



Less is More: SEE Action and the Power of Efficiency

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About California

- California Energy Action Plan – EE and DR are first in the resource loading order
- EE integrated into IOU Long-Term Resource Planning process
- Energy savings goals established for IOUs
- California Business Model for Energy Efficiency:
 1. **Decoupling Mechanism** – Decouples recovery of revenue requirements from sales
 2. **Program Cost Recovery** – Allowable recovery of EE program costs
 3. **Shareholder Incentive** – Opportunity to earn incentives for success of EE programs; Goal = Comparability to supply-side returns.

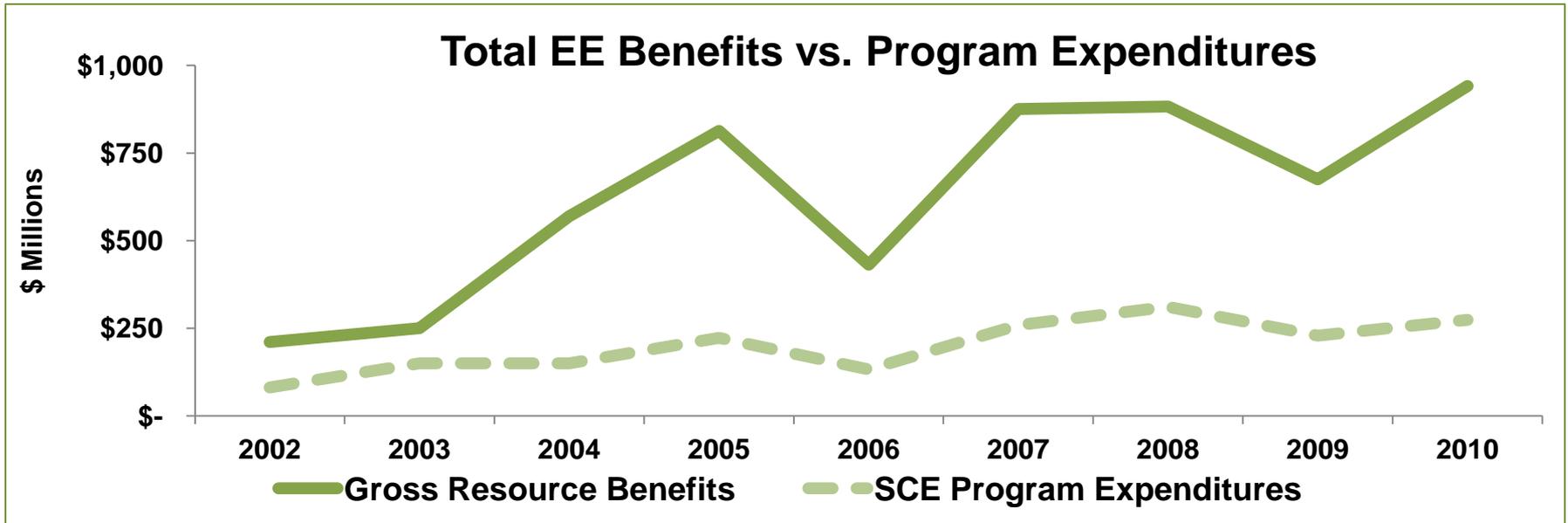
2010 – 2012 Approved IOU Energy Efficiency Portfolios	
Budget	\$3.1 Billion
Energy Savings	7 Billion kWh
Demand Reduction	1,500 MW
Gas Savings	150 Million Therms

Since 2002, CA IOU EE programs have delivered over \$7 billion in net resource benefits to customers



About SCE

- Environmental Leadership – In the last 5 years (2006-2010)
 - More than 8 billion kWh– Enough to power over 1.1 million homes for an entire year
 - Resultant greenhouse gas emission reduction = Equivalent of taking 700,000 cars off the road
- SCE’s EE programs have delivered over \$3 billion in net benefits to society (benefits minus costs) from 2002 to 2010 ¹



¹ Source: 2002-2010 SCE EE Annual Reports. Net Benefits to Billpayers (Total Resource Cost)

Partnerships with State Government Institutions

➤ Institutional & State Government Partnerships

- UC/CSU
- CA Community Colleges
- CA Department of Corrections & Rehabilitation



➤ SCE partners with Institutional customers to overcome barriers to EE through:

- Energy audits to assess the energy efficiency of the building as well as identification of other IDSM opportunities
- Financial incentives and technical support for EE installations and retrofits
- Climate Action Plans that provide a roadmap to guide long-term sustainability initiatives

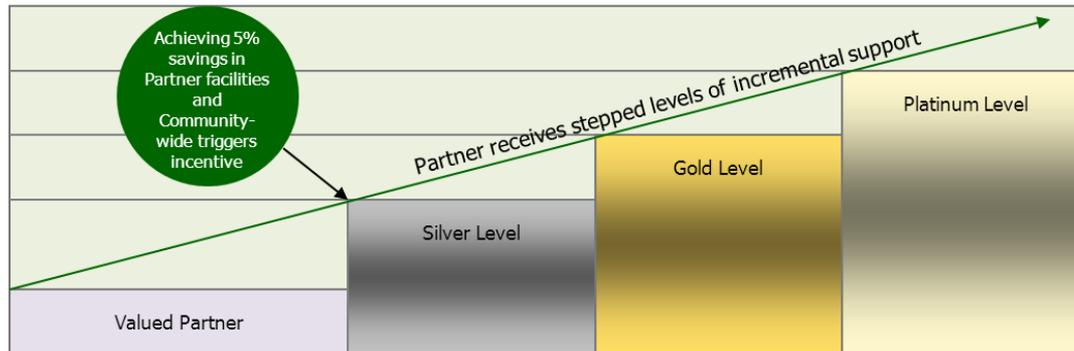
➤ Total investment in local governments of ~46 million for the 2010 – 2012 program cycle

➤ Projected 2010-12 EE savings from local governments:

Energy Savings	Demand Reduction
130 GWh	19 MW

Partnerships With Local Governments

- SCE partners with local governments to encourage EE installations in city facilities and the community
 - Tiered incentive structure offers increasing incentives based on performance
 - SCE has Partnerships with 112 cities and counties



- Partnerships conduct extended outreach through Neighborhood, Community and Faith-based organizations
- Total investment in local governments of ~\$75 million for the 2010 – 2012 program cycle
- Projected 2010-12 EE savings from local governments:

Energy Savings	Demand Reduction
160 GWh	38 MW

Better Buildings Challenge: A Nationwide Partnership Opportunity

Better Buildings Challenge: Utility Ally Agreement

The **Better Buildings Challenge** is a national leadership initiative calling on corporate chief executive officers, university presidents, and state and local leaders to make substantial commitments to energy efficiency in order to improve their buildings, save money, and increase competitiveness. **Utility Allies** will help Partners understand their energy usage through electronic data, benchmark their buildings with ENERGY STAR Portfolio Manager, and take advantage of streamlined program offerings available to help them reduce energy usage. **Utility Allies** will also commit to an innovative challenge – this can include innovative financing programs in conjunction with Financial Allies.

The U.S. Department of Energy will work with initial Better Buildings Challenge Allies to finalize the terms of this agreement.

Utility Ally Agrees to:

✓ Commit

- Assign a **senior-level liaison** within 1 month who is committed to allocating the necessary internal resources to pursue all potential projects resulting from the Better Buildings Challenge.
- Provide commercial customers with their **energy usage data electronically**, in a format compatible with ENERGY STAR Portfolio Manager.
 - If utility commission approval is required to meet this commitment, commit to filing the necessary program information for approval within 6 months.
- Provide commercial building energy efficiency **multi-measure programs that result in energy savings of 5% across the commercial customer class by 2015 or 30 million square feet**.
 - If utility commission approval is required to meet this commitment, commit to filing the necessary program information for approval within 6 months.
- Identify **one or more showcase innovative energy efficiency programs** within 3 months. For example:
 - Offer consolidated electronic **billing and account access** for commercial class;
 - Offer **automated data upload** into ENERGY STAR Portfolio Manager;
 - Provide a **"one stop shop" for building owners**, coordinating across utility commercial building program offerings;
 - Create an **on-bill financing program** by which the utility (or 3rd party financial institution) incurs the cost of the energy upgrade and the **customer repays the loan through a charge on their monthly utility bill**.

✓ Report Results

- Develop and share a **monitoring and verification plan** that addresses program impacts - the success of the program - including: energy usage and savings, energy performance scores from ENERGY STAR Portfolio Manager. **Share results annually**.
- Share **aggregate data** from ENERGY STAR Portfolio Manager with DOE for purposes of **tracking results quarterly**.
- Track the **development of the Innovative Challenge/s** and report successes.

The Department of Energy (DOE) Agrees to:

- **Provide technical assistance to Utility Allies** on developing the programs, including access to experts and targeted analysis.
- **Connect Utility Allies with Financial Allies, Partners, and other industry stakeholders** who are actively involved in designing on-bill financing programs or other innovative programs for building fleets.
- **Provide National Recognition to Utility Allies** for achieving program milestones, working with Better Buildings Partners and Allies to enable additional savings, and achieving energy efficiency goals.
- **Showcase Utility Allies Nationally** who develop innovative and cost-effective energy efficiency programs that dramatically increase energy savings from the commercial sector.

- 1.6 Billion square feet committed
- \$2 Billion in financing through allies
- +300 Manufacturing facilities
- For more information:
www4.eere.energy.gov/challenge/