



## Implementation Plan

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# Small Business Saver Program

## SDG&E Small Business Equity Program

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# Table of Contents

<b>Program Overview .....</b>	<b>3</b>
<b>Program Budget and Savings .....</b>	<b>4</b>
1. Program Name.....	4
2. Program ID .....	4
3. Program Budget Table.....	4
4. Program Gross Impacts Table .....	4
5. Program Cost-Effectiveness.....	4
6. Program Total System Benefits .....	4
7. Type of Program Implementer .....	5
8. Market Sectors .....	5
9. Program Type.....	5
10. Market Channel & Intervention Strategies.....	5
Primary Program Goals and Timeline.....	6
Secondary Program Goals and Timeline.....	7
<b>Implementation Plan Narrative.....</b>	<b>8</b>
1. Program Description .....	8
2. Program Delivery & Customer Services .....	10
3. Program Design & Best Practices .....	14
4. Innovation.....	16
5. Metrics .....	18
Key Performance Indicator Schedule .....	19
6. For Programs Claiming To-Code Savings.....	20
7. Pilots.....	21
8. Workforce Education and Training.....	21
9. Workforce Standards .....	21
10. Disadvantaged Worker Plan.....	23
<b>Supporting Documents .....</b>	<b>24</b>
1. Program Manual.....	24
2. Program Theory & Program Logic Model .....	24
3. Program Process Flow Chart .....	26
4. Incentive Table for Measures, Measure Packages.....	27
5. Quantitative Targets .....	29
6. Diagram of Program .....	31
7. Evaluation, Measurement & Verification.....	32
8. Normalized Metered Energy Consumption (NMEC) .....	34

# Program Overview

The Small Business Saver Program (the Program) aims to deliver meaningful energy bill savings to San Diego Gas & Electric Company's (SDG&E's) micro and small business (SB) customers operating within Disadvantaged Communities<sup>1</sup> (DACs) and/or are considered Hard-to-Reach (HTR) customers. The Program will achieve this through local partnerships with Subcontractors such as The Ortiz Group, Environmental Innovations (EI), and California Green Business Network (CAGBN), as well as Community Based Organizations (CBOs) and Trade Allies (TAs) for customer outreach, and will offer services such as energy education, bill analysis, free direct install (DI) measures, and information about other energy efficiency and Demand Response programs. Direct Install measures are defined as projects that are installed at no cost to the customer. Payment for materials and labor is assigned to the Installer. The focus is specifically on non-residential SDG&E customers with a monthly maximum demand of  $\leq 20$  kW.

The Program sets out to achieve key objectives, including engaging 5,500 customers through targeted outreach, providing significant customer first-year energy bill savings, and engaging, training, and building TA businesses to better serve their communities. The four-year program is designed to improve overall customer satisfaction by providing exceptional customer service, making energy efficiency (EE) tangible, and ensuring the participation process is simple. Benefits extend beyond energy savings, encompassing health, comfort, and reductions in water and waste.

Ultimately, these concerted efforts aim to ensure that eligible SBs receive equitable access to resources, rebates, and opportunities, contributing to a more sustainable and inclusive future.

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<sup>1</sup> "Disadvantaged Community" means a census tract that either: a) scores at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the California Environmental Protection Agency's (CalEPA) CalEnviroScreen 3.0, or successor thereof, on a statewide basis, or b) is one of the 22 census tracts that score in the highest five percent of CalEnviroScreen's pollution burden, but that do not have an overall score in the top 25 percent because of unreliable socioeconomic or health data.

# Program Budget & Savings

## 1. Program Name

Small Business Saver Program

## 2. Program ID

SDG&E 4173

## 3. Program Budget Table

Costs	Total
Administration	\$508,800
Marketing/Outreach	\$671,851
Incentive/Rebate	\$5,759,446
Direct Implementation	\$4,686,405
Microbusiness Bonus	\$200,000
<b>Total</b>	<b>\$11,826,502</b>

## 4. Program Gross Impacts Table\*

Gross	Total
kWh	550,668
kW	50
Therms	157,512
*Resource projects only	

## 5. Program Cost Effectiveness

As a Non-resource (Equity) program, TRC and PAC are not applicable metrics.

## 6. Program Total System Benefits

	2024	2025	2026	2027
<b>TSB</b>	\$507,832	\$798,186	\$839,153	\$589,223

## **7. Type of Program Implementer**

Third Party-Delivered

## **8. Market Sectors**

Customer type that the Program will serve: Commercial Small Businesses

## **9. Program Type**

Non-Resource (Equity) – Focused on small business equity, the program supports the energy efficiency portfolio through installation of energy saving no-cost measures, marketing and outreach, utility bill savings, and improved access to training and education.

## **10. Market Channel and Intervention Strategies**

### **Market Channel**

- Downstream

### **Intervention Strategies**

- Audit
- Direct Install
- Technical Assistance

## Goals & Timeline

### Primary Program Goals

	Goal Description	2024 Program Year 1	2025 Program Year 2	2026 Program Year 3	2027 Program Year 4	Total
<b>Program Performance: HTR Customers</b>	Number of hard-to-reach customers served	825	1,237	1,237	825	4,124
<b>Program Performance: DACs</b>	Number of customers served that reside within disadvantaged communities	275	413	413	275	1,376
<b>Outreach: Leverage Trade Allies/CBOs</b>	Number of small and microbusinesses served by the program as a percentage of eligible customers enrolled	80%	80%	80%	80%	80%
<b>Compliance: Disadvantaged Workers</b>	Percent of assessments performed by workers who meet the CPUC criteria for "disadvantaged worker"	20%	20%	20%	20%	20%
<b>Compliance: Reporting Accuracy</b>	Variance between the monthly forecasted and actual expenditures	20%	20%	20%	20%	20%
<b>Compliance: Diverse Business Enterprise</b>	Diverse business enterprise (DBE) spend as a percent of total invoiced amount	15%	15%	15%	15%	15%
<b>Program Performance: Customer Feedback</b>	Achievement of at least 90% in customer satisfaction from Customer Feedback Survey	90%	90%	90%	90%	90%
<b>Program Performance: Customer Annual Bill Savings</b>	Average annual utility bill savings per participant	\$26-\$50	\$26-\$50	\$26-\$50	\$26-\$50	\$26-\$50
<b>Program Performance: Measure Install Pass Rate</b>	Energy efficiency measures that pass SDG&E inspection with a 95% rate or greater	95%	95%	95%	95%	95%

**Secondary Program Goals**

	2024 Program Year 1	2025 Program Year 2	2026 Program Year 3	2027 Program Year 4	Program Totals
Net Energy Savings (kWh)	111,551	163,783	163,783	111,551	550,668
Net Energy Savings (Therms)	31,492	47,264	47,264	31,492	157,512
Net Demand Reduction (kW)	10	15	15	10	50
Total System Benefits	\$507,832	\$798,186	\$839,153	\$589,223	\$2,734,394

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# Implementation Plan Narrative

## 1. Program Description

The Small Business Saver Program (Program) is focused on delivering meaningful energy bill savings to San Diego Gas & Electric Company's (SDG&E's) micro and small business (SB) customers in the Commercial sector. The target customers are those residing in DACs or those that qualify as HTR customers. Program goals are achieved by leveraging local SB-focused TAs, CBOs, and Program experts such as the California Green Business Network (CAGBN), The Ortiz Group, and Environmental Innovations (EI). Eligible customers will be provided energy education, bill analysis, audits, and no-cost direct install measures.

### Rationale

Traditional non-residential demand side management (DSM) program designs are frequently difficult for SB customers to access, typically with services and benefits that do not align with the needs of this customer type and size, and with performance metrics that make serving these customers prohibitive. As a result, the need to increase ratepayer services to DAC and HTR customers has been acknowledged.

The Program helps address such gaps by focusing exclusively on Commercial customers with a monthly maximum demand of twenty (20) kW or less. The Program focuses on customers within DACs and/or defined as HTR and offers the scale and scope of services required by this customer group to ensure meaningful and continued engagement.

### Objectives

The Resource Innovations team expects the Program to achieve significant, positive, and valued outcomes for SDG&E and its customers. High-level objectives include:

- **Serving 5,500 SB customers through targeted outreach and simplified participation.** This will be achieved through the marketing/outreach plan generating demand, and offering a relevant, simple, and impactful Program.
- **Providing meaningful energy savings; health, comfort, and safety benefits; and water and waste reduction.** The Program is expected to deliver first-year energy bill savings of over two million dollars as a direct result of the Program's direct install service. Additional benefits are realized by coordinating participation in Green Business Programs and other relevant offerings, including SDG&E resource programs. Green Business Programs offer additional services not provided by the Program and does not offer these services utilizing EE funding.

- **Engaging, training, and building TA businesses to better serve their communities** through a train-the-trainer model.
- **Increasing customer satisfaction with SDG&E** by making efficiency real and meaningful, making the participation process straightforward and effective, and providing exceptional customer service throughout.

### **Environmental and Social Justice (ESJ) Action Plan Goals**

The Program will improve access to energy efficiency for DACs and promote California Public Utilities Commission’s (CPUC’s) ESJ Action Plan Goals 1, 2, and 5 by reducing energy burden and greenhouse gas (GHG) emissions, and improving public health in HTR customer businesses and DACs:

- **Goal 1:** The Program’s strategies include local TA and CBO engagement to spread awareness, provide easy access to Program offerings, improve trust, and increase Program participation. The Program will leverage existing partnerships with local CBOs and TAs and provide training and materials so that they can be a trusted resource within their communities.
- **Goal 2:** The Program will recruit businesses within DACs and underserved communities through data-driven targeted marketing, multilingual outreach, local recruitment, and simplified Program participation. This will be accomplished by TAs with the tools necessary to be recognized as trusted SDG&E representatives, such as cobranded marketing materials or educational leave-behinds. This will also be achieved through a multi-channel marketing approach, in which customers are targeted and reached with the right messages at the right time. Messaging will be succinct and educational and allow for a clear path to Program participation and contact information while also addressing seasonality or specific measures when applicable.
- **Goal 5:** The Program will leverage CAGBN’s Equity Committee and active advocacy effort to be the voice for DACs and amplify the need for more equitable program delivery for HTR customer businesses, DACs, and businesses owned by Black, Indigenous, and people of color (BIPOC). The Program team will leverage CAGBN's Equity Committee, a group of Green Business Program professionals formed to represent a variety of historically underserved communities. The CAGBN Equity Committee has developed equity-focused strategies and resources to serve historically underserved communities, many of which fall into DACs. The Equity Committee will continue to help guide recruitment materials, communication tools, and outreach efforts. They have extensive knowledge of engaging within these communities. For instance, the Equity Committee analyzes business inclusion demographics compared to state demographics, and decides where concerted effort is necessary to provide more equitable services. In addition, they brainstorm on methodology to increase involvement from regions or demographics. For example, Facebook Live, WhatsApp, Univision, and Telemundo worked well for Latinx

businesses. The same gaps that have been identified and are being addressed with increased Green Business recruitment will no doubt coincide with areas of focus for this equity-centered energy efficiency offering.

In addition to the Equity Committee's guidance, the Program will offer CAGBN's outstanding relationship with local government and other Non-Government Organizations (NGOs) to help advocate for these services within DACs. CBO partners will help to identify where to lend Program advocacy, making sure it's both wanted by partners and is as effective as possible. In addition, CAGBN has and will continue to ensure that SBs receive equitable delivery of ratepayer and tax-funded resources. CAGBN has advocated for this with various state agencies and elected officials for several years.

## 2. Program Delivery & Customer Services

### Program Strategies/Tactics

The Program will attract SB customers, overcome participation barriers, and achieve SDG&E's goals through the following strategies:

- **Use a network of local SB-focused TAs;** partnership with Environmental Innovations' nonprofit, the CAGBN; and RI team's established relationships with CBOs to broaden awareness and access. RI will provide the necessary tools, training, and support to enable the network to actively promote the Program within their communities.
- **Bring the Program to customers through local experts** (e.g., TAs, CBOs) who engage them, conduct site assessments, install projects, serve as their single point of contact, and facilitate Program participation.
- **Minimize participants' costs of participation** through no-cost DI measures. This helps overcome a critical historical barrier to SB customers--the cost of participation in traditional EE programs.
- **Streamline assessments and participation** using RI's project facilitation tool. The project facilitation tool will provide a full report with qualified measure opportunities as well as other programs and tips customers can benefit from to lower their energy burden.
- **Enhance engagement with underserved communities, DACs, and HTR customers** through marketing and outreach, recruitment of TAs in DACs and with diverse workforces, and established relationships with trusted CBOs.

- **Achieve comprehensive energy savings** by providing full site assessments and offering HVAC, lighting, refrigeration, and plug load measures, and other targeted measures that address common SB customer health and safety issues (e.g., improved air quality).
- **Achieve persistent energy savings** through ongoing engagement opportunities, including providing awareness of other SDG&E energy efficiency and demand response programs, and customer participation in Green Business Certification through the CAGBN (owned by Environmental Innovations). The Green Business Certification program assists customers with going deeper into areas of sustainability such as water usage and waste disposal. Local green business coordinators will conduct audits, provide technical assistance, and work with the appropriate environmental agencies to ensure candidates' environmental compliance. After successful signoffs from all audits and inspections, the business will be officially recognized as a Green Business by the CAGBN and will receive the right to use the Green Business logo and other program materials for self-promotion, be promoted to the public via a listing in the online, searchable statewide directory, and receive other free promotions through their local program.

All SDG&E Commercial customers with a demand  $\leq 20$  kW who meet eligibility requirements can participate in the Program. The Program will serve SDG&E's entire territory, focusing outreach and TA capacity on HTR customers located in underserved communities and DACs. Below is a matrix summarizing eligible customers. If a customer does not fit into this eligibility criteria, they are ineligible for the program.

### Eligibility Requirements

Market Sector	Eligible Climate Zones	Maximum Demand	Demographic Requirements
Commercial	6, 7, 8, 10, 14, 15	$\leq 20$ kW	Participants must be HTR and/or DAC

A local, diverse outreach team will be equipped with web-based tools to quickly assess each customer's facility, determine the optimal project plan, and communicate it to key decision-makers. The outreach team will be from the communities SDG&E serves, reflect the target populations, and gain the trust of those communities.

TAs will be the customer's energy concierge and manage project and customer Program applications. During assessment, TAs will offer and install a standardized, comprehensive set of measures to maximize customer bill savings. This DI service will provide immediate value to participants. This approach is effective for HTR populations: it is simple for customers to understand, easy for TAs to communicate and deliver, and helps gain trust and commitment to expand their sustainability journey.

The Program will offer opportunities for ongoing engagement for continued energy and bill savings. Following the assessment, the TA will provide the customer a project plan that identifies the highest value and most frequently encountered measure opportunities in small non-residential settings, along with demand response (DR) opportunities, and third-party/Community Choice Aggregator/Regional Energy Network (CCA/REN) incentives they can use to achieve savings. It will also educate customers on relevant financing programs. The TA will then facilitate agreed-upon follow-up projects for the customer. While the Program focuses on actions and measures that create bill savings, installation projects will contain qualified, Deemed measures that result in claimable savings for SDG&E. Four of the program's measures are resource measures, with the remaining measures not eligible for claimable savings.

Maintaining SDG&E's integrity in how ratepayer funds are spent is a core priority. Resource Innovations will never allow double-dipping in the Program and will prevent it by:

- Requiring a signed attestation from TAs stating they are not using any other program's incentives for installed equipment.
- Closely collaborating with programs that have overlapping target customers and measure offerings to develop the most efficient method for preventing double-dipping.
- Helping coordinate customer participation in these overlapping programs so RI's team remains aware of customer interactions with these programs.
- Staying connected with SDG&E staff to leverage their knowledge and awareness of customer participation in other programs.
- Training TAs on the Program's requirements as they relate to double dipping and confirming they can work with customers to determine whether any measures have been installed as part of another program or within the time period of treatment.

## **Preventing Payments on Duplicate Measures**

RI's Business Process Center has effective quality control procedures to verify the correct incentive amount is paid the correct number of times to the correct recipient. In 2021, RI processed and issued more than \$166 million in incentive payments across more than 27,000 checks, with a 99.9% accuracy rate.

As RI processes rebates, all projects are thoroughly reviewed to verify that applications are complete and meet Program eligibility requirements and that incentive checks are paid in strict compliance with Program tariffs.

Duplicate incentives are best prevented at the database level. Whenever possible, RI validates serial numbers across programs to confirm that a piece of equipment has not been incentivized previously. Validation also occurs across fields, including account number, address, measure type, or any other fields required by SDG&E program rules. RI only pays incentives to TAs who submit all required documentation and works with them to acquire any missing information.

In addition to database validations, RI's processors may perform a secondary review based on factors such as application type or risk. This secondary review checks items such as payee, address, rebate amount, terms and conditions, signature, tax information, and third-party release of incentive (if applicable). Immediately prior to the batch process, the business process coordinator conducts batch-level validations for consistencies, including "Payee" spelling, address, savings and incentives, ZIP code according to U.S. Postal Service records, and length of tax ID numbers. Additionally, the project manager reviews each batch for compliance with Program requirements and approves batch incentives as appropriate.

## **Market Channel**

The primary target market for the Program are customers located within DACs and underserved communities, as well as HTR customer businesses. Local TAs, CAGBN, and the CBO network will legitimize the Program to their constituents and assist with community outreach and engagement. CAGBN operates a network of 42 municipally run Green Business Programs throughout California and brings extensive relationships with CBOs. CAGBN's local partner is the San Diego Green Business Council, and other CBOs that CAGBN is targeting include the Carlsbad Chamber of Commerce, The Diamond District, La Mesa Chamber of Commerce, National City Chamber of Commerce, Santee Chamber of Commerce, and Business For Good.

Additionally, the existing CBO partners are known and trusted by DACs and HTR customer businesses and have strong relationships within their local communities. These market partners will engage SB customers, educate them about the Program and its benefits, and encourage participation. Leveraging the established networks of these market partners will cost-effectively extend the Program's reach and enable the Program to serve all geographic areas in SDG&E's territory.

The TA network and licensed CBOs will make up the primary delivery channels for Program services. These networks will include contractors and distributors who specialize in, or have a specific interest in, serving SB customers; provide quality service within their communities; and are diverse in both specialty (e.g., HVAC, refrigeration) and ownership structure (e.g., small businesses, diverse ownership designations, multi-site, and single site).

The Program is an action-driven program. The outreach team will be focused on driving customers to take action through the DI service, generating interest in participating in SDG&E energy efficiency and demand response programs, and responding to the behavioral-focused education provided by the team. The Program will make energy efficiency simple, accessible, relevant, and visible to participants.

### 3. Program Design & Best Practices

The Program is designed to overcome common barriers SB customers face as defined by CPUC’s ESJ Action Plan Goals 1, 2, and 5 and to provide participants with an experience that has an immediate impact on their business.

Barrier & ESJ Goal	Solution
<b>Lack of Awareness, Digital Divide, and Technical Goal 1</b>	Local TAs, CBOs, and CAGBN partners will engage SB customers in equity communities and educate them about the Program and its many benefits. Serving as outreach for the Program — and using the project facilitation tool — also enables them to bridge the digital divide and educate customers about additional available programs. RI will provide Program training in coordination with SDG&E and statewide trainings to equip TAs to serve as technical resources for customers.
<b>Financial Goals 1 &amp; 5</b>	TAs will install no-cost energy efficiency measures, providing an immediate financial benefit to SBs. They will provide and review a project plan that identifies programs that customers can participate in to achieve greater savings.
<b>Social Goals 1 &amp; 2</b>	Partnerships with known and trusted CBOs will amplify the Program’s messaging and help staff and TAs reach prioritized communities. CBOs will provide another avenue for workforce development. Customers can select their TA by searching for contractors who match their desired criteria (e.g., languages spoken, diverse ownership, Better Business Bureau ratings, customer reviews).
<b>Incentive Goals 1 &amp; 5</b>	In addition to standard incentives, direct outreach by the CAGBN will encourage SB customers to participate in the Program, providing access to local Program staff and funding sources. EI operates CAGBN, which has local Program coordinators throughout SDG&E’s territory who will leverage existing relationships with CBOs to recruit HTR customer businesses and disadvantaged workers in DACs. CAGBN can also leverage existing funding from local and state governments for business recruitment, rebates, and CBO relationship-building.

## **iEnergy Technology Solution**

The team will use iEnergy to facilitate customer assessments and installation of energy efficiency measures; perform TA management, Quality Assurance (QA), measure verification, reporting and data management, and energy savings verification requirements; and complete Program close-out activities. iEnergy will streamline customer participation, maintain data integrity, and lower administrative costs.

## **Onsite Project Facilitation Tool**

Resource Innovations will enable project facilitation via iEnergy OnSite mobile assessment tool, which streamlines site visits and enhances customer experience by providing a comprehensive report on all eligible measure opportunities, energy and bill savings, and facilitating easy Program enrollment all in the first visit. In addition, the assessment can be completed virtually, enabling the customer the flexibility to participate when it is convenient for them. OnSite also helps ensure project quality and data accuracy by:

- Prompting TAs to capture leads and confirm customer and site eligibility
- Capturing customer authorization and electronic signatures
- Reviewing all relevant customer systems and equipment, eligibility, and spaces to confirm project comprehensiveness
- Requiring and capturing all critical facility, project, and measure information
- Automatically calculating accurate energy savings, bill savings, and incentive payments to TAs.
- Prompting TAs to submit projects, take photos, and capture required supporting documents to complete applications and scopes

**Program Tracking and Reporting.** The Program will use iEnergy to collect, store, track, and report on data for the Program at the customer, funding, measure, project, and Program levels. Through the system's analytics and dashboards, RI will quickly view Program performance related to budgets and actual and projected savings, or dive into specific data to analyze project details and better understand trends.

**Trade Ally Network Management via iEnergy.** The RI team will establish, manage, and maintain the TA network using iEnergy's TA management module. The module's dashboards and reporting will provide insights on performance and enable us to track annual and year-over-year metrics (e.g., number of projects, energy savings) for individual TAs and the entire network. RI will use the platform to monitor TA licensure status and project performance, distribute Program updates, announcements, and post-training resources.

#### 4. Innovation

The Program's innovative features include:

**Going beyond claimable energy savings to support SB customers.** Historically, program designs have limited or skipped participation by SB customers due to barriers such as language, ability to make capital investments, landlord-tenant decision-making, and cost-effectiveness. These customers need Integrated Demand Side Management (IDSMS) and/or EE programs that are designed based on their specific needs. By offering energy bill savings regardless of their regulatory status and including health and safety benefits, SBs are more likely to take advantage of the Program and its benefits. The Program can also leverage measures like smart thermostats to help customers easily participate in Demand Response (DR) programs.

**Extensive local, diverse partnerships** with TAs, CBOs, and CAGBN programs that will appeal to the target market. These are not theoretical partnerships that RI is hoping to form — many of these organizations are known to RI, and RI is known to them. RI has active relationships with these market actors and will leverage them to hit the ground running when the Program is launched.

**True integration with CAGBN programs to take SB customers beyond energy savings.** CAGBN leads the state in working with HTR customer businesses to create a vibrant green economy. Certification standards will include the latest energy efficiency practices and retrofits for SB customers, beyond lighting. Businesses enrolled in the CAGBN are motivated to participate in energy efficiency upgrades to achieve certification and receive public recognition and promotion.

**A train-the-trainer model to increase TA business sustainability and reduce implementation costs.** In The Ortiz Group's train-the-trainer program, each TA will identify one individual within their organization who will receive professional train-the-trainer support from RI's team to build their in-house capacity and incorporate energy efficiency and quality service into their businesses. Training curriculum shall, at a minimum, include:

- Program overview, including policies and procedures
- Roles and responsibilities
- Technical training (including OnSite project facilitation tool)
- Customer qualification process
- Measure list orientation
- Program participation process
- Leveraging of other portfolio offerings

**Cross-training and partnerships of TAs to enhance the customer experience.** Contractors often focus on one broad category, such as electrical or HVAC. RI will reach out to TAs who have demonstrated their ability to perform comprehensive energy projects, but RI will also facilitate cross-training for contractors so they can install all direct install measures in a single visit, greatly enhancing the customer experience. RI will also establish partnerships between TAs

so that, for example, both a lighting-focused TA and an HVAC-focused TA would visit the customer together and install all eligible direct install measures in a single visit.

**Enhanced project speed and simplicity through the web-accessible Onsite mobile assessment tool.** The OnSite mobile assessment tool streamlines the Program application process, facilitates a targeted walkthrough assessment, and helps TAs identify eligible measures in a comprehensive manner. For customers, the project facilitation tool provides a clear pathway to Program participation and includes project details, utility bill savings information, and clear next steps so they can make informed decisions.

**Market transformation using TA apprenticeships.** This Program model hinges on satisfactory and successful interactions between customers and TAs. RI coaches TAs to incorporate energy efficiency and quality services into their business and trains them to effectively engage, motivate, and complete customer projects. This level of training enables the RI team to maintain a robust pipeline and achieve Program goals. To leverage existing offerings and reduce Program costs, RI will coordinate trainings with local SDG&E trainings and the statewide workforce education and training program.

### **Key Differences for More Successful Outcomes**

- Includes a targeted measure mix that will lead to significant bill savings and other benefits, such as increased health, safety, and comfort. Because this is an equity program, it is designed with the end user in mind and is not bound by some of the parameters that govern resource acquisition programs, such as using only active, cost-effective measures.
- Because project cost-effectiveness is not required, the Program can serve all customers effectively — even the smallest and most remote businesses. Previously, the lack of measures available to SB customers made it cost-ineffective and difficult to recruit TAs to serve this segment. Now with an expanded measure offering, it will be feasible to serve these customers and help them experience bill savings.
- Invests heavily in localized outreach utilizing the network of Green Business Programs, CBO funding, and TAs to a diverse, HTR population, which is key to success in order to effectively serve sensitive communities.
- Provides customers with a central resource to help leverage funding and technical resources from other programs, so they can be served comprehensively without having to become program experts themselves.
- Leverages a closed TA network that requires TAs to be vetted and approved for Program participation. This allows local contractors to expand their business and grow their customer base in a sustainable manner.

## 5. Metrics

### Portfolio Level – All Equity Target Participants

Category	Description of Metric or Indicator	Type: Metric or Indicator
<b>Customers Served/Participants</b>	Total # of participants by sector	Metric
	Total # of participants in market support segment, by sector	Metric
	Total # of participants in resource acquisition segment, by sector	Metric
	Percentage of equity participants in portfolio, by sector	Metric
	Percentage of hard-to-reach participants in portfolio	Metric
	Percentage of disadvantaged community participants in portfolio	Metric
<b>Bill Savings</b>	Expected first-year bill savings in total \$ for equity-targeted program participants, by sector	Metric
	Median of expected first-year bill savings in \$ for equity-targeted program participants, by sector	Metric
<b>Energy Savings</b>	First year annual and lifecycle ex-ante (pre-evaluation) gas, electric, and demand savings (gross and net, kWh, kW and Therms)	Metric
<b>Greenhouse Gas Emissions</b>	First Year GHG Net reductions (tons of carbon dioxide equivalent)	Indicator
<b>Contractors/Workers Served</b>	Total # of contractors and/or workers served by Equity Segment Programs	Indicator
	Total # of contractors and/or workers that are disadvantaged workers or otherwise underrepresented, who are directly involved in implementing Equity Segment programs	Indicator
	Total # of companies/non-profits who are Diverse Business Enterprises (DBE) or otherwise underrepresented (e.g., BIPOC-owned) with contracts to implement Equity Segment programs	Indicator
<b>Energy, Climate, and Non- Energy Benefits</b>	Sum of all equity segment participants' TSB Health/Comfort/Safety - "non-energy benefits" in "counts of participants receiving this benefit".	Indicator
	Reporting at least one of: Indoor air quality, Outdoor air quality (e.g., reduction in emissions from gas combustion appliances that vent to nearby outdoor air), Reduction in interior contaminants/biologics, reduced drafts, quieter interior, managed interior temp, other	Indicator

## Key Performance Indicator Schedule

KPI	Description	Target	KPI Data Source	Reporting Frequency	Purpose of KPI
<b>Hard-to-Reach Customers</b>	Evaluates the number of program participants that meet the HTR definition	Target of 75% of the population of participants to be HTR	Per CPUC definition	Quarterly	Program performance: validates focus on equity customers
<b>Disadvantaged Communities</b>	Evaluates the number of program participants within DAC	Target of 25% of participants from DACs	As identified in CALEnviroScreen	Quarterly	Program performance: validates focus on equity customers
<b>Small and Microbusinesses</b>	Evaluates the effectiveness of the program in serving SBs	Target of 80% of participants qualify as SBs	In accordance with Attachment 7 of the contract	Quarterly	Program performance: validates focus on equity customers
<b>Disadvantaged Workers</b>	Evaluates the number of workers that meet the CPUC definition of disadvantaged worker and are directly involved in implementing the program or installation of measures through the program	Target of 20% of assessments performed by disadvantaged workers (determined by employee's home address zip code)	Implementer Survey Administration	Quarterly	Compliance: validates the involvement and recruitment of disadvantaged workers
<b>Reporting Accuracy</b>	Comparison of the monthly forecasted and actual expenditures	Target of less than 20% variance	Monthly invoices to SDG&E	Quarterly	Compliance: reporting accuracy
<b>Diverse Business Enterprises Spend</b>	To-date Diverse Business Enterprise spend as percent of total Program spend	Target of 15% of total inception to-date Diverse Business Enterprise spend divided by the total invoiced amount	In accordance with Attachment 7 and Exhibit 1A of the contract	Quarterly	Compliance: validates the Diverse Business Enterprise commitment is being met
<b>Customer Satisfaction Rating</b>	Measurement of Implementer's ability to respond to customer needs, resolution of complaints, flexibility, and timeliness	Target of 90% of Customer Feedback Survey respondents rating the program as satisfied or very satisfied	Customer Feedback Survey	Quarterly	Program performance: reflects ability to deliver Program at a high level of customer satisfaction
<b>Annual Bill Savings</b>	Evaluates the effectiveness of the program at installing measures with quantifiable utility bill savings	Target of average annual utility bill savings of \$26-\$50 per participant	RI's iEnergy reporting platform	Quarterly	Program performance: track program success at achieving customer utility bill savings
<b>Measure Installation Pass Rate</b>	Evaluates quality of measure installation per SDG&E inspections	Target of 90% of energy efficiency installations pass SDG&E inspection with score of 95% or greater	Per SDG&E inspection findings	Per SDG&E	Program performance: track program success at quality installations and accurate in-field reporting

## **6. For Programs Claiming To-Code Savings**

### **a. Where to-code savings potential resides**

The following measures will claim to-code savings:

- Faucet aerators (SWWH019-04)
- Low-flow pre-rinse spray valves (SWFS013-02)
- Pipe insulation (SWWH017-04)
- Smart outlets and timers for vending machines (SWAP011-03)

### **b. Equipment types, building types, geographical locations, and/or customer segments that promise cost-effective to-code savings**

Based on estimates developed by Resource Innovations, the to-code measures with the highest cost-effectiveness are expected to be low-flow pre-rinse spray valves and pipe insulation. We are forecasting that customers within the retail subsector will be the largest participant group in the program, followed by customers classified by SDG&E as “miscellaneous services.” Restaurants, though forecasted to provide fewer participants than the miscellaneous services subsector, are projected to be the second highest source of energy savings in the program.

### **c. Barriers that prevent code-compliant equipment replacements**

Due to common characteristics of small businesses, such as leased facilities, lack of capital to invest, unfamiliarity with energy efficiency opportunities, and competing priorities, many small businesses have neglected their equipment, which leads to more inefficiency in their performance. This Program is designed to target these types of customers to ensure their below-code equipment is brought up to code or exceeds code by providing financial resources and energy efficiency education.

### **d. Why natural turnover is not occurring within certain markets or for certain technologies**

Natural turnover is occurring slowly for small businesses for the same reasons listed above—leased facilities, lack of capital to invest, unfamiliarity with energy efficiency opportunities, and competing priorities. The to-code measures that the Program is incorporating are ones that are more proactive than reactive. Pipe insulation and smart outlets and timers are not required to maintain the operations of a facility. The addition of these measures improves performance but requires investment by the business. ECMs are not visible and may perform poorly or not at all but may not be noticed by the customer until a major maintenance issue occurs. These technologies improve energy efficiency by proactively implementing a project that will either prevent problems or improve operations. Without intervention, the customer could continue to operate these facilities without any change, therefore not driving natural turnover while paying for more energy than necessary.

### **e. Program interventions that will effectively accelerate equipment turnover**

TAs will perform comprehensive energy assessments in order to identify and educate the customer on opportunities to reduce energy costs by proactively installing measures that reduce the usage of their equipment. The TA will also perform direct installation services to replace the equipment at no cost to the customer. By providing a turnkey experience, the customer will receive services faster with less effort to schedule and oversee the installation. The process for installation will also have minimal impact on operations, which doesn't impact the ability of a customer facility to stay open.

### **7. Pilots**

N/A

### **8. Workforce Education & Training**

The Program will embed workforce development activities into its design and implementation in partnership with the following TAs:

#### **California Green Business Network**

In previous engagements, the network of Green Business Programs in the CAGBN has employed underserved individuals from green job training programs, community colleges, and CBOs focused on workforce development. These individuals have traditionally been program employees, interns (many of whom became employees), or contractors. CAGBN is affiliated with Workforce Development Boards across SDG&E's territory and understands where to find individuals who fit the required training and are most in need of work. For the Program, CAGBN will:

- Recruit individuals from these same training programs that have been used in the past, especially in underserved communities or DACs.
- Leverage CBOs to support their efforts in employing individuals with the right culture and language fit for a particular community.

### **9. Workforce Standards**

#### **a. HVAC Measures**

- i. Due to the small size (facility footprint) of the customers served in this program and the limited number of HVAC measures offered (pipe insulation and smart thermostats), it is very unlikely that the incentive thresholds set within D.18-10-008 will be exceeded. If any HVAC project

exceeds this threshold, the program will require that all TA employees involved with the installation of those measures meet the CPUC's specified workforce standards. Resource Innovations will coordinate with HVAC training and education organizations to identify contractors that have the CPUC-mandated certifications and provide resources to other TAs as to how they can obtain the required certifications. For all projects and for each measure, installed, modified, or maintained in a non-residential setting where the project is seeking an energy efficiency incentive of \$3,000 or more, RI shall ensure that each worker or technician involved in the project meets at least one of the following criteria:

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

**b. Advanced Lighting Control Measures**

- i. Due to the small size (facility footprint) of the customers served in this program and only one lighting control measure offered (occupancy-sensing wall switches), it is very unlikely that the incentive thresholds for lighting controls will be exceeded for any project. However, in accordance with CPUC requirements, for any lighting control project eligible for an energy efficiency incentive of \$2,000 or more, RI will ensure that all workers or technicians involved in the project are certified by the California Advanced Lighting Controls Training Program (CALCTP).

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

## 10. Disadvantaged Worker Plan

The RI team will collect information on disadvantaged workers employed by the TA partners and subcontractors by sending voluntary surveys to them for distribution to their workforce on an annual basis to track their inclusion and training efforts. Metrics related to the participation of disadvantaged workers within the Program will be tracked and reported on a quarterly basis.

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# Supporting Documents

## 1. Program Manual

The Program Manual will be provided as a separate document

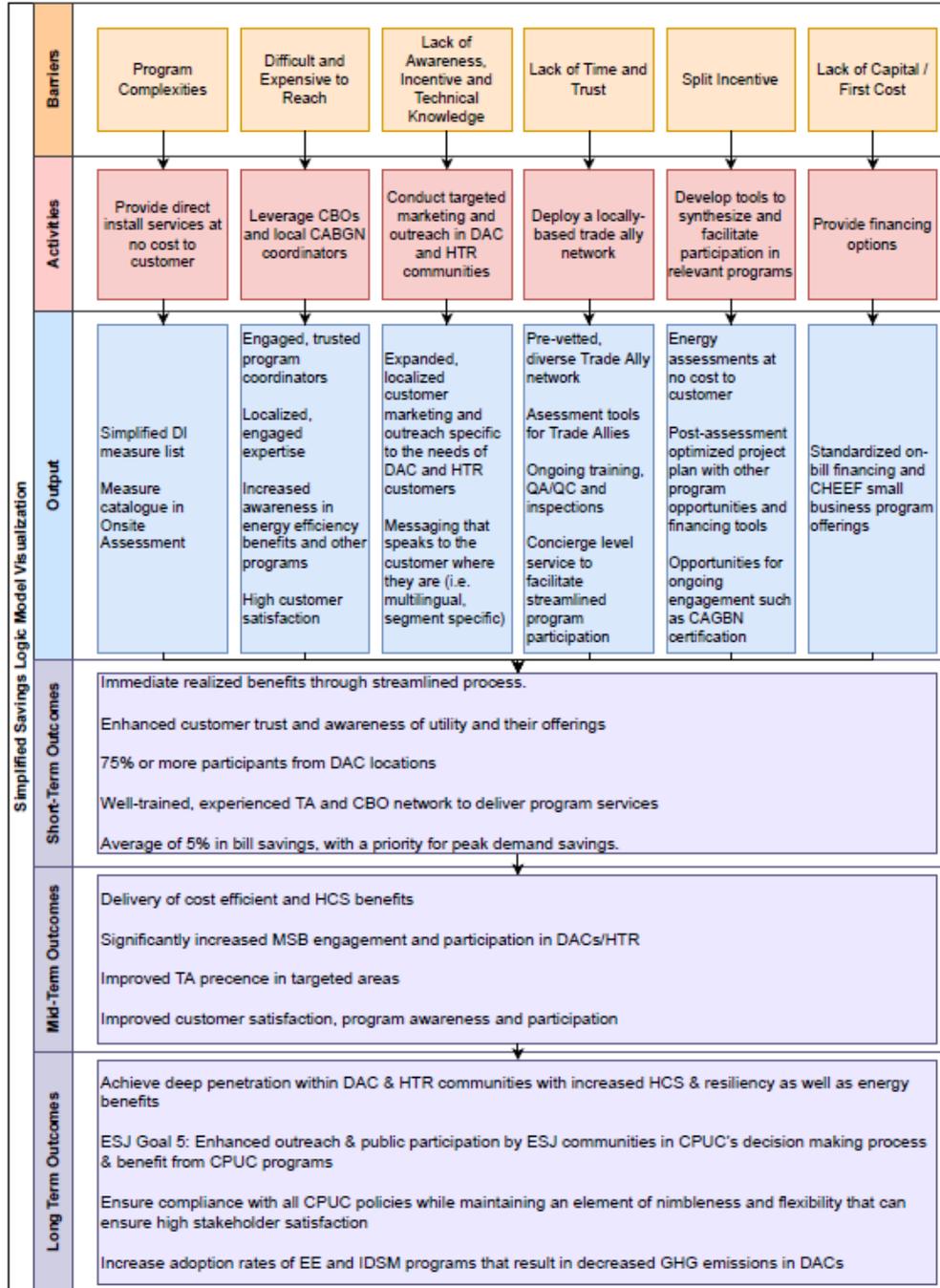
## 2. Program Theory & Program Logic Model

### Program Theory

The Program design enables success by driving customer-facing benefits instead of those targeted by traditional DSM programs (e.g., TRC, NTG, etc.), hence dramatically improving the provision of services to the intended customer categories. Customer bill savings is a key metric, as well as other non-energy benefits realized by the customer as a result of Program services; however, energy savings claims will also be captured through eligible projects as they occur. In addition, focus will be given to recruitment for the Program's TA network from within DAC and HTR communities to leverage relationships and trust established between these groups as well as to extend Program benefits further into these communities.

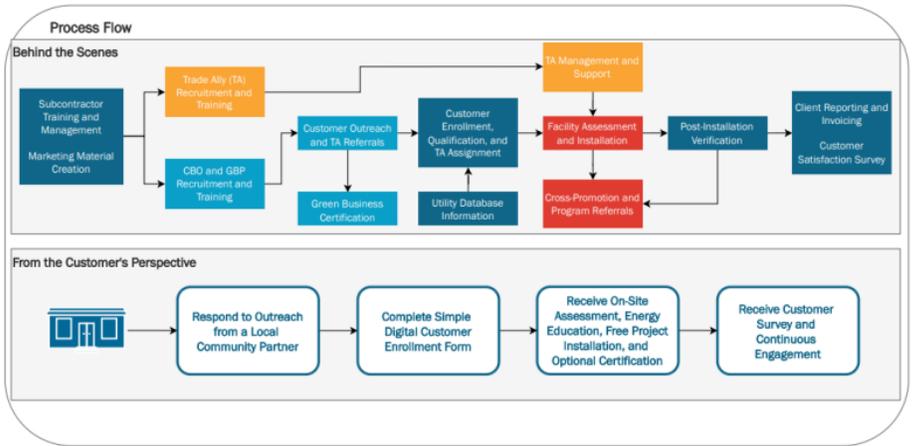
Ultimately, this Program will increase activity among underserved SB customer groups and their communities with the goal of facilitating long-term engagement between the DACs and HTR customers, the TAs that support them, and SDG&E.

# Logic Model



### 3. Program Process Flow Chart

Entity	Tasks	Key Outcomes
Resource Innovations Prime	Client Engagement Subcontractor Management Marketing Reporting	Seamless Operations and High Client Satisfaction Easy to Use Online Project Tools Effective Marketing Materials Collaborative Subcontractor Management Verified Results
Environmental Innovations Subcontractor	Local Community Partner Recruitment Marketing Facilitation	Engaged Local Green Business Partners (GBPs) and Community Based Organizations (CBOs)
Community Based Organizations & Green Business Programs	Business Outreach Assessments Referrals	Successful Customer Outreach and Qualified Referrals
Ortiz Group Subcontractor	Trade Ally Recruitment, Onboarding, Training and Management	Engaged and Qualified Local Contractors
Trade Allies Contractors	Assessments Direct Installation and Program Referrals	Completed Assessments and Installations



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#### 4. Incentive Table for Measures, Measure Packages

Measure	Resource or Non-Resource	Direct Install Payment per Unit	Measure Unit	Measure Package ID	URL Link to Measure Package
LED lamps (int and ext) pin and screw-based lamps	Non-Resource	\$10.50	Lamp	PGECOLTG165	<a href="http://deeresources.net/workpapers">http://deeresources.net/workpapers</a>
Type A LED tubes (not B&C listed)	Non-Resource	\$15.00	Lamp	SWLG009-04	<a href="https://www.caetrm.com/measure/SWLG009/04/">https://www.caetrm.com/measure/SWLG009/04/</a>
LED linear ambient retrofit kits	Non-Resource	\$25.00	Fixture	SWLG012-01	<a href="https://www.caetrm.com/measure/SWLG012/01/">https://www.caetrm.com/measure/SWLG012/01/</a>
LED troffer retrofit kits 2X2	Non-Resource	\$175.00	Fixture	SWLG012-01	<a href="https://www.caetrm.com/measure/SWLG012/01/">https://www.caetrm.com/measure/SWLG012/01/</a>
LED troffer retrofit kits 2X4	Non-Resource	\$205.00	Fixture	SWLG012-01	<a href="https://www.caetrm.com/measure/SWLG012/01/">https://www.caetrm.com/measure/SWLG012/01/</a>
Occupancy- sensing wall switches	Non-Resource	\$155.00	Each	SCE13LG025.2	<a href="http://deeresources.net/workpapers">http://deeresources.net/workpapers</a>
Smart thermostats	Non-Resource	\$315.00	Each	SWHC039-06	<a href="https://www.caetrm.com/measure/SWHC039/06/">https://www.caetrm.com/measure/SWHC039/06/</a>
Refrigerated door gaskets	Non-Resource	\$100.00	Per Len-ft	PGECOREF105	<a href="http://deeresources.net/workpapers">http://deeresources.net/workpapers</a>
Auto door closers – cooler	Non-Resource	\$350.00	Each	SWCR005-03	<a href="https://www.caetrm.com/measure/SWCR005/03/">https://www.caetrm.com/measure/SWCR005/03/</a>
Auto door closers – freezer	Non-Resource	\$350.00	Each	SWCR005-03	<a href="https://www.caetrm.com/measure/SWCR005/03/">https://www.caetrm.com/measure/SWCR005/03/</a>
Bluetooth smart power strips	Non-Resource	\$89.00	Each	SWAP010-01	<a href="https://www.caetrm.com/measure/SWAP010/01/">https://www.caetrm.com/measure/SWAP010/01/</a>

<b>Room air purifiers</b>	Non-Resource	\$419.50	Each	SWAP008-02	<a href="https://www.caetrm.com/measure/SWAP008/02/">https://www.caetrm.com/measure/SWAP008/02/</a>
<b>Faucet aerators</b>	Resource	\$14.45	Each	SWWH019-04	<a href="https://www.caetrm.com/measure/SWWH019/04/">https://www.caetrm.com/measure/SWWH019/04/</a>
<b>Low-flow pre-rinse spray valves</b>	Resource	\$117.24	Each	SWFS013-02	<a href="https://www.caetrm.com/measure/SWFS013/02/">https://www.caetrm.com/measure/SWFS013/02/</a>
<b>Hot water pipe insulation</b>	Resource	\$11.50	Per Len-ft or Fitting	SWWH017-04	<a href="https://www.caetrm.com/measure/SWW017/04/">https://www.caetrm.com/measure/SWW017/04/</a>
<b>Smart outlets and timers for vending machines</b>	Resource	\$214.00	Each	SWAP011-03	<a href="https://www.caetrm.com/measure/SWAP011/03/">https://www.caetrm.com/measure/SWAP011/03/</a>

## 5. Quantitative Targets

### Non-Resource Measure Installation Targets

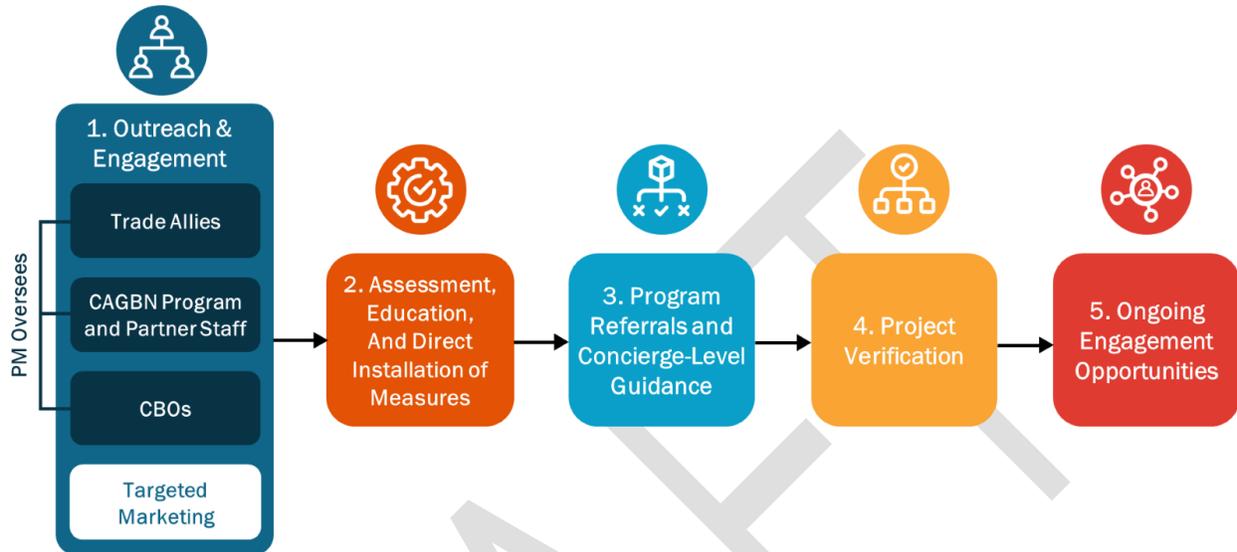
	2024 Program Year 1	2025 Program Year 2	2026 Program Year 3	2027 Program Year 4
	Expected Units Installed	Expected Units Installed	Expected Units Installed	Expected Units Installed
Non-Resource Measure Name: LED lamps (int and ext) pin and screw-based lamps	8,690	13,035	13,035	8,690
Non-Resource Measure Name: Type A LED tubes (not B & C listed)	9,460	14,190	14,190	9,460
Non-Resource Measure Name: LED linear ambient retrofit kits	3,190	4,785	4,785	3,190
Non-Resource Measure Name: LED troffer retrofit kits 2x2	1,375	2,063	2,063	1,375
Non-Resource Measure Name: LED troffer retrofit kits 2x4	1,375	2,063	2,063	1,375
Non-Resource Measure Name: Occupancy-sensing wall switches	550	825	825	550
Non-Resource Measure Name: Smart thermostats	110	165	165	110
Non-Resource Measure Name: Door gaskets for Reach-in or Walk-in Coolers and Freezers	107	161	161	107
Non-Resource Measure Name: Auto door closers - Cooler	46	69	69	46
Non-Resource Measure Name: Auto door closers - Freezer	15	22	22	15
Non-Resource Measure Name: Bluetooth smart power strips	344	516	516	344
Non-Resource Measure Name: Room air purifiers	110	165	165	110

**Resource Measure Installation Targets**

	<b>2024 Program Year 1</b>	<b>2025 Program Year 2</b>	<b>2026 Program Year 3</b>	<b>2027 Program Year 4</b>
	<b>Expected Units Installed</b>	<b>Expected Units Installed</b>	<b>Expected Units Installed</b>	<b>Expected Units Installed</b>
Resource Measure Name: Faucet aerators	550	825	825	550
Resource Measure Name: Low-flow pre-rinse spray valves	55	83	83	55
Resource Measure Name: Hot water pipe insulation	5,280	7,920	7,920	5,280
Resource Measure Name: Smart outlets and timers for vending machines	83	124	124	83

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## 6. Diagram of Program



## 7. Evaluation, Measurement & Verification

### Project Verification and Inspections

The Resource Innovations team will implement various protocols to verify the accuracy of reported measure installations for energy efficiency measures as well as health, comfort, and safety measures. The verification process starts at project submission, when TAs will submit customer information, baseline condition equipment details, measures installed including photographs, copies of invoices, number and cost of units, incentives applied, and dates of installation. Additional data will be collected at this time in accordance with the requirements of each specific measure, based on measure package requirements. The required data fields will be confirmed during random inspections and checked for accuracy. For resource measures, every data collection requirement specified in the respective measure package will be collected, and the data collection requirements will be confirmed during random inspections to ensure that TAs provided accurate and complete information.

RI will capture this information in a program management platform, which will prompt TAs to submit the necessary general project information as well as the measure-specific requirements. Photos will be collected for every installation and will be verified during random inspections. The submitted information is easily accessible to reviewers and inspectors who are conducting QA/QC and virtual or on-site inspections. A QA/QC checklist will be developed for each measure based on the specific data collection requirements for each measure. RI's Customer Services team will conduct a final desk verification of every project prior to payment by checking measure eligibility, reviewing the project invoice, and verifying equipment specifications.

An important part of the verification process consists of visual inspections. Inspections will verify measure eligibility, installation, types and quantities of equipment, and quality of commissioning by completing checklists based on established procedures and criteria. For example, for LED lighting installations, the RI team will confirm that the new lighting meets color rendering index (CRI) standards and appropriate light output (lumens) for the application. Lower CRI values and lumen output may be acceptable for storage rooms and stairwells, while higher values would be appropriate for display lighting. Projects will be selected for inspection based on a randomized sampling or on past performance of the contractor. RI will work with the customer and/or the TA to resolve any discrepancies, if applicable.

Resource Innovations will use iEnergy OnSite to streamline the inspection process. The tool captures real-time data directly from the program management platform and enables appropriate changes in the system while inspectors are conducting inspections. The project facilitation tool has an online checklist to validate projects and uses specific criteria to conduct inspections based on each project's approved measures.

Inspectors will finalize, record, and track all QA findings and any necessary project remediations. The Resource Innovations team will use information that is collected during the inspection to inform best practices, develop or modify trainings, and inform Program design changes. The team will also use this information to mentor TAs so they can:

- Install the Program's comprehensive measures
- Provide high-quality services
- Complete projects per Program specifications

### **Verification and Validation of Non-Resource Activities**

Non-resource activities include:

- Providing energy education and/or site assessments for SB customers
- Performing direct installation of energy, health, and safety measures
- Coordinating customer participation in follow-up projects, including their participation in complementary programs
- Providing TA training and oversight
- Leading workforce development activities focused on disadvantaged workers

The Program leverages a team of TAs to serve qualifying SB customers, including those in targeted, underserved communities. Once a TA has established contact with an eligible customer, they will gauge the customer's interest in participating in the Program. The TAs will be trained to highlight the benefits of installing DI measures to improve access to energy efficiency for SDG&E's underserved SB customers.

For customers that show interest in energy efficiency measures, the TAs will complete a site assessment that focuses on key energy efficiency opportunities, including HVAC and lighting, as well as health, comfort, and safety measures such as pipe insulation and room air purifiers. With the customer's approval, DI measures will be installed during the same visit; some eligible measures may be referred to another qualified contractor/TA with specific expertise for a follow-up visit. It is expected that all contacted customers, regardless of whether DI measures are installed, will be provided with targeted energy education, including collateral that has been developed for the specific customer segment, such as retail, food stores/convenience stores, and restaurants. Energy education materials will include a list of complementary programs that customers can consider, and TAs will be available to coordinate customer participation in the other programs. Customers receiving energy education materials, as well as the subset of customers receiving a site assessment, will be entered into the project facilitation tool by the TAs

and will be available for validation purposes.

Resource Innovations provides TAs with initial training and ongoing mentorship so that SDG&E customers receive quality project installations. The initial TA training program provides TAs with extensive Program and measure installation training, education, and sales assistance to equip them for success in the field. The mentorship program provides TAs with ongoing training, support, and hands-on technical assistance. This includes Program onboarding, iEnergy systems training, ride-alongs, and “train the trainer” working sessions throughout the lifecycle of the Program. RI will work with the TAs and provide coaching on sales and work practices; verify measure installation skill proficiency and adherence to Program specifications; and offer feedback that will increase their efficiency in the field and increase the TAs’ conversion rates. By reinforcing Program training in the field, RI verifies that TAs understand and adhere to the Program requirements while simultaneously increasing customer satisfaction with SDG&E and the Program and reducing verification costs.

#### **8. Normalized Metered Energy Consumption (NMEC)**

N/A