



SOUTHERN CALIFORNIA  
**EDISON**

An *EDISON INTERNATIONAL* Company

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Rulemaking No. 01-08-028

**Southern California Edison Company's  
2003 Energy Efficiency Programs  
Third Quarter Report**

November 2003

**Southern California Edison Company's  
2003 Energy Efficiency Programs  
Third Quarter Report**

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Program Title: **Residential Appliance Recycling Program**

**I. Program Overview**

The Residential Appliance Recycling Program (RARP) is a statewide investor-owned utilities program designed to reduce energy usage by allowing eligible residential customers (single family and multifamily owners/landlords and tenants) to dispose of their working, inefficient primary and secondary refrigerators and freezers in an environmentally safe manner. Two units, refrigerators or freezers, may be recycled per customer service location per program year. Participation is on a first-come, first serve basis. A recycling incentive of \$35 or a five-pack of compact fluorescent lamps (CFLs) is offered to customers who turn in working units between 14-27 cubic feet.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$6,000,000   |
| Program Expenditures (includes program commitments)* | \$4,346,025   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

|                       | <b>Net kW*</b> | <b>Net kWh*</b> | <b>Refrigerators</b> | <b>Freezers</b> |
|-----------------------|----------------|-----------------|----------------------|-----------------|
| <b>Target</b>         | 5,987          | 38,618,794      | 26,888               | 6,722           |
| <b>Actual</b>         | 3,162          | 19,718,382      | 16,092               | 1,572           |
| <b>Committed</b>      | 1,634          | 10,317,858      | 7,690                | 700             |
| <b>Total Recorded</b> | 4,796          | 30,036,240      | 23,782               | 2,272           |

\*Per Decision 03-04-055, Table 2b.

3. Total number of units:

Projected: 33,610

Actual: 26,054

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

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5. Total incentive (\$) paid:  
Paid = \$2,660,617; Committed = \$1,346,347.

**III. Program Implementation Status**

1. Status of program delivery

The 2003 program was implemented as approved by the California Public Utilities Commission (CPUC) effective April 2003. As directed by the CPUC in Decision 03-04-055, SCE issued a competitive Request for Proposal (RFP) for recycling services. As a result of the competitive RFP solicitation, the incumbent vendor was selected in the third quarter to continue to implement the remainder of the 2003 program in SCE's service territory.

2. Customer Enrollment

Two blank copies of the 2002 Appliance Recycling program application forms were sent to the CPUC's Energy Division.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

The program did not sponsor any training during the quarter.

5. Marketing

| <b>List Pieces</b>             | <b>Quantity</b>                         | <b>Method of Delivery</b>               | <b># w/Each Method</b>                 |
|--------------------------------|---|---|--|
| HTR ethnic outreach campaign   | 100,000 homes in HTR ethnic communities | Door hangers                            | One week home-to-home delivery         |
| SCE bill message               | 1.5 million HTR customers               | Included in the August billing cycle    | Varied based on billing cycle schedule |
| SCE bill insert                | 1.5 million HTR customers               | Included in the September billing cycle | Varied based on billing cycle schedule |
| HTR retailer outreach campaign | 112 retail stores in rural areas        | POS materials in appliance depts        | One week of store-to-store visits      |

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6. Hard to Reach

The hard-to-reach (HTR) target filed for 2003 is 57 percent as identified by the HTR categories used for this program. In the third quarter of 2003, 53 percent of RARP participants were from HTR markets. All marketing activities for RARP in the third quarter focused exclusively on the HTR markets to reach the targeted goal for 2003.

**IV. Program Accomplishments**

During the third quarter of 2003, the program continued offering customer refrigerator/freezer pick-up and recycling services.

**V. Program Challenges**

In the third quarter, significant efforts were made to market the RARP to HTR customers only. These efforts included a bill message in the August billing cycle, a bill insert in the September billing cycle, an ethnic outreach door hanger campaign and a POS outreach campaign to appliance retailers located in rural SCE areas. These combined efforts have produced less than expected results in customer participation from the HTR market segment.

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-01-038, Ordering Paragraph 3, states:**

*“To prevent service disruption, we authorize the IOUs whose programs will expire at the end of 2002 to continue those programs through March 31, 2003, using Public Goods Charge collections from that period, in the amounts set forth in the body of this decision. If the Commission issues a decision on 2003 program applications prior to that time, this “bridge funding” shall expire upon issuance of that decision. If the IOUs incur expenses in 2003 before the Commission issues this decision, they should track those expenses and account for such expenses in their reports to the Commission on first quarter 2003 program results. The IOUs can request recovery of these expenditures through their respective PGC energy efficiency balancing accounts.”*

**Response:**

The IOUs continued the 2002 programs through March 31, 2003. Expenses prior to the issuance of the decision and bridge funding expenditures through March 31, 2003 are reported in each program’s text and Workbook.

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**Decision 03-01-038, Ordering Paragraph 4, states:**

*“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”*

Response:

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

**Decision 03-03-028, Ordering Paragraph 1, states:**

*“To prevent program disruption, we authorize the utilities whose programs expire at the end of 2002 to continue those programs beyond March 31, 2003, using Public Goods Charge collections from associated periods, in the amounts set forth in the body of this decision.”*

Response:

The IOUs continued the 2002 programs beyond March 31, 2003.

**Decision 03-03-028, Ordering Paragraph 2, states:**

*“The utilities are hereby authorized additional bridge funding at a level of 7% a month against the total 2003 utility funding amounts set forth in Decision (D.) 03-01-038 so that the bridge funding, plus funding for new 2003 programs, equal the total amounts described in D. 03-01-038.”*

Response:

The IOUs continued the 2002 programs using the additional bridge funding at the level specified.

**Decision 03-04-055, Attachment 2, pp.6-7, states:**

*“The program administrator (SCE) will issue a competitive RFP for the recycling services associated with the 2003 RARP.”*

Response:

During the third quarter, SCE issued a competitive RFP for the recycling services for the 2003 RARP. The current vendor was selected as a result of the competitive RFP.

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Program Results Workbook**

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Program Title: **Single Family Energy Efficient Rebate Program**

**I. Program Overview**

The Single Family Energy Efficiency Rebates program is a statewide program, administered by the four California investor owned utilities, which provides rebates on various home improvement products, heating and cooling equipment, appliances, and residential pool equipment.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$6,000,000   |
| Program Expenditures (includes program commitments)* | \$4,096,719   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

|                       | <b>Net kW*</b> | <b>Net kWh*</b> |
|-----------------------|----------------|-----------------|
| <b>Projected</b>      | 12,012         | 20,146,312      |
| <b>Actual</b>         | 8,569          | 12,014,449      |
| <b>Committed</b>      | 2,134          | 3,335,828       |
| <b>Total Recorded</b> | 10,703         | 15,350,277      |

\*Per Decision 03-04-055, Table 2b, SCE was directed to modify the pool pump and motor energy savings values and targets. These modifications are incorporated into the project targets shown above.

3. Total number of customers served:

Projected: 38,000

Actual: 22,771

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

Paid = \$2,927,596 Committed = \$783,435



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**III. Program Implementation Status**

1. Status of program delivery – The statewide team worked jointly to continue aggressive implementation of the 2003 Single Family Rebate program. Statewide activities included:
  - The statewide team met regularly throughout the quarter to monitor the status of the 2003 program and to prepare for those changes expected to make the 2004 – 2005 program more effective.
  - The CA HVAC Initiative team met in July to begin planning for participation in several conferences scheduled for the remainder of 2003: two with the Air-Conditioning and Refrigeration Institute (ARI) in Washington, DC and in Boston; a meeting with The Consortium For Energy Efficiency (CEE) in Waltham, MA; and one at the 2003 ENERGY STAR<sup>®</sup> HVAC Partner Meeting scheduled for late October in Portland, OR.
  - Participated in the ENERGY STAR<sup>®</sup> Appliance Partners Meeting in Portland Oregon September 23 – 24. Appliance manufacturers and major national retailers were well represented along with utilities from around the country. The IOUs met separately with Home Depot and Lowe’s to discuss plans for 2004-2005.
  - Conducted extensive discussions with Leslie’s Poolmart, Inc. for the conduct of a pilot instant rebate program with this retailer's 106 California stores. A final agreement for each of the IOUs to incorporate is near completion. This agreement would become effective with the 2004 program.
  - The IOUs attended and participated in the CEE Program Conference in Waltham, Massachusetts September 8 - 10. The conference focused on expanding HVAC partnerships with such industry interests as ENERGY STAR<sup>®</sup>, utilities, national distributors, HVAC manufacturers, PUC organizations, NATE, ACCA and other industry partners. These organizations discussed opportunities for collaboration and approaches needed to develop comprehensive national energy efficiency products and equipment installation standards.
  - The IOUs agreed to co-fund an approach for the implementation of a more sophisticated and user-friendly web based list of qualifying models for the program’s HVAC measures.

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- Participated in the Air-Conditioning and Refrigeration Institute (ARI) conferences held in Washington, DC and Boston. These meetings addressed the continuing effort on behalf of the California utilities to persuade the trade organization to resume publication of EER data in the unitary product directory.
2. Customer Enrollment  
Sample copies of program applications were sent to the California Public Utilities Commission's Energy Division.
  3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
  4. Training  
There was no statewide training during the third quarter. Internally, SCE continued to provide training to the representatives of the call center and the rebate processing center on all aspects of the 2003 program. Education and training of sales personnel at the Home Depot and Lowe's retail stores was conducted simultaneously with the distribution of the point of purchase materials for electric water heaters and whole house fans.
  5. Marketing

| <b>List Pieces</b>                       | <b>Quantity</b> | <b>Method of Delivery</b> | <b># w/ Each Method</b> |
|--|-----------------|---------------------------|-------------------------|
| Applications                             | 50,069          | Internet Download         | 50,069                  |
| Applications                             | 1,952           | Internet Download         | 1,952                   |
| (Spanish)                                | 4,150           | Mailed by Call            | 4,150                   |
| Applications                             |                 | Center                    |                         |
| Postcard - Electric Water Heating        | 113,216         | Direct mail               | 113,216                 |
| Brochure - Electric Water Heater         | 10,000          | Point of Purchase         | 10,000                  |
| Shared Mailer – Programmable Thermostats | 1,700,000       | Mail                      | 1,700,000               |
| Bill insert -- Whole House Evap. Cooler  | 625,000         | Mail                      | 625,000                 |
| Brochure – Whole House Fan               | 10,000          | Point of Purchase         | 10,000                  |
| Brochure – Chinese HEER                  | 1,000           | Events                    | 1,000                   |
| Brochure – Spanish HEER                  | 1,000           | Events                    | 1,000                   |

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6. Hard to Reach

The HTR target for 2003 is to have 34 percent of the rebate applications come from HTR customers. As of the third quarter, 39 percent of the paid rebate applications came from HTR customers.

**IV. Program Accomplishments**

Statewide Third Quarter Activities -

Statewide utilities worked jointly to continue the uniform implementation of the 2003 Single Family Rebate program. Statewide activities included:

- Submitted filing for the 2004 - 2005 Single Family program consisting of a more robust set of measures and opportunities for participants and hard-to-reach customers.
- Conducted meetings with major industry HVAC partners in Washington DC, and Boston.
- Attended ENERGY STAR<sup>®</sup> Appliance Conference in Portland, Oregon.

SCE-specific Third Quarter Activities -

- Save Energy Save Money radio spots featuring electric water heaters continued to run through August.
- Continued to run Save Energy, Save Money radio ads promoting rebates for programmable thermostats through August.
- Direct advertising insert (shared mailer) regarding programmable thermostats were sent in August to 1.7 million residential customers in SCE areas with owner occupied households at 68% or greater.
- Bill insert highlighting the Whole House Evaporative Cooler was included in 625,000 residential bills in desert areas during July.
- Point-of-purchase brochures promoting the Electric Water Heater and Whole House Fan rebates were distributed to all Lowe's and Home Depot retailers in SCE's service territory in July.
- Postcards highlighting the Electric Water Heater rebate were sent to 113,216 all-electric customers in September.

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- Translated the 2003 HEER brochure into Spanish and provided it to call center for distribution in August.
- The 2003 HEER brochure and application was translated into Chinese and provided to call center for distribution in September.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**D. 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**D. 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**Decision 03-04-055, states:**

*“SDG&E proposes to reduce the requirements for pool pumps and motors to achieve statewide consistency. Specifically, SDG&E proposes to eliminate the requirements of (1) peak shifting and (2) reduction of filtering time.*

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*While statewide consistency is one program objective, it should not take precedence over goals relating to energy savings and cost-effectiveness. For that reason, we will deny SDG&E's proposal to eliminate its peak shifting and filtering time standards and instead require the other IOUs to adopt the standards used by SDG&E in 2002.*

*All IOUs shall maintain the unit goals proposed for PY2003. Their future quarterly reports should include kW and kWh projections corrected for the increased standard. The entries for those measures should be accompanied by an explanation of how the numbers were changed from the filed implementation plans."*

Response:

The revised kW and kWh projections are shown in the Program Summary (Section II) listed above.

**Decision 03-04-055, states:**

*"Retracted Measures*

*Energy Star® 80% AFUE furnaces will be removed from the list of measures eligible for incentives due to low customer demand for the measure."*

Response:

SCE has removed this measure from the 2003 Single Family Energy Efficiency Rebate program.

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Program Title: **Residential Retrofit Multifamily Energy Efficiency Rebates**

**I. Program Overview**

The Multifamily Energy Efficiency Rebate program is a statewide consistent program, which provides a broad list of qualifying energy efficiency measures with prescribed rebates for the installation of qualifying energy-efficient improvements in apartment dwelling units and in the common areas of apartment and condominium complexes, and common areas of mobile home parks. Property owners and property managers of existing residential multifamily complexes with 5 or more dwelling units may qualify. The program is uniform throughout all the IOU's service areas, with consistent terms and requirements and implementation characteristics, including rebate levels and application procedures.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$2,000,000   |
| Program Expenditures (includes program commitments)* | \$1,605,873   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

|                       | <b>Net kW*</b> | <b>Net kWh</b> |
|-----------------------|----------------|----------------|
| <b>Projected</b>      | 314            | 3,989,157      |
| <b>Actual</b>         | 1,782          | 2,953,704      |
| <b>Committed</b>      | 600            | 863,537        |
| <b>Total Recorded</b> | 2,382          | 3,817,241      |

\* Per Decision 03-04-055, Table 2b.

3. Total number of customers served:

Projected: 375 projects

Actual: 145 projects

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

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5. Total rebate (\$) paid:  
Paid = \$1,108,538; Committed = \$286,790

**III. Program Implementation Status**

1. Status of program delivery  
The 2003 program was implemented April 17, 2003. During the third quarter, the program reached near full subscription. As a result, SCE sought permission to increase the program's incentive budget to extend the program offering through the end of 2003. The request is pending before the CPUC.
2. Customer Enrollment  
Two blank copies of the program application forms were sent to the Commission's Energy Division.
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
No statewide training was offered during the third quarter of 2003
5. Marketing

| <b>Marketing Piece</b>   | <b>Quantity</b> | <b>Method of Delivery</b>  | <b>No. Per Method</b>                               |
|--|-----------------|--|---|
| Multifamily Energy Efficiency Rebate Program Application Package | 1               | Distributed through:<br>Energy Efficiency Call Center Representatives and voice response unit<br>SCE Energy Efficiency Website | Toll free calls: 10<br>Web site: 100 (est.)         |
| Trade Show Exhibitor   | 2               | Apartment Association, California Southern Cities<br>Apartment Association, Greater Inland Empire                              | 4,000 attendees<br><br>1,000 attendees              |
| Torchiere Exchange Outreach                                      | 1               | Telephone calls, letters, flyers, individual presentations to  | 73 individual property managers/companies or owners |



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|  |   |  |                    |
|--|---|--|--------------------|
|  |   | property owners and managers                     |                    |
| Program Brochures,<br>Promotional<br>Refrigerator Magnets,<br>Torchiere Flyers | 2 | Trade show exhibits,<br>mailings, on-site visits | 2,500 total pieces |

The SCE website identified below provides a description of the program; lists measures with general specifications and rebate levels; downloadable application forms, and SCE's toll-free Energy Efficiency telephone number. [www.sce.com](http://www.sce.com).

6. Hard to Reach

The HTR target for 2003 is to have 36 percent of the project applications come from HTR customers. During the third quarter, 64 percent of the submitted rebate applications came from HTR customers.

**IV. Program Accomplishments**

Statewide Activities:

- Through weekly conference calls, IOUs continue coordinated efforts to ensure statewide consistency of information, applications, statewide letters, participation requirements, terms and conditions, products, product specifications and rebate levels.
- The Statewide Multifamily team recognized the lack of participation in the installation of therm saving products. Therefore, the Statewide Multifamily team developed and distributed an innovative letter to all multifamily property owners and managers, informing them of the significantly higher natural gas prices to occur this winter. Because of this innovative letter, the utilities have seen an increase in reservations and installations of gas products in multifamily properties.
- IOUs developed and coordinated the submittal of a statewide Multifamily Rebate program full-page advertisement in the Multifamily Trends magazine that will be distributed at the Urban Land Institute's Fall Conference. These statewide advertising efforts continue to strengthen the program's prominence among industry actors and participants.

SCE-specific activities:

- During the 3<sup>rd</sup> Quarter, SCE program management continued to communicate 2003 program information, parameters, and reservation policy to key customers and contractors with known interests in the program via telephone, email, and in-person presentations.

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- SCE successfully managed program reservations, funding and application processing to achieve actual and committed incentives up to 92% of program funds and 90% of the program's energy savings goal. As a proactive measure to ensure continued program availability, SCE managed the volume submitted by private installation contractors in order that there be enough funding to accommodate property owners and managers who participate independently and/or have plans for installations later in the year. This illustrates the unique relationship SCE has with private party contractors as well as SCE's control over program funding and availability.
- SCE filed a request (Advice 1745-E) to the CPUC in the 3<sup>rd</sup> Quarter for additional program funding in the amount of \$0.445 million in order to meet program demand by releasing all remaining funds immediately and continuing the program through the end of the 2003 program year with renewed funding.
- Illustrating SCE's continuing 2003 program success and momentum, SCE has achieved two times the energy savings compared to the same reporting date in 2002. As of the 3<sup>rd</sup> quarter 2002, SCE reported 1,874,000 kWh of net energy savings. As of the 3<sup>rd</sup> quarter 2003, the program has produced more than 3.6 million kWh of net annualized energy savings while generating three times the reported net on peak demand from 2002.
- Through SCE's marketing efforts toward hard-to-reach customers as well as our market presence and influence, SCE reports hard-to-reach penetration well above 60 percent of all submitted applications, or, about twice the annual goal, for the second consecutive year.
- SCE was an exhibitor at two apartment association trade shows in September. Exhibiting at these shows is integral to promoting the program as all levels of property owners and managers attend these trade shows. As well, SCE's public presence further entrenches the Multifamily Rebate Program as a permanent fixture among industry trade associations and partners.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

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The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-01-038, Ordering Paragraph 3, states:**

*“To prevent service disruption, we authorize the IOUs whose programs will expire at the end of 2002 to continue those programs through March 31, 2003, using Public Goods Charge collections from that period, in the amounts set forth in the body of this decision. If the Commission issues a decision on 2003 program applications prior to that time, this “bridge funding” shall expire upon issuance of that decision. If the IOUs incur expenses in 2003 before the Commission issues this decision, they should track those expenses and account for such expenses in their reports to the Commission on first quarter 2003 program results. The IOUs can request recovery of these expenditures through their respective PGC energy efficiency balancing accounts.”*

**Response:**

The IOUs continued the 2002 programs through March 31, 2003. Expenses prior to the issuance of the decision and bridge funding expenditures through March 31, 2003 are reported in each program’s text and Workbook.

**Decision 03-01-038, Ordering Paragraph 4, states:**

*“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”*

**Response:**

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

**Decision 03-03-028, Ordering Paragraph 1, states:**

*“To prevent program disruption, we authorize the utilities whose programs expire at the end of 2002 to continue those programs beyond March 31, 2003, using Public Goods Charge collections from associated periods, in the amounts set forth in the body of this decision.”*

**Response:**

The IOUs continued the 2002 programs beyond March 31, 2003.

**Decision 03-03-028, Ordering Paragraph 2, states:**

*“The utilities are hereby authorized additional bridge funding at a level of 7% a month against the total 2003 utility funding amounts set forth in Decision (D.) 03-01-038 so that the bridge funding, plus funding for new 2003 programs, equal the total amounts described in D. 03-01-038.”*

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Response:

The IOUs continued the 2002 programs using the additional bridge funding at the level specified.

**Decision 03-04-055, page 5, states -**

*“Accordingly, the IOUs shall limit reservations for a single program participant (including installing contractors and property management companies) to no more than 5% of the available statewide incentive budget. In addition, reservations of funding should expire within 45 days if installations are not complete and final claims for incentives submitted. Participants may be provided with an extension to the 45-day period, at the discretion of the IOU.”*

Response -

In response to Decision 03-04-055, SCE will apply the 5 percent cap to its program incentive budget. The cap will apply to the incentive budget shown in SCE’s approved program implementation plan and will not change during the year unless the incentive budget is modified.

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Program Title: **Home Energy Efficiency Survey Program**

**I. Program Overview**

The statewide Home Energy Efficiency Survey Program provides residential customers with energy efficiency information to help them understand, control and reduce energy usage in their homes. The program targets hard-to-reach customers and offers mail-in and on-line surveys in English, Spanish and Chinese. Customers completing a mail-in or on-line survey receive a customized energy report that provides an analysis of their actual energy usage. The energy report also includes charts and graphs and information on energy efficiency products and services, rebate programs and other energy-related information to encourage the adoption of energy efficiency measures identified through the energy survey.

The mail-in surveys involve targeted direct mailings and provide customers with limited or no on-line access the flexibility to receive energy information. The on-line surveys are available on SCE's website in an interactive or web-posted format. The English and Spanish interactive surveys provide customers with immediate results on-line, and the web-posted Chinese survey is downloadable from SCE's website. Customers complete the mail-in and web-posted surveys and submit them for processing to receive their customized energy reports. Customers who complete the interactive surveys receive energy reports immediately online.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$1,295,654   |
| Program Expenditures* | \$695,120     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to demonstrate energy savings or demand reductions.

3. Total number of customers served:

|         | <b>Mail-In Survey</b> | <b>On-line Survey</b> | <b>Total Surveys</b> |
|---------|-----------------------|-----------------------|----------------------|
| Target  | 18,000                | 12,000                | 30,000               |
| Actual* | 21,745                | 14,498                | 36,243               |

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\* Actual (including program commitments) = [actual + committed thru September 30, 2003]

4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
5. Total rebate (\$) paid:  
Not applicable to this information program.

**III. Program Implementation Status**

1. Status of program delivery  
In compliance with Decision 03-04-055, statewide utilities worked jointly to launch the Home Energy Efficiency Survey Program following Commission approval on April 17, 2003.
2. Customer Enrollment  
The following sample copies of audits were sent to the Commission's Energy Division:
  - Mail-in survey - English and Spanish in all four IOU service territories
  - Chinese in PG&E, SoCalGas, and SCE service territories, and
  - Vietnamese in SDG&E's service
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
Customer training is typically not conducted due to the nature of the program.
5. Marketing

| <b>Description</b>                              | <b>Quantity completed during 3<sup>rd</sup> Quarter</b>     | <b>Method of Delivery</b>                      | <b>Number with Each Method</b>                              |
|---|---|--|---|
| Mail-in direct mail solicitation packages       | 49,996 in English<br>24,995 in Spanish<br>24,999 in Chinese | Direct mailings with emphasis on HTR customers | 49,996 in English<br>24,995 in Spanish<br>24,999 in Chinese |
| On-line interactive survey in English completed | 8,299   | website  | 8,299   |
| On-line Survey e-mail blasts with Opt-          |   |  | 8,299 on-line   |

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|   |           |         |                                 |
|---|-----------|---------|---------------------------------|
| influence, Terra-Lycos, and Yahoo! Delivers   | 620,000   | e-mail  | surveys completed               |
| On-line Advertising with Yahoo, Weather.com, City Search, AOL, Mapquest and Univision web sites | 3,186,000 | website | 8,299 on-line surveys completed |

6. Hard to Reach

SCE's 2003 hard-to-reach (HTR) target is to send at least 50 percent of the mail-in surveys to HTR customers, as defined by the CPUC. However, SCE sought to maximize the opportunity to educate HTR customers on how their energy dollars are spend, to increase their understanding of energy efficiency benefits and to enable them to make informed decisions when purchasing home appliances or equipment. During the third quarter of 2003, SCE mailed a total of 99,990 mail-in survey solicitation packages targeted entirely at the hard to reach (100 percent HTR). SCE mailed 49,996 English mail-in survey solicitation packages to customers in HTR zip codes in SCE's service territory, 24,995 Spanish and 24,999 Chinese mail-in survey solicitation packages. Based on previous experience, we anticipate that this focused approach will yield a return rate of approximately 2 percent for the Spanish mailing and approximately 8 percent for the Chinese mailing.

**IV. Program Accomplishments**

Statewide activities included:

- During the third quarter, extensive work was done to complete preparation for the launching of the statewide Spanish Online Interactive Survey. With the addition of the Spanish survey, the program has expanded its audience potential to include a larger segment of California's diverse population. According to the 2000 Census Report, 32.4% of Californians are of Hispanic decent compared to 12.5% nationwide. These customers who in the past have not had the tools necessary to participate in this type of program, will now have the ability to benefit equally.
- Specific activities during the quarter include vendor contract development, translation of English surveys to Spanish where applicable and customization of each survey to fit individual utility systems. Additionally, the IOUs participated in ongoing quality assurance testing to guarantee uninterrupted service for participating customers.
- Statewide Utilities met in person on July 18, 2003, for a strategy meeting to discuss current program status and program enhancements including on-line



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surveys and working with community-based organizations. As a result of the meeting, the IOUs agreed to implement and release a statewide news release for the Spanish language HEES program, in conjunction with Univision's statewide and marketing outreach activities. The statewide campaign, which will include 10- and 60-second TV ads, will be released during the fourth quarter of 2003.

SCE-specific activities included:

- During the third quarter, SCE completed 13,536 mail-in surveys and 8,201 On-line surveys.
- SCE mailed 99,990 direct mail solicitation packages to customers in HTR zip codes. The mailing included 49,996 English mail-in survey solicitation packages to customers in HTR zip codes in SCE's service territory, including 1,507 to customers in the hot desert area of Coachella Valley. SCE also mailed 24,995 packages to Spanish-speaking customers and 24,999 packages to Chinese-speaking customers.
- SCE continued with its innovative on-line marketing campaign for the on-line surveys to yield a high level of customer participation during the third quarter. The campaign included 620,000 e-mail blasts and 3,186,000 banner ads on 6 local and regional websites. E-mail blasts were also conducted in Spanish to 60,000 users to promote SCE's new Spanish online survey. Spanish banner ads were placed on Univision's regional website to drive Spanish-speaking customers to SCE's new Spanish online survey. The campaign offered customers completing either the English or Spanish survey a complimentary \$5 Starbucks Card.
- The new Spanish interactive on-line survey was launched on August 1, 2003, to offer Spanish-speaking customers a tool to help them better manager their home energy costs. SCE's online survey campaign was expanded to include outreach efforts to the Spanish community.
- SCE continues its efforts to achieve equity and remove market barriers by enhancing access of non-English speaking customers for energy efficiency programs. SCE developed a three-month pilot program that involves working side-by-side with local community-based organizations to promote the survey programs and other SCE rebate and incentive programs to the Spanish and Asian communities. The pilot program is scheduled for implementation in October 2003.
- During the third quarter, SCE started discussions to review the existing Home Energy Efficiency Survey instrument. The plan is to refine and update the survey to reflect the changing environment and technological advancements

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including, the use of home offices, new energy efficiency equipment and new energy efficiency calculations and savings recommendations.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**Decision 02-03-056, states:**

*“50% of all mailed statewide residential Home Energy Efficiency Surveys shall be sent to hard to reach customers. IOU's shall develop and make available a Spanish language version of the survey and a version in the most prevalent Asian language in the IOU's territory for both mailing and web posting within two months of the launch of their survey programs.”*

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Response:

SCE is actively targeting hard to reach customers via direct mailing efforts, based on each IOU's unique marketing strategy.

**Decision 03-04-055, states:**

*"We require each (IOU) to provide mailed and online surveys in Spanish. The IOUs should continue to send 50% of mail-in surveys to hard to reach customers."*

Response:

IOU's worked jointly to implement the Commissions mandate of a Spanish version interactive online survey and finalized all plans for the launch during the third quarter. SCE launched its Spanish interactive on-line survey on August 1, 2003. IOUs continue to send at least 50% of mailed surveys to HTR customers.

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**Attachment A  
Program Results Workbook**

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Program Title: **California ENERGY STAR<sup>®</sup> New Homes Programs**

- California ENERGY STAR<sup>®</sup> New Homes – Multifamily
- California ENERGY STAR<sup>®</sup> New Homes – Single Family

**I. Program Overview**

The California ENERGY STAR<sup>®</sup> New Homes Programs continue to build on one of the most successful efforts undertaken over the past decade by Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E) and Southern California Gas (SoCalGas) to influence the design and construction of energy-efficient single family and multifamily dwellings. The most successful elements of the various utility programs have been combined with input from the California Energy Commission, the U.S. Environmental Protection Agency (EPA), and California home builders to create two statewide programs with identical applications, incentives, and requirements for both the single family and multifamily sectors, with a targeted effort in hard-to-reach (HTR) residential new construction markets.

The California ENERGY STAR<sup>®</sup> New Homes Programs are designed to encourage single family and multifamily (including rental apartments, condominiums, and town homes) builders to construct units that reduce energy usage through a combination of financial incentives, design assistance and education. Due to the long-term nature of new construction, these incentives will be available to participants that meet program requirements and can be verified by December 2005. The program is performance-based and no specific measures or equipment are required for participation or qualification.

The program will offer a multifamily high-rise component for projects that use the 2001 Energy Efficiency Standards for High-Rise Residential Buildings. The EPA's ENERGY STAR<sup>®</sup> currently does not have a designation for multifamily buildings above three stories. The information gathered as a result of this component will be shared with EPA ENERGY STAR<sup>®</sup>. EPA is interested in the outcome of this program activity for possible future ENERGY STAR<sup>®</sup> designation of multifamily buildings that are four or more stories.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Single Family</b> | <b>Multifamily</b> | <b>Total</b> |
|-----------------------|----------------------|--------------------|--------------|
| Authorized Budget     | \$4,250,000          | \$750,000          | \$5,000,000  |
| Program Expenditures* | \$2,588,112          | \$465,587          | \$3,053,699  |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

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2. Total net demand reduction and energy savings

| Single Family         | Net Peak kW | Net kWh   |
|-----------------------|-------------|-----------|
| <b>Projected</b>      | 4,679       | 4,338,352 |
| <b>Actual</b>         | 0           | 0         |
| <b>Committed</b>      | 3,341       | 3,114,541 |
| <b>Total Recorded</b> | 3,341       | 3,114,541 |

| Multifamily           | Net Peak kW | Net kWh |
|-----------------------|-------------|---------|
| <b>Projected</b>      | 561         | 497,600 |
| <b>Actual</b>         | 15          | 11,126  |
| <b>Committed</b>      | 409         | 349,654 |
| <b>Total Recorded</b> | 424         | 360,781 |

3. Total number of customers served

- Projected: Single Family—4,380 units; Multifamily—2,000 units
- Actual:
  - **Single Family** received and approved applications for 2,726 units (62% of unit goal) for total estimated incentives of \$2,090,800
  - **Multifamily** received and approved applications for 1506 units (75% of unit goal) for total estimated incentives of \$289,640.

4. Projected and actual number of units

Please refer to activity tables in corresponding program workbook.

5. Total incentives paid (single family) = \$0

Total incentives committed (single family) = \$2,090,800.

Total incentives paid (multifamily) = \$14,700

Total incentives committed (multifamily) = \$303,740

**III. Program Implementations Status**

1. Status of program delivery

In compliance with D. 03-04-055, the 2003 programs began in April 2003.

2. Customer Enrollment

Sample copies of program applications were sent to the California Public Utilities Commission's Energy Division.

3. Workbook

Please refer to workbook for details of program expenditures and program activities.

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4. Training

SCE and PG&E worked with two consultants to develop and deliver a Multifamily Buildings Energy Efficiency Design Training course specifically targeted to multifamily builders, affordable housing developers, architects, energy consultants, HVAC contractors, home energy rating systems (HERS) raters, mechanical and plumbing engineers, and building department inspectors. Six training classes were originally planned. E-mail was sent out to 9,000 multifamily building industry professionals notifying them of these upcoming training sessions. Based on the overwhelming response, two additional dates were added. A total of eight training dates were scheduled beginning June 24 through September 23. A total of 300 multifamily building industry professionals were trained at the 8 classes, of which 140 of those were at the three classes held within SCE’s service area in the cities of Redlands, Santa Ana, and Santa Monica.

5. Marketing

| List Pieces                           | Total Quantity | Method of Delivery  | # w/Each Method |
|---------------------------------------|----------------|---|-----------------|
| Single Family applications            |                | – In person or U.S. Mail                                      | 150             |
| Multifamily applications              |                | – In person or U.S. Mail                                      | 100             |
| Multifamily applications              |                | – Distributed at Multifamily Design Training                  | 100             |
| Multifamily applications - consultant |                | - Distributed at multifamily design trainings and BIASC event | 150             |
| Multifamily applications - consultant |                | -U. S. Mail   | 25              |

- www.sce.com. Program information and sample applications in pdf format were available starting in the second quarter and continuing through the third quarter on the Web site under the “Rebates and Offers” and “New Construction for Builder/Developers” section.
- During the third quarter SCE began its “Twinkle, Twinkle Energy Star” outreach campaign to consumers. Advertising in the LA Newspaper Group (which includes eight newspapers within the LA metro area) promoting Energy Star subdivisions with models open or “open soon” began in August and will continue through the end of the year. Additionally, SCE also began the new campaign within the Homebuyers Guide magazine, which is the premier free “home finder” publication in the region.

6. Hard-to-Reach

All hard-to-reach accomplishments will apply toward 2003 targets. Single Family – of the 2,726 units received, 20 percent were hard-to-reach. Multifamily – of the 1,506, units received 57 percent were hard-to-reach.

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**IV. Program Accomplishments**

No statewide activities to report during the 3<sup>rd</sup> quarter.

SCE Accomplishments:

- SCE worked with graphic designers to create a variety of point-of-purchase collateral marketing materials that promote the Energy Star label within the new communities. Small quantities of these items were initially ordered so SCE could obtain feedback from the builders as to which POP materials they preferred most to use on site and inside the model homes. The items currently include, yard signs, flags, vinyl cling window decals, small table tents, and acrylic desktop awards.
  
- The California Multifamily Consortium also included information on the California Energy Star New Homes Program to their membership in their August 18<sup>th</sup> newsletter. This newsletter has a distribution list of 43 individuals who are from non-profits and city agencies involved with Multifamily New Construction.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 02-03-056, Ordering Paragraph 6 states:**

*“To ensure that Public Goods Charge (PGC) funds are devoted to hard-to-reach customers served by the statewide residential new construction program, 20 percent of the direct implementation funds allocated to this program shall be reserved for units constructed for hard-to-reach customers as defined in this decision and in D. 01-11-066.”*

Response:

Twenty percent of direct implementation funds were reserved for units to be constructed for hard-to-reach customers.

**Decision 02-03-056, Ordering Paragraph 8 states:**

*“The IOUs shall develop two separate budgets and program plans for single-family and multifamily residential new construction programs in their Program*



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*Implementation Plans. Edison and SDG&E shall include benchmarks for multifamily units with their Plans; PG&E and SoCalGas have already done so and need not do so in their Plans. At least 15 percent of all claimed installations of energy efficiency measures shall be verified with an inspection by a CHEERS or HERS-certified inspector.”*

Response:

Separate programs for Single Family and Multifamily homes were developed and implemented as of April 2002. PG&E has developed inspection procedures that will ensure that at least 15 percent of all claimed installations of energy efficiency measures are verified with an inspection by a CHEERS or HERS-certified inspector. To date, no projects have reached inspection stage.

**Decision 03-01-038, Ordering Paragraph 3, states:**

*“To prevent service disruption, we authorize the IOUs whose programs will expire at the end of 2002 to continue those programs through March 31, 2003, using Public Goods Charge collections from that period, in the amounts set forth in the body of this decision. If the Commission issues a decision on 2003 program applications prior to that time, this ‘bridge funding’ shall expire upon issuance of that decision. If the IOUs incur expenses in 2003 before the Commission issues this decision, they should track those expenses and account for such expenses in their reports to the Commission on first quarter 2003 program results. The IOUs can request recovery of these expenditures through their respective PGC energy efficiency balancing accounts.”*

Response:

The IOUs continued the 2002 programs through March 31, 2003. Expenses prior to the issuance of the decision and bridge funding expenditures through March 31, 2003 are reported in each program’s text and Workbook.

**Decision 03-01-038, Ordering Paragraph 4, states:**

*“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”*

Response:

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

**Decision 03-04-055, by Ordering Paragraph 14, Attachment 2, pages 9-10, states:**

*“In order to encourage wider-scale participation at the 15% level and retain the reward for yet higher energy savings at the 20% level, we eliminate the 20% participation level in the coastal climates (due to the lower energy savings potential) and reduce the 20% incentive in the non-coastal climate to \$700. This*

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*modification will retain a 20% performance level while allowing program funds to stretch further than was possible in 2002. It will also allow the Commission to evaluate whether or not the higher incentive is driving the builder to a 20% performance standard. The utilities should recalculate program energy savings and demand reduction targets to conform to this program modification, and file revised program implementation plans including such recalculations as directed in this decision.”*

Response:

In response to Decision 03-04-055, SCE will apply the 20 percent non-coastal tier only to the Single Family program. Only the 15 percent tier will be offered for the Multifamily program. PG&E will submit a revised program implementation plan that reflects the revised energy and demand savings targets that reflect the Commission’s direction.

**D. 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

SCE’s 2003 program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**D. 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”*

Response:

SCE will work together with other utilities to market its statewide programs. To the extent PG&E offers the same programs, SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. SCE will focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 5, California ENERGY STAR® New Homes Program states:**

**“5. California Energy Star® New Homes Program, Approved Program Modifications”**

*“The utilities propose to add a multi-family builder design assistance option and to provide verification assistance to builders through the CHEERS program. This*

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*appears a reasonable way to increase participation by multi-family builders and we approve this program design change.”*

*“In order to encourage wider-scale participation at the 15% level and retain the reward for yet higher energy savings at the 20% level, we eliminate the 20% participation level in the coastal climates (due to the lower energy savings potential) and reduce the 20% incentive in the non-coastal climate to \$700.”*

*“The utilities should recalculate program energy savings and demand reduction targets to conform to this program modification, and file revised program implementation plans including such recalculations as directed in this decision.”*

**Response:**

In compliance with D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 5, SCE has added a multifamily builder design assistance option and provides verification assistance to builders through the CHEERS program in 2003. In compliance with D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 5, SCE has eliminated the 20 percent participation level in the coastal climates (due to the lower energy savings potential) and reduced the 20 percent incentive in the non-coastal climate to \$700 for 2003. SCE has also recalculated program energy savings and demand reduction targets to conform to this program modification, and filed revised program implementation plans including such recalculations as directed in this decision.

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Program Results Workbook**

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**Program Title:** Statewide Nonresidential Standard Performance Contract (SPC) Program

**I. Program Overview**

This statewide program offers cash incentives for custom-designed energy savings retrofits of existing facilities to large and medium businesses, but small and very small businesses can also participate if their measures do not qualify for the Express Efficiency program.

Any utility customer paying the gas or electric Public Goods Charge (PGC) in the investor-owned service territories is eligible. This includes utility customers who may have opted to purchase electricity or gas from other suppliers. Third party Energy Efficiency Service Providers (EESPs) who sponsor energy efficiency retrofit projects at utility customer facilities are also eligible to participate.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$13,700,000  |
| Program Expenditures (includes program commitments)* | \$14,208,107  |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]. Expenditures include customer commitments which may reduce over time.

2. Total net demand reduction and energy savings

|                       | <b>Net kW</b> | <b>Net kWh</b> |
|-----------------------|---------------|----------------|
| <b>Target</b>         | 14,724        | 71,656,875     |
| <b>Actual</b>         | 1,039         | 4,940,388      |
| <b>Committed</b>      | 16,762        | 85,509,695     |
| <b>Total Recorded</b> | 17,801        | 90,450,082     |

3. Total number of customers served

Projected: 300 applications

Actual: 382 applications received. 148 applications received in the third quarter.

4. Projected and actual number of units:

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total incentives (\$) paid = \$746,887

Total incentives (\$) committed = \$11,843,791

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**III. Program Implementations Status**

1. Status of program delivery:  
The 2003 Statewide SPC program was kicked off on April 17, 2003.
2. Customer Enrollment  
Copies of these applications were sent to the California Public Utilities Commission Energy Division.
3. Workbook  
Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.
4. Training  
This program did not sponsor any external training during this quarter.
5. Marketing:  
At SCE during the third quarter, the 2003 SPC program brochure was distributed to customers, SCE account executives, and at trade shows and special events. Numerous meetings were also held with various customer and third parties to promote the SPC program. SCE major account executives visited customer sites and encouraged participation in the program. Program guidelines, applications, current funding status, program updates, and other information are available at [www.sce.com/spc](http://www.sce.com/spc).

The following chart identifies the marketing materials distributed in the third quarter:

| <b>List Pieces</b>  | <b>Quantity</b> | <b>Method of Delivery</b>            | <b># w/Each Method</b> |
|---------------------|-----------------|--------------------------------------|------------------------|
| <b>SPC Brochure</b> | 10,000          | Mail to customers.                   | 100                    |
|                     |                 | Distribute to SCE account executives | 7,000                  |
|                     |                 | Distribute at trade shows            | 1,000                  |
| <b>Bill Insert</b>  | 50,000          | Monthly statement                    | 50,000                 |

6. Hard to Reach  
The SPC program was not designed for the-hard-to-reach customers; however the program outreach includes the hard-to-reach customers.

**II. Program Accomplishments**

In the third quarter, in response to market forces, the IOUs modified some of the SPC program guidelines. The revised guidelines now allow the following measures to be eligible for SPC incentives: CFLs with locking devices, LED exit signs and HVAC economizers.

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At SCE, 148 project applications were received in the third quarter and 106 applications were approved for funding in the third quarter.

**III. Program Challenges**

None

**IV. Customer Disputes**

None

**V. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

The 2003 Statewide SPC program was kicked off after CPUC funding approval on April 17, 2003.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

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**D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 6,  
Standard Performance Contract (SPC) Program states:**

*“6. Standard Performance Contract (SPC) Program*

*In their 2003 SPC program submissions, the IOUs propose to modify the 80-20 rule to include all fluorescent lamps except for the installation of "leading edge" T-5 and PL lamps. The IOUs point out that they will nevertheless offer no more than 30% of incentives for lighting projects, consistent with current rules. We authorize the proposed modification but expect the utilities to aggressively market non-lighting measures.”*

Response:

In compliance with D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 6, SCE’s 2003 SPC program submission includes the modification to the 80-20 rule to include all fluorescent lamps except for the installation of "leading edge" T-5 and PL lamps and offers no more than 30 percent of incentives for lighting projects, consistent with current rules. SCE is aggressively marketing non-lighting measures.

**D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 6,  
Standard Performance Contract (SPC) Program states:**

*“The utilities propose to increase gas incentives from \$.45/therm to \$.60/therm to increase program participation. We grant this request, consistent with our overall goal to increase participation in cost-effective energy efficiency programs.”*

Response:

SCE does not offer incentives for therm savings.



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**Program Title: Express Efficiency**

**I. Program Overview**

This statewide program offers nonresidential prescriptive rebates for specific, proven energy efficient measures including lighting; heating, ventilation and air conditioning (HVAC), refrigeration, agriculture, gas, food service, and motor retrofit measures. The program is limited to small and medium customers with an emphasis on the hard-to-reach (HTR) sector.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$7,000,000   |
| Program Expenditures (includes program commitments)* | \$3,509,420   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

|                       | <b>Net kW*</b> | <b>Net kWh</b> |
|-----------------------|----------------|----------------|
| <b>Projected</b>      | 15,000         | 71,869,000     |
| <b>Actual</b>         | 9,231          | 41,734,810     |
| <b>Committed</b>      | 6,067          | 27,631,964     |
| <b>Total Recorded</b> | 15,298         | 69,366,774     |

\* Per Decision 03-04-055, Table 2b.

3. Total number of customers served:

Projected: 5,000 applications received

Actual: 4,696 applications received; 1,150 reservations

4. Projected and actual number of units

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

Paid = \$1,510,808; Committed = \$ 735,611

**III. Program Implementation Status**

1. Status of program delivery

- Beginning September 22, 2003, and for the remainder of program year 2003, the CPUC's Energy Division authorized the IOUs to increase

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Express Efficiency incentive rebate levels by up to 60 percent for measures that the joint utilities deemed appropriate.

- SCE notified vendors and internal SCE stakeholders via e-mail of the changes in rebate amounts, listing the selected measures that changed and their revised amounts. The e-mail also provided a status of funds remaining in order to create a sense of urgency.

**2. Customer Enrollment**

Two blank copies of the revised 2003 program application forms are included with this report. These forms reflect changes in rebate amounts consistent with Energy Division authorization.

**3. Workbook**

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

**4. Training**

SCE hosted a Vendor Forum in August for contractors, vendors and manufacturers presenting program information aimed at expanding industry participation in lighting, HVAC, and refrigeration.

**5. Marketing**

| <b>List Pieces</b>           | <b>Quantity</b> | <b>Method of Delivery</b> | <b>Quantity-Each Method (approx)</b> |
|------------------------------|-----------------|---------------------------|--------------------------------------|
| Business Connections<br>SESM | 1               | Direct Mail- Bill Insert  | 500,000                              |
| Express Efficiency Flyer     | 1               | Account Executives        | 5,000                                |

**6. Hard to Reach**

SCE has a HTR goal of 47 percent of customers served. Through the third quarter the program achieved a HTR rate of 68 percent.

**IV. Program Accomplishments**

**Third Quarter Accomplishments**

- Regular IOU meetings and conference calls continue to occur in order to ensure statewide consistency in all externally visible aspects of the Express program.
- The IOU Team submitted a joint utility proposal to the Energy Division to increase incentive levels for selected energy efficient measures to focus on the needs of the smaller and medium sized customer. The Energy Division allowed the joint utilities to increase incentive rebate levels by up

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to 60 percent for Express measures that utility program managers deemed appropriate. The IOU Team agreed on measures and advertised the new rebate levels effective September 22, 2003.

- The IOU Team completed the translation of the 2003 Express Efficiency Program applications into Spanish, Chinese, Korean and Vietnamese languages.
- PG&E, SDG&E, and SCE promoted the statewide Express Efficiency program by sponsoring a quarterly ad with the California Air Conditioning Contractors of America (Cal-ACCA) organization.
- Raypak, a manufacturing firm, promoted the statewide Express Efficiency Program by advertising commercial water heaters on their website ([www.raypack.com](http://www.raypack.com)).
- SCE's Express Efficiency and Nonresidential Audit programs continued to closely coordinate activities to increase customer participation.
- SCE printed revised rebate forms with increased rebate levels and posted new PDF's to the web site.

**V. Program Challenges**

The inability of the IOUs to raise rebate levels to promote selected measures, as in past years, has limited activity of certain measures.

**Energy Savings and Demand Reduction Performance**

SCE's total committed energy savings and demand reduction were 97 percent of the energy savings target and 101 percent of the demand reduction target through the third quarter.

**Steps Taken to Date to Achieve Targets**

The Energy Division allowed the joint utilities to increase incentive rebate levels by up to 60 percent for Express measures that utility program managers deemed appropriate. Working together, the IOUs agreed on measures and advertised the new rebate levels on September 22, 2003.

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

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**Decision 02-03-056, Ordering Paragraph 12 states:**

*“The IOUs shall make available a rebate reservation system in connection with their Express Efficiency programs.”*

Response:

The IOUs have established a statewide reservation system.

**Decision 02-03-056 page 25, also states:**

*“...because Express Efficiency and SPC share the small and medium-sized market, opportunities exist to leverage promotional activities. Recognizing the magnitude of this market and the current difficulties in satisfying its potential, we follow the recommendation of the 1999 State-Level Small-Medium Nonresidential MA&E Study and instruct the IOUs to ensure that all nonresidential programs available to this customer class coordinate information, marketing, and education efforts.”*

Response:

To comply, the IOUs have provided materials and side-by-side Express Efficiency and SPC program comparisons at all customer presentations and in handout packets. On an individual basis, customers have also been guided to the appropriate program based upon their types of projects.

**Decision 03-01-038, Ordering Paragraph 4, states:**

*“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”*

Response:

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

**D. 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**D. 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”*

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Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 7, Express Efficiency Program states:**

*"7. Express Efficiency Program*

*In 2003 the utilities propose to replace the "Account Aggregation Rule" with a program eligibility limit of 500 kW per service account and limiting incentives to any single corporation or chain account customer to \$25,000.*

*We adopt the utility proposal to permit incentives of up to \$25,000 per corporation or chain account customer for work done on service accounts with loads not exceeding 500 kW. This proposal would apply to all utilities."*

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 7, SCE's 2003 program replaces the "Account Aggregation Rule" by offering incentives of up to \$25,000 per corporation or chain account customer for work done on service accounts with loads not exceeding 500 kW.

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Program Title: **Statewide Nonresidential Energy Audit Program**

**I. Program Overview**

This statewide program offers free energy audits to nonresidential customers. The audit provides customer assistance in the form of information on the benefits of installing measures or adopting practices that can reduce the customer's utility bills. The energy audit recommendations are based on the customer's recent billing history and/or customer-specific information regarding equipment and building characteristics.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$2,200,000   |
| Program Expenditures (includes program commitments)* | \$1,419,490   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to demonstrate energy savings or demand reductions.

3. Total number of customers served:

|               | <b>Audits</b> |
|---------------|---------------|
| <b>Target</b> | 7,100         |
| <b>Actual</b> | 6,665         |

\*Per Decision 03-04-055, Attachment 2, pp.15-6.

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

Not applicable to this information program.



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**III. Program Implementation Status**

1. Status of program delivery

The 2003 Nonresidential Audit program commenced on April 17, 2003, and continues to operate.

2. Customer Enrollment

Two blank copies of the program application forms were sent to the Commission's Energy Division.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

SCE sponsored the "How to manage your business energy costs" (Sub-titled: How to do an energy audit") training class for business customers on July 15 and August 12. The class was offered as part of SCE's Education and Training program. More details about this training class can be found in the Education and Training Program quarterly report.

5. Marketing

In the third quarter, the IOUs continued to offer audit services to all nonresidential customers. In addition, the IOUs promoted the on-line and mail-in audit services via e-mails and US mail of energy audit kits to encourage customers to participate in these types of audits.

On September 10, 2003, the IOUs developed a MS Power Point presentation describing the multi-channel audit methods available to small and medium sized business customers. The presentation will be utilized in business meetings, and training situations.

6. Hard to Reach

During 2003, conduct 2,840 energy audits for hard-to-reach customers as defined in the October 2001 Energy Efficiency Policy Manual. Through the third quarter of 2003, 4,748 hard-to-reach customer audits were completed.

**IV. Program Accomplishments**

SCE's program highlights this quarter included the following activities:

- Improvements to the [www.sce.com](http://www.sce.com) Website which included a feature that allows customers to make an on-line request for an on-site audit. The electronic request form is now available to customers;

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- Customer communications were improved at the SCE Call Center with the addition of a “Request a nonresidential energy audit” choice on the Call Center’s VRU;
- A reprinting and distribution of 25,000 copies of the Save Energy, Save Money marketing piece, that includes an invitation for a energy audit, was executed during the third quarter;
- A 15,000 piece direct mail package which consisted of a cover letter, mail-in audit form, and return envelope was mailed to selected small-, medium-sized businesses in September. The message encouraged target customers to take SCE’s mail-in self-audit;
- Hard-to-reach customers continued to be assisted by the utility representatives who made visits to the customer’s place of business and performed energy audits and additional informative support; and
- The on-line audit marketing continued with a special offer this quarter: “Take the SCE business energy survey and we’ll treat (...you to coffee).” For fulfillment, SCE mailed a complimentary card good for a cup of coffee at Starbucks® to all qualifying SCE business customers who completed the on-line energy audit.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

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**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**D. 03-04-055, Ordering Paragraph 14 states:**

*"Where program changes are required by this order, the utilities shall submit revised sections of their previously filed program implementation plans incorporating those changes. Those revisions shall be submitted to Energy Division staff within 45 days of this order."*

Response:

SCE submitted revised sections of their previously filed program implementation plans incorporating those program changes required by this order.

**D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 8 Nonresidential Energy Audit Program states:**

*"8. Nonresidential Energy Audit Program*

*[W]e will require that in exchange for approving the number of audits as proposed, the IOUs shall include in their revised program implementation plans and quarterly reports the numbers of the types of audits that are planned and conducted".*

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 8, SCE's 2003 revised program implementation plan include the numbers of the types of audits that are planned and conducted.

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Program Title: **Statewide Nonresidential Building Operator Certification Program**

**I. Overview**

This is a statewide training and certification program for operators of medium and large commercial buildings (including governmental and institutional buildings and complexes) that seeks to establish and support a professional credential for building operators in California. Certified operators will have the training and background to identify and implement energy savings opportunities as an integral part of their operations and maintenance activities. The BOC Level I training course consists of eight days of training classes offered once per month over a seven-month period, and the BOC Level II training course consists of 7 days of training classes offered once per month over a five-month period.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$500,000     |
| Program Expenditures* | \$45,754      |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to demonstrate energy savings or demand reductions.

3. Total number of customers served

Projected: 120 students  
Actual: 119 students

4. Projected and actual number of units

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total rebates (\$) paid

Not applicable to this information program.

**III. Program Implementations Status**

1. Status of program delivery

The 2003 Statewide BOC program was kicked off after CPUC funding approval on April 17, 2003.

2. Customer Enrollment

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Not applicable to this information program.

3. **Workbook**  
Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.
4. **Training**  
The 2003 BOC training courses at SCE began in July 2003. SCE offered four Level I course series and one Level II course series during the third quarter.
5. **Marketing**  
Both SCE and Northwest Energy Efficiency Council (NEEC) promote the BOC program. SCE Account Executives deliver the BOC program brochure and registration forms to commercial customers. NEEC direct mails the program brochure and registration forms to commercial customers in SCE service territory.

The brochure is also distributed by SCE at events and tradeshow.

| <b>List Pieces</b>                                   | <b>Quantity</b> | <b>Method of Delivery</b>   | <b># w/Each Method</b> |
|--|-----------------|---|------------------------|
| BOC Statewide program brochure and registration form | 10,000          | Mailed to SCE customers by NEEC                                       | 5000                   |
|  |                 | Hand-delivered to SCE commercial customers by SCE Accounts Executives | 4500                   |
|  |                 | Distributed at events and trade shows                                 | 500                    |

6. **Hard to Reach**  
This program targets building operators of medium and large commercial facilities and is not designed for the small hard-to-reach business customers. Interested hard-to-reach nonresidential customers may participate in the training program if they have a building operator for their facility.

**IV. Program Accomplishments**

The 2003 statewide BOC training courses began in July 2003. During the third quarter, six Level I and two Level II BOC course series began statewide. At SCE, two Level I BOC course series began in July, and two in September. One Level II BOC course was introduced by SCE in September.

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**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

The PY03 Statewide BOC program was kicked off after CPUC funding approval on April 17, 2003. The 2003 BOC training courses began in July 2003.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 9, Building Operator Certification and Training Program states:**

*“9. Building Operator Certification and Training Program  
The utilities offered Level I of the program in 2002. For 2003, the utilities propose to work with the program contractor to develop Level II, which would focus on enhanced energy savings strategies for building operators. The Commission fully supports this effort and encourages the utilities.”*

Response:

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In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 9, during PY2003, the four utilities worked with NEEC to develop a Level II BOC course series, which focuses on enhanced energy savings strategies for California building operators. SCE introduced the course in September.



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Program Title: **Statewide Emerging Technologies**

**I. Program Overview**

The Statewide Emerging Technologies (ET) program is an information-only program that seeks to accelerate the introduction of energy efficient technologies, applications, and analytical tools that are not widely adopted in California. The program addresses all market segments, and is composed of two parts: Demonstration & Information Transfer, and the Emerging Technologies Coordinating Council (ETCC). The program's assessment activities focus on near commercial and commercial energy efficient applications with low market penetration. The projects help to measure, verify, analyze, and document the potential energy savings and demand reduction of specific applications in different market segments. Information Transfer efforts disseminate project results, and are customized to the targeted markets. The ETCC is a statewide information exchange and coordination effort between the investor owned utilities and the California Energy Commission's (CEC) Public Interest Energy Research (PIER) program. Program efforts to select technology applications for assessment projects include working with PIER, as well as, but not limited to, members of the research and design communities, manufacturers, energy efficiency advocates, customer groups, universities, professional societies, national laboratories, government agencies, engineering firms, and industry and trade groups.

**II. Program Summary**

1. Total program budget

| <b>2003</b>          | <b>Amount</b> |
|----------------------|---------------|
| Authorized Budget    | \$850,000     |
| Program Expenditures | \$478,837     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to provide energy savings targets.

3. Total number of customers served:

**Projected:** The program will initiate a limited number of customer site demonstration projects in 2003, since not all emerging technology assessments require customer site testing and multiple assessments may be performed at a single customer site. Currently, five customer site demonstrations are anticipated.

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**Actual:** One customer site assessment project was initiated during the third quarter. Two customer site assessments have been initiated in 2003.

4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
5. Total rebate (\$) paid:  
The program does not provide customer rebates.

**III. Program Implementation Status**

1. Status of program delivery  
The program staff is pursuing new ET application assessments, and coordinating activities with the California investor owned utilities and the CEC PIER program through the ETCC. Program staff provided SCE's energy efficiency program managers supporting information on emerging technologies that could be added into the 2004 energy efficiency programs.
2. Customer Enrollment  
The program does not use application forms to enlist customers in the program. Due to the nature of the program and the limited number of customer site demonstrations, customized agreements are negotiated with each customer for each project.
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
The program neither sponsored nor conducted any training during the course of the first quarter.
5. Marketing  
The program did not engage in any marketing activities during the quarter.
6. Hard-to-Reach  
The program does not have specific goals for the hard-to-reach market segments. In general, the information the program generates through its demonstration activities tends to benefit all customers. One of the aims of an ET program is to explore the application a new technology has in various market segments, in an effort to characterize the widest possible deployment opportunities. Thus, the program seeks opportunities to host appropriate demonstration projects at hard-to-reach customer sites.

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**IV. Program Accomplishments**

*ETCC Activities*

The ETCC met once during the third quarter on September 24, 2003 at SCE's Customer Technology Application Center (CTAC) in Irwindale. The utilities reviewed the action items to evaluate opportunities to demonstrate the following CEC PIER lighting technologies within the statewide ET programs:

- **Residential Kitchen Lighting.** SCE is seeking to include the technology into an ongoing Habitat for Humanity project. Pacific Gas & Electric (PG&E) will consider the technology in the 2004 program year.
- **Hotel Occupancy Sensor with LED Night Light.** SCE is pursuing an assessment with several hotels to establish the deemed savings estimates and to determine the impact of room occupancy rates. In addition, the measure information was provided to the energy efficiency program planning staff for possible addition into the 2004 statewide incentive programs. PG&E will work with the City of San Francisco to assess the measure in a residential type setting.
- **Integrated Classroom Lighting.** SCE is pursuing this technology in the High Performance Classroom under construction at CTAC.
- **Bi-level Switching for Stairwell Lighting.** This measure remains in review with the utilities for a potential assessment.

In addition, Southern California Gas (SCG) reported that the new bakery facilities at the Energy Resource Center were completed. Five different hood systems are installed in the new facilities as part of the SCG's efforts to further the CEC PIER work on commercial kitchen ventilation systems and make-up air designs. San Diego Gas & Electric and SCE are pursuing the technologies in several customer site restaurant installations.

*ET Database Updates*

No database updates were performed during the third quarter.

*Emerging Technology Application Assessments*

Currently, SCE has seven Emerging Technology Application Assessments underway for program year 2003. During the third quarter, SCE committed and initiated two assessments:

- **Anti-Corrosion Surface Coatings for Air-Conditioner Condensers and Evaporators.** New inorganic coatings and cleaning processes for air conditioner condensers and evaporators have become available. The coatings, cleaning, and application processes are reported to significantly

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restore the operating efficiency of existing air conditioning units, and reduce the rate of their future degradation. This assessment will verify and expand upon the test results from the Florida Solar Energy Center. The assessment will establish an initial set of deemed savings estimates, as well as time-of-use profiles, measure cost and life, for potential use in energy efficiency program planning.

- **“Super” T8 Fluorescent Instant Start Lighting System Assessment for Assembly Facilities.** This assessment will document the costs and impacts of retrofitting the lighting system of several building areas of the First Presbyterian Church in Covina. The retrofits include the church assembly, dining, and classroom areas. The instant start system allows for longer wiring distances, parallel lamp circuits, less complicated wiring, a somewhat lower initial investment, and a reported higher savings potential than rapid start systems. The reported main drawback for the instant start system is that they may not operate below 60 °F.

In addition, the following five assessments initiated during 2003 continue:

- **Classroom Electrochromic Windows Assessment.** The technology will be installed in SCE’s High Performance Classroom at the Customer Technology Application Center (CTAC) facilities in Irwindale. The classroom remained under construction during the third quarter. The High Performance Classroom combines multiple emerging technologies into a single classroom. This assessment builds upon research from PIER Contract No. 500-01-023. Electrochromic windows can be darkened or lightened electronically allowing the windows to be used as energy-saving devices.
- **Classroom Advanced Lighting System Assessment.** An advanced T5 HO fluorescent lighting system with dimmable ballasts and daylighting controls will be installed in the High Performance Classroom demonstration at SCE’s CTAC facilities in Irwindale. The advanced lighting system will work in conjunction with the classroom’s electrochromic windows. The classroom remained under construction during the third quarter.
- **Classroom Displacement Ventilation Assessment.** Displacement ventilation is an air distribution system in which incoming air originates at the floor level and rises to exhaust outlets at the ceiling. The technology offers improved indoor air quality with its typical use of 100% outdoor air, and increased occupant comfort with higher supply air temperatures closer to room temperature. The technology will be installed in the High

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Performance Classroom demonstration at SCE's CTAC facilities in Irwindale. The classroom remained under construction during the quarter.

- **“Super” T8 Fluorescent Rapid Start Lighting System for a Boiler and Chiller Mechanical Room.** This assessment project will determine the impacts of retrofitting a rapid start “Super” T8 fluorescent lighting system into the boiler and chiller mechanical room at the Los Angeles County Internal Services Division's Los Padrinos Center in Downey, California. During the third quarter, the installation contract for the project was awarded, and both the design work and the baseline data collection were completed.
  
- **Network Management of Computer Energy Star Settings.** This assessment project seeks to determine the demand and energy savings potential of managing the power settings of networked personal computers. The assessment is underway using SCE's network facilities. During the third quarter, the demand and energy savings for a small group of computers in a general office setting were determined for two different management schemes. Also, the software vendor resolved problems related to correctly parsing network computer identification tags that hampered client/server communications.

Program staff is working to identify and initiate additional assessment projects, and are presently considering assessments for the following emerging technologies:

- Residential kitchen lighting,
- Hotel bathroom occupancy sensor with integrated LED night light,
- Stairwell lighting bi-level switching, and
- Smart thermostat for hotel rooms.

**V. Program Challenges**

There were no specific program challenges during the third quarter.

**VI. Customer Disputes**

There were no customer disputes during the third quarter.

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans”.*

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Response:

Program commencement and preparation were not delayed and commencement began immediately after the issuance of Decision 03-24-055.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages”.*

Response:

SCE and the other IOUs are working together to market their statewide programs. SCE's Program Implementation Plans and quarterly reports (marketing section) describe utility efforts to coordinate programs.

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Program Title: **Savings By Design**

**I. Program Overview**

The Savings By Design (SBD) program influences nonresidential building owners, tenants, and design teams to exceed current Title 24 standards (or industry standards for processes) by 10 percent or more for their new construction or renovation/remodel projects. SBD provides energy design education, design assistance, and cash incentives for all project types and sizes that meet the program's eligibility. SBD also leverages resources from industry relationships, strategic alliances, and other Public Purpose Programs to accomplish the goals of energy savings, peak demand reductions, and long-term market change.

The program has three elements: the Whole-Building Approach, the Systems Approach, and education and outreach. The core strategy centers on an integrated design approach to optimize energy efficiency, known as the Whole-Building Approach. To include participants who would not normally consider a fully integrated design approach, the Systems Approach provides a simplified, performance-based method, which moves owners and design teams far beyond prescriptive approaches. Finally, program education and outreach strategies, focused on the successful Energy Design Resources model, address market barriers by providing owners and designers with the information, education, and tools to help them make the best possible energy efficiency choices. All three elements support the California Energy Commission's goals for market transition to the 2005 Title 24 code revision cycle.

The SBD program will continue to meet the Commission's goals and objectives for energy efficiency programs. SBD delivers cost-effective, permanent, and verifiable energy savings and peak demands reduction with long term energy savings of between 16 and 20 years, far exceeding the Commission's minimum target of three years. Since 1999 SCE's SBD program has involved thousands of participants and has worked with hundreds of projects and design teams. The program's innovative educational elements and implementation strategies target market barriers and failures.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$8,900,000   |
| Program Expenditures (includes program commitments)* | \$ 3,301,815  |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

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2. Total net demand reduction and energy savings:

|                       | <b>Net kW</b> | <b>Net kWh</b> |
|-----------------------|---------------|----------------|
| <b>Target*</b>        |               |                |
| Systems               | n/a           | n/a            |
| Whole-Building        | n/a           | n/a            |
| Total                 | 7,818         | 42,812,895     |
| <b>Actual</b>         |               |                |
| Systems               | 122           | 358,739        |
| Whole-Building        | 243           | 705,595        |
| Total                 | 365           | 1,064,334      |
| <b>Committed</b>      |               |                |
| Systems               | 3,939         | 33,196,642     |
| Whole-Building        | 1,610         | 5,690,349      |
| Total                 | 5,549         | 38,886,991     |
| <b>Total Recorded</b> | 5,914         | 39,951,325     |

\* Per Decision 03-04-055, Table 2b.

3. Total number of customers served:

    Projected (Annual): 250

    Actual: 148 projects participating in program, with an additional 283 qualified leads investigated through customer contact and program services provided.

4. Projected and actual number of units:

    Please refer to program activity tables in corresponding program workbook.

5. Total incentives (\$) paid = \$222,318

    Total incentives (\$) committed = \$2,042,050

**III. Program Implementation Status**

1. Status of program delivery

    The SBD program was rolled out to the public on California Public Utilities Commission approval using the 2003 program rules. The program is on target and no major changes are anticipated.

2. Customer Enrollment

    Two blank copies of the program application forms were sent to the Commission's Energy Division.

3. Workbook

    Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

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4. Training

Statewide activities:

| Attendees          | Category        | Date                   | Location   | Title                 |
|--------------------|-----------------|------------------------|--|-----------------------|
| 17<br>(835 visits) | On-line courses | 07/01/03 –<br>09/30/03 | <a href="http://www.energydesignresources.com">www.energydesignresources.com</a> | EDR Online<br>Courses |

Energy Design Resources Classes on subjects including Integrated Building Design, Lighting, Daylighting, HVAC, Title 24, Glazing, High Performance Schools, among others.

Southern California Edison activities:

In order promote the Savings By Design program, SCE's SBD sponsored two training courses during the third quarter. The objective is to encourage high performance nonresidential building design and construction to architects and designers.

- The eQUEST hands-on computer training guides the user through eQUEST, a user-friendly, DOE-2 based building simulation tool featuring input wizards and industry standard defaults to simplify modeling.
- In addition, Savings By Design sponsored a new class to preview the proposed 2005 Title 24 Standards for energy efficiency in buildings, in which the state expects to adopt by July 1, 2003.

SCE will continue to focus on increasing participation of HTR customers in the Savings By Design program.

5. Marketing

| List Pieces            | Quantity                              | Method of Delivery   | # w/ Each Method             |
|------------------------|---------------------------------------|--|------------------------------|
| Statewide Efforts      | Total Ordered                         |  | 3 <sup>rd</sup> Quarter 2003 |
| One-Page Flyers        | Downloadable<br>From SCE's<br>Website | Trade Shows, Facility<br>Manager's Show, As<br>Needed  | --                           |
| EDR Binders and<br>CDs | --                                    | Trade Shows, Facility<br>Manager's Show,<br>Environmental<br>Organizations (i.e.<br>Green Resource<br>Center), other | 100 CDs<br>15 Binders        |

- Savings By Design maintains a statewide web site at [www.savingsbydesign.com](http://www.savingsbydesign.com) that provides comprehensive program information, utility contacts, and a downloadable Participant Handbook outlining program policies and procedures as well as application guidelines.

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- Energy Design Resources, the educational and academic arm of Savings By Design, maintains a comprehensive library of information and resources at [www.energydesignresources.com](http://www.energydesignresources.com), including electronic newsletters for the design community, freeware for design and financial analysis, and a series of AIA accredited online courses. The new EDR website was launched during the 3<sup>rd</sup> quarter and received two awards – An Honors Award in the Corporate Web Site and the Silver Award in the eMEDIA category of the Beacon Awards.
- [www.sce.com](http://www.sce.com) features pages describing Savings By Design that direct customers to program contacts and provide external links to the Statewide web site for more information.

6. Hard to Reach

Savings By Design targeted geographically hard-to-reach customers. For 2003, the program identified the goal as a 25% increase over the percentage of participating projects from geographically hard-to-reach customers as identified in 2002. This means SBD program will increase the number of projects from HTR geographical areas to a 7.8% participation rate in 2003. As of September 30, 2003, achievement of the participation rate is approximately 6%.

One outstanding success story HTR customer is SCE SBD's work with California Department of Park and Recreations Silverwood Visitor's Center. The following project is an example of SBD's assistance in optimizing a project's energy efficiency potential. A whole building analysis was completed for the New Visitors' Center located at Silverwood Lake in San Bernardino County, which is geographically a hard-to-reach area. As a result, the project exceeded the Title 24 standard compliance level by approximately 47%, which is an exceptional and impressive accomplishment as the level of effort is only done on buildings 30,000 sq. ft or larger. Some of the measures proposed to increase the performance of the building were the use of natural ventilation, thermal mass effect, the use of solar water heating and radiant space heating, and high-performance low e-glazing in combination with photoelectric sensors. This building was only 2,800 sq. ft and moreover, the project was located in a remote area. The measures installed saved 9,870 of annualized gross energy savings and 970 gas therms of energy per year.

**IV. Program Accomplishments**

Statewide accomplishments:

- SBD's partnered with the American Institute of Architects, California Council (AIACC) to co-sponsor the Monterey Design Conference. This conference hosted 626 attendees and held workshops that covered integrated design

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principles as well as SBD-sponsored seminars on designing energy efficient, green buildings.

- SBD's Energy Design Resources (EDR) component launched a new website which won the following awards:
  - An Honors Award in the Corporate Web Site – Energy category from the International Academy of Communication Arts & Sciences as part of its International iNOVA Awards – 2003
  - The Silver Award in the eMEDIA category of the Beacon Awards, sponsored by the Business Marketing Association's Northern California chapter – 2003
- The University of California school system adopted Savings By Design as standard practice for all campuses, requiring SBD participation for all new construction.
- Savings By Design's website attracted over 3,294 visits, 2,372 unique visitors, and 160,493 hits during the third quarter.
- Energy Design Resource's website attracted 8,505 visits, 6,278 unique visitors, and 429,762 hits in the third quarter.
- SBD worked with the CEC to develop training and program enhancements to prepare the commercial design and construction industries for upcoming code change.

Southern California Edison accomplishments:

- Rebuild America Series: The Building Envelope – The design and technologies seminar focused on issues pertaining to the building envelope, such as windows, daylighting technologies, and reflective roofs.
- Vendor Appreciation Event – Savings By Design participated in Business Solution's Annual Vendor Seminar and Vendor Appreciation Breakfast at CTAC, with approximately 300 vendors.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

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The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**D. 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**D. 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 10, Savings By Design Program states:**

*“10. Savings By Design Program*

*The State of California Energy Policy Advisory Committee, the American Institute of Architects and other program participants recommended that the IOUs increase the time allowed for completion of a project from 36 months to 48 months to recognize the time needed to complete a construction project. We accept this program modification.”*

Response:

In compliance with D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 10, SCE’s PY2003 Savings by Design Program allows 48 months for completion of a project in conformance with the recommendations of the State of California Energy Policy Advisory Committee, the American Institute of Architects and other program participants.

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Program Title: **Statewide Energy Efficiency Education and Training**

**I. Program Overview**

The statewide Energy Efficiency Education and Training program continues to be offered in the service areas of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas). Overall, the program promotes energy efficiency to a variety of customer segments through energy centers (physical and virtual) and other informational programs. The educational and information efforts of the energy centers and of SDG&E cover a broad spectrum of market actors including customers, midstream actors such as the design, engineering and contracting communities, and upstream market actors. The motivations to make use of education and training services include reducing operational costs, increasing productivity and profitability, and designing more efficient new buildings.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$5,700,000   |
| Program Expenditures* | \$3,891,564   |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:  
Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to demonstrate energy savings or demand reductions.
3. Total number of energy center EE customers served:  
Projected: 6,250  
Actual YTD = 5,133
4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
5. Total rebate (\$) paid:  
The program does not provide customer rebates.

**III. Program Implementation Status**

1. Status of program delivery  
No changes were made to the program implementation plan.



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2. Customer Enrollment

The program does not use application forms to enlist customers in the program.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

The Energy Centers' goal for 2003 is 200 EE events. EE Events are a minimum of two hours during which a group or an individual is provided extensive information on energy efficient technology and/or the application of energy efficient technology to increase their knowledge and improve the efficiency of their home or business. This includes events through which customers are provided information about available programs and services. EE Events consist of seminars and workshops which use a classroom venue to provide information, facility tours, presentations to customer groups, equipment demonstrations, and customer consultations.

52 events were provided during the Third Quarter 2003, which are listed below:

| <b>Date</b> | <b>Event (CTAC)</b>                                 | <b>Location</b> | <b>HTR</b> | <b>J.U.</b> |
|-------------|---|-----------------|------------|-------------|
| 7/1/03      | Lang Pham, Pho 99 Restaurants                       |                 | 1          |             |
| 7/2/03      | Chaffee College, Gina Christian                     |                 |            |             |
| 7/8-7/9/03  | Commercial Energy Surveys                           |                 |            | 1           |
| 7/8/03      | Non-Profit Community EE Workshop                    | Torrance        | 1          |             |
| 7/9/03      | Basic Heating, Ventilation & Air Conditioning       |                 |            |             |
| 7/10/03     | Non-Profit Community EE Workshop                    | CTAC            | 1          |             |
| 7/10/03     | Lighting Fixture Maintenance                        |                 |            |             |
| 7/11/03     | The Crab Cooker                                     |                 |            |             |
| 7/15/03     | Non-Profit Community EE Workshop                    | Tulare          | 1          |             |
| 7/15/03     | Design Strategies for High Performance Glass        |                 |            | 1           |
| 7/17/03     | LightFair 2003                                      |                 |            | 1           |
| 7/17/03     | Premium Efficiency Motors & Adjustable Speed Drives |                 |            | 1           |
| 7/18/03     | LightFair 2003                                      |                 |            | 1           |
| 7/23/03     | Lighting Retrofit & Project Management              |                 |            |             |
| 7/24/03     | Package Unit Heating, Ventilation & Air             |                 |            |             |

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|         |  |             |   |   |
|---------|--|-------------|---|---|
|         | Conditioning (HVAC)  |             |   |   |
| 7/29/03 | Commercial and Industrial Lighting                             |             |   |   |
| 7/30/03 | Advanced Outdoor Lighting                                      |             |   |   |
| 8/12/03 | How to Manage Your Business's Energy Costs                     | Corona      | 1 |   |
| 8/13/03 | Air Handling Systems   |             |   | 1 |
| 8/14/03 | Rebuild America Series - The Building Envelope                 |             |   | 1 |
| 8/15/03 | Commercial and Industrial Lighting                             | Hesperia    | 1 |   |
| 8/21/03 | Chilled Water Systems  |             |   | 1 |
| 8/21/03 | Lighting Fixture Maintenance                                   |             |   |   |
| 8/26/03 | Lighting & Daylighting for Architects & Designers              |             |   | 1 |
| 8/28/03 | Cool Roofs   |             |   |   |
| 9/9/03  | Basic Heating, Ventilation and Air Conditioning (HVAC)         |             |   |   |
| 9/9/03  | Basic Heating, Ventilation and Air Conditioning (HVAC)         | Rialto      |   |   |
| 9/9/03  | eQUEST   |             |   |   |
| 9/9/03  | RSES Seminar   |             | 1 |   |
| 9/10/03 | Wet Cleaning Demonstration                                     |             | 1 |   |
| 9/10/03 | Energy Management Systems (EMS)                                |             |   |   |
| 9/11/03 | Boiler and Steam System Technology Seminar                     |             |   | 1 |
| 9/11/03 | Successful Merchandising with Efficient Lighting               |             |   | 1 |
| 9/17/03 | Industrial Refrigeration                                       |             |   | 1 |
| 9/18/03 | Unitary HVAC System Options                                    |             |   |   |
| 9/18/03 | Energy Efficient Lighting for Foodservice                      |             |   | 1 |
| 9/19/03 | Technology Update  | Victorville | 1 |   |
| 9/23/03 | Title 24 Nonresidential 2005 Standards                         |             |   |   |
| 9/24/03 | Title 24 Nonresidential 2005 Standards                         | Costa Mesa  |   |   |
| 9/25/03 | Lighting Retrofit Strategies and Project Management Techniques |             |   |   |

| Date    | Event (AGTAC)                            | Location | HTR | J.U. |
|---------|--|----------|-----|------|
| 7/24/03 | Industrial Maintenance                   | AgTAC    | X   | X    |
| 7/30/03 | Commercial/Industrial Lighting           | AgTAC    | X   |      |
| 7/31/03 | Basic HVAC                               | AgTAC    | X   |      |
| 8/6/03  | Geoexchange for Schools                  | AgTAC    | X   |      |
| 8/12/03 | LightFair 2003-New Lighting Technologies | AgTAC    | X   | X    |
| 8/19/03 | Cool Roof                                | AgTAC    | X   |      |
| 8/26/03 | David Aure Consultation                  | AgTAC    | X   |      |
| 9/3/03  | Motors and ASDs                          | AgTAC    | X   | X    |

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|         |  |       |   |   |
|---------|--|-------|---|---|
| 9/4/03  | Packaged HVAC                                  | AgTAC | X | X |
| 9/8/03  | BMI Consultation                               | AgTAC | X |   |
| 9/9/03  | FSU-CIT Agricultural Energy Efficiency Program | AgTAC | X |   |
| 9/18/03 | Brad Crass Consultation                        | AgTAC | X |   |

5. Marketing

The marketing materials used to promote the events listed above are:

| Event (CTAC)   | Marketing Piece      | Delivery Method             | # Distributed    |
|--|----------------------|-----------------------------|------------------|
| Non-Profit Community EE Workshop                             | Flyer                | US Mail<br>E-Mail           | 760              |
| LightFair 2003   | E-Mail               | E-Mail                      | 2000             |
| Rebuild America Series - The Building Envelope               | Flyer                | E-Mail                      | 2000             |
| Cool Roofs   | E-Mail               | E-Mail                      | 2000             |
| Energy Efficient Lighting for Foodservice                    | Flyer                | US Mail<br>E-Mail           | 1500<br>2000     |
| Lighting Retrofit Strategies & Project Management Techniques | E-mail               | E-Mail                      | 2000             |
| Boiler and Steam System Technology Seminar                   | E-mail               | E-Mail                      | 2000             |
| 4th Qtr Calendar of Events                                   | Calendar<br>Calendar | US Mail<br>Hand – delivered | 29,292<br>10,000 |
| <a href="http://www.sce.com/ctac">www.sce.com/ctac</a>       | Website              | Internet                    | n/a              |

| Event (AGTAC)  | Marketing Piece  | Delivery Method | # Distributed |
|--|------------------|-----------------|---------------|
| 3rd Quarter Classes                                      | Quarterly Mailer | Direct Mail     | 8900          |
| 3rd Quarter Classes                                      | Quarterly        | Handout         | 400           |
| 3rd Quarter Classes                                      | Website Calendar | E-Mail          | -----         |
| <a href="http://www.sce.com/agtac">www.sce.com/agtac</a> | Website          | Internet        | n/a           |

6. Hard to Reach

For 2003, the hard-to-reach (HTR) target is to hold 75 events in HTR markets. By the end of the third quarter 2003, 66 HTR events were held year-to-date. They are a subset of the list above and are identified in the HTR column.

**IV. Program Accomplishments**

CTAC/AgTAC Energy Centers

Following are accomplishments from July 1<sup>st</sup> –September 30<sup>th</sup> 2003.

EE Events completed July-September = 52

Attendance at those events July-September = 876

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EE Events completed YTD = 190

Attendance at those events YTD = 3386

EE consultations less than 2 hours July- September = 206

Attendees in those consultations July- September = 352

EE consultations less than 2 hours YTD = 444

Attendees in those consultations YTD = 590

EE equipment demonstrations less than 2 hours July- September = 820

Attendees at those demonstrations July- September = 255

EE equipment demonstrations less than 2 hours YTD = 1639

Attendees at those demonstrations YTD = 1157

EE Outreach events participated in from July – September = 26

Attendees at the Outreach events from July – September = 12,152

EE Outreach events participated in YTD = 144

Attendees at the Outreach events YTD = 250,021

New displays developed include:

- AGTAC
  - Cool Roof
  - LED Traffic Signal
  
- CTAC
  - Opened the Professional “Wet Cleaning Demonstration Center”

Joint Utility events completed January-March = 15

Joint Utility events completed April-June = 20

Joint Utility events completed July-September = 17

Joint Utility events YTD = 52

They are a subset of the list above and are identified as joint utility efforts.

Informational Services

For 2003, the Agricultural informational activities are included along with the Commercial and Industrial activities. SCE was also directed to develop and list its agricultural customer contact target for 2003. In compliance with that directive, SCE identified 1,900 customer contacts as the 2003 target. To date, SCE has achieved 2,606 agricultural customer contacts.

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Product Labeling

Tri-fold color brochures for whole house fans (10,000), electric water heaters (10,000) and programmable thermostats (24,000) were distributed during the third quarter. These brochures bring the customers' attention to these energy efficiency measures, and provide a simple one-page application.

**V. Program Challenges**

Challenges include identification of HTR customers. Of the four HTR criteria, two are readily identifiable. SCE has information on the geographic location of the business and also on the size (kW) of the business. However, without specific input from the customer, SCE does not have information on whether the business leases or owns their facility, nor can they identify if a language other than English is spoken at the business. Individual participants in events do not always know if their facility is leased or they might be hesitant to indicate if English is not the primary language used. A few customers have resented being asked and indicated they considered the question discriminatory. Therefore, we are relying principally on geography and size to determine if a customer is HTR.

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*"No party shall delay program commencement or preparation pending submission of or Commission action on these plans."*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together

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with the other utilities. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**Decision 03-04-055, Attachment 2, page 26, states:**

*"SCE should indicate its target numbers of customer contacts [for SCE's Pump Test and Hydraulic Services program] for 2003 in its quarterly report."*

**Response:**

Funding and resources for this activity have been transferred from SCE's 2003 Pump Test and Hydraulic Services program to SCE's Education and Training program. Targets and achievements are listed in the Program Accomplishments section of this report.

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Program Title: **Codes and Standards Advocacy, Statewide**

**I. Program Overview**

The statewide Codes and Standards Advocacy program promotes enhancements to energy efficiency standards and codes. Codes and Standards Enhancement (CASE) studies are performed for promising design practices and technologies. Study results are presented to standards and code-setting bodies during the public rulemaking process to encourage adoption of energy efficiency measures. Expert witness testimony and additional analysis are provided throughout the rulemaking process as needed. Enforcement activities include participation in development of standards documents and strategic educational efforts.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$1,150,000   |
| Program Expenditures* | \$105,773     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:  
Not applicable for this information program.
3. Total number of customers served:  
The Statewide Codes and Standards program focuses on upgrades and enhancements in the energy efficiency standards and codes thereby benefiting all Californians.
4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
5. Total rebate (\$) paid:  
Not applicable for this information program.

**III. Program Implementation Status**

1. Status of program delivery  
CASE studies are under development for funding in the 2003 program year.
2. Customer Enrollment  
Not applicable for this information program.
3. Workbook



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Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training  
No training was offered in the third quarter.
5. Marketing  
The program did not conduct any marketing activities during this quarter.
6. Hard to Reach  
Codes and Standards activities support hard-to-reach market segments by advocating cost effective code enhancements that promote energy efficiency for all building types and appliances included in the California standards.

**IV. Program Accomplishments**

In the third quarter, SCE participated in the California Energy Commission's (CEC) public workshop and project meeting on the dates listed below.

|         |  |
|---------|--|
| 7/7/03  | AB 549 Public Workshop at the California Energy Commission |
| 8/19/03 | Title 20 Appliance Energy Efficiency Standards Meeting     |

During the third quarter, SCE continued work on the following CASE studies.

| <b>Building and Appliance Standards Code Enhancements</b>              |
|--|
| Packaged Staged-Volume HVAC Systems                                    |
| High Ambient Packaged HVAC Performance Testing                         |
| AB 549 Report on Energy Efficiency Opportunities in Existing Buildings |
| Design Guideline for Compressed Air Systems                            |
| Acceptance Testing for the Hospitality Segment                         |
| Ground-source Heat Pump Modeling Assessment                            |
| Advanced Building Design Guideline                                     |

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*"No party shall delay program commencement or preparation pending submission of or Commission action on these plans."*

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Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

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Program Results Workbook**

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Program Title: **Upstream Residential Lighting**

**I. Program Overview**

This statewide program works with interested multi-location retailers and manufacturers to offer point-of-sale (POS) discounts for ENERGY STAR<sup>®</sup> labeled lighting products. Customers receive a \$1 or \$2 per lamp discount when purchasing ENERGY STAR<sup>®</sup> compact fluorescent lamps (CFLs) at participating retailers and a \$5 or \$10 per fixture discount when purchasing ENERGY STAR<sup>®</sup> hardwired or plug-in pin based indoor or outdoor CFL lighting.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$2,000,000   |
| Program Expenditures (includes program commitments)* | \$1,865,955   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings

|                       | <b>Net kW*</b> | <b>Net kWh*</b> |
|-----------------------|----------------|-----------------|
| <b>Target</b>         | 4,913          | 34,959,185      |
| <b>Actual</b>         | 2,297          | 11,863,655      |
| <b>Committed</b>      | 3,158          | 20,587,827      |
| <b>Total Recorded</b> | 5,455          | 32,424,482      |

\*Notes –

Per Decision 03-04-055, Table 2b. The statewide team discovered late in the first quarter of 2003 that the incandescent equivalent assumptions provided by ENERGY STAR<sup>®</sup> on which the program's energy savings calculations are based are different than the ENERGY STAR<sup>®</sup> equivalencies published in the manufacturer's specifications. This discovery may lead to a revision to the energy and demand savings assumptions for certain CFLs. If so, these revisions will be reflected in future reports.

3. Total number of customers served

- Projected: 978,697
- Actual: rebates for 921,839 units were paid or allocated.

4. Projected and actual number of units

Please refer to activity tables in corresponding program workbook.

5. Total rebate (\$) paid = \$609,104

Total rebate (\$) committed = \$1,050,468

**III. Program Implementation Status**

1. Status of program delivery

In compliance with D. 03-04-055, the 2003 programs began April 2003.

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2. Customer Enrollment  
Sample copies of the program applications for retailers and manufacturers were sent to the California Public Utilities Commission's Energy Division.
3. Workbook  
Please refer to workbook for details of program expenditures and program activities.
4. Training  
There were no training activities in the second quarter.
5. Marketing  
Primary marketing to participants is complete. It was accomplished through email and phoned announcements of the various promotions as a statewide team. Primary marketing to customers is done by participants. The IOUs approve materials and provide stickers to put on eligible product packages.

Secondary mass marketing is done by means of multi-program brochures and materials, the sce.com website, and bill inserts. In September SCE sent a bill insert to all 4.3 million residential SCE customers promoting ENERGY STAR® Lighting, the California Flex Your Power message, and the EPA's Change A Light campaign. It featured TV star Steve Thomas giving energy-saving tips recommending ENERGY STAR® labeled compact fluorescent lighting. Manufacturers and retailers used in-store promotional materials, newspaper, radio, and circular advertising to attract customers to buy program-discounted lighting products.

2. Hard-to-Reach  
In 2003, SCE will provide at least 15 percent of the incentive budget to retailers in geographic HTR areas and 10 percent of the incentive budget to food and drug stores. As of the third quarter, \$278,192 or 16.3 percent of the incentive budget was paid to retailers in geographic HTR areas and \$193,068 or 11.3 percent was paid to grocery or drug retailers. SCE also took part in ethnic outreach events to reach customers for whom English is a second language.

**3. Program Accomplishments**

Statewide Third Quarter Accomplishments:

- The IOU's completed allocating 100 percent of their respective incentive budgets. The allocations began in the first quarter and all promotions are expected to be completed by the end of the fourth quarter.

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- The IOUs participated in the planning of the national Energy Star® Change A Light Campaign for October 2003. A menu of promotional tools was developed by the consortium for use by respective energy efficiency entities from around the country. The tools included templates for newspaper ads, TV ads, bill insert templates and radio messaging.
- Support of the Program for the Evaluation and Analysis of Residential Lighting (PEARL) which tests residential lighting products available from retailers continued. This resulted in the industry supporting a change by the Department of Energy to add a requirement for manufacturers of Energy Star® lighting products to provide financial support of third party testing of Energy Star® lighting products. So a funding mechanism will be put into place which will support quality manufacturing of lighting products that are sold to California's consumers.
- The IOUs were active in providing support to changes in the Specification for both Energy Star® CFLs and Fixtures. These proposed changes will also raise the bar for quality energy efficiency products for California's consumers.
- The IOU's worked with Kema Xenergy to assist in providing the data to identify a lower incremental cost for CFLs which will increase program cost effectiveness. This information will be used in 2004/2005 program filings.

SCE Program Activities:

- The Summer/Fall promotion began July 1. The program incentive budget was fully subscribed at the beginning of the quarter with enough commitments to achieve all targets.
- The annual rural and grocery/drug milestones were surpassed during the quarter.
- There were very few cancellations of allocations, contrasted with 2002. This was due to the enforced requirement of purchase orders prior to fund reservation, and the absence of shipping bottlenecks.
- SCE mailed a program bill insert in September to 4.3 million households, as described in the Implementation Status section above.

**IV. Program Challenges**

None

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**V. Customer Disputes**

None

**VI. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program for the third Quarter.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

SCE continues to work together with the other utilities to market the statewide program. SCE coordinated with the statewide team to process reservation requests and invoices in a consistent manner and continues to monitor and verify participant compliance with consistent standards. SCE's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. SCE continues to focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

**Decision 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 11, Upstream Residential Lighting Program states:**

*"11. Upstream Residential Lighting Program*

*"The utilities propose reducing the incentives for lower wattage units because wholesale pricing for the lower wattage units has become more competitive. We find the IOUs' proposed tiered rebates reasonable and approve them."*

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 11, SCE's 2003 Upstream Residential Lighting Program includes reduced incentives for lower wattage units compared to 2002.

**Decision 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 11, Upstream Residential Lighting Program states:**

*"As in 2002, the utilities must increase the quantity of products provided to non-traditional delivery channels such as grocery stores, drug stores, and outlets in remote locations. We will again require that at least 15% of the rebate budget be reserved for customers in rural areas, and at least 10% of the rebate funds be*

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*reserved for redemption through purchases from new delivery channels of grocery and drug stores.” (id., p. 19)*

Response:

In compliance with D. 03-04-055, Attachment 2, “2003 IOU Statewide Programs,” Item 11, SCE’s 2003 program plan requires that at least 15 percent of the rebate budget be reserved for customers in rural areas, and at least 10 percent of the rebate funds be reserved for redemption through purchases from new delivery channels of grocery and drug stores.



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Program Results Workbook**

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Program Title: **Statewide Marketing and Outreach**

**I. Program Overview**

*Flex Your Power* (FYP), managed by the Efficiency Partnership (EP), is a statewide consumer marketing and outreach campaign focused on energy efficiency. The goal is to build awareness of the benefits of energy efficiency and the use of energy efficient products. Additionally, the campaign promotes the programs and resources available to customers statewide, as well as facilitates the coordination, marketing and outreach of these programs. The campaign uses, among other things, a series of paid advertisements, promotional events, partnerships with businesses, government and non-profits, printed educational materials, website and electronic newsletter to achieve these goals. The advertising and other programs continue and build upon the ongoing *Flex Your Power Campaign*.

The target markets are General Market, African American, Hispanic and Asian residential (both urban and rural), commercial and industrial including hard-to-reach small and rural businesses throughout California.

Runyon Saltzman & Einhorn, Inc.'s **(RS&E) *Reach for the Stars*** campaign is a statewide marketing and outreach program focused on promoting energy efficiency messages to low-income utility customers in rural areas. The campaign, using traditional and non-traditional marketing strategies, encourages residential energy users to make permanent energy efficient upgrades to their homes and participate in statewide energy efficiency programs. It also informs them about available low-income assistance programs to help with energy efficiency measures and utility bills.

The *Reach for the Stars* campaign includes three flights of newspaper ads and radio spots, as well as a community-based outreach component. Utility customers are encouraged to call a toll-free phone line, which provides contact information regarding utility programs.

The Univision Television Energy Efficiency Marketing Program is a statewide marketing and outreach effort for Spanish-speaking, residential energy customers developed and implemented by the joint venture of **Univision Television Group and Staples/Hutchinson and Associates, Inc.**

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**II. Program Summary**

VII. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget – Efficiency Partnership (FYP)       | \$15,000,000  |
| Program Expenditures*                                  | \$5,650,007   |
| Authorized Budget – Efficiency Partnership (Univision) | \$3,000,000   |
| Program Expenditures*                                  | \$1,700,000   |
| Authorized Budget – Efficiency Partnership (RS&E)      | \$2,507,459   |
| Program Expenditures*                                  | \$877,611     |

\*Expenditures to date thru September 30, 2003 (does not include commitments or pending payment amounts for this period).

2. Total net demand reduction and energy savings:  
Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this marketing and outreach program is not expected to demonstrate energy savings or demand reductions.
3. Total number of customers served:  
Not applicable
4. Projected and actual number of units:  
Not applicable
5. Total rebate (\$) paid:  
Not applicable to this information program.

**III. Program Implementation Status**

1. Status of program delivery

**FYP –**

During the third quarter of 2003, Flex Your Power, in addition to building upon its ongoing programs, launched several of the major outreach initiatives, including an entirely rebuilt and expanded Flex Your Power website, the e-Newswire, commercial sector outreach, local government outreach and the second of three residential energy efficiency promotions, which included advertising (television, radio and newspaper), production and distribution of educational materials and outreach to manufacturers and retailers. Flex Your Power also developed and rolled out new elements of the energy-efficient product manufacturer outreach initiative: cooperative, permanent promotional efforts with manufacturers and retailers designed to increase the depth of their commitment to promoting energy efficiency in California.

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**RS&E –**

As established in the Program Implementation Plan, RS&E created two newspaper ads and one radio spot for the second of three media flights. Flight two ads are currently running in newspapers and radio stations reaching rural areas throughout the state. Ads were trafficked out to publications and radio stations.

RS&E also distributed the following collateral materials to CBOs for the community-based outreach component: 17,300 brochures, 16,800 brochure inserts, 7,500 door hangers, 14,200 magnets, 22,600 pens, 3 tabletop displays (to rotate for outreach events) and 6,000 electric hand fans.

All creative materials were submitted to the administrator for review, editing and approval.

The toll-free, informational phone line was activated and continues to receive calls.

The CBO coordinator reviewed proposals from potential CBOs and chose 11 organizations to represent “Reach for the Stars.” These CBOs have been implementing outreach activities during the third quarter.

See activities described in Univision’s Marketing section.

**2. Customer Enrollment**

Not applicable. However, the FYP campaign recruited roughly 1,350 retailers to participate in this year’s second energy efficiency promotion and sent the first two Flex Your Power e-Newswires in September (September 9 and 23) to more than 4,000 people and organizations representing all segments in the state (IOUs, municipal utilities, businesses including small business, schools, government, water agencies, community-based organizations and more).

**3. Workbook**

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

**4. Training**

**FYP –**

Not applicable. However, one of the commitments retailers agreed to was the training of their sales staff to sell energy-efficient products. Roughly 1,350 retailers utilized the training materials produced by Flex Your Power.

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**RS&E –**

RS&E conducted a training session for CBOs on July 28, in Sacramento. The session included background information on the goals of the campaign, the role of the CBO outreach team, techniques for accessing hard-to-reach audiences, distribution of training manual, campaign resources and templates for outreach materials.

The interactive training covered a variety of subjects from the basics of social marketing to writing press releases, giving presentations and sponsoring poster and writing contests. There was also a session on how to place campaign print ads in local publications such as interfaith newsletters, senior citizen weeklies, employee newsletters and others.

In addition to representatives from the CBO network and RS&E, staff from Southern California Edison and Pacific Gas and Electric also participated in this event.

**Univision –**

The program did not sponsor any training during the quarter.

5. Marketing

**FYP –**

Residential

As part of the second energy efficiency promotion, which ran from August 18, 2003 to September 7, 2003, Flex Your Power retail partners distributed or used the following educational materials:

- Energy-Efficient Appliance Educational Materials
  - Salesperson Training Guide
  - Salesperson Pocket Fact card
  - Point-Of-Purchase Easel card
  - Appliance Clings
- Energy-Efficient Home Improvement Products Educational Materials
  - Salesperson Training Guide
  - Salesperson pocket fact card
- Energy-Efficient Lighting Educational Materials
  - Consumer Fact Card
- General Energy Efficiency Educational Materials
  - Consumer Rebate Cards in:
    - English
    - Chinese
    - Spanish
    - Korean
    - Vietnamese

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- Energy Efficiency Poster in:
  - English
  - Chinese
  - Spanish
  - Korean
  - Vietnamese

Efficiency Partnership developed and distributed packets of the educational materials to additional retailers, community-based organizations and ethnic press throughout the state. The kits included both the Energy Efficiency Poster and the Consumer Rebate Card in all five languages (English, Spanish, Chinese, Vietnamese and Korean).

**RS&E –  
Reach for the Stars**

RS&E’s “Reach for the Stars” energy efficiency campaign is a comprehensive statewide energy efficiency communication campaign directed to low-income utility customers in rural areas.

During this quarter, RS&E:

- Continued to run flight one black-and-white newspaper ads (2) promoting energy efficient appliance replacement in rural publications.
- Produced two black-and-white newspaper ads promoting energy efficient cooling measures for flight two, which were placed in newspapers in rural markets throughout the state.
- Began developing flight three black-and-white newspaper ads promoting energy efficient heating measures.
- Continued to run the flight one radio spot, promoting energy efficient appliance replacement.
- Produced the flight two radio spot, promoting energy efficient cooling measures, which began airing in rural markets throughout the state.
- Began developing flight three radio spots promoting energy efficient heating measures.
- Through a competitive review process, selected a group of 11 CBOs to represent the “Reach for the Stars” CBO network. The following organization were selected: Humboldt County 4-H, Butte County 4-H, Community Action Partnership of Riverside County, Boys & Girls Club of Merced, Community Clean Sweep of Kern County, Redwood Community Action Agency of Humboldt County, San Bernardino County 4-H, Victor Valley Community Service Council, Kings County United Way, Gavilan College Educational Foundation and Ceres Unified School District.

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- Conducted a CBO training session and two conference calls. The CBOs began participating in outreach activities in July and continue to date.
- Maintained a single point of contact for all consumers through the creation of a toll-free phone line to provide IOU energy efficiency program contact information.
- Coordinated with vendor, Muto-Dolk LLC, to conduct the first of three customer surveys in rural areas.

**Univision -**

As of September 30, 2003, the following activities had been completed:

**Brochures:**

101,750 Spanish and 10,000 English printed and distributed to 11 Univision stations and program partners

**Imprinted Give-Aways:**

50,000 cardboard fans and 55,000 plastic bags printed and distributed to 11 Univision stations

**Interactive Displays:**

11 displays and portable cases constructed and delivered to 11 Univision stations

**Commercials:**

In August, Univision and Staples/Hutchinson produced the final commercials for the 2003 schedule, they included:

- Furnace Rebates - :60 and :10
- Energy Efficient Lighting, -- :30 and :10
- Online Home Energy Surveys -- :60 and :10

**Commercials Aired:**

The commercial regarding rebates for Energy Star® Programmable Thermostats kicked off the television schedule for the third quarter. By September 30, a total of 5,019 commercials had aired on the 11 Univision stations. This includes 2,370 thirty-second commercials, 1,057 sixty-second commercials and 1,592 ten-second commercials.

**5. Hard to Reach**

**FYP –**

As stated in the 2<sup>nd</sup> Quarter Report, both the advertising and outreach aspects of the Flex Your Power campaign focused on the most effective and cost-efficient means of reaching hard to reach residential customers. The communication vehicles include:

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- *Mass media marketing:* By its very nature, the marketing and outreach campaign via TV, radio and newspaper advertisements had a significant impact on all general market and hard-to-reach residents throughout the state. To specifically target the California Asian population, EP purchased Asian language media spots. The Flex Your Power campaign coordinated with Univision, which the CPUC had awarded funding to reach the Spanish language market via television spots on Univision stations. The newspaper ads were based on the preferences of the participating retailers in each area. More than 30 percent of our participating retailers serve areas considered to have high saturation of rural customers. The number is significantly higher for low-income and non-English speaking customers.

Flex Your Power also began an intensive ethnic media outreach to papers that serve hard-to-reach communities (described below).

- *Educational materials:* Developed for the energy efficiency promotions, the educational materials were printed in four different languages (Spanish, Chinese, Vietnamese and Korean) and were requested by hundreds of retailers throughout the state. The educational materials were also shipped to stores that serve rural communities; 31 percent of the Flex Your Power retail partners have zip codes that are considered rural.
- *E-Newswire:* Flex Your Power distributes the twice monthly Flex Your Power e-Newswires (described in detail below) to approximately 600 community-based organizations, many of whom directly serve hard-to-reach audiences.

#### **RS&E –**

#### **Reach for the Stars**

The CPUC Energy Efficiency Policy Manual identifies a rural location as a qualification criterion for a hard-to-reach population in California. Because RS&E is targeting populations within rural areas, all of RS&E's targeted markets are hard to reach.

UTEEM is completely targeted to the hard-to-reach Hispanic market, whose language barrier prevents them from fully taking advantage of the IOU's rebate and energy reduction programs. Please refer to section II.3. of this report for a summary of the numbers of Spanish-speaking Hispanics reached to date.



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**IV. Program Accomplishments**

**FYP –**

During the third quarter of 2003, several tasks were begun and/or completed as part of the 2003 coordinated energy efficiency marketing and outreach program delivery. Such tasks included:

**Program Coordination**

Flex Your Power continued to coordinate with providers of energy efficiency programs in the state to provide consistent statewide materials and messaging to customers and marketing and outreach support to program providers.

Accomplishments in the 3<sup>rd</sup> quarter of 2003 included:

- Coordinated with IOUs on educational material development
- Worked with municipal utilities on energy efficiency program and promotion coordination. Placed all municipal utility programs on the Flex Your Power website.
- Continued to integrate third party programs on website and promote their programs via the eNewswire.
- Surveyed water agencies and coordinated with the California Urban Water Conservation Council (CUWCC) and the Association of California Water Agencies (ACWA) and integrated more than 100 agencies' water/energy efficiency programs into the Flex Your Power website.

**Website**

EP totally redesigned and launched the Flex Your Power website ([www.FYPower.com](http://www.FYPower.com)) to coincide with the second energy efficiency promotion; the new web address was listed on all of the promotional television, radio and print advertising and educational materials. The redesigned site serves as a one-stop energy efficiency information source for all Californians. In addition to the resources and database-driven locators described in our 2nd quarter report, Flex Your Power added the following enhancements during the 3<sup>rd</sup> quarter:

- Database-driven energy efficiency Products & Equipment Guides for residents and commercial, industrial, agricultural and institutional (including government, schools and institutional facilities) businesses. This growing list of guides includes descriptions of the benefits and savings potential of more than 40 high-efficiency products/equipment, operating and purchasing tips and lists of major manufacturers.
- Integration of locators (e.g., programs for energy-efficient appliances are linked to both the Product Guides and the Store Locator). Using the power of a complex relational database, one can, for instance read about the benefits of a specific energy-efficient product and then easily identify a rebate available for it and a store nearby that sells it.
- Contact information for all entities that administer or provide energy efficiency programs and services in the state.

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- Surveyed and added water agency program information to the Flex Your Power website locators (Rebates, Grants and Loans and Technical Assistance Locators for all sectors).

During the 3<sup>rd</sup> quarter, Flex Your Power also planned and developed several enhancements to the site to be launched in the 4<sup>th</sup> quarter of 2003.

Accomplishments included:

- Cataloguing and developing a searchable database of articles and studies about energy efficiency and related issues.
- Developing a database-driven Energy-Efficient New Home Finder that uses an interactive web locator map to help customers identify and choose energy-efficient properties (those exceeding Title 24 by at least 15 percent) to buy and to encourage builders to build energy-efficient housing.

#### **e-Newsire**

During the 3<sup>rd</sup> quarter of 2003, EP developed and launched the Flex Your Power e-Newsire, an electronic newsletter that serves as the supplemental marketing and outreach tool of the Flex Your Power website and Flex Your Power's internet presence. This e-newsletter reaches a growing list of more than 4,000 people and will continue to deliver current energy efficiency information to subscribers email boxes every two weeks.

To keep energy efficiency among the top-of-mind interests of Californians and educate and excite them about the current ideas, policies, programs and products that advance energy efficiency in California, the newsletters contained:

- Interesting and highly-relevant information on current energy, policy, energy efficiency, energy-efficient products and program news, with links to the corresponding story, study, program or program implementer;
- Stories on successful energy efficiency programs implemented by Californians to publicly recognize their efforts and to provide examples for others to follow (e.g. Roche Palo Alto's savings from energy efficiency investments, Clarum Homes' completion of the largest zero-energy residential development)
- Announcements of events and awards (e.g., British Petroleum's energy conservation award);
- Alerts to valuable resources on the Flex Your Power website and six to eight links to specific parts of the Flex Your Power website.

The e-Newsire initial distribution list included the large network of energy coordinators in the public and private sectors that Flex Your Power built over the past two and one-half years and represented all market segments – IOUs, municipal utilities, water agencies, businesses, business associations, manufacturers, retailers, small business, schools, cities and counties, community-

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based organizations and more. While the first few editions were distributed to the people we have already had some contact with, we are expanding the distribution. For example, we are contacting numerous industry trade associations and other organizations in order to broaden the e-Newswire subscription to their members and/or announce its availability through the organizations' communications with their members. EP has also begun to expand newsgathering and research untold stories about energy efficiency in California.

#### **Residential Outreach**

On August 18, 2003, EP launched the second of three marketing and outreach campaigns to educate and promote the purchase of energy-efficient improvement products, appliances and lighting. The promotion accomplishments included:

- Launched mass media campaign:
  - Television advertisements promoting energy efficiency that began on August 18 and ran through September 7;
  - Radio advertisements promoting energy efficiency that began on August 18 and ran through September 7;
  - Public service announcements – 3,330 television, and 3,030 radio – promoting energy efficiency that began on August 18 and ran through September 7;
  - Newspapers ads in more than 40 general market papers, as well as Asian market newspapers statewide. The ads featured energy-efficient product messages as well as listed participating local retailers. Thirty-one percent of the papers serve rural communities; significantly more serve low-income.
  - Cable channel advertisements. Through a partnership with the California Cable & Telecommunications Association (CCTA), Flex Your Power aired 1,984 Flex Your Power television ads on cable stations statewide at no cost.
- Recruited industry participation. Roughly 1,350 retailers joined in the promotion, including major appliance and energy-efficient product manufacturers (e.g., Sears, Home Depot, Lowe's, Orchard Supply Hardware, Best Buy), major chains and independent retailers that serve hard-to-reach customers and/or are classified as hard-to-reach nonresidential customers. The requirements for participation in this promotion were the same as set forth in the 2<sup>nd</sup> quarter report. EP targeted appliance, hardware and home improvement/lighting stores for participation. Hundreds of retailers requested and were provided materials in additional languages.
- Produced and distributed educational materials. (See list above).
- Provided individualized service to our participating stores by customizing packages of retailer educational materials (separate lighting, appliance,

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and home improvement store educational materials) and printing corresponding utility information on materials shipped to retailers.

- Produced and distributed sample kits of educational materials to expand number of participating retailers.

Efforts began in late September to recruit participation, design media and distribute educational materials for the final promotion to be held in mid-October.

During the 3<sup>rd</sup> quarter, EP also began an innovative, cooperative partnership effort with retailers and manufacturers. Under the cooperative partnership, manufacturers and retailers will share the cost of additional advertisements and/or in-store promotions to which the retailers and/or manufacturers. In addition to augmenting Flex Your Power's marketing and outreach, the private sector is asked to provide additional financial incentives to the public to promote the purchase of energy-efficient products. Flex Your Power will encourage a combination of in-store promotions – high visibility and long-term displays, signage, partner-sponsored price incentives or other creative customer education – combined with advertising to draw customer traffic and purchase of energy-efficient products.

The cooperative partnership program bore out of discussions with, and numerous store visits to, participating retailers and manufacturers to expand the depth of retailer participation. The value of customized promotions is that they will deepen retailers' and manufacturers' commitment to Flex Your Power and stimulate a much greater investment on the private sector's part in selling energy-efficient products.

EP has entered into discussions and/or signed deals with large and small retail chains and manufacturers. These deals include, among other things, agreements to co-produce permanent in-store displays of energy-efficient products (up to 32 linear feet) that utilize the Flex Your Power logo and message; increase the stock of energy-efficient products; co-design educational energy fairs that target English, Spanish and Asian language customers; print and radio advertising; targeted mailing promotion; and/or leverage additional financial incentives from manufacturers. These agreements are projected to reach more than 1 million consumers across California each month.

A specific example of this cooperative effort is EP's plan with Costco. With 96 California stores, Costco has indicated its support for the Flex Your Power promotions, but has opted not to join as a participating retailer because the mainstream media advertising does not fit with its marketing strategy as a "membership only" store. Costco advertises only to existing member-customers and does not use general print advertising. Preliminary discussions of cooperative promotions indicate that Costco would support the concept by not only investing

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their own promotional resources to display high-visibility signage and product displays in all their stores throughout the state, but also by displaying Flex Your Power materials and training associates as required for all participating stores. The opportunity to customize education to match its own corporate strategy is the appeal of this approach with Costco.

#### **Commercial and Industrial Sector-Targeted Outreach**

In addition to continued communication with the commercial and industrial sectors through the Flex Your Power e-Newsletter, EP finalized and launched the outreach to California businesses during the 3<sup>rd</sup> quarter of 2003.

Accomplishments included:

- Distribution of commercial materials to senior executives throughout California.
- Recruitment of major companies to sign CEO Resolution. The initial outreach is focusing on communicating and securing participation from the statewide organizations and senior executives that signed the 2001 Energy Declaration. The energy efficiency resolution asks CEOs to commit to:
  - Support the aggressive statewide energy saving goals and commit to reduce total power consumption;
  - Buy and install cost-effective and energy-efficient products when replacing, or installing new lighting, equipment and appliances;
  - Distribute to employees an internal energy usage survey that will identify cost-effective best practices.

#### **Local Government-Targeted Outreach**

In addition to continued communication with city and county energy coordinators through the Flex Your Power e-Newsletter, EP finalized and launched the Local Government Outreach effort. The effort has the same elements of the Commercial Outreach Initiative.

#### **Flex Your Power Awards**

To educate and inspire Californians to implement energy efficiency, Flex Your Power developed materials for the second annual Flex Your Power Energy Awards, which is being rolled out this October 2003.

#### **New Homes Initiative**

Flex Your Power began development on the New Homes Initiative, designed to support IOU, third party and ENERGY STAR programs directed to single and

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multifamily residential builders and to expand the market for energy-efficient single and multiple unit homes. Accomplishments in the 3<sup>rd</sup> quarter included:

- Secured participation of the California Building Industry Association (CBIA) in the initiative.
- Developed our interactive New Homes Locator Map for Flex Your Power website. The locator will inform users about where to find new home developments that exceed Title 24 by 15 percent or more.

#### Additional Outreach

- Coordinated with the California Green Schools Project to have them distribute Flex Your Power materials to the schools they attend when discussing the Green Schools program and the benefits of moving toward more energy-efficient schools.

#### Events

Representatives attended, presented at and/or hosted a number of events to recruit participation in the effort and build awareness. The most notable included:

- ENERGY STAR Appliance Partners Meeting, at which Flex Your Power recruited the participation of energy-efficient product manufacturers in cooperative marketing agreements and in other statewide marketing and outreach efforts to increase the sales of energy-efficient products.
- Attended LIHEAP quarterly meeting in September and recruited participation in cooperative opportunities.
- Recruited participation and presented at the California Urban Water Conservation Council (CUCC) at its Plenary Session in Chino, CA in September.
- Recruited participation and presented to California Municipal Utilities Association (CMUA) members at the CMUA's Energy Services & Marketing Committee meeting in Redding, CA in September.

#### RS&E –

##### Coordination with Other Program Implementers

RS&E has coordinated its 2003 campaign with each of the other two marketing and outreach programs, for example:

- Developed media and creative strategies to complement statewide general market and Spanish-language campaigns.
- Developed advertising themes that fit with those of other third-party implementers.
- Featured *Flex Your Power* logo and Web address on ads.
- Linked media placement strategy in order to avoid duplication.
- Requested, received and used Spanish-language collateral materials prepared by Univision/Staples Hutchinson for our community-based network.

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- Shared information about proposed outreach events to avoid overlaps.

#### Coordination with the IOUs

Representatives from RS&E met with representatives of Southern California Edison, Pacific Gas and Electric and SEMPR to discuss coordinating low-income marketing. As a result, RS&E gained important insight from the IOUs and has avoided duplicating efforts with them.

#### Community-Based Outreach

Since the CBO training, which occurred in late July, the proactive **Reach for the Stars** outreach team designed and implemented a multitude of creative, innovative outreach strategies that access large numbers of the target population.

The CBOs have staffed the campaign's portable exhibit at fairs, cultural events and back-to-school nights. They have scheduled presentations to business executives, housing experts and faith, senior and parent groups. They have developed poster and writing contests for middle and high school youth and they have distributed campaign collateral materials to hundreds of potential interested parties. Most of them have solicited existing community coalitions for help in distributing campaign materials to Head Start programs, senior citizen centers, schools, health clinics, 4-H clubs, agricultural groups and others. CBOs participated in numerous events and activities, including the following:

The **Reach for the Stars** portable exhibit was staffed at community events including, but not limited to:

*(Approximate number of participants that viewed or visited the exhibit in parentheses)*

- Humboldt County Fair (50,000)
- Eureka High School Agency Volunteer Fair (1,100)
- Humboldt Bay Harbor Expo & Coast Guard Celebration (5,000)
- Humboldt County 4-H Lamb BBQ and Auction (600-1,000, many seniors)
- Stirling City Centennial Celebration (1,500)
- Butte County Fair (10,000)
- Oroville Farmers' Market (500)
- Wasco Rose Festival (6,000)
- Arvin Family Fair (2,400)
- Rosamond Fall Fest (2,000)
- Boron 20 Mule Team Days (3000)
- Town of Apple Valley Jazz Festival
- United Way monthly meeting, Victorville
- High Desert Coalition and Youth & Family Resources meeting
- San Bernardino First Five Coalition meeting

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- Department of Aging Seniors Day
- Celebrating Seniors 2003, San Bernardino (700)
- Los Angeles County Fair (1,300,386 attended fair)
- 14<sup>th</sup> Annual Route 66 Rendezvous (650,000)
- Annual Kids Day, Merced County (700)
- United Way Kick Off, Merced (1000)
- Lowe's grand opening, Merced (500)
- Back to School Night, Alicia Reyes Elementary School, Merced (500)
- Back to School Night, Sheehy Elementary School, Merced (500)
- Back to School Night, Gracey Elementary School, Merced (500)
- Back to School Night, Tenaya Middle School, Merced (500)
- Teachers Appreciation Night, Peterson Elementary School, Merced (175)
- Merced County Job Fair (750)
- Back to School Night, Bellevue School, Atwater (500)
- Merced County Agency Fair (300)
- American Heart Association Heart Walk (300)

**Reach for the Stars** CBOs conducted presentations to various audiences including, but not limited to, the following:

*(Presentation attendees in parentheses)*

- Oildale Community Collaborative (25 social service agencies)
- South Valley Collaborative (26 social service agencies)
- East Kern Collaborative (30 social service agencies)
- Apple Valley Senior Citizens (400 seniors)
- Region 7 of the California Employers Advisory Council (35)
- San Bernardino County 4-H Youth Leadership Training Day (30)

Various promotional activities were conducted by the CBO network, including, but not limited to:

*(Circulation/households reached in parentheses)*

- Article in *4-H GRAM*, 4-H monthly newsletter (550 households)
- Press release to *Enterprise-Record* (33,000)
- Press release to *Paradise Post/Straight Talk on Senior Issues* (8,000)
- Press release to *Oroville Mercury* (7,500)
- Press release to *Gridley Herald* (6,000)
- Newsletter insert in Community Connection for Childcare's *CONNECTIONS* (2,000 working families in Kern County)
- Newsletter insert in Community for Childcare's *FAMILY CONNECTIONS* (8,000 low-income families in Kern County)
- Press releases sent to *Delano Record*, *Shafter Press*, *Wasco Tribune*, *Arvin Tiller* and *Lamont Report*.



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- Sent public service announcements to K-FROG radio station in Victorville (20,000 households)
- San Bernardino Community Bulletin Board with San Bernardino City TV3 Media (76,000 households)
- Placed an ad in San Bernardino County Nutrition, Family and Consumer Science newsletter (1,000).
- Placed an ad in San Bernardino County Desert Natural Resources newsletter (500)
- Placed an ad in San Bernardino County 4-H newsletter (1,000).

**Reach for the Stars** CBOs participated in collaborative activities, including, but not limited to:

*(Collaborating agencies in parentheses)*

- Poster contest of all Humboldt County schools and after-school programs targeting junior high and high school students (Humboldt County Office of Education, Eureka City Schools, Humboldt Arts Council, Ink People, Redwood Community Action Agency, Boys and Girls Club, Manila Community Center).
- Displays at community events (Humboldt County Fair, Humboldt Bay Harbor Recreation & Conservation District, Arcata Main Street, Arcata Chamber of Commerce, North Coast Children's Services, Eureka High School, Humboldt County 4-H Clubs).
- Poster contest (Butte County 4-H, Oroville City Elementary School District, Gridley Unified School District, Biggs Unified School District, Chico Area Recreational District, Boys and Girls Club, 4-H, Big Brothers and Big Sisters, Girl Scouts, Boy Scouts, and various charter and religious schools).
- Public service announcements (various radio stations in Butte County).
- Poster contest with 4-H club members from different clubs in San Bernardino County.

Ads promoting the **Reach for the Stars** campaign were placed in the following venues by members of the CBO network (circulation/household reached in parentheses):

- Humboldt Transit Authority & Eureka Transit Authority bus advertisements (27,000 per month).
- Movie theater ads in Butte County (50,000 per month).
- Newspaper ad in *Times Standard*, Eureka every Monday in September (22,000 daily)
- *Delano Record* (4,500 households)
- *Shafter Press* (2,300 households)
- *Wasco Tribune* (5,600 households)
- *Arvin Tiller* (2,500 households)

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- *Lamont Reporter* (5,600 households)
- *Shafter Shopper* (4,000 households)
- *The Market Shopper* – Delano (11,500 households)

During the third quarter, Runyon, Saltzman & Einhorn provided Univision and Staples/Hutchinson with contact information for nine community based organizations with whom RS&E was coordinating its marketing and outreach program. Univision and Staples/Hutchinson supplied all nine CBOs with supplies of the UTEEM brochure for distribution to their respective constituencies.

**V. Program Challenges**

**FYP** –

None

**RS&E** –

None

The most challenging issue facing Univision and Staples/Hutchinson during the course of this program has been limited time availability. Although a commercial regarding the Online Home Energy Survey program had been produced in August, it was not scheduled because the survey online was not fully operational. Now that the program is ready to go, the UTEEM schedule is coming to a close, therefore, the Online Home Energy Survey commercial will air for only one week at the close of the television schedule.

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together.*

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*Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.*

Response:

The statewide Marketing and Outreach programs are working with utilities to market the statewide programs.

**Decision 03-04-055, Ordering Paragraph 2 states:**

*“All statewide marketing and outreach programs receiving funding shall file and serve, within 60 days from the date the Commission approves this decision, Program Implementation Plans (Plans) for each funded program. Each party shall also post their Plans on their websites in a prominent and easy-to-find location. The Plans shall contain the information set forth in this decision.”*

Response:

The statewide Marketing and Outreach programs filed their revised program implementation plans within 60 days from the date the Commission approved Decision 03-04-055.

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Program Title: **Residential In-Home Energy Survey**

**I. Program Overview**

The Residential In-Home Energy Survey program provides residential customers, particularly hard-to-reach (HTR) customers who do not respond to on-line and mail-in survey options, with a more personalized, face-to-face energy survey. Upon the customer's request, an appointment is scheduled, and a trained energy auditor is sent to the customer's home to assess energy usage and to provide energy-saving recommendations. Energy auditors are bilingual and would conduct in-home surveys in Spanish, if requested. Customers are provided with information on energy efficiency products and services, rebate programs and other energy-related information to encourage the adoption of energy efficiency measures identified in the in-home survey.

**II. Program Summary**

1. Total program budget:

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$750,000     |
| Program Expenditures* | \$368,866     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to demonstrate energy savings or demand reductions.

3. Total number of customers served:

|        | <b>In-Home Survey Targets</b> |
|--------|-------------------------------|
| Target | 4,500                         |
| Actual | 4,386                         |

Target per Decision 03-04-055, Attachment 2, page 24.

Actual (including program commitments) = [actual + committed thru September 30, 2003]

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

Not applicable to this information program.

**III. Program Implementation Status**

1. Status of program delivery

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SCE met with the contractor to discuss improvements in program delivery. Improvements for 2003 include new targeted mailings to hard-to-reach (HTR) customers and updated survey assessment to help customers adopt energy recommendations.

SCE continues to provide compact florescent light bulbs (CFL) as marketing promotions in the third quarter to improve the conversion rate of survey requests to completed surveys. The CFL allowed the customer to begin to save energy and money immediately.

2. Customer Enrollment

Two blank copies of the program application forms were sent to the Commission's Energy Division

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

Typically, customer training is not conducted due to the nature of the program. The energy surveys are created in simplified form to have the in-home auditor helping the customer to complete an energy survey.

5. Marketing

| <b>Description</b> | <b>Quantity completed during third quarter</b> | <b>Method of Delivery</b>           | <b>Number with Each Method</b> |
|--------------------|--|-------------------------------------|--------------------------------|
| Direct mail        | 25,000   | Mail with emphasis on HTR customers | 25,000                         |

6. Hard-to-Reach

The In-Home Energy Survey has the advantage of being able to respond to the needs of certain hard-to-reach (HTR) customer groups by providing an alternative delivery channel to the statewide Home Energy Efficiency Survey program through individual interaction.

SCE continues to target Spanish-speaking customers and has expanded the outreach program to include customers identified by HTR zip codes utilizing direct mail.

SCE's HTR goal is to achieve at least 50 percent participation or 2,250 of completed surveys by HTR customers as defined by the CPUC. Year to date,

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SCE has achieved 76 percent or 2,896 surveys conducted for customers in HTR zip codes in SCE's service territory. Of the 2,896 HTR surveys, 453 were conducted in Spanish.

**IV. Program Accomplishments**

During the third quarter, SCE:

- Achieved 1,589 surveys and 1,247 or 78 percent were HTR;
- Continued its efforts to achieve equity and remove market barriers by enhancing access of non-English speaking customers for energy efficiency programs. SCE developed a three-month pilot program that involves working side-by-side with local community-based organizations to promote the survey programs and other SCE rebate and incentive programs to the Spanish and Asian communities. The pilot program is scheduled for implementation in October 2003;
- Continued the use of a free compact fluorescent light to improve the conversion rate of requested surveys to completed surveys; and
- The SCE Call Center and the Mobile Educational Unit continue to promote the Residential In-home Energy Survey Program and provide referrals.

**V. Program Challenges**

The techniques used for outreach and promotion of the In-Home Energy Survey Program in past years are proving to be less effective this year. In the past, direct mail and phone center referrals have been sufficient to satisfy program goals. With the introduction of HTR goals in 2002, which tends to limit availability of the program, and less than anticipated phone center activity, the number of completed surveys was below the goal through the first quarter.

In an effort to make the outreach process more effective, SCE modified the direct mail strategy to target all HTR customers in SCE service territory.

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*"No party shall delay program commencement or preparation pending submission of or Commission action on these plans."*

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Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.



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Program Title: **Small Nonresidential Hard To Reach**

**I. Program Overview**

The Small Nonresidential Hard-to-Reach program, implemented as the Small Business Lighting Retrofit program, offers energy efficiency information, equipment and literature to small business customers in areas identified as hard-to-reach by the CPUC and located within SCE's service territory. SCE's hard-to-reach customers are defined as all customers who are located in rural zip codes and/or all customers with a monthly demand of less than 20 kW. The program is designed to introduce small business customers to the benefits of energy efficiency through lighting system upgrades. The upgrades consist of the replacement of low efficiency lighting with high efficiency lighting. The upgrades are provided after an energy audit is performed. The audit helps to demonstrate to the customer the potential for energy savings. Since cost is major concern for the small business owner, and the largest barrier to participation in the traditional rebates programs, all program services are provided free of charge. Professional electrical contractors, hired through a competitive bid process, provide the audits and installation of the lighting system upgrades.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$1,400,000   |
| Program Expenditures (includes program commitments)* | \$1,057,688   |

\*Expenditures to date (including program commitments) = [actual + committed thru September 30, 2003]

2. Total net demand reduction and energy savings:

|                       | <b>Net kW*</b> | <b>Net kWh*</b> |
|-----------------------|----------------|-----------------|
| <b>Projected</b>      | 1,134          | 5,216,208       |
| <b>Actual</b>         | 513            | 2,423,697       |
| <b>Committed</b>      | 340            | 1,602,949       |
| <b>Total Recorded</b> | 853            | 4,026,646       |

\*Per Decision 03-04-055, Table 2b.

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3. Total number of customers served:  
Projected: 800  
Actual: 664
4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
5. Total rebate (\$) paid:  
Paid =\$457,443 Committed = \$433,609

**III. Program Implementation Status**

2. Status of program delivery  
Vendors are continuing program solicitation and performing retrofits. It is estimated that the program will be fully committed soon.
2. Customer Enrollment  
Customer enrollment will continue until program is fully committed.  
(Attach Energy Use Survey form and Customer Authorization form)
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
No additional vendor training conducted during this quarter.
5. Marketing  
Program is marketed to the target hard-to-reach customer group through direct contact and telemarketing. Customer communication is conducted 'in language' where appropriate. Vendor program identification cards are provided that gives vendor information along with SCE information hotline for customers seeking information about this program.
6. Hard to Reach  
Due to the nature and focus of the program which targeted only very small nonresidential customers (i.e., under 20 kW), typically located in the rural communities, there were no specific hard-to-reach targets assigned to the program.

**IV. Program Accomplishments**

Program will achieve full commitment ahead of schedule. Increasing demand for the program is evident as word-of-mouth referrals are being received outside the

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designated rural zip code list. New area marketed in the central valley yielded expected results. As with last year, the program is very well received by hard-to-reach small business customers.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Ordering Paragraph 6 states:**

*“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”*

Response:

SCE will work together with other utilities to market their statewide programs. To the extent SCE offers the same programs SCE will advertise them together with the other utilities. SCE’s Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

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Program Title: **Pump Test and Hydraulic Services**

**I. Program Overview**

Southern California Edison's (SCE) Pump Test and Hydraulic Services (PT&HS) program has delivered high quality pump testing services and quality technical information since 1911. Each year the program has been refined to present the customer with the information they need and pump testing data to implement energy efficiency measures for their hydraulic application.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$1,350,000   |
| Program Expenditures* | \$1,038,128   |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Categorized as an information program consistent with the California Public Utilities Commission's 2002 Energy Efficiency Policy Manual.

3. Total number of customers served:

Projected Pump Tests = 3,200 (Annual goal)

Actual tests performed during the third quarter = 1,658

Total pump tests performed to date = 2,728 (85% completed)

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

Not applicable to this information program.

**III. Program Implementation Status**

1. Status of program delivery

No change from the approved program implementation plan.

2. Customer Enrollment

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Two blank copies of the program application forms were sent to the Commission's Energy Division.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

None

5. Marketing

A presentation was given to the Association of Ventura County Water Agencies during the third quarter. During the presentation, approximately 35 attendees received an overview of the pump test program on how to use the information and suggestion on how to save energy.

In addition, a promotional mailing was completed during the third quarter. A letter was mailed to 150 hard-to-reach (HTR) customers, who have not participated in the program for the last three years. Of the customers who received the mailers, 5 percent of the HTR customers responded back requesting Pump Test Services.

6. Hard to Reach

SCE will continue in its efforts to provide needed services and information to geographically hard-to-reach customers. Due to the industry that this program services, many of the customers are by definition hard-to-reach customers and their businesses are located in outlying, rural locations.

In addition, SCE is continuing its policy not to retest pumps in consecutive years. The effect of these efforts will attempt to increase the awareness and participation of these specific customers and those customers who have not had their pumps tested in the last 3 years.

**IV. Program Accomplishments**

SCE's Pump Test and Hydraulic Services program provided over 2,700 tests to date. If the customers whose pumps tested below expected efficiency implemented energy efficiency recommendations, an approximate potential of 17 million kWh of energy savings and 3.5 MW of demand reductions would result.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

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**VII. Compliance Items**  
None



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Program Title: **Local Demonstration & Information Transfer**

**I. Program Overview**

The Local Crosscutting Demonstration and Information Transfer program is an information-only program that seeks to accelerate the introduction of energy efficient technologies, applications, and analytical tools that are not widely adopted in Southern California Edison's (SCE) service territory. The program's demonstration activities focus on near-commercial energy efficient applications with significant market potential and commercial energy efficient applications with low market penetration using Emerging Technology (ET) Application Assessment projects. The ET application assessments may be conducted at either customer sites or in controlled environments. The assessments provide design, performance, and verification of novel energy efficient systems, and help to reduce market barriers. The projects measure, verify, analyze, and document the potential energy savings and demand reduction of specific applications in different market segments. Information Transfer efforts disseminate an assessment's results, and are customized to the targeted markets.

**II. Program Summary**

1. Total program budget

| <b>2003</b>  | <b>Amount</b> |
|--|---------------|
| Authorized Budget                                    | \$500,000     |
| Program Expenditures (includes program commitments)* | \$119,335     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to provide energy savings targets.

3. Total number of customers served:

**Projected:** The program will initiate a limited number of customer site demonstration projects in 2003, since not all assessments require customer site testing and multiple assessments may be performed at a single customer site. Based on the program's performance goal of three ET application assessments, three customer site demonstrations may be anticipated.

**Actual:** One customer site demonstration has been initiated during 2003.

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4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.
  
2. Total rebate (\$) paid:  
The program does not provide customer rebates.

**III. Program Implementation Status**

1. Status of program delivery  
The program staff is pursuing new ET application assessments.
  
2. Customer Enrollment  
The program does not use application forms to enlist customers in the program. Due to the nature of the program and the limited number of customer site demonstrations, customized agreements are negotiated with each customer for each project.
  
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
  
4. Training  
The program neither sponsored nor conducted any training during the course of the first quarter.
  
5. Marketing  
The program did not engage in any marketing activities during the quarter.
  
6. Hard-to-Reach  
The program does not have specific goals for the hard-to-reach market segments. In general, the information the program generates through its demonstration activities tends to benefit all customers. One of the aims of the program is to explore the extent of application a new technology has in various market segments, in an effort to characterize the widest possible deployment opportunities. Thus, the program will seek opportunities to host appropriate demonstration projects at hard-to-reach customer sites, such as ethnic, small commercial, and residential customers.

**IV. Program Accomplishments**

*Emerging Technology Application Assessments*

During the third quarter, SCE committed and initiated one assessment project:

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- **Ultra High Lime-Pellet Softening of Brine Concentrate Waste Streams.** Pellet Softening is a precipitate softening process. The pellet softening process uses a fluidized bed of grains, typically sand, where crystallization of calcium carbonate and, to a lesser extent, magnesium hydroxide. The resulting pellets may be used as either soil amendments or road-fill. If an Ultra-High Lime (UHL) process is carried out in a pellet softening fluidized bed and pellets can be successfully formed, then sludge volume would be reduced, along with possible water and energy savings. This assessment project will produce a field study report for a site, and estimate the potential savings for water and wastewater membrane plants within SCE's service territory.

In addition, the following assessment initiated during 2003 continues:

- **Professional Wet Cleaning with High Spin Speed Water Extraction.** This assessment project will determine the demand and energy impacts of high-end Professional Wet Cleaning equipment at Black Tie Cleaners in Placentia. This project is a partnership between Southern California Gas Co., the South Coast Air Quality Management District, Occidental College, and SCE. During the quarter, baseline demand and energy consumption data was collected for the existing PERC-based dry cleaning process, and the new professional wet cleaning system was installed.

In addition, program staff is working to identify and initiate assessment projects, and are presently considering assessments for the following emerging technologies:

- Cooling tower load controls for dry cleaners,
- Silicon based dry cleaning,
- Hydrocarbon based dry cleaning,
- CO<sub>2</sub> dry cleaning,
- Advanced controls for plastics granulators, and
- Cold storage controls.

**V. Program Challenges**

There were no specific program challenges during the second quarter.

**1. Customer Disputes**

There were no customer disputes during the second quarter.

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

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**D. 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

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Program Title: **SCE Local Government Initiative**

**II. Program Overview**

Southern California Edison's Local Government Initiative (SCE-LGI) educates and informs community leaders, local government planners, building officials, builders, building owners, small business owners, and consumers about the economic benefits of energy efficiency in the areas of residential and nonresidential new construction, as well as small business. Designed with extensive input from Southern California local government building departments, the innovative programs offered through SCE-LGI are designed to help local governments build self-sustaining energy efficiency partnerships with their constituents.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$950,000     |
| Program Expenditures* | \$431,302     |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission's approved Energy Efficiency Policy Manual, this information program implementation plan is not expected to provide energy savings targets. Program goals are provided below in sections 5 and 6.

2. Total number of customers served:

|                                  | <b>New Jurisdictions</b> |
|----------------------------------|--------------------------|
| <b>Target (12 Hard-to-Reach)</b> | 16                       |
| <b>Actual</b>                    | 12                       |

Target per decision 03-04-055, Attachment 2, page 27.

Actual (including program commitments) = [actual + committed thru September 30, 2003]

3. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

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**III. Program Implementation Status**

1. During the third quarter of 2003, SCE-LGI was directly marketed to a total of 19 new local governments. Twelve of the jurisdictions pursued subsequently joined the program. Those cities included: Arcadia, Brea, Chino, Diamond Bar, Highland, Loma Linda, Orange, Placentia, Signal Hill, Tustin, Westminster, and Yorba Linda.

Additionally, the SCE-LGI maintained support of numerous existing jurisdictions, which included: Corona, Moorpark, Orange County, San Bernardino County, Santa Clarita, Simi Valley, Temecula, and Yucaipa. Maintenance support of existing jurisdictions usually involves direct contact and personal briefings of elected and appointed officials.

2. Customer Enrollment  
Two blank copies of the program enrollment forms will be sent to the Commission's Energy Division.
3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
SCE began soliciting participation and actively marketing the builder energy code training scheduled to take place in the 4<sup>th</sup> quarter of 2003. SCE intends to conduct 30 on-site energy code training seminars for the building departments of the participating jurisdictions.
5. Marketing  
In effort to encourage participation in the program, SCE undertook the following activities:
  - SCE created a one-page fact sheet created as a high level overview of energy efficiency programs available through the LGI program. Programs highlighted include: Community Energy Efficiency Program (CEEP), CheckPoint, Express Efficiency, Multifamily Energy Efficiency Rebate Program, Home Energy Rebates, Online Home Energy Survey. This fact sheet was created both for local government officials as well as our shared customers that may be visiting the government offices/civic centers.
  - Worked with the city of Temecula on developing Community Energy Efficiency Program marketing materials uniquely designed for Temecula builders.



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- CheckPoint featured in the faxed newsletter to all LGI participants.
- The “Energy Efficiency Resource Center” banner was created for all participating jurisdictions to utilize on their cities’ web pages as a direct link to SCE’s energy efficiency webpage.
- SCE continued to customize program applications/literature (CheckPoint, CEEP) with the participating jurisdictions’ logos.
- The design of Energy Efficiency Resource Center kiosks got underway this quarter. Two sample kiosks are being created, on a pilot basis, for the cities of Santa Clarita and Thousand Oaks. The cities intend to strategically place the kiosks within a high-traffic lobby area. The kiosks will hold a broad range of program literature and applications.
- 16 outreach letters to the cities of Santa Clarita, Simi Valley, Tustin (July & September), Fillmore (July & September), Placentia (July & September), Signal Hill, (July & September), Torrance, Yucaipa, Manhattan Beach, and Redondo Beach.
- Bi-monthly two-page fax update to participating jurisdictions.

6. Hard to Reach

Out of the 12 new jurisdictions in the LGI program, 9 of them have at least 30 percent of the city zip codes within the HTR. These cities include: Arcadia, Brea, Chino, Diamond Bar, Highland, and Loma Linda, Orange, Signal Hill, and Westminster.

**IV. Program Accomplishments**

- The city of Santa Clarita’s Transit Maintenance Facility, currently in the design phase, will likely be receiving a “Gold” rating as well as a national showcase opportunity from the U.S. Green Building Council for their energy-efficiency design practices. Through the work the LGI program does with Santa Clarita, SCE was able to help link the city to available energy efficiency incentives.
- The energy code training component of the CEEP program was highlighted as a “success story” in the 2003 Eleventh Annual Report of the State Energy Advisory Board published in August. The title of the report was “State Energy Programs: Strong Returns Based on Uncompromising

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Metrics.” Standout programs from six other states were also highlighted in this report.

**V. Program Challenges**

None

**VI. Customer Disputes**

None

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

*“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”*

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

**Decision 03-04-055, Attachment 2, page 27 states:**

*“SCE proposes to target 16 new jurisdictions for 2003 with a high priority placed on those jurisdictions with notable building activity and/or containing zip codes in the hard-to-reach target areas... We hold SCE to its target of 16 new local jurisdictions added to the program in 2003, 12 of which are in hard-to-reach areas.”*

Response:

SCE will pursue the goal of securing participation from 12 new jurisdictions where at least 30 percent of the zip codes within the city are in the HTR category.

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Program Title: **Codes and Standards Advocacy, Local**

**I. Program Overview**

This local program assists in the process of revising California's energy-related codes and standards in order to bring about cost-effective that will benefit California as a whole. This program supports the California Energy Commission's (CEC) 2003/2005 standard revision process for both California Title 20 and Title 24.

**II. Program Summary**

1. Total program budget

| <b>2003</b>           | <b>Amount</b> |
|-----------------------|---------------|
| Authorized Budget     | \$66,700      |
| Program Expenditures* | \$28,469      |

\*Expenditures to date = actual thru September 30, 2003. Program commitments not included.

2. Total net demand reduction and energy savings:  
Not applicable for this information program.

3. Total number of customers served:  
The Statewide Codes and Standards program focuses on upgrades and enhancements in the energy efficiency standards and codes thereby benefiting all SCE customers.

4. Projected and actual number of units:  
Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:  
Not applicable for this information program.

**III. Program Implementation Status**

1. Status of program delivery  
The program staff conducted a workshop on June 6 concerning ground thermal conductivity for geothermal heat pump applications. Staff is also pursuing new Codes and Standards training opportunities. A training seminar for community colleges is scheduled for the fourth quarter.

2. Customer Enrollment  
Fourteen people attended the June 6 workshop.

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3. Workbook  
Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.
4. Training  
The program neither conducted training as described herein and in the workbook.
5. Marketing  
The program did not engage in any marketing activities during the quarter.
6. Hard to Reach  
Codes and Standards activities support hard-to-reach market segments by advocating cost effective code enhancements that promote energy efficiency for all building types and appliances included in the California standards.

**IV. Program Accomplishments**

The program staff is pursuing new Codes and Standards training opportunities.

**V. Program Challenges**

There were no specific program challenges during the first quarter.

**VI. Customer Disputes**

There were no customer disputes during the first quarter.

**VII. Compliance Items**

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

**Decision 03-04-055, Ordering Paragraph 3 states:**

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Response:

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**Market Assessment and Evaluation (MA&E) and Statewide Evaluation, Measurement and Verification (EM&V)**

CALMAC members developed a draft proposal for 2003 studies in May 2003. They distributed the draft to all parties in the proceeding and to the CALMAC announcement list, soliciting input. Input was received by e-mail and through a CALMAC workshop held on June 4, 2003. The proposal was revised in response to input received and submitted to the CPUC on June 16, 2003. On September 12, 2003, administrative law judge Malcolm approved the 2003 plans as submitted. During the rest of September 2003, the utilities began to draft more detailed scopes of work for each study project. They also began to consider which projects should be completed as extensions to 2002 studies of the same subject and which should be put out to bid as new studies.

**2003 MA&E and Statewide EM&V Projects**

**Overarching Studies and Projects**

- CALMAC Website Maintenance & Workshops
- Master Contract for Coordination (incremental funding for summary study)
- Database for Energy Efficiency Resources (DEER - incremental funding)
- Update of Hard-to-Reach Customer Data
- Energy Efficiency Potential - Emerging technologies + Data Integration
- Energy Efficiency Potential - New Construction + TDV (time-differentiated valuation)
- Residential Market Share Tracking Study (continuation)
- Best Practices Database (incremental funding)

**Evaluation, Measurement & Verification for Statewide Programs**

**Residential Retrofit Programs**

- Single Family Rebates
- Multifamily Rebates
- Home Energy Efficiency Surveys
- Refrigerator Recycling

**Nonresidential Retrofit Programs**

- Standard Performance Contract
- Express Efficiency
- On-Site Audits
- Building Operator Training & Certification
- Emerging Technologies Demonstration

**New Construction Programs**

- Nonresidential New Construction Building Efficiency Analysis
- Nonresidential New Construction Market/Program Tracking
- Nonresidential New Construction- Technical Support

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Residential New Construction Program Evaluation

**Cross-Cutting Programs**

Residential Lighting

Education & Training Services

Codes & Standards Development Support