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| --- | --- | --- |
|  1LACo_SEAL_K2in0904PC1 | County of Los Angeles**INTERNAL SERVICES DEPARTMENT**1100 North Eastern AvenueLos Angeles, California 90063 |  |
|  | *“To enrich lives through effective and caring service”* | Telephone: (323) 267-2101FAX: (323) 264-7135 |

September 04, 2018

**Advice No. #8-E-G**

(CPUC Identification #940)

Public Utilities Commission of the State of California

**SUBJECT: COMPLIANCE FILING REGARDING SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK 2019 ENERGY EFFICIENCY PROGRAM PORTFOLIO CHANGES AND FUNDING REQUEST**

# Purpose

The Southern California Regional Energy Network (SoCalREN) submits this Advice Letter to the California Public Utilities Commission (Commission), in compliance with Ordering Paragraph [x] of Decision (D.) 18-15-041. This Advice Letter provides budget, programmatic adjustments and updated supporting documentation for energy efficiency programs the SoCalREN will offer in 2019.

**[To be updated by the 9/21 CAEECC Meeting]**

# Background

The SoCalREN was authorized in 2012 by the Commission to harness the resources and unique capabilities of public agencies to deliver innovative and effective energy efficiency solutions. Programs successfully underway align with the recommended local government actions detailed in the Energy Efficiency Strategic Plan and are on track to achieve deep energy savings. The SoCalREN is building the capacity and expertise essential for public agencies to meet California’s energy goals. This Advice Letter details the SoCalREN program offerings for 2019 based.

**[To be updated by the 9/21 CAEECC Meeting]**

# Discussion

**[To be updated by the 9/21 CAEECC Meeting]**

# Funds Requested

*[Values included table 4 reflect estimates as of 9/2, results may be updated by the 9/21 CAEECC Meeting]*

1. **SoCalREN 2019 Budget Request**

SoCalREN requests a total portfolio and Evaluation, Measurement and Verification (“EM&V”) budget of $20,740,920. The budget breakdown is reflected in Table 1.

**Table 1. Proposed 2019 Annual Budget**

|  |  |  |
| --- | --- | --- |
| Sector | 2019 Authorized Budget[[1]](#footnote-1) | 2019Proposed Budget |
| A: Residential  | $6,671,000 | $6,719,920 |
| B: Public Sector | $11,563,000 | $11,500,000  |
| C: Financing | $2,224,000 | $2,237,000 |
| D: WE&T | $284,000 | $284,000 |
| Sub Total | 20,742,000 | $20,740,920 |
| EM&V[[2]](#footnote-2) | ----- | $327,606 |
| Total | 20,742,000 | $21,068,526 |

# Cost-Effectiveness

[brief discussion on the cost effectiveness values provided. This section will provide explanation for assumptions regarding the TRC (i.e. below the required threshold) and if applicable plans to increase.]

**Table 2. Cost-Effectiveness**

|  |  |
| --- | --- |
| Sector/Program | Forecast 2019 |
|  | **TRC** | **PAC** |
| Residential | [TBA] | [TBA] |
| Public | [TBA] | [TBA] |
| Portfolio | 0.27 | **0.28** |

# Energy Savings

[this section would provide a brief succinct description of assumptions around the forecasted savings. Also, any relevant information regarding the claimed and relevant data provided]

*[Values included table 4 reflect estimates as of 9/2, results may be updated by the 9/21 CAEECC Meeting]*

**Table 4. SoCalREN 2019 Forecasted Energy Savings (Net)**

|  |  |  |  |
| --- | --- | --- | --- |
| Sector/Program | kWh | kW | Therms |
| Residential | 6,192,171 | 831 | 175,043 |
| Public |  |  |  |
| Portfolio | 6,192,171 | 831 | 175,043 |

**Discussion of Proposed Program and Portfolio Changes**

**[To be updated by the 9/21 CAEECC Meeting]**

1. **SoCalREN 2019 Portfolio Level Changes**
* SoCalREN’s 2019 proposed portfolio reflects it’s commitment to optimize program budgets and to increase the overall cost effectiveness of the portfolio over time
* SoCalREN will continue to adopt a “long-term” path towards administrative efficiency and strive to find areas that maximize outcomes, customer benefits, and program performance, while minimizing costs. This path will include practices such as:
	+ streamlining reporting processes, instituting more internal detailed budgetary tracking reports, standardizing infographics and other data-sharing and marketing collateral, maximizing web-based tools,
	+ identify administrative tasks that can be automated or eliminated so long as regulatory compliance or customer support is not compromised
* SoCalREN will continue to utilize its successful “peer driven” approach to leverage public agency programs with a focus on serving hard-to-reach communities and disadvantaged communities in both its public and residential sectors
* Continue to complement and supplement IOU programs, by filling gaps and finding synergies among approaches to maximize opportunities for customers and other market actors
1. **SoCalREN 2019 Program Level Changes**
* Significant program budget reductions for programs which have been deemed either (1) unsuccessful in achieving cost-effective savings, or (2) attained all objectives over successive bridge years
* Residential sub program budgets have been adjusted to move funding to cost effective programs such as Multifamily.
* **Proposed Programs to be closed:**
	+ Single Family Home Upgrade California
		- Including all associated sub-programs: Greenbuilding Labeling, EUC Local Marketing and Outreach, and Low-income single family HUP
	+ Public Building Loan Loss Reserve
	+ Non-Residential PACE
	+ EUC HUP Loan Loss Reserve

**Strategies for increased cost-effectiveness**

**[To be updated by the 9/21 CAEECC Meeting]**

* **Multifamily**
	+ Utilize innovative tools and tactics to increase participation while improving cost effectiveness
	+ Leverage approaches that support a long-term customer journey for multifamily property owners
	+ Employ community-based relationships and networks to influence hard-to-reach and disadvantaged communities
	+ Leverage County analytics and existing databases to identify key market targets and programmatic improvements
	+ Implement cost efficient financing solutions for multifamily property owners, to help drive a greater adoption of deep comprehensive retrofits
* **Public Sector**
	+ Implement more cost-effective innovative approaches such as NMEC to drive deeper retrofits savings
	+ Continue to utilize companion programs offered by partner IOUs to develop comprehensive work-scopes for public agencies
	+ Utilize SoCalREN’s “peer-driven” approach to drive program performance and reduce the program’s customer participation costs so that deeper energy savings can be achieved
	+ Implementing cost efficient financing solutions for Public Agency customers, to help drive a greater adoption of deep comprehensive retrofits

# 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. 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 LeEnergy and Environmental ServicesGeneral Manager County of Los Angeles Office 1100 North Eastern Avenue Los Angeles, CA 90063-3200 (323) 267-2006 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. SoCalREN respectfully requests that this Advice Letter be made effective on October 4, 2018, 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.

 Respectfully Submitted,

/s/

Minh Le

Energy and Environmental Services General Manager

County of Los Angeles Office

1100 North Eastern Avenue Los Angeles, CA 90063­3200 (323) 267-2006 MSLe@isd.lacounty.gov

1. D.18-05-041, p. [x] [↑](#footnote-ref-1)
2. [citation and directive from D.16-08-019] [↑](#footnote-ref-2)