Workshop Overview

1. MCE Background
2. 2019 Portfolio Overview
3. 2019 Budget and Cost-Effectiveness Overview
4. Admin Costs and Accounting Practices
5. 2019 Cost-Effectiveness Strategies
6. Ex-Ante vs Ex-Post TRC
7. Forecasted vs Claimed Savings
8. Strategies to Achieve TRC of 1.25 by 2023
9. 2020 and Beyond Program Ideas
10. Stakeholder Input
How It Works

Local Government
MCE

Investor-Owned Utility
PG&E

Customer

RENEWABLE ENERGY
Electric Generation

SAME SERVICE AS ALWAYS
Electric Delivery

YOUR COMMUNITY CHOICE
A Greener Electric Option
Our Mission

Address climate change by reducing energy related greenhouse gas emissions through renewable energy supply and energy efficiency at stable and competitive rates while providing local economic and workforce benefits.
Emphasis on Customer Experience

Putting customers on a path that serves all their conservation needs through one point of entry

Single Point of Contact (SPOC)
2019 Portfolio Overview
MCE’s Customer Programs

- Multifamily
  - Energy Savings
  - LIFT
  - GHHI
  - Energize Richmond
  - Income Qualified Solar

- Single-Family
  - Seasonal Savings
  - Napa Rebuild
  - Low Income Solar Rebate

- Commercial
  - Manage your Power

- Cross-Cutting
  - MCEv
  - BEO

- Upcoming Programs
  - Single-Family Upgrade
  - Residential Direct Install
  - Single Measure Rebates
  - Agriculture
  - Industrial
Residential
Multifamily
Multifamily Energy Savings Program

- All of MCE service area
- Multifamily properties (4+ Units)
- Multifamily property owners and residents
- Technical assistance and cash rebates
Multifamily Energy Savings Program Offerings

- No cost **energy assessments** (valued at $3,000-$5,000; max deposit $500 reimbursed at completion)
- No cost **technical assistance** to solicit contractor bids and develop scope of work
- **Rebates** received within 2 weeks of project sign-off
- No cost **direct install** measures for tenant units
- Post-project **quality assurance**
Low Income Families and Tenants (LIFT) Pilot Program

- All of MCE service area
- Income Qualified Multifamily Properties/Units
- Multifamily property owners and residents
- Additional $1,200 cash rebates per unit and low-cost heat pumps
LIFT Program
Offerings

- $1,200 per unit in addition to rebates provided by Multifamily Energy Savings Program
- Residents at or below 200% Federal Poverty Guidelines
- Low-cost high-efficiency electric heating and cooling appliances
- Start-to-finish technical assistance
Residential
Single family
Seasonal Savings Program

- Customers with **smart thermostats** offered chance to enroll

- Thermostats’ set points (i.e. the temperature they are set to maintain) are remotely adjusted

- Experimental design; savings validated through set point and runtime analysis.
New Residential Programs
Residential Direct Install

- Available to both single and multifamily renters and owners
- No-cost energy assessments
- No-cost to low-cost measure installation
- Post-project quality assurance
Residential Single Measure

- Available to both single and multifamily renters and owners
- Key building **data collection**
- **Cash** rebates
Residential Comprehensive

- Available to both single family renters and owners
- Comprehensive site assessment
- Cash rebates
- Pay-for-Performance contracting
- Meter based savings
Commercial
Commercial Program

All of MCE Territory

Commercial Properties – Retail, Office, Restaurants, Light Industrial, Restaurants, etc.

Commercial Property Owners and/or tenants

Design Assistance, Procurement, and Rebates for Energy Saving Upgrades
Commercial Program Offerings

- Current offer provides in-person design assistance and direct-install type service
- Expanded program
  - User-friendly customer platform
  - Automated contractor bidding
  - Web-based project feasibility and assessment tool
New Non-Residential Programs
Agriculture

- Comprehensive site assessment
- Technical assistance
- Project management and procurement support
- Cash rebates
Industrial

- Comprehensive site assessment
- Technical assistance
- Project management and procurement support
- Cash rebates
Budgets, Cost-Effectiveness & Accounting
## 2019 Budget and Cost-Effectiveness

<table>
<thead>
<tr>
<th>Sector</th>
<th>Budget</th>
<th>Annual Net kW</th>
<th>Annual Net kWh</th>
<th>Annual Net Therms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>$ 766,449</td>
<td>126</td>
<td>796,656</td>
<td>30,937</td>
</tr>
<tr>
<td>Commercial</td>
<td>$ 1,185,725</td>
<td>358</td>
<td>1,967,331</td>
<td>34,219</td>
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<tr>
<td>Industrial</td>
<td>$ 690,423</td>
<td>41</td>
<td>556,588</td>
<td>71,153</td>
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<tr>
<td>Residential</td>
<td>$ 3,865,965</td>
<td>233</td>
<td>2,531,902</td>
<td>267,523</td>
</tr>
<tr>
<td>WE&amp;T</td>
<td>$ 160,000</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>EM &amp; V</td>
<td>$ 111,143</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Portfolio</td>
<td>$ 6,779,704</td>
<td>592</td>
<td>5,852,476</td>
<td>403,832</td>
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<tr>
<td>Portfolio TRC</td>
<td>1.04</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio PAC</td>
<td>1.18</td>
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Admin. Costs and Accounting Practices

<table>
<thead>
<tr>
<th>Sector</th>
<th>Admin</th>
<th>Percent Admin</th>
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</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>$23,430.86</td>
<td>3.1%</td>
</tr>
<tr>
<td>Commercial</td>
<td>$41,812.05</td>
<td>3.5%</td>
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<tr>
<td>Industrial</td>
<td>$31,227.37</td>
<td>4.5%</td>
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<tr>
<td>Residential</td>
<td>$232,465.26</td>
<td>6.0%</td>
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<tr>
<td>Portfolio Total</td>
<td>$328,935.54</td>
<td>4.9%</td>
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## Admin Costs - Overhead and GA

<table>
<thead>
<tr>
<th>Item</th>
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<tbody>
<tr>
<td>Accounting support</td>
</tr>
<tr>
<td>IT services and support</td>
</tr>
<tr>
<td>Reporting databases</td>
</tr>
<tr>
<td>Data request responses</td>
</tr>
<tr>
<td>CPUC financial audits</td>
</tr>
<tr>
<td>Regulatory filing support</td>
</tr>
<tr>
<td>Travel and conference fees</td>
</tr>
<tr>
<td>Membership dues</td>
</tr>
<tr>
<td>Facility related cost</td>
</tr>
<tr>
<td>Supply management function activities to ensure oversight of contractors</td>
</tr>
<tr>
<td>Administering contractor payments for services with are non-incentive related</td>
</tr>
<tr>
<td>Admin and logistical costs related to workshops on Strategic Planning issues</td>
</tr>
</tbody>
</table>
2019 Cost-Effectiveness Strategies

- Focus on the most cost-effective measures
- Deploy measure cost savings strategies within existing programs
- Expanded service area provides a larger population of projects
- Comprehensive sector-related programs
- Use of performance-based implementation contracts
Ex-Ante vs. Ex-Post TRC

<table>
<thead>
<tr>
<th>Program</th>
<th>Program Year</th>
<th>Ex Ante TRC</th>
<th>Ex Post TRC</th>
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<tbody>
<tr>
<td>Multifamily</td>
<td>2014</td>
<td>0.25</td>
<td>0.25</td>
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<tr>
<td>Small Commercial</td>
<td>2014</td>
<td>1.52</td>
<td>1.15</td>
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</table>

- One impact evaluation was performed on MCE’s portfolio
- Reported vs. evaluated TRCs by program
## Forecasted vs. Claimed Savings

<table>
<thead>
<tr>
<th>Program Year</th>
<th>Forecasted Net kW</th>
<th>Claimed Net kW</th>
<th>Percent kW Goal</th>
<th>Forecasted Net kWh Savings</th>
<th>Claimed Net kWh Savings</th>
<th>Percent kWh Goal</th>
<th>Forecasted Net Them Savings</th>
<th>Claimed Net Them Savings</th>
<th>Percent Them Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>N/A</td>
<td>87</td>
<td>N/A</td>
<td>N/A</td>
<td>731,077</td>
<td>N/A</td>
<td>N/A</td>
<td>8,124</td>
<td>N/A</td>
</tr>
<tr>
<td>2017</td>
<td>351</td>
<td>223</td>
<td>64%</td>
<td>1,812,755</td>
<td>1,262,243</td>
<td>70%</td>
<td>33,850</td>
<td>34,821</td>
<td>103%</td>
</tr>
</tbody>
</table>
Strategies to Achieve TRC of 1.25 by 2023

• Expanding to a comprehensive portfolio
• Adaptive Management
• Targeted outreach
• Adopt new technologies
• Implement a competitive bidding process
• Engage community partners to create access to MCE programs for all communities
2020 Program Ideas and Beyond

• Expanded workforce development
• Zero Net Energy (ZNE)
• New construction
• Data analytics and behavior approaches/programs
• Normalized Metered Energy Consumption
• Single Point of Contact (SPOC) model build out
Stakeholder Input
Other program ideas?
Next Steps
Next Steps

- 2019 ABAL Workshop Report – 01/26/2019
- Comment Period – 02/15/2019
- MCE Review
Thank You

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