



 **Board of Directors Meeting**
July 12, 2022





AGENDA ITEM 9.2
ENERGY EFFICIENCY

 **PROGRAM**
July 12, 2022



AGENDA

1. Objectives
2. Background and timeline
3. Program Plan summary
4. Elect To Administer Pathway
5. Next Steps
6. Questions

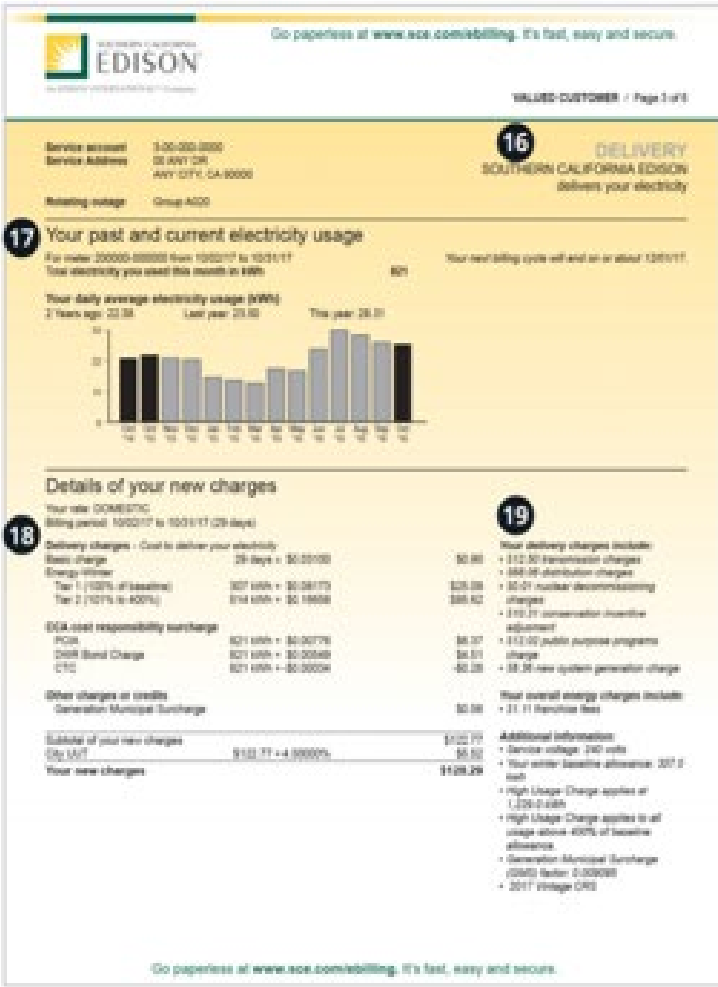
OBJECTIVES

1. Present proposed Energy Efficiency Program Plan requesting over \$2 million in customer program funding over 3 years
2. Obtain Board approval to submit the Program Plan to the CPUC

BACKGROUND

- . OCPA and The Energy Coalition (TEC) began working on customer program development in early 2021
- . OPCA and TEC identified energy efficiency program funding as an existing, available resource for OCPA to implement locally designed/run programs

BACKGROUND



19

Your delivery charges include:

- \$12.50 transmission charges
- \$68.06 distribution charges
- \$0.01 nuclear decommissioning charges
- \$10.31 conservation incentive adjustment
- **\$12.02 public purpose programs charge**
- \$8.36 new system generation charge

Your overall energy charges include:

- \$1.11 franchise fees

Additional information:

- Service voltage: 240 volts
- Your winter baseline allowance: 307.0 kWh
- High Usage Charge applies at 1,229.0 kWh
- High Usage Charge applies to all usage above 400% of baseline allowance.
- Generation Municipal Surcharge (GMS) factor: 0.009095
- 2017 Vintage CRS

Public Purpose Programs charge collected for all IOU ratepayers in California

NEXT STEPS – UPDATE

Previously presented at September Board Meeting

Energy Efficiency Programs

1. Further analysis to determine programs best fit for ETA (**completed**) - **October - December 2021**
2. Develop application for 1-3 programs for ETA (**completed**) - **December - June 2022**
3. Board approves of the final application for ETA (**today**)
4. Continued coordination with partners for co-funding opportunities (**ongoing**)
5. Develop application for all 7 programs for ATA (**ongoing**)
6. Board approves of the final application for ATA (**2023**)

Other Energy Programs (eg EV, Solar, etc.)

1. Continue to explore additional funding pathways, such as Infrastructure Fund opportunities

TIMELINE



Seven Initial Programs

1. Three business/Industry
2. Two residential
3. One worker match and training program
4. One public agencies

Two Funding Pathways

1. Streamlined path (elect to administer)
 - capped budget and stringent requirements
2. Regular path (apply to administer)
 - no funding cap and more flexibility

Strategy:
Focus on one program for streamlined path and then seek funding for all seven through regular path



PROGRAM PLAN SUMMARY



PROGRAM PLAN AT A GLANCE

Name	OC Power Savers
Target Audience	Residential, with a focus on customers in disadvantaged communities
Purpose	1) Provide tailored energy-saving insights to OCPA residents 2) Offer rebates to make energy-efficient equipment more attainable

OC POWER SAVERS

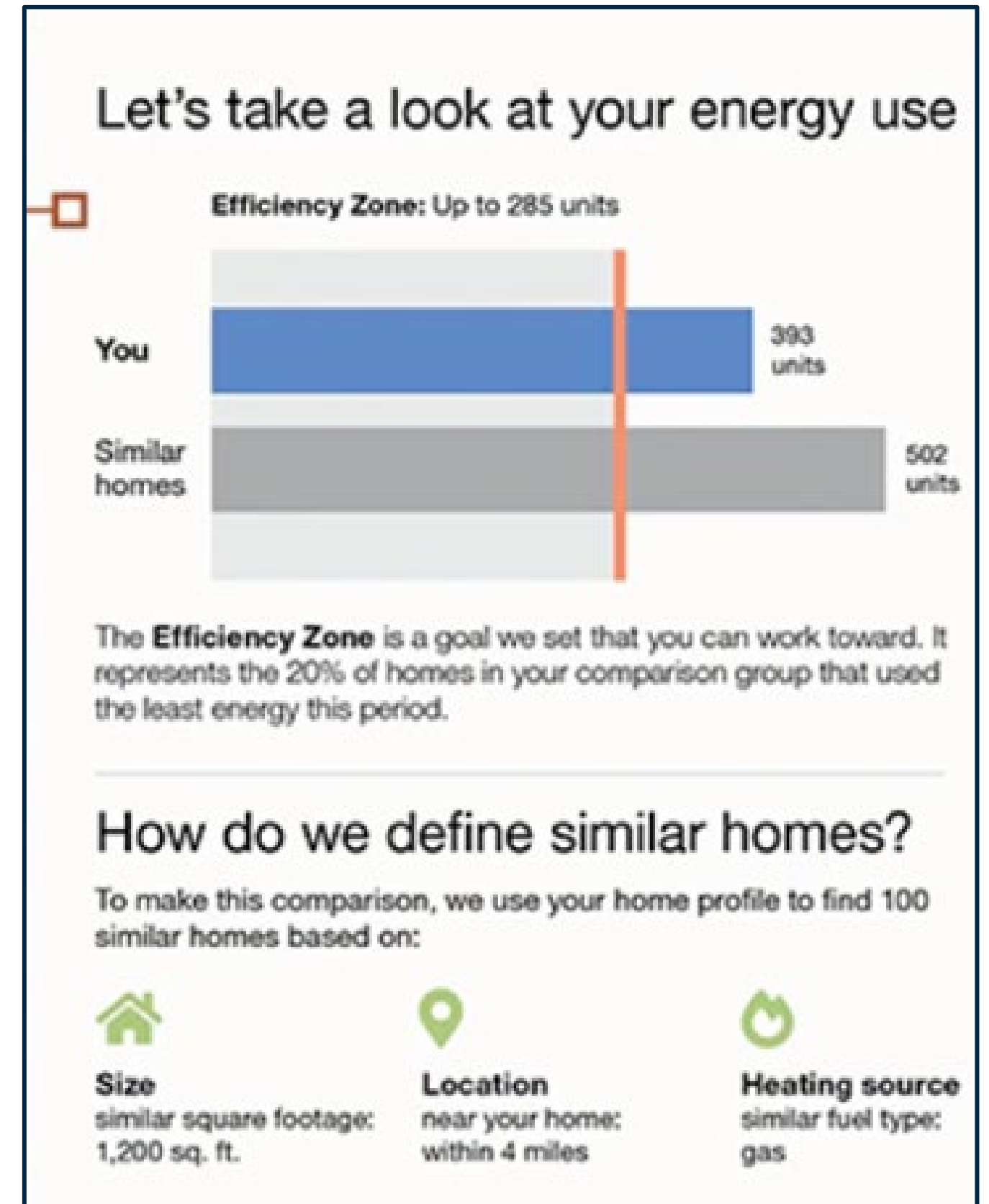
Why residential?

- Residential customers are over 80% of accounts by count
- Provide value to and help a large number of customers reduce consumption and cost
- Increase OCPA brand awareness
- Program can meet CPUC requirements

OC POWER SAVERS

Home Energy Report

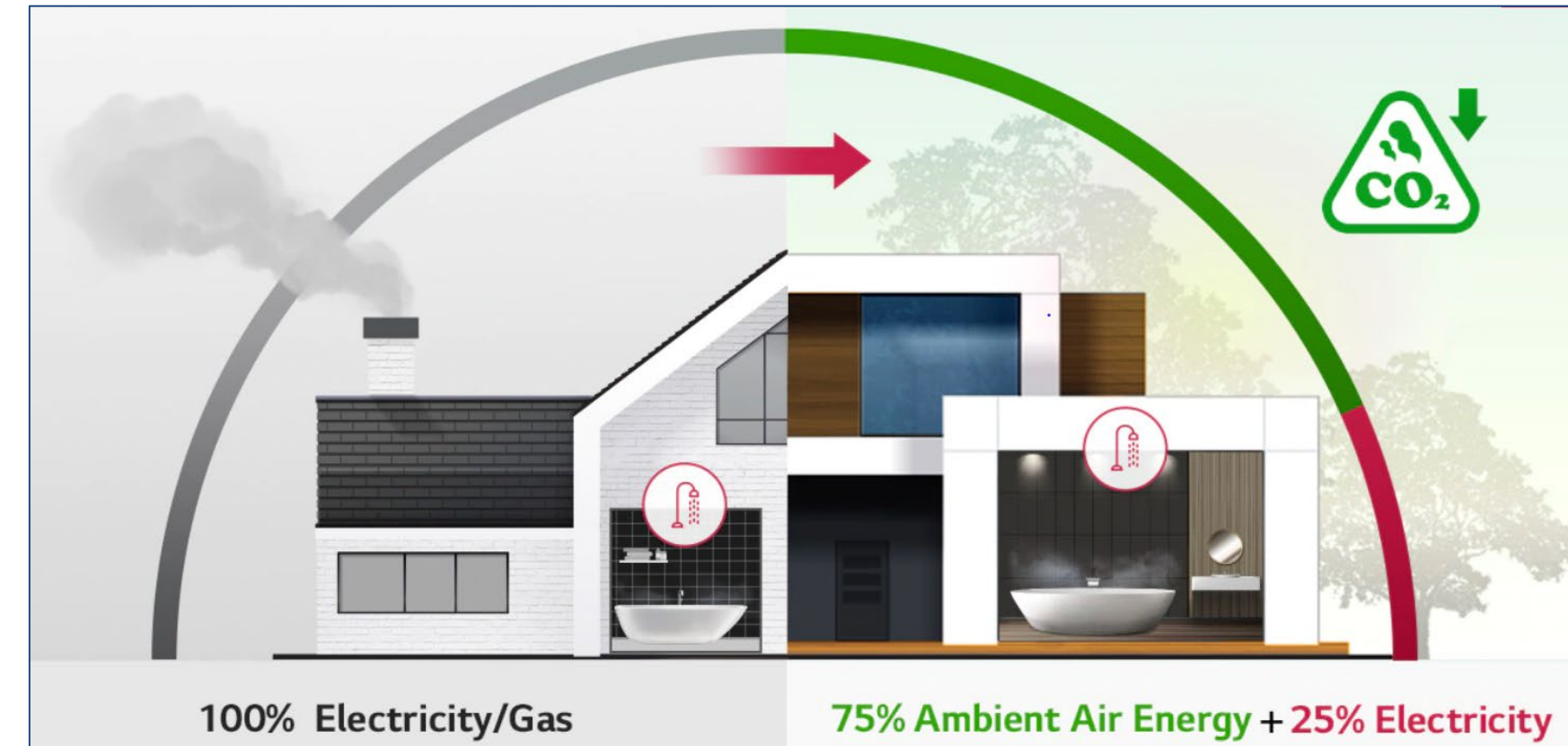
- Provide energy insights and comparisons to encourage behavior change
- Promote opportunities for deeper savings through available rebates



OC POWER SAVERS

Rebates for Energy-Efficient Equipment

- Application will aim to allow program flexibility for types of energy efficiency measures
- Submitting with *electrification* measures: heat pump water heaters and heat pump HVACs



OC POWER SAVERS

Marketing and Outreach

- Will be provided in 8 languages
 - English, Spanish, Vietnamese, Korean, Chinese, Tagalog, Japanese, Farsi
- Will collaborate industry partners
 - contractors, trade, CBOs, member agencies
- Will leverage the Home Energy Report as a marketing tool
 - Will allow for targeting and promotion of rebates from OCPA or other relevant programs

OC POWER SAVERS

Target Customers

Rebates	Home Energy Report
• Available for all/any residential OCPA customer • Targets would be homeowners • Potential additional incentive for customers in disadvantaged areas	• Residential OCPA customers that are not master-metered • Potential to prioritize customers in disadvantaged areas that are not on CARE

OC POWER SAVERS

Program Impacts (over 3 years)



Electric Savings
(GWh)



Home Energy
Report Recipients



Rebate Recipients



ELECT TO ADMINISTER PATHWAY



ELECT TO ADMINISTER PATHWAY

In filing the ETA, OCPA will be the first CCA to:

- File an ETA application prior to complete launch (residential)
- File ETA application in SDG&E territory
- File ETA application by anyone in dual electric IOU territory

ETA FUNDING DETERMINATION

Background

- **SB 790**
 - Established the Elect to Administer (ETA) option in order to simplify the process for CCAs to access energy efficiency funding on behalf of their customers.
- **D.14.01.033**
 - Established a funding cap formula, which allows CCAs to claim the portion of their customers' EE ratepayer dollars that were attributed to “local” programs.

ETA FUNDING DETERMINATION

Now

- IOUs have shifted programs from “local” to statewide and regional. **2022 local program budget is nearly 0%**
- Therefore, if OCPA used the same methodology as previous ETA applications, **program total budget would be ~\$50,000**

ETA FUNDING DETERMINATION

Solution

- Include non-IOU local programs such as RENs in the calculation

	Approach used by other CCAs	New proposed approach
3-Year ETA Budget Max	~ \$50,000	~ \$2 million

ETA: STAKEHOLDER COORDINATION

OCPA has conducted meetings with the following parties to share the funding calculation approach:

- Ex Parte Meetings with Commissioners' Houck and Shiroma
- CPUC Staff
- SoCalREN, SCE and SDG&E (also discussed cross-program collaboration opportunities)

ETA: APPLICATION

What it is / What happens now	What it is not / What comes later
•Funding request submitted to the CPUC, which upon approval allows OCPA to implement its own local energy efficiency program •Includes a three-year fixed program budget cap •Establishes the program type and program plan (residential) •Allows for other details (incentivized measures, technologies) to be flexible	•Determine how to proceed with implementation •Selection of software/platform •Detailed outline of process and specific incentivized measures/technologies

ETA: APPLICATION

Benefits to OCPA

- Over \$2 million in funds over 3 years
- Local control over energy efficiency program funds (as opposed to IOU-run programs)
- More visibility for OCPA

ETA: APPLICATION

Other ETA Applicants

- East Bay Community Energy
- San Jose Clean Energy
- Clean Power SF
- Marin Clean Energy
- Redwood Coast Energy Authority
- Sonoma Clean Power
- Peninsula Clean Energy
- Lancaster Choice Energy (only SCE area ETA, submitted 2016)

NEXT STEPS

- . OCPA Board approve the Program Plan for OC Power Savers (today)
- . OCPA to file Advice Letter electing to administer the program (July)
- . Continued coordination with partners for co-funding opportunities (ongoing)
- . Develop application for all 7 programs for ATA (ongoing)
- . Board approves of the final application for ATA (2023)

QUESTIONS?