

DOCKETED

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**Comments of the Center for Sustainable Energy regarding the Energy Commission
Water Energy Appliance Rebate Program**

Additional submitted attachment is included below.



June 11, 2015

California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Docket Number: 15-WATER-03

Comments of the Center for Sustainable Energy regarding the Energy Commission Water Energy Appliance Rebate Program

The Center for Sustainable Energy[®] (CSE) thanks the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Water Energy Appliance Rebate Program.

The Center for Sustainable Energy (CSE; www.energycenter.org) is a mission-driven nonprofit organization accelerating the adoption of clean and renewable energy technologies. CSE empowers customers to participate in the achievement of their clean energy goals by providing them with information, incentives, and opportunities to help make these choices easier. We work with policymakers, public agencies, local governments, utilities, business and civic leaders, and individuals to transform the energy marketplace and beyond.

CSE recognizes that water and energy are inextricably linked in their production, distribution, and use. As a California-headquartered nonprofit with more than 130 employees across the state, we feel the need to accelerate efforts on water efficiency and work with the Energy Commission and stakeholders to transition households across the state to water-efficient appliances and practices.

We are confident that a Water Energy Appliance Rebate Program can significantly reduce statewide water consumption and support the objectives set forth by the Energy Commission to offer a streamlined rebate incentive program for water saving appliances and devices, drive consumers into action by spreading awareness, and provide outreach and education activities to drought stricken and low-income communities.

Our comments herein provide four strategies to meet the goals set forth by the Commission and ensure the greatest water and energy savings:

- Action-focused marketing, education, and outreach are fundamental to the success of the Water Energy Appliance Rebate program.
- Tailored outreach strategies will ensure that all Californians benefit from water savings appliances, devices, and strategies.
- Rebates must be accessible, streamlined, and integrated for maximum customer uptake and water savings.
- Existing channels are in place and can be mobilized to deliver on-the-ground support across the state.

Action-focused marketing, education, and outreach are the key to a successful water energy appliance rebate program.

Based on CSE's experience as Program Administrator for the Clean Vehicle Rebate Program (CVRP) and California Solar Initiative (CSI), we know that rebates and incentives must be paired with a coordinated ME&O effort for programmatic success.

Although many residents are aware of the historic drought, there is not a coordinated statewide ME&O program to move customers from awareness to action through water and energy efficient appliance rebates. Such an effort is fundamental to connect customers with rebates and pair these appliance upgrades and device installations with information to change residents' in-home water use behaviors over the long term.

CSE encourages the Energy Commission to think of ME&O as a vital and intertwined piece of the Water Energy Appliance Rebate Program. We recognize the need to allocate as much of the available funding to incentives and rebates as possible, but we emphasize that rebates alone will not lead to statewide customer uptake and persistent behavior change. Therefore, CSE recommends that the Energy Commission dedicate sufficient funding to ME&O for a statewide Water Energy Appliance Rebate Program marketing effort with lasting impact.

Tailored strategies work best to ensure that all Californians benefit from water savings appliances, devices, and strategies.

Tailored strategies will need to be developed to reach disadvantaged communities and communities with households where English is a second language. CSE has learned the value of tailored outreach strategies through our community-based organization (CBO)

Energy Upgrade California® partners, who have supported the development of collateral in native languages, print materials for seniors and households without internet, and outreach efforts that align with cultural concerns.

In addition, rebates will need to be structured to ensure that customers can learn about and purchase incentivized products at retailers near their homes. This may require the development of in-store materials, retailer training information in multiple languages, and in-store customer engagement. Finally, ME&O strategies should also be developed to engage residents in affordable housing to encourage water conservation in tandem with the direct-installation of water-saving technologies.

Rebates must be accessible, streamlined, and integrated for maximum customer uptake and water savings.

CSE has found that online rebates are much more attractive to customers and more cost-effective than mail-in rebates. As the CVRP administrator, CSE has distributed more than \$216 million in rebates to over 102,000 individuals, businesses, and public agencies throughout California. CVRP's online application process allows CSE to operate and manage the project efficiently, effectively, and transparently. The CVRP online rebate process allows applicants to submit initial information to start the rebate process, and applicants are automatically pre-screened for project eligibility using multiple parameters. All applications are validated for data integrity, including checking the CVRP database to prevent multiple applications for one vehicle.

Since August 2014, CVRP applicants have been able to electronically upload supporting documents, rather than submit via mail. Electronic document submission and review have dramatically reduced our labor costs associated with opening and logging mail, eliminated the cost of postage for the applicant, and increased security and tracking of submitted documentation. This process has lowered overall program administration rates. The online process has also allowed CSE staff to create custom workflows and tools that allow staff to efficiently process CVRP applications, while providing maximum oversight for quality control. Furthermore, the digital documentation enables us to standardize our tracking system, increase accountability, and provide more consistent customer service experience.

Accordingly, we strongly recommend that online rebates be provided through a mobile-ready website that allows for customers to instantly accept terms and conditions, complete an application, and electronically upload the product receipt or other required documentation. This process is quick, easy, and painless for customers and ensures that

the program administrator is able to capture important tracking information. Furthermore, CSE discourages the use of a smartphone application or “app” for rebate applications, as this presents an additional barrier for customers.

An online rebate process that can be completed using either a smartphone or computer will ensure the broadest accessibility and participation across customer groups. The most recent Census data shows that 80.5% of Californians have in-home broadband access through a computer or laptop with higher percentages of Black and Hispanic households as well as low-income households using handheld devices for primary internet access.¹

Existing channels are in place and can be mobilized to deliver on-the-ground support across the state.

The Energy Commission can ensure that the Water Efficiency Appliance Rebate Program makes the greatest possible market impact within the shortest timeframe by working through preexisting channels to reach residents throughout the State. Since the California Public Utilities Commission (CPUC) directed CSE to launch Energy Upgrade California® in 2014, the statewide brand has grown into a comprehensive platform to reach residents and small businesses through ME&O channels, grants and training to CBOs, strategic partnerships, and a website that features content about a broad array of energy management topics.

Since then, California’s energy agencies have leveraged the statewide brand and campaign for other purposes, including the California Climate Credit education and outreach campaign in March and April 2014, the ME&O for seven energy efficiency financing pilot programs, and the upcoming pilot for the Cool California Challenge.

Current relationships with fifteen local, regional, and national retail partners across the state, such as Sears, Lowe’s, Fry’s, Best Buy, Howard’s, could be activated to include water efficiency and Water Energy Appliance Rebate Program information in the training already provided to retail staff. This information can be shared directly with customers through on-the-ground Energy Upgrade California® representatives’ interaction with customers through regularly scheduled in-store events.

¹ *Computer and Internet Use*, U.S. Census 2013, <http://www.census.gov/content/dam/Census/library/publications/2014/acs/acs-28.pdf>.
June 11, 2015

This approach would ensure statewide consistency as well as a shorter runway to ramp-up ME&O and retailer engagement.

CSE is pleased to engage with the Energy Commission in this effort to catalyze water and energy savings in response to our State's historic drought. We look forward to participating in efforts to ensure greater coordination between water and energy agencies in support of immediate, emergency drought response as well as long-term savings and conservation efforts.

Sincerely,



Sachu Constantine
Director of Policy
Center for Sustainable Energy®
426 17th Street, Suite 700
Oakland, CA 94612
Tel: (510) 725-4768
sachu.constantine@energycenter.org



Hanna Grene
Policy Manager, Energy Efficiency &
Building Performance
Center for Sustainable Energy®
9325 Sky Park Court
San Diego, CA 92123
Tel: (858) 429-5129
hanna.grene@energycenter.org