\$ -	\$ -

Difference - -

Portfolio Budget Total vs Budget by Function Summary Total

Tab 7 - PA Portfolio Budget by Function  
 Tab 9 - PA Portfolio Budget by Function

2022										
Residential	Commercial	Industrial	Agricultural	Public	Emerging Tech	Codes & Standards	WE&T	Finance	Cross Cutting	OBF Loan Pool
\$ 10,246,000.00	\$ -	\$ -	\$ -	\$ 13,340,079	\$ 0	\$ 0	\$ 750,000.00	\$ 550,000.00	\$ 1,300,000.00	\$ -
\$ 10,246,000.00	\$ -	\$ -	\$ -	\$ 13,340,079.00					\$ 1,300,000.00	\$ -

Difference - -

Tab 7 - PA Portfolio Budget by Function

Tab 9 - PA Portfolio Budget by Function

2023										
Residential	Commercial	Industrial	Agricultural	Public	Emerging Tech	Codes & Standards	WE&T	Finance	Cross Cutting	OBF Loan Pool
\$ 9,345,971.00	\$ -	\$ -	\$ -	\$ 13,002,000	\$ 0	\$ -	\$ 800,000.00	\$ 500,000.00	\$ 1,300,000.00	\$ -
\$ 9,345,971.00	\$ -	\$ -	\$ -	\$ 13,002,000.00					\$ 1,300,000.00	\$ -

Difference - -

New/Existing Program #	Discontinued Program #	Program Name	Target Exempt	Program Type	Business Sector	Portfolio Segment	Pre-2020 Unspent/Uncommitted EE Funds <sup>1</sup>	2021 Authorized Budget	2021 Forecasted Unspent/Uncommitted Funds as of 7/31/2021	2021 Budget Spent as of 07/31/2021	
SCR-RES-A1		Multifamily Program	No	Core PA	Residential	Resource Acquisition	\$0	\$6,921,671	\$0	\$ 2,351,235	
SCR-RES-A4		Residential Kits4Kids	Yes	Core PA	Residential	Market Support	\$0	\$1,478,329	\$0	\$ 414,885	
SCR-PUBL-B1		Energy Efficiency Project Delivery Program	Yes	Core PA	Public	Market Support	\$0	\$7,500,000	\$0	\$ 3,879,768	
SCR-PUBL-B4		Streamlined Savings Program	No	Core PA	Public	Resource Acquisition	\$0		\$0	\$-	
SCR-PUBL-B3		Public Agency NMEC Program	No	Core PA	Public	Resource Acquisition	\$0	\$650,000.00	\$0	\$ 318,584	
SCR-PUBL-B2		DER DAC Project Delivery Program	Yes	Core PA	Public	Equity	\$0	\$2,829,000	\$0	\$ 2,209,765	
SCR-WET-D1		Workforce Education & Training Program	Yes	Core PA	WE&T	Equity	\$0	\$700,000	\$0	\$ 518,448	
SCR-FIN-C1		Public Agency Revolving Loan Fund	Yes	Core PA	Finance	Equity	\$0	\$550,000	\$0	\$ 283,408	
	SCR-FIN-C2	Residential Loan Loss Reserve	Yes	Core PA	Finance	Market Support	\$0	\$750,000	\$0	\$ 165,159	
<b>PA PROGRAM TOTAL</b>								<b>\$ -</b>	<b>\$ 21,379,000</b>	<b>\$ -</b>	<b>\$ 10,141,250</b>
<b>EM&amp;V (PA &amp; ED Portions) Total <sup>5</sup></b>											
		EM&V - PA								\$ 187,016	
		EM&V - ED								\$ 187,016	
		<b>EM&amp;V TOTAL</b>								<b>\$ 187,016</b>	
<b>PA Program and EM&amp;V Total</b>								<b>\$ -</b>	<b>\$ 21,379,000</b>	<b>\$ -</b>	<b>\$ 10,328,266</b>
<b>CEC AB 841 Program Budget-IOU PA only</b>											
		Applicable Annual % of difference between funding limitation & 2020 EE ABAL budget 3									
		IOU 2020 and Beyond Uncommitted and Unspent Carryover Balance									
		<b>CEC AB 841 Total</b>									
<b>PA Spending Budget Request (PA Program and EM&amp;V + CEC AB 841)</b>								<b>\$ -</b>	<b>\$ 21,379,000</b>	<b>\$ -</b>	<b>\$ 10,328,266</b>
<b>Financing Pilot Programs</b>											
<b>Financing Pilot Programs Total</b>								<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ME&amp;O &amp; ESA</b>											
		ME&O <sup>1</sup>									
		ESA2									

Notes: (PA to add as needed, e.g., relevant advice letter references, decision references and any other needed explanations.)

- 1. ME&O requested budget for 2021 per AL 3498-E/3835-G.
- 2. SDG&E Financing Administrative cost is per AL 3451-E-A/2818-G.
- 3. Per D.21-01-xxx, percentage allocation is 70% for 2022 and 60% for 2023. For SDG&E that base for calculation is \$116-80.
- 4 Add footnote on Non-EE budgeted overheads.

<sup>5</sup> For all PAs, EM&V costs only includes IOU's Total EM&V budget (PA + ED). For the IOU EM&V budget it does not include REN or CCAs EM&V budget.

<sup>6</sup> PAs have the option of inputting by program or by total

New/Existing Program #	Discontinued Program #	Program Name	Administrative	Marketing/ Outreach	Direct Implementation Non-Incentive	Incentive/ Rebate	2022 PA Spending Budget Request	2022 PA Pre-2020 Uncommitted and Unspent Carryover Balance	2022 PA Revenue Requirement Request
SCR-RES-A1		Multifamily Program	\$ 821,767	\$ 493,060	\$ 2,088,138	\$ 5,714,708	\$ 9,117,671	\$ -	\$ 9,117,671
SCR-RES-A4		Residential Kits4Kids	\$ 103,329	\$ 75,000	\$ 500,000	\$ 450,000	\$ 1,128,329	\$ -	\$ 1,128,329
SCR-PUBL-B1		Energy Efficiency Project Delivery Program	\$ 706,908	\$ 424,145	\$ 5,938,028	\$ -	\$ 7,069,079	\$ -	\$ 7,069,079
SCR-PUBL-B4		Streamlined Savings Program	\$ 110,000	\$ 66,000	\$ 474,000	\$ 450,000	\$ 1,100,000	\$ -	\$ 1,100,000
SCR-PUBL-B3		Public Agency NMEC Program	\$ 110,000	\$ 66,000	\$ 539,000	\$ 385,000	\$ 1,100,000	\$ -	\$ 1,100,000
SCR-PUBL-B2		DER DAC Project Delivery Program	\$ 407,100	\$ 244,260	\$ 3,418,640	\$ -	\$ 4,071,000	\$ -	\$ 4,071,000
SCR-WET-D1		Workforce Education & Training Program	\$ 75,000	\$ 45,000	\$ 630,000	\$ -	\$ 750,000	\$ -	\$ 750,000
SCR-FIN-C1		Public Agency Revolving Loan Fund	\$ 55,000	\$ 33,000	\$ 462,000	\$ -	\$ 550,000	\$ -	\$ 550,000
	SCR-FIN-C2	Residential Loan Loss Reserve					\$ -	\$ -	\$ -
PA PROGRAM TOTAL			\$ 2,389,104	\$ 1,446,465	\$ 14,050,804	\$ 6,999,706	\$ 24,886,079	\$ -	\$ 24,886,079
EM&V (PA & ED Portions) Total <sup>6</sup>									
		EM&V - PA					\$ 285,153		\$ 285,153
		EM&V - ED							\$ -
EM&V TOTAL							\$ 285,153	\$ -	\$ 285,153
PA Program and EM&V Total			\$ 2,389,104	\$ 1,446,465	\$ 14,050,804	\$ 6,999,706	\$ 25,171,232	\$ -	\$ 25,171,232
CEC AB 841 Program Budget--IOU PA only									
		Applicable Annual % of difference between funding limitation & 2020 EE ABAL budget <sup>3</sup>					\$ -		\$ -
		IOU 2020 and Beyond Uncommitted and Unspent Carryover Balance					\$ -	\$ -	\$ -
CEC AB 841 Total							\$ -	\$ -	\$ -
PA Spending Budget Request (PA Program and EM&V + CEC AB 841)			\$ 2,389,104	\$ 1,446,465	\$ 14,050,804	\$ 6,999,706	\$ 25,171,232	\$ -	\$ 25,171,232
Financing Pilot Programs									
							\$ -		\$ -
							\$ -		\$ -
							\$ -		\$ -
							\$ -		\$ -
							\$ -		\$ -
							\$ -		\$ -
Financing Pilot Programs Total			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ME&O & ESA									
		ME&O <sup>1</sup>					\$ -		\$ -
		ESA2					\$ -		\$ -
							\$ -		\$ -

Notes: (PA to add as needed, e.g., relevant advice letter references, decision references and any other needed explanations.)

1. ME&O requested budget for 2021 per AL 3498-E/3835-G.

2. SDG&E Financing Administrative cost is per AL 3451-E-A/2818-G.

3. Per D.21-01-xxx, percentage allocation is 70% for 2022 and 60% for 2023. For SDG&E that base for calculation is \$116-80.

4 Add footnote on Non-EE budgeted overheads.

<sup>5</sup> For all PAs, EM&V costs only includes IOU's Total EM&V budget (PA + ED). For the IOU EM&V budget it does not include REN or CCAs EM&V budget.

<sup>6</sup> PAs have the option of inputting by program or by total

2022												
New/Existing Program #	Discontinued Program #	Program Name	First Year Net KWH	First Year Net KW	First Year Net Therms (MM)	First Year Net Elec CO2 (ton)	First Year Net Gas CO2 (ton)	Lifecycle Net KWH	Lifecycle Net Therms (MM)	Lifecycle Net Elec CO2 (Ton)	Lifecycle Net Gas CO2 (Ton)	Administrative
SCR-RES-A1		Multifamily Program	5,061,528.99	235.66	293,957.29	1,437.00	1,720.00	69,258,361.95	3,187,453.24	16,966.00	18,647.00	\$ 821,767
SCR-RES-A4		Residential Kits4Kids	-	-	-	-	-	-	-	-	-	\$ 85,000
SCR-PUBL-B1		Energy Efficiency Project Delivery Program	-	-	-	-	-	-	-	-	-	\$ 648,900
SCR-PUBL-B4		Streamlined Savings Program	1,356,750.00	159.03	491.40	343.00	3.00	8,642,250.00	3,915.00	1,416.00	23.00	\$ 140,000
SCR-PUBL-B3		Public Agency NMEC Program	2,565,000.00	573.66	729.23	660.00	4.00	29,430,000.00	7,648.60	8,429.00	46.00	\$ 130,000
SCR-PUBL-B2		DER DAC Project Delivery Program	-	-	-	-	-	-	-	-	-	\$ 381,300
SCR-WET-D1		Workforce Education & Training Program	-	-	-	-	-	-	-	-	-	\$ 80,000
SCR-FIN-C1		Public Agency Revolving Loan Fund	-	-	-	-	-	-	-	-	-	\$ 50,000
	SCR-FIN-C2	Residential Loan Loss Reserve										
		PA PROGRAM TOTAL	8,983,278.99	968.55	295,177.92	2,440.00	1,727.00	107,330,611.95	3,199,316.84	26,811.00	18,716.00	\$ 2,336,967
		EM&V (PA & ED Portions) Total <sup>6</sup>										
		EM&V - PA										
		EM&V - ED										
		EM&V TOTAL										
		PA Program and EM&V Total	8,983,278.99	968.55	295,177.92	2,440.00	1,727.00	107,330,611.95	3,199,316.84	26,811.00	18,716.00	\$ 2,336,967
		CEC AB 841 Program Budget-IOU PA only										
		Applicable Annual % of difference between funding limitation & 2020 EE ABAL budget <sup>3</sup>										
		IOU 2020 and Beyond Uncommitted and Unspent Carryover Balance										
		CEC AB 841 Total										
		PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	8,983,278.99	968.55	295,177.92	2,440.00	1,727.00	107,330,611.95	3,199,316.84	26,811.00	18,716.00	\$ 2,336,967
		Financing Pilot Programs										
		Financing Pilot Programs Total	-	-	-	-	-	-	-	-	-	\$ -
		ME&O & ESA										
		ME&O <sup>1</sup>										
		ESA2										

Notes: (PA to add as needed, e.g., relevant advice letter references, decision references and any other needed explanations.)

- 1. ME&O requested budget for 2021 per AL 3498-E/3835-G.
- 2. SDG&E Financing Administrative cost is per AL 3451-E-A/2818-G.
- 3. Per D.21-01-xxx, percentage allocation is 70% for 2022 and 60% for 2023. For SDG&E that base for calculation is \$116-80.
- 4 Add footnote on Non-EE budgeted overheads.

<sup>5</sup> For all PAs, EM&V costs only includes IOU's Total EM&V budget (PA + ED). For the IOU EM&V budget it does not include REN or CCAs EM&V budget.

<sup>6</sup> PAs have the option of inputting by program or by total

2023												
New/Existing Program #	Discontinued Program #	Program Name	Marketing/ Outreach	Direct Implementation Non-Incentive	Incentive/Rebate	2023 PA Spending Budget Request	2023 PA Pre-2020 Uncommitted and Unspent Carryover Balance	2023 PA Revenue Requirement Request	First Year Net KWH	First Year Net KW	First Year Net Therms (MM)	First Year Net Elec CO2 (ton)
SCR-RES-A1		Multifamily Program	\$ 493,090	\$ 2,088,138	\$ 4,814,708	\$ 8,217,871	\$ -	\$ 8,217,871	4,415,659.77	217.05	426,417.02	2,725.00
SCR-RES-A4		Residential Kits4Kids	\$ 65,000	\$ 528,300	\$ 450,000	\$ 1,128,300	\$ -	\$ 1,128,300	-	-	-	-
SCR-PUBL-B1		Energy Efficiency Project Delivery Program	\$ 389,340	\$ 5,450,760	\$ -	\$ 6,489,000	\$ -	\$ 6,489,000	-	-	-	-
SCR-PUBL-B4		Streamlined Savings Program	\$ 84,000	\$ 528,000	\$ 650,000	\$ 1,400,000	\$ -	\$ 1,400,000	3,422,250.00	353.11	4,869.72	1,242.00
SCR-PUBL-B3		Public Agency NMEC Program	\$ 78,000	\$ 607,000	\$ 495,000	\$ 1,300,000	\$ -	\$ 1,300,000	2,394,000.00	535.42	681.21	1,303.00
SCR-PUBL-B2		DER DAC Project Delivery Program	\$ 228,780	\$ 3,202,920	\$ -	\$ 3,813,000	\$ -	\$ 3,813,000	-	-	-	-
SCR-WET-D1		Workforce Education & Training Program	\$ 48,000	\$ 672,000	\$ -	\$ 800,000	\$ -	\$ 800,000	-	-	-	-
SCR-FIN-C1		Public Agency Revolving Loan Fund	\$ 30,000	\$ 420,000	\$ -	\$ 500,000	\$ -	\$ 500,000	-	-	-	-
	SCR-FIN-C2	Residential Loan Loss Reserve				\$ -	\$ -	\$ -				
PA PROGRAM TOTAL			\$ 1,416,180	\$ 13,495,118	\$ 6,399,706	\$ 23,647,971	\$ -	\$ 23,647,971	10,231,909.77	1,105.58	431,967.95	5,270.00
<b>EM&amp;V (PA &amp; ED Portions) Total <sup>6</sup></b>												
EM&V - PA						\$ 270,966		\$ 270,966				
EM&V - ED								\$ -				
EM&V TOTAL						\$ 270,966	\$ -	\$ 270,966				
PA Program and EM&V Total			\$ 1,416,180	\$ 13,495,118	\$ 6,399,706	\$ 23,918,937	\$ -	\$ 23,918,937	10,231,909.77	1,105.58	431,967.95	5,270.00
<b>CEC AB 841 Program Budget--IOU PA only</b>												
Applicable Annual % of difference between funding limitation & 2020 EE ABAL budget <sup>3</sup>						\$ -	\$ -	\$ -				
IOU 2020 and Beyond Uncommitted and Unspent Carryover Balance						\$ -	\$ -	\$ -				
CEC AB 841 Total						\$ -	\$ -	\$ -				
PA Spending Budget Request (PA Program and EM&V + CEC AB 841)			\$ 1,416,180	\$ 13,495,118	\$ 6,399,706	\$ 23,918,937	\$ -	\$ 23,918,937	10,231,909.77	1,105.58	431,967.95	5,270.00
<b>Financing Pilot Programs</b>												
						\$ -		\$ -				
						\$ -		\$ -				
						\$ -		\$ -				
						\$ -		\$ -				
						\$ -		\$ -				
						\$ -		\$ -				
Financing Pilot Programs Total			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
<b>ME&amp;O &amp; ESA</b>												
ME&O <sup>1</sup>						\$ -		\$ -				
ESA <sup>2</sup>						\$ -		\$ -				
						\$ -		\$ -				

Notes: (PA to add as needed, e.g., relevant advice letter references, decision references and any other needed explanations.)

- ME&O requested budget for 2021 per AL 3498-E/3835-G.
- SDG&E Financing Administrative cost is per AL 3451-E-A/2818-G.
- Per D.21-01-xxx, percentage allocation is 70% for 2022 and 60% for 2023. For SDG&E that base for calculation is \$116-80.
- Add footnote on Non-EE budgeted overheads.

<sup>5</sup> For all PAs, EM&V costs only includes IOU's Total EM&V budget (PA + ED). For the IOU EM&V budget it does not include REN or CCAs EM&V budget.

<sup>6</sup> PAs have the option of inputting by program or by total



New/Existing Program #	Discontinued Program #	Program Name	First Year Net Gas CO2 (ton)	Lifecycle Net KWH	Lifecycle Net Therms (MM)	Lifecycle Net Elec CO2 (Ton)	Lifecycle Net Gas CO2 (Ton)
SCR-RES-A1		Multifamily Program	4,214.00	49,036,899.36	4,751,977.66	32,563.00	46,446.00
SCR-RES-A4		Residential Kits4Kids		-	-	-	-
SCR-PUBL-B1		Energy Efficiency Project Delivery Program		-	-	-	-
SCR-PUBL-B4		Streamlined Savings Program	31.00	29,879,550.00	38,416.68	10,482.00	248.00
SCR-PUBL-B3		Public Agency NMEC Program	8.00	26,094,600.00	7,425.22	16,516.00	90.00
SCR-PUBL-B2		DER DAC Project Delivery Program	-	-	-	-	-
SCR-WET-D1		Workforce Education & Training Program	-	-	-	-	-
SCR-FIN-C1		Public Agency Revolving Loan Fund	-	-	-	-	-
	SCR-FIN-C2	Residential Loan Loss Reserve					
		PA PROGRAM TOTAL	4,253.00	105,011,049.36	4,797,819.56	59,561.00	46,784.00
		EM&V (PA & ED Portions) Total <sup>6</sup>					
		EM&V - PA					
		EM&V - ED					
		EM&V TOTAL					
		PA Program and EM&V Total	4,253.00	105,011,049.36	4,797,819.56	59,561.00	46,784.00
		CEC AB 841 Program Budget--IOU PA only					
		Applicable Annual % of difference between funding limitation & 2020 EE ABAL budget <sup>3</sup>					
		IOU 2020 and Beyond Uncommitted and Unspent Carryover Balance					
		CEC AB 841 Total					
		PA Spending Budget Request (PA Program and EM&V + CEC AB 841)	4,253.00	105,011,049.36	4,797,819.56	59,561.00	46,784.00
		Financing Pilot Programs					
		Financing Pilot Programs Total	-	-	-	-	-
		ME&O & ESA					
		ME&O <sup>1</sup>					
		ESA2					

**Table 3a - PA Spending Budget Request by Funding Source**

PA EE Programs and EM&V	2022	2023
Annual PA Spending Budget Request (Program and EM&V total)	\$ 25,171,232	\$ 23,918,937
<b>CEC AB 841 Program Budget Request</b>		
Applicable percentage of difference between funding limitation and 2020 budget (70% for 2022 and 60% for 2023) <sup>1</sup>	\$ -	\$ -
Plus 2020 and Beyond Uncommitted and Unspent Carryover Balance	\$ -	\$ -
<b>PA Spending Budget Request (PA Program and EM&amp;V + CEC AB 841)</b>	<b>\$ 25,171,232</b>	<b>\$ 23,918,937</b>

<sup>1</sup> Applicable percentage is 70% for 2022 and 60% for 2023.

**Table 3b - Budget by Funding Source**

Portfolio Budget (Before Carryover)	2022 Budget	2022 %Allocation	2023 Budget	2023 %Allocation
Electric Procurement EE Funds	\$ 20,548,428	82%	\$ 19,601,764	82%
Gas PPP Surcharge Funds	\$ 4,622,804	18%	\$ 4,317,173	18%
<b>Total Funds</b>	<b>\$ 25,171,232</b>		<b>\$ 23,918,937</b>	

**Table 3c - Revenue Requirement for Cost Recovery by Funding Source**

	2022 Revenue Requirement	2022 %Allocation after Carryover adjustment	2023 Revenue Requirement	2023 %Allocation after Carryover adjustment
<b>Authorized Funding in Rates (including Unspent/Uncommitted Funds )</b>				
Electric Procurement EE Funds	\$ 20,548,428	82%	\$ 19,601,764	82%
Gas PPP Surcharge Funds	\$ 4,622,804	18%	\$ 4,317,173	18%
<b>Total Funds</b>	<b>\$ 25,171,232</b>		<b>\$ 23,918,937</b>	

Table 3d - Unspent/Uncommitted Carryover Funds (in positive \$ amounts)

Program Unspent/Uncommitted Funds	2022			2023		
	Electric	Gas	Total	Electric	Gas	Total
Pre-2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 <sup>2</sup>				\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EM&V Unspent/Uncommitted Funds	2022			2023		
	Electric	Gas	Total	Electric	Gas	Total
Pre-2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 <sup>2</sup>				\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Unspent/Uncommitted Funds	2022			2023		
	Electric	Gas	Total	Electric	Gas	Total
Pre-2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021 <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 <sup>2</sup>				\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note on Table 3d

Any actual uncommitted/unspent funds for 2023 will be trued-up in the IOU's respective electric and gas PPP annual rates advice letter for 2023.

<sup>2</sup> These funds are assigned to CEC AB 841

Table 3e - Total Requested 2022-2023 IOU Revenue Requirement - Demand Response & Energy Efficiency 1,2

	2022				2023			
	Demand Response	Energy Efficiency			Demand Response	Energy Efficiency		
	Electric Demand Response Funds	Electric Energy Efficiency Funds	Natural Gas Public Purpose Funds	Total Energy Efficiency Funds	Electric Demand Response Funds	Electric Energy Efficiency Funds	Natural Gas Public Purpose Funds	Total Energy Efficiency Funds
Program Funds - PA <sup>4</sup>	\$ -	\$ 20,315,645	\$ 4,570,434	\$ 24,886,079	\$ -	\$ 19,379,705	\$4,268,266	\$ 23,647,971
Program Funds - CEC <sup>5</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Funds - REN <sup>5</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Funds - CCA <sup>5</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EM&V <sup>3</sup>		\$ 232,783	\$ 52,370	\$ 285,153		\$ 222,059	\$ 48,907	\$ 270,966
<b>Budget Total</b>	<b>\$ -</b>	<b>\$ 20,548,428</b>	<b>\$ 4,622,804</b>	<b>\$ 25,171,232</b>	<b>\$ -</b>	<b>\$ 19,601,764</b>	<b>\$4,317,173</b>	<b>\$23,918,937</b>

Notes:

1 Authorized budget excludes reductions from past unspent funds, carryover and is consistent with funding approved in D. 09-09-047, D. 12-11-015, D.14-10-046 and D.15-10-028, D.18-05-041 and D.21-01-004.

2 REN and CCA information provided by all RENS and CCAs and is consistent with their respective ABALS.

3 This represent total IOU+CCA+REN EM&V

4 Program Funds represents the total program budget, excluding EM&V. Only the electric IOU PAs will complete the Demand Response funding columns.

5 only the IOU completes this line and should be consistent table 7.

Table 7 - PA Program Year Budget Savings

Sector	Program Year (PY) 2022 Budget	FORECAST ENERGY SAVINGS (Net)					Program Year (PY) 2023 Budget	FORECAST ENERGY SAVINGS (Net)					
		PA forecast kWh	PA forecast kW	PA forecast therms (MM)	PA Forecast Elec CO2	PA Forecast GasCO2		PA forecast kWh	PA forecast kW	PA forecast therms (MM)	PA Forecast Elec CO2	PA Forecast GasCO2	
<b>Resource Acquisition Program Segment</b>													
Residential	\$9,117,671	5,061,529	236	293,957	1,437	1,720	\$8,217,671	4,415,659.77	217.05	426,417.02	2,725.00	4,214.00	
Commercial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Industrial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Agricultural	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Emerging Tech	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Public	\$2,200,000	3,921,750	733	1,221	1,003	7	\$2,700,000	5,816,250.00	888.53	5,550.93	2,545.00	39.00	
WE&T	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Finance	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
OBF Loan Pool	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
<b>PA Subtotal (does not include ESA budget and savings)</b>	<b>\$11,317,671</b>	<b>8,983,279</b>	<b>969</b>	<b>295,178</b>	<b>2,440</b>	<b>1,727</b>	<b>\$10,917,671</b>	<b>10,231,910</b>	<b>1,106</b>	<b>431,968</b>	<b>5,270</b>	<b>4,253</b>	
Resource Acquisition Forecasted Total System Benefit (TSB)	\$13,537,863						\$17,357,684						
Resource Acquisition Forecasted Total Resource Cost (TRC)	0.61						0.83						
Portfolio Forecasted Portfolio Administrator Cost (PAC)	1.24						1.64						
<b>Market Support Program Segment</b>													
Residential	\$1,128,329	-	-	-	-	-	\$1,128,300	-	-	-	-	-	
Commercial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Industrial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Agricultural	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Emerging Tech	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Public	\$7,069,079	-	-	-	-	-	\$6,489,000	-	-	-	-	-	
WE&T	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Finance	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
OBF Loan Pool	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
<b>PA Subtotal (does not include ESA budget and savings)</b>	<b>\$8,197,408</b>						<b>\$7,617,300</b>						
Resource Acquisition Forecasted Total System Benefit (TSB)	\$0						\$0						
Portfolio Forecasted Total Resource Cost (TRC)	0.00						0.00						
Portfolio Forecasted Portfolio Administrator Cost (PAC)	0.00						0.00						
<b>Equity Program Segment</b>													
Residential	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Commercial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Industrial	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Agricultural	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Emerging Tech	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
Public	\$4,071,000	-	-	-	-	-	\$3,813,000	-	-	-	-	-	
WE&T	\$750,000	-	-	-	-	-	\$800,000	-	-	-	-	-	
Finance	\$550,000	-	-	-	-	-	\$500,000	-	-	-	-	-	
OBF Loan Pool	\$0	-	-	-	-	-	\$0	-	-	-	-	-	
<b>PA Subtotal (does not include ESA budget and savings)</b>	<b>\$5,371,000</b>						<b>\$5,113,000</b>						
Resource Acquisition Forecasted Total System Benefit (TSB)	\$0						\$0						
Portfolio Forecasted Total Resource Cost (TRC)	0.00						0.00						
Portfolio Forecasted Portfolio Administrator Cost (PAC)	0.00						0.00						



Equity Program Segment														
	Residential	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
	Commercial	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
	Industrial	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
	Agricultural	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
	Emerging Tech	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
	Public	\$4,071,000	-	-	-	-	-	-	\$3,813,000	-	-	-	-	-
1	WEBT	\$750,000	-	-	-	-	-	-	\$800,000	-	-	-	-	-
2	Finance	\$550,000	-	-	-	-	-	-	\$500,000	-	-	-	-	-
3	OBP Loan Pool	\$0	-	-	-	-	-	-	\$0	-	-	-	-	-
4	PA Subtotal (does not include ESA budget and savings)	\$5,371,000	-	-	-	-	-	-	\$5,113,000	-	-	-	-	-
	Resource Acquisition Forecasted Total System Benefit (TSB)	\$0							\$0					
	Portfolio Forecasted Total Resource Cost (TRC)	\$0.00							\$0.00					
	Portfolio Forecasted Portfolio Administrator Cost (PAC)	\$0.00							\$0.00					
Portfolio														
	Residential	\$10,246,000	5,061,529	236	293,957	1,437	1,720		\$9,345,971	4,415,659.77	217.05	426,417.02	2,715.00	4,214.00
	Commercial	\$0	-	-	-	-	-		\$0	-	-	-	-	-
	Industrial	\$0	-	-	-	-	-		\$0	-	-	-	-	-
	Agricultural	\$0	-	-	-	-	-		\$0	-	-	-	-	-
	Emerging Tech	\$0	-	-	-	-	-		\$0	-	-	-	-	-
	Public	\$13,340,079	3,921,750	733	1,221	1,003	7		\$13,002,000	5,816,250.00	888.53	5,550.93	2,545.00	39.00
1	WEBT	\$750,000	-	-	-	-	-		\$800,000	-	-	-	-	-
2	Finance	\$550,000	-	-	-	-	-		\$500,000	-	-	-	-	-
3	OBP Loan Pool	\$0	-	-	-	-	-		\$0	-	-	-	-	-
4	PA Subtotal (does not include ESA budget and savings)	\$24,886,079	8,983,279	969	295,178	2,440	1,727		\$23,647,971	10,231,910	1,106	431,968	5,270	4,253
	CPUC Savings Goal (w/o CBS)		5,765,953	774	162,983					5,881,614	790	169,568		
6	Forecast savings as % of CPUC Savings Goal (w/o CBS)	#DIV/0!	155.6%	125.1%	181.1%	#DIV/0!	#DIV/0!	#DIV/0!	174.0%	139.9%	254.7%	#DIV/0!	#DIV/0!	
7	Total EM&V <sup>1</sup>	\$285,133							\$270,966					
7a	PA EM&V	\$285,133							\$270,966					
7b	ED EM&V	\$0							\$0					
7c	Portfolio Forecasted Total System Benefit (TSB)	\$13,537,863							\$17,357,684					
	Portfolio Forecasted Total Resource Cost -TRC (w/o CBS and w/ EM&V)	\$0.30							\$0.51					
	Portfolio Forecasted Portfolio Administrator Cost (PAC)	\$0.55							\$0.74					
	Portfolio Forecasted Ratepayer Impact Measure (RIM)	\$0.55							\$0.74					
8	Codes and Standards	\$0							\$0					
9	PA Spending Budget Request <sup>2</sup>	\$25,171,232							\$23,918,937					
10	(LESS) PA Pre-2020 Uncommitted and Unspent Carryover Balance <sup>3</sup>	\$0							\$0					
11	CEC AB 841 Program Funding <sup>4</sup>	\$0							\$0					
12	Applicable percentage (70%) of difference between funding limitation and 2020 budget	\$0							\$0					
13	PA 2020 and Beyond Uncommitted and Unspent Carryover Balance <sup>5</sup>	\$0							\$0					
14	CEC AB 841 Total Program Funding	\$0							\$0					
15	PA Revenue Requirement Request (Cost Recovery) <sup>6</sup>	\$25,171,232							\$23,918,937					
	% of Equity and Market Support Program Budgets to PA Spending Budget Request (not to Exceed 30%)	34%							33%					
16	PA Authorized Budget Cap (D.18-05-041)	\$22,086,959							\$22,550,994					
	For CCA & RENS in IOU Service Territory Only--(IOU PA Only to complete)													
21	REN Budget Recovery Request	\$0							\$0					
21a	BayREN PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
21b	SoCal REN PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
21c	3CREN PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
21d	RCEA PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
22	CCA Budget Recovery Request	\$0							\$0					
22a	MCE PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
22b	Lancaster PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)	-							-					
	Redwood Coast Energy Authority (excl. REN Uncommitted/Unspent Carryover)	-							-					
	San Jose Clean Energy (excl. REN Uncommitted/Unspent Carryover)	-							-					
17	Total PA (IOU+CCAs+RENS) Recovery Budget <sup>8</sup>	\$25,171,232							\$23,918,937					

<sup>1</sup> This is the IOU's requested EE Portfolio budget. This is the budget by which the Statewide Program compliance budget requirement of 25% will be measured.

<sup>2</sup> The balance of unspent uncommitted must reflect the total unspent uncommitted from pre-2020 EE authorized budgets Jan 1 2018 through Dec 31 of current year (PY-1). Because each ABAL is filed in Q3, this unspent uncommitted amount will be an estimate for the year in which the ABAL is filed.

<sup>3</sup> See D.21-01-004 Tables 2 (2022) and 3 (2022)

<sup>4</sup> Because each ABAL is filed in Q3, this unspent uncommitted amount will be an estimate for the year in which the ABAL is filed.

<sup>5</sup> The amount of funds to be collected (cost recovery) for the PA EE Program Year = Line 9 - Line 10 + Line 12

<sup>6</sup> Total amount to be requested in IOU's PPP advice letter for their programs, RENS and CCAs in their service territory, Line 15+ Line 21 + Line 22

<sup>7</sup> For IOUs, EM&V costs only includes IOU's Total EM&V budget (PA + ED) and does not include REN or CCAs EM&V budget. For RENS & CCAs, include EM&V-PA Budget and EM&V-ED = \$0.

<sup>8</sup> For rows 31-33, TSB, TRC, and PAC listed are for Market Support segment.

<sup>8</sup> For rows 45-47, TSB, TRC, and PAC listed are for Equity segment.

Table 8 - Caps & Targets

		2022 Energy Efficiency Cap And Target Expenditure Projections						2023 Energy Efficiency Cap And Target Expenditure Projections					
		Expenditures			Cap & Target Performance			Expenditures			Cap & Target Performance		
Line	Budget Category	Non-Third Party Qualifying Costs (Including PA costs and old-definition 3P/GP contracts that don't meet the new definition)	Third Party Qualifying Costs <sup>2</sup> (Local SW, CEC & AB 841)	Total Portfolio	Percent of Budget <sup>6</sup>	Cap %	Target %	Non-Third Party Qualifying Costs (Including PA costs and old-definition 3P/GP contracts that don't meet the new definition)	Third Party Qualifying Costs <sup>2</sup> (Including SW)	Total Portfolio	Percent of Budget <sup>6</sup>	Cap %	Target %
1	<b>Administrative Costs</b>												
2	PA <sup>1</sup>	\$ 1,041,767		\$ 1,041,767	4.1%	10.0%		\$ 1,091,767		\$ 1,091,767	4.3%	10.0%	
3	Non-PA Third Party & Partnership <sup>2</sup>	\$ -	\$ -	\$ -	0.0%		10.0%	\$ -	\$ -	\$ -	0.0%		10.0%
4	PA & Non-PA Target Exempt Programs <sup>3</sup>	\$ 1,347,337	\$ -	\$ 1,347,337				\$ 1,245,200	\$ -	\$ 1,245,200			
5	<b>Marketing and Outreach Costs<sup>4</sup></b>												
6	Marketing & Outreach	\$ 1,446,465	\$ -	\$ 1,446,465	5.7%		6.0%	\$ 1,416,180	\$ -	\$ 1,416,180	5.6%		6.0%
7	Statewide Marketing & Outreach <sup>5</sup>	\$ -	\$ -	\$ -				\$ -	\$ -	\$ -			
8	<b>Direct Implementation Costs</b>												
9	Direct Implementation (Incentives and Rebates)	\$ 6,999,706	\$ -	\$ 6,999,706				\$ -	\$ 6,399,706	\$ 6,399,706			
10	Direct Implementation (Non Incentives and Non Rebates)	\$ 3,101,138	\$ -	\$ 3,101,138	12.3%		20.0%	\$ 3,221,138	\$ -	\$ 3,221,138	12.8%		20.0%
11	Direct Implementation Target Exempt Programs (Non Incentives and Non Rebates) <sup>3</sup>	\$ 10,949,666	\$ -	\$ 10,949,666				\$ 10,273,980	\$ -	\$ 10,273,980			
12	<b>EM&amp;V Costs (PA and Energy Division)<sup>6,7</sup></b>	\$ 285,153		\$ 285,153	1.2%		4.0%	\$ 270,966		\$ 270,966	1.2%		4.0%
12a	EM&V - PA	\$ 285,153		\$ 285,153				\$ 270,966		\$ 270,966			
12b	EM&V - ED	\$ -		\$ -				\$ -		\$ -			
13	<b>Total Portfolio Budget (includes PA Program and EM&amp;V Budget + SW ME&amp;O)<sup>8</sup></b>	\$ 25,171,232	\$ -	\$ 25,171,232				\$ 17,519,231	\$ 6,399,706	\$ 23,918,937			
14	<b>CEC AB 841 (per CPUC Code Section 1613 counts as a Third Party Program as defined in D.18-08-019, OP 10)</b>		\$ -	\$ -					\$ -	\$ -			
15	<b>PA Spending Budget Request (PA Program and EM&amp;V + CEC AB 841)<sup>9</sup></b>			\$ 25,171,232						\$ 23,918,937			
16	<b>Total Third-Party Implementer Contracts + CEC AB 841 (as defined per D.16-08-019, OP 10 and D.21-01-xxx OP)<sup>10, 11</sup></b>		\$ -		0.0%		60.0%		\$ 6,399,706		26.8%		60.0%

## Notes:

1. 10% cap requirement based on D. 09-09-047 is set for IOU only.
2. New Third party program definition per D.16-08-019, OP 10. For Row 3 of this table, the "Third Party & Partnership" administrative costs under the "Non-Third Party Qualifying Costs" column are costs for programs that met the old Third Party definition prior to the transition to the new third party definition.
3. Target Exempt Programs are Non-Resource Programs which include: Emerging Technologies, Workforce Education & Training, Strategic Energy Resources (SER) program, 3P Placeholder for Public LGPs, and Codes & Standards programs (excluding Building Codes Advocacy, Appliance Standards Advocacy and National Standards Advocacy).
4. Statewide Marketing & Outreach (SW ME&O) is excluded from the Marketing and Outreach cost target calculation per D.13-12-038, at p. 82.
5. Statewide ME&O budgets for October 2019 through 2021 were requested in Advice Letter 4098-G/5544-E and supplements, and are pending approval. The amount in Line 7 represents the portion allocated to EE.
6. For IOUs, EM&V costs only includes IOU's Total EM&V budget (PA + ED) and does not include REN or CCAs EM&V budget. For RENs & CCAs, include EM&V-PA Budget and EM&V-ED = \$0 .
7. The EM&V percentage is based on PA's total portfolio budget of \$X, which excludes SWME&O, RENs, CCAs and CEC AB 841. This is the Total in line 13, minus SWME&O in line 7.
8. As directed in the Energy Efficiency Policy Manual Version 5 July 2013, page 92, this total includes SW ME&O and excludes REN and CCA budgets and is the denominator used to calculate the IOU PA Admin, Marketing, and Direct Implementation Non-Incentives percentages.
9. IOU PA's 2021 Proposed Budget of \$X excludes SWME&O budget of \$Y and includes CEC AB 841 budgets of \$Z.
10. IOU PA's percentage for Third-Party Implementer Contracts uses \$X as its denominator, which is IOU PA Subtotal including EM&V, but excluding SWME&O, REN, and CCA. This is the Total in line 15 minus, minus SWME&O in line 7.
11. IOU's Third-Party Implementer Contracts (as defined per D.16-08-019, OP 10) includes third-party contract and incentive budgets and statewide qualifying contract and incentive budgets.

## **Attachment B**

### **CEDARS Filing Confirmation**

## CEDARS FILING SUBMISSION RECEIPT

The SCR portfolio budget filing has been submitted and is now under review. A summary of the budget filing is provided below.

PA: Southern California Regional Energy Network (SCR)

Budget Filing Year: 2022

Submitted: 14:18:22 on 05 Nov 2021

By: Fernanda Craig

Advice Letter Number: 15-E-G

\* Portfolio Budget Filing Summary \*

- TRC: 0.38
- PAC: 0.55
- TRC (no admin): 0.78
- PAC (no admin): 2.19
- RIM: 0.55
- Budget: \$25,171,231.00
- TotalSystemBenefit: \$13,537,863.15
- ElecBen: \$10,661,917.78
- GasBen: \$2,875,945.37
- OtherBen: \$0.00
- TRCCost: \$36,077,605.15
- PACCost: \$24,809,371.90

\* Programs Included in the Budget Filing \*

- SCR-EMV-01: SoCalREN EM&V
- SCR-FIN-C1: Public Agency Revolving Loan Fund
- SCR-PUBL-B1: Energy Efficiency Project Delivery Program
- SCR-PUBL-B2: DER DAC Project Delivery Program
- SCR-PUBL-B3: Public Agency NMEC Program
- SCR-PUBL-B4: Streamlined Savings Program
- SCR-RES-A1: Multifamily Program
- SCR-RES-A4: Residential Kits4Kids
- SCR-WET-D1: Workforce Education & Training Program



## **Attachment C**

**Per D. 18-05-041, Supplemental Budget Information**

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**Approved Meet & Confer Document by Program Administrators, Office of Ratepayers  
and The Utility Reform Network**

**I. DESCRIPTION OF IN-HOUSE EE ORGANIZATIONAL STRUCTURE  
& ASSOCIATED EESTS**

**A. Narrative description of in-house departments/organizations supporting  
the PA's EE portfolio**

SoCalREN is currently administered and managed by the County of Los Angeles Internal Services Department (ISD). Within LA County ISD there are three departments that support the administration and management of SoCalREN. These departments include:

- County Office of Sustainability (EES):
  - Environmental Initiatives Division
  - EES Planning & Administration
- Information Technology Service
  - Shared Services Branch Internet Development
- Administration & Finance Service
  - Finance

These departments work as shared services between LA County's workforce of more than 100,000 employees in over 40 County Departments, and the County's government and community initiatives portfolio (including the Regional Energy Network). These departments are further described in detail below.

***1) Functions conducted by each department/organization***

Office of Energy and Environmental Services. The LA County Office of Energy and Environmental Services (EES) is comprised of two divisions (the Energy Management Division (EMD) and the Environmental Initiatives Division (EID)), and coordinates energy efficiency, climate action, conservation, and sustainability programs to decrease utilization and maximize the efficient use of natural resources. Some initiatives that this office supports include: climate mitigation, energy efficiency, land-use planning, alternative fuels and transportation.

EES was originally formed to respond to legislation, regulation and policy related to Climate Change and to serve as a central programmatic agency for coordination of Energy Efficiency, Conservation and Sustainability Programs within the County, its facilities and the region. EES develops and implements programs and projects that impact and benefit the constituents of Los Angeles County, for instance: the Southern California Energy network, Environmental Service Center, and websites such

as SolarMap.LACounty.gov and Green.LACounty.gov. In addition, EES is playing an important role in coordinating and implementing Energy and Environmental initiatives, County Green Building programs, and Climate Action activities for the State, region and all County departments.

Between the two EES Divisions, EID works internally with County departments and also represents the County in local and statewide organizations to promote energy efficiency, sustainability, climate action planning, related regulatory and legislative review and advisement, and environmental programs and policies. These efforts are supported through various funding sources, such as grants and utility ratepayer programs.

EMD supports the County and ISD by providing energy management services to County Departments, municipalities, and other districts and agencies. Services include utility support, energy efficiency projects, monitoring of building management systems, procurement of electricity, natural gas and water, and the operation of power plants. The Division is comprised of four sections, Power Plants, Energy Efficiency Projects, Energy Support Services, and Energy Management Systems (EEMIS).

Information Technology Service. ISD Information Technology Services (ITS) delivers reliable and secure solutions to support Los Angeles County's technology needs. Providing services to a workforce of more than 80,000 employees in over 40 County Departments, the department safeguards and support mission-critical systems, networks and data. ITS comprehensive information technology shared services include: application development and maintenance, data center operations, telecommunications support, countywide email solutions and cloud computing services.

Administration & Finance Service. ISD's Administration and Finance Service provides legal, procurement, compliance, and oversight services to EID Programs, including the SoCalREN. In addition, these units assist our business partners and customers in making informed decisions by providing essential information, timely payments and billings and budgetary allocations (including vendor payment inquiry, employment opportunities and employment verification).

## ***2) Management structure and org chart***

Figure 1 and 2 provide in illustrative detail the current management structure, support staff and internal support organizations.

**Figure 1. SoCalREN Administration and Management Organization Chart, 2022**

# SoCalREN Organization Chart By Function

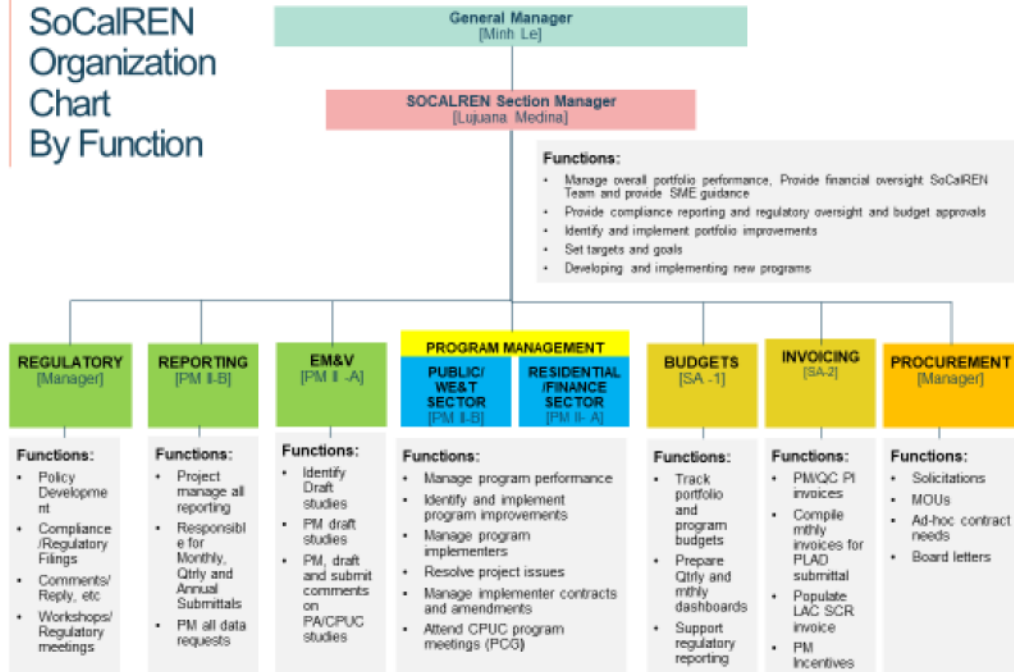
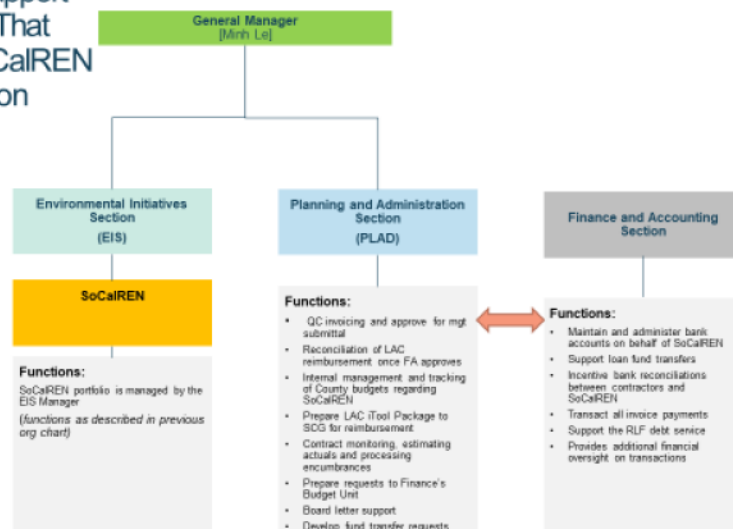


Figure 2. County Support Services That Serve SoCalREN Organization Chart

# County Support Services That Serve SoCalREN Organization Chart





- 3) *Staffing needs by department/organization, including current and forecast for 2022, as well as a description of what changes are expected in the near term (2023) or why it's impossible to predict beyond 2022, if that's the PA's position.*

Currently, SoCalREN's staffing organization as is illustrated in Figure 1 above. In 2020, the County of Los Angeles officially hired two internal program managers to support the REN, two internal Staff Assistants/Program Coordinators and one internal manager. There are no current plans to change this staffing structure this coming year (2022) or within the near term (2023).

- 4) *Non-program functions currently performed by contractors (e.g. advisory consultants), as well as a description of what changes are expected in the near term (2023) or why it's impossible to predict beyond 2022, if that's the PA's position.*

Since 2018, SoCalREN program administration, design, and implementation was currently outsourced to third parties that had been selected through a competitive bidding process by LA County, the Administrator of SoCalREN. SoCalREN does not currently nor anticipate in the near term contracting for "non-program" functions. Non-program, contract and billing, and some support functions were conducted by LA County ISD services, with statistically miniscule financial impact on SoCalREN.

As part of a recent program-by-program and Portfolio-wide performance assessment of the SoCalREN, LA County has taken in-house (and will continue to exercise) greater Portfolio planning, oversight, management, and performance tracking. This is an integral part of LA County's pivot to an energy-savings-centric, cost-conscious, and performance-based approach for the SoCalREN. This deeper engagement will reflect somewhat higher LA County administration costs, but these costs net positive against efficiencies and reduced costs of outside consultants. This impact will, however, be economically-scaled and not impact implementation.

Notwithstanding the above, the SoCalREN does plan to continue to outsource program design, and implementation. The intent is to continue to outsource virtually all components of program implementation in the future, pursuant to strict, comprehensive local government and statewide procurement and contracting requirements.

- 5) *Anticipated drivers of in-house EE changes by department/organization SoCalREN Response:*

As stated above, there are no current plans for in-house cost changes this coming year (2022) or within the near term (2023).

- 6) *Explanation of method for forecasting Costs*

**B. Table showing PA EE "Full Time Equivalent" headcount by department/organization**

TURN and ORA had requested a table similar to the table provided in PG&E’s 2017 General Rate Case (GRC) addressing its Energy Procurement department Full Time Equivalent (FTE) headcount. They had originally requested for 2016 or 2017 “recorded” positions, depending on what’s most appropriate for the PA, or both, if that provides the most clarity. And would like the table to include as well forecast years future years. Table 1 below is provided in response to ORA and TURN’s request.

**Table 1. SoCalREN’s FTE headcount by department/organization<sup>1,2</sup>**

<b>Pa Name:</b>	SoCalREN		
<b>Budget Year:</b>	2022-2023		
<b>PORTFOLIO STAFFING</b>			
<b>Functional Group</b>	<b>2020 EE Portfolio FTE (2)</b>	<b>2022 EE Portfolio FTE (2)</b>	<b>2023 EE Portfolio FTE (2)</b>
Policy, Strategy, and Regulatory Reporting Compliance	1.0	1.0	1.0
Program Management	3.0	3.0	3.0
Engineering Services	-	-	-
Customer Application/Rebate/Incentive Processing	0.5	0.5	0.5
Customer Project Inspections	-	-	-
Portfolio Analytics (1)	0.5	0.5	0.5
EM&V	1.0	1.0	1.0
ME&O (Local)	0.3	0.3	0.3
Account Management / Sales	0.1	0.1	0.1
IT	0.1	0.1	0.1
Call Center	-	-	-
<b>Total</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>

**C. Table showing costs by functional area of management structure**

Please see Tables 2 through 4 below which provides SoCalREN’s costs by functional area of management structure.

**Table 2. SoCalREN’s Residential Sector Costs by Labor and Non-Labor Cost Elements**

<sup>1</sup> Please note SoCalREN FTE head count include direct full-time SoCalREN staff and County Support Staff services (e.g. Finance, etc).

<sup>2</sup> Full-time equivalent (FTE) is a unit that indicates the workload of an employed person (or student) in a way that makes workloads or class loads comparable across various contexts.

Pa Name:		SoCalREN			
Budget Year:		2022-2023			
RESIDENTIAL BUDGET DETAIL					
Sector	Cost Element	Functional Group	2020 EE Portfolio Expenditures	2022 EE Portfolio Budget	2023EE Portfolio Budget
Residential	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 64,945	\$ 143,426	\$ 140,584
		Program Management	\$ 194,834	\$ 430,277	\$ 421,752
		Engineering services	\$ -	\$ -	\$ -
		Customer Application/Rebate/Incentive Processing	\$ 32,472	\$ 71,713	\$ 70,292
		Customer Project Inspections	\$ -	\$ -	\$ -
		Portfolio Analytics	\$ 97,417	\$ 215,139	\$ 210,876
		ME&O (Local)	\$ 16,237	\$ 35,856	\$ 35,146
		Account Management / Sales	\$ 6,494	\$ 14,343	\$ 14,058
		IT	\$ 6,494	\$ 14,343	\$ 14,058
		Call Center			
	Labor Total		\$ 418,894	\$ 925,096	\$ 906,767
	Non-Labor	Third-Party Implementer (as defined per D.16-08-019, OP 10)			
		Local/Government Partnerships Contracts (3)			
		Other Contracts			
		Program Implementation	\$ 3,481,855	\$ 3,156,198	\$ 3,174,498
		Policy, Strategy, and Regulatory Reporting Compliance			
		Program Management			
		Engineering services			
		Customer Application/Rebate/Incentive Processing			
		Customer Project Inspections			
		Portfolio Analytics			
		ME&O (Local)			
		Account Management / Sales			
		IT (4)			
		Call Center			
		Facilities			
		Incentives--(PA-Implemented and Other Contracts Program Implementation) Programs	\$ 3,588,723	\$ 6,164,706	\$ 5,264,706
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)			
	Non-Labor Total		\$ 7,070,578	\$ 9,320,904	\$ 8,439,204
Residential Total			\$ 7,489,472	\$ 10,246,000	\$ 9,345,971
	Other (collected through GRC) (2)	Labor Overheads			

**Table 3. SoCalREN’s Public Sector Costs by Labor and Non-Labor Cost Elements**

Pa Name:		SoCalREN			
Budget Year:		2022-2023			
PUBLIC SECTOR BUDGET DETAIL					
Sector	Cost Element	Functional Group	2020 EE Portfolio Expenditures	2022 EE Portfolio Budget	2023 EE Portfolio Budget
Public Sector	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 125,149	\$ 206,823	\$ 201,581
		Program Management	\$ 375,447	\$ 620,469	\$ 604,744
		Engineering services	\$ -	\$ -	\$ -
		Customer Application/Rebate/Incentive Processing	\$ 62,575	\$ 103,411	\$ 100,791
		Customer Project Inspections			
		Portfolio Analytics	\$ 187,724	\$ 310,234	\$ 302,372
		ME&O (Local)	\$ 31,287	\$ 51,706	\$ 50,395
		Account Management / Sales	\$ 12,515	\$ 20,682	\$ 20,158
		IT	\$ 12,515	\$ 20,682	\$ 20,158
		Call Center			
	Labor Total		\$ 807,212	\$ 1,334,008	\$ 1,300,200
	Non-Labor	Third-Party Implementer (as defined per D.16-08-019, OP 10)			
		Local/Government Partnerships Contracts (3)			
		Other Contracts			
		Program Implementation	\$ 11,315,437	\$ 11,171,070	\$ 10,566,800
		Policy, Strategy, and Regulatory Reporting Compliance			
		Program Management			
		Engineering services			
		Customer Application/Rebate/Incentive Processing			
		Customer Project Inspections			
		Portfolio Analytics			
		ME&O (Local)			
		Account Management / Sales			
		IT (4)			
		Call Center			
		Facilities			
		Incentives--(PA-Implemented and Other Contracts Program Implementation) Programs		\$ 835,000	\$ 1,135,000
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)			
	Non-Labor Total		\$ 11,315,437	\$ 12,006,070	\$ 11,701,800
Public Sector Total (5)			\$ 12,122,649	\$ 13,340,078	\$ 13,002,000
	Other (collected through GRC) (2)	Labor Overheads			

**Table 4. SoCalREN’s Cross-Cutting – Finance Costs by Labor and Non-Labor Cost Elements**

Pa Name:	SoCalREN				
Budget Year:	2022-2023				
<b>CROSS-CUTTING BUDGET DETAIL</b>					
Sector	Cost Element	Functional Group	2020 EE Portfolio Expenditures	2022 EE Portfolio Budget	2023 EE Portfolio Budget
Cross-Cutting	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 17,168	\$ 20,155	\$ 20,155,039
		Program Management	\$ 51,504	\$ 60,465	\$ 60,465,116
		Engineering services	\$ 8,584	\$ -	\$ -
		Customer Application/Rebate/Incentive Processing		\$ 10,078	\$ 10,077,519
		Customer Project Inspections			
		Portfolio Analytics	\$ 25,572	\$ 30,233	\$ 30,232,600
		ME&O (Local)	\$ 4,292	\$ 5,039	\$ 5,038,760
		Account Management / Sales	\$ 1,717	\$ 2,016	\$ 2,015,504
		IT	\$ 1,717	\$ 2,016	\$ 2,015,504
		Call Center			
	Labor Total		\$ 110,554	\$ 130,000	\$ 130,000
	Non-Labor	Third-Party Implementer (as defined per D.16-08-019, OP 10)			
		Local/Government Partnerships Contracts (3)			
		Other Contracts			
		Program Implementation	\$ 898,252	\$ 1,170,000	\$ 1,170,000
		Policy, Strategy, and Regulatory Reporting Compliance			
		Program Management			
		Engineering services			
		Customer Application/Rebate/Incentive Processing			
		Customer Project Inspections			
		Portfolio Analytics			
		ME&O (Local)			
		Account Management / Sales			
		IT (4)			
		Call Center			
		Facilities			
		Incentives--(PA-implemented and Other Contracts Program Implementation) Programs			
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)			
	Non-Labor Total		\$ 898,252	\$ 1,170,000	\$ 1,170,000
Cross-Cutting Total (5)			\$ 1,008,806	\$ 1,300,000	\$ 1,300,000
	Other (collected through GRC) (2)	Labor Overheads			

#### D. Table showing Cost drivers across the EE organization

Since SoCalREN’s inception, cost drivers such as commodity prices or regulatory mandates have not been tracked. However through the energy efficiency business plan exercise, SoCalREN has found the need for increased regulatory and policy support as well as a need for increased coverage across a variety of proceedings. As the CPUC moves to a more integrated approach to planning, energy efficiency administrators will need to be engaged in activities that assist the CPUC is meeting state legislation and the arduous task of integrated resource planning. SoCalREN will make an effort to begin to track these costs and evaluate different cost drivers in an effort to optimize administration and ensure implementation of the REN is done with the up most efficiency.

#### E. Explanation of allocation of labor and O&M Costs between EE-functions and GRC- functions or other non-EE functions

- 1) *When an employee spends less than 100% of her/his time on EE, how are Costs tracked and recovered (e.g., on a pro rata basis between EE rates and GRC rates; when time exceeds a certain threshold, all to EE; etc.).*

SoCalREN as a non-IOU PA does not have applicable GRC costs or rates. However, LA County ISD who administrates and manages SoCalREN utilizes a daily “timesheet” and program/projects code menu that all employees use to track activities and the respective times allocated to those activities. Activities and time spent supporting those can easily be tracked by initiative as well as by county departments.

**2) Describe the method used to determine the proportion charged to EE balancing accounts for all employees who also do non-EE work.**

As a non-IOU PA, this question is not applicable to SoCalREN.

**3) Identify the EE functions that are most likely to be performed by employees who also do non-EE work (e.g. Customer Account Representatives?)**

As mentioned previously in Section II A, SoCalREN is supported by a few of the departments within LA County ISD and these departments act as shared services and support more than 100,000 employees in 40 county departments as well as a multitude of county initiatives. Below is a list of some of the EE functions currently performed by LA County ISD department who also support non-EE county initiatives:

- County Office of Sustainability (EES):
  - Environmental Initiatives Division: program management and oversight, policy, strategy, and regulatory reporting compliance;
  - EES Planning & Administration: contract management and billing and invoicing;
- Information Technology Service
  - Shared Services Branch Internet Development: website and software support
- Administration & Finance Service
  - Finance: payroll services, vendor management;

**4) Are labor Costs charged to EE fully loaded?**

Yes, loaded LA County rates that would apply to EE Labor charges include the following:

- ISD-County Office of Sustainability Overhead
- Top Step Variance<sup>3</sup>
- Employee Benefits
  - Salaries & Wages
  - County Employee Retirement (Pension)
  - Workers' Compensation
  - Flexible Benefits Plan
  - Thrift Plan (Horizons)
  - Other Employee Benefits
  - Retiree Health Insurance
  - FICA (OASDI)

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<sup>3</sup> Ratio of actual salaries to budgeted salaries. As per LA County HR policy, salaries are budgeted at maximum rates, although employees may be at lower step salaries.



- Dependent Care Spending Account
- Disability Benefits
- Dental Insurance
- Health Insurance
- Life Insurance
- Unemployment Insurance
- Savings Plan

5) How are burden benefit-related administrative and general (A&G) expenses for employees who work on EE programs recovered (EE rates or GRC rates)? \*\*PG&E allocates these Costs to EE pursuant to a settlement agreement with MCE and TURN, which was adopted in D.14-08-032.

As a non-IOU PA, this question is not applicable to SoCalREN.

6) When EE and non-EE activities are supported by the same non-labor resources, how are the Costs of those resources or systems allocated to EE and non-EE activities?

SoCalREN program administration, design, and implementation is currently outsourced to third parties. SoCalREN non-labor resources and attributing Costs are only allocated to EE activities as dictated by Decision (D.)12-11-015.<sup>4</sup> Currently, all SoCalREN non-labor resource allocations only support EE activities.

7) Identify the EE O&M Costs that are most likely to be spread to non-EE functions as well as EE, if any

As a non-IOU PA, this question is not applicable to SoCalREN.

## II. BUDGET TABLES INCLUDING INFORMATION IDENTIFIED IN THE SCOPING MEMO

### A. Attachment-A, Question C.8

Pa Name: SoCalREN		SoCalREN																					
Budget Year: 2022-2023		2022-2023																					
PORTFOLIO SUMMARY																							
Sector	2020 EE Portfolio Expenditure			2021 EE Portfolio Budget			2022 EE Portfolio Budget			2020 EE Portfolio Savings			2021 EE Portfolio Forecasted Savings			2022 EE Portfolio Forecasted Savings							
	Labor	Non-labor (incl. Incentive)	Total	Labor	Non-labor (incl. Incentive)	Total	Labor	Non-labor (incl. Incentive)	Total	KWH	KW	MTHERMS	KWH	KW	MTHERMS	KWH	KW	MTHERMS					
Residential	\$ 418,854	\$ 3,485,835	\$ 3,904,689	\$ 7,489,472	\$ 925,056	\$ 8,414,528	\$ 6,164,706	\$ 30,246,000	\$ 956,747	\$ 3,171,410	\$ 5,264,706	\$ 9,345,071	1,896,813	280	113,081	5,065,529	236	203,957	4,415,640	217	626,417		
Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Agricultural	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Public	\$ 807,212	\$ 11,135,437	\$ 11,942,649	\$ 1,134,000	\$ 11,171,070	\$ 12,305,070	\$ 13,340,078	\$ 1,900,100	\$ 10,540,800	\$ 1,145,000	\$ 13,002,000	\$ 393,371	81	-	3,021,750	733	3,221	5,816,150	889	5,531			
Other Category*	\$ 110,384	\$ 898,252	\$ 1,008,636	\$ 110,000	\$ 1,126,000	\$ 1,236,000	\$ 1,300,000	\$ 110,000	\$ 1,110,000	\$ 1,110,000	\$ 1,300,000	\$ -	-	-	-	-	-	-	-	-			
<b>Total Sector Budget</b>	<b>\$ 1,326,650</b>	<b>\$ 15,095,544</b>	<b>\$ 16,422,194</b>	<b>\$ 8,623,472</b>	<b>\$ 22,352,126</b>	<b>\$ 24,640,678</b>	<b>\$ 32,546,078</b>	<b>\$ 2,156,847</b>	<b>\$ 14,811,200</b>	<b>\$ 6,899,706</b>	<b>\$ 23,647,071</b>	<b>2,290,221</b>	<b>368</b>	<b>113,081</b>	<b>8,087,279</b>	<b>969</b>	<b>205,178</b>	<b>10,231,790</b>	<b>1,106</b>	<b>431,958</b>			
EM&V-PA	\$ 159,793	\$ -	\$ 159,793	\$ -	\$ -	\$ -	\$ 246,495	\$ -	\$ -	\$ -	\$ 246,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
EM&V-SD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
EM&V-Look Forward**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
EEC-ABM4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
<b>PA Spending Budget Request (PA Program cost)</b>	<b>\$ 1,326,650</b>	<b>\$ 15,095,544</b>	<b>\$ 16,422,194</b>	<b>\$ 8,623,472</b>	<b>\$ 22,352,126</b>	<b>\$ 24,640,678</b>	<b>\$ 32,546,078</b>	<b>\$ 2,156,847</b>	<b>\$ 14,811,200</b>	<b>\$ 6,899,706</b>	<b>\$ 23,647,071</b>	<b>2,290,222.00</b>	<b>368</b>	<b>113,081</b>	<b>8,087,279</b>	<b>969</b>	<b>205,178</b>	<b>10,231,790</b>	<b>1,106</b>	<b>431,958</b>			

<sup>4</sup> D.12-11-015, p. 94.



**B. Attachment-A, Question C.9**

Please see tables 2-4 provided above.

**C. Attachment-A, Question C.10**

SoCalREN does not have any anticipated solicitations at this time scheduled for the near term.

## **ATTACHMENT D**

# **SoCalREN Proposed Public Agency Streamlined Savings Program**

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## Introduction

The Southern California Regional Energy Network's (SoCalREN) mission is to harness the collective action of public agencies to save energy and lead their communities on a pathway to a safe, secure, resilient, affordable, and sustainable energy future. Public agencies play a critically important role in achieving resource integration, comprehensive energy savings, and reduced greenhouse gas (GHG) emissions to meet the state's aggressive energy and climate goals. Unleashing the potential of the public sector to lead by example and motivate action is key to a clean energy future, particularly within disadvantaged communities (DACs). SoCalREN's Public Sector programs help public agencies overcome unique market barriers that prevent them from leading their communities toward a more resilient and equitable energy future.

SoCalREN's existing public sector program portfolio, which includes the SoCalREN Energy Efficiency Project Delivery Program (EE PDP) and Pathway to Zero non-resource programs, focuses on driving energy efficiency projects that can be channeled mainly through the investor-owned utilities (IOU) resource programs<sup>11</sup>. Recent changes to California's energy efficiency program policies have curtailed viable resource program opportunities and have made it difficult for public sector customers to access SoCalREN's program resources to drive energy efficiency projects forward.

The California Public Utilities Commission (CPUC) Decision (D.)16-08-019 required the state's IOUs to transition 60 percent of their program portfolios to third-party program implementers<sup>12</sup>. This decision has created both challenges and opportunities for public agency customers across the state. With the onset of new third-party programs, many SCE resource programs have already or will soon sunset<sup>13</sup> before new programs launch<sup>14</sup>. Now, public agency customers are unsure how they will be served by the new programs and what the offerings will entail. Recent and pending program closures leave a significant market gap for public agencies with no viable program pathway for projects. In response, SoCalREN proposes a new resource program to fill existing and future gaps in the public sector market, specifically focused on achieving electric energy savings.

This proposal contains preliminary details regarding the proposed program. If authorized, SoCalREN will draft a program Implementation Plan and Program Manual per commission requirements.

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<sup>11</sup> Projects are channeled through resource programs administered by SCE, SCG, and the SoCalREN NMEC program.

<sup>12</sup> Decision (D.)16-08-019, Decision Providing Guidance for Initial Energy Efficiency Rolling Portfolio Business Plan Filings, adopted August 18, 2016, ordering paragraph 12.

<sup>13</sup> SCE closed their Industrial Calculated program in June 2021 and will be closing the Commercial Calculated and Deemed program at the close of 2021. SCE Midstream Point of Purchase Program also closed on June 25th, 2021.

<sup>14</sup> SCE Local Public Sector third-party program will not launch until Q3 2022. SCE Water/Wastewater third party program will not launch until Q4 2022. These program launches create significant gaps for public sector projects.

## Public Agency Streamlined Savings Program

### Program Description

SoCalREN's Public Agency Streamlined Savings Program (SSP) is designed to fill public sector market gaps. It will allow SoCalREN to continue serving customers and to deliver on its mission. SSP creates a viable pathway for public agencies to develop energy projects and capture verifiable electric savings that are no longer eligible for support nor incentives through SCE programs. The program is designed as a downstream program that will provide deemed and custom incentive opportunities based on GHG emission reductions, with a focus on disadvantaged, rural, and low-income communities. This new offering can address current agency needs and will enable SoCalREN to contribute more to California's SB 350<sup>15</sup> goals, which seek to double energy efficiency savings in electricity end uses by 2030.

### Program Objectives

The SoCalREN Public Sector's overarching goal is to help public agencies reduce energy consumption and related costs in their facilities and infrastructure. The Public Agency SSP will contribute to this effort by achieving the following objectives:

1. Generate persistent and long-term electric energy savings (kWh and kW) and GHG emission reductions to support program and state goals.
2. Fill gaps for public agencies left by closing SCE programs.
3. Mitigate the cost of delay for public agencies through a streamlined incentive program.
4. Reduce project delays and complexities by leveraging technical expertise and existing agency relationships.

### Program Processes and Supported Activities

Beginning in 2022, the SoCalREN SSP will offer services and incentives for public agencies that no longer have an available resource program pathway to support and motivate them to complete energy efficiency projects. The SSP will target facilities and infrastructure with high-value, comprehensive energy efficiency project opportunities within disadvantaged, low-income, and rural communities (under-resourced communities).

Projects funneled through the SSP will have access to no-cost, start to finish technical expertise and project management services offered by the SoCalREN EE PDP and Pathway to Zero programs. Projects running through the SSP will be reviewed and approved by SoCalREN like the Public Agency Normalized Metered Energy Consumption (NMEC) Program. By leveraging the complementary technical support services provided by the PDP and Pathway to Zero programs, the SSP will fill service gaps for the public sector, giving public agencies access to cost and energy savings left out of sunset SCE program offerings.

Examples of typical SSP projects include water and wastewater process optimization and pumping projects impacted by the closing of the SCE customized industrial program and heating,

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<sup>15</sup> [www.energy.ca.gov/sb350](http://www.energy.ca.gov/sb350)



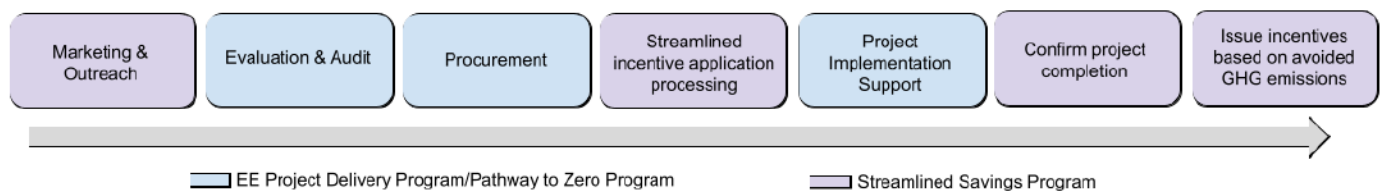
ventilation, and air conditioning (HVAC) retrofit projects impacted by the sunset of the SCE customized program.

The SSP will be a resource program; therefore, energy efficiency savings from these projects will contribute to SoCalREN portfolio savings goals, Total System Benefit (TSB), and grid demand forecasting and resource planning. The program will offer monetary incentives to agencies based on avoided GHG emissions resulting from projects' resource savings (as measured by the latest version of the CPUC's Avoided Cost Calculator). Unlike traditional IOU programs that offer flat rate incentives for kWh, kW, and therm savings, incentive rates will be higher for under-resourced agencies given their heightened need for financial support.

The SSP will engage current and future public agencies enrolled in SoCalREN Programs, leveraging relationships to identify opportunities for successful projects. The Program will conduct marketing and outreach to communicate the benefits of the SSP and what it means for each customer.

The SSP will deliver savings using a downstream intervention strategy where all services are offered through a third-party implementer. Potential projects will be identified through either conducting a new audit or utilizing an existing audit of buildings and facilities. Next, engineering calculations will determine expected cost savings and energy savings for the project life cycle based on energy consumption data and savings from the existing baseline associated with the measures included in the project scope. After project approval and construction completion, the SSP will conduct a post-inspection (as needed) to verify implemented measures, update energy models and engineering calculations, determine final claimable lifetime savings and avoided GHG emissions, and determine incentive amounts for the customer.

**Figure 1. Streamlined Savings Program Participation Process**



Agencies participating in the SSP will benefit from a customized approach to technical assistance and project management through SoCalREN's non-resource EE PDP and Pathway to Zero Programs. Services include project scoping, financial analysis, financial support services, procurement assistance, energy modeling, and engineering calculations. SoCalREN third party engineers will support SSP projects and help ensure their success. All these services will be provided to agencies at no-cost. Custom projects will go through the Custom Measure and Project Archive (CMPA) process.



## Program Rationale

With the onset of new third-party programs, many SCE resource programs have already or will soon sunset before new programs launch. This will leave a gap for public agencies with no viable program pathway option for projects. The typical project life cycle for public agencies can take 18-24 months from identification to completion, with water and wastewater projects potentially requiring up to 36 months or more due to process considerations and permit compliance. Given these project timelines, SCE core program closures with little to no notice severely impact public agencies' ability to achieve cost and energy savings from planned energy efficiency projects.

The SSP will address the gaps left by SCE program closures by offering a SoCalREN third party program until new third-party programs launch<sup>16</sup>. The SSP aims to reduce project delays and complexities for public agencies by leveraging no-cost technical services and financial analysis support under SoCalREN non-resources programs and by offering monetary incentives based on avoided GHG emissions from the project.

## Market Barriers Addressed

As described in the overarching theory and logic model sections, the SSP is designed to overcome several market barriers, including:

1. Gaps in public agency programs due to SCE core programs closing and staggered launch of new third party programs that will serve public sector customers
2. Lengthy project review and processing times
3. Lack of available funding and financing

## Incentive Structure

SoCalREN is proposing an innovative incentive structure that drives persistent energy savings, contributes to the State's energy efficiency goals, and prioritizes under-resourced communities. Incentives will be offered to agencies based on cumulative avoided GHG emissions resulting from projects' total life cycle resource energy savings. Unlike traditional SCE programs that offer flat rate incentives on first-year kWh, kW, and therm savings, SSP will offer enhanced incentives for under-resourced agencies. SoCalREN believes this structure will promote deep, long-lasting energy savings.

## Target Markets and Served Population

SoCalREN will target current and future participants of the SoCalREN EE PDP and Pathway to Zero with a focus on under-resourced communities. SoCalREN has over 190 enrolled agencies, all of which could potentially participate in the SSP. There are over 700 agencies in the SoCalREN territory that may enroll and become new participants due to their interest in the SSP.

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<sup>16</sup> For example, the SCE Water/Wastewater third party program will not launch until Q4 2022. SCE's Industrial Program closed June 25th, 2021. This leaves a gap of over a year for many water/wastewater energy efficiency projects.

The SSP will be available exclusively for public agencies enrolled in SoCalREN Public Agency Programs. This includes cities, counties, tribes, school districts, water districts, sanitation districts and other special districts. The SSP will be offered to all public agencies in the SoCalREN service territory. There will also be a targeted effort to focus on under-resourced communities. Projects are eligible for higher incentives if they are in ZIP codes designated as disadvantaged (DAC), low-income, and/or rural communities, based on the following criteria:

1. Facility lies within a DAC ZIP code containing tracts vulnerable to environmental pollutants, as defined by SB 535, identifiable via the [CalEnviroScreen 3.0](#) screening tool.
2. Facility ZIP code lies within a low-income community containing census tracts classified as “very low-income” by California’s Department of Housing and Community Development, Division of Housing Policy Development.<sup>17</sup> The very low-income definition for SoCalREN’s purposes includes ZIP codes containing census tracts with median household incomes at or below 50 percent of the area median income.
3. Facility is designated as a Title 1 school, identifiable via [CA Department of Education data](#). These schools have a high concentration of students from low-income households.
4. Facility lies within a rural community ZIP code containing tracts classified by Rural-Urban Commuting Area (RUCA) codes as being outside of a metropolitan area core. The [RUCA system](#), developed by the USDA, takes into account population density and considers how closely a community is socio-economically linked to larger urban centers.

### Program Savings Potential

See the table below for program savings potential.

**Table 1. Annual Program Savings Targets**

Year	Gross kWh Savings Claimed	Gross kW Savings Claimed
2022	2,500,000	188
2023	6,000,000	450

### Measures and Treatment

The SSP is a resource program that will promote long-term energy savings from energy efficiency projects, resulting in reduced GHG emissions, cost savings, and increased energy savings for public agencies. Eligible energy-efficient measures will include those previously offered by the terminated SCE core programs, including downstream deemed and custom measures. Reported

<sup>17</sup> California Department of Housing and Community Development, Division of Housing Policy Development - State Income Limits for 2020 document.

energy savings (electric) claims will be based on deemed measures in the adopted eTRM and approved work papers as well as calculated savings for eligible custom measures.

Target end uses and measures for the program are outlined in Table 2 below. Additional measures will be evaluated and added to the program offerings as necessary.

**Table 2. Target End Uses and Target Measures**

Target End Use	Target Measures
HVAC	<ul style="list-style-type: none"> <li>● Demand control ventilation</li> <li>● HVAC controls and occupancy sensors</li> <li>● Supply fan variable frequency drive (VFD)</li> <li>● Packaged units</li> <li>● RTU/AHU/Chiller optimization or replacement</li> <li>● Economizer add-on equipment and controls</li> <li>● Evaporative precooler</li> <li>● Supply air reset</li> <li>● Temperature deck reset</li> <li>● Condenser water reset</li> </ul>
Lighting	<ul style="list-style-type: none"> <li>● Interior lighting</li> <li>● Exterior lighting</li> <li>● LED roadway lighting</li> <li>● Lighting controls and occupancy sensors</li> </ul>
Commercial Refrigeration	<ul style="list-style-type: none"> <li>● Walk in or reach in cooler or freezer</li> </ul>
Building Envelope	<ul style="list-style-type: none"> <li>● Insulation</li> <li>● Window tinting</li> </ul>
Pumping	<ul style="list-style-type: none"> <li>● Pump overhauls</li> <li>● Pump replacements</li> <li>● Pump sequencing/scheduling</li> <li>● Pump VFD</li> </ul>
Process Optimization	<ul style="list-style-type: none"> <li>● Optimize fluid flow system</li> <li>● Optimize zone pressure</li> <li>● Aeration Blower VFD</li> <li>● Chemically enhanced primary sedimentation (CEPS)</li> <li>● Ammonia-based aeration controls</li> <li>● Blower sequencing/scheduling</li> <li>● Return activated sludge (RAS)/waste activated sludge (WAS) optimization</li> <li>● UV tertiary treatment upgrade</li> <li>● Ultra-fine pore diffuser retrofit</li> <li>● Wastewater controls automation</li> </ul>

## Program Budget

SoCalREN is requesting approval to allocate existing funding authorized under the Business Plan Portfolio. The estimated SSP budget is below.

### *Proposed Incentive Budget*

Incentives will be paid based on the avoided lifecycle GHG emissions attributed to each measure installed, determined using the GHG emissions component of the CPUC Avoided Cost Calculator. Under-resourced participant agencies will be awarded a higher incentive rate. The estimated incentive budgets for each program year are as follows:

**Table 3: Incentive Budget by Year**

Year	Total Incentive Budget
2022	\$344,241
2023	\$603,470

### *Proposed Program Budget*

**Table 4: Program Budget Breakdown**

Year	Incentive Budget	Program Implementation Budget	Program Marketing Budget	Program Admin Budget	Total Program Year Budget
2022	\$344,241	\$579,759	66,000	\$110,000	\$1,100,000
2023	\$603,470	\$572,530	84,000	\$140,000	\$1,400,000

## Overarching Theory

The program theory is that incentives based on GHG reductions will encourage public sector agencies to pursue projects that will result in deeper energy savings over the projects' lifetime. By aligning the incentives to the grid impacts of efficiency measures, the program aligns with the state's GHG reduction goals and those of the public agencies SoCalREN serves. The program prioritizes under-resourced participant agencies who will be awarded a higher incentive rate.

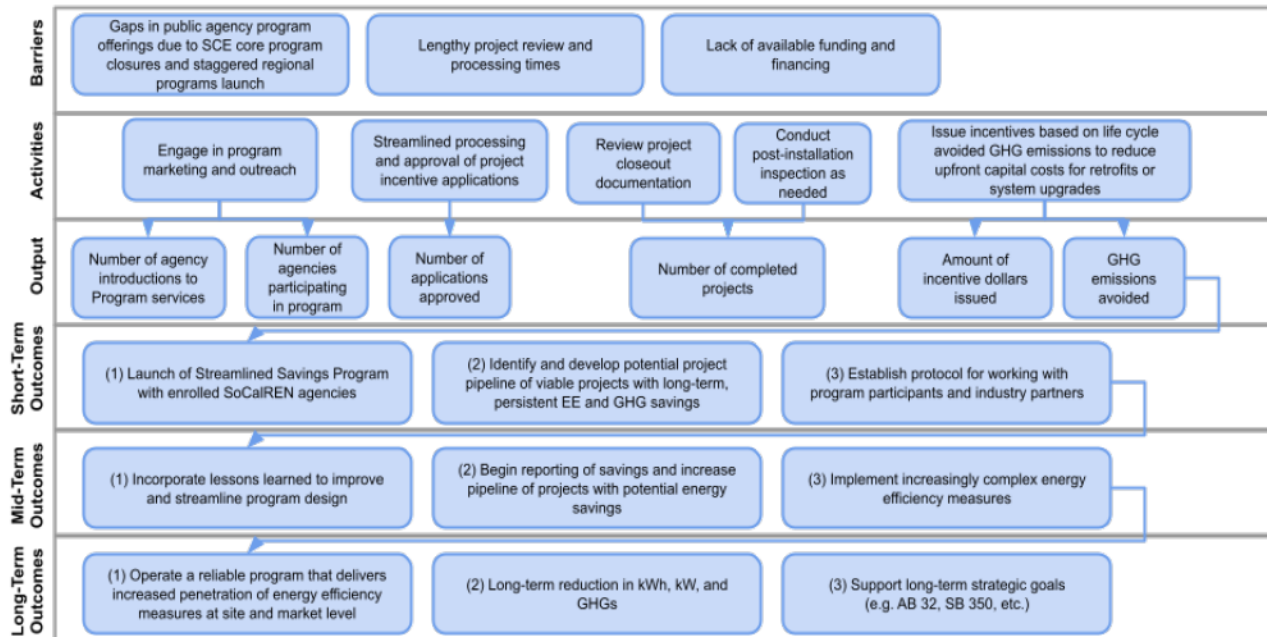
Market barriers faced by public sector customers in the SoCalREN service area are addressed through the SSP.

- The gap between SCE core programs closures and the launch of new statewide programs leaves public agencies unserved. With the SSP, public agencies will be able to continue pursuing energy projects that will result in energy, cost, and GHG savings for their communities.
- Traditionally, the program offerings available to public agencies have lengthy review and processing times, which can lead to a significant cost of delay for the project. The SSP will streamline processing times by leveraging SoCalREN's services to develop, review, and process project application packages, allowing public agencies to realize energy and cost savings sooner.
- Financing capital upgrades often requires multiple funding strategies. Traditionally available incentives and on-bill financing are no longer available with the SCE core program closures, and there is not enough information available for public agencies to know what will be available through the third-party program offerings. SPP's monetary incentives will provide needed funding, alongside the SoCalREN PD and Pathway to Zero services that allow agencies to continue developing and implementing energy saving projects.

Through participation in the SSP, SoCalREN expects that public agencies will generate deep kWh and kW savings and create long-lasting benefits for their communities resulting in a more safe, secure, resilient, affordable, and sustainable clean energy future.



## Public Agency Streamlined Savings Program Logic Model



### Barriers

The market barriers addressed by the SSP include (1) gaps in public agency program offers due to SCE core programs closing and new regional programs not yet launching, (2) lengthy project review and processing times, and (3) lack of available funding and financing.

### Activities and Outputs

**Engage in program marketing and outreach.** SoCalREN will introduce the new SSP and its services to all current and newly enrolled public agencies. Agencies will be made aware if their current projects are good candidates for the new program and will learn how program services can support their planned and future projects. Education through marketing and outreach helps agencies recognize the opportunity and value of services and overcome the barriers of SCE program closures and uncertainty about offerings available to them.

**Streamlined processing and approval of project incentive applications.** The package application processing timeline will be reviewed under the SoCalREN program by a technical subconsultant. In-house application processing mitigates communication and coordination delays typically experienced when projects are channeled to external energy efficiency programs. Streamlined processing will shorten the time between project identification and construction completion, enabling agencies and their communities to realize savings sooner.

**Review project closeout documentation.** SoCalREN will review project closeout documentation to determine the incentive amount to be issued to the customer.



**Conduct post-installation inspection as needed.** If required, SoCalREN will conduct a post-installation inspection for completed projects to ensure the project is installed per the agency's scope.

**Issue incentives based on life cycle avoided GHG emissions to reduce up-front capital costs for retrofits and system upgrades.** Incentives will be based on the project's total resource life cycle avoided GHG emissions. Incentives are critical to help public sector customers overcome funding and financing barriers by reducing the up-front cost of capital for projects.

### Short-Term Outcomes

**Launch of Streamlined Savings Program with enrolled SoCalREN agencies.** Upon approval by the Commission, SoCalREN will develop and submit a Program Implementation Plan and Program Manual through the required process. SoCalREN will also develop tracking and reporting processes for key performance metrics and program outcomes. SoCalREN will market the program through collateral, presentations, social media, and website integration. SoCalREN will create internal tools, processes, and templates to ensure a successful program. Current and newly enrolled participating agencies will be introduced to the new SSP and services.

**Identify and develop potential project pipeline of viable projects with long-term persistent EE and GHG savings.** Agencies will be notified if their active projects are good candidates for the new program and will learn how program services can support their future projects. SoCalREN will track projects identified and key data points to demonstrate measurable progress toward the achievement of program goals.

**Establish protocol for working with program participants and industry partners.** SoCalREN will develop program processes and procedures internally and with our technical subconsultants to deliver a streamlined, user-friendly program. Coordination with industry partners, including IOUs and third-party implementers will help mitigate customer confusion about program offerings and opportunities. Since the Public Agency Programs launched in 2013, SoCalREN has demonstrated successful coordination with industry partners to ensure disjointed program offerings are introduced to agencies in a streamlined fashion to avoid decision fatigue and potential project delays. Participant and stakeholder coordination will ensure program "double-dipping" is avoided and savings are not double counted across multiple resource programs.

### Mid-Term Outcomes

**Incorporate lessons learned to improve program design.** SoCalREN's organizational structure allows us to adapt quickly to evolving customer needs. Feedback and lessons learned will be discussed and incorporated into the program design to improve program efficiency and service offerings.

**Begin reporting savings and increase the pipeline of projects with potential energy savings.** Completed projects will be reported in the program year in which the installation report is submitted for custom projects or when the deemed application is submitted. SoCalREN will work with agencies to develop an ongoing pipeline of projects with potential for deep, long-lasting energy savings.

**Implement increasingly complex energy efficiency measures.** Program participants will be motivated to implement comprehensive and complex energy efficiency measures with persistent savings due to the nature of a GHG-based incentive structure.

### Long-Term Outcomes

**Operate a reliable program that delivers increased penetration of energy efficiency measures at site and market level.** The program will offer public agencies an incentivized program to drive energy projects forward until statewide third-party programs are fully launched and running. SSP will increase customer knowledge and awareness of the benefits of energy efficiency measures and programs, ultimately increasing the long-term penetration of measures and future uptake of energy efficiency programs.

**Long-term reduction in kWh, kW, and GHGs.** The program will encourage measures with deep, long-lasting savings, offering attractive incentives for measures with long effective useful lives.

**Support long-term strategic goals (e.g., AB 32, SB 350, etc.).** Deep, persistent savings and GHGs avoided through the program's projects will contribute to the state's long-term strategic goals.

## **ATTACHMENT E**

### **CPUC Common Sector Level Metrics: Updated Targets**











## **ATTACHMENT F**

### **SoCalREN Program Level Explanation of Modifications**

(report budgets to the \$--do not round, add rows as needed)

Programs to be closed with the disposition of 2022-2023 ABAL			Programs with enhanced budgets (~40% budget increase)											
PA Justification	Third Party Implementer or Core	Statewide or Local	Programs to be Closed with the Disposition of 2022-2023 ABAL	% change	2020 Claimed TRC	2021 (Q2) Claimed TRC	2022 Filed TRC	2023 Filed TRC	2021 Budget	2022 Budget	2023 Budget	Year Program Started	For existing third party implemented programs, MM/YY Program was due to sunset prior to FY 2022-2023 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of FY 2022-2023 ABAL planning and timing for new 3P contracts' ramp up

Programs to be closed upon completion of commitments														
PA Justification	Third Party Implementer or Core	Statewide or Local	Programs to be Closed with the Disposition of 2022-2023 ABAL	% change	2020 Claimed TRC	2021 (Q2) Claimed TRC	2022 Filed TRC	2023 Filed TRC	2021 Budget	2022 Budget	2023 Budget	Year Program Started	For existing third party implemented programs, MM/YY Program was due to sunset prior to FY 2022-2023 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of FY 2022-2023 ABAL planning and timing for new 3P contracts' ramp up
Difficulty securing lending partners due to COVID pandemic.	Core	Local	SCR-PIN-C2 Residential Loan Loss Reserve	100.00%	0.00	0.00	0.00	0.00	\$ 750,000	\$ -	\$ -	2020	N/A	N/A

Programs with reduced budgets (~40% budget decrease), to continue in 2022 or 2023														
PA Justification	Third party Implementer or Core	Statewide	Programs with reduced budgets (~40% budget decrease)	% change	2020 Claimed TRC	2021 (Q2) Claimed TRC	2022 Filed TRC	2023 Filed TRC	2021 Budget	2022 Budget	2023 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to FY 2022-2023 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of FY 2022-2023 ABAL planning and timing for new 3P contracts ramp up, or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004.

Programs with enhanced budgets (~40% budget increase)														
PA Justification	Third party Implementer or Core	Statewide	Programs with enhanced budgets (~40% budget increase)	% change	2020 Claimed TRC	2021 (Q2) Claimed TRC	2022 Filed TRC	2023 Filed TRC	2021 Budget	2022 Budget	2023 Budget	Year program started	For existing third party implemented programs, MM/YY Program was due to sunset prior to FY 2022-2023 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of FY 2022-2023 ABAL planning and timing for new 3P contracts ramp up, or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004.
Expanded services	Core	Local	SCR-PUBL-62 (DER DAC Project Delivery Program)	44%	0.00	0.00	0.00	0.00	\$ 2,829,000	\$ 4,071,000	\$ 3,813,000.00	2020		
Expanded services	Core	Local	SCR-PUBL-63 (Public Agency NMEC Program)	69%	0.00	0.00	0.61	0.63	\$ 650,000	\$ 1,100,000	\$ 1,300,000	2020		

Programs that are new in 2022 or 2023														
PA Justification	Third party Implementer or Core	Statewide	Programs that are new in 2022 or 2023				2022 Filed TRC	2023 Filed TRC	2021 Budget	2022 Budget	2023 Budget	MM/YY program to start	MM/YY Program is due to sunset and flag as "NEW 3P" program if program is result of 3P solicitation process per D1801004	For existing third party implemented programs, MM/YY Program is extended to as a result of FY 2022-2023 ABAL planning and timing for new 3P contracts ramp up, or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004
Address gaps left by other program closures and 3P program limitations.	Core	Local	SCR-PUBL-84 Streamlined Savings Program				0.37	0.82	\$ -	\$ 1,100,000	\$ 1,400,000	Jan-22	N/A	