

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May 23, 2018

File No.: Advice Letter 3196-E/2654-G

Megan Caulson
San Diego Gas & Electric
8330 Century Park Ct, CP32F
San Diego, CA 92123

**SUBJECT: Submission of San Diego Gas & Electric Company's Implementation Plans of the
Multifamily Common Area Activities in Compliance with Decision 17-12-009**

Dear Mrs. Caulson:

The Advice Letter 3196-E/2654-G, as supplemented, is effective as of May 30, 2018 with a clarification that Multifamily Common Area Measures pilot program administrative costs from 2017¹ must be reallocated as General Administrative costs as part of the base Energy Savings Assistance (ESA) Program. This clarification uses the option San Diego Gas & Electric (SDG&E) presented in its Supplement 3196-E-A/2654-G-A on April 30, 2018. No protests were filed. SDG&E is approved to use its portion, \$8 million, of the Multifamily Common Area Measures (CAM) Pilot Program for the 2018-2020 program years per Decision 17-12-009. SDG&E is required to submit a Tier 1 Advice Letter demonstrating their compliance with this directive. The Tier 1 Advice Letter is due within 60 days after receiving this disposition.

Background

In their Advice Letter 3196-E/2654-G Attachment A, SDG&E requested to use a portion of its CAM budget, \$100,000, for administrative expenses incurred in 2017. On April 13, 2018, Energy Division requested more information about these expenditures. SDG&E responded that they spent a total of \$95,912.64 on internal labor, contractor labor, and employee travel to design their CAM program and Multifamily Working Group participation. SDG&E's position is that that these costs are attributable to the CAM program as administrative costs.

Energy Division Analysis

Decision 17-12-009 modified Decision 16-11-022 to require the utilities to submit a Tier 2 Advice Letter with a CAM Implementation Plan by March 1, 2018. The Implementation Plan template included a budget table for prospective spending. It was the intention of the Decision to have Energy Division's review and confirmation prior to using the allocated funding for this pilot program. However, SDG&E's 2017 activities, as described in the Supplement 3196-E-A/2654-G-A, are in alignment with expected Energy Savings Assistance Program activities. In conclusion, SDG&E needs to reallocate its 2017 expenditures to its ESA General Administrative fund per this disposition.

Sincerely,

A handwritten signature in black ink, appearing to read "ER", written over a horizontal line.

Edward Randolph
Director, Energy Division

CC: Alison LaBonte, Energy Division
Syreeta Gibbs, Energy Division
Sarah Lerhaupt, Energy Division

¹San Diego Gas & Electric Supplemental 3196-E-A/2654-G-A detailed incurred expenditures of \$95,912.64 from 2017.



Clay Faber - Director
CA & Federal Regulatory
8330 Century Park Court, CP32F
San Diego, CA 92123-1548

March 1, 2018

ADVICE LETTER 3196-E/2654-G
(U902-M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: SAN DIEGO GAS & ELECTRIC COMPANY'S IMPLEMENTATION PLANS OF
THE MULTIFAMILY COMMON AREA ACTIVITIES IN COMPLIANCE WITH
DECISION 17-12-009**

PURPOSE

San Diego Gas & Electric Company (SDG&E) hereby submits its Tier 2 Advice Letter to comply with California Public Utilities Commission (Commission) Decision (D.) 17-12-009 approved on December 14, 2017.

Ordering Paragraph (OP) 66 of Commission D.17-12-009 directs SDG&E to file a Tier 2 Advice Letter outlining its implementation plan for the multifamily common area activities under the Energy Savings Assistance (ESA) Program by March 1, 2018.

BACKGROUND

D.16-11-022 establishes a Multifamily Working Group (MFWG) to ensure a successful implementation of the multifamily initiatives under the ESA Program. MFWG members include: Energy Division, the California Energy Commission (CEC), investor-owned utilities (IOUs), the Office of Ratepayer Advocates (ORA), local government, program implementers, and other interested participants. Subsequent to D.16-11-022, the Commission issued D.17-12-009 to establish clear and formalized deliverables and deadlines for the multifamily initiatives. D.17-12-009 directs the IOUs¹ to review and discuss their multifamily implementation plans with the MFWG and seek to establish consensus on key issues prior to submitting their plans in a Tier 2 Advice Letter filing.² OP 66 of D.17-12-009 also directs the following:

¹ IOUs consist of Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company.

² D.17-12-009, p.59.

- The IOUs to provide a draft implementation plan to the MFWG by January 15, 2018.³
- The MFWG to confer, and the MFWG facilitator to summarize and circulate to the MFWG (which includes IOUs) areas of consensus among stakeholders, and identifying any areas discussed where there is not consensus by January 30, 2018.
- By February 13, 2018, individual stakeholders may also submit separate recommendations to the MFWG addressing issues where there is not consensus.
- After making appropriate modifications, the IOUs shall submit the Advice Letter by March 1, 2018.

DISCUSSION

To comply with Commission directives, the MFWG held a kick-off meeting on July 7, 2017. Since that time, three quarterly meetings and six Ad Hoc meetings have been held to discuss operational and implementation issues of the multifamily common area initiatives and to discuss each IOU's multifamily implementation plans.

The MFWG meeting dates are provided below.

MFWG Quarterly Meetings		
7/7/2017 Webinar	MFWG Kick-Off Public Announcement	Proposed MFWG structure, ground rules and schedule
8/8/2017 San Francisco	MFWG Quarterly Meeting #1	Reviewed IOUs initial ESA Multifamily (MF) Common Area Measures (CAM) program design goals, strategies, metrics and schedule
10/4/2017 Downey	MFWG Quarterly Meeting #2	Reviewed program design process diagram by IOU, conducted two panel discussions to explore optimal program design, incentive design, contractor choice and Quality Assurance/Quality Control (QA/QC) process
1/26/2018 San Francisco	MFWG Quarterly Meeting #3	Reviewed IOUs ESA MF CAM Initiative Implementation Plan to highlight Areas of Agreement/Disagreement (AOA/D) with MFWG members, and a review of consolidated AOA/D.

³ D.17-12-009, OP 66.

MFWG Ad Hoc Meetings		
8/24/2017 Webinar	MFWG Ad Hoc Meeting #1	Reviewed IOUs program design using the first half of the program design template provided by Natural Resources Defense Council (NRDC) and Parties
9/13/2017 Webinar	MFWG Ad Hoc Meeting #2	Reviewed IOUs program design using the second half of the program design template provided by NRDC and Parties
11/28/2017 Webinar	MFWG Ad Hoc Meeting #3	Conducted property needs discussion with selected large property owners and operators
12/13/2017 Webinar	MFWG Ad Hoc Meeting #4	Conducted property needs discussion with selected small/medium property owners and operators
1/10/2018 Webinar	MFWG Ad Hoc Meeting #5	Reviewed D.16-11-022 requirements to support ESA MF CAM Initiative Implementation Plan filing by 3/1/2018, including mandated stakeholder interaction and schedule.
2/26/2018 Webinar	MFWG Ad Hoc Meeting #6	To support the final MFWG discussion on Areas of Agreement and Disagreement, in support of 3/1/2018 filing date

Through the many collaborative MFWG meetings, SDG&E gathered instrumental feedback from various stakeholders to integrate into its multifamily Implementation Initiative. SDG&E's ESA Program MF CAM is shown in Attachment A. On January 30, 2018, SDG&E, on behalf of the MFWG facilitator, served the "Areas of Agreement and Disagreement for ESA Multifamily CAM Initiative Implementation Plan" to the Low Income service list in this proceeding. Areas of Agreement and Disagreement are shown in Attachment B. SDG&E is open to exploring other opportunities/program enhancements in future phases. This process is iterative and will benefit from further collaboration with MFWG, SDG&E Single Point of Contact efforts and lessons learned.

EFFECTIVE DATE

SDG&E believes that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after disposition) and respectfully requests an approval date of March 31, 2018, 30 days after the date filed.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than March 21, 2018, which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
E-mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in A.14-11-009, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by email to SDG&ETariffs@semprautilities.com.

CLAY FABER – DIRECTOR
California & Federal Regulatory

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3196-E/2654-G

Subject of AL: San Diego Gas & Electric Company's Implementation Plans of the Multifamily Common Area Activities in Compliance with Decision 17-12-009

Keywords (choose from CPUC listing): Compliance, ESA

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.17-12-009

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date 3/31/18

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

EDTariffUnit@cpuc.ca.gov

San Diego Gas & Electric

Attention: Megan Caulson

8330 Century Park Ct, CP32F

San Diego, CA 92123

mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

R. Pocta

Energy Division

M. Ghadessi

M. Salinas

Tariff Unit

CA. Energy Commission

F. DeLeon

R. Tavares

Alcantar & Kahl LLP

K. Cameron

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell

C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Children's Hospital & Health Center

T. Jacoby

City of Poway

R. Willcox

City of San Diego

F. Ortlieb

B. Henry

L. Azar

D. Weil

Commerce Energy Group

V. Gan

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill

J. Pau

Dept. of General Services

H. Nanjo

M. Clark

Douglass & Liddell

D. Douglass

D. Liddell

G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell

M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg

J. Heather Patrick

J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

J. Clark

M. Huffman

S. Lawrie

E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

San Diego Regional Energy Office

S. Freedman

J. Porter

School Project for Utility Rate Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander

K. Cini

K. Gansecki

H. Romero

TransCanada

R. Hunter

D. White

TURN

M. Hawiger

UCAN

D. Kelly

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties In:

A.14-11-009

ATTACHMENT A

San Diego Gas & Electric Energy Savings Assistance Program Multifamily Common Area Measures Implementation Initiative

Implementation Plan Template

1) Initiative Name

Energy Savings Assistance (ESA) Program Multifamily Common Area Measure (CAM) Initiative

2) Initiative ID Number

CAM will be integrated into the ESA program therefore this section is not applicable.

3) Initiative Budget Table

Category	2017	2018	2019	2020	Total	% of Budget
Admin	\$100,000	\$140,000	\$280,000	\$280,000	\$800,000	10%
Direct Implementation Non-Incentives	0	\$150,000	\$850,000	\$600,000	\$1,600,000	20%
Direct Implementation Incentives	0	\$280,000	\$2,800,000	\$2,520,000	\$5,600,000	70%
Total Budget	\$100,000	\$570,000	\$3,930,000	3,400,000	\$8,000,000	100%

4) Initiative Gross Impact Table

To be determined (TBD)

5) Initiative Cost Effectiveness:

TBD

6) Sup-Program Cost Effectiveness:

CAM will be integrated into the ESA program therefore this section is not applicable.

ATTACHMENT A

7) Initiative Type:

Core

8) Market sector or segment that this initiative is designed to serve:

Multifamily Low-Income

9) Sub-Program Type:

CAM will be integrated into the ESA program therefore this section is not applicable.

10) Indicate the primary intervention strategies:

Direct Install

Implementation Plan Narrative

Provide the following narrative description for each program (and sub-program, if applicable):

1. Initiative Description: The ESA Program offers its low income natural gas and electric customers weatherization services, energy efficient lighting, energy efficient appliances, energy education, and other services at no cost. In recognition of the changes in the energy markets and the environment, as well as the needs of low income customers and the larger community, the California Public Utilities Commission (Commission) updated its policy objectives for the ESA Program in Decision (D.) 07-12-051, stating:

[T]he key policy objective for the LIEE programs, like that of our non-LIEE energy efficiency programs, is to provide cost-effective energy savings that will serve as an energy resource and to promote environmental benefits. We retain our commitment to ensuring the LIEE programs add to the participant's quality of life, which implicates equity, energy affordability, bill savings, and safety and comfort for those customers who participate in the LIEE programs.¹

To achieve these objectives, the Commission adopted an ESA Program programmatic initiative "to provide all eligible LIEE customers the opportunity to

¹ D.07-12-051 at p. 2.

ATTACHMENT A

participate in LIEE Programs and to offer those who wish to participate, all cost-effective energy efficiency measures in their residences by 2020.”²

In D.16-11-022, and subsequently modified in D.17-12-009, the Commission reviewed the ESA programmatic initiatives and intent of the Public Utilities Code (PUC) Section 382(e) and determined that it was not limited to the dwelling unit and authorized the treatment to extend beyond the units stating, “Treating common areas of the physical structure outside of the dwelling unit is consistent with the code’s objective to reduce energy consumption and hardship as reflected in rent cost and for building energy use.”³ D.16-11-022 and D.17-12-009 authorized SDG&E to use \$8 million in ESA Program unspent funds towards these efforts for deed-restricted properties meeting specific eligibility requirements.

In compliance with Commission directives, SDG&E will be integrating CAMs into the ESA Program. The intent of CAMs is to provide eligible properties with no-cost measures in common areas. When integrated with the traditional ESA in-unit measures, these offerings will connect multifamily (MF) property owners with comprehensive energy saving improvements to help provide the whole building with long-term reductions in energy consumption. The integration of CAMs will provide a whole-building approach which will include building envelope, domestic hot water, heating/cooling, lighting, appliances, plug loads, and other end-uses.

SDG&E will utilize a MF Single Point of Contact (SPOC) approach to provide a one-stop-shop for MF property managers and owners. Through the SPOC, SDG&E will facilitate the MF property owners’ participation in all qualifying programs. In addition to CAMs, the SPOC will be leveraging the current list of programs and measure offerings available through the Multi Family Energy Efficiency Rebate (MFEER), Multi Family High Opportunity (HOPP), Middle Income Direct Install (MIDI), Energy Upgrade California Multifamily (EUC) and Business Energy Solutions (BES) Programs to provide a comprehensive list of measures available to multifamily properties. The SPOC will coordinate with installation contractors, as well as the technical service providers who will perform energy audits and post-installation quality control to minimize duplicative site visits and limit disruption for residents.

The SPOC will also facilitate the MF property owners’ participation in other qualifying internal SDG&E programs, such as Power Your Drive (PYD) and On-Bill Financing (OBF). In addition, the SPOC will work to further enrollment efforts in SDG&E’s bill assistance programs, such as California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and the Medical Baseline Allowance (MBL) Programs. As the implementation of the SPOC model progresses, collaboration with other regional program offerings will be facilitated, such as the Low-Income

² *Id.*

³ D17-12-009, Page 191

ATTACHMENT A

Weatherization Program (LIWP) for Multifamily Properties, regional water conservation programs, and properties receiving low income tax credits through the California Tax Credit Allocation Committee (CTCAC). The SPOC will also direct participating CAM properties to all relevant funding sources, including energy efficiency and renewable energy ratepayer incentive and financing programs, regional water agency programs, greenhouse gas programs, solar tax credits, and other funding sources.

- 2. Program Delivery and Customer Services:** Describe how the energy efficiency program will deliver savings (upstream, downstream, direct install, etc.); how it will reach customers and the services that the program will provide. Describe all services and tools that are provided.

SDG&E will be utilizing a no-cost, direct install approach for CAMs, consistent with the directive in D.17-12-009⁴ and with current ESA in-unit measure installation. SDG&E will utilize available data resources to conduct a market assessment to solicit and engage eligible properties into the ESA Program. SDG&E will also leverage current marketing and outreach opportunities to raise awareness. Using the SPOC, SDG&E will guide property owners/operators through the process from start to finish by providing education on available programs, enrollment support and technical assistance.

Market Assessment

SDG&E has identified numerous deed-restricted MF properties within its service territory by using CTCAC Project Mapping List, San Diego Housing Commission Housing Guide, Non-Profit Property Management Groups and other available resources. Using the market assessment publicly available, SDG&E will leverage internal data and analytics to target potential properties based on opportunities for energy savings. SDG&E has classified the properties into three (3) size categories based on units: small (0-100), medium (100-200), and large (200+).

Marketing and Outreach

Through the SPOC, SDG&E will facilitate the MF property owners' participation in all qualifying programs. With that in mind, SDG&E's marketing efforts will focus on positioning SDG&E's suite of offers, in addition to CAMs (including, MFEER, HOPP, MIDI, EUC, BES, PYD and OBF Programs), for the multifamily market as a one-stop shop for all energy efficiency solutions. SDG&E's key messaging strategy will be to encourage customers to contact the SPOC, who will lead them through the various programs and services and measure offerings that may apply to them.

⁴ D.17-12-009, Page 197 states, "the measures cost will be free to eligible Government/non-profit/ or deed restricted low-income multi-family housing for the treatment to the building's physical structure including common areas and inside the dwelling units."

ATTACHMENT A

SDG&E has developed a website interest form for MF property owners to engage the SPOC in the initial review and assessment of potential properties – this will serve as the call-to-action in all SDG&E's marketing efforts. The interest form requests information that can help identify deed-restricted affordable housing properties. Potential CAM property leads will be attained through a variety of channels. SDG&E will also leverage program leads acquired from other internal multifamily programs or their implementers through program interactions and communications. In addition, SDG&E representatives receiving requests for information from property owners will direct them to the website for more details and encourage them to fill out the interest form. Furthermore, SDG&E may utilize direct mail and email to solicit participation, if practicable.

The SPOC will connect the property leads to the appropriate programs and resources based on their unique needs and will maintain an inquiry log that includes the customer contact, program referrals, and lead to project conversion rates. The SPOC will document customer feedback regarding areas of improvement and, over the longer term, work to streamline and align program processes.

SDG&E's SPOC will also hold MF workshops to educate property owners/operators about the availability of CAMs and other available program offerings. Additionally, the SPOC will attend association conferences & events where opportunities exist to network and identify potential property owners/operators for eligibility for CAMs or other programs. Furthermore, the SPOC will be participating in CTCAC affordable housing workshops and conferences to identify potential CAM participants.

SDG&E will leverage current Customer Outreach and Engagement teams to market CAMs to various organizations including: San Diego Housing Commission, California Apartment Association, San Diego Apartment Association, San Diego Housing Federation, San Diego Association of Realtors and Interface Housing. SDG&E partners with over 250 Community Based Organizations (CBOs) and will utilize these partners where appropriate. Additionally, SDG&E will reach out to federal, tribal, local and other non-profit groups to encourage participation in the CAM.

Intake and Enrollment

Through the SPOC review, program eligibility will be determined and necessary enrollment and authorization forms will be collected. For CAMs, a Property Owner Authorization (POA) form will be provided to the property owner and will serve as an affidavit, requiring the owner/manager to certify the eligibility of the property based on the eligibility requirements identified in the statewide ESA Program Policy & Procedures Manual (P&P). The POA may also be used to certify additional properties qualifying for CAMs, including properties outside the SDG&E service territory. Should additional properties be identified outside the SDG&E service territory, the SPOC will

ATTACHMENT A

coordinate efforts to provide the appropriate utility with the signed POA for their records. In-unit eligibility and enrollment will also follow current ESA Program requirements identified in the P&P.

To minimize the level of effort to property owners/managers, the SPOC will facilitate the completion of the necessary program enrollment forms to provide a simple and coordinated process. Verification of property eligibility will be required. To confirm property qualification, SDG&E will require documentation proving the property's deed restricted status and level of tenants qualifying at or below 200% of the Federal Poverty Guideline. Documentation will be retained in SDG&E's Database and available for audit review upon request.

Technical Assistance

Technical assistance will be provided to property owners from project support through implementation. SDG&E's authorized contractor and SPOC will meet with the property owner or operator for a site visit for the purpose of providing a comprehensive audit of CAMs and owner maintained in-unit measures. SDG&E's authorized contractor will assist the property owners by enrolling the property in Energy Star Portfolio manager for benchmarking purposes, gathering the utility data, and calculating the Energy Use Intensity (EUI). A detailed analysis of the property will be provided to the property owner and will provide recommendations for energy efficiency measures. The SPOC will determine program eligibility and will provide enrollment support. In addition, the SPOC will provide financing recommendations for measures identified and not covered through the ESA Program. The level of technical assistance will depend on the property needs and the complexity of project.

- 3. Program Design and Best Practices:** Describe how the program meets the market barriers in the relevant market sector/end use. Describe why the program approach constitutes "best practices" or reflects "lessons learned". Provide references where available.

The CAM Initiative was designed to be integrated into the ESA Program to provide deep energy savings by installing both common area and in-unit measures at no cost. The whole building approach provides property owners with minimal touch points and reduces the number of visits and documentation needed when participating in the ESA Program. It also ensures tenants are receiving all eligible measures, as well as energy education information.

SDG&E will be leveraging current experienced contractors who have worked with the ESA, MFEER, MIDI, and the HOPP Programs. Utilizing current contractors to support the integration of CAMs into the ESA Program will minimize implementation issues as they will possess sufficient knowledge of the program protocols, measures offered, energy education requirements and systems utilized.

ATTACHMENT A

Utilizing available market and internal data, SDG&E will be able to assess potential CAM properties to target for enrollment. The assessment of properties will include the review of properties' EUI to identify where the highest opportunity for energy savings may be available, regardless of the size of the property. In addition to energy savings, SDG&E will consider properties where the health, comfort and safety of the tenants is compromised.

The SPOC will provide a one-stop-shop approach for property owners/managers and minimizes the confusion for owners/managers who have questions regarding the program process. The SPOC will coordinate common area and in-unit enrollments so that they appear to be one program from the participants perspective. The long-term objective will be to develop a single intake application for all SDG&E Energy Efficiency Programs. The SPOC approach also allows for a better review process of what is working and what is not, identifying areas where refinements in the programs may be needed to improve property owner/manager satisfaction with utility programs.

4. EM&V:

TBD

5. Pilots: N/A

6. Additional information: Include here additional information as required by Commission decision or ruling (As applicable. Indicate decision or ruling and page numbers)

D.16-11-022

D.17-12-009

1. Program Manuals and Program Rules

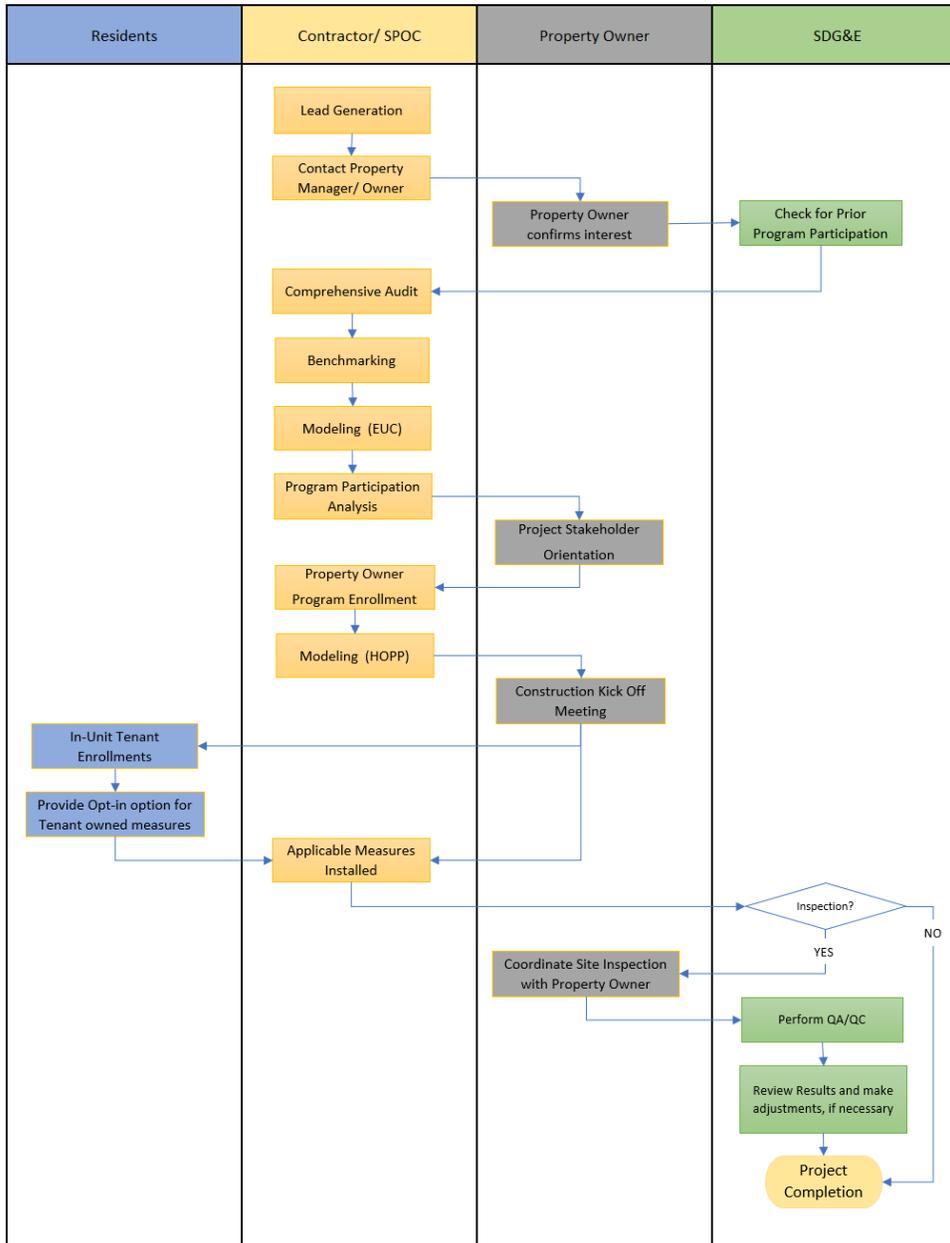
The ESA Program utilizes the P&P to govern the operation of the ESA Program. The addition of the CAM initiative will be broadly covered in updates to the P&P, with additional program details listed below.

2. Program Logic Model: CAM will be integrated into the ESA program therefore this section is not applicable.

3. Process Flow Chart: Provide a sub-program process flow chart that describes the administrative and procedural components of the sub-program. For example, the flow chart might describe a customer's submittal of an application, service levels, the screening of the application, the approval/disapproval of an application, verification of

ATTACHMENT A

purchase or installation, the processing and payment of incentives, and any quality control activities.



A description of the process flow steps are included below:

Step 1: Contact property manager/owner

Contractor and/or SPOC contacts property owners/manager to inquire about multifamily building characteristics and program eligibility. Contractor/SPOC determines whether contact has authorization to make business decision. Work to set a Property Assessment site visit with the appropriate contact.

ATTACHMENT A

Step 2: Check for prior participation

SDG&E checks for previous program participation and identifies prior interventions. Measures previously installed will not be counted for savings purposes.

Step 3: Comprehensive Audit

Contractor and/or SPOC meets with property owner at the site for a comprehensive audit. This audit is for the purposes of assessing CAMs, and owner maintained in-unit measures.

Step 4: Benchmarking

Contractor and/or SPOC aid property owners by benchmarking the property through the Energy Star Portfolio manager.

Step 5: Program Participation Analysis

Create a **Program Participation Analysis** after concluding assessments and audits. Goal is to provide the property owner with a full list of program measures that the customer qualifies for and would be of most benefit to them.

Step 6: Project Stakeholder Orientation

The property owner, contractor and SPOC meet to discuss the results of the Program Participation Analysis, scope of work, and requirements of program(s). A decision will be made to determine which program measures the customer is interested in receiving.

Step 7: Property Owner Program Enrollment

Property owner submits relevant application(s) and POA form(s). Contractor and/or SPOC assists property owner with this task.

Step 8: Construction Kick-off Meeting

Conduct a construction kick-off meeting to review expectations and timelines.

Step 9.1: In-Unit Tenant Enrollments

Contractor works with property owner to give advanced notice to the residents of upcoming work.

Step 9.2: Opt-in Option (In-Unit)

Contractor provides the option for a tenant to opt in for tenant owned program measures. Contractor provides an assessment of the resident's unit to provide energy education and determines list of potential measures.

Step 10: Applicable Measures Installed

Contracted Program Implementer(s) and/or SPOC coordinates measure installations in tandem for each program to minimize touchpoints and site visits for both property owners and tenants.

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Step 11: Quality Assurance/Quality Control

On-site post retrofit inspection performed by SDG&E inspectors and contractors to verify installations.

*Note: Modeling is not included in the list of process steps as it is currently not required for the CAM Initiative. Modeling is part of the SPOC process for EUC and HOPP only. Additionally, project timelines will be dependent on the complexity of the project.

- 4. Incentive Tables, Workpapers, Software Tools:** Can incentives be drawn out of the E3s?) Provide a summary table of measures and incentive levels, along with links to the associated workpapers. Templates are available at <http://eestats.cpuc.ca.gov/StandardTables/GuidanceDocument.aspx>.

The CAM initiative will be utilizing deemed savings for all measures installed in qualifying multifamily properties. SDG&E will use and rely on savings information available through the Remote Exante Database Interface (REDI) when available, and then utility workpapers to determine savings values.

SDG&E leveraged program measures offered through the MIDI, MFEER, MF HOPP, BES and ESA Programs. SDG&E's in-unit ESA Program Measures are eligible to be installed for CAM and are referenced in Table 5-1 of the P&P and included below.

Appliance	HVAC
Clothes Washer - Commercial	Common Area Air Conditioning
Residential Refrigerator	Efficient Fan Control – Air Conditioner
Commercial Griddle, Oven	Common Area Heat Pump Split System
	Programmable Thermostat
Water Heater/Boiler	Room ACs
Central System Gas Boiler	Evaporative Coolers
Faucet Aerator	AC Brushless Fan Motor Replacing Permanent Split Capacitor (PSC) Motor
Low flow Showerheads	Furnace Repair/Replacement (AFUE 92+) (AFUE 96+)
Instantaneous Water Heaters	
Tankless Water Heaters	Lighting
Central System Natural Gas Water Heaters	Interior LEDs, Lamps, Fixtures, etc.
Boiler Controllers	Exterior LEDs, Lamps, Fixtures, etc.
Envelope Maintenance	Torchiere
Attic Insulation	Pool and Spa Lighting
Wall Insulation	Globes and Candelabra Lamp Shapes
Window Film, Shading	
Duct Test and Seal	Plug Load
AC Diagnostic, Repair and Tune-Up	Power Strip
	Variable Speed Pool Pump and Motor

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5. Quantitative Program Targets:

SDG&E will conduct market assessments and audits beginning in 2018, with limited installations anticipated in 2018. After approval of the CAM Initiative Advice Letter, SDG&E will secure contracts with CAM implementers and begin CAM initiative implementation. Cost, savings and installation estimates were derived by using available multifamily program data. Assumptions on installation estimates were made when program data was unavailable.

SDG&E	2017	2018	2019	2020	Total
Budget	\$ 100,000 ⁵	\$ 570,000	\$3,930,000	\$ 3,400,000	\$ 8,000,000
# of Buildings Targeted	0	30	175	125	330
# of Buildings Treated	0	5	50	45	100
kWh Saving	0	121,804	1,218,035	1,184,499	2,524,338
kW Saving	0	55	549	496	1,100
Therm Saving	0	5,914	59,138	55,129	120,181

6. Diagram of Program:

TBD

Customer and Implementer Program Manuals:

- 1. Eligible Measures or Measure Eligibility:** Provide requirements for eligible measures.

Measures eligible for installation under CAMs are inclusive of those currently provided under the umbrella of SDG&E's Energy Efficiency Programs, including MFEER, MF HOPP, and BES. Additionally, SDG&E may include measures which are no longer active under the current Energy Efficiency Programs but where savings can be substantiated through REDI or workpapers. The list of measures is inclusive of building envelope, lighting, and central system measures. Additionally, in-unit measures will be eligible based on measure eligibility guidelines established for the ESA Program and documented in the P&P Table 5-1.

SDG&E will install measures using a direct install, no-cost approach to ensure the program costs are effectively managed. As part of the initial implementation of CAM,

⁵ Program design and developments cost were incurred during 2017.

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SDG&E will not establish a measure minimum or minimum energy savings threshold as a requirement for the installation of measures.

SDG&E may require property owners to authorize access to all eligible and willing tenants for the purpose of providing in-home education and other available treatments. IOUs will attempt to collect information on units refusing or not eligible for treatment, which may be requested from property owners. Other limitations and restrictions may apply.

2. Customer Eligibility

Properties eligible for CAMs are existing multifamily properties committed to affordable housing in SDG&E's service territory with five or more units, as defined in the P&P in Section 2.2.6.

- Multifamily properties are defined as those with five (5) or more attached dwelling units.
- Properties must meet the partial definition of deed-restricted in California Public Utilities Code Section 2852(a)(A) as modified per CPUC Decision.
- The property must also house at least 65% of tenants with incomes at or below 200% Federal Poverty Guidelines, per ESA Program rules.
- Multifamily properties must enroll their properties for benchmarking via the Environmental Protection Agency's Portfolio Manager tool.

3. Contractor Eligibility

The ESA Program will be utilizing the current pool of SDG&E contractors to support the CAM initiative. This will allow SDG&E to better manage CAM implementation and contractor cost during phase one. During various Multi Family Working Group (MFWG) meetings the discussion of contractor choice has been expressed as the preferred method of implementation of multi-family property owners. SDG&E is open to adding authorized contractors to the current list of contractors to support a larger pool of contractors, however, the initial implementation of this initiative will not allow for property owners to select contractors outside the current pool.

Contractors participating in the ESA Program are subject to the Contractor Eligibility Requirements identified in the P&P.⁶ Contractors installing measures as part of the CAM initiative will, at a minimum, meet all insurance, licensing, safety and installation standards set in the P&P, in addition to any specific SDG&E requirement needed to meet contractual standards of SDG&E. For example, SDG&E has recently implemented a new safety standard that requires all participating vendors to enroll in

⁶ California Statewide Energy Savings Assistance Program Policy and Procedures Manual, Section 9.

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ISNetworld to ensure they meet the safety standards to contract with SDG&E. Any contractor working for the ESA Program will need to comply with the new safety requirements to continue contracting with SDG&E.

4. Participating Contractors, Manufacturers, Retailers, Distributors

SDG&E contractors will be using a direct install approach and will purchase products directly with their vendors. SDG&E will request sample products, where feasible, to ensure product quality. Program implementers will be required to meet contractual product and installation warranties for all products installed under the ESA Program, including CAMs. SDG&E contractors will provide product specifications to customers when requested.

5. Additional Services

N/A

6. Audits

Facilities qualifying for CAMs will have a comprehensive on-site audit completed to assess all potential measures available for installation through the ESA Program or other potential programs. In-unit assessments will be conducted to ensure the whole building is serviced and energy efficiency is maximized. Information gathered from the audits will be retained in SDG&E's database for referral and any future program opportunities. Furthermore, SDG&E may accept energy audits completed by other MF Programs or audits performed through California Tax Credit Allocation Committee tax credit compliance, when possible. SDG&E will leverage assessments that have been completed within five years.

Additionally, all properties receiving CAMs will be benchmarked using Energy Star Portfolio Manager. Properties participating where tenants are individually metered will have the common areas benchmarked and not each individual unit. The data will be stored in SDG&E's database and may be used to inform the future delivery of program offerings.

7. Quality Assurances Provisions

Contractors participating in the ESA Program are responsible for ensuring products and services offered meet the minimum standards to guarantee safety and quality of products and services installed, including products and services offered through the CAM Initiative. Contractors will be required to meet all Measure Installation Policies and Procedures outlined in the P&P along with any additional requirements needed for the installations of measures not included in the P&P or covered in the State-Wide Installations Standards currently used for ESA.

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The CAM contractor(s) will be responsible for properly training all technicians with proper product use and installation specifications, safety requirements, and any other training needed for the proper installation of products offered under the ESA Program.

ESA contractors participating in the CAM initiative will inspect technicians' work on a biweekly basis and ensure quality standards are met. The results of these inspections will be used to identify areas requiring ongoing training. If a job is failed through the inspection process, either the quality production manager or inspector will do the "repair or correction" or the "installing technician" is required to return to the property to complete the "repair or correction" on the job.

All properties participating in the CAM initiative will be provided with a toll-free number for customer service. Additionally, a follow-up customer satisfaction survey will be conducted on 20% of properties to assess customer satisfaction. Complaints will be typically handled immediately, but no later than a 48-business hour window by the contractor.

Lastly, all customer information is kept confidential. All contractor data is protected by a firewall, security regimens, and passwords. The Contractor is to maintain its own website and secure data systems, backed-up by virtual redundant systems. All information is backed up daily.

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January 30, 2018

To: Multifamily Working Group Members

From: Caroline Chen, MFWG Facilitator, StatWizards

Subject: Areas of Agreement and Disagreement for ESA Multifamily (MF) Common Area Measure (CAM) Initiative Implementation Plan

The purpose of this communication is to identify areas of agreement and disagreement concerning the upcoming ESA MF CAM Initiative Implementation Plans. Per Decision 17-12-009, the MFWG facilitator has been directed to make this information available by January 30, 2018. To make this reporting possible, we appreciate all the thoughtful contribution and comments from the MFWG members. If you have any questions and/or concerns, please direct them to Caroline Chen, ccchen@san.rr.com, 619-606-4438.

Background

As specified by Decision 17-12-009, the IOUs are required to file their ESA MF-CAM Implementation Plan by March 1, 2018. To facilitate good communication and transparency and teamwork, the Decision (page-55) further outlined a list of actions for the Multifamily Working Group (MFWG) to address.

“Prior to submittal of the Advice Letter, the IOUs shall submit their draft implementation plans to the MF working group by January 15, 2018. The MF working group shall confer and the MF working group facilitator shall submit recommendations to the MF working group (which includes IOU members) identifying areas of consensus among stakeholders, and identifying any areas discussed where there is not consensus by January 30, 2018. Also by February 13, 2018, individual stakeholders may submit separate recommendations to the MF working group addressing issues where there is not consensus. After making appropriate modifications, the IOUs shall submit the Advice Letter as described above.”

In response to the above request, the MFWG facilitator developed a list of milestones and actions with the goal to drive consensus discussion at the MFWG Quarterly Meeting #3 on 1/26/2018 and other meetings. For details, please refer to **MFWG Quarterly Meeting #3, Meeting Notes & Material - 1/26/2018** [Click here to view the document](#).

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Areas of Agreement and Disagreement

Generally, the MFWG members are in agreement that these ESA/MF CAM initiatives should be launched in a timely manner to drive results. There are agreements that these initial program designs will evolve and be enhanced over time, and MFWG members are committed to ongoing dialog and collaboration to push for progress. Finally, there are strong desires to have a set of flexible programs that could serve the needs of eligible and qualified large as well as medium/small multifamily properties. As a part of this discussion, we set aside several areas that will require further discussions beyond the March 1, 2018 filing deadline. Here is a short list of these set-aside items and/or general understanding of the situation:

- The ESA/MF CAM is an initiative within the ESA program (not separate).
- The ESA/MF CAM Implementation Plans (made available on 1/15/2018) are drafts and final documents will be filed 3/1/2018.
- Each IOU's program design is different, but with certain commonality to them. This may be due to size of funding (e.g., PG&E - \$36 mil; SDG&E - \$8 mil), geographic & demographic differences, etc.
- A streamlined and single application process for EE/MF and ESA/MF is not available at this early phase, but it is something the IOUs will strive for. For example:
 - SPOC implementation and measure lists may vary,
 - QA/QC protocols may differ, and
 - EM&V requirements are yet to be determined.
- Coordination with OBF, TCAC, LIWHP and EV will evolve over time, building upon the CAM implementation.
- Current program design supports large, medium and small eligible and qualified MF properties.

There are three (3) Areas of disagreement.

- (1) Single Point of Contact (SPOC) definition and scope may vary in these implementation plans and one-size may not fit all. Some MFWG members envision a highly skilled and comprehensive team of SPOCs appropriate for large properties, while others may accept well-trained contractors as SPOCs to support program scaling reaching smaller properties. It is entirely possible both of these program provisions may be needed.
 - a. We do not believe this item can be resolved in time for the implementation plan filing date (3/1/2018).

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- (2) Contractor-Choice may also vary in these implementation plans. While PG&E's plan would allow for contractor choice for CAM implementation, the other implementation plans would start with a list of existing ESA contractors and may not support a fully flexible contractor-choice for the property owners/operators.
- a. We do not believe this item can be resolved in time for the implementation filing date.
- (3) Certain criteria for CAM Initiative eligibility and qualification are not clear. For example, can the property owner of a qualified MF property waive the tenant-unit treatments, in lieu of more timely and direct participation for CAM initiative only? Is the CAM initiative only available for MF properties with treated tenant units only? At the 1/26/2018 MFWG Quarterly Meeting, the facilitator requested Energy Division, and IOUs to provide clarification for the CPUC policy and program eligibility rules by February 7th 2018 for further consideration.
- a. We believe this item may be resolved prior to the implementation plan filing date.

Other MFWG Support Activities

The MFWG is currently working on the list of milestones and actions to support the March 1, 2018 filing.

- **(Done)** 1/10/2018 (2pm) – Ad Hoc Webinar Meeting to discuss the framework for program implementation plan consensus/disagreement discussion.
- **(Done)** 1/15/2018 (or 1/16/2018 due to holiday) (CPUC deadline) – IOUs Draft ESA/MF Common Area Implementation Plans and Comment Template available.
- **(Done)** 1/24/2018 (deadline) - All participants and stakeholders will be asked to submit their comment worksheet to the MFWG Facilitator for consolidation to support in-person MFWG Quarterly meeting.
- **(Done)** 1/26/2018 (9:30am to 3:30pm) – (as Q1/2018 MFWG Quarterly In-Person Meeting in SF) to review program designs to identify area of consensus and disagreement
- **(Done)** 1/29/2018 (Noon deadline) - For all MFWG participants to provide revised implementation plan comments for consolidation and public distribution.
- **(Done)** 1/30/2018 (CPUC deadline) – MFWG Facilitator to publish a list of program consensus and disagreement to all participants, as a result of the above discussions
- 2/7/2018: (1) IOUs to update basic program implementation data, (2) IOUs to update and streamline measure list, (3) IOUs to provide clarification on CAM Initiative eligibility and qualification criteria, (4) ED to provide policy clarification on CAM eligibility and criteria.
- 2/13/2018 (CPUC deadline) – MFWG participants and stakeholders may submit separate comments to MFWG addressing issues where there is not consensus.

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- 2/16/2018 (2pm) – Ad Hoc Webinar Meeting to review areas lacking consensus with MFWG participants and stakeholders.
- 3/1/2018 (CPUC deadline) – The IOUs to file final ESA/MF implementation plans
- 4/27/2018 Next MFWG Quarterly meeting: SDG&E facility on Friday, April 27, 2018 (tentative)