ADVICE LETTER SUMMARY

ENERGY UTILITY

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

Company name/CPUC Utility No.: Marin Clean Energy (MCE)

Utility type:

☑ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Wade Stano
Phone #: 415-464-6024x104
E-mail: wstano@mcecleanenergy.org
E-mail Disposition Notice to: wstano@mcecleanenergy.org

EXPLANATION OF UTILITY TYPE	(Date Submitted / Received Stamp by CPUC)
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	June 24, 2024

Advice Letter (AL) #: 77-E **Tier Designation:** 2

Subject of AL: RE: Notice of Marin Clean Energy's Small Business Energy Advantage Program Launch

Keywords (choose from CPUC listing):

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other: COMPLIANCE

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.21-05-031, D. 23-06-055.

Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? ☐ Yes ☑ No

If yes, specification of confidential information: N/A
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: N/A

Resolution required? ☐ Yes ☑ No

Requested effective date: 7/24/24 No. of tariff sheets: N/A

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 proposed[1]: N/A

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

[1]Discuss in AL if more space is needed.

Clear Form

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Wade Stano
Title: Senior Policy Counsel
Utility/Entity Name: Marin Clean Energy (MCE)

Telephone (xxx) xxx-xxxx: 415-464-6024x104
Facsimile (xxx) xxx-xxxx:
Email: wstano@mcecleanenergy.org

Contact Name: Alice Havenar-Daughton
Title: Director of Customer Programs
Utility/Entity Name: Marin Clean Energy (MCE)

Telephone (xxx) xxx-xxxx: (415) 464-6030
Facsimile (xxx) xxx-xxxx:
Email: ahavenar-daughton@mceCleanEnergy.org

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

Clear Form

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

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Empowering Our Clean Energy Future

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PITTSBURG | PLEASANT HILL | RICHMOND | SAN PABLO | SAN RAMON | WALNUT CREEK

June 24, 2024

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

MCE Advice Letter 77-E

RE: Notice of Marin Clean Energy's Small Business Energy Advantage Program Launch

I.   PURPOSE

Pursuant to Decision ("D.") D.21-05-031 *Assessment of Energy Efficiency Potential and Goals and Modification of Portfolio Approval and Oversight Process*, D.23-06-055 *Authorizing Energy Efficiency Portfolios for 2024-2027 and Business Plans for 2028-2031*; and guidance issued from the California Public Utilities Commission ("CPUC" or "Commission") on December 31, 2021, Marin Clean Energy ("MCE") hereby submits the following Advice Letter ("AL") to notify the Commission of its request to launch the Small Business Energy Advantage ("SBEA") program as MCE AL 77-E.

II.   TIER DESIGNATION

This AL has a Tier 2 designation pursuant to Ordering Paragraph ("OP") 12 of D.21-05-031.

III.   EFFECTIVE DATE

Pursuant to G.O. 96-B and D.21-05-031, MCE respectfully requests that this Tier 2 AL be approved pending Energy Division disposition effective July 24, 2024, 30 days from the date filed.

IV.   BACKGROUND

MCE has administered Energy Efficiency ("EE") funds under California Public Utilities Code ("Code") Section 381.1(a)-(d) since 2013. Pursuant to D.21-05-031, MCE filed its *Application of Marin Clean Energy for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Energy Efficiency Portfolio Plan* ("Application") with the Commission pursuant to Article 2 of its Rules of Practice and Procedure, California Public Utilities Code § 381.1 and D. 21-05-031 on March 04, 2022. In MCE's Application, MCE proposed a new Commercial Equity[1] program to provide support and services to historically underserved commercial Equity customers.[2] On July

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[1] MCE proposes to rename the "Commercial Equity" program detailed and approved in its Application as the "Small Business Energy Advantage ("SBEA") program" in MCE AL 77-E.
[2] MCE Application, p. 13; MCE Application, Exhibit 2 at pp. 3-22; 4-21; 4-28 - 4-32; A-3 - A-5.

3rd, 2023, the Commission issued D.23-06-055 approving MCE's Application and MCE's proposed EE portfolio for Program Years ("PYs") 2024-2027.[3] D.23-06-055 specifically approved all of MCE's proposed programs except for its PeakFLEXmarket program.[4] MCE filed its True-Up Advice Letter ("MCE AL 70-E") pursuant to D.23-06-055 on October 16, 2023 and submitted additional details on its EE program budgets and portfolio consistent with Energy Division guidance.[5] The CPUC accepted MCE AL 70-E approving its proposed budget amount of $76,670,990 for PYs 2024-2027, and portfolio details in a Disposition with the effective date of November 15, 2023.

MCE followed the *ENERGY DIVISION PROCESS CHECKLIST TO ENERGY EFFICIENCY PROGRAM ADMINISTRATORS FOR PROGRAM CLOSURES AND LAUNCHES (12/31/2021)* provided by Commission staff, including the following requirements:

- MCE notified service lists R.13-11-005 and A.22-02-005 et al. of the requested SBEA program launch on May 9, 2024, at least 45 days prior to the filing of this AL.
- MCE hosted a public webinar soliciting stakeholder feedback on its program launch proposal and providing information on proposed next steps on May 31, 2024, 20 days prior to the filing of this AL.
- MCE timely filed this AL on June 24, 2024, over 45 days following its notice to service lists R.13-11-005 and A.22-02-005 et al and 20 days following its public webinar.
- In this AL, MCE details how its SBEA program aligns with its Application, supports greenhouse gas emissions reductions, advances EE goals, is in the best interest of ratepayers, and the received stakeholder feedback.

V.   **DISCUSSION**

MCE submits its proposed SBEA for PYs 2024-2027 in compliance with D.21-05-031, D.23-06-055, and Commission guidance as an Equity segment program.[6]

A. Program Description

As stated above, MCE submitted the proposed SBEA program[7] with its EE portfolio Application.[8] The Commission issued D.23-06-055 approving MCE's Application and MCE's proposed EE

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[3] *See* D.23-06-055 at p. 93 (Table 7).
[4] D.23-06-055 at pp. 103 (approving all non-discussed programs), 104-105 (stating general support for Peak FLEXmarket's approach, but failing to authorize additional funding).
[5] MCE AL 70-E, pp. 12-13 (updating the Commercial Equity program ID to MCE02e).
[6] D.21-05-031, p. 14 ("Equity: Programs with a primary purpose of providing energy efficiency to hard-to-reach or underserved customers and disadvantaged communities in advancement of the Commission's Environmental and Social Justice (ESJ) Action Plan; Improving access to energy efficiency for ESJ communities, as defined in the ESJ Action Plan, may provide corollary benefits such as increased comfort and safety, improved indoor air quality, and more affordable utility bills, consistent with Goals 1, 2, and 5 in the ESJ Action Plan."); Application, p. 10, Application, Exhibit 2, Chapter 3.
[7] Previously referred to as the "Commercial Equity" program.
[8] MCE Application, p. 13; MCE Application, Exhibit 2 at pp. 3-22; 4-21; 4-28 - 4-32; A-3 - A-5.

portfolio for PY 2024-2027.[9] MCE designed its EE portfolio, Application, to comply with CPUC requirements, state climate policies and to benefit ratepayers. MCE's Application includes the required Total Systems Benefit ("TSB") portfolio goals, energy savings goals, and portfolio segmentation into Resource Acquisition, Market Support and Equity segments.[10] MCE designed its Application to maximize TSB, mitigate any risk to ratepayers and deliver meaningful benefits to participants and non-participating ratepayers more broadly.[11]

MCE designed the SBEA program to comply with the Equity segment requirements, advance California's progress on Senate Bill 350 (De León, 2015) which requires the state to double its EE savings by 2030 and specific strategies for maximizing EE savings in disadvantaged communities ("DACs"),[12] and advance several goals of the Commission's Environmental and Social Justice ("ESJ") Plan.[13]

The SBEA program aims to advance ESJ Action Plan Goals 2 & 5:

- "Goal 2: Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health."
- "Goal 5: Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs."[14]

MCE proposed the SBEA program in its MCE Application with the intent to "provide support and services to commercial Equity customers."[15] MCE designed the SBEA program to serve the needs of small businesses operating in underserved[16] populations. Specifically, the program aims to deliver meaningful bill savings, energy savings, EE education, and other health, safety and comfort benefits to businesses located in ESJ communities[17] and businesses that meet the definition of Hard-to-Reach ("HTR").[18] The SBEA program meets the requirements of the Equity segment and directs greater EE savings for Equity customers pursuant to Senate Bill 350 (De León, 2015).

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[9] *See* D.23-06-055 at p. 93 (Table 7).

[10] *See e.g.* D.21-05-031.

[11] MCE Application, p. 10.

[12] MCE Application, pp. 5-6.

[13] MCE Application, Exhibit 2, at pp. 4-28 - 4-30 (ESJ Action Plan Goals 2 & 5).

[14] *See* Cal. Pub. Util. Comm'n, Environmental and Social Justice Action Plan version 2.0 (April, 2022), available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf, p. 5.

[15] MCE Application, p. 13.

[16] D.23-06-055, Conclusions of Law ("COL") 31-32 (defining "underserved customer" for equity segment programs).

[17] *See* Cal. Pub. Util. Comm'n, Environmental and Social Justice Action Plan version 2.0 (April, 2022), available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf, p. 2 (defining ESJ community).

[18] D.23-06-055, COL 33.

The SBEA program aims to advance the following goals:

- *Equitable Access*: Ensure that small businesses operating in ESJ Communities and those identified as HTR have equitable access to energy efficiency resources and support, addressing historical challenges and disparities in resource distribution.
- *Meaningful Bill Savings*: Deliver significant bill savings to participating businesses by implementing low- and no-cost energy efficiency improvements, alleviating financial burdens, and enhancing economic sustainability within underserved populations.
- *Local Outreach*: Collaborate with local partnerships through the Outreach Partner Network to provide tailored EE education and outreach efforts, meet businesses where they are, and address language and accessibility barriers to ensure effective engagement and participation.
- *Resilience and Community Impact*: Measure success through the improvement of resilience among small businesses serving ESJ Communities, with a focus on enhancing their ability to withstand environmental and economic challenges.
- *Workforce Development and Training*: Provide training and employment opportunities for individuals from disadvantaged communities to become program installers, fostering economic mobility and contributing to long-term socio-economic development within underserved populations.

Resource Innovation ("Implementor") will implement the SBEA program. The SBEA program incorporates community engagement strategies with energy education and low- or no-cost EE measures. The SBEA program focuses on building and strengthening trusted partnerships at the local level to deliver the energy savings and energy equity benefits listed above. The SBEA program will establish local partnerships through an Outreach Partner Network overseen by Environmental Innovations and comprised of the California Green Business Network ("CAGBN"), Green Business Programs ("GBPs"), and Community-Based Organizations ("CBOs"). The Outreach Partner Network will engage local businesses with culturally competent, multilingual outreach. To reach customers effectively, the SBEA program will leverage existing localized communication channels through partnerships with CBOs and GBPs. Outreach efforts will include in-person meetings, door-to-door campaigns, phone calls, and emails to ensure broad and effective communication. Once engaged, the Program offers eligible businesses low- and no-cost improvements designed to provide real-world impacts like reduced energy bills and other Non-Energy Benefits ("NEBs") such as health, safety, and comfort improvements.

Program services will include:

- *Single Point of Contact* - Concierge-level service supporting customers from enrollment through installation and offering referral service to other MCE programs;
- *Energy Education* – Offer educational information and tips on best practices that could help businesses save energy and money;
- *Facility Assessment* - A site-specific assessment and report with easy-to-understand energy savings opportunities;
- *Incentivized Projects* - Direct installation of no-cost ("DI") and discounted point-of-sale ("POS") projects by a qualified installer; and

- *Financing Opportunities* - To further ease financial barriers, the Program may integrate financing options like On-Bill Financing ("OBF") and GoGreen Financing, and leverage funding from other programs.

Following installation of selected measures, the SBEA program will provide participants with a final report on the expected energy savings, bill savings, and NEBs. Participants will also receive information on additional MCE administered EE programs they may qualify for. Finally, the Implementer may complete a site inspection to verify the quality of installed measures and ensure participant satisfaction.

Further program details are available in *Attachment A* to this filing: *MCE Small Business Energy Advantage Program Implementation Plan (Draft)*.

B. Stakeholder Feedback

MCE hosted a public webinar *MCE Small Business Energy Advantage ("SBEA") Program* on May 31, 2024. 14 unique participants including MCE staff attended. MCE provided an overview of the SBEA program, details on customer eligibility, summary of program strategies, and a proposed implementation timeline. MCE additionally provided the opportunity for stakeholder feedback and questions. MCE received a clarifying question on how the program plans to track underrepresented and or disadvantaged workers. MCE answered the question and provided information on how to access further details in its SBEA program Implementation Plan ("IP"). MCE did not receive recommendations on program launch, program design or next steps and correspondingly did not make any subsequent updates.

C. Program Budget

The following table provides the proposed SBEA program annual budgets for PYs 2024-2027:

Year	Direct Implementation	Admin	Marketing	Total Program Budget
2024	$ 877,356.10	$ 9,253.34	$ 25,000.00	$ 911,609.44
2025	$ 894,206.77	$ 9,716.00	$ 10,000.00	$ 913,922.77
2026	$ 896,149.97	$ 10,201.80	$ 10,000.00	$ 916,351.77
2027	$ 908,190.33	$ 10,711.89	$ -	$ 918,902.22
Total	$ 3,575,903.18	$ 39,883.03	$ 45,000.00	$ 3,660,786.21

D. Attachments

MCE submits the following attachments with MCE AL 77-E:

- Attachment A: *MCE Small Business Energy Advantage Program Implementation Plan (Draft)*; and
- Attachment B: *MCE Small Business Energy Advantage Program Webinar Slides*.

/
/

VI.   CONCLUSION

MCE respectfully submits MCE AL 77-E to notify the Commission of its request to launch the SBEA program.

VII.   NOTICE

MCE served a copy of this AL via email on the official Commission service list for R.13-11-005 and A.22-02-005 et al on June 24, 2024.

For changes to these service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov or MCE Regulatory at regulatory@mcecleanenergy.org.

VIII.   PROTESTS

Anyone wishing to protest this advice filing proposing to launch MCE's new SBEA program may do so by letter via U.S. Mail, or electronically, any of which must be received no later than 20 days after the date of this advice filing on July 15, 2024. Protests should be mailed to:

> CPUC, Energy Division
> Attention: Tariff Unit
> 505 Van Ness Avenue
> San Francisco, CA 94102
> Email: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address as above).

In addition, protests and all other correspondence regarding this AL should also be sent electronically to the attention of:

Wade Stano
Senior Policy Counsel
MARIN CLEAN ENERGY
1125 Tamalpais Avenue
San Rafael, CA 94901
Telephone: (415) 464-6024x104
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Alice Havenar-Daughton
VP of Customer Programs
Marin Clean Energy
1125 Tamalpais Avenue
San Rafael, CA 94901

Phone: (925) 378-6730
ahavenar-daughton@mcecleanenergy.org

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

IX. CORRESPONDENCE

For questions, please contact Wade Stano at (415) 464-6024x104 or by electronic mail at wstano@mceCleanEnergy.org.

 /s/ Wade Stano

Wade Stano
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Appendices
Attachment A: *MCE Small Business Energy Advantage Program Implementation Plan (Draft)*; and
Attachment B: *MCE Small Business Energy Advantage Program Webinar Slides*.

cc: Service List for R.13-11-005; A.22-02-005 et al.

DATED: June 24, 2024.

MCE

Small Business Energy Advantage Program

Implementation Plan

MCE02e

May 30, 2024

Version 3.0

Table of Contents

Program Overview

Program Budget & Savings

Program Name
Small Business Energy Advantage Program

Program ID
MCE02e

Program Budget Table

MCE02e	2024
Admin	$9,253.34
Direct Implementation - Non-Incentive (DINI)	$877,356.10
Marketing	$25,000.00
Total	$911,609.44

Program Gross Impacts Table
N/A

Program Cost Effectiveness (TRC)
N/A

Program Cost Effectiveness (PAC)*
N/A

Type of Implementer
Third-Party Delivered

Market Sectors
Commercial

Program Type (resource/non-resource)
Non-Resource

Market Channels and Intervention Strategies
Downstream

Implementation Plan Narrative

Program Description

The MCE Small Business Energy Advantage Program ("Program"), Implemented by Resource Innovations ("Implementer"), stands out from traditional energy efficiency (EE) programs due to a unique approach tailored to the needs of small businesses operating in underserved populations. Specifically, the Program aims to deliver meaningful bill savings and EE education to businesses located in Environmental and Social Justice (ESJ) Communities and businesses that meet the definition of Hard-to-Reach (HTR).

The Program recognizes the historical challenges small businesses face. They are often overlooked by conventional EE programs and miss out on access to valuable resources. This lack of equitable resource distribution to smaller customers can be linked to traditional program design, where performance metrics focus heavily on energy savings and cost-effectiveness. Ultimately, these performance metrics make it too costly for program implementers to adequately provide outreach and resources for small businesses in ESJ Communities.

To overcome these barriers to access, the Program establishes local partnerships through an Outreach Partner Network overseen by Environmental Innovations and comprised of the California Green Business Network (CAGBN), Green Business Programs (GBPs), and Community-Based Organizations (CBOs). The Outreach Partner Network engages businesses where they are and in the language they speak. Moreover, the Program offers low- and no-cost improvements designed to provide real-world impacts like reduced energy bills and other Non-Energy Benefits (NEBs) such as health, safety, and comfort improvements.

Ultimately, the Program's performance metric is **equity**, and success is measured by the Program's impact on ESJ Communities by improving the resiliency of small businesses that serve them.

The core objectives of this program are as follows:

1. **Equitable Access:** Ensure that small businesses operating in ESJ Communities and those identified as HTR have equitable access to energy efficiency resources and support, addressing historical challenges and disparities in resource distribution.

2. **Meaningful Bill Savings:** Deliver significant bill savings to participating businesses by implementing low- and no-cost energy efficiency improvements, alleviating financial burdens, and enhancing economic sustainability within underserved populations.

3. **Local Outreach:** Collaborate with local partnerships through the Outreach Partner Network to provide tailored EE education and outreach efforts, meet businesses where they are, and address language and accessibility barriers to ensure effective engagement and participation.

4. **Resilience and Community Impact:** Measure success through the improvement of resilience among small businesses serving ESJ Communities, with a focus on enhancing their ability to withstand environmental and economic challenges.

5. **Workforce Development and Training:** Provide training and employment opportunities for individuals from disadvantaged communities to become program installers, fostering economic mobility and contributing to long-term socio-economic development within underserved populations.

Program Delivery & Customer Services

The Program is designed to offer comprehensive benefits to small business owners in ESJ communities and those who meet the definition of HTR, focusing on energy education, energy savings, bill savings, and additional non-energy benefits. As part of this initiative, the Program's Outreach Partner Network engages with business owners to screen for eligibility, review Program offerings, and provide detailed energy education. This education begins with an introductory overview of the Program, including high-level insights into the measures proposed, along with potential energy and cost savings. To reach customers effectively, the Program leverages existing localized communication channels through partnerships with CBOs and GBPs. Outreach efforts include in-person meetings, door-to-door campaigns, phone calls, and emails to ensure broad and effective communication.

Interested customers can begin their participation by working with Program staff to verify their eligibility through a web-based customer portal. Once confirmed as eligible, they are enrolled to receive a no-cost facility assessment. Initially, Outreach Partners may conduct a preliminary assessment to identify and immediately install basic measures that do not require a permit or license. If more advanced measures are of interest, customers can select an Installer who meets their specific needs, such as language preference, Better Business Bureau rating, and positive customer reviews. The Implementer may also assign installers based on geography, sub-specialty, etc.

Once chosen, the Installer schedules and performs a comprehensive facility assessment and reviews potential improvements with the customer. During this phase, customers receive further education about the no- and low-cost measures being proposed. A detailed Project Plan is then created based on this assessment, and the customer may proceed by signing a Project Application, which formally initiates the installation process.

Once the selected measures are installed, the customer is provided with a final report detailing the expected energy savings, bill savings, and non-energy benefits. The customer will also receive information regarding additional MCE administered EE programs for which they may be eligible. To wrap up the process, the Implementer follows up with the customer and may complete a site inspection to verify the quality of installed measures and ensure customer satisfaction.

Two Pathways to Program Participation:

The Program aims to ensure that all eligible participants receive benefits from Program services even if energy saving measures are not installed. All small businesses owners that enroll in the program are provided with energy saving education, facility assessments, and information on complimentary programs. These customers are considered Market Support Participants (MSPs).

MSPs are connected with qualified Program Installers to review potential bill-reducing EE upgrades and choose which no-cost or reduced-cost measures to install. Customers who elect to install energy saving projects offered by the Program are considered Resource Acquisition Participants (RAPs).

The Program's goal is to provide 1,200 customers with MSP services and 900 customers with RAP services over the three program years.

Target Audience:

The Program focuses exclusively on small businesses located in Environmental and Social Justice (ESJ) Communities and/or meet the criteria of Hard-to-reach (HTR). ESJ Communities are defined by the California Public Utilities Commission (CPUC) as populations located in Disadvantaged Communities (DACs), Low-income census tracts, and/or tribal lands. Qualifying small businesses must have a peak demand of 50kW or less and have five or fewer locations.

Target Audience Definitions:

- **Disadvantaged Communities (DACs)**

  DACs are communities designated by CalEPA, pursuant to SB 535 (De León), using the California Communities Environmental Health Screening Tool (CalEnviroScreen). CalEnviroScreen was developed by the Office of Environmental Health Hazard Assessment (OEHHA) to identify communities in California most burdened by pollution from multiple sources and most vulnerable to its effects, considering socioeconomic characteristics and underlying health status. Disadvantaged communities are identified by:

  i. Census tracts receiving the highest 25% of scores in CalEnviroScreen 4.0.
  ii. Census tracts lacking overall scores in CalEnviroScreen 4.0 due to data gaps but receiving the highest 5% of CalEnviroScreen 4.0 cumulative pollution burden scores.
  iii. Census tracts identified in the 2017 DAC designation as disadvantaged, regardless of their scores in CalEnviroScreen 4.0.

- **Low-income census tracts**

  Census tracts where aggregated household incomes are less than 80 percent of area or state median income (AMI). For the purposes of the Program, county-specific AMI is used to determine eligibility due to much higher local median income levels compared to statewide.

- **Tribal Land**

  Land within any Indian reservation as defined in 18 U.S.C. 1151 subsection (a).

- **Hard-to-Reach (HTR)**

If a business is not located in a Federally recognized California Native American tribal region, then the qualifications to meet the HTR criteria vary based on the geographic location of the business, as follows:

(1) If a business is located within the San Francisco Bay Area, then it must meet all three of the following barriers:
    i. Language – Primary language spoken is other than English and
    ii. Business Size – Fewer than 25 employees and/or demand is equal to or less than 20kW and/or gas consumption under 10,000 therms annually, and
    iii. Leased / Rented Facilities – Investments in improvements to a facility rented or leased by a participating business customer.

(2) If a business is located outside the San Francisco Bay Area, it qualifies as a hard-to-reach business if it meets one of the three barriers listed in (1).

Customer Outreach:

To reach the target audience, the Program leverages a network of local small business-focused Outreach Partners, made up of Green Business Programs (GBPs) and Community Based Organizations (CBOs). This Outreach Partner Network is equipped with tools, training, and support to actively promote the Program within their communities. Additionally, CBOs and GBPs enrolled as Outreach Partners are eligible to receive compensation for outreach efforts through dedicated program funds and leveraging outside grants.

Market Support Strategies:

The Program leverages a multi-channel approach to reach customers effectively. Channels include:

- **Program Webpage:** The webpage serves as the educational center for all marketing materials and program enrollment processes. It provides comprehensive information, helping businesses understand various program participation options.
- **Collateral:** Educational materials that convey program offerings, the energy and non-energy benefits associated with projects and information on other complimentary programs.
- **Social Media Engagement:** Social media platforms of CAGBN are utilized to promote the Program to existing and prospective Certified Green Businesses, ensuring a broader and more engaged audience.
- **Direct Mail Campaigns:** Direct mail campaigns are specifically designed to target businesses in ESJ Communities. These campaigns use customer information and market analysis to reach the target audience.
- **Door-to-door Campaigns:** The Program identifies key Disadvantaged Communities and Low-income neighborhoods to conduct door-to-door field campaigns. Local Outreach Network CBOs are called upon to join Program and city staff to walk into small businesses and engage directly with owners and managers.

- **Community Events:** The Program ensures presence at community events within targeted communities. This direct engagement helps build connections and increases Program visibility.
- **Customer Surveys:** The Program conducts customer satisfaction surveys after project completion. This feedback is used to understand customer experiences and improve future outreach and Program experiences.

Project Facilitation Tool:

The Program employs a sophisticated project facilitation tool called iEnergy OnSite that streamlines assessments and program participation. iEnergy makes it easy for program staff to develop and present a full report with qualified measure opportunities, information on other complimentary programs, and tips for businesses to lower their energy burden.

Program Incentives:

The Program has selected a comprehensive list of measures designed with small businesses in mind that include no-cost Direct Install (DI) upgrades and reduced-cost Point of Sale (POS) measures. The Program incentives for DI measures are capped at the measure cost making them free to the customer. For POS measures, the Program offers a set incentive amount with the understanding that it may not cover the entire cost and require a customer co-pay. Further details on the list of Program measures and incentives are found in the supporting documents section under Incentive Tables for Measures, Measure Packages.

Non-Energy Benefit Focus:

In addition to energy savings, Program measures have been selected to provide non-energy benefits such as bill savings, healthier environments, occupant comfort, and safety improvements.

For example, installing energy efficient air purifiers improve indoor air quality helping to mitigate the impacts of asthma and other respiratory concerns. Additionally, improved interior lighting has been shown to reduce sick days and increase employee productivity, while improved exterior lighting provides better visibility to reduce accidents and potential crime. To measure these non-energy benefits, every business receives a follow-up survey assessing their satisfaction with the work and qualitatively evaluating health and safety benefits.

Program Services Provided:

- **Single Point of Contact** - Concierge-level service supporting customers from enrollment through installation and offering referral service to other MCE programs,

- **Energy Education** – Offer educational information and tips on best practices that could help businesses save energy and money,

- **Facility Assessment** - A site-specific assessment and report with easy-to-understand energy savings opportunities,

- Incentivized Projects - Direct installation of no-cost (DI) and discounted point-of-sale (POS) projects by a qualified Installer,

- Financing Opportunities - To further ease financial barriers, the Program may integrate financing options like On-Bill Financing (OBF) and GoGreen Financing, and leverage funding from other programs.

Program Timeline:

February 2024	March 2024 – April 2024	May 2024 – July 2024	August 2024 – December 2026
Program Implementation Plan Weekly meetings to develop PIP **Measure Development** Identify active & retired measure packages; MCE-approved calcs Identify non-energy benefits **Installer Recruitment** Deliver initial Installer Roster to MCE for review/approval/input Finalize Installer Roster	**M&O Plan** Implementer/EI to collaborate with MCE Public Affairs team Coordinate with MCE brand **Agreement Development** Customer Enrollment Terms, Customer Participation Agreement, Installer Participation Agreement	**Execute Subcontract with EI and Installers** **Software Configuration** Set up connection to MCE customer data Requirements gathering Configure iEnergy PUX, Onsite, TAC, and iEPM User training (Trade Allies, GBPs, CBOs) **CRM Integration** Implementer to deploy API with MCE CRM Define data requirements for ongoing data exchange **CPUC Public Webinar & Slide Deck**	**Customer Outreach** **Identify & Initiate 1 Community Campaign in partnership with MCE and City Staff** **Installer Referrals, Assessments & Installations** **Continuous Improvement of Systems & Processes** System configuration based on learnings Identification of new measures and/or service offerings Performance management of subcontractors and Installers **Identify & Initiate 2-4 per year Community Campaigns in partnership with MCE and City Staff** **Expected program completion date:** 12/31/2026

Program Design & Best Practices

The Program is designed to overcome the unique barriers small business owners in ESJ communities face. Through the Outreach Partner Network, the Program aims to reduce traditional access issues by increasing awareness of program benefits and incentives at the local level. Sophisticated technologies like the iEnergy OnSite tool help simplify the customer's journey and reduce the time businesses owners spend selecting and installing bill-saving upgrades. To overcome upfront cost burdens, the Program provides comprehensive no-cost and low-cost measures designed to bring tangible benefits to the business owner.

Market Barriers:

Small business owners in low-income and disadvantaged communities often face formidable barriers when considering energy efficiency upgrades. One of the primary challenges is access and awareness of program resources as typical incentive programs tend to overlook these businesses, either due to their geographic location or their perceived lack of profitability. Additionally, many small business owners in these areas struggle with limited access to capital or credit, making it difficult to fund the upfront costs associated with energy efficiency improvements.

Language barriers further exacerbate the issue, as some business owners may struggle to navigate complex application processes or understand the benefits of participating in such programs. Moreover, time constraints weigh heavily on small business owners who are already stretched thin managing day-to-day operations, leaving little room to dedicate to researching and implementing energy efficiency upgrades. Furthermore, a lack of trust in the program stemming from historical disenfranchisement or skepticism about energy savings claims may lead business owners to avoid enrolling. Addressing these barriers requires tailored outreach efforts, simplified application processes, and strategic partnerships with community organizations to build trust and facilitate participation in energy efficiency programs.

This program is designed to address these identified barriers to participation as detailed in the table below.

Equity Market Barriers	Barrier Impacts	Program Strategies
Costly outreach and delivery to underserved communities	• Costly outreach can limit the reach of programs which can restrict access to resources for small businesses. • DACs and Low-income neighborhoods are disproportionately affected which perpetuates the issue of who gets to enjoy program benefits.	• Program's primary outreach focus is on Underserved Communities. • Program enlists local CBO's and GBPs to join the Outreach Network to magnify messaging to these communities. • Program partners with city staff and CBOs to conduct door-to-door campaigns in Underserved Communities.

Lack of trust in institutions	• Historically underserved businesses may be skeptical of government or utility assistance leading to rejection of program offerings.	• Outreach Partner Network consists of local agencies with ties in the communities who help build trust in Program offerings.
Language barriers	• Small business owners who speak English as a second language may not understand or be exposed to program offerings.	• Outreach Partner Network consist of CBOs that offer assistance in multiple languages. • Program marketing materials and webpage are displayed in multiple languages.
Small businesses often lack the time to manage the complicated process of installing EE equipment	• Time costs for researching EE equipment, selecting contractors, and scheduling the installation lead overworked business owners to neglect energy saving upgrades.	• Program's iEnergy tool streamlines the program enrollment, assessment, and selection of upgrades which reduces the time required of business owners. • Installers work around the customer's schedule.
Lack of capital or lack of credit	• Costly energy audits stop customers from even beginning the process. • Business owners can't afford large up-front cost projects. • Customers with bad credit can't get loans for improvement projects. • Customer chooses lowest hanging fruit upgrades and neglect other costlier improvements.	• Program Installers and Outreach Partners provide free site assessments. • Program offers no-cost measures in addition to reduced-cost measures to lower or negate upfront costs. • Program offers financing options like On-bill financing and Go Green Financing.

iEnergy OnSite Technology:

Implementer, Outreach Partner Network, and Installer Network staff use the iEnergy OnSite tool to streamline business participation and ensure data accuracy. iEnergy Onsite tool helps to simplify the customer experience by making it easy to verify eligibility, enroll, review their project plan, and select available program offerings. For Program Installers and Outreach Partners, the tool helps facilitate assessments by cataloging proposed and accepted measures and makes it easy to create and present program offerings to customers. For the Implementer and MCE, the tool assists with Installer management, Quality Assurance (QA), measure verification, reporting and data management, energy savings verification requirements, and complete project close-out activities.

iEnergy OnSite also helps ensure project quality and data accuracy by:

- Prompting The Outreach Partner Network to capture leads and confirm business and site eligibility
- Capturing business authorization and electronic signatures
- Reviewing all relevant customer systems and equipment, eligibility, and spaces to confirm project comprehensiveness
- Requiring and capturing all critical facility, project, and measure information
- Automatically calculating accurate energy savings, bill savings, and incentives
- Prompting Installers to submit projects, take photos, and capture required supporting documents to complete applications and scopes
- Providing the Outreach Partner Network, Installers, and MCE staff with virtual assessment and inspection capabilities to connect with businesses remotely, capture photos, and make real-time notes.

Program Tracking and Reporting via iEnergy:

The Program uses iEnergy to collect, store, track, and report on data for the Program at the business, funding, measure, project, and Program levels. Through the system's analytics and dashboards, Implementer can quickly view Program performance related to budgets and actual projected savings or dive into specific data to analyze project details and better understand trends.

Installer Network Management via iEnergy:

The Implementer team establishes, manages, and maintains the Installer network using iEnergy's Trade Ally management module. The module's dashboards and reporting provides insights on performance and enables tracking of annual and year-over-year metrics (e.g., number of projects, bill savings, energy savings) for individual Installers and the entire network. Implementer also uses the platform to monitor Installer licensure status and project performance, distribute Program updates, announcements, and post-training resources.

Organization Chart:

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┌─────────────────────────────┐
│           MCE:              │
│   Program Administrator     │
└─────────────────────────────┘
              │
┌─────────────────────────────┐
│   Resource Innovations:     │
│    Program Implementer      │
└─────────────────────────────┘
         │              │
┌──────────────┐  ┌─────────────────────────────┐
│  Installer   │  │ Environmental Innovations:  │
│   Network    │  │  Outreach Partner Network   │
└──────────────┘  └─────────────────────────────┘
              │                        │
┌─────────────────────────────┐  ┌─────────────────────────────┐
│ Community Based Organizations│  │  Green Business Programs    │
└─────────────────────────────┘  └─────────────────────────────┘
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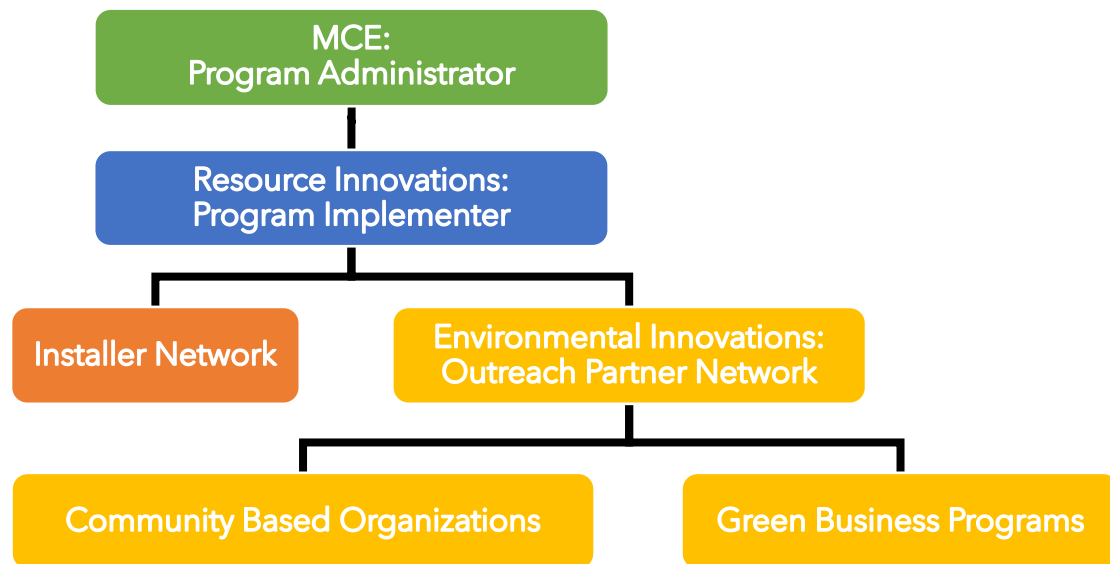
Innovation

N/A

Metrics

Category	Description of Metric or Indicator	Type: Metric or Indicator
Customers Served/Participants	Count of equity target participants in equity segment, by sector	Metric
	Count of participants in market support segment, by sector	Metric
	Count of participants in resource acquisition segment, by sector	Metric
	Percentage of equity participants in equity segment, by sector	Metric
	Percentage of hard-to-reach participants in portfolio	Metric
	Percentage of disadvantaged community participants in portfolio	Metric
Bill Savings	Sum of equity target participants' expected first-	Metric

	year bill savings in equity segment, by sector	
	Median of equity target participants' expected first-year bill savings in equity segment, by sector	Metric
Energy Savings	First year annual and lifecycle ex-ante (pre-evaluation) gas, electric, and demand savings (gross and net, kWh, kW and Therms)	Metric
Greenhouse Gas Emissions	Sum of all equity segment participants' greenhouse gas reductions (in tons of carbon dioxide equivalent) in equity segment	Indicator
Contractors/Workers Served	Total # of contractors and/or workers served by Equity Segment Programs	Indicator
	Total # of contractors and/or workers that are disadvantaged workers or otherwise underrepresented, who are directly involved in implementing Equity Segment programs	Indicator
	Total # of companies/non-profits who are Diverse Business Enterprises (DBE) or otherwise underrepresented (e.g., BIPOC-owned) with contracts to implement Equity Segment programs	Indicator
Energy, Climate, and Non- Energy Benefits	Sum of all equity segment participants' TSB [Total System Benefits] in equity segment	Indicator
	Health/Comfort/Safety - "non-energy benefits" in "counts of participants receiving this benefit".	Indicator
	Reporting at least one of: Indoor air quality, Outdoor air quality (e.g., reduction in emissions from gas combustion appliances that vent to nearby outdoor air), Reduction in interior contaminants/biologics, reduced drafts, quieter interior, managed interior temp, other	Indicator

Key Performance Indicator Schedule:

KPI	Description	Target	KPI Data Source	Reporting Frequency	Purpose of KPI
Project Pipeline	Total number of MSP and RAP projects completed	1,200 MSPs 900 RAPs	iEnergy reporting platform	Quarterly	Program performance: reflects ability to deliver Program customer acquisition targets
Hard-to-Reach Customers	Evaluates the number of program participants that meet the HTR definition	Target of 25% of the population of participants to be HTR	Per CPUC definition	Quarterly	Program performance: validates focus on equity customers
Disadvantaged Communities	Evaluates the number of program participants within DAC	Target of 75% of participants from DACs	As identified in CalEnviroScreen	Quarterly	Program performance: validates focus on equity customers
Disadvantaged Workers	Evaluates the number of workers that meet the CPUC definition of disadvantaged worker and are directly involved in implementing the program or installation of measures through the program	Target of 20% of assessments performed by disadvantaged workers (determined by employee's home address zip code)	Implementer Survey Administration	Quarterly	Compliance: validates the involvement and recruitment of disadvantaged workers
Customer Satisfaction Rating	Measurement of Implementer's ability to respond to customer needs, resolution of complaints, flexibility, and timeliness	Target of 90% of Customer Feedback Survey respondents rating the program as satisfied or very satisfied	Customer Feedback Survey	Quarterly	Program performance: reflects ability to deliver Program at a high level of customer satisfaction
Annual Bill Savings	Evaluates the effectiveness of the program at installing	Target of average annual utility bill	iEnergy reporting platform	Quarterly	Program performance: track program success

	measures with quantifiable utility bill savings	savings of $300-$600 per participant			at achieving customer utility bill savings
Measure Installation Pass Rate	Evaluates quality of measure installation per MCE or Implementer inspections	Target of 90% or greater pass rate	Per post-inspection findings	Monthly	Program performance: track program success at quality installations and accurate in-field reporting
Non-Energy Benefits	Evaluates the number of participants that report receiving non-energy benefits such as health, comfort and safety	Target of 70% of participants reporting receiving non- energy benefits	Customer NEB Survey	Quarterly	Program performance: Validates the added benefits of measures such as improved lighting or indoor air quality
Energy Savings	Sum of net lifecycle energy savings achieved vs. net lifecycle energy savings	N/A	iEnergy reporting platform	Monthly	Program performance: track program success at achieving energy efficiency savings

For Programs Claiming To-Code Savings

Where to-code savings potential resides:

1. The following measures will claim to-code savings:
   - Pipe insulation (SWWH017-02)
   - Smart outlets and timers for vending machines (SWAP011-03)
   - Variable Frequency Drive (VFD) motors (SWHC018-03)
2. Equipment types, building types, geographical locations, and/or customer segments that promise cost-effective to-code savings:
   - Based on estimates developed by Implementer, the to-code measure with the highest potential impact is pipe insulation. The most cost-effective measures are expected to be VFD motors and pipe insulation. Restaurants and retail stores are the building types that are expected to install the largest quantities of these measures.
3. Barriers that prevent code-compliant equipment replacements:
   - Due to common characteristics of Small Businesses, such as leased facilities, lack of capital to invest, unfamiliarity with EE opportunities, and competing priorities. Many small businesses have neglected their equipment, which leads to more inefficiency in their performance. This Program is designed to target these types of businesses to ensure their below-code equipment is brought up to code or exceeds code by providing financial resources and EE education.
4. Why natural turnover is not occurring within certain markets or for certain technologies:
   - Natural turnover is occurring slowly for small businesses for the same reasons listed above—leased facilities, lack of capital to invest, unfamiliarity with EE opportunities, and competing priorities. The to-code measures that the Program is incorporating are ones that are more proactive than reactive. Pipe insulation, smart outlets and timers, and VFDs are not required to maintain the operations of a facility. The addition of these measures improves performance but requires investment by the business. VFDs are not visible and may perform poorly or not at all but may not be noticed by the business until a major maintenance issue occurs. These technologies improve EE by proactively implementing a project that will either prevent problems or improve operations. Without intervention, the business could continue to operate these facilities without any change, therefore not driving natural turnover while paying for more energy than necessary.
5. Program interventions that will effectively accelerate equipment turnover:
   - Partners within the Outreach Partner Network and Installers will perform comprehensive energy assessments to identify and educate the business on opportunities to reduce energy costs by proactively installing measures that reduce the usage of their equipment. The Installer will also perform DI services to replace the equipment at no cost to the business. By providing a turnkey experience, the business will receive services faster with less effort to schedule and oversee the installation. The installation process will also have minimal impact on operations, which doesn't impact the ability of a business facility to stay open.

Pilots

N/A

Workforce Education and Training

N/A

Workforce Standards

HVAC Measures:

Certain HVAC measures within the Program are likely to exceed the incentive thresholds set within D.18-10-008 and, therefore, require that all Installer employees involved with the installation of those measures meet the CPUC's specified workforce standards. Implementer will coordinate with HVAC training and education organizations to identify contractors that have the CPUC-mandated certifications and provide resources to other Installers as to how they can obtain the required certifications. For all projects and for each measure installed, modified, or maintained in a non-residential setting where the project is seeking an EE incentive of $3,000 or more, Implementer shall ensure that each worker or technician involved in the project meets at least one of the following criteria:

- Enrolled in and/or completed an accredited HVAC apprenticeship
- Completed more than five years of work experience at the journey level per the California Department of Industrial Relations definition, passed competency tests, and received specific credentialed training
- Has a C-20 HVAC contractor license issued by the California Contractor's State Licensing Board

Advanced Lighting Control Measures:

It is expected that lighting controls will be required for some projects, such as high/low bay LED lighting installations. In accordance with CPUC requirements, for all lighting projects and for each lighting measure eligible for an energy efficiency incentive of $2,000 or more, Implementer will ensure that all workers or technicians involved in the project are certified by the California Advanced Lighting Controls Training Program (CALCTP).

Implementer will verify that the Installer employees involved with these projects meet or exceed the CPUC standards by tracking certifications and training through the iEnergy software platform. Participating Installers will be required to provide documentation of the applicable licensing, certifications, or training for all participating staff. Through iEnergy, Implementer will be able to identify the Installers and staff that meet the HVAC workforce standards and support them in maintaining or achieving the necessary certifications and training to help ensure the highest quality installations.

Disadvantaged Worker Plan

The Implementer team collects information on disadvantaged workers employed by the Installer and subcontractors by sending them voluntary surveys for distribution to their workforce on an annual basis to track their inclusion and training efforts. Metrics related to the participation of disadvantaged workers within the Program are tracked and reported quarterly.

Additional Information

N/A

Supporting Documents

Program Manual and Program Rules

The Program Manual will be provided as a separate document.

Program Theory & Program Logic Model

Program Theory:

The Program design enables success by driving business-focused benefits instead of those targeted by traditional programs (e.g., TRC, NTG, etc.), dramatically improving service provision to the intended customer categories. Business Bill Savings is a key metric, as well as other non-energy benefits realized by the business as a result of Program services; however, energy savings claims are also captured through eligible projects as they occur. Additionally, focus is given to recruiting a Program Installer network from within local participant communities to leverage relationships and trust established between these groups.

Ultimately, the Program aims to increase activity among underserved small businesses and their communities, facilitating long-term engagement between the participating businesses, the Installers that support them, and MCE.

Logic Model

BARRIERS	ACTIVITES (to address barriers)	OUTPUTS (results / deliverables)	OUTCOMES		
			Short-Term (12 months)	Mid-Term (24-36 months)	Long-Term (36+ months)
Program Complexities	Provide DI measures at no, or low, cost to the customer	• Simplified DI measure list • Incentives for highest value measures • Measure catalogue in Onsite Assessment Tool • Direct buy down of project costs	• Immediate realized benefits through streamlined process • Enhances customer trust and awareness of program offerings • 75% or more participants are from DAC locations • Well-trained, experienced Installer and CBO network to deliver program services • Targeted average of 5% in bill savings, with a priority for peak demand savings	• Delivery of cost-efficient energy sand HCS benefits • Significantly increased Small Business engagement and participation in ESJs/HTRs • Improved Installer presence and engagement with ESJ and HTR customers • Improved customer satisfaction • Increased Program awareness and participation in IDSM/ peak load reduction opportunities	• Achieve deep penetration with customers in ESJ / HTR communities with increased HCS and resilience as well as energy benefits • ESJ Goal 5: Enhanced outreach and public participation by ESJ communities in CPUC's decision-making process and benefit from CPUC programs • Ensure compliance with all CPUC policies while maintaining an element of nimbleness and flexibility that can ensure high stakeholder satisfaction • Increase adoption rates of EE and IDSM program that result in decreased GHG emissions in DACs
Difficult and Expensive to Reach and Serve	Leverage CBOs & local CAGBN coordinators	• Engaged, trusted program coordinators • Localized, engaged expertise • Increased awareness in EE benefits • Expanded awareness of other programs such as IDSM, EVs, etc. • High customer satisfaction			
Lack of Awareness, Incentive, and Technical Knowledge	Conduct targeted marketing and outreach in communities considered ESJs/HTRs	• Expanded, localized customer marketing and outreach specific to the needs of ESJs/HTRs/ prioritized areas • Messaging that speaks to the customer where they are (e.g. high fire areas, multilingual, segment specific)			
Lack of Time and Trust	Deploy a locally based Installer Network	• Pre-vetted, diverse Installer Network • Assessment tools provided to Installers • Provide on-going training, QA/QC, and inspections • Allow customer to choose Installers • Concierge level service to facilitate streamlined program participation			
Split Incentive	Develop tools to synthesize and facilitate participation in relevant DSM programs	• Offer energy assessments at no cost to the customer • Post-assessment, provide customer with optimized project plan that details project savings potential, incentive opportunities, other program options, and available financing tools • Offer opportunities for ongoing engagement, e.g., CAGBN certification			

Process Flow Chart

Outreach & Eligibility Screening → Assessment, Education, Project Plan & Measure Finalization → Measure Install → Installer Project Documentation Submission to Implementer → Inspection (Desktop Review & Random Selection for Onsite) → Incentive Payment to Installer → Implementer Project Reporting to MCE → Implementer Invoice to MCE → MCE Payment to Implementer

Incentive Tables for Measures, Measure Packages

| Measure Name	Energy Saving	Direct Install or POS	Measure Package ID	Direct Install Payment	POS Incentive per Unit	Measure Unit
Auto-door Closers – Freezer	Non-Resource	Direct Install	SWCR005-03	$350.00		Each
Door Gaskets (Glass & Solid Doors)	Non-Resource	Direct Install	PGECOREF105	$12.00		Linear Foot
Faucet Aerators	Resource	Direct Install	SWWH019-04	$14.45		Each
LED Lamps: Pin and Screw-base	Non-Resource	Direct Install	PGECOLTG165-06	$10.50		Lamp
LED Lamps: Type A Tubes	Non-Resource	Direct Install	SWLG009-04	$7.00		Lamp
LED Retrofit Kit: Interior General Downlight	Non-Resource	Direct Install	SCE17LG103-02	$25.00		Per fixture
LED Retrofit Kit: Interior General Troffer 1x4	Non-Resource	Direct Install	SWLG012-01	$150.00		Per fixture
LED Retrofit Kit: Interior General Troffer 2x2	Non-Resource	Direct Install	SWLG012-01	$175.00		Per fixture
LED Retrofit Kit: Interior General Troffer 2x4	Non-Resource	Direct Install	SWLG012-01	$205.00		Per fixture
Occupancy Sensors	Non-Resource	Direct Install	SCE13LG025-02	$155.00		Each
Pipe Insulation	Resource	Direct Install	SWWH017-04	$11.50		Linear Foot
Pre-rinse Spray Valves	Resource	Direct Install	SWFS013-03	$117.24		Each
Room Air Purifiers	Non-Resource	Direct Install	SWAP008-03	$419.50		Each
Smart Connected Power Strip	Non-Resource	Direct Install	SWAP010-01	$89.00		Each
Smart Thermostats	Non-Resource	Direct Install	SWHC039-07	$315.00		Each
Vending Machine Smart Outlets / Timers	Resource	Direct Install	SWAP011-04	$214.00		Each
Auto-door Closers – Cooler	Non-Resource	POS	SWCR005-03		$100.00	Each
ECM Retrofit for Walk-in Cooler or Freezer	Non-Resource	POS	SWCR004-02		$50.00	Each
Electric to Electric Water Heater	Resource	POS	SWWH031-03		$500.00	Each
Heat Pump: Replace a Gas Furnace	Resource	POS	SWHC046-03		$1,000.00	Tons
Heat Pump: Replace a Heat Pump	Resource	POS	SWHC014-04		$1,000.00	Tons

LED Exterior Area Lighting	Non-Resource	POS	PGECOLTG151-08		$100.00	Per fixture
LED Exterior Wall Mounted Lighting	Non-Resource	POS	PGECOLTG151-08		$75.00	Per fixture
LED Lamps: Type B Tubes	Non-Resource	POS	SWLG018-03		$10.00	Lamp
LED Lamps: Type C Tubes 2-lamp Fixture	Non-Resource	POS	SWLG018-03		$20.00	Per fixture
LED Lamps: Type C Tubes 3-lamp Fixture	Non-Resource	POS	SWLG018-03		$30.00	Per fixture
LED Lamps: Type C Tubes 4-lamp Fixture	Non-Resource	POS	SWLG018-03		$40.00	Per fixture
LED New Fixture: Interior General Linear Ambient 2 ft	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior General Linear Ambient 4 ft	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior General Linear Ambient 8 ft	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior General Troffer 1x4	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior General Troffer 2x2	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior General Troffer 2x4	Non-Resource	POS	SWLG012-01		$75.00	Per fixture
LED New Fixture: Interior High or Low Bay Lighting	Non-Resource	POS	SWLG011-04		$75.00	Per fixture
LED Retrofit Kit: Interior General Linear Ambient 2 ft	Non-Resource	POS	SWLG012-01		$50.00	Per fixture
LED Retrofit Kit: Interior General Linear Ambient 4 ft	Non-Resource	POS	SWLG012-01		$50.00	Per fixture
LED Retrofit Kit: Interior General Linear Ambient 8 ft	Non-Resource	POS	SWLG012-01		$50.00	Per fixture
Refrigerated Display Lighting	Non-Resource	POS	SCE13LG098-04		$12.00	Per fixture
Variable Frequency Drive Motors	Resource	POS	SWHC018-04		$50.00	HP
Window Film	Non-Resource	POS	SCE13HC002-02		$5.00	Square Foot

Quantitative Program Targets

The Program will serve 1,200 MSPs and 900 RAPs, conduct community engagement events per calendar year, report business bill savings, and track the ratio of administrative versus incentive dollars spent.

	2024	2025	2026	TOTAL
MSP	120	720	360	1,200
RAP	90	540	270	900
Community Engagement Events	1	4	2	7

Diagram of Program
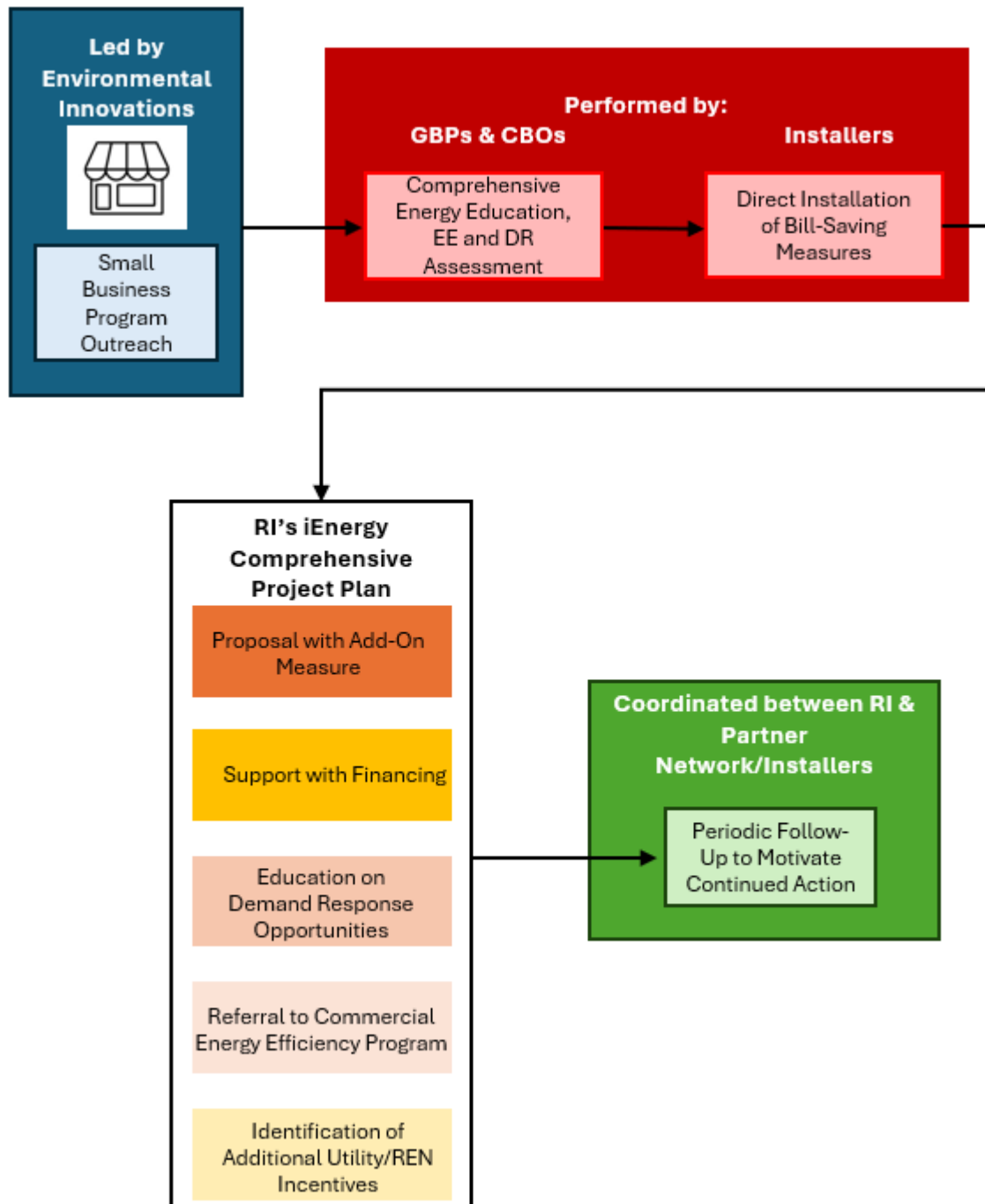
Evaluation, Measurement, and Verification

Project Verification and Post Inspection

The Program Implementer provides project verification and inspection tasks during the program cycle as detailed below.

Project Submission Requirements:

The iEnergy OnSite platform ensures that submission requirements are included when an Installer submits a project. Requirements include basic facility information that would apply to all measures. Each measure has a Measure Requirements document that elaborates on specific data required, such as pre- and post-photos, equipment specifications, and customer invoices.

Desktop Review Process:

When an installer submits a project, the Implementer starts a desktop review for every project. In this review, each required data field is reviewed for accuracy. Any missing or inaccurate data is addressed and resolved before the desktop review is approved. Once approved, incentive payments are initiated unless the project is subject to an inspection (below), in which case payments will not be initiated until the inspection is completed.

Inspection Process:

The first five (5) projects from each Installer will be inspected on-site by Implementer. Thereafter, 10% of projects are reviewed at random. The inspection process is initiated when a final installed project scope and associated documentation are submitted and run parallel to the desktop review (above). The iEnergy OnSite platform automatically selects projects within 10% of projects to inspect and initiates the inspection. The on-site inspection reviews each measure and reconciles submitted data with field findings. Any discrepancies are addressed and resolved before the project passes.

Installer Performance Evaluation:

Once incentive payments are issued, a customer survey is emailed to the customer. The survey asks several questions about their experience with the Program and their Installer. Installers are required to meet a minimum customer ranking to continue participating in the Program. Additionally, Installers are required to achieve a minimum threshold regarding project reviews and inspections. Installers not meeting these standards will not be allowed to begin new projects.

Program Evaluation

Program Implementer conducts a quarterly Program evaluation to assess and enhance its effectiveness by monitoring detailed performance indicators and collecting feedback from stakeholders. This quarterly Program evaluation is presented to the Program Administrator and process improvements are then integrated into the program as appropriate. The program evaluation process is detailed below.

Key Performance Indicators (KPIs):

The Program evaluates its KPIs on a quarterly basis by collecting and analyzing data related to energy savings, bill savings, and participant engagement to assess its impact. Each quarter, Program data and feedback from customers, contractors, and partners are collected to assess progress against goals and identify areas for improvement. Please see "Metrics" section for specific information related to specific KPIs.

Measurement Tools and Methods:

- **Surveys and Questionnaires:** For gathering qualitative and quantitative feedback from customers.

- **Data Analytics:** Utilizes the iEnergy platform to analyze installation data, customer reach, and participation rates, among other metrics.

Process for Making Improvements:

- **Data Review and Analysis:** At the end of each quarter, compile and analyze all collected data to identify trends related to customer enrollment, customer type, measures installed, etc.
- **Stakeholder Meetings:** Conduct meetings with key stakeholders to discuss findings and solicit suggestions.
- **Adjustment of Strategies:** Based on feedback and analysis, make necessary adjustments to program strategies, targeting outreach, installation processes, measure types, and customer engagement techniques.
- **Implementation of Changes:** Apply changes to the program and monitor the effects of these adjustments in the subsequent quarter to gauge effectiveness.
- **Continuous Feedback Loop:** Maintain an ongoing mechanism for collecting and integrating real-time feedback from all stakeholders to keep the program dynamic and responsive to needs.

By implementing this structured evaluation plan, the Program aims to continuously improve its performance, enhance stakeholder satisfaction, and increase its impact on the communities it serves. This approach ensures that the program remains adaptable and effective in meeting its goals and responding to evolving challenges and opportunities.

Normalized Metered Energy Consumption (NMEC)
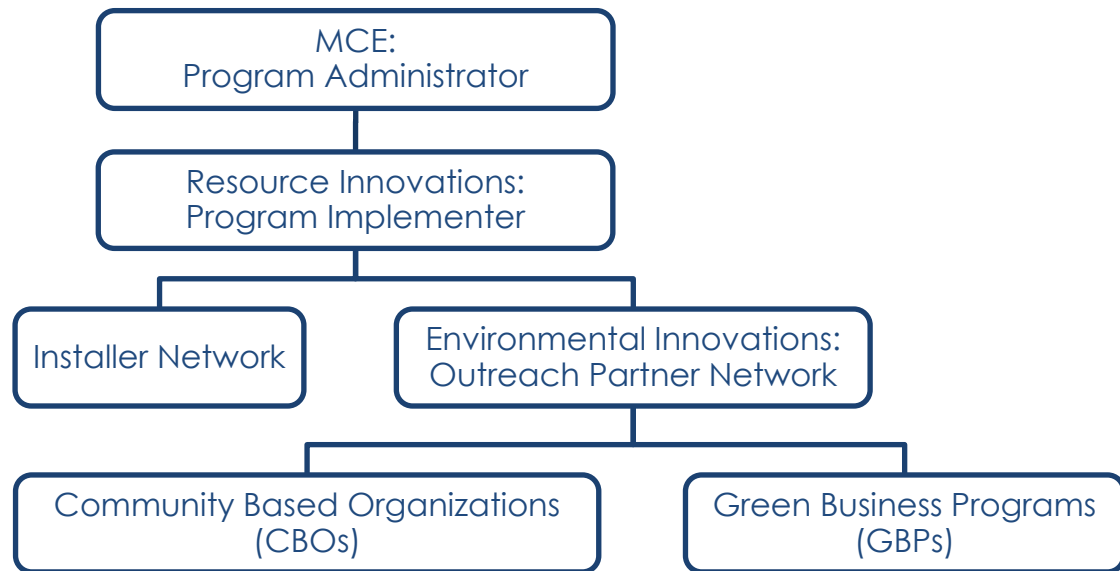N/A

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Agenda

1. Program Overview
2. Customers: Eligibility, Targeting & Strategies
3. Timeline
4. Q&A

Program Overview

Program Overview: Organization Chart

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                    ┌─────────────────────────┐
                    │          MCE:           │
                    │  Program Administrator   │
                    └─────────────┬───────────┘
                                  │
                    ┌─────────────┴───────────┐
                    │  Resource Innovations:  │
                    │   Program Implementer   │
                    └─────────────┬───────────┘
              ┌───────────────────┴──────────────────┐
    ┌─────────┴─────────┐          ┌──────────────────┴──────────────┐
    │ Installer Network │          │  Environmental Innovations:      │
    │                   │          │  Outreach Partner Network        │
    └───────────────────┘          └──────────────┬──────────────────┘
                              ┌──────────────────────┴──────────────────┐
                    ┌─────────┴─────────────────┐      ┌────────────────┴──────────┐
                    │ Community Based            │      │  Green Business Programs   │
                    │ Organizations (CBOs)       │      │         (GBPs)             │
                    └────────────────────────────┘      └────────────────────────────┘
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Program Overview: Summary

The MCE Small Business Energy Advantage Program, implemented by Resource Innovations, provides small businesses located in underserved communities with access to bill reducing energy efficiency upgrades that also offer health, comfort, and safety benefits.

Program Overview: Program Features

Small Business Focused Services and Measures

- Simple to participate
- Single point of contact for program engagement
- Relevant information and educational support
- Relevant no-cost and reduced-cost measures
- Custom software configured to support unique small business needs

Small Business Focused Team

- Green Business Partners provides a path to improved sustainability
- Community Based Organizations (CBOs) support local, community-oriented outreach
- Local Installer Network ready to serve small customers comprehensively and efficiently

Equity Status Enables Prioritization Benefits

- Bill cost reduction
- Non-Energy Benefits (NEBs)
- Meaningful customer service
- Steppingstones towards long-term engagement

Program Overview: Description

Goals: Provide bill savings and energy education to Environmental & Social Justice (ESJ) Communities and Hard-to-Reach (HTR) businesses.

Challenges: Addresses lack of resources due to traditional Energy Efficiency (EE) program designs.

Partnerships: Leverages local Outreach Partner Network

Engagement: Reaches businesses in their language and offers no-cost and reduced-cost improvements.

Impact: Reduces energy bills and enhances health, safety, and comfort.

Equity Metric: Measures success by improving small business resiliency in ESJ Communities.

Program Overview: Objectives

1. Equitable Access

2. Meaningful Bill Savings

3. Local Outreach

4. Resilience and Community Impact

5. Workforce Development and Training

Program Overview: Participant Pathways

Types of Participation:

Market Support Participant (MSP)	Resource Acquisition Participant (RAP)
Receives energy-saving education, facility assessments, and information on complimentary programs	Same as MSP
Connected with a qualified Program Installer to review potential energy efficiency upgrades	Same as MSP
May choose which no-cost or reduced-cost measures to install	Same as MSP, and elects to install energy saving project offered

*The Program's goal is to provide 1,200 customers with MSP services and 900 customers with RAP services over the three program years.

Program Overview: Customer Services

Services Provided:

- Single point of contact

- Energy education

- Facility assessment

- Incentives

- Financing opportunities

Program Overview: Barriers and Strategies

Equity Market Barrier	Impacts	Program Strategies
Costly Outreach and Delivery to Underserved Communities	Limits access to resources for small businesses, disproportionately affecting DACs and low-income neighborhoods	• Focus outreach on underserved communities. • Enlist local CBOs and GBPs in the Outreach Network. • Partner with city staff and CBOs for door-to-door campaigns
Lack of Trust in Institutions	Skepticism towards government or utility assistance, leading to program rejection	• Use local agencies within communities to build trust
Language Barriers	Non-English-speaking business owners may not understand or access program offerings	• Include CBOs offering multilingual assistance • Provide marketing materials and web content in multiple languages
Time Constraints	Overworked business owners neglect energy-saving upgrades due to time costs	• Utilize the iEnergy tool to streamline enrollment, assessment, and upgrade selection • Schedule installations around the customer's timeline
Lack of Capital or Credit	High costs prevent participation; limited credit options lead to neglecting costlier improvements	• Offer free site assessments. • Provide no-cost and reduced-cost measures. • Offer financing options like On-bill financing and Go Green Financing

Program Overview: Incentives

Direct Install (DI) measures:

- Incentive amount matches installation cost exactly
- No-cost to customers
- Include easier to install measures

Point of Sale (POS) measures:

- Incentive amount is fixed independent of installation cost
- Reduced-cost for customers
- Include more complicated upgrades

Program Overview: Measures

Tech Type	Direct Install (no-cost)	Point-of-Sale (reduced-cost)
Envelope		Window Film
HVAC	Smart Thermostats	Heat Pump Replacing a Gas Furnace
	Pipe Insulation	Heat Pump Replacing a Heat Pump
		Variable Frequency Drive Motors
IAQ	Room air purifiers	
Lighting	LED Lamps: Pin and Screw-base	LED Exterior Area Lighting
	LED Lamps: Type A Tubes	LED Exterior Wall Mounted Lighting
	LED Retrofit Kit: Interior General Downlight	LED Lamps: Type B Tubes
	LED Retrofit Kit: Interior General Troffer 1x4, 2x2, 2x4	LED Lamps: Type C Tubes 2, 3, & 4-lamp Fixture
	Occupancy Sensors	LED New Fixture: Interior General Linear Ambient 2, 4, 8 ft
		LED New Fixture: Interior General Troffer 1x4, 2x2, 2x4
		LED New Fixture: Interior High or Low Bay Lighting
		LED Retrofit Kit: Interior General Linear Ambient 2, 4, 8 ft
		Refrigerated Display Lighting
Plug Load	Smart Connected Power Strip	
	Vending Machine Smart Outlets / Timers	
Refrigeration	Auto Door Closer - Freezer	Auto Door Closer - Cooler
	Door Gaskets (Glass & Solid Doors)	ECM Retrofit for Walk-in Cooler or Freezer
Water	Faucet Aerators	Electric to Electric Water Heater
	Pre-Rinse Spray Valves	

Program Overview: NEBs

Non-Energy Benefits (NEBs)

- Bill savings
- Healthier environments
- Occupant comfort
- Safety improvements

Examples:
- Air purifiers
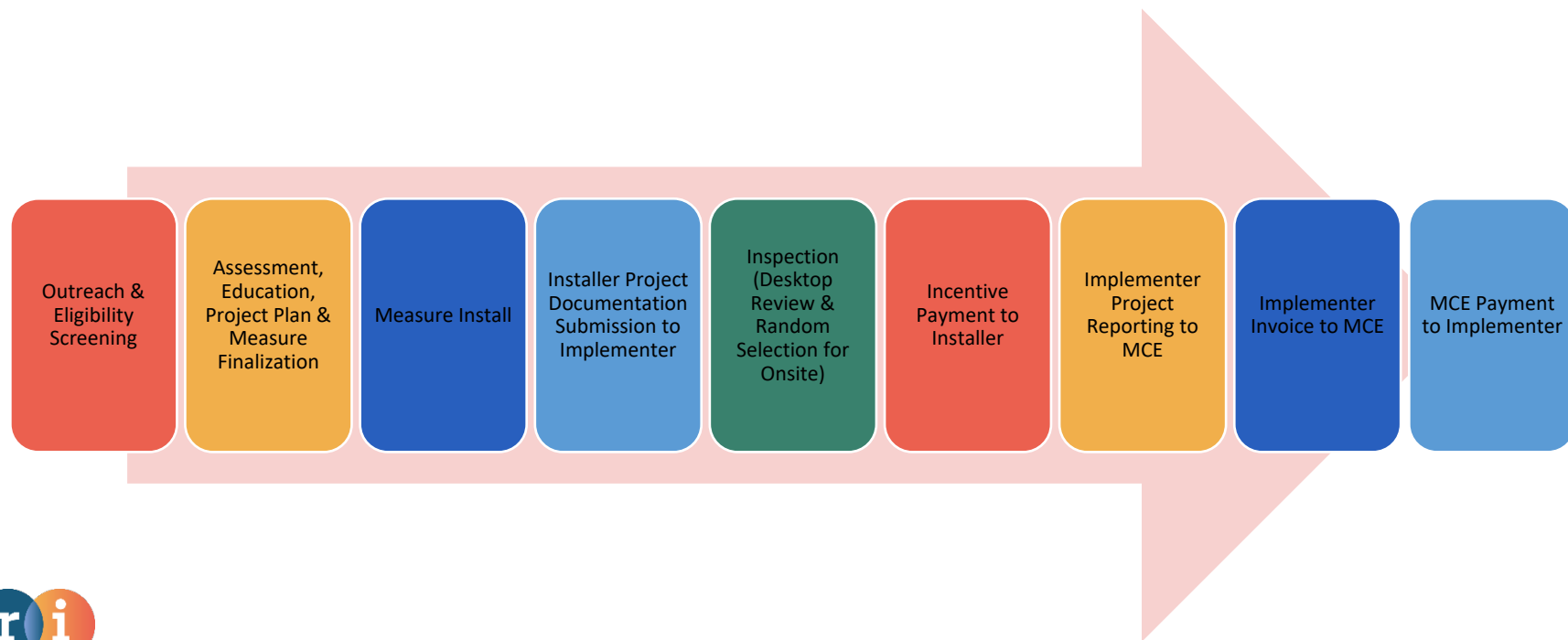- Interior lighting
- Exterior lighting

Program Overview: Success Metrics

Primary	Secondary
# Customers/Participants Served	Energy Savings
Bill Savings	Greenhouse Gas Emissions Reduction
NEBs	# Disadvantaged Contractors/Workers Served

Program Overview: Program Process

Outreach & Eligibility Screening → Assessment, Education, Project Plan & Measure Finalization → Measure Install → Installer Project Documentation Submission to Implementer → Inspection (Desktop Review & Random Selection for Onsite) → Incentive Payment to Installer → Implementer Project Reporting to MCE → Implementer Invoice to MCE → MCE Payment to Implementer

iEnergy

- Site assessment and facilitation

- Project facilitation

- Ensures project quality and data accuracy

- Facilitates program tracking & reporting

- Installer Network management via iEnergy

- Eligibility screening & enrollment
- Assessment details
- Document measure installations

Customers: Eligibility, Targeting & Strategies

Customers: Eligibility Part 1

- Eligible businesses must be located in MCE's service area,
- Have an active commercial PG&E account with a peak demand value of 50 kW or less,
- Not be considered a commercial chain (customer has less than 5 locations), and
- Operate within a designated ESJ Community or be considered Hard-to-Reach (HTR).

Customers: Eligibility Part 2

The Program focuses exclusively on small businesses located in Environmental and Social Justice (ESJ) Communities and/or meet the criteria of Hard-to-reach (HTR).

ESJ Communities are defined by the CPUC as:

- Disadvantaged Communities (DACs) (as determined by CalEnviroScreen),

- Low-income census tracts – (80% or below of county average median household income), and/or
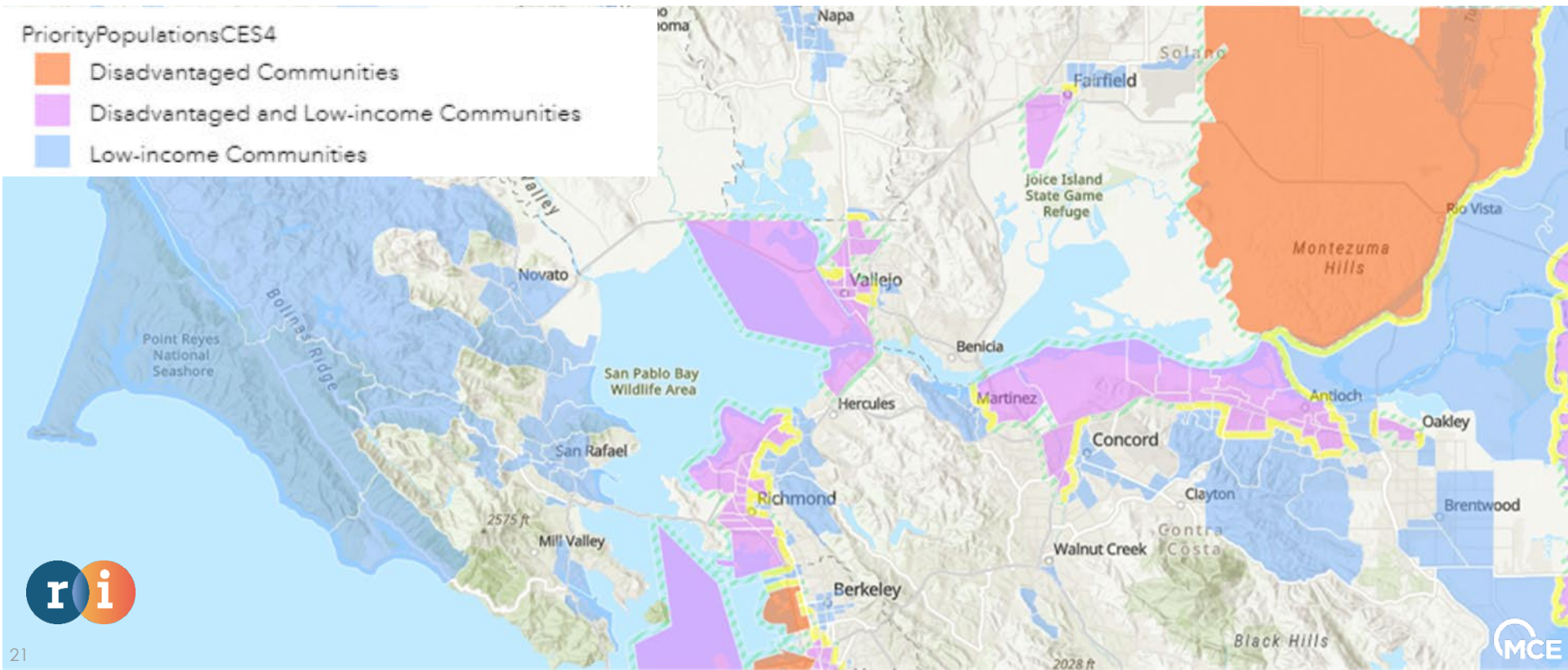
- Tribal Lands

HTR criteria:

- English as a second language,

- Less than 25 employees and/or less than 20 kW demand, and

- Rent or lease

Customers: Targeted Service Area

Customers: Targeting & Outreach

Outreach Partner Network

•The Program leverages a network of local small business-focused Outreach Partners, including Green Business Programs (GBPs) and Community-Based Organizations (CBOs)

•Outreach Partners are equipped with tools, training, and support to actively promote the Program within their communities

•CBOs and GBPs enrolled as Outreach Partners are eligible to receive compensation for outreach efforts through dedicated Program funds and leveraging outside grants

Customers: Market Support Strategies

PROGRAM WEBPAGE

COLLATERAL

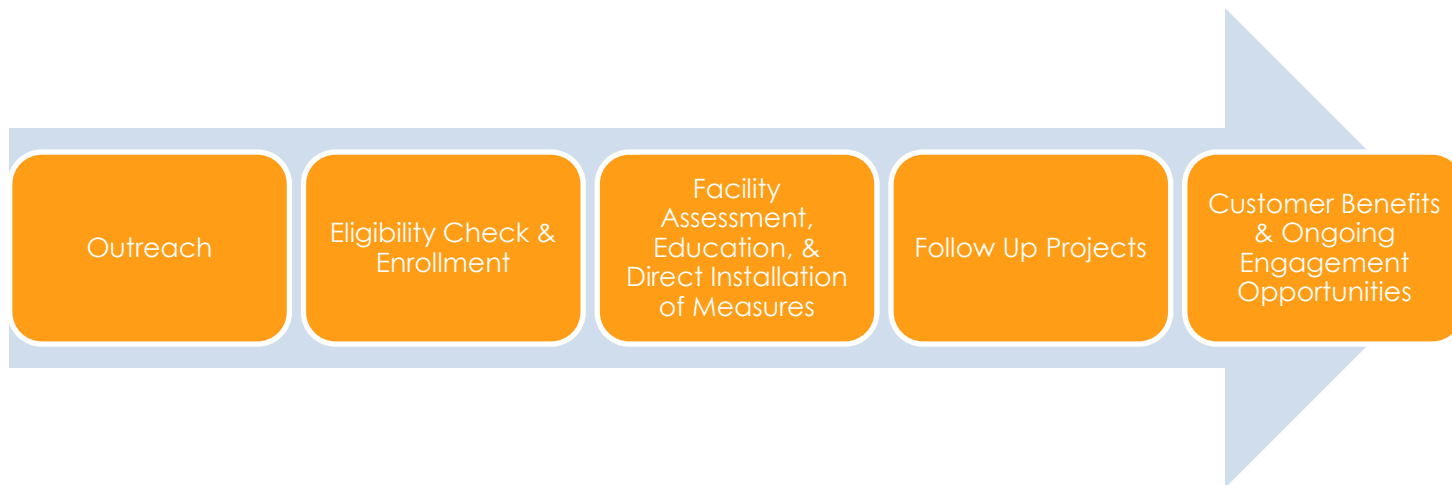SOCIAL MEDIA ENGAGEMENT

DIRECT MAIL CAMPAIGNS

DOOR-TO-DOOR CAMPAIGNS

COMMUNITY EVENTS

CUSTOMER SURVEYS

Customer Journey

Outreach	Eligibility Check & Enrollment	Facility Assessment, Education, & Direct Installation of Measures	Follow Up Projects	Customer Benefits & Ongoing Engagement Opportunities
CAGBN & CBOs Community Campaigns RI & EI Targeted Marketing	Same-Day possible Concierge service	Same-Day possible Assessment by EI and/or Installer Verification by RI	Increased Depth of Intervention Verification by RI	Customer Satisfaction Survey NEBs Assessment Referral to Relevant MCE Programs

Timeline

Program Timeline

February 2024	March – April 2024	May – July 2024	August 2024 – December 2026
• Program Implementation Plan • Measure Development • Installer Recruitment	• Marketing, Engagement & Outreach Plan • Customer and Installer Agreement Development	• Execute subcontracts with outreach and installation partners • Software Configuration • CRM Integration • CPUC Public Webinar	• Customer Outreach • Identify & Initiate Community Campaign in partnership with MCE • Installer Referrals, Assessments & Installations • Continuous Improvement of Systems & Processes • Expected program completion date: 12/31/2026

Q&A

Program Contact

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Thank You

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