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

. OCPA and TEC identified energy efficiency program funding as an existing, available resource for OCPA to implement locally designed/run programs
BACKGROUND

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
ITEM 9.2 – ENERGY EFFICIENCY PROGRAM

TIMELINE

Board Update on Funding and Program Development
July 2021

Community Engagement
August & September 2021

Presentation on Program Choices to the Board
September 2021

Phase 1: ETA
Board approval & funding request submitted to the CPUC
Q3 2022

Estimated CPUC review of initial program
Q4 2022

Initial program launched
Anticipated 2023

Phase 2: ATA
Board approval & funding request submitted to the CPUC
2023

Estimated CPUC review of additional programs
2023

Additional programs launched
2024
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 AT A GLANCE

<table>
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<tr>
<th>Name</th>
<th>OC Power Savers</th>
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<tbody>
<tr>
<td>Target Audience</td>
<td>Residential, with a focus on customers in disadvantaged communities</td>
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| Purpose      | 1) Provide tailored energy-saving insights to OCPA residents  
               2) Offer rebates to make energy-efficient equipment more attainable |
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 POWERSAVERS

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
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
**Target Customers**

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<tr>
<th>Rebates</th>
<th>Home Energy Report</th>
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<tr>
<td>● Available for all/any residential OCPA customer</td>
<td>● Residential OCPA customers that are not master-metered</td>
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<tr>
<td>● Targets would be homeowners</td>
<td>● Potential to prioritize customers in disadvantaged areas that are not on CARE</td>
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<tr>
<td>● Potential additional incentive for customers in disadvantaged areas</td>
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Program Impacts (over 3 years)

- Electric Savings (GWh): 20+
- Home Energy Report Recipients: 70,000+
- Rebate Recipients: 2,000+
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

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<th>Approach used by other CCAs</th>
<th>New proposed approach</th>
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<tr>
<td>3-Year ETA Budget Max</td>
<td>~ $50,000</td>
<td>~ $2 million</td>
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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

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<thead>
<tr>
<th>What it is / What happens now</th>
<th>What it is not / What comes later</th>
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| ● 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)
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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?