

# Southern California Regional Energy Network

## Pilot Project Executive Summary

September 2012

### What is the SoCalREN?

The Southern California Regional Energy Network (SoCalREN) is a local government regional energy network (REN) pilot project serving public agencies and their constituents in the Southern California Edison (SCE) and Southern California Gas Company (SCG) service territories.

### Why is it needed?

- Submitted in response to ALJ Ruling June 20, 2012 -D.12-05-015, Guidance Decision encouraging local governments to submit PIPs and budgets for REN pilots for the 2013-2014 EE transition period.
- Achieves greater energy savings by driving the development and implementation of regional and local energy sustainability programs that complement and supplement existing IOU local government partnerships (LGP).
- Fills a significant gap for cities that need help with comprehensive technical assistance, financing and expertise to bring shelf-ready projects to fruition.
- Provides an effective platform for local government energy programs that benefit from regional consistency and scale.

### What will the pilot do?

- Accesses untapped markets by harnessing the collective power of local government action.
- Provides a one-stop shop for local governments to implement large scale, cross-sector, and fuel neutral energy management strategies.
- Develops local government expertise and energy management capabilities for sustained long term success.
- Delivers three pilot subprograms: **\$63.7 million total**

#### **Energy Upgrade California: \$30.8 million**

- Builds on pilot programs launched through ARRA funds
- Expands to entire SCE/SCG territory
- Leverages ratepayer funds with outside grant funds
- Services:
  - Marketing and outreach
  - Green building rating and real estate training
  - Flex Path
  - Contractor training and outreach
  - Multifamily retrofits
  - Smart Tech Path behavior change pilot
  - Community Development/Public Housing upgrades

#### **Financing for Energy Projects: \$15.2 million**

- Develops and launches regional public agency-led financing for energy projects
- Builds on programs started with ARRA funds
- Loan programs:
  - Regional public building LLR
  - Residential LLR
  - Multifamily LLR
  - Public agency revolving loan fund
  - Non-residential PACE LLR

**Southern California Regional Energy Center: \$17.7 million**

- Builds on Flight 5.6 funded project
- Offers comprehensive technical support to local governments to achieve deeper and more cost effective energy management practices
- Services:
  - Aggregated regional procurement and contracting
  - Integrated comprehensive retrofits
  - Building energy/resource database - EEMIS software
  - Regional benchmarking and EM&V
  - Supporting local climate action and energy plan implementation
  - Creation of a water/energy nexus energy pilot with water utilities
  - Developing regional energy project tracking and permitting system
  - Developing regional training

**When will the pilot be implemented?**

January 2013 - December 2014, Energy Efficiency Transition Period

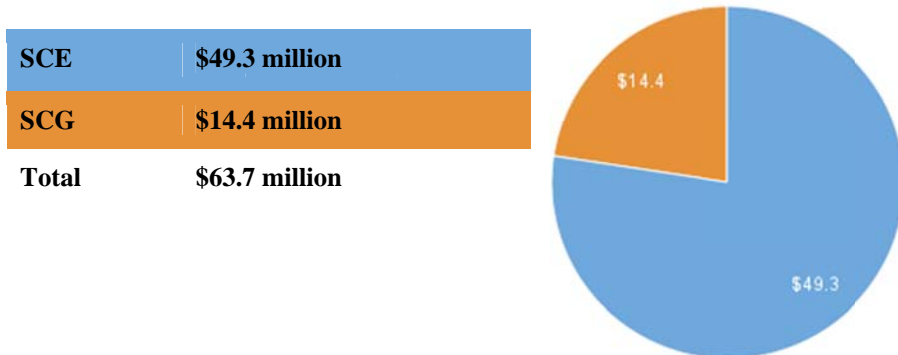
**Who will lead the pilot?**

Los Angeles County, acting as fiscal agent and contractor, will lead a governance committee of representatives from the cities and counties served by the SoCalREN.

**Who will be served?**

Cities, counties and other selected public agencies in the SCE/SCG service territories. SoCalREN will reach nearly half of the cities in California within all or portions of the following counties: Los Angeles, Orange, Ventura, Santa Barbara, Riverside, San Bernardino, Kern, Tulare, Inyo, Mono (and very small portions of King and Fresno).

**What is the proposed budget?**



Sourced from unspent, reallocated or other non-LGP funds currently under administration by SCE/SCG and/or additional funds allocated to IOUs by the CPUC.

## What are the projected outcomes?

Subprogram	SCE (kWh)	SCE (kW)	SCG (therms)
Energy Upgrade	10,721,089	6,341	610,897
Financing	28,702,216	4,246	450,127
SoCalREC	34,200,192	20,725	415,187
<b>Total</b>	<b>73,623,497</b>	<b>31,312</b>	<b>1,476,211</b>

In addition:

- 5,000 single-family homes will undergo multi-measure energy upgrades.
- 8,000 multi-family units will undergo multi-measure energy upgrades.
- Significant numbers of building professionals, real estate professionals, and local government building department staff will be trained.
- 800 low income residential unit upgrades will be completed.
- 73.6 million kWh and 1.5 million therms will be saved through municipal facility, single family, multi-family and commercial retrofits.

## How does the pilot compare to the IOU programs?

See attached charts (Appendix A) for comparison to IOU programs.

## What are the benefits of the pilot?

In addition to achieving cost effective, greater and deeper energy savings that complement the work of IOU LGPs, the pilot:

- Has a greater reach than IOU programs alone
- Delivers projects incorporating efficiency, distributed generation and demand response results
- Includes water efficiency measures that reduce energy use
- Targets hard to reach market segments (low to moderate income residential and small business)
- Leverages outside funding resources
- Utilizes emerging technologies
- Implements innovative workforce training and development initiatives