2024 EE Portfolio Q1-Q2 Highlights

2024 Semi-Annual Portfolio Performance Report Review

October 2024

California Public Utilities Commission

Purpose and Agenda

Purpose:

- Provide a holistic look at EE portfolio expenditures, TSB and TRC.
- Identify key portfolio trends and learnings.

Agenda:

1. Achievements Compared to Targets
2. Expenditures
3. Generating TSB
4. State of TRC
5. Conclusions
6. Q&A

IOU Achievements vs 2024 Targets –2024 Q1-Q2

TSB (Million $)				
IOU	Target	Achieved Q1-2 2024	% of 2024 Target YTD	% of annual goal achieved by 2023 Q1-Q2
PGE	$212M	$64M	30%	15%
SCE	$113M	$30M	27%	4%
SCG	$164M	$36M	**22%**	29%
SDGE	$45M	$15M	33%	11%

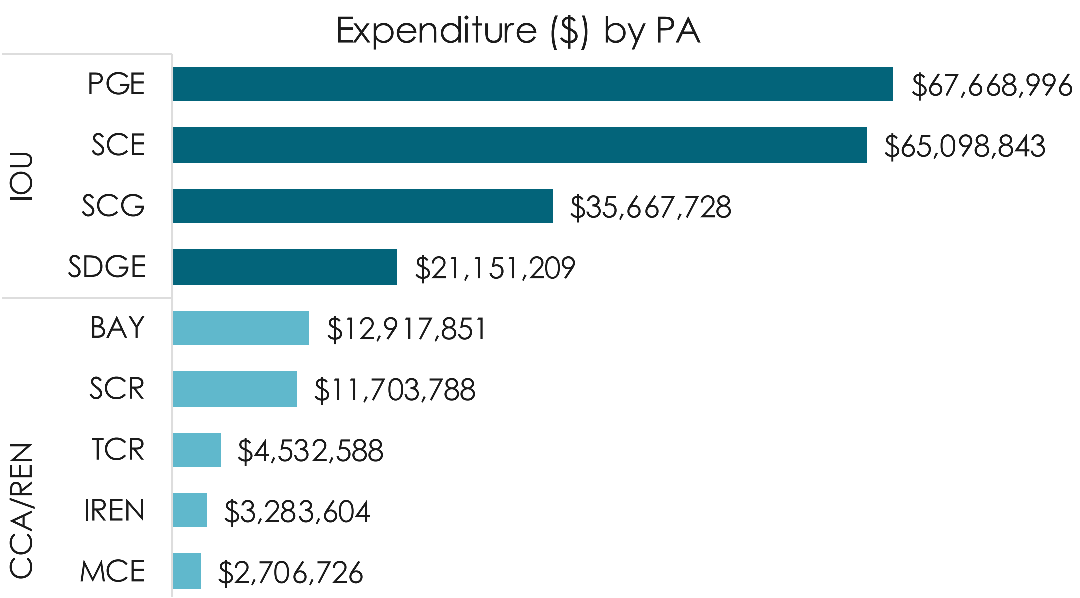
IOU	1st-yr GWh				MW				1st-yr MMTherms			
	P&G Forecast	Achieved	%	% of annual goal achieved by 2023 Q1-Q2	P&G Forecast	Achieved	%	% of annual goal achieved by 2023 Q1-Q2	P&G Forecast	Achieved	%	% of annual goal achieved by 2023 Q1-Q2
PGE	453	147	32%	23%	83	21	**25%**	25%	33.9	8.9	**26%**	57%
SCE	341	31	9%	2%	108	2	**2%**	2%	3.3	1.3	40%	N/A
SCG	14	2	14%	N/A	5	2	36%	N/A	42.6	4.4	**10%**	54%
SDGE	111	10	9%	5%	23	0	2%	1%	5.3	2.1	41%	0.32%

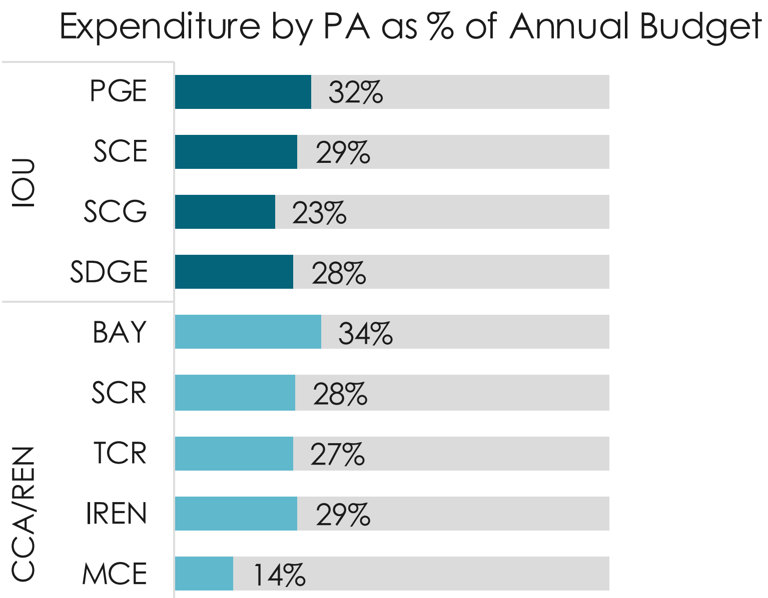
<u>Summary:</u>

- Similar progress across IOUs for meeting the TSB goals, and performing better than 2023 Q1-Q2 progress
- Electric Energy (GWh) achieved savings progress is doing better than 2023 Q1-Q2 progress, see %ages in <u>green</u>
- Electric Demand (MW) achieved savings performing the same as in 2023 Q1-Q2
- Gas Energy (MMTherms) savings progress better than Electric in Q1-Q2 since about 15% of TSB is from fuel substitution

Total Expenditure by PA

Includes C&S, EM&V





Data Source:
Expenditure: Directly from quarterly claims record level data , CEDARS Sept 2024. Includes EM&V and C&S.
Annual Budget: CEDARS Budget Filing 2024

Breaking Down Total Expenditure by PA into Program Segment

Includes C&S, EM&V

- SCG and SCE spent slightly over 30% on Equity and Market support through Q1-Q2
- Majority of CCA/REN spending is in the Equity and Market support segments

	PA	Resource Acquisition	Market Support	Equity	Grand Total (Including C&S, EM&V)	% Equity & Market Support
IOU	PGE	$39,231,482	$12,148,748	$323,231	$67,668,996	18%
	SCE	$33,016,296	$18,728,170	$1,036,919	$65,098,843	30%
	SCG	$22,499,286	$6,186,845	$5,804,396	$35,667,728	34%
	SDGE	$14,165,555	$4,250,473	$512,404	$21,151,209	23%
CCA/REN	BAY	$1,912,937	$2,279,104	$7,813,833	$12,917,851	78%
	SCR	$2,483,492	$7,354,282	$1,611,930	$11,703,788	77%
	TCR		$753,212	$3,349,864	$4,532,588	91%
	IREN		$751,406	$2,030,790	$3,283,604	85%
	MCE	$920,598	$208,660	$1,564,664	$2,706,726	66%
TOTAL		$114,229,646	$52,660,900	$24,048,031	$224,731,333	34%

Source: Quarterly claims record level data from CEDARS Sept 2024
* There are inconsistencies in the program segment selection across PAs. We did not attempt to remap programs. For example, commercial energy advisor and other energy advisor programs may be classified as market support or resource acquisition.

IOU Third Party and Total Expenditures

Excludes C&S, EM&V

- PGE and SDGE expended over 80% on third party programs in Q1-Q2
- 2023: EoY 2023 PG&E and SDGE spent over 70% of the budget on third party programs

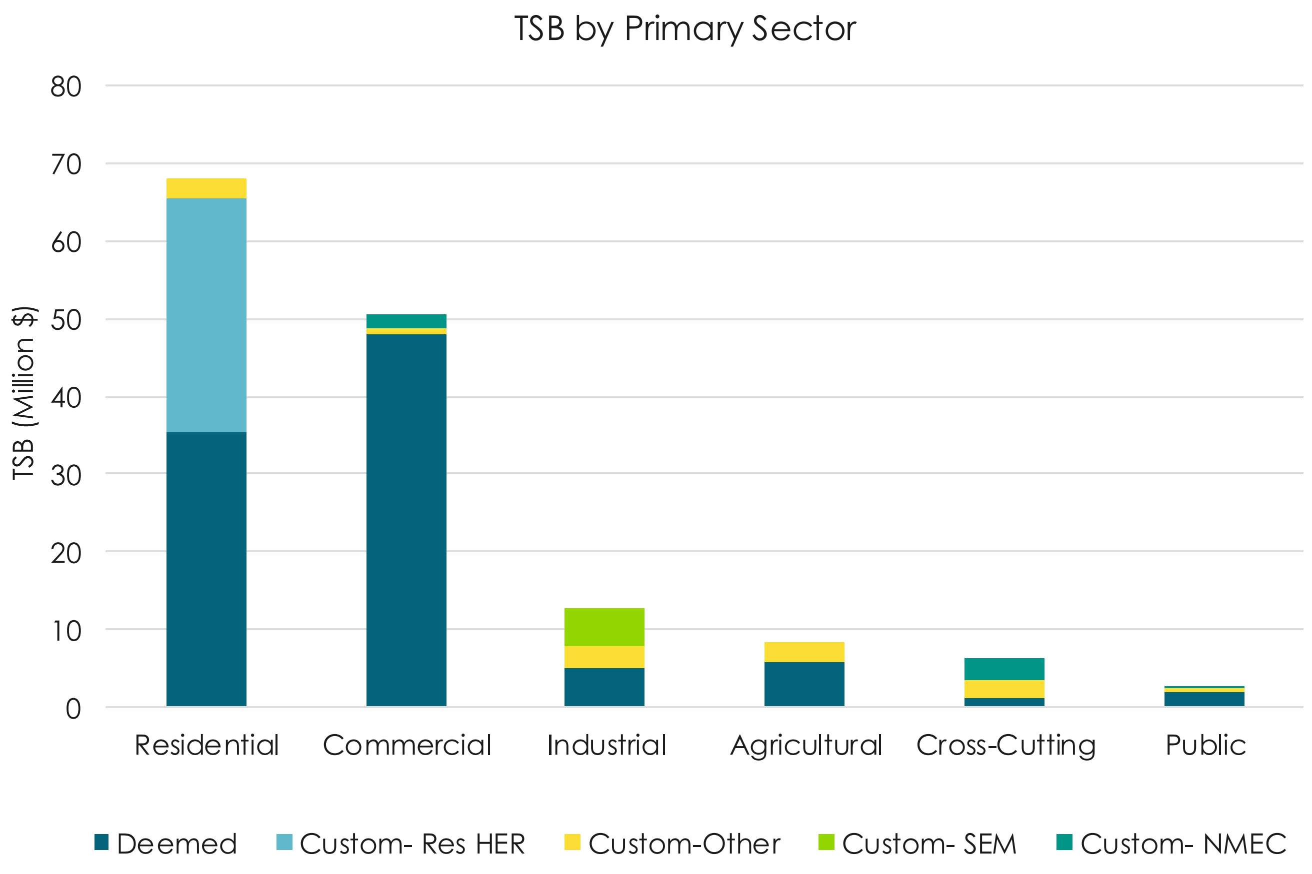
IOU	3P Expenditures (Excl. C&S, EMV&V)	Total Expenditure (Excl. C&S, EM&V)	3P Expenditure as Percentage of Total
PGE	$43,608,637	$51,703,461	84%
SDGE	$15,279,896	$18,928,432	81%
SCG	$18,203,872	$34,490,527	53%
SCE	$27,184,106	$52,781,385	52%

Source: Quarterly claims record level data from CEDARS Sept 2024

TSB by Primary Sector

Excludes C&S, EM&V

- Most TSB coming from the Res and Com sectors
  - Nearly 40% of total Res TSB is Behavior at a one-year life
  - 37% of Deemed Res TSB is SCG instantaneous water heaters with 20-year life
  - 43% of Commercial Deemed TSB is Midstream Com Water Heating with 20-year life
  - Monitoring NMEC uptake in new programs
- Low TSB Achievements for Industrial/Ag, compared to Potential & Goals TSB forecast
  - May also be down from recent full year claims: 2022 industrial TSB = $53.7 mil 2023 industrial TSB = $62 mil



Source: Quarterly claims record level data from CEDARS Sept 2024

TSB by PA and Primary Sector

Excludes C&S, ESA

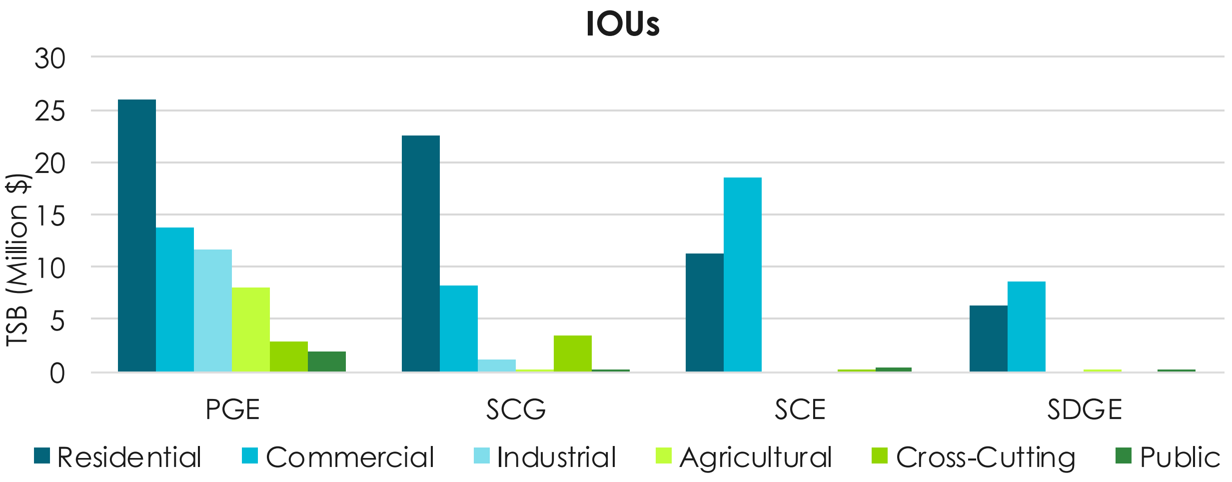
Note: IOU TSB achievements typically in proportion to size of territory.

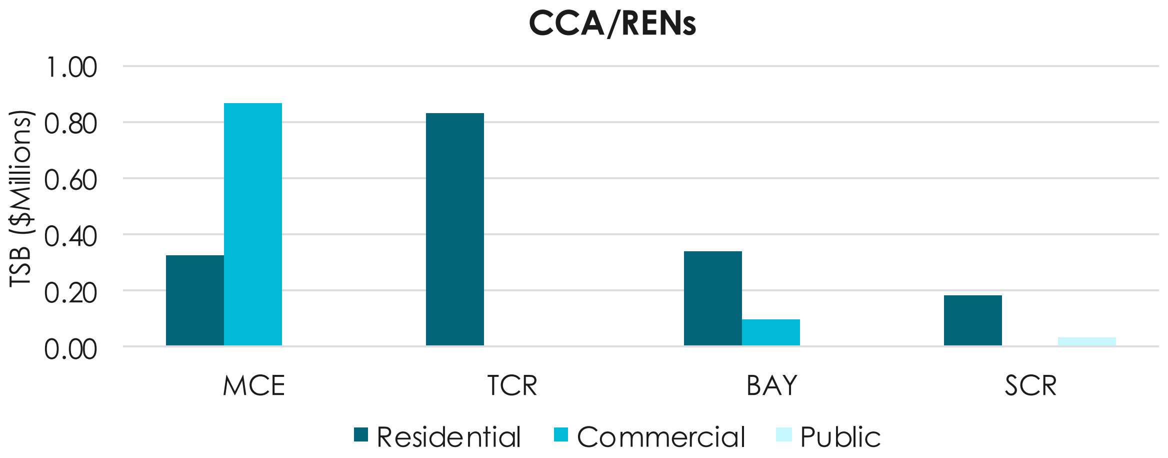
IOU:

- Heavy Res/Com concentration, especially outside PGE
- PGE delivers the most TSB in Res (> $25M), and SCE leads in the Com sector ($18M)

CCA/REN:

- 3CREN leads with Res sector TSB
- MCE leads with Com sector TSB



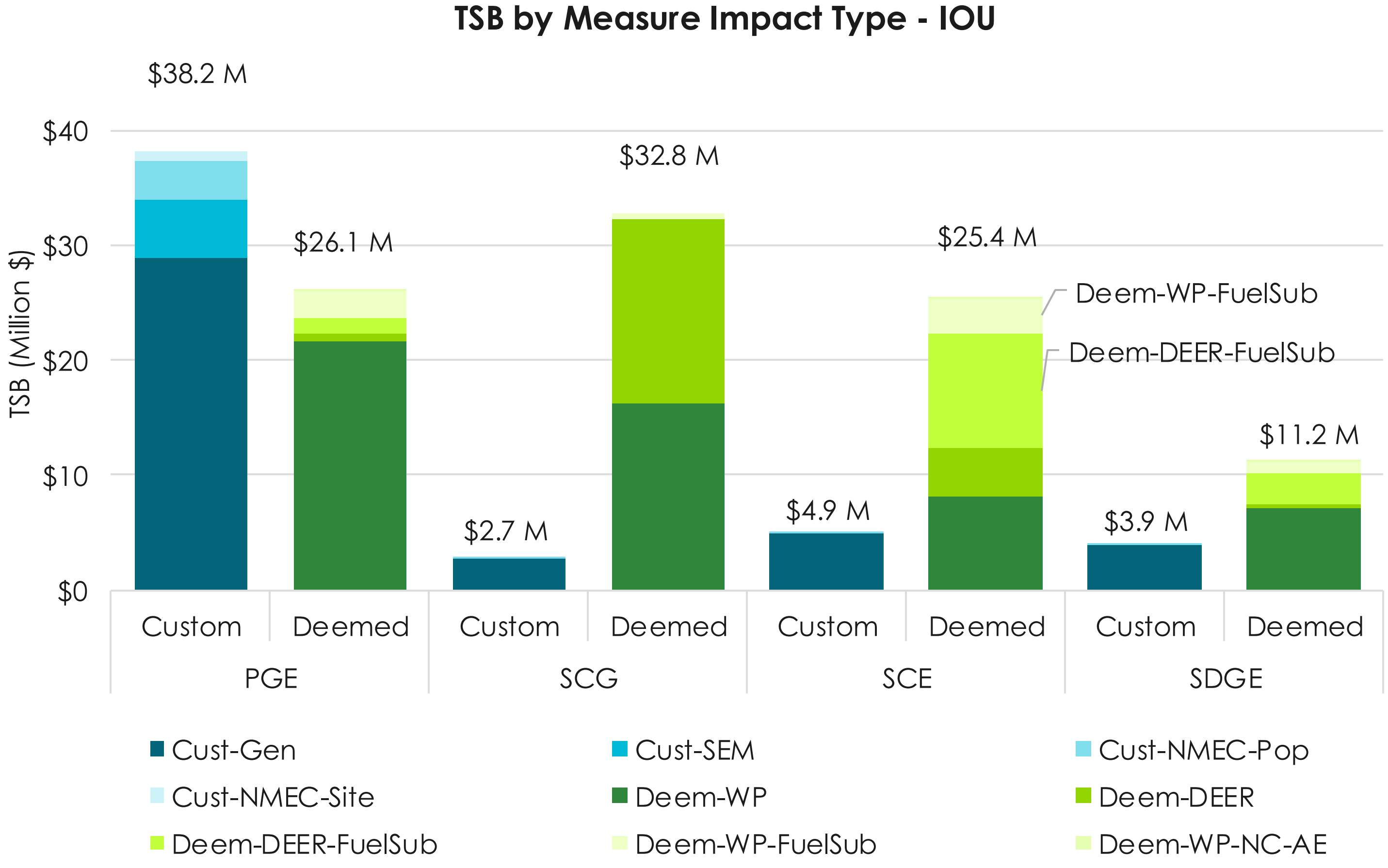


Source: Quarterly claims record level data from CEDARS Sept 2024

TSB by Measure Impact Type - IOU

Excludes C&S, ESA

- PGE is the only IOU reporting more TSB from custom measures than deemed (more industrial/ag).
- SCG delivers most TSB from deemed measures
- SCE delivers most TSB for Fuel Sub (43% of TSB), primarily coming from Commercial programs(78%) and Res Statewide programs (22%)

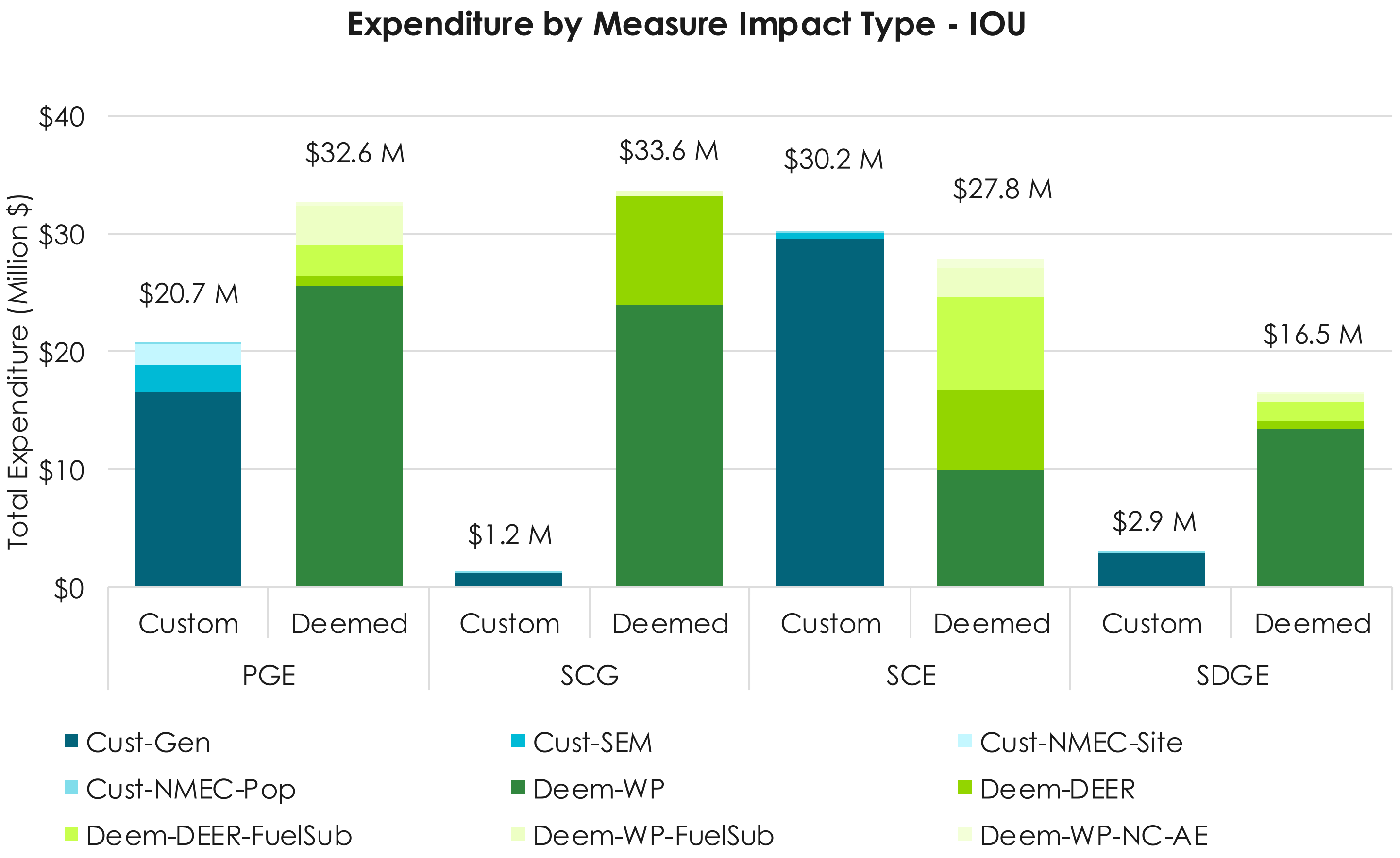


Source: Quarterly claims record level data from CEDARS Sept 2024

Expenditure by Measure Impact Type - IOU

Excludes C&S, ESA

- PGE spent 61% of the budget on Deemed measures (which contributes to 40% of the TSB)
- SCE expended 51% of the budget on Cust-Gen measures
- SCE spent 18% of total expenditure on Fuel Sub
  - $10.3 mil spending → $13.1 mil TSB



Source: Quarterly claims record level data from CEDARS Sept 2024

TRC by Primary Sector – IOU Resource Acquisition

- **PGE** all sectors have a TRC >1.0 except for cross-cutting and public
- TRC > 1.0 for **SCG** is driven by Res EE and WET 11 (providing mostly aerators and showerheads) and nonres calculated incentives at TRC > 1.0
- No **SCE** Residential programs have TRC > 1.0, but energy advisor (HER) program is close at 0.99
- **SDGE** Commercial statewide programs provide the TRC > 1.0 savings; only the Res behavior program is TRC > 1.0 in the Residential sector
- Res HVAC and Res Plug Load & Appliances programs are at a TRC < 1.0

IOU	Agricultural	Commercial	Cross-Cutting	Industrial	Public	Residential	Total
PGE	**2.12**	**1.20**		**1.87**	0.50	**1.60**	**1.40**
SCE		**1.31**	0.07		0.56	0.69	0.85
SCG	0.05	0.995	**1.10**	0.72	0.07	**1.28**	**1.05**
SDGE	0.66	**1.34**			0.01	0.92	0.92

Summary

- IOUs generally tracking better on TSB achievements compared to Q1-Q2 in 2023.
  - Still lots to go to hit 2024 targets.
  - Resource Acquisition TRC varies by IOU.
- Most TSB coming from Commercial and Residential, Deemed savings
- Low Industrial/Ag achievements so far, compared to P&G Forecast
- Current fuel sub providing good return (spending → TSB)
- Data reporting can be refined to incorporate findings from the QC process

California Public Utilities Commission

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Thank You

Appendices

Q1-Q2 CEDARS Claims Data QC

- Guidehouse Performed QC on the 2024- Q1-Q2 claims
  - Checked for data completeness, missing fields or data gaps, as well as identifying duplicative or misaligned data
  - The issues identified so far may have implications on different reporting mechanisms. Examples:
    - Multiple fields showing the same information, but misaligned in some cases
    - Fields showing contradictory information, and mapping issues
- Key findings to date:
  - Program definitions table entry impacts alignment with measure/record level data
  - Need to determine a rule set when contradictory information is not an error; for example: Custom *Delivery Type records* might comprise of deemed measures
  - Tracking market effects, HTR requirements, and other workarounds need to be clearly defined or provided

Example 1:

Delivery Type (and Measure Table) x Deemed Flag

Delivery Type	False	True	Total
C&S	**1777**	**588**	**2365**
DnCust	**200**	**82**	**282**
Custom	188	82	**270**
Deemed	12		**12**
DnCustDI	**17**	**1**	**18**
DnDeemDI	**8571**	**16288**	**24859**
DnDeemed	**5303**	**18658**	**23961**
UpDeemed	**24127**	**45041**	**69168**
Deemed	24127	45041	**69168**
Total	**39995**	**80658**	**120653**

Example 2:

Measure Sector (and Building Type) x Program Sector

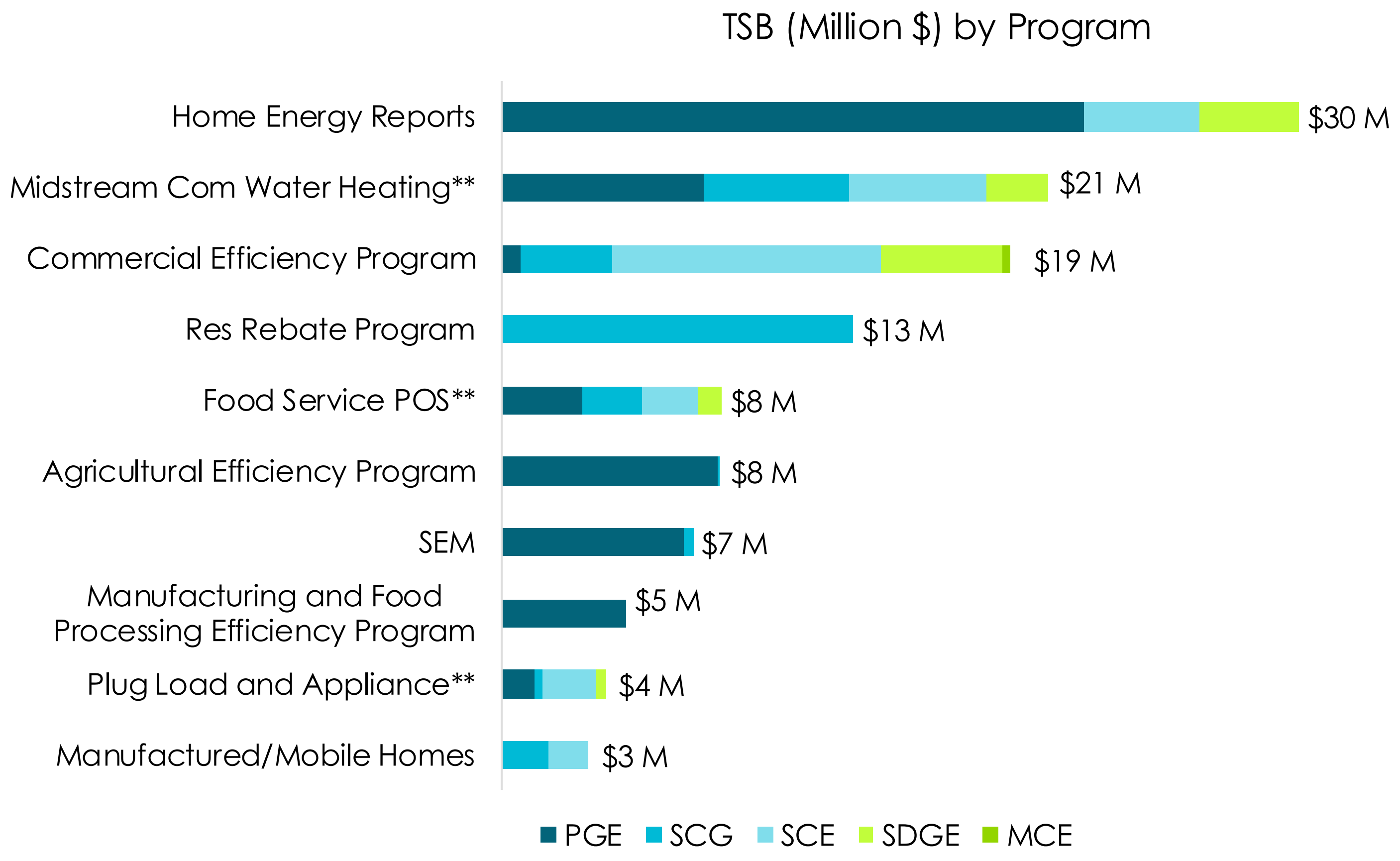
Measure Sector	Ag	Com	Ind	None	Res	Total
Agricultural	**70**	**4**				**74**
Codes and Standards		**2364**			**2**	**2366**
Commercial		**23597**	**2**	**4**	**8**	**23611**
Emerging Technologies		**8**				**8**
Energy Savings Assistance					**41**	**41**
Evaluation Measurement and Verification		**4**	**1**	**3**	**1**	**9**
Finance		**10**			**1**	**11**
Industrial		**3**	**86**			**89**
On Billing Finance		**2**				**2**
Other		**293**		**12**	**1**	**306**
Public		**133**				**133**
Residential	**12**	**80**	**14**	**13**	**92507**	**92626**
Com		1			41	**42**
DMo					4925	**4925**
MFm					9475	**9475**
MFmCmn					73	**73**
Res	12	75	14	9	499	**609**
SFm		4		4	77494	**77502**
Workforce Education and Training		**10**			**1367**	**1377**
Total	**82**	**26508**	**103**	**32**	**93928**	**120653**

Source: Quarterly claims record level data , CEDARS Sept 2024

Top 10 Programs by TSB

Excludes C&S, ESA

- All of the top 10 programs are delivered by IOUs and comprise 77% of TSB
- Home Energy Report Programs – 20% of total TSB and 92% of Res Custom*
- SCG Res Rebate Program delivers the highest deemed measure TSB (instantaneous water heaters) at 10% of total TSB
- Midstream Commercial water heating and commercial efficiency programs are 14 and 13% of TSB, respectively.



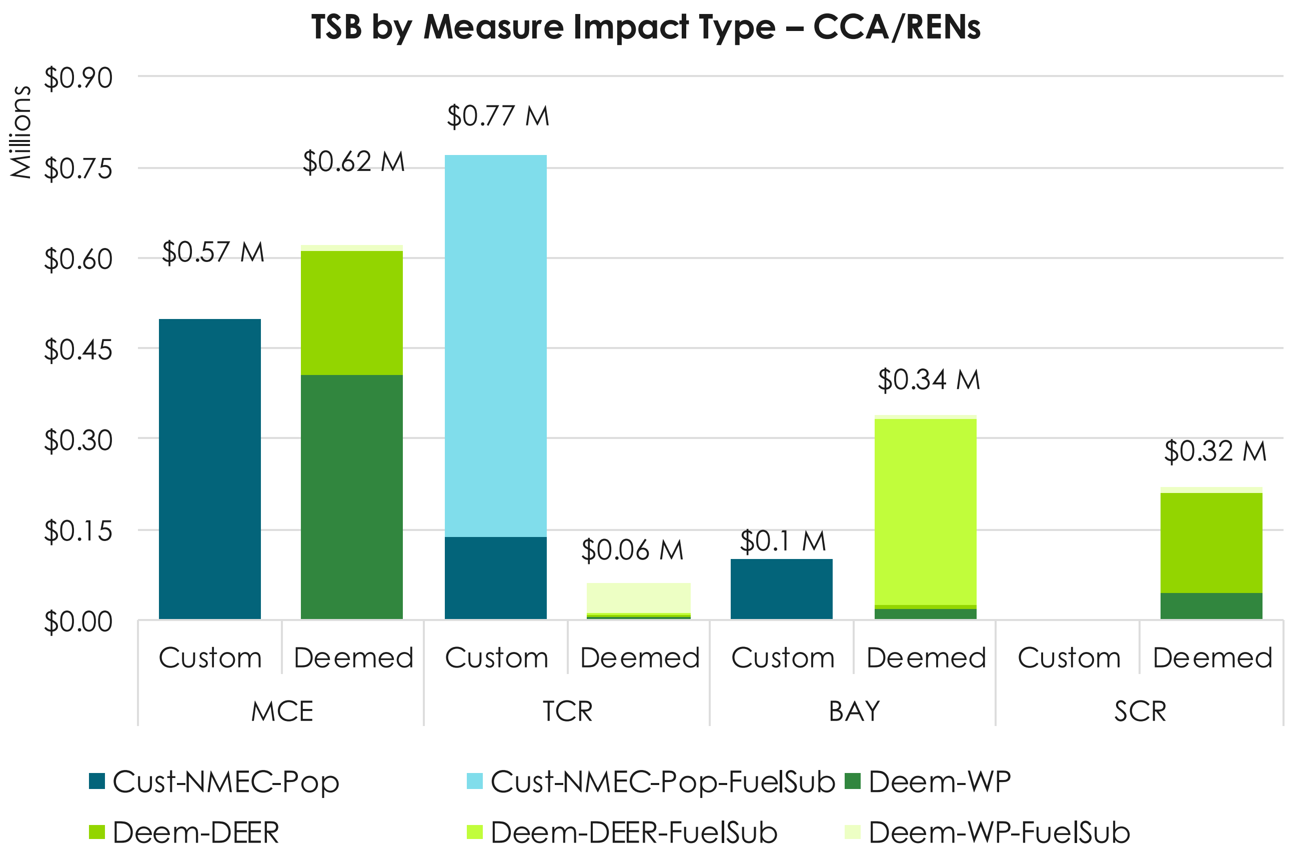
**Statewide Programs

Source: Quarterly claims record level data from CEDARS Sept 2024
Guidehouse aggregated SCE – Energy Advisor Program, SDG&E – IDSM Local Residential Behavioral Program, and PG&E *Residential Behavioral Program into "Home Energy Reports program". Guidehouse also included other mappings of program names across PAs and statewide efforts in attempt to identify the largest contributors to TSB.

TSB by Measure Impact Type – CCA/RENs

Excludes C&S, ESA

- MCE reported the most TSB
- TCR reported substantial savings from custom measures, primarily coming from Single Family NMEC program
- BAY reported highest TSB for fuel sub measures, primarily from the Multifamily program



Source: Quarterly claims record level data from CEDARS Sept 2024