

# Energy Division Central Files Document Coversheet

**Directions:** Submit all documents and submittal questions to Energy Division Central Files via email [EnergyDivisionCentralFiles@cpuc.ca.gov](mailto:EnergyDivisionCentralFiles@cpuc.ca.gov)

1. Fill out coversheet completely. Coversheet can be embedded as page 1 of the electronic compliance filing, or can be submitted as a separate document that is attached to the email that delivers the compliance filing.
2. If the coversheet is submitted as separate document, please name the coversheet file with the same document name used in your primary document (see Section A) + plus the word “cov” (for coversheet). For example, the name of the coversheet file will be something like: **West Coast Gas Company Monthly Gas Report 201602 COV.docx**
3. If the document is confidential add CONF (for confidential). For example, the name of the coversheet file will be something like: **West Coast Gas Company Monthly Gas Report 201602 CONF.docx** and **West Coast Gas Company Monthly Gas Report 201602 COV CONF.docx**
4. All documents are required to be submitted in an electronically *searchable* format.
5. Documents need to reference the reason for the mandate that ordered the filing in Section B or C. If you are unable to reference a proceeding or explain the origin of your filing, please contact Energy Division Central Files.
6. To find a proceeding number (if you only have a decision number), go to <http://docs.cpuc.ca.gov/DecisionsSearchForm.aspx>; enter the decision number, and the results shown include the proceeding number.

NOTE: It is Energy Division’s preference to have document components combined into one PDF document with the top sheets being the cover sheet, the next an executive’s letter (as applicable), and the compliance data as the third element.

## A. Document Name

Today’s Date: 5/1/2020

1. Utility Name: Lancaster Choice Energy
2. Document Submission Frequency (Annual, Semi-Annual, YTD, Quarterly, Monthly, Weekly, Ad-hoc, Once, Other Event): Annual
3. Report Name: Lancaster Choice Energy 2019 Annual Report
4. Reporting Interval (for this submission, e.g. 2015 Q1 – that data date): 2019
5. Document File Name (format as 1+2 + 3 + 4): LCE Annual Report 2019
6. Append the confidential and/or cover sheet notation, as appropriate. LCE Annual Report 2019 COV

Sample Document Names:

*Utility Name + Submittal Frequency + Report Name + Year + Reporting Interval + (COV or CONF or both or neither)*

|   |  |
|---|--|
| <i>SCE Annual Procurement Report 2015</i>               | <i>West Coast Gas Company Monthly Gas Report 201602 CONF</i>     |
| <i>SDG&amp;E Quarterly DR Forecast 2015Q1</i>           | <i>West Coast Gas Company Daily Gas Report 20160230 COV</i>      |
| <i>West Coast Gas Company Monthly Gas Report 201602</i> | <i>West Coast Gas Company Monthly Gas Report 201602 COV CONF</i> |
| <i>West Coast Gas Company Daily Gas Report 20160230</i> | <i>SCE Annual Procurement Report 2015 LTR</i>                    |

7. Identify whether this filing is  original or  revision to a previous filing.
  - a. If revision, identify date of the original filing: [Click here to enter text.](#)

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## B. Documents Related to a Proceeding

All submittals should reference both a proceeding and a decision, if applicable. If not applicable, leave blank and fill out Section C.

1. Proceeding Number (starts with R, I, C, A, or P plus 7 numbers): R 13-11-005
2. Decision Number (starts with D plus 7 numbers): D.18-05-041
3. Ordering Paragraph (OP) Number from the decision: [Click here to enter text.](#)

## C. Documents Submitted as Requested by Other Requirements

If the document submitted is in compliance with something other than a proceeding, (e.g. Resolution, Ruling, Staff Letter, Public Utilities Code, or sender's own motion), please explain:

## D. Document Summary

Provide a Document Summary that explains why this report is being filed with the Energy Division. This information is often contained in the cover letter, introduction, or executive summary.  
The Lancaster Choice Energy 2019 Annual Report covers progress towards program goals and assessment of relative success of implementers' strategies.

## E. Sender Contact Information

1. Sender Name: Alice Ferrin
2. Sender Organization: Lancaster Choice Energy
3. Sender Phone: (661) 723-6088
4. Sender Email: [aferrin@cityoflancafterca.org](mailto:aferrin@cityoflancafterca.org)

## F. Confidentiality

1. Is this document confidential?  No  Yes
  - a. If Yes, provide an explanation of why confidentiality is claimed and identify the expiration of the confidentiality designation (e.g. Confidential until December 31, 2020), and a signed declaration of confidentiality. [Click here to enter text.](#)

## G. CPUC Routing

Energy Division's Director, Ed Randolph, requests that you not copy him on filings sent to Energy Division Central Files. Identify below any Commission staff that were copied on the submittal of this document.

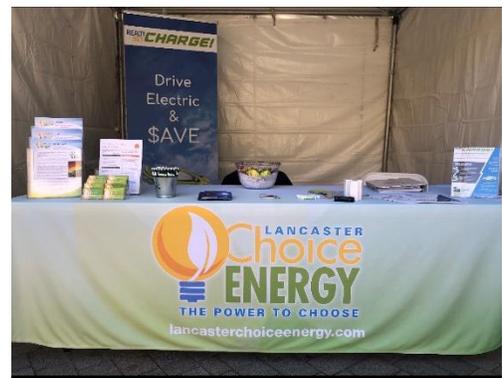
1. Names of Commission staff that sender copied on the submittal of this Document: Nils Strindberg and Amy Reardon



[LancasterChoiceEnergy.com](http://LancasterChoiceEnergy.com)

R. Rex Parris [Mayor](#)  
Marvin E. Crist [Vice Mayor](#)  
Ken Mann [Council Member](#)  
Raj Malhi [Council Member](#)  
Darrell Dorris [Council Member](#)

# Lancaster Choice Energy Community Choice Aggregation 2019 Energy Efficiency Annual Report



LCE is administered by the City of Lancaster  
44933 Fern Avenue, Lancaster, CA 93534  
(844) 288-4LCE | [www.lancasterchoiceenergy.com](http://www.lancasterchoiceenergy.com)

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# EXECUTIVE SUMMARY

## About LCE

The City of Lancaster has proven to be a pioneering Southern Californian city having made and achieved the bold commitment of becoming an alternative energy model for the world. Under the leadership of Mayor R. Rex Parris, Lancaster transformed from an unknown community in Los Angeles County to one of the top solar producers in the State by leveraging its abundance of sunshine and open space. Solar Lancaster was the first initiative undertaken by the City in 2010, a partnership which resulted in the expansion of solar power at municipal facilities and twenty-five school sites throughout the community.

Lancaster's desire to have a positive impact on the energy grid inspired leadership to seek the creation of a municipal utility, and the opportunity was seized in 2014 when Lancaster Choice Energy (LCE) - the first stand-alone city Community Choice Aggregator (CCA) in California and the first CCA in Southern California Edison (SCE) territory. Lancaster began providing power to Lancaster residents in October of 2015.

Governed by the Lancaster City Council, LCE serves the City of Lancaster exclusively and offers three power options: Clear Choice, which offers a 37% renewable sourced energy; Smart Choice which offers a 100% Green-e certified renewable energy product at a competitive price; and Personal Choice, a Net Energy Metering program for solar customers, which provides a buyback rate for net-generators at \$0.06 per kWh.

LCE is operated by City staff, affording residents with the benefit of always having a person at City Hall available to answer their questions and assist on any of their energy and billing needs. Additionally, LCE continues to offer highly competitive rates with the added benefits of local control and a higher renewable content than Southern California Edison. Since its inception LCE has saved customers **\$7,500,000** in addition to investing in the community through sponsored local events and incentive programs. One such program is *Ready, Set, Charge* which was designed to encourage the adoption of electric vehicles (EV) and plug-in hybrid vehicles (PHEV) by incentivizing customers who purchased these types of vehicles. The City Council approved a program budget of \$250,000 to allow LCE to grant program vouchers to qualifying customers. Since launching in 2019, LCE customers have been eligible to receive a \$3,000 voucher to be used toward the purchase of a new EV/PHEV (or a \$1,500 voucher for a lease) from participating Lancaster Auto Mall dealerships.

## Energy Advisor Residential Program

The Energy Advisor Program was designed to allow homeowners to speak with an energy efficiency expert about ways that they can reduce the energy consumption in their home and subsequently lower their monthly energy bill. The program is unique and offers customers the ability to take a free survey from the comfort of their home. Through their interaction with the energy advisor a resident will learn and gain customized knowledge about energy efficiency products available to them including weatherization, efficiency upgrades, and special financing programs for energy saving appliances.

## Small Commercial Direct Install Program

The Small Commercial Direct Install Program provides qualified Lancaster business owners with free energy saving products and free product installation, such as lighting and refrigeration upgrades.

# 2019 ENERGY EFFICIENCY PROGRAMS OVERVIEW

## Energy Advisory Program

### **Program Description**

The Energy Advisory (EA) program provides free information on energy efficiency products, programs, and evaluation services to residential customers. Services include telephone administered home surveys and an energy efficiency expert will recommend efficiency upgrades or applicable programs for customers to consider enrolling in based on the results of their survey. Such as, home upgrades, plug loads and appliances, income qualified programs, financing programs, and other local government programs.

### **Program Performance and Major Accomplishments**

The Energy Advisor program has served 57 customers since launching in 2018, 5 customers were served in 2018 and 52 calls were received in 2019. Customers were provided with energy saving tips and directed to programs serving their area. Of these customers, 16 opted to complete a home assessment over the phone to better identify possibilities for energy efficient upgrades. The first 4 audits were completed in 2018 and the remaining 12 in 2019. These customers were asked a series of questions to assess the condition of their home including year built, year last renovated, type and age of their HVAC system, and to describe any areas of discomfort throughout the home. Their Energy Advisor representative then provided a personalized report including recommended energy improvements and corresponding rebates, financing, and other resources.

Figure 1: Energy Advisor Total Calls Received

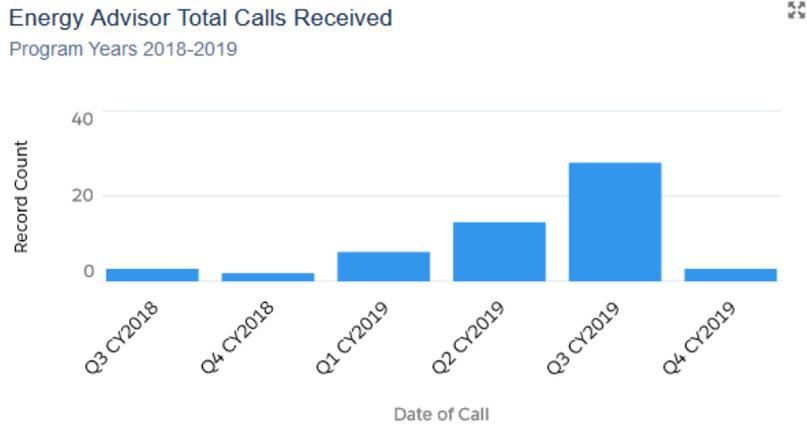


Figure 2: Energy Advisor Telephone Audits Completed



### Opportunities in 2020 and Beyond

Lancaster Choice Energy plans to ramp-up marketing efforts using Facebook ads and write-ups in the city’s local magazine, Outlook, to boost program participation in 2020. Other efforts, such as added visibility on Lancaster Choice Energy’s website, will increase program awareness so Energy Advisor can serve as many Lancaster residents as possible prior to program close out at the end of 2020.

### Small Commercial Direct Install Program

#### Program Description

The Small Commercial Direct Install (SCDI) Program provides complimentary energy efficiency retrofits or upgrades through an LCE-approved skilled energy efficiency

contractor, FESS Energy Solutions, to reduce demand and energy consumption for small commercial customers with peak electric demand of 200 kW or less per month. FESS provides a free on-site assessment to customers and recommends energy efficiency measures, such as LED lighting, hi-bay lighting, refrigeration, LED signs, and occupancy sensors. Upon approval from the business owner FESS Energy Solutions processes a work order and returns at a later date to install the identified energy efficiency measures. During the consultation and installation visits, participating businesses are able to remain open and equipment is installed with very minimal impact to the business. Customers were highly satisfied with the program and the opportunity to upgrade their facilities free-of-charge.

*“Our energy costs have gone down about 50 percent since Lancaster Choice Energy installed the new energy-efficient LED lights,” said Crazy Otto’s Diner Co-Owner Joe Acosta. “The brighter lighting from the new LED lights has also increased nighttime visibility in our diner’s parking lot.*

***Crazy Otto’s Diner - Joe Acosta, Co-Owner***

*“As a small business, it’s important to save money wherever you can so I was really happy when the Direct Install Program was announced,” said the Mercantile owner Janet DePreter. “I’ve been tracking my energy bill and we’re already saving between \$125 and \$200 per month. Not only do we save on energy costs, but these lights are brighter and don’t create as much heat like the old fluorescent bulbs.*

***The Mercantile – Janet DePreter, Owner***

## **Program Performance and Major Accomplishments**

Since program launch in 2019, the Small Commercial Direct Install program has served 138 local businesses by installing energy efficient items, such as LED lighting, at no cost. The Small Commercial Direct Install program boasts an enrollment rate of approximately 88%. In 2019, FESS installed 12,456 LED bulbs and fixtures within a 4-month period. This has resulted in lower energy bills for customers, and the following energy savings within the City of Lancaster:

- Annual Net kWh: 266,400
- Annual Net kW: 73
- Annual Net Therm: -1,286

## **Opportunities in 2020 and Beyond**

The Small Commercial Direct Install program will continue serving the City of Lancaster’s small businesses through 2020. The program is able to operate within social distancing

protocols, providing a much-needed service to small businesses during a difficult economic time.

## Evaluation, Measurement and Verification (EM&V)

### Program Description

LCE lacks sufficient EM&V funds under its budget to complete any meaningful studies; however, LCE remains engaged in CPUC CCA PCG calls and collaborates with through in-depth interviews and data sharing with CPUC Energy Division staff and evaluators.

## PERFORMANCE METRICS

Per LCE's approved program plan, the following performance metrics were identified. Below an update towards the metrics is provided.

1. Progress toward becoming a zero-net energy city.
  - a. The City of Lancaster continues to advance its Net Zero community goals. Solar development has sustained in the City with 34 MWs being developed since 2018, additionally, in 2017 the City adopted a zero net energy ordinance which required all new homes in the City to have a solar system installed helping to continue moving residential solar development forward. The City is currently partnering on projects with local agencies and leading energy organizations to explore new ways to increase the use of green energy. Through a partnership with Antelope Valley Transit Authority the City is helping to develop the first all-electric bus fleet in the nation. The City is also working with Advanced Energy Community through a grant funded by the California Energy Commission to develop microgrid low income communities which will be self-sustaining through the use of solar and battery storage. The City is also exploring ways to incorporate battery storage at City facilities to minimize grid consumption and support the development of emergency operations centers which will be available for use during city wide emergencies. Through a partnership with local dealerships and the local air quality management district the City is helping to expand electric vehicle adoption by making it easier and more affordable for residents to purchase an all-electric vehicle. The City is committed to its goals and will continue to create a path toward self-resiliency by adopting policies and programs that support a net zero community.
2. Program energy savings.
  - a. See a summary of energy savings associated with the Small Commercial Direct Install program [below](#). The Energy Advisor program is a non-resource program and does not have associated energy savings.
3. Tracking and serving hard-to-reach customers.
  - a. Hard-to-reach customers: Business Size

- i. SCDI: At least 50% of customers meet the classification of a Very Small Business with fewer than 10 employees and/or annual electric demand is less than 20kW, and/or whose annual gas consumption is less than 10,000 therm
        - ii. EA: Not applicable
      - b. Hard-to-reach customers: Language
        - i. SCDI: Approximately 40% of SCDI participating businesses are owned by non-English speakers
        - ii. EA: The call center serves non-English speakers with Spanish and Russian speaking representatives available to support. Two home assessments were completed in Spanish over the phone in 2019.
      - c. Hard-to-reach customers: Location
        - i. SCDI: 14 projects were completed within the zip code 93535, which is classified as a disadvantaged community
        - ii. Energy Advisor: 15 customers were served who live within the zip code 93535, which is classified as a disadvantaged community
4. Cost-effectiveness calculations.
  - a. See cost-effectiveness calculations for LCE's portfolio of programs [below](#).
5. Percentage of customers audited who install at least one program measure.
  - a. SCDI: Approximately 86% of customers audited by the qualified installer, FESS, installed at least one program measure. Most customers contacted were interested in receiving energy efficiency measures free-of-charge. Those who did not participate typically had already installed efficient equipment in their facilities and were not eligible. Others declined the program's services due to scheduling conflicts.
  - b. EA: Not applicable
6. Percentage of recommended measures installed by customers.
  - a. Approximately 97% of program recommended measures were installed at participating facilities. Customers were largely receptive to the recommendations provided by the program and eager to install as many items as possible.
  - b. EA: Not applicable
7. Evaluation, Measurement, and Verification process, tracking, and incorporation into program design.
  - a. See description of LCE's EM&V program [above](#).

# ENERGY SAVINGS

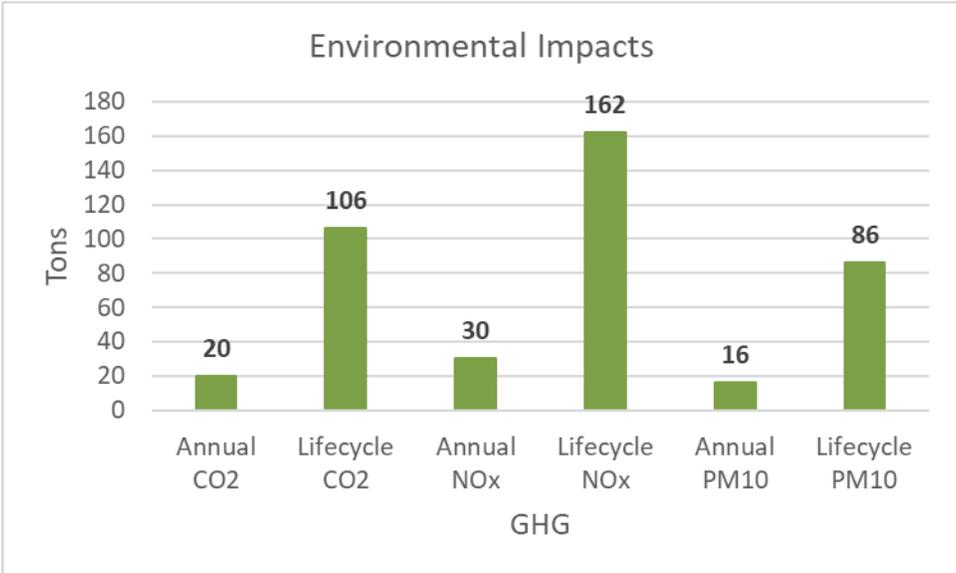
In 2019 Lancaster Choice Energy administered one resource program that has reported energy savings: the Small Commercial Direct Install Program.

| Measurement                   | Savings      |
|-------------------------------|--------------|
| Annual Energy Savings         | 0.27 GWh     |
| Lifecycle Energy Savings      | 1.26 GWh     |
| Annual Natural Gas Savings    | -0.0013 MMth |
| Lifecycle Natural Gas Savings | -0.0061 MMth |

# ENVIRONMENTAL IMPACTS

Environmental impacts are shown below. These results are generated by the Commission-approved Cost Effectiveness Tool (CET). The CET is designed to calculate energy efficiency program cost-effectiveness.

Figure 3: Environmental Impacts



# EXPENDITURES

The below expenditures include the 2018-2019 program years.

| Program Name                    | PA Budget (Total)     | Total Expenditure   |
|---------------------------------|-----------------------|---------------------|
| Small Commercial Direct Install | \$868,906.00          | \$474,148.52        |
| Energy Advisor                  | \$292,660.00          | \$58,602.14         |
| EM&V                            | \$13,410.00           | \$4,900.00          |
| <b>Total</b>                    | <b>\$1,174,976.00</b> | <b>\$537,650.66</b> |

# COST-EFFECTIVENESS

The below cost-effectiveness values were generated through the commission-approved Cost-Effectiveness Tool (CET).

| Program                                 | Portfolio             |
|---|-----------------------|
| TRC Cost to Billpayers (TRC)            | \$537,211.28          |
| Total Savings to Billpayers (TRC)       | \$100,106.28          |
| <b>Net Benefits to Billpayers (TRC)</b> | <b>\$(437,105.00)</b> |
| TRC Ratio                               | 0.19                  |
| PAC Cost to Billpayers (PAC)            | \$517,767.71          |
| PAC                                     | 0.19                  |

## SAVINGS BY END-USE

| Use Category                            | GWH         | % of Total     | MW          | % of Total     | MMTh           | % of Total     |
|---|-------------|----------------|-------------|----------------|----------------|----------------|
| Appliance or Plug Load                  |             |                |             |                |                |                |
| Building Envelope                       | 0.0025      | 0.92%          | 0.0011      | 1.49%          | -0.0001        | 8.33%          |
| Compressed Air                          |             |                |             |                |                |                |
| Commercial Refrigeration                |             |                |             |                |                |                |
| Codes & Standards                       |             |                |             |                |                |                |
| Food Service                            |             |                |             |                |                |                |
| HVAC                                    |             |                |             |                |                |                |
| Irrigation                              |             |                |             |                |                |                |
| Lighting                                | 0.2638      | 99.08%         | 0.0707      | 98.51%         | -0.0012        | 91.67%         |
| Non-Savings Measure                     |             |                |             |                |                |                |
| Process Distribution                    |             |                |             |                |                |                |
| Process Drying                          |             |                |             |                |                |                |
| Process Heat                            |             |                |             |                |                |                |
| Process Refrigeration                   |             |                |             |                |                |                |
| Recreation                              |             |                |             |                |                |                |
| Service                                 |             |                |             |                |                |                |
| Service and Domestic Hot Water          |             |                |             |                |                |                |
| Whole Building                          |             |                |             |                |                |                |
| <b>LCE Annual Net Portfolio Savings</b> | <b>0.27</b> | <b>100.00%</b> | <b>0.07</b> | <b>100.00%</b> | <b>-0.0012</b> | <b>100.00%</b> |

## COMMITMENTS

No commitments were made in 2019 for expected implementation in 2020 for either of Lancaster Choice Energy's programs.

## APPENDIX A: LCE PROGRAMS FOR 2019

| CEDARS ID   | Program Name                    | Date Added | Date Removed |
|-------------|---------------------------------|------------|--------------|
| LCE-COM-001 | Small Commercial Direct Install | 1/1/2019   | N/A          |
| LCE-EMV-001 | LCE EM&V                        | 1/1/2019   | N/A          |
| LCE-RES-001 | Energy Advisor                  | 1/1/2019   | N/A          |