



**CALIFORNIA PUBLIC
UTILITIES COMMISSION**



Report to the Legislature

**ENERGY EFFICIENCY AND CONSERVATION
PROGRAMS (2004)**

**Annual Report Required by the 1999 Supplemental Report
on the Budget**

**Prepared by the California Public Utilities Commission (CPUC) Energy Division
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THE GOVERNOR ISSUED ON DECEMBER 14, 2004 A GREEN BUILDING EXECUTIVE ORDER, WHICH URGED THE CPUC TO “APPLY ITS ENERGY EFFICIENCY AUTHORITY TO SUPPORT A CAMPAIGN TO INFORM BUILDING OWNERS AND OPERATORS ABOUT THE COMPELLING ECONOMIC BENEFITS OF ENERGY EFFICIENCY MEASURES; IMPROVE COMMERCIAL BUILDING EFFICIENCY PROGRAMS TO ACHIEVE 20% GOAL...” IN RESPONSE TO THE GOVERNOR’S ORDER, WE HAVE BEGUN TO GATHER INFORMATION ON HOW ENERGY EFFICIENCY PROGRAMS THAT ARE CURRENTLY AUTHORIZED AND FUNDED IN THE 2004-2005 CYCLE CAN BE UTILIZED TO ACCOMPLISH THE GOALS OUTLINED IN THE EXECUTIVE ORDER AND TO SEEK COMMENTS ON HOW THE CPUC SHOULD MODIFY SUBSEQUENT PROGRAM DESIGN AND FUNDING TO IMPLEMENT THE GOVERNOR’S ORDER. IN ADDITION, WE ARE LOOKING INTO HOW AN OUTREACH CAMPAIGN AND PROGRAMS TO THE COMMERCIAL SECTOR MIGHT BE IMPLEMENTED IMMEDIATELY AND FURTHER DEVELOPED FOR FUTURE FUNDING CYCLES. THE INFORMATION GATHERED WILL BE USED TO REPORT TO THE GOVERNOR ON THE PROGRESS TOWARD MEETING THE EXECUTIVE ORDER’S GOALS BEGINNING IN SEPTEMBER 2005.

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2004 AT A GLANCE

CPUC Continued To Finance and Fortify Energy Efficiency Programs

- The CPUC approved:
 - \$706 million for 2004-2005 programs sponsored by utilities
 - \$114 million for 2004-2005 programs sponsored by non-utility entities
 - \$24 million for 2004-2005 program studies and contract administration

Programs Achieved Significant Energy Savings

- Energy efficiency programs achieved total savings of approximately 1.9 billion kWh of electricity and 39 million therms of natural gas, and 375 thousand kW demand reductions by the end of 2004. These savings represent an increase of 46%, 14% and 29% over last year's electricity savings, natural gas savings and demand reduction, respectively.

2004-Energy Efficiency Programs Energy Savings*

Program Proponents	Electricity Saved	Natural Gas Saved	Demand Reduction
Utilities' Statewide & Local Programs	1.8 billion kWh	36 million therms	337 thousand kW
Other Entities**	0.1 billion kWh	3 million therms	38 thousand kW
Total	1.9 billion kWh	39 million therms	375 thousand kW

*Savings data as reported by utilities on March 15, 2005. Savings data on seven non-utility programs based on less than 12-monthly reports; one program has not yet signed a contract and has not completed a monthly report. In 2004, energy efficiency program expenditure total \$332 million. Out of the \$332 million, utilities spent 89% while non-utility entities spent 11%.

**These programs are sponsored by local governments, businesses, energy efficiency providers and non-profit organizations.

- Four main regulated utilities offered statewide energy efficiency programs: Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), Southern California Gas Company (SCG), and San Diego Gas and Electric Company (SDG&E). These utilities managed the programs and offered consistent rebates and services throughout the state. In addition, the utilities also offered customized local programs designed to meet the specific needs of their respective customers.
- The fifty-four (54) programs sponsored by other entities (local governments, businesses, energy efficiency service providers and non-profit organizations) complemented the utility statewide and local programs to form a comprehensive

energy efficiency portfolio that continued to deliver a broad range of services and measures to diverse markets in California in 2004-2005.¹

CPUC Advanced the Energy Action Plan to Further Reduce Energy Consumption²

The CPUC engaged in dynamic decision- and policy-making that advanced the objectives of the Energy Action plan.

- The CPUC adopted aggressive annual and cumulative energy savings goals through the year 2013 designed to reduce per capita energy consumption. The adopted electric goals are projected to meet 55% to 59% of the three electric companies³ incremental needs between 2004 and 2013. Whereas the adopted goals for natural gas energy efficiency represent a 116% increase in expected savings over the next decade relative to the status quo.
- The CPUC approved \$844 million funding for 2004-2005 energy efficiency programs and studies consistent with the Energy Action Plan's objectives. The funding will be used for energy savings programs for residential, commercial and industrial customers.⁴
- The CPUC adopted an administrative structure for post-2005 energy efficiency programs designed to meet the objectives of the Energy Action Plan and the load reduction reflected in the savings goals. The adopted structure returns to the utilities the functions of selecting the activities and implementers for the portfolio of energy efficiency programs (this function is referred to as program choice) and the daily tasks associated with the administering and coordinating program activities between funding cycles (this function is referred to as portfolio management).⁵ As a general approach to quality control, the CPUC adopted an advisory group structure, competitive bidding minimum requirement and a ban on affiliate transactions between the utility administrators and program implementers to avoid partiality in program selection. While also providing

The CPUC adopted the Energy Action Plan (EAP) in May 2003 in collaboration with other state energy agencies. The EAP identifies energy conservation and energy efficiency as top priority in achieving California's long-term goals of decreasing per capita energy consumption and improving building and air conditioner standards by five and ten percent, respectively.

¹ The CPUC expanded in 2002 the portfolio of energy efficiency programs with the introduction of non-utility sponsored programs.

² The full text of the Energy Action Plan can be viewed at www.cpuc.ca.gov.

³ Pacific Gas & Electric Company, San Diego Gas & Electric Company & Southern California Edison Company

⁴ Decisions 03-12-060 , 04-02-059 and 04-12-019

⁵ Decision 05-01-055. Full text can be viewed at www.cpuc.ca.gov

program oversight, the CPUC Energy Division will be responsible in managing and contracting for all evaluation, measurement and verification (EM&V) studies that will be used to:

- Measure and verify energy and peak load savings for individual programs, groups of programs and at the portfolio level
 - Generate the data for savings estimates and cost-effectiveness inputs
 - Measure and evaluate achievements of energy efficiency programs, groups of programs and/or the portfolio terms of the “performance basis” established under the CPUC-adopted EM&V protocols
 - Evaluate whether programs or portfolio goals are met
- In further support of the EAP in particular the environmental goals, the CPUC commenced expanding the scope of the energy efficiency proceeding to examine how to reduce potential greenhouse gas (GHG) emissions through energy efficiency programs.

CPUC Exploring to Utilize Energy Efficiency Programs to Implement the Goals of the Green Building Executive Order⁶

- Ordering Paragraph 4 of the Governor Green Building Executive Order urges the CPUC to:
 - Support a campaign to inform building owners and operators about the compelling economic benefits of energy efficiency measures
 - Improve commercial building efficiency programs to help achieve 20% reduction in energy use by 2015
 - Submit a biennial report to the Governor commencing in September 2005
- The CPUC has begun to gather information on how energy efficiency programs that are currently authorized and funded in the 2004-2005 cycle can be utilized to accomplish the goals outlined in the Executive Order and to seek comments on how the CPUC should modify subsequent program design and funding to implement the Governor’s order. In addition, we are examining how an outreach campaign and programs to the commercial sector might be implemented immediately and further developed for future funding cycles.

CPUC Evaluated Program Effectiveness and Delivery, and Improved Program Management

- Audited Public Goods Charge (PGC) collections and expenditures.
- Assessed past program performance for purposes of evaluating the utilities' shareholder incentive earnings and achievement of program goals.
- Evaluated, measured and verified programs.

⁶ Full text of the Green Building Executive Order can be viewed at www.governor.ca.gov

- Updated avoided cost and externality values used in calculation of program cost effectiveness.
- Developed a comprehensive database for improved program management and monitoring.
- Updated Policy Manual for post-2005 energy efficiency program administrators and implementers in developing future programs.

2005 and Beyond

The CPUC is committed to intensify program delivery to reach diverse customer classes, and to manage effectively both public goods charge and procurement funds. We will continue to engage in energy efficiency and conservation efforts in line with the Energy Action Plan's goal of ensuring that adequate, reliable, and reasonably-priced electrical power and natural gas supplies are achieved and provided through policies, strategies and actions that are cost-effective and environmentally sound for California's consumers and taxpayers. Specifically, we will complete a variety of tasks --by the end of 2005 in preparation for the 2006 funding cycle—in the areas of avoided cost methodology, performance basis and associated measurement protocols, and policy rules.

I. CPUC CONTINUED TO FINANCE AND FORTIFY ENERGY EFFICIENCY PROGRAMS

In 2004, the CPUC continued to finance both statewide and local programs comprising a cost-effective energy efficiency portfolio designed to:⁷

- Promote permanent energy and demand reduction
- Satisfy consumer needs without compromising comfort
- Extend the useful life of California's existing electric infrastructure
- Offset the construction of new energy infrastructure while significantly contributing to a cleaner environment

The statewide programs in general have served as the backbone of energy efficiency, while local programs supplement the statewide programs. Together, these programs provide a broad range of services or measures to diverse classes of customers. To ensure that the total program portfolio benefits outweigh the cost of investments, the CPUC evaluates the energy efficiency programs using a cost-benefit methodology. Consequently, the selected cost-effective programs --that promote permanent energy savings-- serve as reliable and lower-cost alternative to new power plants and contribute to the stability of the electric and natural gas markets in California.

Approved Statewide Programs that are Designed to be More Cost-effective and to Foster Increased Customer Participation

The CPUC traditionally has allowed one-year program cycle for utility-sponsored programs. In 2004, we initiated a two-year cycle for utility programs to allow more program continuity. For 2004-2005, the CPUC funded 14 utility-sponsored statewide programs with a combined total budget of \$337 million. These programs generally continued the utilities' 2003 programs and were enhanced to improve cost-effectiveness, increase participation, and/or promote equity. Additionally for 2004-2005, the CPUC provided \$41 million funding to three non-utility providers to undertake statewide marketing and outreach activities designed to deliver energy efficiency messages to the general consumers. These programs used broadcast and print media campaigns, as well as more focused outreach to rural communities in Spanish, Chinese and other ethnic languages to educate customers on energy efficiency and inform them of various energy efficiency programs available in the state. To complement the statewide services in various service areas, the CPUC also approved \$34 million utility local programs, \$49 million utility partnership programs with government and schools, and approximately \$245 million procurement programs in lieu of purchasing electricity.⁸ Appendix A describes the utilities' various programs.

⁷ Public Goods Charge collected from gas and electric ratepayers fund energy efficiency programs. Per Decisions 03-12-060 and 03-12-062, procurement funds will be another source of funding for energy efficiency programs beginning 2004.

⁸ In Decision 03-12-060, CPUC authorized utilities to spend an additional \$245 million on utility energy efficiency programs that are included as elements of their procurement portfolio in R. 01-10-024.

Continued Funding Customized Local Programs to Serve Diverse and Underserved Customers

The CPUC in 2004 funded the first year of the two-year \$114.5 million local program portfolio implemented by non-utility entities, which include community-based organizations, businesses, energy efficiency service providers, and government entities. The 54 local programs targeted unique market sectors and underserved communities that did not have access to program information or generally did not participate in energy efficiency programs due to some type of barrier: language, income, location, home ownership, housing or business type. The non-utility programs are currently ongoing and will be delivering services through 2005. Appendix B describes the non-utilities' various programs.

II. PROGRAMS ACHIEVED SIGNIFICANT ENERGY SAVINGS

Energy efficiency programs achieved total savings of approximately 1.9 billion kWh of electricity, 39 million therms of natural gas, and 375 thousand kW demand reduction by end of 2004. These savings represent an increase of 46%, 14% and 29% over last year's electricity savings, natural gas savings and demand reduction, respectively. The following table details the savings achieved as of the end of 2004.

2004-Energy Efficiency Programs Energy Savings*

Program Proponents	Electricity Saved	Natural Gas Saved	Demand Reduction
Utilities' Statewide & Local Programs	1.8 billion kWh	36 million therms	337 thousand kW
Other Entities**	0.1 billion kWh	3 million therms	38 thousand kW
Total	1.9 billion kWh	39 million therms	375 thousand kW

*Savings data as reported by utilities on March 15, 2005. Savings data on seven non-utility programs based on less than 12-monthly reports; one program has not yet signed a contract and has not completed a monthly report. In 2004, energy efficiency program expenditure total \$332 million. Out of the \$332 million, utilities spent 89% while non-utility entities spent 11%.

**These programs are sponsored by local governments, businesses, energy efficiency providers and non-profit organizations.

Utilities' Programs On Target in Meeting Goals

Based on utilities' reports, their 2004-2005 programs generally are on target or even exceeded their expectations for the first year of their two-year cycle program goals. The utilities attributed this accomplishment to aggressive marketing and design, comprehensive energy efficiency portfolio of measures, and increased in the number of participating maintenance companies, multi-family property management and owners, and contractors. While some utilities did not meet their hard-to-reach goals in 2004, they made substantial progress in reaching hard-to-reach market segments and they expect to meet their goals in 2005. The following tables and graphs detail the utilities' budget, expenditures and savings goals and achievements.

2004-2005 UTILITY PROGRAMS*

Budget and Projected Energy Savings (1st - 4th Quarters)*

Program Area	2004-2005 Budget	Projected Electric and Natural Gas Savings		
		kW	kWh	Therms

Statewide Programs					
Residential Retrofit	\$	119,810,299	131,263	677,062,629	15,155,107
Residential New Construction	\$	29,779,913	22,507	18,787,754	1,378,668
Non-residential Retrofit	\$	117,736,044	130,068	760,142,498	15,456,033
Non-residential New Construction	\$	47,656,383	42,631	198,752,860	1,712,704
Crosscutting	\$	22,342,715	0	0	0
Subtotal	\$	337,325,354	326,469	1,654,745,741	33,702,512
Marketing and Outreach**	\$	41,000,000	0	0	0
Local Programs	\$	34,031,168	6,266	33,751,194	3,019,998
Partnership Programs	\$	49,432,035	20,948	91,262,720	3,114,885
Procurement Programs	\$	244,531,038	341,006	1,652,442,814	1,590,444
TOTALS	\$	706,319,595	694,689	3,432,202,469	41,427,839

*Some data vary from Decisions 03-12-060 and 04-02-059 due to fund shifts.

**Non-utility entities implemented Statewide Marketing and Outreach programs, namely: Efficiency Partnership/McGuire & Co, Inc.; Univision Television Group and Staples/Hutchinson; and Runyon, Saltzman, and Einhorn, Inc.

2004-2005 UTILITY PROGRAMS

2004 Utility program expenditures total 45% of their 2004-2005 budget and achieved 49%, 52% and 87% of their target kW, kWh and therms

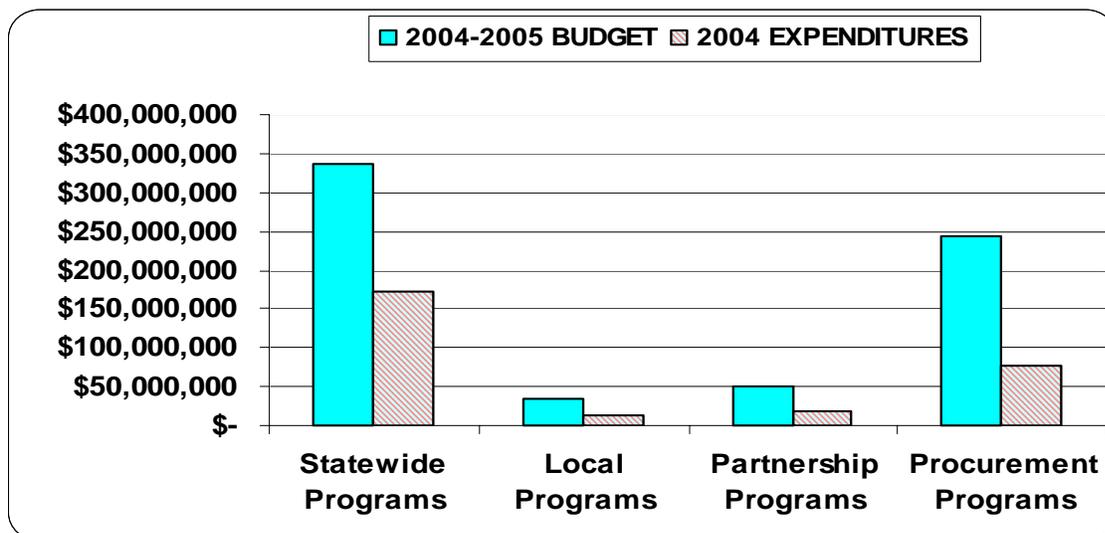
Expenditures and Achieved Energy Savings (1st - 4th Quarters)*

Program Area	2004 Expenditures	Achieved Electric and Natural Gas Savings		
		kW	kWh	Therms
Statewide Programs				
Residential Retrofit	\$ 56,851,941	77,599	371,798,339	8,621,843
Residential New Construction	\$ 13,759,847	13,271	10,936,000	736,128
Non-residential Retrofit	\$ 57,240,600	54,792	397,214,010	16,265,081
Non-residential New Construction	\$ 32,256,157	28,106	178,415,965	6,507,731
Crosscutting	\$ 11,312,427	0	0	0
Subtotal	\$ 171,420,972	173,768	958,364,314	32,130,783
Marketing and Outreach**	\$ 21,830,116	0	0	0
Local Programs	\$ 13,044,625	1,374	7,626,112	2,728,067
Partnership Programs	\$ 18,305,732	6,163	26,411,131	408,998
Procurement Programs	\$ 92,043,983	155,630	782,246,251	733,363
TOTALS	\$ 316,645,428	336,935	1,774,647,808	36,001,211

*Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

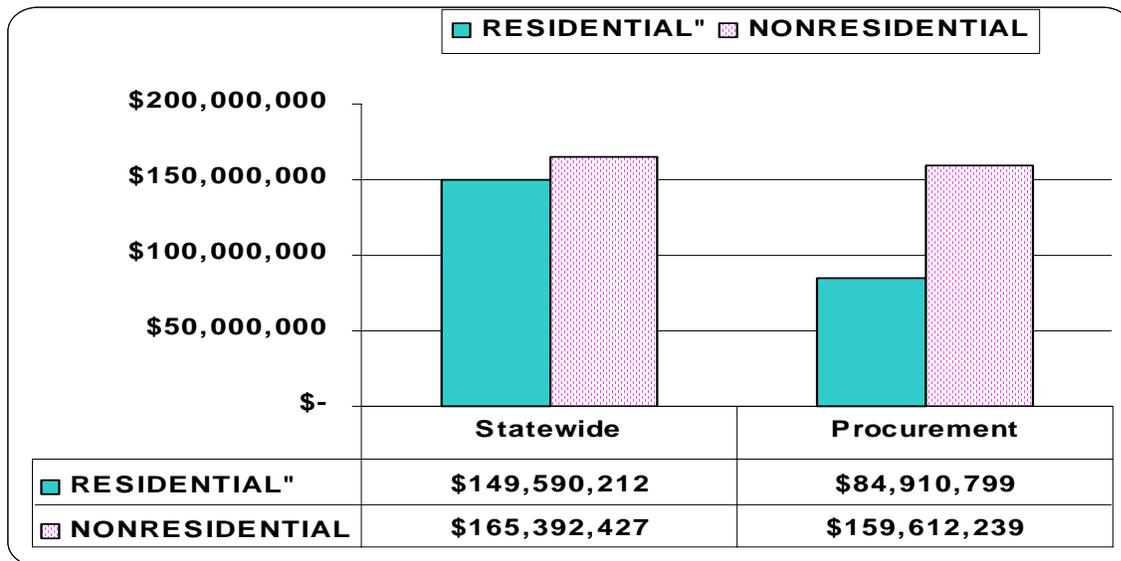
** Non-utility entities implemented these programs, namely: Efficiency Partnership/McGuire & Co, Inc.; Univision Television Group and Staples/Hutchinson; and Runyon, Saltzman, and Einhorn, Inc.

2004-2005 Utility Programs: Budgets vs. Expenditures



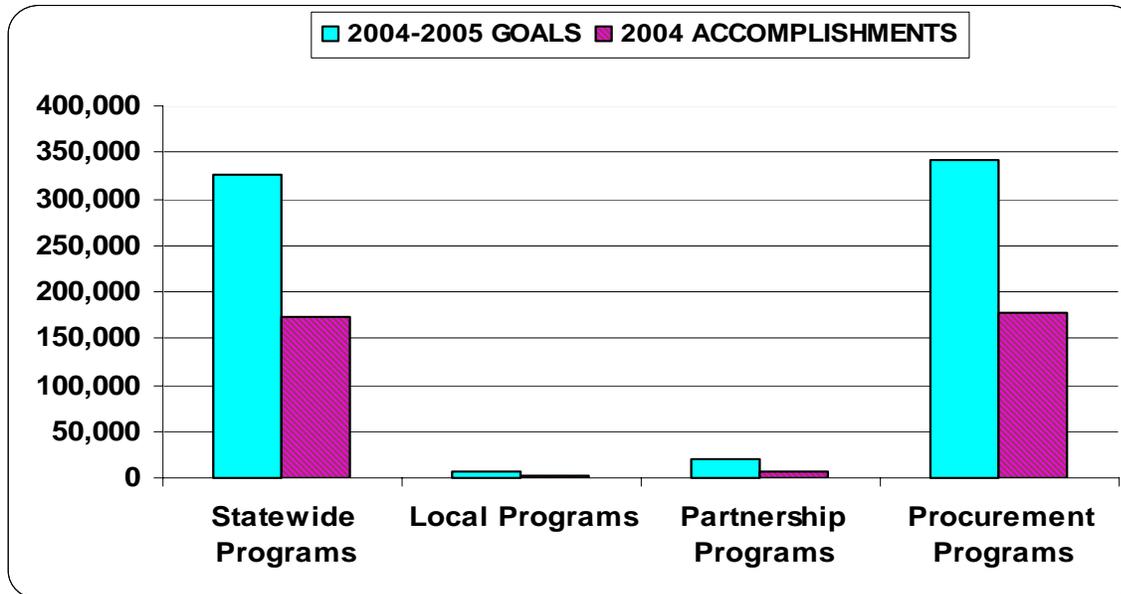
Note: Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

2004-2005 Utility Programs: Statewide and Procurement Budget Allocations for Residential and Nonresidential Customers



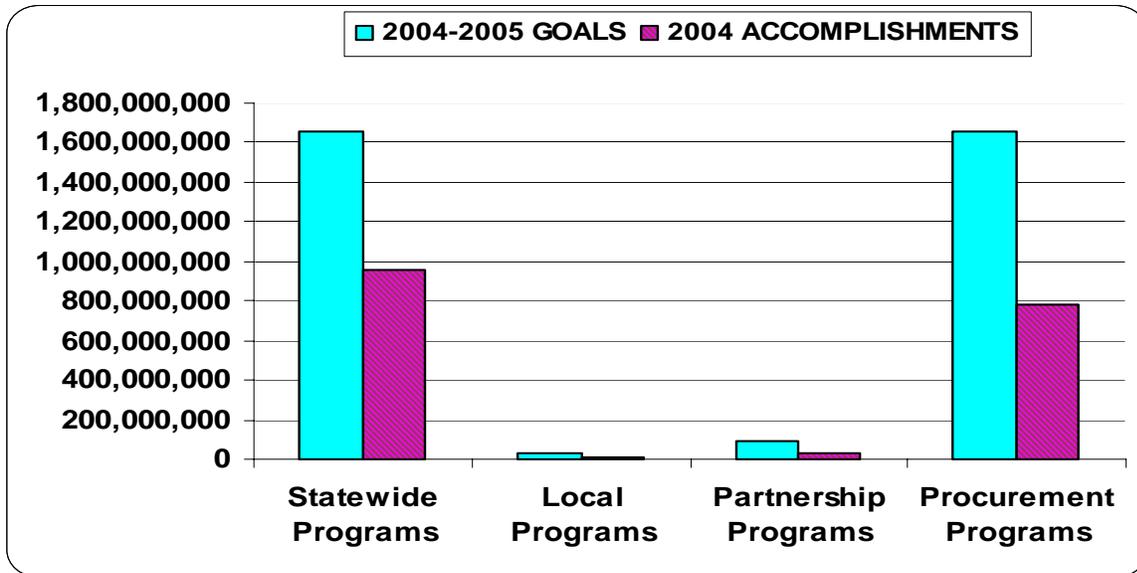
Note: Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

2004-2005 Utility Programs: Demand Reduction Goals vs. Accomplishments (kW)



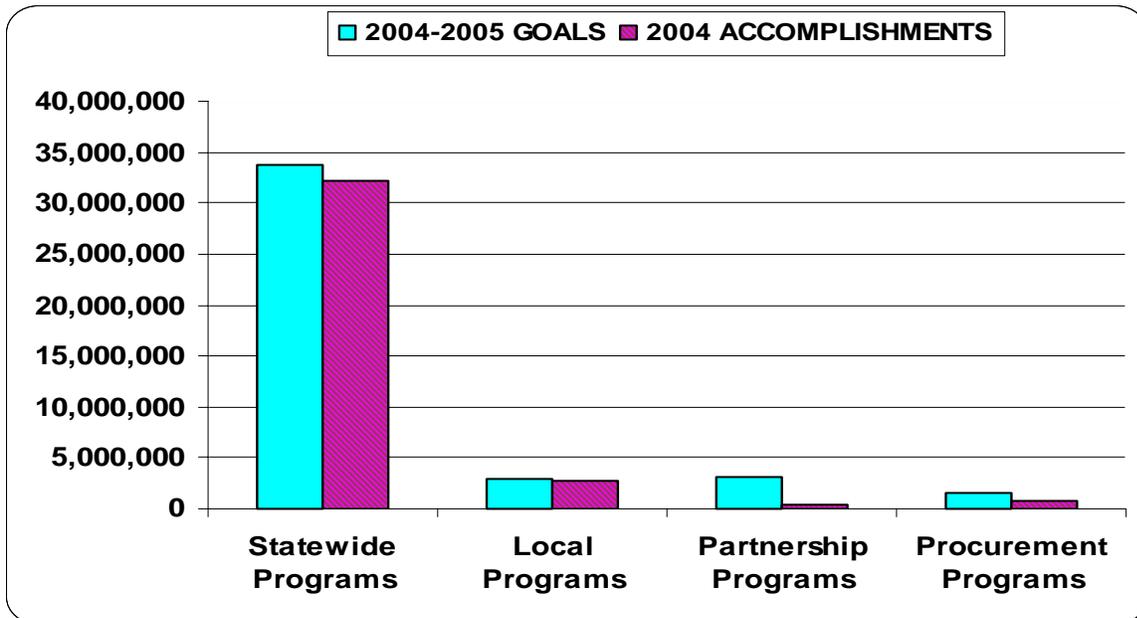
Note: Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

2004-2005 Utility Programs: Energy Savings Goals vs. Accomplishments (kWh)



Note: Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

2004-2005 Utility Programs: Natural Gas Savings Goals vs. Accomplishments (therms)



Note: Data based on report submitted on March 15, 2005 by utilities and are subject to verification.

Utilities Planning Ahead to Maintain Adequate Electric Supplies in Summer 2005

There is substantial concern in the regulatory community that there may be insufficient generating capacity to meet system peak demand during the summer of 2005. Recent forecasts of the California Energy Commission (CEC) have shown that --in the event of a very hot summer in 2005-- Southern California would need additional resources to maintain acceptable levels of operating reserves.

The utilities (PG&E, SDG&E and SCE) have already launched their 2005 energy efficiency campaigns keeping in mind that there may be a possible electricity shortage. They have initiated marketing efforts that include radio, newspaper, bill inserts offering rebates for programmable thermostats, room air conditioners, whole-house fans, windows, insulation, pool pumps and motors. Since program year 2005 is a continuation of energy efficiency programs initiated in 2004, the utilities anticipate that energy savings to be realized in summer of 2005 would meet or exceed energy savings realized in summer of 2004 (98 MW). SDG&E is increasing efforts to replace inefficient refrigerators and lighting with Energy Star units and fixtures. PG&E is encouraging distributors and contractors to take early advantage of rebate opportunities during 2005 construction season. SCE, in addition to its 2004-2005 programs, proposes to take immediate, significant actions now to help alleviate the concerns over potential summer electricity shortages in Southern California.⁹ SCE requested and CPUC granted --in addition to the procurement funding approved in Decisions 03-12-020 and 04-02-059-- \$57 million procurement funds to be spent on cost-effective energy efficiency during the summer months of 2005.

Non-Utility Programs Focus on Hard-to-Reach Sectors

For 2004-2005 program cycle, the CPUC again engaged in an open solicitation process for energy efficiency programs and approved \$114.5 million funding for a diverse portfolio of residential and nonresidential programs that complement statewide programs offered by utilities. They focus on hard-to-reach sectors, such as very small commercial customers, mobile home residents in rural communities, agricultural and industrial customers. Some offer information, education and training programs to a variety of customers. Among them are a number of local programs funded in 2002-2003 that have been successful and promote diversity to the portfolio. Appendix B describes the non-utility programs.

Utilities administer the non-utility sponsored programs and a contract between these parties details the provisions of payment and services. Before contracts could be

⁹ Application 05-02-029 filed on February 25, 2005 by SCE was approved by CPUC Decision 05-05-012 dated May 5, 2005.

signed, some programs, however, had to be modified to include service to a larger area/certain market segment or to allow more customer participation consistent with the CPUC directives; contracts should clearly reflect all CPUC required program modifications. Some entities therefore were able to sign contracts immediately while others had to comply first with program modifications.

The tables below detail the two-year program budgets and 2004 expenditures as well as the projected and 2004 achieved savings for programs sponsored by non-utility entities. It should be noted that seven non-utility entities have processed less than 12 monthly reports; thus, only part of their 2004 expenditures and savings have been reflected in the tables below. While, one program still does not have a signed contract. Based on the submitted monthly reports, local programs achieved in 2004: 38 thousand kW, 109 million kWh and 3 million therms, representing 53%, 42% and 24% of their projected targets, respectively. The non-utility entities spent \$37.5 or 33% of their approved budget for 2004-2005 program cycle.

2004-2005 NON-UTILITY PROGRAMS
2004-2005 Budget and Projected Energy Savings*

	2004-2005 Budget	Projected Electric and Natural Gas Savings		
		kW	kWh	Therms
TOTAL	\$ 114,532,861	72,204	263,314,064	12,836,767

*Data on savings reflect changes approved after issuance of Decisions 03-12-060 and 04-02-059.

2004-2005 Non-Utility Programs

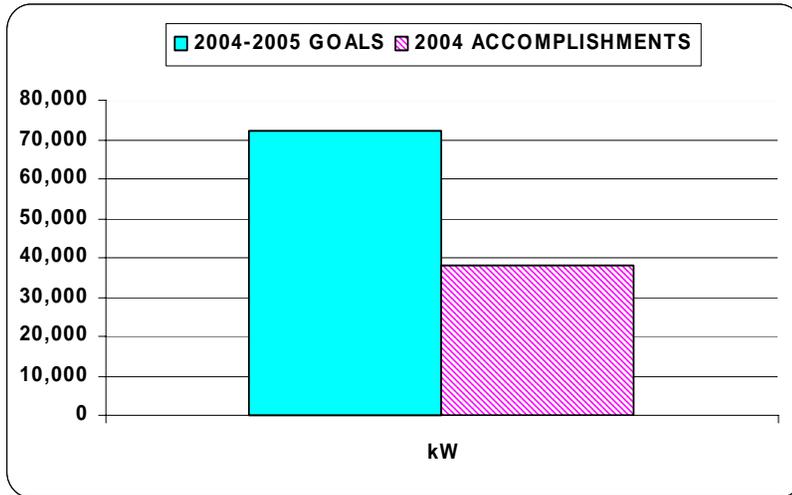
2004 Non-utility program expenditures total 33% of their 2004-2005 budget and achieved 53%, 42% and 24% of their target kW, kWh & therms

2004 Expenditures and Achieved Energy Savings*

	2004** Expenditures	Achieved Electric and Natural Gas Savings		
		kW	kWh	Therms
TOTAL	\$ 37,475,591	38,100	109,367,038	3,119,115

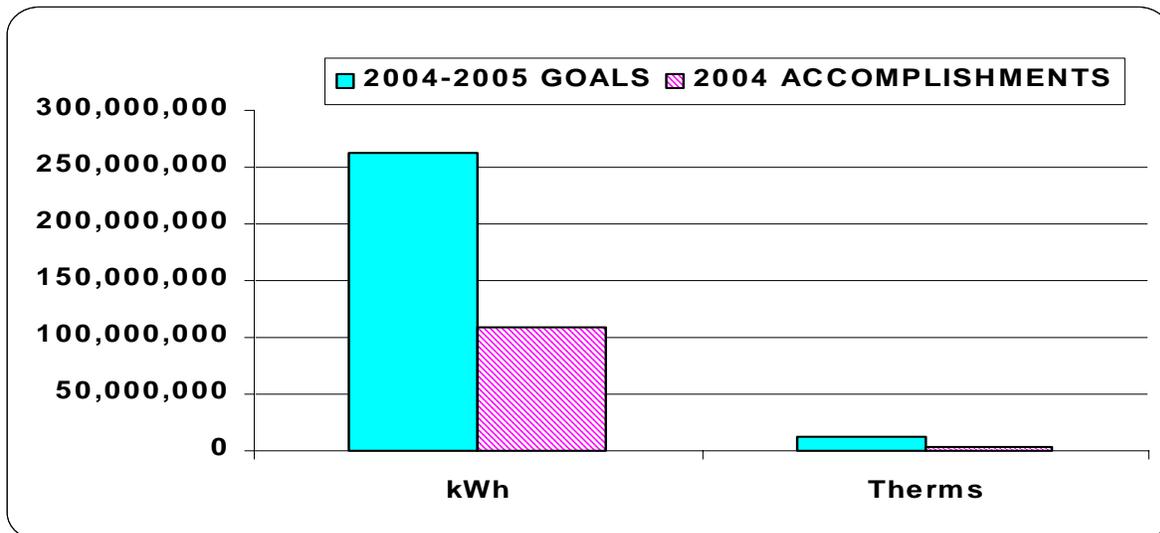
*Data based on monthly reports submitted by non-utilities to their utility contract administrators. Seven Programs have reported less than 12-monthly reports. One program does not yet have a contract and has not started submitting reports.

2004-2005 Non-Utility Programs: Demand Reduction Goals vs. Accomplishments (kW)



*Data based on monthly reports submitted by non-utilities to their utility contract administrators. Seven Programs have reported less than 12-monthly reports. One program does not yet have a contract and has not started submitting reports.

2004-2005 Non-Utility Programs: Energy Savings Goals vs. Accomplishments (kWh & Therms)



*Data based on monthly reports submitted by non-utilities to their utility contract administrators. Seven Programs have reported less than 12-monthly reports. One program does not yet have a signed contract and has not started submitting reports.

III. CPUC ADVANCED THE ENERGY ACTION PLAN TO FURTHER REDUCE ENERGY CONSUMPTION

In May 2003, the CPUC adopted the EAP¹⁰ in collaboration with the California Energy Commission (CEC) and the California Consumer Power and Conservation Financing Authority (CPA). The EAP establishes common goals and proposes specific actions to ensure that adequate, reliable, and reasonably priced electrical power and natural gas supplies are achieved and provided through policies, strategies, and actions that are cost-effective and environmentally sound for California's consumers and taxpayers. It identifies energy conservation and resources efficiency as the top priority for achieving California's long-term energy goals, specifically by: (1) decreasing per capita energy consumption in California, (2) improving building energy efficiency standards by five percent, and (3) improving air conditioner efficiency by ten percent above federal standards.

The EAP guided our energy efficiency and procurement rulemaking proceedings, R.01-08-028 and R.04-04-003, respectively. More specifically, the CPUC translated the EAP directive to reduce per capita energy consumption into explicit, numerical goals for electric and natural gas savings for California's four largest investor-owned utilities,¹¹ adopted the administrative structure for post-2005 of energy efficiency programs, required utilities to include energy efficiency as part of their integrated energy procurement portfolio with a concomitant increase in funding for utility programs, approved 2004-2005 programs using criteria consistent with the EAP objectives, and examined ways to incorporate into the energy efficiency proceeding the greenhouse gas (GHG) measurement and mitigation efforts by the California Climate Change Registry.

Adopted Aggressive Annual and Cumulative Energy Savings Goals for 2006 and Beyond

In keeping with the EAP, we translated its directive to reduce per capita energy use and adopted annual and cumulative energy savings goals through the year 2013.¹² We recognized that numerical targets for electricity and natural gas savings should be established in concert with the goal to pursue all cost-effective energy efficiency opportunities. With this focus in mind, we adopted aggressive goals --subject to three-year updating process-- that reflect the need to substantially increase efforts to procure energy efficiency over both the short- and long-term, based on recent assessments of its economic potential.

¹⁰ The full text of the Energy Action Plan can be viewed at www.cpuc.ca.gov.

¹¹ Pacific Gas & Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company

¹² Decision 04-09-060.

The electricity savings goals are projected to meet 55% to 59% of the utilities' incremental electric needs between 2004 and 2013. On the other hand, the adopted goals for natural gas energy efficiency represent a 116% increase in expected savings over the next decade, relative to the status quo. In light of these goals, in any utility application or other filings which present projections of supply-side resources needs, pipeline or transmission needs, propose new facilities or otherwise utilize projections of energy demand, the utilities must demonstrate that such filings are fully consistent and reflect the adopted energy savings goals or updates to these goals.

Overall, we believe that our expectations for energy efficiency savings over the next decade are appropriately aggressive and in line with the EAP objectives. At the same time, they recognize that there may be some practical limitations in increasing program funding and accelerating programs to capture the full economic potential of energy efficiency at this time, especially with respect to natural gas savings.

Required Utilities to Include Energy Efficiency in their Energy Procurement Portfolio

The EAP re-established energy efficiency as a significant resource in the utilities' energy procurement portfolio. Consistent with this focus, the CPUC required the utilities to submit energy efficiency savings projections¹³ and authorized \$244.5 million increased funding for 2004-2005 energy efficiency programs as part of the electric procurement portfolio of PG&E, SCE, and SDG&E.¹⁴ The utilities' procurement energy efficiency programs are projected to provide 1.7 billion kWh and 341 thousand kW demand reduction.

In addition to the \$244.5 million procurement based programs, the CPUC also approved: \$535 million programs sponsored by utilities and non-utilities, \$41 million statewide marketing and outreach, and \$23.5 million for studies and contract administration, making the 2004-2005 energy efficiency budget total \$844 million. These programs are now ongoing and will be providing measures and services through 2005.

Adopted Administrative Structure for Post 2005 Energy Efficiency Programs

In 2003, we initiated to address the future administration of energy efficiency. We conducted public workshops --attended by over 100 individuals and organizations-- in March 2004 to identify each area of responsibility for energy efficiency administrators, to describe the various options for administrative structure, and to identify and discuss the range of potential criteria for evaluating the best administrative options for California. Moreover, we encouraged various forms of participation by parties to

¹³ Decision 03-12-062.

¹⁴ Decision 03-12-060. Out of the \$245 million, \$110 million is allocated for 2004

facilitate consideration of all proposals and comments.¹⁵ In response, the parties submitted proposals similar to the administrative structures or components thereof that we have implemented or attempted to implement in the past for ratepayer-funded energy efficiency (Collaborative Era: 1990-1997; Restructuring Independent Board Administration Era: 1997-2000; and Current Structure: Summer 2000 Initiative to Present). All the proposals submitted recognized that utilities and non-utilities will continue as program implementers delivering energy efficiency services to customers; they differ significantly, however, with regard to the future role of utilities in performing two key administrative functions: Program Choice and Portfolio Manager.¹⁶

Based on our experience with utility administration during the early 1990's collaborative era, the utilities have the requisite expertise and capability to administer energy efficiency consistent with the EAP and the savings goals we have established in D.04-09-060. We also recognize the reasonableness of having the utilities perform the program choice and portfolio management functions for energy efficiency since we have established a market structure in D.04-01-050 that placed the utilities in selecting programs and managing the portfolio of supply-side resources. In the past, we have been unsuccessful in shifting to independent administration for energy efficiency since this approach would require a legislative change.¹⁷ We also recognize the following predicaments with regard to independent entity performing program administration: the uncertainty and implementation delays associated with seeking new legislation, the significant start-up costs and transition time, and the challenge of finding a third-party administrator(s) capable of assuming the huge financial responsibilities associated with over \$400 million annually. For these reasons, we return the lead role in program choice and portfolio management for energy efficiency to the utilities beginning program year 2006.¹⁸

With the utilities assuming the above roles, we have imposed quality control safeguards for both supply-side and demand-side resource procurement. To avoid partiality in program selection, we adopted an advisory group structure, competitive bidding

¹⁵ CEC and CPUC staff facilitated discussions to develop a common terminology, format and list of policy and implementation considerations for parties to address in their administrative structure proposals. Stakeholders were encouraged to work together to find common ground on the issued and develop joint proposals where possible. To address competitive concerns, the Administrative Law Judge also developed procedures for participants who would prefer to file proposals or comments with identities under seal.

¹⁶ Program Choice involves the selection of activities and implementers for the portfolio of energy efficiency programs, and the allocation of ratepayer dollars to those activities for each funding cycle. Portfolio Management involves the day-to-day tasks associated with general administration and coordination of those ratepayer-funded programs between funding cycles.

¹⁷ Attorney General and Department of Finance position: Ratepayer money such as the public goods charge fund is public money that can be held by the utilities and spent under the CPUC direction, but in the absence of legislation, cannot be moved to an outside trust account or bank account. Thus, if we pursue a model that transfers funds from the utilities to an outside entity, we would first need to seek legislation similar to the provisions that authorize the transfer of telecommunications public purpose funds to treasury accounts.

¹⁸ Decision 05-01-055. The full text can be viewed at www.cpuc.ca.gov.

minimum requirement, and a ban on affiliate transactions between the utility administrators and program implementers.

We also adopted a structure for evaluation, measurement and verification (EM&V). For program year 2006 and beyond, the CPUC Energy Division will be responsible in managing and contracting for all EM&V studies that will be used to:

- Measure and verify energy and peak load savings for individual programs, groups of programs and at the portfolio level,
- Generate the data for savings estimates and cost-effectiveness inputs,
- Measure and evaluate achievements of energy efficiency programs, groups of programs and/or portfolio terms of the “performance basis” established under the CPUC-adopted EM&V protocols, and
- Evaluate whether programs or portfolio goals are met.

The Energy Division will lead in performing research and developing recommendations to aid in developing energy efficiency policy goals and priorities, in evaluating the remaining potential to achieve additional energy or peak savings, and other research activities needed to support the CPUC policy oversight. In instances where the utility portfolio managers and program implementers may need access to market information to perform their responsibilities, we adopt a process that allows them to manage a limited subset of evaluation studies as long as there is no potential for conflict due to the nature of the study, and as long as the Energy Division selects the contractors.

Expanded Scope of Energy Efficiency Proceeding to Include Examination of Potential for Greenhouse Gas Emissions (GHG) Reduction from Energy Efficiency Programs

The EAP expresses the joint commitment of the CPUC, CEC and CPA to energy resource planning that reflects continuing progress in meeting the state’s environmental goals and standards, including minimizing the energy sector’s contribution to climate change. In particular, the EAP recognizes the need to encourage companies that invest in energy conservation and resource efficiency to register with state’s Climate Change Registry.¹⁹

The CPUC has undertaken efforts to identify and address greenhouse gas (GHG) emissions associated with regulated energy utilities. Our effort involving the energy utilities are well underway. The large utilities and the CPUC have become members and active participants in the California Registry. In further support of the EAP goals, we issued a ruling proposing to:²⁰

¹⁹ The Registry is a voluntary program open to any organization interested in inventorying its greenhouse gas (GHG) emissions and publicly sharing the results of that effort. The general protocols used to count GHG emissions are based on national and international standards.

²⁰ See Assigned Commissioner Ruling (ACR) Soliciting Comment on Ways to Incorporate the Protocols and Information Collected by the Climate Change Registry issued on August 31, 2004.

- ◇ articulate policy rules for energy efficiency that recognizes the issue of climate change, including the importance of registering with the Registry and identifying the reductions in GHG emissions as well as kilowatt/kilowatt-hour reductions associated with energy efficiency programs;
- ◇ expand the scope of energy efficiency savings potential and other studies in the future to examine the potential for GHG emission reductions from energy efficiency;
- ◇ require program implementers to include specific data on greenhouse emissions (based on the Registry protocols) in the workbooks they fill out for reporting purposes to Energy Division, or other tracking tools, as appropriate, and
- ◇ require energy efficiency program administration and implementers to provide information about the Registry and to encourage participating in the Registry—for all customers other than residential—as part of their outreach efforts and when installing energy efficiency measures.

After examination of all relevant information, we anticipate addressing the status of GHG measurement and mitigation efforts and identify best practices among all sectors by the end of 2005.

IV. CPUC EXPLORING TO UTILIZE ENERGY EFFICIENCY TO IMPLEMENT THE GOALS OF THE GREEN BUILDING EXECUTIVE ORDER ISSUED DECEMBER 14, 2004

The Governor issued on December 14, 2004 a Green Building Executive Order, which urged the CPUC to “apply its energy efficiency authority to support a campaign to inform building owners and operators about the compelling economic benefits of energy efficiency measures; improve commercial building efficiency programs to achieve 20% goal...”²¹ In response to the Governor’s order, we have begun to gather information on how energy efficiency programs that are currently authorized and funded in the 2004-2005 cycle can be utilized to accomplish the goals outlined in the Executive Order and to seek comments on how the CPUC should modify subsequent program design and funding to implement the Governor’s order.²² In addition, we are looking into how an outreach campaign and programs to the commercial sector might be implemented immediately and further developed for future funding cycles. The information gathered will be used to report to the Governor on the progress toward meeting the Executive Order’s goals beginning in September 2005.

²¹ Ordering Paragraph 4 of Executive Order S-20-04 (<http://www.governor.ca.gov>)

²² See Assigned Commissioner’s Ruling Requesting Information in Response to the Governor’s Executive Order S-20-4

V. CPUC EVALUATED PROGRAM EFFECTIVENESS, DELIVERY AND IMPROVED PROGRAM MANAGEMENT

In addition to pursuing energy efficiency and conservation efforts consistent with the EAP goals, we continued in 2004 with projects designed to assess the programs' cost-effectiveness and to facilitate more efficient program management and oversight.

Audit of Public Goods Charge (PGC) Collections and Expenditures

The CPUC openly solicited and contracted for a PGC audit in August 2003, to (1) verify PGC collections from 1998 through 2002, (2) verify PGC expenditures on energy efficiency-related programs and services, (3) investigate and verify the level of administrative expenditures associated with PGC-funded programs, (4) assess the effectiveness of oversight, accounting and financial fund management, and (5) make recommendations to the Commission, as appropriate, to improve the utilities' PGC fund management and expenditures. The audit was completed by the consultant in July 2004.

After reviewing the responses to the approximately 1,200 data requests issued and conducting over 134 interviews and a number of follow-up interviews with the management and staff of the four utilities, the consultant issued an audit report in July 2004. In general, the audit found that:

- Utilities properly calculated the electric and gas rates; however, the utilities treat the gas surcharge differently.²³
- Utility oversight and funds management controls are adequate; however, improvements are possible at all utilities, particularly in the areas of procurement and vendor oversight.
- No material adjustments to the recorded costs were identified by the audit, with the possible exception of SCG's interest calculation that deviated from the more traditional method for calculating interest.
- Administrative cost levels and the reporting of administrative costs varied considerably by utility as a result of differences in accounting and reporting systems, differences in what is included in the utilities' base rates, and limited written guidance regarding allowed energy efficiency expenditures or their classification.

Based on the audit results, the consultant provided a list of audit recommendations for each affected utility and policy issues for consideration by the Commission. We

²³ SDG&E and SCG treat the gas surcharge as an excise tax while PG&E treats it as revenue. Treatment of the surcharge as a tax exempts certain customers from the surcharge. Although the CPUC has not determined whether the surcharge is a tax or a revenue, in Decision 04-08-010 issued on August 19, 2004, the Commission found that the gas surcharge balancing account should accrue interest at the three-month commercial rate paper and directed that interest be paid on surcharge amounts in the possession of the utilities prior to the remittance to the Board of Equalization.

anticipate completing our review and considering a process to implement audit recommendations by the end of 2005.

Assessment of Past Program Performance for Purposes of Evaluating the Utilities Shareholder Incentive Earnings

The CPUC contracted in August 2003 with an independent third-party consultant to review milestone achievements associated with the Annual Earnings Assessment Proceedings (AEAP) earnings claims by utilities for 1999-2001 energy efficiency programs and utilities' achievement of 2002 program goals. In addition, this project involved an independent review of the utilities' retention and persistence studies supporting their earnings claims for demand side management programs conducted during the period prior to 1998 where there will be ongoing activities and claims by the utilities through at least 2007.

The review of the retention and persistence studies --including the technical degradation factor and the utilities' milestone achievements-- was completed on the last quarter of 2004.²⁴ Parties to the AEAP reviewed the consultant's reports on the retention and persistence studies and found no issues that require hearings. As a result, parties convened a settlement conference to address the pre-1998 shareholder incentive earnings and filed motions for adoption of settlement agreement on December 30, 2004 (filed by Office of Ratepayer Advocates-ORA and SDG&E/SCG), April 4, 2005 (filed by ORA & PG&E) and June 13, 2005 (filed by ORA & SCE). The CPUC anticipates considering these motions before the end of 2005.

Evaluation, Measurement and Verification of Programs

The CPUC authorized the utilities to hire consultants to evaluate their 2002 programs. Since the utilities' programs in 2003 were substantially the same as in 2002, the CPUC found it appropriate for the utilities to continue with this approach in conducting program evaluation, measurement and verification (EM&V) studies for their statewide and local programs in 2003. After the review and approval of the EM&V plans of the utilities, the CPUC anticipates that the studies will be completed at the end of 2005.

Development of a Comprehensive Database for Improved Tracking of Energy Efficiency Program Reports and Progress

In 2004 and in previous years, CPUC staff oversight involved a multitude of tasks—review of program plans, budgets, expenditures, and program activity reports; monitoring of programs; review and approval of program modifications; and day-to-day management assignments. To accomplish these tasks more efficiently, the CPUC began in 2003 implementing a comprehensive database groupware application project. This endeavor continued in 2004. As with all new customized software, there have been development delays in populating the tracking database and completing beta testing of the most recent deployments. When fully operational, the database will enable the

²⁴ <http://www.cpuc.ca.gov/static/industry/electric/energy+efficiency/rulemaking>.

Energy Division staff and other users (utilities, other entities, and interested parties or individuals) to generate reports showing aggregate data for the entire portfolio, such as budgets, expenditures to date, demand reduction and energy savings goals and achievements.

Policy Rules for the Development of Post-2005 Energy Efficiency Programs

In preparation for the post-2005 energy efficiency programs, we initiated a process that will provide directions to future program administrators and implementers in developing future energy efficiency programs.²⁵

Under the interim administrative structure wherein the CPUC was responsible for program selection and portfolio management, we created in 2001 an Energy Efficiency Policy Manual (and later revised in 2003) designed to guide implementers in submitting proposals to the Energy Division staff for review. Since we began considering alternatives to this interim administrative structure (see discussion above), none of the administrative options proposed by parties or presented in the draft decision would retain staff in the role of program choice or portfolio management. In view of the proposed change in the administrative structure, we initiated a process to update the Policy Manual to provide overall policy guidance more along the pre-1998 policy rules. Moreover, the policies and funding criteria contained in the current Policy Manual were established prior to the development of the EAP, which places energy efficiency back at the front line of resource procurement activities in California. The policy manual needs to reflect policies, goals and funding consistent with the EAP and the process to evaluate and measure program performance to assess whether the savings generated by the energy efficiency programs meet or exceed the savings goals.

We issued on April 21, 2005 an updated policy manual designed after the pre-1998 rules format which focuses on overall objectives, general guidance for portfolio composition and clarify cost-effectiveness expectations.²⁶

²⁵ See Assigned Commissioner's Ruling and Notice of Workshops to Update Policy Rules and Related Terms and Definitions for Energy Efficiency Programs dated December 18, 2004 and Administrative Law Judge's Ruling Soliciting Pre-Workshop Comments on Draft Policy Rules for Post-2005 Energy Efficiency Programs dated December 30, 2004.

²⁶ D.05-04-051

VI. 2005 AND BEYOND

CPUC Will Continue to Pursue Energy Efficiency and Conservation Efforts Consistent with the Energy Action Plan

In 2005, we will focus efforts in preparing for the 2006 funding cycle. Between now and the end of 2005, we will need to complete a variety of tasks. These include: (1) updating avoided costs for the evaluation of program savings, (2) developing the performance basis for energy efficiency programs that defer or avoid more costly supply-side resources, (3) updating EM&V protocols and procedures for measuring program performance, (4) risk/reward mechanisms and (5) updating Energy Efficiency Policy Rules, as earlier discussed in Section V.

Avoided Costs Methodology in the Energy Efficiency 2006-2008 Program Cycle. We opened a rulemaking (R.04-04-025) on April 22, 2004 to continue our efforts to develop avoided costs in a consistent and coordinated manner across CPUC proceedings. The first phase of this proceeding considered the applicability of the consultant's final report on avoided costs (*Methodology and Forecast of Long-Term Avoided Cost(s) for the Evaluation of California Energy Efficiency Programs*) for use in the energy efficiency investments for the 2006-2008 program cycle. The final report, dated October 25, 2004, contained response to parties' pre- and post-workshop comments. These filings provided the CPUC adequate record on which to consider the avoided cost forecast contained in the final report for use in an interim basis in the evaluation of energy efficiency programs for the 2006 program year. The CPUC adopted a new avoided costs methodology for 2006-2008 program cycle on April 7, 2005.²⁷

²⁷ Decision 05-04-024. Full text can be viewed at www.cpuc.ca.gov.

Performance Basis and Associated Measurement Protocols. As part of our ongoing effort on how best to measure the success of energy efficiency programs, we conducted a series of workshops in 2004 to develop a standardized performance basis -the appropriate basis for evaluating program performance-- for all types of energy efficiency programs and during all phases of program implementation, and the associated procedures and protocols for evaluation, measurement and verification of that performance basis. The CPUC anticipates issuing a decision on this issue by the end of 2005.

Reward Mechanism for Energy Efficiency. The CPUC has expressed its intent to adopt a uniform incentive mechanism for energy efficiency, as well as the overall procurement framework, that would provide an opportunity for investor-owned utilities to balance the risk and reward—with the goal to motivate utilities to procure the least-cost supply-side resources and make cost-effective demand-side investments while also taking into consideration the environmental costs or benefits of various resource options.²⁸ Workshops on March 7, 8 and 9 addressed the staff proposal and any other alternative incentive frameworks presented in the pre-workshop comments. The workshop served as the forum for an incentive framework that is consistent with the Energy Action Plan and Legislative mandates. The CPUC anticipates completing addressing this issue by the end of 2005.

²⁸ Decisions 02-10-062, 03-12-062 and 04-01-050

CPUC Will Continue to Ensure the Effective use of Energy Efficiency Funds

The CPUC is committed to continually improve and expand the reach of energy efficiency programs in the State. Our activities will be guided by the following goals:

- Expand program delivery
- Focus on under-served customer groups
- Increase focus on areas with greatest energy efficiency potential
- Actively work closely with program evaluation and market research
- Enhance the system for tracking program activities
- Require better calculation of energy savings

APPENDIX A

2004-2005 Statewide Program Descriptions

(Budgets and Associated Savings Based on Decisions 03-12-060 and 04-02-059)²⁹

Residential Retrofit

(1) Residential Home Energy Efficiency Survey

Budget	PGC	\$5,849,454	Employs mail-in and web-based energy use surveys to help consumers understand and reduce energy use in their homes.
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(2) Residential Appliance Recycling Program

Budget	PGC	\$18,428,782	Allows consumers to properly dispose of their working, inefficient refrigerators and freezers. Participating customers receive cash incentive.
	Procurement	\$10,206,909	
Savings	PGC-kw	16,113	
	kwh	102,012,257	
	therms	0	
	Proc-kw	9,332	
	kwh	60,865,018	
	therms	0	

(3) Residential Single-Family Unit Rebates for Energy Efficiency Equipment

Budget	PGC	\$60,539,722	Provides rebates towards the purchase of new energy efficient home improvement products, such as insulation, Heating and cooling equipment and whole house fans.
	Procurement	\$35,997,379	
Savings	PGC-kw	103,756	
	kwh	531,804,703	
	therms	7,295,741	
	Proc-kw	93,139	
	kwh	536,000,838	
	therms	641,626	

(4) Residential Multi-Family Unit Rebates for Energy Efficiency Equipment

Budget	PGC	\$18,507,156	Provides rebates to owners and managers of apartment buildings and condominium complexes for the installation of energy efficiency improvements in dwelling units and common areas.
	Procurement	\$8,191,126	
Savings	PGC-kw	7,385	
	kwh	42,710,591	
	therms	2,664,781	
	Proc-kw	3,371	
	kwh	24,293,138	
	therms	0	

Nonresidential Retrofit

(5) Nonresidential Standard Performance Contract

²⁹ The budgets and associated savings are based on Decisions 03-12-060 and 04-02-059. After issuance of these decisions, utilities requested to shift funds or for more funds for some programs. Thus, the final approved budgets and savings for those programs may vary from the adopted decisions.

Budget	PGC	\$53,991,354	Provides rebates for customized energy efficient retrofit projects for large and medium businesses. The rebates are offered on a per therm and per kW basis and requires energy savings measurement to qualify for rebates.
	Procurement	\$33,648,396	
Savings	PGC-kw	37,846	
	kwh	288,334,900	
	therms	5,492,436	
	Proc-kw	36,833	
	kwh	251,076,591	
	therms	0	

(6) Nonresidential Express Efficiency

Budget	PGC	\$35,663,900	Provides rebates for a prescribed list of energy efficient upgrades to small- and medium-sized businesses. Express Efficiency is designed for businesses that do not exceed 500kW and 250,000 therms, respectively.
	Procurement	\$3,635,562	
Savings	PGC-kw	89,310	
	kwh	467,465,291	
	therms	6,533,849	
	Proc-kw	5,794	
	kwh	54,072,941	
	therms	0	

(7) Nonresidential Energy Audit

Budget	PGC	\$11,987,136	Offers free energy audit to nonresidential customers. The audits, based on utility bill analysis, customer equipment use and building characteristics, inform customers of the benefits of installing energy efficient measures and adopting energy efficient practices.
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(8) Nonresidential Building Operator Certification and Training

Budget	PGC	\$2,141,764	Trains operators of large- and medium-sized commercial buildings and campuses on energy savings strategies for their buildings. Certified operators will be able to integrate energy savings strategies into their operations and maintenance activities.
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(9) Nonresidential Emerging Technologies

Budget	PGC	\$2,141,764	Designed to move emerging energy efficient technologies, analytical tools and applications to market. The utilities coordinate their energy efficiency activities with the California Energy Commission's Public Interest Energy Research program and support demonstrations of new and promising energy Efficient technologies.
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Residential New Construction

(10) California Energy Star New Homes

Budget	PGC	\$28,779,913	Encourages residential contractors and homebuilders to construct homes that exceed California Title 24 building standards. This is achieved through a combination of financial incentives, design assistance and education.
	Procurement	\$6,139,345	
Savings	PGC-kw	22,627	
	kwh	17,194,909	
	therms	1,410,251	

Proc-kw	9,235
kwh	7,538,720
therms	0

Nonresidential New Construction

(11) Savings by Design

Budget	PGC	\$47,114,306	Offers building owners and/or developers and design teams a wide range of services including education, Design assistance and incentives based on the Percentage by which work exceeds Title 24 standards. The CPUC prefers the whole-building design approach for this program.
	Procurement	\$17,039,685	
Savings	PGC-kw	44,400	
	kwh	206,079,448	
	therms	1,132,867	
	Proc-kw	16,791	
	kwh	85,370,392	
	therms	346,152	

Crosscutting Programs

(12) Marketing and Outreach

Budget	PGC	\$41,000,000	Delivers consumer marketing and outreach messages that persuade customers to make permanent changes to their homes and businesses. McGuire & Company, Runyon, Saltzman & Einhorn and Univision and Staple/Hutchinson and Associates, Inc. were contracted for this program.
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(13) Education and Training

Budget	PGC	\$16,492,058	Offers education and training to contractors, architects and designers, residential developers, builders, manufacturers and end-users on means to improve energy efficiency.
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(14) Code and Standards Advocacy

Budget	PGC	\$5,850,657	Promotes upgrades and enhancements in energy efficiency codes and standards through a combination of advocacy towards agencies and industry groups involved in appliance and building standards and development of case studies.
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(15) Upstream HVAC and Motors Rebate

Budget	PGC	\$16,492,058	Provides financial incentives to manufacturers and distributors of premium efficient motors and HVAC equipment combined with incentives to customers to create a push/pull strategy. This program is essentially the HVAC and motors element of the Express Efficiency with upstream focus.
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APPENDIX B

2004-2005 Local Program Descriptions

(Budgets and Associated Savings Based on Decisions 03-12-060 and 04-02-059)

2004 – 2005 Non-Utility Local Programs

Non-Utility Local Programs

(Program Implementer - Program Name)

(1) ADM Associates, Inc. - Mobile Energy Clinic Program

Budget	PGC	\$1,753,195	Provides low-cost/no-cost measures and equipment diagnostics to small commercial businesses, with focus on strip malls, small convenience stores, laundromats and non-chain restaurants in Southern California.
Savings	kw	981	
	kwh	5,108,640	
	therms	65,192	

(2) Alliance to Save Energy - Green Campus Pilot Program

Budget		\$1,869,921	Develops student led campus energy efficiency outreach programs designed to provide energy efficiency education to university students, administrators, faculty and systems' managers.
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(3) Alliance to Save Energy - Green Schools Program

Budget	PGC	\$3,015,176	Focuses on saving energy in schools and helping students understand the link between energy and environment through behavior modification, operational changes and retrofits in school buildings.
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(4) American Synergy Corporation - Comprehensive Hard-to-Reach Mobile Home

Budget	PGC	\$3,500,000	Provides education and no-cost installation of energy efficiency measures to hard-to-reach residential customers in mobile homes in SCE and SoCalGas service territories.
	kw	2,906	
	kwh	7,036,373	
	therms	0	

(5) Assn of Bay Area Governments - Northern CA Local Government Energy Partnership

Budget	PGC	\$2,500,000	Provides technical assistance and information services to small to medium-sized cities, counties and special districts to complete energy retrofits and developing energy efficiency policies and government initiatives.
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(6) ASW Engineering Mgt Consultants - Energy Savers

Budget	PGC	\$3,023,810	Offers financial incentives to very small to medium-sized hard-to-reach and underserved businesses in the form of matching funds for efficient lighting, programmable thermostats, air conditioners and refrigeration systems.
	kw	2,109	
	kwh	9,681,383	
	therms	0	

(7) BO Enterprises - Moderate Income Comprehensive Attic

Budget	PGC	\$4,186,783	Provides cost-effective measures to moderate-income hard-to-reach single family residences such as attic insulation, attic vents, duct seals, AC diagnostics, water heater blankets and energy education.
	kw	2,729	
	kwh	5,300,058	
	therms	631,456	

(8) Building Industry Institute - Community Energy Efficiency Program

Budget	PGC	\$1,000,000	Aims at enlisting local government building departments to participate in providing incentives to builders who submit subdivision plans that exceed CA Energy Star requirements.
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(9) Building Industry Institute - Building Energy Code Training

Budget	PGC	\$1,812,104	Provides training to production builders and local governments in the proper installation of CA Residential Energy Efficiency Standards (Title 24), methods and programs to exceed these Standards, and upcoming changes to the residential 2005 Title 24 Standards proposed to be implemented in 2006.
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(10) CA Bldg Performance Contractors Assn - CA Retrofit Home Performance

Budget	PGC	\$1,983,761	Trains residential specialty contractors in "whole house contracting" wherein all energy efficiency deficiencies are identified through extensive testing, typically includes both HVAC equipment and building shell improvements.
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(11) Cal State University, Chico - Nonresidential Fenestration Certification Initiative

Budget	PGC	\$944,422	Aims to facilitate and encourage conformance with CA Energy Commission emergency Title 24 standards through Comprehensive outreach, tailored trainings and precision technical assistance efforts to key actors in the nonresidential fenestration industry.
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(12) CA Urban Water Conservation Council - Pre-rinse Spray Head Installation Program for Food Service Industry Phase 2

Budget	PGC	\$3,230,285	Offers direct-install incentives to food service customers -- restaurants, cafeterias, institutional kitchens and food preparation companies-- for replacing high water use pre-rinse spray valves with more efficient models.
	kw	0	
	kwh	0	
	therms	5,627,330	

(13) Center for Irrigation Technology, CA State University at Fresno - Agricultural Pumping Efficiency

Budget	PGC	\$2,836,740	Provides technical support and financial assistance to encourage the agricultural industry to adopt more energy efficient pumping system, maintenance and operation. Incentives will be provided for equipment testing, repair and retrofitting.
	kw	0	
	kwh	6,930,186	
	therms	57,250	

(14) City of Berkeley - California Youth Energy Services

Budget	PGC	\$376,022	Provides free-of-charge energy audits and low-cost energy efficiency upgrades to single-family residential customers. This program will provide training to youth to perform energy audits and low-cost energy efficient upgrades in their areas.
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(15) City of Davis on behalf of Yolo County Partnership - Yolo Energy Efficiency Project-1 (YEPP-1)

Budget	PGC	\$1,966,647	Addresses lighting, cooling & envelope needs of residential, multi-family & commercial customers. Most residential measures are available free-of-charge. Rebates are paid to commercial customers on a kWh savings basis.
	kw	1,550	
	kwh	6,523,513	
	therms	0	

(16) City of Davis on behalf of Yolo County Partnership - Yolo Energy Efficiency Project-2 (YEPP-2)

Budget	PGC	\$1,213,548	Complements YEPP-1 with an information-only/market transformation program which will involve intensive and broad outreach to the public through training sessions, mailers through local governments, special promotions.
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(17) County of Marin, Community Development Agency - Marin Public Facilities Energy Management Team

Budget	PGC	\$742,319	This is an information program that includes audits to determine level of energy efficiency management integration and awareness; training and team building to teach energy efficiency fundamentals to facility managers; and monitoring and reporting to ensure projected savings are achieved and maintained.
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(18) D&R International - Statewide School Energy Efficiency Program

Budget	PGC	\$2,001,905	Expands on the program implemented by the CA State and Consumer Services Agency(SCSA) in 2002-2003 known as SEE Program. SCSA serves as an advisor and resource to make the much needed education and efficiency resources available to a broader community.
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(19) Ecology Action of Santa Cruz - Rightlights Program

Budget	PGC	\$6,186,118	Installs comprehensive, turnkey lighting retrofits, as well as pre-rinse spray nozzles for food service, and provides information-only resources on refrigeration, HVAC, and motors efficiency measures to nonresidential customers with less than 500 kW demand.
	kw	5,178	
	kwh	21,030,348	
	therms	100,598	

(20) Energy Analysis Technologies - Residential Duct Services Program

Budget	PGC	\$1,050,000	Offers incentives to consumers in inland areas of the SCE & SCG service territories for duct sealing, as well as basic and advanced HVAC tune-ups. Involves having residential and small commercial customers make repairs to their HVAC systems which they would not otherwise make due to lack of information, cost concerns or lack of access to appropriately skilled contractors.
	kw	2,513	
	kwh	3,027,159	
	therms	102,973	

(21) Energy Solutions - LightWash Program

Budget	PGC	\$1,448,287	Provides incentives for the installation of energy and water efficient commercial washers in non-single family residential properties and for lighting and boilers systems in coin laundry stores. It partners with California water utility industry to implement this program.
	kw	284	
	kwh	1,980,288	
	therms	314,773	

(22) Energy Design Tools Group, UCLA, Dept. of Architecture -
HEED, Home Energy Efficient Design

Budget	PGC	\$419,379	This is an information program that provides an easy-to-use energy design tool that shows residential customers the energy cost savings of remodeling, repair and redesign decisions for their homes.
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(23) EnSave Energy Performance, Inc. - CA Multi-Measure Farm Program

Budget	PGC	\$723,981	Provides incentives to dairy producers in PG&E & SCE service areas for installation of energy efficient measures, such as variable speed drives on milking vacuum pumps, plate coolers.
	kw	868	
	kwh	4,005,000	
	therms	0	

(24) FCI Management Consultants - Emerging Communities Energy Efficiency Program

Budget	PGC	\$2,000,000	Provides Los Angeles small businesses with no-cost energy audits as well as direct install services for lighting and HVAC tune-up measures..
	kw	1,430	
	kwh	6,041,231	
	therms	0	

(25) Frontier Associates - Green Building Technical Support

Budget	PGC	\$1,131,931	Builds and supports the Green Affordable Housing Coalition, which is an information-source on Green Building techniques to be used by affordable housing developers and public agencies. Also provides education on Green Building techniques in the form of demonstrations and targeted information outreach to potential homebuyers.
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(26) Global Energy Partners, LLC - Certified Organic Farmers Energy Efficiency Program

Budget	PGC	\$1,500,542	This hardware/incentive program assists rural farmers in PG&E area to become more energy-efficient and productive. Measures include exterior and interior lighting, motors, refrigeration, fans, pumping systems.
	kw	1,017	
	kwh	3,735,662	
	therms	258,960	

(27) Global Energy Services , Inc. (GES) - Chinese Language Efficiency Outreach

Budget	PGC	\$1,157,619	This is an information program that targets hard-to-reach Chinese residential and non-residential consumers.
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(28) H&L Energy Savers - Performance 4

Budget	PGC	\$2,182,945	Offers no-cost energy audits and financial incentives for energy efficiency measures in residential single-family homes. Measures eligible for rebates include ceiling and wall insulation, HVAC diagnostics, duct testing and sealing, whole house fans.
	kw	2,112	
	kwh	4,556,975	
	therms	646,853	

(29) Heschong Mahone Group, Inc. - Designed for Comfort, Efficient Affordable Housing

Budget	PGC	\$2,565,562	Provides incentives to existing residential affordable housing.
	kw	1,108	This program is based on a previously funded program.
	kwh	946,208	
	therms	78,776	

(30) ICF Consulting - Partnership for Energy Affordability in Multi-family housing

Budget	PGC	\$3,010,017	Delivers a comprehensive portfolio of technical, financial & training services to developers, owners & managers of affordable multi-family housing in the Bay Area and targeted areas of the Central Valley. Also offers prescriptive & customized rebates & short-term financing.
	kw	1,070	
	kwh	1,578,277	
	therms	200,902	

(31) Insync Energy in Association with the Cities of San Joaquin County -
San Joaquin Comprehensive Energy Efficiency Program

Budget	PGC	\$673,246	Offers comprehensive outreach, energy audit and small business seminars and vendor training sessions to facilitate knowledge on energy efficiency benefits, applications & products.
	kw	2,440	
	kwh	7,200,000	
	therms	176,000	

(32) KEMA Xenergy - Enhanced Automation Initiative

Budget	PGC	\$1,476,028	Promotes enhanced automation and more efficient energy management systems (EMS) in office buildings, campuses, public institutions. Also provides financial incentives in the form of free EMS assessments and for EMS reprogramming or hardware improvement.
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(33) KEMA Xenergy - Long Beach Business Energy Services Team (BEST)

Budget	PGC	\$1,649,497	Continues a turnkey marketing and implementation process that takes customers from interest/intent to actual installation of CFLs, LED exit signs, lighting, window film, programmable thermostats & refrigeration measures.
	kw	3,429	
	kwh	65,545,232	
	therms	20,064	

(34) KEMA Xenergy - EEGOV Business Energy Services (BEST) Team

Budget	PGC	\$4,394,754	Creates partnerships with cities with large hard-to-reach population to expand and promote energy efficiency to small and very small businesses in the community. Utilizes turnkey approach which includes education, financial incentives, equipment procurement and installation.
	kw	9,126	
	kwh	17,422,116	
	therms	53,406	

(35) KEMA Xenergy - Positive Energy Loan Fund

Budget	PGC	\$1,069,120	Provides below-market rate loans through local banks as incentive to finance the implementation of cost-effective energy efficiency projects targeted to hard-to-reach commercial and industrial customers in PG&E service area.
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(36) Navigant Consulting, Inc. - Prototype Community Energy Efficiency Programs

Budget	PGC	\$2,947,336	Aids local county and city governments to identify, select, and implement programs and policies that would promote and achieve aggressive energy efficiency programs. Informs selected communities about funding opportunities and innovative legislative initiatives which can help them increase their control over their energy futures.
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(37) Portland Energy Conservation, Inc. - Energy Smart Grocer

Budget	PGC	\$7,476,534	Provides grocers and food-handling businesses with audits and information to encourage investment in energy efficiency equipment. Provides participants with individual energy savings reports and direct installations of CFLs, low-cost refrigeration and vending measures.
	kw	8,210	
	kwh	59,164,941	
	therms	0	

(38) Portland Energy Conservation, Inc. -Retro commissioning Program

Budget	PGC	\$1,168,185	Provides technical guidance and oversight, training and incentives for retro commissioning--which entails the improvement and optimization of building mechanical equipment, lighting and lighting equipment controls.
	kw	780	
	kwh	6,224,400	
	therms	0	

(39) Quantum Consulting, Inc. - Building Tune-Up Program

Budget	PGC	\$7,283,052	This is a building retro-commissioning program that identifies and implements changes in building operations and related hardware to reduce energy use. Tune-up involves use of specific tests designed to identify and optimize energy performance of a building's existing system.
	kw	20,296	
	kwh	74,009,104	
	therms	2,570,568	

(40) Quantum Consulting, Inc. - CA Wastewater Process Optimization Program

Budget	PGC	\$1,448,951	Focuses on bringing energy efficiency to wastewater treatment plants, including municipal, institutional and agricultural facilities that process up to 15 million gallons per day of wastewater. Conducts audits of wastewater treatment facilities, install monitoring control, and equipment measures and trains staff in facilities optimization.
	kw	418	
	kwh	4,091,300	
	therms	0	

(41) Redwood Coast Energy Authority -

Redwood Coast Regional Comprehensive Energy Information and Education Program

Budget	PGC	\$953,746	Provides comprehensive energy efficiency educational services and training tailored to local industry and needs. The Redwood Coast Energy Center will help local governments develop policies, ordinances, and incentives to encourage energy efficiency within the county.
	kw	20,296	
	kwh	74,009,104	
	therms	2,570,568	

(42) Richard Heath & Associates - Small Nonresidential Energy Fitness Program

Budget	PGC	\$2,000,000	Provides direct installation of cost-effective energy conservation measures--lighting, thermostats--at no cost to the target customers. Will also provide air conditioning and tune-up operation and maintenance measures to be piloted by owner occupied businesses to test the programmatic and delivery effectiveness of this measure on 100-split HVAC units.
	kw	1,540	
	kwh	7,341,001	
	therms	0	

(43) RLW Analytics - Energy Savers Program

Budget	PGC	\$2,549,436	Provides energy audits and efficiency measures for very small, small and some medium-sized businesses. Comprehensive energy audits are free to program participants. Matching funds are provided for installation of energy efficient lighting, tune-ups of air conditioners and refrigeration systems. Provides HVAC replacement, thermostat and refrigeration measures to very small and small businesses.
	kw	2,416	
	kwh	7,072,625	
	therms	0	

(44) Robert Mowris & Associates -

RCA (Refrigerant Charge and Airflow) Verification Program for New Air Conditioners

Budget	PGC	\$1,667,800	Provides in-field training and upstream incentives to air conditioner contractors. Includes computer diagnostic software that quickly determines whether or not there is a problem with RCA and then provides expert recommendations for correcting problems.
	kw	13,999	
	kwh	15,660,440	
	therms	0	

(45) SBW Consulting, Inc. - Compressed Air Management Program (CAMP)

Budget	PGC	\$1,500,000	Offers free measurement-based performance assessment of compressed air systems. The assessment provides specific recommendations to plant operators and technical follow-up support to help motivate adoption of these recommendations.
	kw	960	
	kwh	10,900,848	
	therms	0	

(46) San Diego Regional Energy Partnership -

San Diego BEST (Business Energy Services Team)

Budget	PGC	\$2,500,000	Targets hard-to-reach small and very small businesses (100 kW or less) in the San Diego area. Focuses on the implementation of cost-effective high-efficiency lighting measures, while also addressing some HVAC, refrigeration and customized measures.
	kw	5,157	
	kwh	9,737,377	
	therms	29,745	

(47) San Diego Regional Energy Partnership - San Diego Energy Resource Center

Budget	PGC	\$2,403,560	Provides energy information to residential and nonresidential markets and acts as a conduit for all entities that offer public purpose programs. Continuation of a 2002-2003 program that features an energy Learning Center, Technology Center and on-line resources.
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(48) San Diego Regional Energy Partnership -

San Diego Regional Cool Communities Shade Tree Program

Budget	PGC	\$1,864,924	This is a continuation of a 2002-2003 program. Its primary objective is to plant 17,000 trees throughout San Diego County by the end of 2005.
	kw	2,429	
	kwh	2,104,754	
	therms	0	

(49) San Diego Regional Energy Partnership - Local Government Program

Budget	PGC	\$2,500,000	Provides rebates for retrofit measures--lighting, HVAC, operational
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kw	401	upgrades--to city and county owned government buildings in
kwh	4,005,335	San Diego County.
therms	106,809	

(50) San Diego Regional Energy Partnership - Green Action

Budget	PGC	\$352,701	This is based on the City of San Diego's existing "Green Schools" program. Works with local high school students and teaches them the importance of energy conservation and the societal impacts from greenhouse gas emissions through--workshops, energy audit training, direct implementation of energy audits, etc.
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(51) San Diego Regional Energy Partnership - Technical Assistance Program

Budget	PGC	\$1,500,000	Provides development of energy management strategies, facilities and audits, and energy management staff education. Provides technical assistance to local businesses and government agencies interested in implementing energy efficiency upgrades in their facilities.
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(52) San Diego Regional Energy Partnership/San Diego Regional Energy Office (SDREO) - The Green Building Education and Technical Assistance (GBETA) Program

Budget	PGC	\$423,966	This is an information program that provides training, design assistance and technical support for public and private sector green building projects. Promotes long-term sustainable energy use and peak demand savings by supplementing existing municipal green building program implementation efforts in the San Diego region.
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(53) San Francisco Community Power Cooperative - Efficiency on Wheels

Budget	PGC	\$853,753	Targets low-income, hard-to-reach areas of San Francisco and provides direct install occupancy sensors, vending misers, programmable thermostats and other energy-saving items as needed depending on each individual case.
	kw	901	
	kwh	3,904,800	
	therms	91,200	

(54) SESCO, Inc. - Gas Only Multi-Family Program -South

Budget	PGC	\$2,472,643	Provides comprehensive residential energy efficiency renovations and retrofits by offering cash incentives and services to apartment tenants and owners/operators for the installation of all energy efficiency measures that SCG has determined in its recent filings to be cost-effective under its evaluation of this market.
	kw	0	
	kwh	0	
	therms	1,190,953	

Utility Local Programs

(1) Pacific Gas & Electric Company (PG&E) Energenius

Budget	PGC	\$1,093,488	Educates students, teachers, energy management staff, custodial staff, and parents on energy efficiency and electric and gas safety that helps shape their energy use behavior at home, school and work. This program includes kindergarten through eight grade curricula.
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(2) Pacific Gas & Electric Company (PG&E) School Resources Program

Budget	PGC	\$2,152,168	This program has three elements: (1) Resource Conservation and Management that provides direct assistance to school districts in energy use analysis, developing implementation plans and designing reviews of new school facilities, retrofit recommendations. (2) Information and Education workshops for school district business officers, facility managers. (3) Relocatable Classroom Retrofit Pilot that designs and implements a demonstration and direct installation pilot program to retrofit both portable and tilt-up relocatable classrooms with higher efficiency lighting, HVAC systems.
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(3) Pacific Gas & Electric Company (PG&E) Long-Term Procurement Plan

Budget	Proc	\$75,000,000	This plan is in direct response to CPUC directive to include energy efficiency in PG&E's procurement plans. The plans includes nonresidential programs--Standard Performance Contract, Savings by Design, a comprehensive audit-- and residential programs that include elements of both single-family and multi-family retrofit programs.
	kw	142,400	
	kwh	466,883,000	
	therms	0	

(4) Pacific Gas & Electric Company (PG&E) Pacific Energy Center

Budget	PGC	\$7,301,723	Provides a forum for training and education for energy efficiency and other energy related matters. The PEC hosts training and education for contractors, architects, energy consumers and any interested members of the public.
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(5) Pacific Gas & Electric Company (PG&E) Local Crosscutting Food Service Technology Center

Budget	PGC	\$3,268,266	Provides the commercial food service sector with impartial, reliable and useful information that stimulates the energy-efficient design and operation of commercial food service facilities. Actively engages and influences manufacturers, distributors, code officials, and professional associations to fulfill its primary mission of serving end-use customers.
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(6) Southern California Edison (SCE) Small Nonresidential Hard-to-Reach Program

Budget	PGC	\$6,801,439	Provides no-cost energy efficient lighting retrofits to very small business customers (demand under 20 kW) in hard-to-reach rural areas of SCE service area. Lighting installation contractors audit customer lighting system and explain the energy savings that could result from a retrofit.
	Proc	\$5,119,455	
	kw	5,878	
	kwh	30,110,322	
	therms	0	

(7) Southern California Edison (SCE) Pump Test and Hydraulic Services

Budget	PGC	\$3,200,000	Provides information and management services to customers with pumping accounts. Promotes awareness of energy efficiency and its benefits to agricultural businesses, water districts and other
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high volume users of water.

(8) Southern California Edison (SCE) Innovative Designs for Energy Efficiency Activities

Budget	Proc	\$12,528,690	This program is an annual competitive bidding solicitation of innovative and cost-effective energy efficiency program proposals across all market and customer segments. The focus is on different marketing or delivery methods, market segments, and/or technologies that offered in the SCE portfolio.
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(9) Southern California Edison (SCE) Local Government Initiative

Budget	PGC	\$1,000,000	Builds infrastructure through grassroots partnering with local governments and cities by offering energy efficiency information and education, hardware upgrades and subsidized energy efficiency improvements to small to medium-business owners, lower-to-moderate income residential customers, single-family and multi-family existing residential customers and residential/small commercial builders.
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(10) San Diego Gas and Electric Company (SDG&E) Local Residential Hard-to-Reach Lighting Turn-In & Education Program

Budget	PGC	\$1,000,000	Provides incentives to hard-to-reach residential customers by participation in events at hospitals, churches, senior centers, and other community events. Consumers receive a free energy efficient compact fluorescent lighting and torchiere lamps in exchange for an inefficient bulb or torchiere fixture.
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(11) San Diego Gas and Electric Company (SDG&E) Local Nonresidential Small Business Energy Efficiency

Budget	PGC	\$3,278,000	Provides energy efficient lighting measures to very small, hard-to-reach nonresidential customers. Designated contractors will procure, store and install approved equipment according to program guidelines.
	kw	1,660	
	kwh	9,025,076	
	therms	0	

(12) San Diego Gas and Electric Company (SDG&E) Local Nonresidential Energy Saver

Budget	Proc	\$980,000	Provides financial incentives for energy efficient refrigerators, software plug load sensors and torchieres. Targets schools, non-profit organizations and tax-exempt entities.
	kw	129	
	kwh	6,218,316	
	therms	0	

(13) San Diego Gas and Electric Company (SDG&E) Local Customer Energy Savings Bid

Budget	Proc	\$20,412,118	Allows non-residential customers to propose energy savings projects to their facilities. Customers who respond to SDG&E's RFP and whose projects are approved will be given financial incentives based upon verified energy savings and demand reductions.
	kw	17,600	
	kwh	108,800,000	
	therms	0	

(14) San Diego Gas and Electric Company (SDG&E) Sustainable Communities

Budget	Proc	\$1,300,000	Collaborates with cities and counties to promote sustainable development, showcase energy-efficient design and building practices, and encourage local developers to incorporate clean
	kw	390	
	kwh	1,684,773	

therms 0 on-site energy generation systems in their projects.

(15) San Diego Gas and Electric Company (SDG&E) Local Limited Income Refrigerator Replacement & Lighting Program

Budget	Proc	\$6,000,000	Designed to fill the gap between the Low Income Energy Efficiency program and the Residential Appliance Rebate program. The program will be paired with LIEE and marketing will be an expansion of the existing LIEE program.
	kw	1,471	
	kwh	11,704,598	
	therms	0	

(16) San Diego Gas and Electric Company (SDG&E) Nonresidential Financial Incentives

Budget	Proc	\$4,755,206	Focuses on small to medium nonresidential gas customers using less than 250,000 therms annually. The program incorporates technical support, education, training, outreach, contractor referral, bulk procurement, prescriptive rebates and equitable financial incentives into the program elements.
	kw	0	
	kwh	0	
	therms	2,907,277	

Utility Partnership Programs

(1) IOU/UC/CSU Partnership

Budget	PGC	\$15,371,706	This program provides services to 33 UC & CSU campuses which include energy efficiency retrofits (lighting, HVAC, motors), commissioning (installation and proper management of energy monitoring and control systems), and energy efficiency training and best practices development for UC/CSU facility managers.
	kw	2,700	
	kwh	18,398,732	
	therms	859,267	

(2) Bakersfield/Kern Energy Watch

Budget	PGC	\$5,496,711	Provides education and outreach to all customer segments of the City of Bakersfield and Kern County. Offers audits and direct install services to both residential and nonresidential customers. Measures include lighting and lighting controls, programmable thermostats, insulation, LED exit signs and AC tune-ups.
	kw	2,159	
	kwh	9,744,641	
	therms	168,732	

(3) PG&E/Silicon Valley Energy Partnership

Budget	PGC	\$1,925,859	Provides education and outreach to various members of the community and direct install services to small businesses--lighting and HVAC measures.
	kw	903	
	kwh	3,624,840	
	therms	0	

(4) PG&E Local Government Partnership: City of West Sacramento

Budget	PGC	\$327,957	This partnership provides marketing and outreach to encourage increased local participation in other statewide energy efficiency programs, support for codes and standard enforcement, and special assistance to commercial/industrial customers to encourage early replacement of equipment with high efficiency units.
	kw	25	
	kwh	309,438	
	therms	0	

(5) PG&E Local Government Partnership: East Bay Energy Partnership

Budget	PGC	\$5,349,873	This program has various include various elements which include building tune-up to large and medium-sized nonresidential customers, audits & equipment installation in assisted living and convalescent
	kw	25	
	kwh	309,438	

therms 0 facilities occupied by senior citizens, and energy saving measures installation in single family dwellings.

(6) PG&E Local Government Partnership: City of Fresno

Budget	PGC	\$3,000,000	This program includes various components: (1) Residential Free Energy Audit and Direct Install services to hard-to-reach single-family/multi-family limited income areas and mobile homes; (2) Small and Medium Business Direct Install element to hard-to-reach businesses; (3) Turnkey Energy Efficiency Services and Incentives for Municipal Buildings; and (4) Information services to small/medium businesses.
	kw	1,567	
	kwh	7,949,427	
	therms	84,405	

(7) PG&E Local Government Partnership: City of Stockton

Budget	PGC	\$2,198,572	This program includes various components: (1) Residential Free Energy Audit and Direct Install services to hard-to-reach single-family/multi-family limited income areas and mobile homes; (2) Small and Medium Business Direct Install element to hard-to-reach businesses; (3) Turnkey Energy Efficiency Services and Incentives for Municipal Buildings; and (4) Information services to small/medium businesses.
	kw	1,411	
	kwh	5,355,967	
	therms	193,480	

(8) PG&E Local Government Partnership: City of El Dorado

Budget	PGC	\$1,186,978	The program aims to reduce electric and gas usage through energy efficient incentives and services for residents and in El Dorado Hills, Cameron Park, the City of Placerville and the more rural towns of Georgetown, Garden Valley, Coloma, Pollock Pines, Camino & Pleasant Valley.
	kw	611	
	kwh	3,417,778	
	therms	4,330	

(9) The Energy Coalition: Community Energy Partnership

Budget	PGC	\$5,223,000	This is a hybrid program that offers direct installation of measures and education to raise awareness of energy management. The program aims to involve the entire community by encouraging stakeholders: schools, civic clubs, neighborhood associations, community centers, small business groups, & government agencies to enroll. Measures for both gas and electric are customized and based upon the community segment targeted.
	kw	9,995	
	kwh	11,766,757	
	therms	917,440	

(10) South Bay Cities Energy Efficiency Center

Budget	PGC	\$1,031,535	The center will serve the region's constituents as the central clearinghouse for energy efficiency information and resources. The program builds on the strengths of SCE/SCG and the South Bay Cities Council of Governments to overcome participation barriers, to better serve the local needs and hard-to-reach customers, to increase the overall long-term sustainability and value of energy efficiency programs to the member agencies and the citizens of South Bay region.
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(11) Ventura County Regional Energy Efficiency Center and Comprehensive

Public Sector Program

Budget	PGC	\$1,653,446	This program builds on the recent formation of the Ventura County Regional Energy Alliance in 2002. This program aims to overcome participation barriers, to better serve the local needs and hard-to-reach customers, and to increase participation in energy efficiency programs.
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(12) LA County SCE/SCG Partnership

Budget	PGC	\$3,650,000	This program has various components: (1) Energy audits and direct installation of efficient measures in county facilities; (2) retro/continuous commissioning of county facilities, including building energy manager training; (3) Retrofits to public housing multi-family, such as lighting, appliance replacement; (4) training to county facilities managers about energy efficiency
	kw	1,819	
	kwh	4,582,134	
	therms	402,428	

(13) City of Pomona and Southern California Edison Partnership

Budget	PGC	\$651,023	This is a hardware program that will upgrade the facilities of the City of Pomona with energy efficient equipment. The services include upgrading the seven fire stations with lighting retrofits, occupancy sensors, premium efficiency air conditioner units and reflective window films.
	kw	38	
	kwh	536,694	
	therms	0	

(14) San Diego City Schools Retrofit and Partnership Program

Budget	PGC	\$2,262,433	Provides comprehensive energy audit services, planning and engineering support, and equipment installation services for comprehensive energy efficiency retrofits of school facilities.
	kw	308	
	kwh	3,113,108	
	therms	0	