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Residential Multifamily Strategic Energy Management

MCE01A

Program Manual

January 14, 2022

**Version 1.0**

Program Manual Revision Log

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Program Manual Summary

This program manual provides an overview of MCE’s Residential Multifamily Strategic Energy Management Program. The manual describes The Program’s policies and procedures and provides a framework for managing and implementing The Program. The manual describes eligibility requirements, additional services, audit requirements, payment, and financing options, as well as quality assurance provisions.

The MCE Residential Multifamily Strategic Energy Management Program (The Program) is a comprehensive third-party program which will deliver reliable and persistent electric and gas savings for customers within MCE’s service area. Customers will benefit from a comprehensive approach to energy efficiency, combining MCE’s strong customer relationships and community presence, and ongoing communication with innovative methods, data-driven outreach, and rigorous technical review of projects to move customers forward on their energy efficiency journey.

Eligible Measures

*Provide requirements for measure eligibility or a list of eligible measures.*

Through the Residential Multifamily SEM program, participants will identify, prioritize, and implement EEM’s (energy efficiency measures) while placing an emphasis on low cost/no cost and behavioral measures. An energy model will be used to verify the savings achieved by each measure. Sample measures included in The Program are listed below:

**Building Envelope**

* Air Sealing
* Insulation
* Measures to reduce solar heat gain

**Ventilation**

* Hallway ventilator maintenance plan
* Roof fan maintenance plan
* Testing & Balancing (TAB)
* HRVs / ERVs
* Constant Air Regulators (CARs)
* Variable Frequency Drives (VFDs)
* Demand Control Ventilation (DCVs)

**Air Conditioning** – maintenance plans for:

* Air Conditioners – window & thru-the-wall
* Packaged Terminal ACs (PTACs)
* Ductless Mini-Split
* Heat Pumps
* Cooling Towers

**Heating Systems** – maintenance plans for

* Controls
* Insulation
* Distribution
* Domestic Hot Water (DHW)
* End of Life assessment / upgrade to heat pumps

**Lighting & Electricity**

* Lighting Efficiency
* Lighting Quality
* Lighting Controls
* Metering / Submetering
* VFDs on pumps & motors
* Monitoring plug load
* Upgrading appliances

**Water**

* Measuring and managing water use
* Submetering
* Upgrading water fixtures & water appliances
* Xeriscaping
* Rainwater recovery
* Drip irrigation
* Wastewater upgrades

Customer Eligibility Requirements

*Provide requirements for program participation (e.g., annual energy use, peak kW demand)*

Participants are subject to all applicable federal, state and local laws, and California Public Utilities Commission (CPUC) rulings. MCE reserves the right to approve or reject applications to The Program.

Facilities with the following characteristics are eligible to participate in The Program:

* The building where the Program will be carried out shall be located in MCE’s service territory.
  + MCE service territory includes all of Marin County and Napa County, unincorporated Contra Costa County and Solano County, and the cities of Benicia, Concord, Danville, El Cerrito, Fairfield, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, Vallejo and Walnut Creek.
* Customer shall be a multifamily residential customer (defined as residential buildings with 5 or more units and alternative housing facilities)
* Customer building eligibility will be determined by MCE Program staff and informed by NAICS codes, rate schedule, business profile, or other customer site characteristics.

The customer eligibility requirements as outlined in the Statewide policy manual are summarized below:

#### Public Purpose Program (PPP) Surcharge

Eligible customers must receive electrical or gas service from MCE or PG&E and pay the Public Purpose Program (PPP) surcharge on the gas or electric meter for which the energy efficiency equipment is proposed. The PPP surcharge information can be found on the utility bill.

#### Non-IOU Supply

Evaluation requires assessment of “coincident savings”, which are savings associated with an energy efficiency measure that coincide with the period(s) the customer is purchasing energy from PG&E or MCE, thus reducing the grid/system impact. The time period is hourly for electricity and monthly for natural gas.

Eligibility is determined based on two factors:

1. Does the customer pay the non-bypassable Public Purpose Program (PPP) surcharge on the electricity or gas subject to energy efficiency savings?
2. Are there electric grid/gas system coincident savings?

To qualify for energy efficiency incentives, the customer’s reduction in energy usage due to the energy efficiency measure, must always occur on the grid/system at times when the energy efficiency measure is operational, and its energy resource requirement is being met.

#### Minimum Customer or Project Size

Customers shall be a multifamily residential customer (defined as residential buildings with 5 or more units and alternative housing facilities). Currently, there are no incentive size limitations.

**Double Dipping**

The Program team will work with the customer to validate that it has not received incentives or services for the same energy efficiency technologies and measures that it is applying for with The Program.

The customer Program Application provides the following statements that each participating Customer will validate:

* Customer understands that Customer cannot receive incentives for the same product, equipment or service from more than one California investor-owned utility or third-party Energy Efficiency program offering incentives for the same product, equipment, or service funded by the CPUC.
* Customer understands this prohibition applies three years prior to and three years after receiving the incentives for the same product, equipment or service.

Contractor Eligibility Requirements

*List any contractor (and/or developer, manufacturer, retailer or other “participant”) eligibility requirements (e.g. specific IOU required trainings; specific contractor accreditations; and/or, specific technician certifications required).*

The Program will operate in compliance with the workforce qualifications, certifications, standards and requirements set forth by the Workforce Standards as required by Decision 18-10-008. Customers will be notified of the workforce standard during initial engagement in The Program. Customers will be required to accept understanding of the workforce standards on the enrollment agreement prior to ordering and installation of equipment. Customer will also verify that workforce standards were met as part of the project completion certificate that will be signed upon project completion. The workforce standards are described below.

* + All HVAC projects receiving an incentive of $3,000 will require that all workers participating in installation, modification, and maintenance of HVAC measures on projects that meet the criteria outlined in this decision to meet one of the following criteria:
    - Completed or enrolled in an accredited HVAC apprenticeship.
    - Completed at least five years of work experience at the journey level as defined by the California Department of Industrial Relations, passed a practical and written HVAC system installation competency test, and received credentialed training specific to the installation of the technology being installed.
    - Have a C-20 HVAC contractor license from the California Contractor’s State Licensing Board.
    - All of the above requirements apply to all of the individuals that perform the installation work, not to the contracting firm itself.
  + All lighting controls projects receiving an incentive of $2,000 will require that California Lighting Controls Training Program (CALCTP) certification for technicians installing lighting controls projects.

Participating Contractors, Manufacturers, Retailers, Distributors, and Partners:

**N/A**

Additional Services

*Briefly describe any additional sub-program delivery and measure installation and/or marketing & outreach, training and/or other services provided, if not yet described above*

Single Point of Contact (SPOC) and Other Customer Resources

MCE and CLEAResult will maintain an up-to-date summary of customer resources and programs, including but not limited to energy efficiency information. Anticipated resources include financing opportunities, grant opportunities, local government initiatives and coordination with other community or business sector groups. MCE’s SPOC model will provide personalized attention, follow–through, and assistance in identifying solutions that meet customer needs, budgets, and levels of readiness for change (thereby minimizing the barriers that often plague projects during the initial phases). Customer needs and goals may sometimes fall outside of the core focus of the energy efficiency offering; however, MCE views the SPOC role as critically important in achieving broader customer sustainability goals.

Safety

MCE’s program implementer, CLEAResult, has a comprehensive safety program that employees are responsible for participating in as a condition of employment. The CLEAResult safety program includes required safety training for all employees, dedicated office and regional safety teams, policies and procedures for identifying safety hazards, and reporting incidents and maintaining a safe and healthy workplace. Specific guidance is established for program staff conducting on-site visits. All CLEAResult employees working on the MCE program will adhere to these policies and procedures during the implementation of The Program.

Established practices include, but are not limited to:

* 1. Office safety
  2. Safe driving
  3. On-site inspection protocols

Marketing

#### Customer Outreach:

Direct customer outreach will be the key tactic to drive customer participation. Program staff’s outreach and account management team will focus on face-to-face meetings, email and phone calls to create and sustain relationships and drive market transformation. The strategies outlined below will be continuously built upon by the outreach team as the Account Managers continue to engage more deeply in the market. Regular review should be conducted of these resources to assess relevance, and to make sure there are adequate resources to drive the desired results.

Lead generation will come from a variety of sources including:

* Market research conducted through online searches.
* Coordination with MCE to identify customers, optimize opportunities, and improve the outreach process.

MCE Account Managers will develop and document leads through correspondence with key accounts, Deep Green customers and Deep Green enrollments, community groups, etc.

* MCE “Power Hour” workshops targeting specific customer groups.
* Leveraging manufactures and distributors to increase pipeline opportunities using a “push/pull” approach:
  + Find customers through vendor leads.
  + Help customers identify potential vendors as applicable.
* Targeting of Industry potential through quick win measures, NAICS industry codes, and regional segmentation.
* Engage with industry organizations to gain customer leads, market intelligence, and exposure to potential new technologies.

SEM Recruitment includes the following steps:

* Determine prospective companies
* Touch base with existing contacts
* Pitch The Program
  + Flyer (paper or electronic)
  + Talk to past participant(s)
  + Trade Forums
  + Individual presentations, etc.
* Participants execute an enrollment agreement
* Set up meeting with SEM coach for site kick off activities

#### Support Tactics:

Other marketing tactics that will support customer lead generation and account management include:

* Collateral: Educational materials that convey the energy and non-energy benefits associated with custom projects and other offerings. These materials will educate customers about the long-term benefits of energy efficiency, available incentives, and other programs that may help. Program collateral will include:
  + Program overview
  + Industry specific info sheets
  + Measure specific info sheets
* Case Studies: Descriptions of specific projects that have been implemented by customers will be a key tool for account managers to use in encouraging customers to participate. Case studies will be developed for a wide variety of measures and industry types in order to equip the outreach team with specific examples of completed projects to use for customer education.
* Web Content: The Program will use the MCE site to promote The Program and provide valuable information to potential customers and other stakeholders. Initial content includes incentive details, FAQs, and high-level program information and will be supplemented by case studies and other collateral as developed.
* Data Sharing: The online SharePoint will act as a hub where customers can securely submit their data. It will also allow customers to access materials from workshops as well as other program related documents.
* Trade Associations and Community Organizations: Trade associations are trusted partners in the business community and provide another avenue for reaching target sectors. Program staff will connect with local trade associations, chambers of commerce, and business leader groups to raise program awareness.

Audits

*Indicate whether pre and post audits are required, if there is funding or incentive levels set for audits, eligibility requirements for audit incentives*

Access to Customer Sites

The Program Implementer shall be responsible for obtaining any and all access rights from customers and other third parties to the extent necessary to perform the Services. Implementer shall also procure any and all access rights from Implementer Parties, customers and other third parties in order for MCE and CPUC employees, representatives, designees and contractors to inspect the Services.

For all energy efficiency projects, MCE reserves the right to perform pre and/or post audits to verify information pertinent to the energy efficiency projects. Project audit selection may include consideration of incentive size and/or measure eligibility or other factors at the discretion of MCE. For SEM measures, this includes verification of modeling assumptions and calculations, including but not limited to production data, operating hours, weather data.

Sub-Program Quality Assurance Provisions

*Please list quality assurance, quality control, including accreditations/certification or other credentials*

The Program will use a comprehensive quality management process that features immediate feedback and assistance to all participants. The process includes Quality Assurance (QA) that focuses on staff training, consistent processes, and data review, as well as Quality Control (QC) that focuses program resources on those projects and participating vendors that need the most attention.

Quality Assurance

The Program will train program staff and participants on program processes and standardized work specifications by program measure.

* The Program will proactively seek feedback from all stakeholders, MCE, customers, and vendors, to ensure that The Program is continuously improving in its approach to market and provision of QA/QC.
* The Program will address any complaints regarding a specific project, or company.
* The Program will track all customer and participating vendor complaints from initiation to resolution and notify MCE where there is a pending dispute or recurring/systemic issues.

#### Data Review:

Program staff will utilize program-specific checklists to verify completeness, accuracy, and eligibility of each application. The data review is composed of:

* Documentation supporting pre-implementation energy use associated with the measure(s) included in the application.
* Dated, itemized invoices and proof of payment, including:
  + Equipment quantities, model numbers, material costs and shipping address to verify purchase of equipment associated with incentive.
  + Installation, consulting and other services necessary to deliver identify, scope, plan, install and verify installation of measures.
* Manufacturers’ specification sheets for each qualifying equipment type to verify the equipment meets the minimum efficiency standards necessary to deliver the energy savings estimated in the application.
* Energy savings calculations, and (as needed) pre/post-implementation data for equipment and systems affected.

Quality Control

The Program requires on-going quality control activities to ensure that each project has been designed and installed properly and documented accurately. This is necessary in order to ensure that quality work is performed for the customer and that well documented savings are provided for The Program. The QC process helps ensure savings integrity to maintain high realization rates. This includes:

* Verification of the energy baseline created to define the savings available from the proposed measure(s). This includes confirmation of existing energy use patterns over a defined time period, building/ process hours of operation and any weather/temperature impacts.
* Pre and post-installation field inspections based on defined sampling criteria.
* Verification of data submitted through routine checks to ensure data consistency and integrity.
* Feedback of data analysis to program participants, and feedback collected through customer surveys.

Other Program Metrics

The Program is funded by California utility ratepayers under the auspices of the California Public Utilities Commission. Customers are not obligated to purchase any full fee service not funded by this program.

Program Incentives

Program funds are available on a first-come, first-served basis until depleted. Incentives will be paid based on verified energy savings.

Table 3 – SEM Milestone Incentive Payments

|  |  |  |
| --- | --- | --- |
| Milestone | Quantity | Rate |
| Initial: Energy and Relevant variable Data and Workshop Attendance | 1/participant | $2,000/participant |
| Subsequent: Updated Data and Opportunity Register | 4/participant | $1,000/participant |

Table 4 – SEM Measure Savings Incentive Rates

|  |  |  |
| --- | --- | --- |
| Category | $ / kWh | $ / Therm |
| BRO Measure Savings | $0.03 | $0.25 |

Table 5 – SEM Incentive Payment Timeline

|  |  |
| --- | --- |
| Incentive | Deliverable |
| Payment #1  (Milestone) | 1. Provide Program with one year of approved historical energy data  2. Attend workshop #1 |
| Payment #2  (Milestone) | 1. Provide Program with at least six months of approved post baseline energy data and relevant variable data  2. Provide updated opportunity register to SEM Coach  3. Attend workshops #2 and #3 |
| Payment #3  (Measure Savings) | Verified savings from SEM Model for year 1 |
| Payment #4  (Milestone) | 1. Provide Program with approved 12-month post baseline energy data and relevant variable data  2. Provide updated opportunity register to SEM Coach  3. Attend workshops #4 and #5  4. Implement at least one O&M project in year 1 |
| Payment #5  (Milestone) | 1. Provide Program at least 18 months of approved energy and relevant variable data  2. Provide updated opportunity register to SEM Coach  3. Attend workshop #6 |
| Payment #6  (Milestone) | 1. Provide Program with final 24 months of energy and production data  2. Provide updated opportunity register to SEM Coach  3. Attend workshops #7 and #8  4. Implement at least one O&M project in year 2 |
| Payment #7  (Measure Savings) | Verified savings from SEM Model for year 2 |