

Molly:

Thank you everyone. My name is Molly Lunn and I'm with the Department of Energy. Welcome to our webinar today on Partnering Utilities and Other Energy Efficiency Program Administrators to Sustain and Grow your Initiatives. This webcast is being brought to you by our state and local Technical Assistance Program and we're very glad you could join us today. So we're just gonna start off by doing a quick introduction to what the Technical Assistance Program is for those of you who may not be familiar. The Technical Assistance Program provides resources to state, local, tribal, and K-12 officials to help them advance their clean energy policies, programs and projects, and we sort of see our work as supporting one of the department's key missions which is taking clean energy to scale through high impact efforts. So we've been around for quite a while now, about a decade, and with the Recovery Act winding down we sort of transitioned into a new framework and this slide here sort of lays out that framework. We're focusing now along size, key priority areas, and those are strategic energy planning, program and policy design and implementation, financing strategies, data management and evaluation measurement and verification and energy efficiency and water technologies.

And, obviously, this presentation that we're offering you today falls under our program and policy design implementation area. Within each of those areas we're working to develop resources so those can include general education materials, case studies, tools for decision making and protocols, and the new kind that we're going to introduce you to today sort of crosses a couple of these different buckets. It does include quite a number of case studies which we will talk about a little bit later on and does provide some sort of general background for those of you who aren't familiar with ratepayer-funded energy efficiency programs and how they work, but then it also provides some guidance in terms of how to really engage with administrators of those programs so that state and local efforts can be well coordinated and leverage those activities to take your own activities further. In addition to resources, we then provide peer exchange and trainings to help increase the impact of the resources we're developing so we're – today of course there's a webinar. We're hosting webinars on a range of topics on a monthly basis and then we're also – we also host conferences and in-person trainings and better builder – better buildings project teams. And then finally, we do provide one-on-one assistance, which are more in-depth efforts focused on high impact efforts from state and local governments that have a good opportunity for replicability with other public entities.

And go to the next slide – this just dives a little bit deeper on that priority area of policy and programs and sort of highlights what we have available in terms of the resources, peer exchange and one-on-one assistance. So the paper we'll be discussing today, Partnering with Utilities and Other Efficiency Program Administrators, is live now on our online web portal, the Solution Center. There's a version of it up right now and we'll be posting sort of a snazzier version in a few days with some additional graphics and photos but the paper is available now on the home page. And then later this year we'll be launching within the Solution Center we have a portal specifically for policy and program resources and we'll be expanding that portal later this year so welcome you to continue to check back on the Solution Center for resources in this space.

In terms of peer exchange and trainings, I do want to flag two things which are our better buildings alliance project teams. These are opportunities for extended peer exchange with small groups in a couple of key areas including community energy planning which might be of interest to some of those on the call today. Those are kicking off this month and in June. There are four specific areas. In addition to energy planning, we have one on energy data management as well as financing and print contracting, and I'll throw up an e-mail address in a little bit for you to get more information on those but invite you to join those as well as to attend our upcoming summit at the end of this month that at the end of this month we are hosting our state and local community summit. This is an annual event we host which is really an opportunity for national peer exchange among public entities involved in clean energy and we're hosting it this year in Washington, D.C. and it's across two days, and there will be a track specifically on policy and program design implementation including how to work with EE program administrators. So I hope that you all might be able to join us for that and, again, in – and then I'll just throw up a URL where you can get more information about that.

Finally, for one-on-one assistance in these areas and for peer matching so if you have something that you're – you're wondering if there's someone else out there who might be good to connect with, we welcome you to submit applications or send us an e-mail. We evaluate those on a fairly regular basis, and we can connect you with a team of experts we have here at DOE and within our network of technical experts. So on the next slide it just shows a little bit about how to tap into these different offerings, the URL for the Solution Center, how to submit an application for

assistance, and then finally we encourage you to sign up for our TAP alerts. This e-mail address here is our TAP mailbox and you can e-mail us to sign up for all of our updates on our latest and greatest, as well as to ask any questions on any of the initiatives I mentioned today, the project teams, the summit, or just to find out more.

Finally, before we move on, I do just want to mention a few housekeeping notes first. Today's presentation including the slides and the transcript will be available online at the Solution Center, usually takes about a week to two weeks to get those posted but you will be able to find those there and we will also send them out to everyone who registered for today's session so you'll get that. We'll include the paper when we send out those slides, as well, and again you can access the paper in the Solution Center now. And then, finally, if you have any questions as we're going along you're welcome to submit those via the question box that's on the right. We're gonna hold questions to the end but feel free to submit your questions as we're going along and we'll be sure to get to those as, as – after we hear from our speakers. So with that, I'd like to pass things on to Rebecca and just thank both of our speakers today for joining us. We really at, at DOE think this is an important subject, particularly for those who have perhaps started their energy efficiency efforts under the Recovery Act and are now looking for ways to transition their programs moving forward. We think that potentially partnering with program administrators is a great way for you all to do that, so Rebecca and Shayna will provide a lot of great information about how you might be able to do that in the future. So thanks very much and with that I'll hand it off to Rebecca.

Rebecca:

Great. Thanks so much, Molly. My name's Rebecca Foster and I'm with the Vermont Energy Investment Corporation. I'm also lead author of the paper that Molly mentioned on partnering with utilities and other administrators of ratepayer-funded efficiency programs. As Molly just said, you know there are a few reasons why we're talking about partnerships and why we're encouraging state and local governments to be thinking about partnerships. Those are listed here right at the top. You know we do think that possible partnerships are an interesting way to leverage the ARRA funds that went out and sustain programs post-ARRA so you know we'd like to support that as much as possible. And partnerships also offer a way to help state and local governments regardless of whether or not they received ARRA funding to meet their own energy goals and further their own energy and climate initiatives.

So the goals of the webcast today are then you know to describe first what the energy efficiency program industry is, who's involved, who are the types of program administrators, what types of programs are commonly offered and then provide an overview of different types of partnerships so that we can help you move from a general idea that partnering might be something you're exploring to coming up with very concrete ways to partner, and then we'll show you how to get started and provide some concrete examples that will help you to move and develop a partnership. So I will begin with the first part of that content, talking about the efficiency industry and providing an overview of the different types of partnerships and how to get started, and then my colleague and co-presenter, Shayna Hirschfield, from the Silicon Valley Energy Watch will share her experience with you. Next slide.

So moving from the overview of why consider partnerships to the question of you know what is the energy efficiency program industry, I'd like to talk a little bit about you know what we refer to as ratepayer-funded efficiency programs and I'm still waiting for the slide to advance here. Hopefully, you all have seen that happen. I'll wait and pause one moment while we switch. Jennifer, can you help with that? Okay perfect. There we go.

Molly: Sometimes there's a bit of a delay, Rebecca, just so you know.

Rebecca: Bit of a delay, okay. So ratepayer-funded efficiency programs, what do we mean when we say that very lengthy phrase? Well what we're really talking about here are programs who – which are funded by ratepayers through small surcharges on utility bills, and you know there are many ways to characterize efficiency programs around the U.S. I mean you could focus in on programs offered by government agencies or that are kind of initiated by a small grassroots organization, but you know we've chosen really to focus on the ratepayer-funded programs because they are established, large, and very prevalent and offer good opportunities for partnering. They are active in many parts of the U.S. The map you see on the slide here is from the American Council for an Energy Efficient Economy. It's their 2012 state energy efficiency scorecard ranking, and the states that are in darkest blue are the states that AC, Triple-E, considers to be most active, moving you know down the scale to dark yellow which are the least active states. You know but there is activity nearly everywhere and there are a lot of blue, light blue and white states meaning that you know a lot of states are taking very significant steps with ratepayer-funded efficiency programs. The Consortium for Energy Efficiency also puts together some very good comprehensive

information on the state of the energy efficiency program industry, and their 2012 annual industry report indicated that total expenditures by U.S. and Canadian efficiency programs are you know \$7.6 billion for 2011 and that's up from \$3.7 billion back in 2007 so significant budgets out there and significant activities that offer some opportunities for state and local governments. And then the program results so, again, from the Consortium for Energy Efficiency you can see here on the slide and you know that equates to about 6.2 million cars off the road or about 8-1/2 coal-fired power plants according to the EPA. So you know definitely some good impacts that are happening as a result of these programs. Next slide please.

We'll talk about the types of program administrators here. There are several and each state has a different model for how their efficiency programs are administered. A majority of states are using utilities as the program administrators and that can be either electric or gas utilities and there are several different types. First, investor-owned utilities, you might hear the term IOUs. This refers to privately held companies that can range in size from being small, local operations to very large multi-state holding companies. The second type of utility that can administer efficiency programs is a municipal utility. That could be you know something that's part of a local government, has a governing board that oversees procurements and rates, tends to have a little bit lighter regulation than the investor on utilities, might be more open to trying partnership opportunities, you know, particularly if you have a municipal utility as part of your local government you know you might have contacts and then understanding of planning cycles and those sorts of things so that could be something that works in your favor.

And then the last type of utility that could administer efficiency programs is a rural electric cooperative. These are consumer owned, they are locally controlled not-for-profits that are most prevalent in rural areas and they do show some similarities to municipal utilities in terms of you know smaller efficiency mandates, if any, to meet and fewer regulatory requirements. The other two types of efficiency program administrators you see here are a little less common but still you know exist and are doing great work. Secondly, here you have state and local governments. Some examples of those are in New York State. There's the New York State Energy Research and Development Authority, NYSERDA, and they run efficiency programs throughout the entirety of New York State. There's also the New Jersey Board of Public Utilities. They run a statewide program in New Jersey

called the Clean Energy Program. And then lastly third party entities, these can sometimes be designated as the program administrator either in a region or on a statewide basis and then some examples of that structure are in Vermont. My organization the EIC actually administers the Efficiency Vermont Program. The Energy Trust of Oregon is a non-profit working in Oregon that administers a state-wide program there. And then a third example is Cape Light Compact and this is a smaller program. It covers the jurisdiction of basically the Cape in Massachusetts, Cape Cod, and offers efficiency programs for residents there outside of the utility. So those are the different types of administrators.

I'd like to move now to the next slide and talk about some of the drivers for efficiency programs. There are certainly many reasons that energy efficiency programs are developed and offered. A few of them are listed here. I would say these are probably the most common and rather than running through the entire list I'll just pick out a few to speak to. First, economic development and job creation – this is something that you know if you were involved in the Recovery Act you know well there are definitely ties between energy efficiency and job creation and that's particularly true for programs that are boots on the ground type programs, things like residential new construction, home performance with Energy Star, commercial building operator certification programs so that you know can be a reason that efficiency programs are established or in many cases one of several reasons.

Secondly, lowered energy costs to consumers, and I think the important thing I wanted to note here is that you know even though these are ratepayer-funded programs that we're talking about today, meaning that there is a small surcharge on typically electric or gas bills to fund the program activities, the idea here is that higher rates in some cases to include that surcharge would lead to lower bills and that's lower bills for the individuals that participate because they're able to upgrade the efficiency of their homes, their businesses, but also lower bills for everyone because the utilities in that jurisdiction won't have to invest in new transmission or distribution or generation infrastructure and those benefits are also further down the list. And I think the – the other thing to mention here on this slide you know in terms of new generation which is the fourth bullet is that for some individuals that are newer to the idea of ratepayer-funded efficiency programs, a concept that's quite useful to understand is that in general when states consider energy efficiency as a program option they typically decide to implement programs and you know establish a program infrastructure when they find that efficiency is less expensive than

procuring new generation like building a new power plant or buying power on the open market and you know that's true in the vast majority of cases so that's one reason that efficiency is becoming more prevalent in jurisdictions across the country.

Moving to the next slide we can talk a little bit about the entities in program development and delivery. So you know I wanted to provide an overview of the different players that are involved because then state and local governments are considering partnering with ratepayer-funded efficiency programs. It's important to know you know how they're established; who gets them established, you know, what are the different parties that are involved and what roles do they play? So this boils it all down to a very high level and I know there are a lot of details here that we could go into but, in general, you know these are the four main players. So there are advocates that you know would come into a jurisdiction and promote the value of efficiency, programs for the reasons we just talked about – economic development, cleaner air and water, job creation, lower cost to consumers in the long term, avoiding the need for new generation, those sorts of things. So they generally promote the value of efficiency programs and these are organizations like the American Council for an Energy Efficient Economy, Southwest Energy Efficiency Project, Natural Resources Defense Council. There are many that now can play these roles, national organizations, as well as local organizations.

Then the state legislatures play a role in often passing, enabling legislation that says you know this is something that we'd like to see happen in our state for these reasons. State legislatures may pass energy efficiency or renewable energy resource standards. Those are you know in a nutshell goals for the state that include mandates for efficiency, such as, goals like we will reduce our energy use by 15 percent by 2015, or we will produce 30 percent of our electricity from renewable sources and we'll have a set-aside that some portion of that can be saved energy through energy efficiency programs, or that we as a state will procure all cost effective energy efficiency over some period of time. So those standards can be very important. You know, they're powerful. They're binding drivers for efficiency programs. And then what happens is the public utility commissions get involved and that's because ratepayer dollars are being used to fund these programs. The programs are overseen by the public utility commissions in order to ensure that they are both achieving what they are expected to achieve and that they are prudently using public dollars, so the PUC then plays a really critical role. They establish the rules, the procedures, approved program designs and expenditures or don't

approve program design proposals. So you know they're very important and can certainly impact the ability of the program administrator to partner with outside groups like state and local government and well we'll talk more about that in a moment.

And then lastly, the program administrators, they design and implement the programs and those are the groups that we talked about just a moment ago, the – either the utilities, the state and local governments themselves or the third party entities. And then the last thing I'll say about this slide is that in many cases there is another entity involved a little bit further down the line that's a program implementation contractor. In many cases the program administrators work with those groups to actually do the field work, you know get the builders enrolled in the program, go out into commercial buildings and do retrofits and those sorts of things, so that's maybe the other fifth group that I would add here.

So moving onto the parameters impacting the efficiency program's ability to partner, I mentioned that the public utility commission does play a critical role in setting the parameters within which the efficiency programs operate, and there are two particular types of parameters that I think are important to understand and those are cost effectiveness and planning timelines. So cost effectiveness as a general principle, you know, just asking the question, do the benefits outweigh the costs? Within the efficiency program industry there are very specific tests that have been set up to evaluate whether an efficiency program or whether an efficiency program measure, meaning a light bulb or a room air conditioner is cost effective, and you know those different cost effectiveness tests that can be used are applied – you know which test is used and how it's applied is all based on the public utility commission and the guidance that they have given. And so you know this is, you know, we could probably spend five days on cost effectiveness tests and not two minutes but, in general, the principle here is that it's important for state and local governments that are considering partnership to at least have a high level understanding of the concept of cost effectiveness, which tests are used by the program administrators in your jurisdiction, and then to think about proposing partnership ideas that fit well within the cost effectiveness paradigm that's being used or that complement it. And in the paper that Molly mentioned, which is now in the Solution Center, we do have a number of references and resources to help you understand cost effectiveness better, including papers from you know several DOE projects that are established and provide you know a very good overview of this topic in not too many pages – not too much detail.

So the second parameter I'd like to talk about here is planning timelines and this is you know kind of equally important. It's a little less challenging to wrap your arms around than cost effectiveness can be. Basically, the point here is that the public utility commission does that fairly standard planning timeline for efficiency programs and you know, unfortunately, those are not consistent from one jurisdiction to the next. So in one state there might be five-year plans like Iowa, and in another state it might be a three-year plan, and in another state it might be an annual plan. But it is important to understand what the planning timeline is because that will impact the program administrator's willingness and ability to take on a new partnership and this can be both a challenge and an opportunity you know if – if your jurisdiction is in the middle of a three-year cycle or just at the beginning, you know that might make them less likely to take on a large new partnership with you but if they're at the end of that three-year cycle, you know, they – that's the opportunity. They will be looking around for new program ideas and approaches that they can be proposing for their new plan. So this is something that, again, that it's important to understand going into any partnership.

Next slide talks about the common efficiency program types. This is the last slide within the background section for those of you that are more familiar with the efficiency program industry. We will move on to partnership shortly, but it is important for state and local governments to understand the type of programs that are offered in their jurisdictions partially because you know you need that understanding to talk in the same language as the program administrator but also because once you know that you can then compare the program administrator's effort with your own goals and initiatives and resources. So it's gonna have a process of matching up you know different strengths and efforts on one side of the aisle with the other. And you know I'm hoping that most of the program types on this slide are fairly straightforward, but I will also talk a little bit about just a few of them so under commercial industrial the terms prescriptive and custom can often be confusing. Prescriptive basically means that it's a prescriptive rebate or the same rebate or you know incentive, or financing, or training is offered to every customer. So an example of that would be an incentive on a super-efficient TH lamp for a commercial setting or for a clothes washer and so you know in either of those cases the same rebate is available. Somebody goes and fills out a rebate application and sends it in and they get a check. Custom rebates within commercial industrial are intended to capture more savings opportunities. They're intended to kind of recognize that

not every commercial industrial space is the same and there won't be the same savings opportunities in each one. So that's where the efficiency program and the customer work one-on-one to determine what's going on in the facility or the building, what's the best way to upgrade energy efficiency over time, and then you know there's some kind of incentive or training or program approach that's specific to that particular opportunity.

And then the last thing I'll mention here is under cross sector pilots. The thing that there is that pilots are generally smaller and more flexible than an established efficiency program, and I have heard from several program administrators that even within an established program plan and a program timeline that there is flexibility that they have to launch pilots without as much scrutiny or regulatory oversight, because the regulators you know at the public utility commission want them to be trying new things and figuring out how to reach new customers and be more cost effective. So pilots are important things for state and local governments to understand as a potential pathway into efficiency programs and working together.

So here we are and the next slide talks about partnership types. We're moving from the background on the efficiency program industry to what do partnerships look like and how can you make them happen? So the authors of this paper identified several partnership types which are much further defined in the paper. I'm gonna just run through them now and our intention in defining these is to really help state and local governments move from a general concept of I think – I think I should partner with the program administrator to developing much more concrete ideas that the program administrator can consider. So and we've also broken this down into two situations so if there are efficiency programs offered locally in your jurisdiction here are some partnership types and most of the paper is about that situation, given the you know prevalence of efficiency programs across the country. But we have included a separate category of ways to partner for situations where there are not local efficiency programs active. I'll just run through these now. So if there are local programs you know the first way to partner together is that the state and local government can add value to those programs. You know one example of this and there are several ways to add value but one example would be let's say it's a commercial building's program that's offered and the local government has ties to the Chamber of Commerce and it's very active within that group. So the local government can add value to the efficiency program by promoting it within the Chamber of Commerce or within other

programs that it might offer that target the business community and it's basically to try and increase the efficiency program activity and results through its own grassroots marketing and local networks.

The second way that state and local governments can work with program administrators is to help refine the programs based on policy direction. So this would be something like working with the local program administrators to help them understand the government's initiative, climate goals, and then you know try and kind of inform them about you know where you'd like to take the efficiency activities based on what you'd like to achieve and then help them align their program activities that are with your goals and initiatives and you know this could be something as simple as working together to reach a particular segment of the population that was important to both groups. And then the third way is to fill a gap in program offerings and the example here is if the program administrator doesn't offer a low income program and you are as a state or local government already have ways to reach that population with other services you could then add efficiency outreach to your work. So this is being done in some jurisdictions. Baltimore is one example that I'm familiar with where you know the local government is already going out and trying to serve low income customers and they have said that they are you know eager to add efficiency to the things that they – that the list of things that they talk about with these customers and you know that's being supported and you know definitely pursued in partnership with the local efficiency programs.

Then the second part of the slide here does list a few ideas if there are not local programs. The first is to just go ahead and administer the program as a state and local government. So if there really is an absence of activity there's nothing stopping you from doing it on your own. There is a case study in the paper as an appendix. One example of how this is done in Louisiana with a statewide hero program, and then the second way that state and local governments can be active is to provide information to regulatory agencies on the benefits of efficiency. So potentially playing that advocacy role I mentioned earlier to try and promote the benefits, talk about you know what efficiency programs could do for your jurisdiction and what you'd like to see happen from a regulatory perspective to try and get efficiency programs set up and implemented.

So the next slide talks about how to get started and the first step is really to look inward and assess your own strengths, you know, what existing initiatives you have that do have an efficiency tie-in

or could have an efficiency tie-in and you know really kind of prepare yourself for a conversation with a potential partner. Step two is to find out what's happening in your jurisdiction, and in the paper we do list several you know sources and references. I think some good places to go that I'll mention right now are the Database on State Incentives for Renewables and Efficiency Desire, the Consortium for Energy Efficiency and the American Council for an Energy Efficient Economy. All those groups have state by state listings of program activity, you know, program summaries, details on incentive levels and program offerings that can be really valuable. So then as the government once you, you know, assessed your own strengths and weaknesses and what resources you have and what your own goals are and you've also then looked outside in your jurisdiction to see what the activity is, then the third step is to identify the potential partners and to hear what we're talking about is really all of the activity that's happening, you know, who is the most likely partner, what kind of organization and then what's the best way in, what's the best level at which to approach them, what existing ties do you have that you can draw upon, and you know I do want to say that the premier research in step two you should be able to determine whether the program administrators have a history of partnerships with outside organizations. If so, that's a very good sign. The other thing you can look for is whether the program administrators have specific goals or you know targets to meet with regard to local community connections, partnering with state and local governments. As you'll hear from Silicon Valley Energy Watch that was an important driver in getting that partnership started.

So then after you've got the partners identified, step four is to evaluate the different approaches. So based on what you now know which of the partnership types would work best? Is this something where you'll be seeking to add value? Do you think that you know based on what you know there really is a gap in the efficiency program offerings that you could fill? You know this is what, what you need to evaluate as you're going through step four and also asking you know not only which approach would work best but which approach would help the efficiency program meet its mandatory goals you know if there are goals. You know this is something that you know if goals exist you should try and use them to your advantage and you know find ways to present partnerships such that they can be seen as an avenue toward meeting a goal. That's a great way to get a very good reception as a program administrator.

And then the last thing I'll mention here is you know the circular arrows between steps four and five were meant to indicate that. Once you do get a partnership established with a program administrator, you shouldn't just stop there. So definitely build on that, keep looking for other ways to meet shared goals, expand that you know both within your own organization and the program administrators to draw in other people, other potential opportunities and really keep the work going.

So the next slide is I think the last here from the paper just to show the kind of content we've put together for all of you, and we've gone into some detail on step five which is establish a partnership and talked a little bit about drawing out you know what are the important things to cover at your first meeting. Here's a sample agenda. I think that what we want to emphasize here is that you'll be using the research that you've done in the earlier steps to really show what you can bring to a partnership, how it might work and what benefits it would provide all parties. So many of the agenda items here are about showing the value of collaboration and then identifying specific opportunities, developing a concrete list of next steps and using you know this research that you've done as a springboard toward action and movement forward. So that's, that's overall the thrust that we've tried to take in the paper and I'm – I am hopeful that you'll find that useful.

So at this point what I'd like to do is move on to the next part of the presentation where Shayna Hirschfield will provide a lot more detail about how the steps, then the approaches we have detailed in the paper play out in the real world, and she'll talk about her experience working with Pacific Gas and Electric.

Shayna: So hi, can – am I unmuted and you can hear me, Rebecca?

Rebecca: Yup, you're great. You're coming through just fine.

Shayna: Great okay. So you can move on to the next slide. So I manage the Silicon Valley Energy Watch, which is a local government partnership with the largest investor-owned utility in California – Pacific Gas and Electric serves the majority of central and northern California. The Silicon Valley Energy Watch Program is a government utility partnership serving Santa Clara County which is in the South San Francisco Bay area. The county has about two million residents, so it's a fairly large area. Half of the county is taken up by one city, that's the city of San Jose and that's what CSJ stands for there in that bullet. So the program is administered by the city. It's kind of an interesting partnership in that sense to

have a city administering countywide program. The rest of the county, the other half of the county is made up of 14 different cities. So back in 2004 when we first established this partnership with the utility it was really a matter of the City of San Jose had the capacity and the expertise to manage a program like this as well as a lot of partnerships, a lot of networks throughout the community to you know roll out a broad sectored program like this. So we are part of the Statewide Energy Efficiency portfolio under the auspices of the California Public Utilities Commissions. They're going back to you know the sort of the frameworks that Rebecca was talking about. Our program encompasses resources for multiple sectors. We provide services for municipalities throughout the counties so building audits and upgrades. We have community outreach programs. We have audit and upgrade programs for non-profits, small businesses, and low income programs. So we really try to blanket the whole community and the idea is what I have kind of written down there at the bottom, IOU that's an investor-owned utility, so the idea is that the utility – the utilities in California are charged with implementing energy efficiency programs by the Public Utilities Commission. They can only go so far in terms of getting deep into communities and you know really influencing immediate behavior changes. So the utilities partner with others including local governments who are much closer to their communities, and then we the local governments program administrators in turn work with the community to ensure that our messages, our rebates and incentives, etcetera, are actually reaching the people that they're intended to reach. You can go to the next slide.

So, oh good I'm glad this came through. This is actually kind of restating what I was just saying. The idea is that we do have several specific buckets in which we work, so we link our municipal non-profit upgrade programs in one bucket, because there's a little bit more hands-on assistance and you know project management than we provide to small businesses. In that case, it's you know much more sort of turn-key direct install program. We have a moderate income residential program that is linked to the low income energy efficiency programs that are delivered statewide by the utilities. And then education and outreach is really community-wide and that blankets all the other you know specifically targeted sectors as well as others that we don't specifically target, such as, industrial consumers, etcetera. And we do have a lot of partners, as Rebecca was saying; those you know direct implementers that actually go in and have the contractors who do the direct installs and so forth and two of those partners are listed below. You can go onto the next slide.

I'm going a little bit quickly here because I really want to focus on one particular program area that we actually just launched back in 2011 and that is our grant program. The Community Energy Champions grant started out as a pilot and I'm very pleased to say that tomorrow we're actually announcing a second round of funding. So what this is is it's a mini-grant program essentially for non-profits and municipal agencies throughout the county to implement innovative energy efficiency and environmental outreach programs targeted at specific communities. You can go on to the next slide, and I'm gonna spend the bulk of my time for the rest of the webinar talking about this.

So the challenge that we were trying to address when we first came up with this idea of implementing a grant program is that of promulgating behavior change programs which are very, very – they're hard to resource essentially. There are very few behavioral programs for energy efficiency that are publicly funded and the reason for that really is what I call the paradox of proof, which is that it's hard to prove success with behavior programs. This is probably old hat to all of you. You're dealing with programs that have a lot of variables, a lot of inputs, a lot of outputs, a lot of externalities, etcetera, etcetera. So it's hard to demonstrate proof as concretely as we gave out a rebate and more people, you know, changed out their boilers and chillers. For example, without that proof it's hard to get significant and sustained funding, so you know so it's very difficult to you know to resource these programs especially as on an ongoing basis. And yet a couple of years ago the American Council for an Energy Efficient Economy did come out with a paper saying that there was a vital role for you know local organizations in promulgating energy efficiency programs. They said that more evidence is needed, and my interpretation as well as quite a few others was that more evidence is needed not to demonstrate that those programs are successful but to get the sort of institutional support for resourcing these programs. So we can move on to the next slide.

So with those challenges in mind, the solution we felt was pretty obvious. Communities have trust in local leaders. I remember when I was saying that you know there was sort of that, that tiered structure from the utilities to the local governments to communities. Well, communities trust their local leaders whether that's a leader from their neighborhood or from their – you know their institution, their church, you know their workplace, what have-you, even more than they trust local government, which is often more than they would trust the utility or a statewide agency.

Similarly, community-based organizations can be actually a lot more innovative and comprehensive in their program delivery than local governments with specific regulatory mandates can be. So as I'll explain in a little bit, the grant program required a focus on comprehensive environmental sustainability in addition to energy efficiency. They were able to take into account non-energy benefits as well as pre-energy efficiency barriers. So, for example, it's hard to take on energy efficiency when you're dealing with other public health or economic issues. And then non-energy benefits are you know all those other you know increased health, increased community connections, things like that that you know local agencies can – can be more explicit in taking into account. And then finally the idea was really building local capacity of community-based institutions and small government agencies outside of the Silicon Valley Energy Watch to implement these programs on an ongoing basis so that we would be actually a little less dependent on the Energy Watch funding structure so that we would have ongoing nodes in the community with whom we could partner but that they would actually be able to go out on their own and do energy efficiency outreach knowing what resources were out there, what the loading order is, California, things like that. So let's move on the next slide.

So in the first round we had 17 different supported projects and they really were kind of all over the map – green business outreach. We worked with youth through a few different after-school programs. We did have one very excellent workforce training program implemented through one of the local community colleges. One of our more unique programs was an artist engagement program. We had neighborhood campaigns, just kind of, you know, everything you could imagine. Let's go on to the next slide.

And one of the things about having such diversity of programs is that you know we weren't as much looking at in the first pilot round the – and we weren't doing an impact evaluation to see how much behavior change did work. What we were really looking at was a process evaluation of, you know, is this an effective model in terms of reaching the agencies that we were supporting. In the current round we are requiring grantees to use experimental design in their programs, and we will be doing an impact evaluation as well as a process evaluation.

I'm gonna kind of race through these 'cause I know we're, we're running low on time. I have a few different examples, I'm just gonna highlight a couple. So maybe actually let's go back. I want

to highlight the last example really quickly. Rebuilding Together is an organization very similar to Habitat for Humanity where it's a volunteer-driven organization and instead of building homes they do life, health and safety renovations, particularly for seniors and disabled folks. So what they did for their grant or with their grant was incorporate energy efficiency training into their volunteer training, so immediately you had this huge army of community ambassadors basically talking about energy efficiency, and then they incorporated energy efficiency upgrades into their renovations. So now everybody who is served by the program, which is actually thousands of homes a year, will be receiving energy efficiency renovations in addition to the life, health, and safety.

Let's move on, maybe we'll go a couple more. This was a neighborhood-based initiative. Let's go on looking at you know growing block leaders and local ambassadors. This was one of our after-school programs. CORAL is actually a literacy program run through Catholic Charities. Most people are familiar with Catholic Charities. So they implemented this program, subsequently expanded it to 11 after-school sites and are now expanding it actually county-wide, so incorporating energy efficiency through literacy program. Let's move on.

I think, actually, let's go through this was our Green Business Program. This was actually one of only two programs implemented by a municipal agency. All of our other programs were implemented by local non-profits. We're hoping that in this round with the grants a little bit larger that we'll get more municipal agencies applying. In the first round the funding amount was capped at \$30,000.00; now it's capped at \$70,000.00. Let's move on.

And let's, yeah, okay we'll stop here really quickly. We did have a statewide summit. We called it a one day long summit where we had all of our grantees come and talk about their programs, and we had a little resource fair. We published – we did publish a handbook so if you're interested in reading case studies of the grantees and going a little bit more in-depth, each case study is pretty short, just about three pages each, that is published online and you can find that at www.svenergywatch.org. Let's move on.

Rebecca:

Great, and Shayna, this is Rebecca just to jump in and let you know we're scheduled for another 35 minutes or so, so you can slow down if you like –

Shayna: Oh.

Rebecca: – and take as much time as you need with these examples.

Shayna: Oh, oh my gosh. I'm sorry. I thought that we were done at noon. Okay, well this is – that's fine. [laughter] We'll just we'll have a little bit more time for questions then. So to just talk about a couple of our other initiatives because, like I said, at the beginning the Silicon Valley Energy Watch encompasses a number of different program areas, so our grant program is just one piece of our broader community outreach area. Another initiative that falls into that is our kilowatt lending program and some of you may have heard about this because after we rolled this out in I think 2009 it was subsequently picked up by a number of different local governments, libraries, energy efficiency programs and others throughout the country, actually. It was – I was very surprised and pleased by the amount of interest I got. You're probably all familiar with the kilowatt energy meters so we just stocked those at all libraries throughout the county, which is 30-something libraries, I think about 34 public libraries throughout the county and folks can check those out for up to 3 weeks at no cost. They can – we've seen people use them just you know at home or at work through their own interest. We've also seen a lot of teachers and community organizations check out the meters to use them in either community environmental campaigns or in actual classroom curricula. So that's been a pretty exciting program. We've been surprised by some of the ways in which they've been used and were hoping to expand this with other home energy efficiency tools and materials in the next several months. Let's move on.

Do we have that? Here we go. So this is another community outreach initiative that we started a few years ago still ongoing. This is our Silicon Valley energy map, just a screenshot of it. What this map is – it's got three tabs which you can see there – energy, solar energy, and green buildings. Right now you're looking at a screenshot of the green building tab and it just basically shows how the community is doing, how the county is doing in each of those three areas so we – and the energy tablet displays energy use as well as energy efficiency projects. You can see solar installations as well a total installed capacity similar in green buildings. There are case studies all over the map. You can see all this information at the aggregate level or down to the zip code and in some cases smaller and this is – we, we envision this as a community outreach engagement and education tool but also as an empowerment tool. So all of our grantees and you know other community partners with whom we work, we do encourage

them to take advantage of the map and as another tool in their outreach and in bolstering their own awareness as they're going out into their community so that they know, you know, so our partner organizations know exactly what's happening in the community to help them target their efforts, target their outreach. We use it to target our efforts and outreach. It's just kind of another way of seeing what's happening in the community and inspiring the community and, like I said, we have case studies loaded in the map. Those are those large suns there. Each of those is a case study. We've got a lot more, actually. This screen shot was taken a couple years ago. So it's pretty neat to see on a constant basis you know residents and businesses sending us case studies saying hey, I have a solar installation that I want highlighted on the map. Here's all the info and here's a cool picture. So this is a pretty, a pretty fun little tool that we've got. Let's go on to the next slide.

And then this is the last piece that I'll talk about. This is our newest very fun initiative and really kind of groundbreaking – HomeBiz. To my knowledge there is not another publicly funded energy efficiency program anywhere that serves home-based businesses explicitly. At least in California there's a big problem where home-based businesses and that's, you know are you operating your business out of your own home or you know like a nail salon or an artisan or a what have-you, or are you operating a business in a converted home like psychologists or attorney's offices or chiropractors or whatnot. No energy efficiency program has been able to serve the sector because if you're on a residential meter the commercial programs cannot serve you and if you have a business, chances are your business income bumps you out of the income eligibility limits for the low income residential programs but often you're still not advantaged enough to take advantage of the, you know, the full range of market rate upgrade programs on a, you know, sort of on a sweeping basis. So we created this program.

Let's see, can we go to the next slide? We created this program to actually tap into – oh let's, okay, never mind. I thought I had another slide there. Let's go back. To tap into California's new home per– or somewhat new now – home performance and _____ [Break in Audio] called Energy Upgrade California. So this is a three-tiered program where the most basic level folks will get in-home or in-business education and \$250.00 worth of no cost energy saving equipment including lighting and even plug load measurers. And then the next two tiers include audits, free test-in and test-out home performance work, and you

know either sort of piecemeal upgrade projects or a sweeping at the top level, a sweeping home performance upgrade where they're eligible for up to \$4,500.00 in rebates. So we actually just launched this program last week. You can look at our press release online which you could again find at our website, the Silicon Valley Energy Watch websites, and we'll be able to let you know as time goes on how we're doing. But I guess just in wrapping up, I know I've thrown a whole bunch of different program elements at you, what the idea of the Silicon Valley Energy Watch as a whole, like Rebecca was saying, is really tapping in to both our community needs. So, for example, the HomeBiz Program is something that came to me by request from a few different Chambers of Commerce throughout the county, and I learned that there are more than 20,000 home-based businesses in the county and said okay, we need to do something about this. So looking at what are the unique community needs that you can really only have time to delve into at the local level but for which you do need those broader utility and statewide resources in order to address.

And then secondly, you know taking advantage of the community partners and the resources throughout the community to get those messages out and get those resources out, and for me the Community Energy Champions grant is really the best example of that, at least within our program. In terms of the Silicon Valley community has a ton of great, very active community organizations and it's also a phenomenally diverse area. There is no ethnic majority in Santa Clara County. There is huge income diversity. There is huge diversity of national origin, etcetera, etcetera, like most many places, and so tapping into those networks of community organizations, not just to reach their constituents but, like I was saying before, to empower them and build their capacity has been a huge piece of our strategy in getting the word out and in achieving our performance successes. And I should – I didn't really – I sort of implicitly said this before but the Community Energy Champions grants is not just about giving out money to those organizations and saying okay here's some money. Go do good stuff. It really is about providing them that technical assistance and bringing them into the fold of energy efficiency programs so it's really you know growing that base of knowledge providers. So I think I'll stop there and see if we have questions and I'm so sorry about forgetting that extra half hour. *[laughter]* I'm happy to go back and talk a little bit more about those examples if anybody wants.

Rebecca:

That's great. Thank you so much, Shayna. This is Rebecca again and I'd love to tee up some questions now. Some have been

coming in and I'll just remind everyone that you can submit questions using the webcast tool on the right-hand side there. There should be a place for you to just type in your question and then we will tee them up. So some questions have already come in for Shayna. First, is are your programs funded 100 percent by the utility or are there other funding sources that your draw upon?

Shayna: Great question and hello, Liz. Yes, 100 percent funded by the utility. The Silicon Valley Energy Watch is that – the program structure or the funding structure is 100 percent from PG&E. We re-up our contract with them according to the public utilities commission – the California Public Utilities Commission funding cycle every three years or so, and the funding covers all of the programs, all of the work that we do, as well as my time and my staff which is, which is just a few.

Rebecca: Great, and then you know that our next question is about how the energy savings picture works so this is been coming from the efficiency program perspective, so are your programs subject to the cost effectiveness tests that ratepayer-funded programs often are and then secondly, is does the utility evaluate and count 100 percent of the savings towards their program targets, is there any issue with attributing savings to your program versus what might be happening as a result of PG&E's own outreach in your service territory?

Shayna: Yeah and that's – you know that's a great question and it's one that is sort of – it's a perennial question. Part of – part of the way that we have handled that is that you know we sort of – since we've been a partner for the last nine years since 2004, it's evolved over time and the answer now is just there is a blanket attribution for work that happens in Santa Clara County. So if it's not in the industrial sector, if we're not looking at savings in the industrial sector or in another sector that our program absolutely does not cover, if it's not in one of those areas, then it – the savings are just attributed to the Energy Watch. Does that answer the question?

Rebecca: I think Liz is on but I'll ask her to send in another follow-up if there is one, and did you speak to the question of whether your programs are subject to cost effectiveness tests?

Shayna: Yes, yeah, so I'm sorry. Yeah, we are subject to cost effectiveness –

Rebecca: Okay.

Shayna: – and specifically the total resource costs so that is applied you know blanketly to all local government programs. The outreach and education programs are a little bit outside of that, so when I was showing you know the different sectors with which we work, the non-profit sector, municipal, small commercial, etcetera, those programs or those initiatives are absolutely subject to the total resource cost. Our outreach and education programs are a little bit outside of that, but a lot of the work that we do obviously is kind of a hybrid like the grant program. So since the grant program began as a pilot, it was not subject to cost effectiveness. The reason that we're now requiring experimental design for all grantees is that we're working towards moving it into the cost effectiveness area of the portfolio.

Rebecca: Great. That's very helpful and I would definitely encourage others to send in questions. One question I have for you, Shayna, is what advice would you give other state and local governments who are thinking about getting started with the partnering and you know how can they learn from your experience in terms of conducting outreach to the program administrator and trying to put a partnership like this together?

Shayna: Yeah absolutely. It's a great question and I have a two-part answer. So one answer is on the implementation side and then one is on the administration side. On the administration side you know you really want to look at what your organizational structure is, who your internal stakeholders are, and how they work together. What the – sort of what the structure of approval is within your organization and I stress that because, like I said in the beginning, it's a very strange sort of program structure that we have here with the city implementing a countywide program. Like I said, there are a lot of reasons that that makes sense – the capacity, the size, the length of expertise and the network that we have of partners, but it also can be very complicated externally and internally. There have definitely been times when the City Council has come to me and said why are you implementing programs statewide, and I've had to remind them you authorized this not once but several times. *[laughter]* So you know I've always been successful in reminding the Council of that but, nonetheless, it's a question that I do have to answer every now and then. So you know you really want to be mindful of you know what sorts of you know road blocks and areas of confusion you're going to encounter in program administration. And then in terms of implementation I would say, I mean this is gonna sound trite, but think as broadly as you possibly can. It was after several years of operating kind of standard programs in terms of you know reaching out to hard-to-

reach businesses and you know language-minority folks and stuff like that which is great before we started to really dive into the less – let's look at home-based businesses, which no one has ever done before. Let's do a grant program which is not something that has really been done by you know regulatory energy efficiency programs, at least in California. And it was because of the excellent community partners whom we have, like I said, that you know we've got very strong business associations and Chambers of Commerce and ethnic Chambers of Commerce throughout the county and those were the ones who were coming to me and saying you need to have something for home-based businesses. We said okay, let's do it, and we worked with our partners in order to do that.

I actually want to say one final thing which is PG&E, as I mentioned, is the largest utility in California. I think they have somewhere around 20,000 employees. They're huge and I have an excellent relationship with the relevant divisions within PG&E and that's something that is also tremendously important. It's not just you know you're immediate liaison with the utility and you know similarly with the public utilities commission in your area that you need to have but you need to be working with their data folks and their procurement folks and their renewable energy folks, because you know you want to be ready link your programs to anything else that's relevant at the drop of a hat to minimize redundancy.

Molly:

Shayna, this is Molly. One follow-up question on that – how did you sort of like start your rela – can you talk a little bit more about how you started the relationship with PG&E and how you grew it with you know different contacts, 'cause a lot of, a lot of communities they don't even know who their, who their rep is, so just you know sort of how you, how you build that relationship with them.

Shayna:

I can only answer that somewhat because I was not with the City of San Jose in 2004 when they started the partnership, the Energy Watch. So I know that you know the City of San Jose with a million residents has long had a great relationship with PG&E and you know it was, it was not that kind of led the city to implement one of the first local government partnerships in PG&E territory. So I don't know how that relationship first began and I know that you know most municipalities out there are much smaller, but I would say that you know you start – you find out who your rep is. If you're really small and you don't know who your rep is, you just you find out, and then it's a matter of just kind of a mutual back and forth saying, you know what? I think we can grow this beyond

our own facilities to, you know, to a broader community-based program at whatever level is comfortable with. You start off with something that you can actually chew and you say you know let's have some demonstration resources so that we can you know implement this as a pilot project and see where it goes. To me that's – I always start everything as a pilot, start small and build out from there. If you're really starting at you know a very, very basic level, that's where you want – that's where you would want to start. But also you know there are government reps, there are often industry associations or large commercial entities or industrial facilities in your area who might have really great relationships with their reps, so if they could be potential partners in conducting outreach sticking to the community and you know doing trainings or workshops or what have-you, maybe lean on them and see what kind of relationships that they have that you could build on and grow. There are a lot of ways to come at it.

Molly: That's great, thanks. Great, are there any other questions?

Rebecca: I'm not seeing any come through but I'd love to encourage those now just to use the question and answer tab on the right-hand side of your screen and while you're thinking about those questions, again, this is Rebecca. The one thing you'll notice that I did send out to the entire audience the link to the paper that we've been referencing throughout the webinar today.

Shayna: And I also wanted to say, again, I apologize for forgetting the time of the webinar but the Community Energy Champions handbook again is online. It has case studies of all of the grantees and you can find that at the Silicon Valley Energy Watch website, which is not published on here but it's svenergywatch.org. So I encourage any of you to look at that, because the other thing about partnering with community organizations is you know we cast a very broad net. We in our first round in that first round of grants we were not discriminating in terms of what types of programs or what types of partners. In the most case, I mean they had to have viable programs but you know, like I said, we had such a broad range of campaigns from artist outreach to youth and broadcast media to green business outreach. So you know another thing that you want to do is think about what makes the most sense for you? If it doesn't make sense for whatever reason for your entity to be doing business outreach or working with youth, then don't do it but if you think that there might be a fit there, explore the possibilities, explore the industry need, explore the potential partners within the community, see if they're there and you know, like I said, think broadly about what kinds of outreach you can do. As I said, it was

very important for us to not limit ourselves to energy efficiency but to loop in other areas of environmental sustainability and that was because we were concerned about making sure that we had the ear of the community. Sometimes energy efficiency is not the sexy thing that gets people to act. They might be more interested in public health or water conservation or certification, so it was just how can we get the most people excited and engaged and motivated?

Rebecca: That's great, very helpful. I'm seeing no other questions have come in. I think I'll turn it back over to Molly to close us off for the day.

Molly: Thanks so much, Rebecca. I think I just you know want to say again really appreciate the time that Rebecca and Shayna have taken today to talk to you guys and myself about the opportunities of partnering with your utilities and other EE program administrators. Again, we just really see this as a great opportunity for people to grow their efficiency programs and sustain them looking ahead to beyond that, the Recovery Act. Again, to sort of tie back to some of the things mentioned in the beginning, we are going to continue to host these webinars on a monthly basis, so please do e-mail us at Technical Assistance Program at ee.doe.gov to register for our newsletter, and you can also visit the Solution Center to find the slides from today's webinar, the past trainings, and find resources like the paper that Rebecca sent around earlier – earlier today. I think I would be remiss if I did not also put in one final pitch for our summit for state and local governments at the end of this month. Again, it's the focus is on peer exchange among state and local governments but it's also open to stakeholders, so you can find out more information about that on our Solution Center, as well. And just a plug for the state and local governments who may be listening, we do have scholarships available, but space is somewhat limited so I'd encourage you to go check that out now. And I think with that I'll wrap things up and just say if there are any follow-up questions or if you know based on today's presentation you think oh my gosh, okay, maybe I want to explore this a little more in-depth, please do feel free to reach out to us. We're happy to provide a little more direct assistance and peer matching and help you get your partnerships going. So thanks again and I hope to see you on the next webinar.

Rebecca: Okay, thanks everybody. Bye-bye.

Shayna: Thank you.
[End of Audio]