

DOCKETED

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California Energy Commission - Integrated Energy Policy Report Commissioner Workshop on the role of Energy Efficiency in Building Decarbonization: Presentation on the Energy Savings Assistance program

Presented by Kapil Kulkarni, Energy Division
August 24, 2021



California Public
Utilities Commission

ESA Program Background

- Provides no-cost energy efficiency and weatherization upgrades for income-qualified households in IOU territories.
- Since 2002, spent nearly \$4 billion to treat about 4 million households, or about \$1,000 investment per household.
- Mostly achieved the statutory goal to treat all eligible and willing households by the end of 2020.
- 2021-26 program cycle guidance requested deeper energy savings and a comprehensive multifamily program.

ESA Goals

- Moves towards deeper energy savings per household.
- Focuses on the ESA customer, and requires reporting on activity by customer segment, including by demographic, financial, geographical, and health condition categories.

298 GWh –

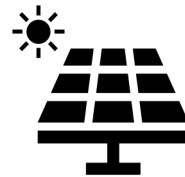
Enough to power
about 36,000



homes for one year

69 MW –

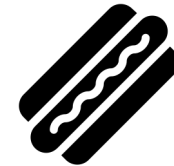
Equivalent to the installation
of about 18,000



home solar PV systems

15 million therms –

Equivalent to the emissions
from about 13 million



propane cylinders

ESA Budget

- \$2.2 billion over 5.5 years, or about \$400 million per year.
- Specific funding for the following initiatives:
 - \$104 million for an IOU-led deeper energy savings pilot program, with a goal to achieve up to 50% savings per household.
 - \$50 million for SCE Electrification pilot programs.
 - \$350 million for IOU-led Multi-Family Whole Building program.

ESA Pilot

- Approves \$104 million for a pilot to test the feasibility of deeper energy savings, including electrification measures.
 - Plus package – achieve up to 15% energy savings per household
 - Deep package – achieve up to 50% energy savings per household
- Timeline:
 - Q3 2021 – Workshop to solicit ideas on pilot program designs
 - Q4 2021 – IOUs submit program designs and budgets for CPUC approval
 - Q3 2022 – IOUs begin implementation after approval

ESA – SCE Building Electrification Pilot

- \$40 million for single family, high-using households in Disadvantaged Communities (DACs) to retrofit for electrification measures.
- Program design consists of:
 - Testing an analytical approach to model and target high priority customer segments using GIS analysis
 - Primarily targeting space heating (heat pumps) and water heating (heat pump water heaters) end uses
 - Participation of about 2,700 homes, with an average investment of about \$15,000 per household
- Monthly and annual reporting will require information on:
 - Customer bill savings,
 - Customer targeting success, and customer knowledge and awareness of electrification,
 - Coordination with, and lessons learned and applied from the San Joaquin Valley pilots and similar programs

ESA – SCE Clean Energy Homes Pilot

- \$10.6 million over 5+ years for low-income housing developers to install new electrification measures.
- Program design consists of:
 - Technical design assistance to affordable housing developers,
 - Location-specific GHG-driven financial incentives early in the development process, and
 - Coordinated education and outreach throughout the development process.
- Requires SCE to coordinate with BUILD program to avoid duplication of funds, including program delivery to:
 - Long Beach, Vernon, Catalina Island, and portions of Inyo and Mono counties (areas not served by gas IOUs)
 - Other areas and properties that do not qualify for BUILD
- Requires SCE, after coordination with CEC, to file advice letter to CPUC by December 31, 2021, with additional budget and implementation details.

Thank you!

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APPENDIX

ESA Program Design (continued)

Demographic	Financial	Location	Health Condition
Housing type	CARE	DAC	Medical Baseline
Rent vs Own	Disconnected	Rural	Respiratory
Previous vs new participant	Arrearages	Tribal	Disabled
Seniors	High usage	PSPS Zone	
Veterans	High energy burden	Wildfire Zone	
Hard-to-reach	SEVI	Climate Zone	
Vulnerable	Affordability Ratio	CARB Communities	

ESA Working Group (will meet quarterly)

- Directs tasks to IOUs, parties, and other stakeholders to ensure program flexibility
- Tasked with discussing:
 - Measure and program changes, with notification through monthly reports
 - Progress towards program goals, and recommending program changes as part of the mid-cycle update process
 - Cost-effectiveness test considerations and execution of Non-Energy Benefits (NEBs) study
 - Development of Universal Application System (UAS) and overseeing development of Multifamily Central Portal

ESA Multi-Family Whole Building

- Approves an IOU-designed, third-party-implemented Multi-Family Whole Building (MFWB) program.
 - The Northern California program will be led by PG&E
 - The Southern California program will be led by SDG&E
 - This comprehensive program will address in-unit, common, and whole building areas.
- Timeline:
 - 2021/22 - IOUs continue implementation of current Multifamily programs (in-unit and common areas) with budget of about \$100 million
 - Q3 2022 – Following third-party solicitation and selection, and draft contract, IOUs submit advice letters to CPUC
 - Q1 2023 – IOUs begin implementation after advice letter approval
 - 2023/26 - IOUs implement MFWB program with budget of about \$350 million

ESA Multi-Family Whole Building (more info)

- MFWB Solicitation process will include statewide:
 - Independent Evaluator to provide support to Procurement Review Group (PRG), including progress and final reports
 - PRG for review of RFP, bidders, bids, and draft contracts
- Program Eligibility:
 - For Deed-Restricted properties, full participation if 65% of households are income-qualified
 - For non-Deed-Restricted properties, full participation if 80% of households are income-qualified
- Rental protections:
 - Property owners agree to no significant rent increases and keep at least 50% tenancy by income-qualified households for 10 years