

RTR Appendix

Southern California Edison, Pacific Gas and Electric, Southern California Gas, and San Diego Gas and Electric (“Joint Utilities” or “Joint IOUs”) developed Responses to Recommendations (RTR) contained in the evaluation studies of the 2013-2015 Energy Efficiency Program Cycle. This Appendix contains the Responses to Recommendations in the report:

RTR for the Southern California Multifamily Program Process Evaluation 2014-2015
(Evergreen Economics, Calmac ID #SCE0399.01, ED WO #2110)

The RTR reports demonstrate the Joint Utilities’ plans and activities to incorporate EM&V evaluation recommendations into programs to improve performance and operations, where applicable. The Joint IOUs’ approach is consistent with the 2013-2016 Energy Division-Investor Owned Utility Energy Efficiency Evaluation, Measurement and Verification (EM&V) Plan¹ and CPUC Decision (D.) 07-09-043².

Individual RTR reports consist of a spreadsheet for each evaluation study. Recommendations were copied verbatim from each evaluation’s “Recommendations” section.³ In cases where reports do not contain a section for recommendations, the Joint IOUs attempted to identify recommendations contained within the evaluation. Responses to the recommendations were made on a statewide basis when possible, and when that was not appropriate (e.g., due to utility-specific recommendations), the Joint IOUs responded individually and clearly indicated the authorship of the response.

The Joint IOUs are proud of this opportunity to publicly demonstrate how programs are taking advantage of evaluation recommendations, while providing transparency to stakeholders on the “positive feedback loop” between program design, implementation, and evaluation. This feedback loop can also provide guidance to the evaluation community on the types and structure of recommendations that are most relevant and helpful to program managers. The Joint IOUs believe this feedback will help improve both programs and future evaluation reports.

¹ Page 336, “Within 60 days of public release of a final report, the program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings. The IOU responses will be posted on the public document website.” The Plan is available at <http://www.energydataweb.com/cpuc>.

² Attachment 7, page 4, “Within 60 days of public release, program administrators will respond in writing to the final report findings and recommendations indicating what action, if any, will be taken as a result of study findings as they relate to potential changes to the programs. Energy Division can choose to extend the 60 day limit if the administrator presents a compelling case that more time is needed and the delay will not cause any problems in the implementation schedule, and may shorten the time on a case-by-case basis if necessary to avoid delays in the schedule.”

³ Recommendations may have also been made to the CPUC, the CEC, and evaluators. Responses to these recommendations will be made by Energy Division at a later time and posted separately.

Response to Recommendations (RTR) in Impact, Process, and Market Assessment Studies

Study Title: Southern California Multifamily Program Process Evaluation 2014-2015
Program: Multifamily
Author: Evergreen Economics
Calmac ID: SCE0399.01
ED WO: 2110
Link to Report: http://www.calmac.org/publications/SoCal_Multifamily_Process_Eval_2014-15_Vol_1_-_FINAL.pdf
http://www.calmac.org/publications/SoCal_Multifamily_Process_Eval_2014-15_Vol_2_-_FINAL.pdf

Item #	Page #	Findings	Best Practice / Recommendations (Verbatim from Final Report)	Recommendation Recipient	Disposition	Disposition Notes
				If incorrect, please indicate and redirect in notes.	Choose: Accepted, Rejected, or Other	Examples: Describe specific program change, give reason for rejection, or indicate that it's under further review.
1	127	<p>Research conducted as part of this study highlights the importance of consistency of offerings both across geographies and time, as well as the importance of utility-specific relationships. Optimal practices for meeting the needs of multifamily owners and operators include:</p> <ul style="list-style-type: none"> Offering the same measures with the same incentive levels across all IOU customers (recognizing, however, that measures will vary by fuel type); Aligning the timing of measure offerings across IOUs as much as CPUC rules and program budgeting allows; Aligning communications to multifamily owners and operators about program offerings (including descriptions of measure offerings) and participation requirements (such as forms that need to be completed) across IOUs; Making joint outreach visits to operators of large portfolios that span across IOU service areas to engage multifamily decision-makers around energy efficiency and increase the value of the meeting by focusing on the portfolio as a whole; and Coordinating in a similar fashion, wherever possible, with large energy and relevant non-energy utilities that did not participate in this study to provide statewide consistency on multifamily energy efficiency offerings and to leverage cross-pro- 	<p>We recommend that the Southern California IOU multifamily programs and the California Public Utilities Commission (CPUC) maintain consistency and predictability in program offerings. Specifically:</p> <ul style="list-style-type: none"> (#1) The IOU programs should provide long-term measure and program offerings that span two or more years and continue to allow multifamily customers to reserve funds for projects. (#2) The CPUC should consider the timespan of multifamily building renovations in the establishing future program cycles or otherwise ensure sufficient flexibility in allowing program spending and commitments of sufficient duration to accommodate market decision-making practices. Any changes in program cycles will require adjustments in impact evaluations and the program application timelines as well. (#3) Programs should continue to coordinate on program eligibility parameters and other customer-facing program components so they are aligned as much as practical (within the constraints of unique program design needs). 	SoCal IOUs and CPUC	Other	<p>The Southern California IOUs (SCE/SOCALGAS and SDG&E) agree with this recommendation. We currently strive for this coordination effort to ensure program consistency routinely. This is complicated by the fact that the MFEER program is increasingly linked to the ESAP/LI program by design, as well as linkage to local REN - MF programs.</p> <p>Below, we are providing a point-by-point reply to this recommendation.</p> <ul style="list-style-type: none"> Reply to #1 bullet: The IOUs program design and cost effectiveness consideration is guided by the work paper which is limited to a 12-month effective timeframe. Reply to #2 bullet: This is for CPUC to address. Reply to #3 bullet: We agree with this recommendation and will continue to strive for this. We believe a properly implemented Single-Point-of-Contact will alleviate much of this concern.

		motion that is possible with water utilities. (Utilities of potential interest include the Los Angeles Department of Water and Power, Pacific Gas & Electric, and large water-only utilities.)				
2	128	The concept of a single point of contact—a key feature of the IOUs’ program concept—is conceptually good and viewed favorably by contractors and multifamily decision-makers. However, it is also clear that both the utility and contractor relationships with customers complement each other, and other details about the nature of the program interaction with customers seem to matter more than whether customers have a single person acting as their main contact.	We recommend that continued transition to a single point of contact include joint customer outreach by both utility staff and implementation contractors acting as a unified team. To the extent practical, outreach to customers should be customized to the customer’s needs and circumstances, which may include being able to address details about a specific efficiency upgrade, efficiency opportunities across multiple buildings, and aspects of the customer-utility relationship beyond efficiency (such as rate options and billing). Approaching the single point of contact with this goal will maximize the value to the customer and should increase customer engagement and receptivity.	SoCal IOUs	Agree	We agree with this recommendation. The IOUs plan on utilizing a two-pronged Single Point of Contact (SPOC) approach as detailed below: <ol style="list-style-type: none"> 1. An IOU MFSPOC to meet the needs of major real estate investment groups and their EE investments (i.e., real estate portfolio needs), through leveraging existing account executives, and other multifamily properties. 2. Program Contractor-SPOC to support MF complex needs. With these two types of SPOCs, the MF programs can then scale to support the various types of multifamily property owners and managers’ needs.
3	129	Program participants continue to make use of lighting upgrades above all other efficiency opportunities available through the Multifamily Energy Efficiency Rebate (MFEER) program. While some participants are returning customers (either for lighting upgrades in other facilities or non-lighting upgrades), there appears to be unrealized potential for more repeat participation. Furthermore, and more importantly, there is room for more engagement by past MFEER program participants in the implementation of additional measures through MFEER and other multifamily efficiency offerings, such as Energy Upgrade California Multifamily or ESA. Such cross-program engagement would need to be expanded for the IOUs’ program vision to function as intended.	We recommend that the IOUs expand customer involvement in the full range of multifamily programs and measures available by continuing and expanding the use of the MFEER program as an entry point to program participation. To facilitate the promotion of the full range of multifamily program offerings, IOUs should record and track: <ul style="list-style-type: none"> • (#1) Customer-specific energy-saving opportunities identified during IOU staff and program interactions with customers and subsequent follow-up efforts so program staff and representatives have an up-to-date record of suspected and known efficiency opportunities for properties and past interactions with decision-makers about those opportunities; • (#2) Program participation by measure category; • (#3) Program participation status for each customer (such as first-time participants, repeat participants, repeat participants with enhanced levels of engagement, and dormant past participants with identified remaining opportunities). 	SoCal IOUs	Other	We agree with leveraging not only MFEER but also other Multifamily activities to serve as a gateway to more comprehensive retrofits. However, the recommended approach would require an extensive upgrade to the IOU’s tracking systems to support such an effort. We believe MF property owner/manager engagement should start by identifying the MF properties with the highest energy use intensity. To better understand the MF complexes’ energy usage, the IOUs plan or continue to leverage applications such as: <ul style="list-style-type: none"> • EPA’s Energy Star Portfolio Manager • IOU Energy Advisor Tools Below, we are offering a point-by-point reply to this recommendation: <ul style="list-style-type: none"> • Reply for #1 bullet: This recommendation will require a major IT undertaking and a high level of effort. This is too large to be addressed in this manner at this time. Rather than solving this as an IT challenge, the IOUs would like to use a different approach such as using Benchmarking to bring focus to the situation. • Reply for #2 bullet: The IOUs are already implementing this recommendation. • Reply for #3 bullet: The IOUs agree with recommendation and are evaluating approaches to perform this type of analysis Once these targets are identified, it is possible that a multi-year investment approach can be used to improve the building’s performance since building owners are likely to have ROI criteria and requirements. This is consistent with the MF program’s layer of service approach to engage the MF building owners over time.

4	130	<p>MFEER participation continues to be focused largely on lighting measures even though the program offers a broader range of measures. Other efficiency opportunities—if they exist in these buildings—seem to remain largely unaddressed. The MFEER program can serve as a useful point of entry to broader program participation in other aspects of the IOUs’ multifamily program offerings. MFEER program participants tend to comprise a full range of building and portfolio sizes, from small, individual buildings to buildings in large portfolios. Over half of the participants are first-time participants, and many have general plans for future upgrades at the same buildings or other facilities. Potential offerings include:</p> <ul style="list-style-type: none"> • Laundry initiative to promote greater equipment efficiency among common area laundry equipment • Enhanced multifamily-specific building operator training for facility staff 	<p>Further, we recommend that the IOUs continue to seek out and offer new (and cost-effective) measures.</p>	SoCal IOUs	Agree	<p>We agree with this recommendation. The MF programs are always looking for new, innovative cost effective measures to help customers improve the energy efficiency of their properties. This identification of new measures is critical to the future of the program. For example, MF programs will find it difficult to rely on lighting or other low cost measures since many of these measures will not be available in 2018 or beyond due to changes in Codes/Standards and/or California voluntary standards. As a result, the programs will need to find new measures or revisit measures such as:</p> <ul style="list-style-type: none"> • Coin operated laundry equipment • Deemed bundled packages • Common area specific measures
5	130	<p>Laundry initiatives for common area appliances would need to involve laundry leasing companies that control a substantial share of the washers and dryers in these spaces. Given the range of replacement rates of washers and dryers currently under leasing arrangements and considering the frequently-updated regulatory standards for laundry equipment, it is not clear whether equipment rebates would be a cost-effective program approach. IOUs could follow a phased approach, however, that concentrates on an informational campaign in the near term and program opportunities thereafter.</p>	<p>Unless or until a more comprehensive laundry rebate program proves to be cost-effective, we recommend that the IOU multifamily programs consider an informational campaign to encourage efficient laundry practices in common areas and transition to the most practical efficient laundry equipment when leased equipment is upgraded.</p> <p>This campaign could comprise two components:</p> <ul style="list-style-type: none"> • (#1) Informational tools for multifamily owners and operators to encourage energy-efficient washing practices in common area laundry rooms; and • (#2) An outreach effort directed at multifamily owners and operators when their laundry leases are due for renewal, to support their decision-making and potential negotiations for more efficient equipment at that time. (Program staff would need to identify multifamily properties with upgrade potential and laundry lease schedules as part of on-site visits to multifamily properties when they occur for other reasons.) 	SoCal IOUs	Other	<p>We appreciate this recommendation but feel it can be more focused. We have provided a point-by-point reply to this recommendation below:</p> <ul style="list-style-type: none"> • Reply to #1 bullet: We agree with this recommendation. The IOUs will consider adding this material in our brochure for the next marketing update. <p>The electric IOUs already promote the importance of using the most efficient plug load appliances for the entire MF complexes in the program, including the most efficient co-pay laundry measures</p> <ul style="list-style-type: none"> • Reply to #2 bullet: The IOUs would like to explore a more targeted midstream solution for this recommendation that works directly with lease operators. The timing of this is important since it must be timed with the property owners’ replacement cycle, at which point the program will recommend high efficiency appliances and to address free-ridership concerns.
6	131	<p>Integration of separate programs into a unified program umbrella will require internal consistency (within IOUs) in participant tracking, marketing, and outreach. Ideally, program metrics should consistently track production in terms of units, buildings, or complexes served, and outreach to customers</p>	<p>We recommend the use of a shared customer relationship management (CRM) system to facilitate information sharing across program, functional, and utility lines.</p>	SoCal IOUs	Disagree	<p>The program administrators currently invest substantial time and effort to coordinate and synchronize program designs. Confidentiality provisions require customer consent to share property owner or tenant specific program participation and installation</p>

	<p>should be tracked across programs to ensure that customer contacts build on one another. Sharing of relevant information across program and utility boundaries—as well as between energy efficiency efforts and other utility customer contacts—improves the effectiveness of customer outreach and the customer experience.</p>				<p>data with other IOUs or 3rd parties. As a result this task would require a great deal of effort and may not achieve the desired results.</p>
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