<table>
<thead>
<tr>
<th><strong>Docket Number:</strong></th>
<th>18-MISC-01</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Title:</strong></td>
<td>Food Production Investment Program</td>
</tr>
<tr>
<td><strong>TN #:</strong></td>
<td>222768</td>
</tr>
<tr>
<td><strong>Document Title:</strong></td>
<td>Jack DiGiacomo - FPIP Comments by DCE</td>
</tr>
<tr>
<td><strong>Description:</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Filer:</strong></td>
<td>System</td>
</tr>
<tr>
<td><strong>Organization:</strong></td>
<td>Jack DiGiacomo</td>
</tr>
<tr>
<td><strong>Submitter Role:</strong></td>
<td>Public</td>
</tr>
<tr>
<td><strong>Submission Date:</strong></td>
<td>2/28/2018 11:12:11 AM</td>
</tr>
<tr>
<td><strong>Docketed Date:</strong></td>
<td>2/28/2018</td>
</tr>
</tbody>
</table>
Comment Received From: Jack DiGiacomo
Submitted On: 2/28/2018
Docket Number: 18-MISC-01

FPIP Comments by DCE

See Attachment

Additional submitted attachment is included below.
Upon review of the February 16, 2018 presentation, we would like to present the following comments/concerns:

- **NAICS codes currently are limited to 311 and 312**
  - Although this does include many of the targeted food processing facilities, there are many of which are miscategorized for various reasons:
    - Operations have shifted/expanded since business origination
    - Utility tariff considerations
    - Mistakenly filed incorrectly
  - Suggested NAICS codes to include to the FPIP on case by case basis or exception process:
    - 115 – Support Activities for Agriculture and Forestry
      - This NAICS code is common for smaller food processors that were at one time solely considered a packing house
    - 493 – Warehousing and Storage
      - This NAICS code is common for dry and cold storage where a portion of the facility is processing product
    - 424 – Merchant Wholesalers, Nondurable Goods
      - This NAICS code is common for facilities that are producing products that are distributed at the wholesale level

- **Tier 1 Project Costs:**
  - We believe the FPIP would be a much more influential program provided that labor costs could be included as part of the project costs.
  - It is common for the installation labor costs associated with these large integrated system modifications to be upwards of 50% of the overall project costs.
  - If these costs are deemed ineligible, it is likely to negatively impact the program’s success due to payback criteria.
  - Through the utility incentive programs, we have experienced the negative impacts of eligible cost criteria.

- **Tier 1 Minimum Grant Size:**
  - In our experience, projects resulting in energy savings of 1 to 10 GWh typically range between $500,000 - $2,000,000 in equipment and installation labor costs alone.
  - We believe there is significant potential for high volume projects ranging from 100,000 – 200,000 kWh at smaller food processors.
    - Based on the current grant sizing criteria, these types of projects would not qualify for the FPIP.
    - These smaller opportunities are generally associated smaller processors which are often geographically located in AB 1550 communities and would benefit most from the FPIP.

- **Technology Priorities**
  - One technology that we noticed was missing from the list are LED lighting upgrades.
    - Food processing facilities commonly operate over 8,500 hours per year resulting in substantial lighting energy usage.
    - Typically, LED retrofits result in 40-60% energy savings.