

## DOCKETED

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## **Local Government Commission Submits Recommendations for Program Enhancement**

*Additional submitted attachment is included below.*



## Local Government Commission

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June 11, 2015

**To:**

California Energy Commission  
Water Appliance and Fixture Rebate Program  
Docket: 15-WATER-03

**From:**

Joseph Oldham, Local Government Energy Efficiency Best Practices Statewide Coordinator  
Danielle Dolan, Project Manager for Water Programs  
Local Government Commission

**RE:**

**Public Comment on Water Appliance and Fixture Rebate Program**

The Local Government Commission is pleased to support the California Energy Commission's Water Appliance and Fixture Rebate Program, as directed under Governor Brown's Executive Order B-29-15, issued on April 1, 2015. To that end, we submit the following four program recommendations to ensure the greatest reach and positive impact for the CEC's Rebate Program:

1. *Leverage Existing Local Government Programs and Actions to Reduce Water Use*
2. *Partner With the State Community Services Department for Direct Install*
3. *Partner With Existing PACE Programs for Homeowners*
4. *List Eligible Appliances And Equipment By Make And Model*

Each of these four program recommendations is explained in the following pages, with links to additional information and successful examples. The Local Government Commission is happy to provide additional programmatic recommendations and support upon request.

Respectfully,

*Joseph Oldham*

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### Recommendations to the CEC Water-Efficient Appliance Rebate Program

#### 1. Leverage Existing Local Government Programs And Actions To Reduce Water Use.

Disadvantaged communities are challenging to engage through rebate programs; the CEC could spend considerable time, effort, and funding on a rebate program geared to disadvantaged communities, and yet not realize the impact desired.

The Local Government Commission recommends leveraging existing local programs and actions already working in disadvantaged communities to effectively reduce water use. By coordinating with existing local programs, the CEC can leverage pre-existing databases of hard to reach customers, and gain greater program recognition—and thus participation—in their program, than could otherwise be achieved through a stand-alone program offered by the CEC. Substantial cost savings could be achieved in program marketing and administration, as well.

Example: City of Fresno Senior and Water Affordability Credit Programs

<http://www.fresno.gov/Government/DepartmentDirectory/PublicUtilities/UtilityBillingandCollection/DiscountForms.htm>

#### 2. Partner With The State Community Services Department For Direct Install

Members of disadvantaged communities—those with lower median household income—are typically not the audience to take advantage of appliance rebate programs. Lower income community members are unlikely to purchase a new, top-of-the-line energy and/or water-efficient appliance eligible for a rebate, as the cost even after rebate significantly exceeds the cost of repairing an old appliance or buying one used.

Direct install programs are the most effective mechanism to achieve water and energy savings in the lower-income demographic. The Local Government Commission recommends that the CEC models their appliance direct install program after the Weatherization Program operated by the State Community Services Department. This program provides disadvantaged community members with no-cost installation of efficient lighting, low-flow shower heads, upgraded attic insulation, and window and door weather stripping. The CEC should augment the CSD's Weatherization Program by including faucets, toilets, and replacement of old clothes washers with water and energy-efficient models.

The CEC can significantly reduce program implementation costs—while providing a simple one-touch solution for the customer—by using the same contractor as the CSD weatherization program. This will also ensure proper scrapping of old appliances (a potential challenge for the CEC); these contractors must currently track, dispose of, and report to the CSD old components removed from homes. Simply adding clothes washers and faucets to an existing disposal process is far easier than starting a new program would be.

Example: State Community Services Department Weatherization Program

<http://www.csd.ca.gov/services/residentialenergyefficiencyservices.aspx>



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### 3. Partner With Existing PACE Programs For Homeowners

It is generally recognized that appliance rebate programs only capture a small component of the potential market: those who can afford to purchase a new appliance and are likely to do so with or without a rebate. For this demographic, the rebate serves only as an additional motivator, and helps determine which make and model to purchase. Anticipated water and energy savings are often not achieved, due to low subscription to the program. Rebate programs are challenging to market and solicit participation. Far greater water and energy savings could be achieved by widening this market.

If the CEC intends to engage upper income homeowners with an appliance rebate program, the Local Government Commission recommends partnering with the existing Property Assessed Clean Energy (PACE) financing programs already implementing home energy efficiency upgrades. These programs have an existing contractor network that will greatly improve marketing efficiency of any new CEC-sponsored program. Also, participation will be greatly increased by offering the CEC rebate as part of a larger package of energy rebates available to customers already pursuing upgrades to their homes.

Example: HERO and CaliforniaFIRST

[https://www.heroprogram.com/lp/brand/0318151?utm\\_source=google&utm\\_medium=cpc&utm\\_term=hero&utm\\_content=brand&utm\\_campaign=GS\\_Brand\\_California\\_Hero\\_Program&CampaignID=1](https://www.heroprogram.com/lp/brand/0318151?utm_source=google&utm_medium=cpc&utm_term=hero&utm_content=brand&utm_campaign=GS_Brand_California_Hero_Program&CampaignID=1)

<https://californiafirst.org/?keyword=californiafirst&gclid=CPzg3p-LiMYCFQWUfgod1mIAfA>

### 4. List Eligible Appliances And Equipment By Make And Model

Rebate programs are often not fully engaged by the consumer, because it is too challenging or cumbersome for the consumer to find eligible products. This is especially true when product eligibility requirements are not clearly stated. While energy efficient appliance eligibility can be narrowed by requiring US EPA certified EnergyStar products, this is much more challenging for water efficiency. The US EPA is developing a similar certification program for water efficient appliances, WaterSense. However, this program is not yet fully adopted by the appliance market.

The Local Government Commission strongly recommends that the CEC explicitly list rebate-eligible appliances and equipment by make and model. This is similar to the very successful clean car rebate program funded through the Air Resources Board (ARB). Only specific makes and models can receive rebates and the rebates are tiered based on fuel savings potential. The CEC should select eligible products using the US EPA WaterSense list and/or Consumer Reports lists.

Example: Air Resources Board Clean Car Rebate Program

<https://energycenter.org/clean-vehicle-rebate-project>

Resources: US EPA WaterSense and Consumer Reports

[http://www.epa.gov/watersense/product\\_search.html?Category=1](http://www.epa.gov/watersense/product_search.html?Category=1)

<http://www.consumerreports.org/cro/news/2015/04/dishwashers-that-save-water-energy-and-money/index.htm>