



ENERGY

Local Government Quantified Savings Component of Strategic Plan Update

Stakeholder Update #2

December 5, 2013

Navigant Reference: 150283

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1:30	Introductions and Meeting Goals
1:40	Review of Path to This Point
1:50	Synopsis of Previous Meeting
2:00	Framing for Quantitative Metrics for Goals #1 and #4
2:20	Approach and Analysis for Goal #3
2:50	Next Steps

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We will address each of these goals during the course of today's meeting.

Goals for Today's Meeting

- **Review fit of the metrics effort with LG SP update**
- **Review the key points made during previous meeting**
- **Provide update on use of metrics related to equipment efficiency and enhanced energy management**
- **Share approach and preliminary results for metrics for Goal #3**

Outcomes for Today's Meeting

- **Gain alignment on metrics for Goals #1 and #4**
- **Gain alignment on approach for Goal #3 and preliminary buy-in on metrics**

Feel free to raise questions and comments as we go through the presentation.

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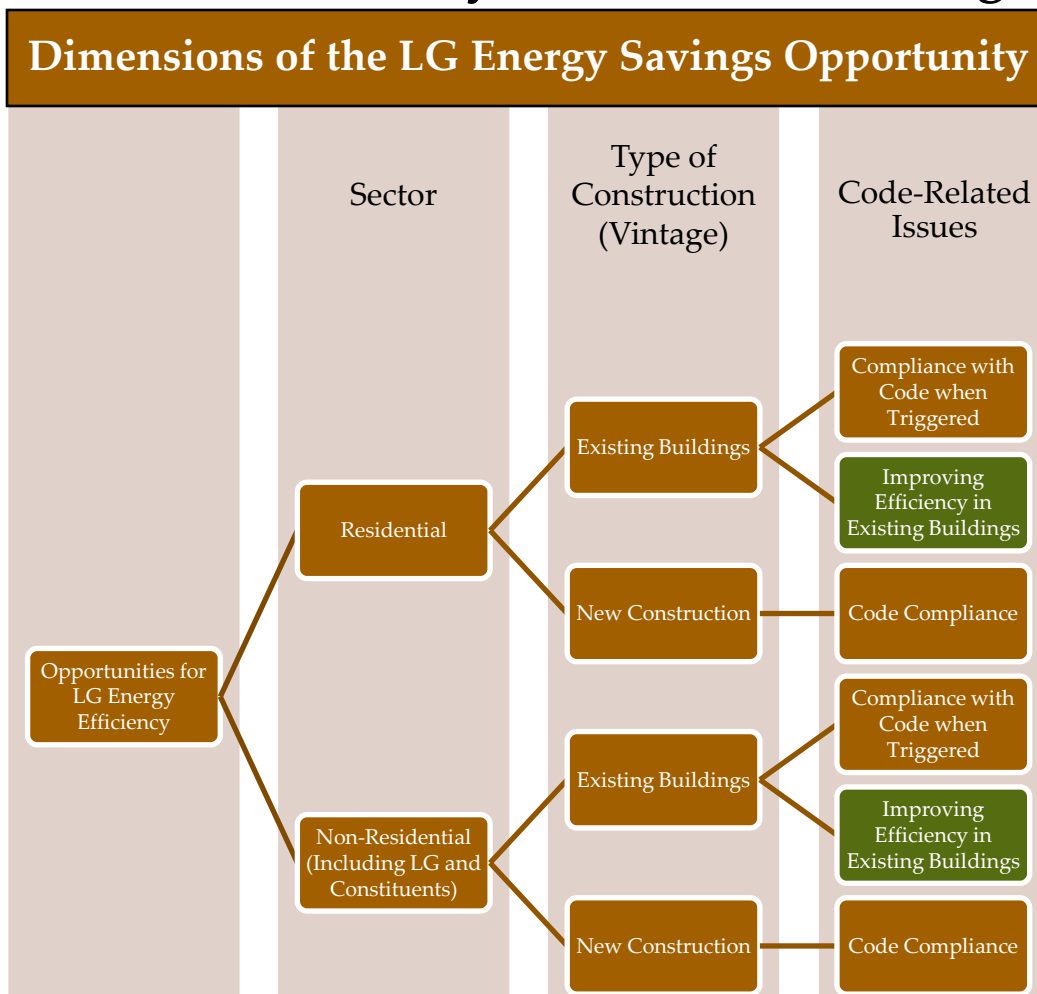
The first stakeholder meeting included attendance (by phone or in person) by a wide range of participants.

Key Points Made by Stakeholders during Meeting #1

- **The manner in which the metrics discussion is framed is important. Be clear that the metrics won't quantify all of the activities of the LGs.**
- **Savings from LG buildings are only part of the equation. Real opportunity resides with the constituents' buildings.**
- **There are several dimensions to savings opportunities. (See next slide.)**
- **Savings that LGs can achieve may be different than those for which IOUs can claim credit. LGs are interested in representing the full range of savings, not just those for which IOUs can claim credit.**

Stakeholder input has shaped our approach to presenting and framing the metrics component of the LG Strategic Plan chapter.

Different opportunities to capture energy savings exist in many dimensions. Metrics should clearly indicate which category they capture.



The size of the opportunity varies in each bucket. LGs highlighted those shaded in green as primary areas of opportunity – “to-code compliance.”

The project team would like to refresh several points of context discussed during the first stakeholder meeting.

Relevant Context Discussed by the Project Team

- **Developing metrics helps create legitimacy for the Strategic Plan and efforts of local governments.**
- **The metrics developed during this effort are not anticipated to serve as goals for the LGP programs.**
- **This effort leverages an existing, vetted tool to develop the quantifiable metrics.**
 - It can create metrics for some but not all components of the goals.
 - The tool (the Potential, Goals, and Targets Model) can help identify trends and opportunities related to specific strategies.
 - Future studies or pilots may help quantify specific elements of the goals, and the forthcoming action plan can capture those priorities for planning purposes.

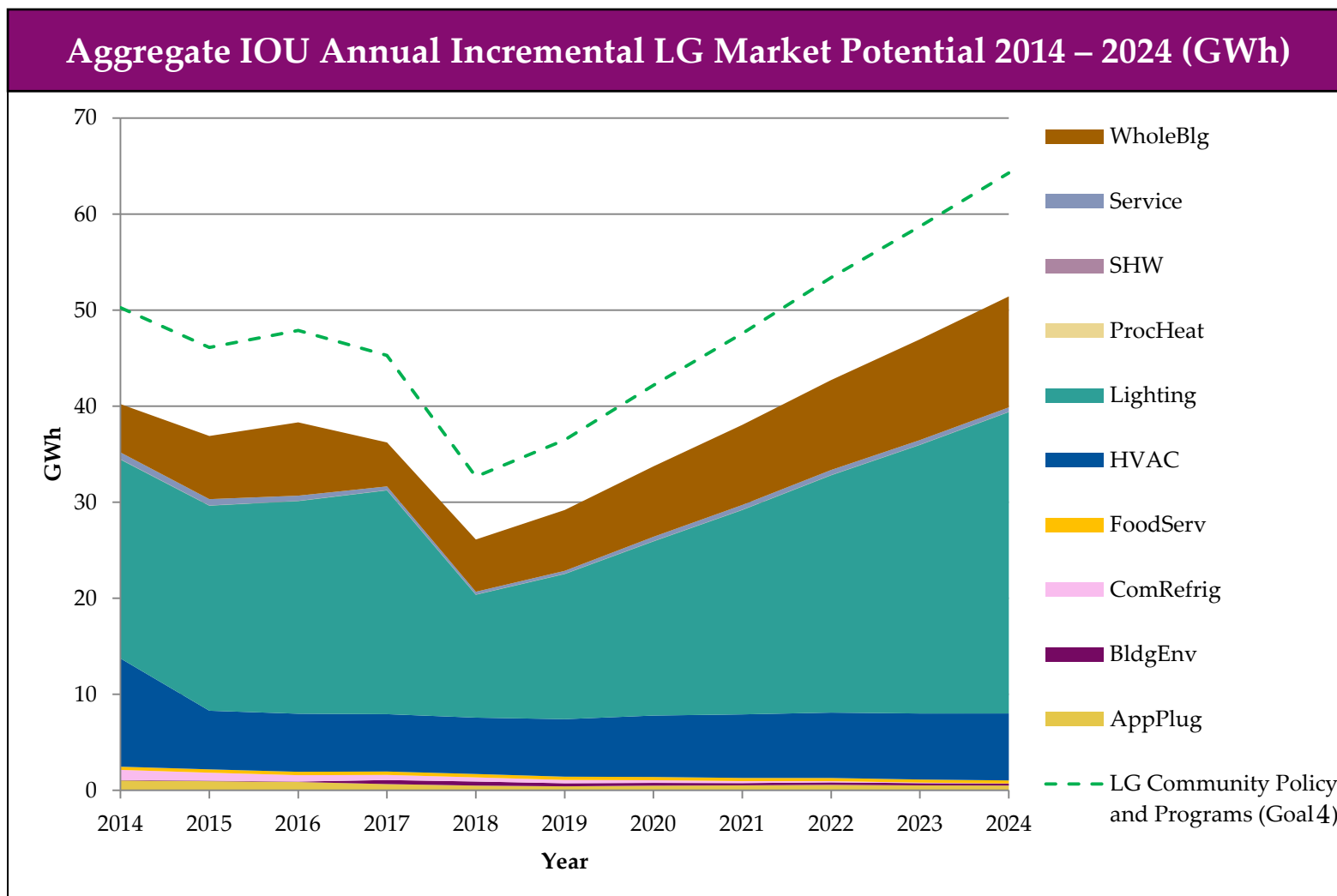
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The metrics presented during the last meeting for Goals #1 and #2 will be separated and assigned to Goals #1 and #4.

Goal	Definition of the Metric
<p>Goal #1: Local governments lead by example by designing and implementing programs that reduce their agencies' energy use and greenhouse gas (GHG) emissions.</p>	<p>Energy savings captured in facilities occupied by LGs from implementation of standard efficiency measures/ (i.e., measures eligible for IOU rebates)</p>
<p>Goal #4: Local government and community energy efficiency expertise becomes widespread and prevalent.</p>	<p>Energy savings captured in facilities occupied by LGs from implementation of enhanced energy management practices.</p>

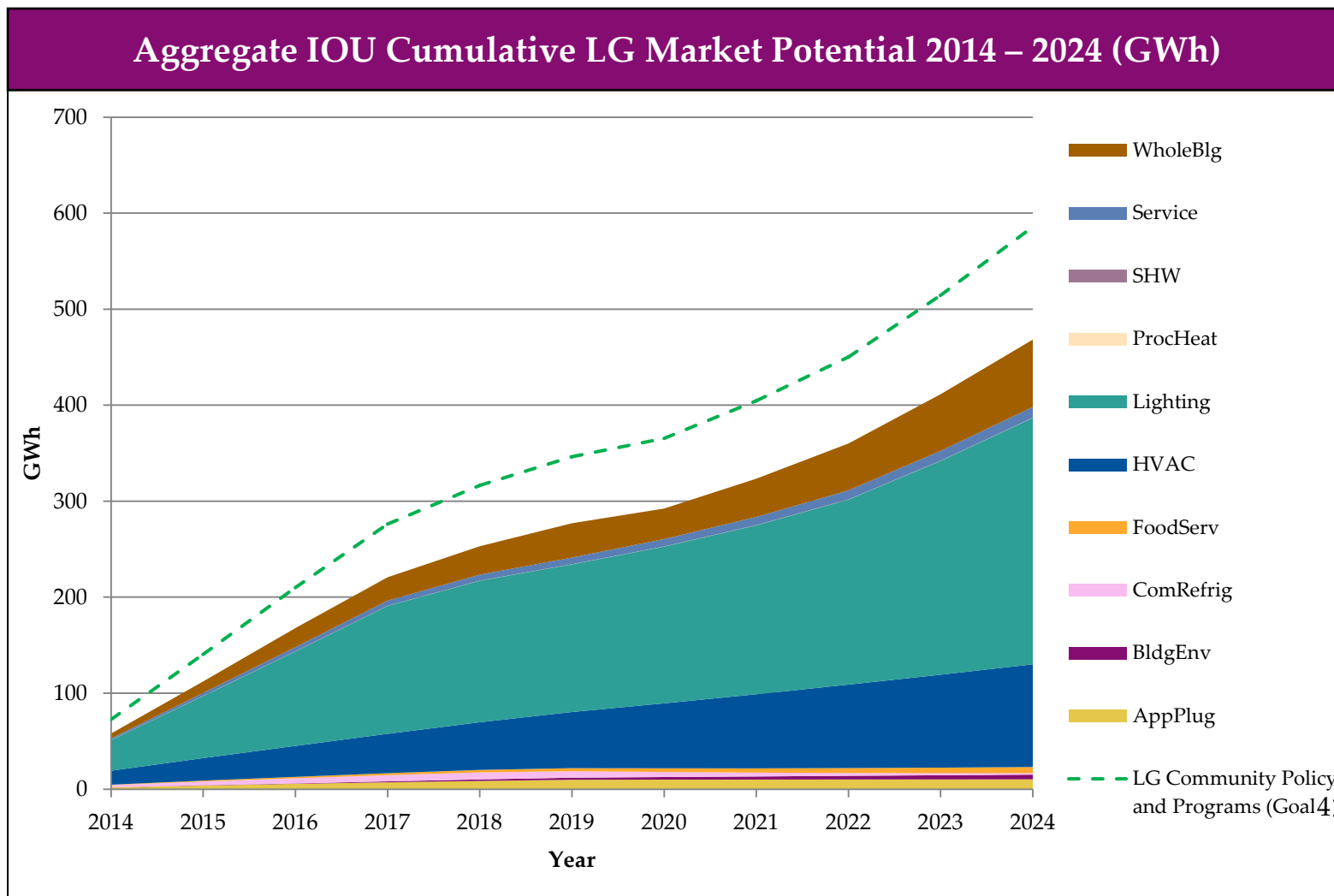
These metrics capture only one component of each of the goals.

2013 Preliminary LG Results - Do Not Cite



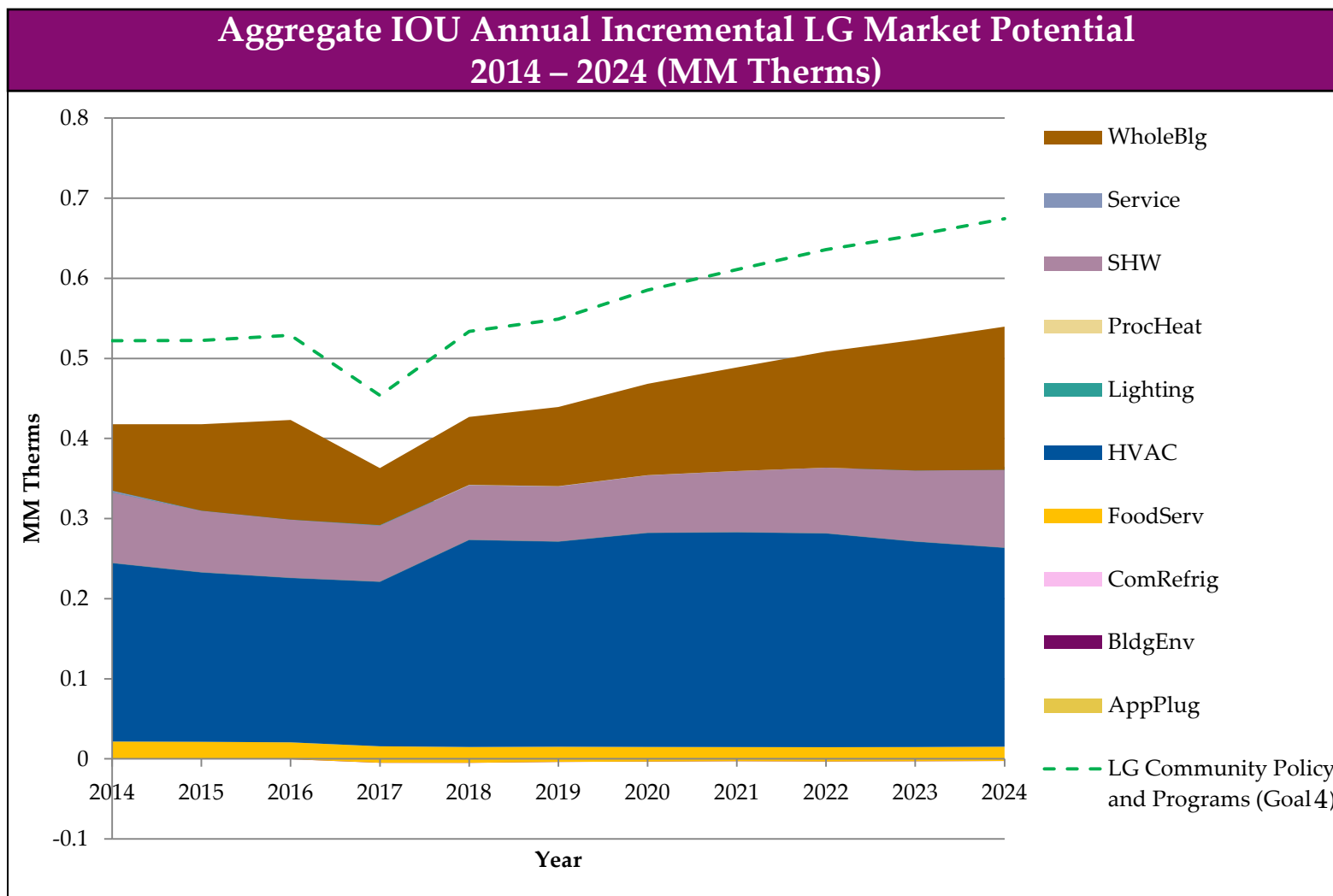
Source: Navigant analysis of PG Model release on 5/22/2013.

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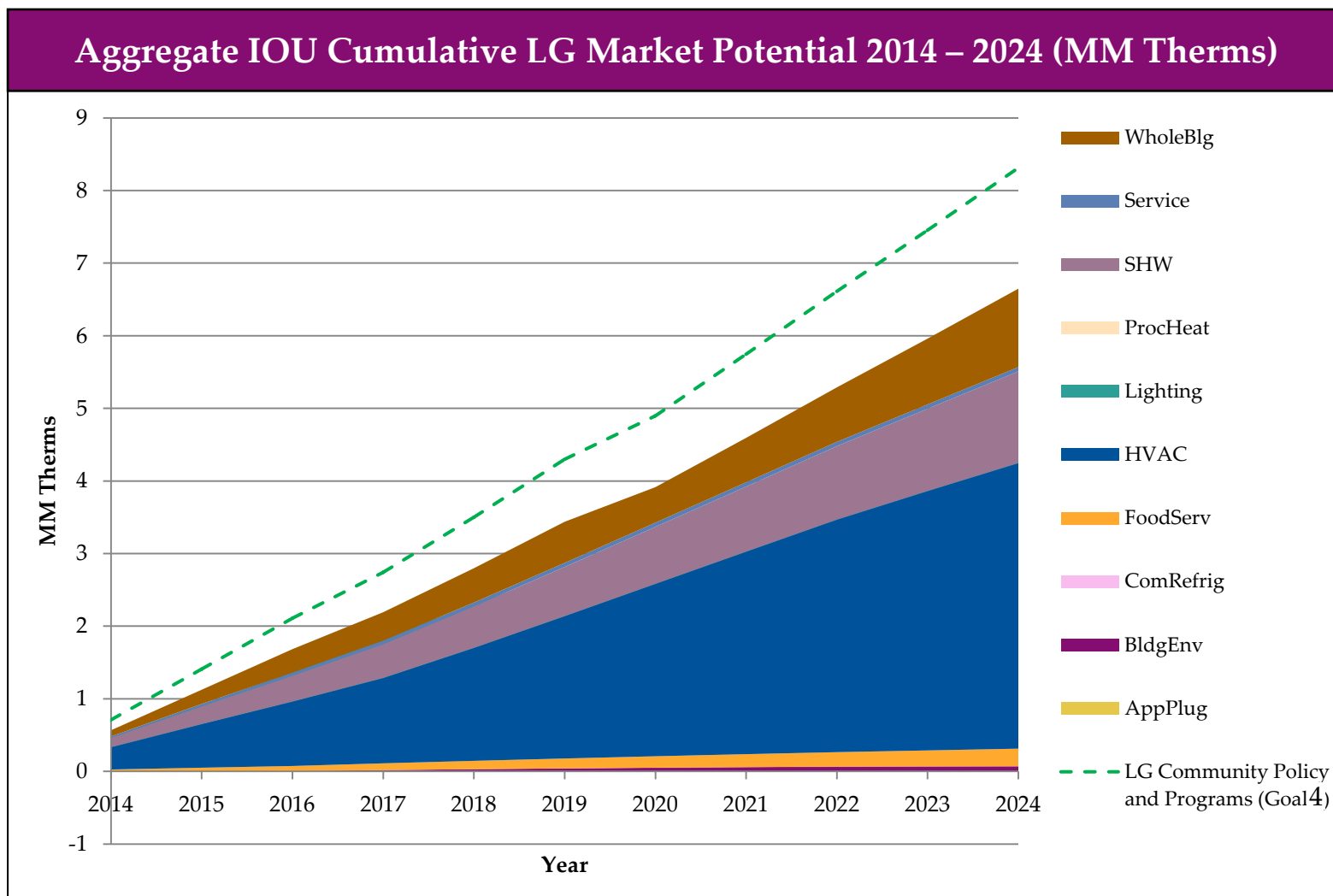
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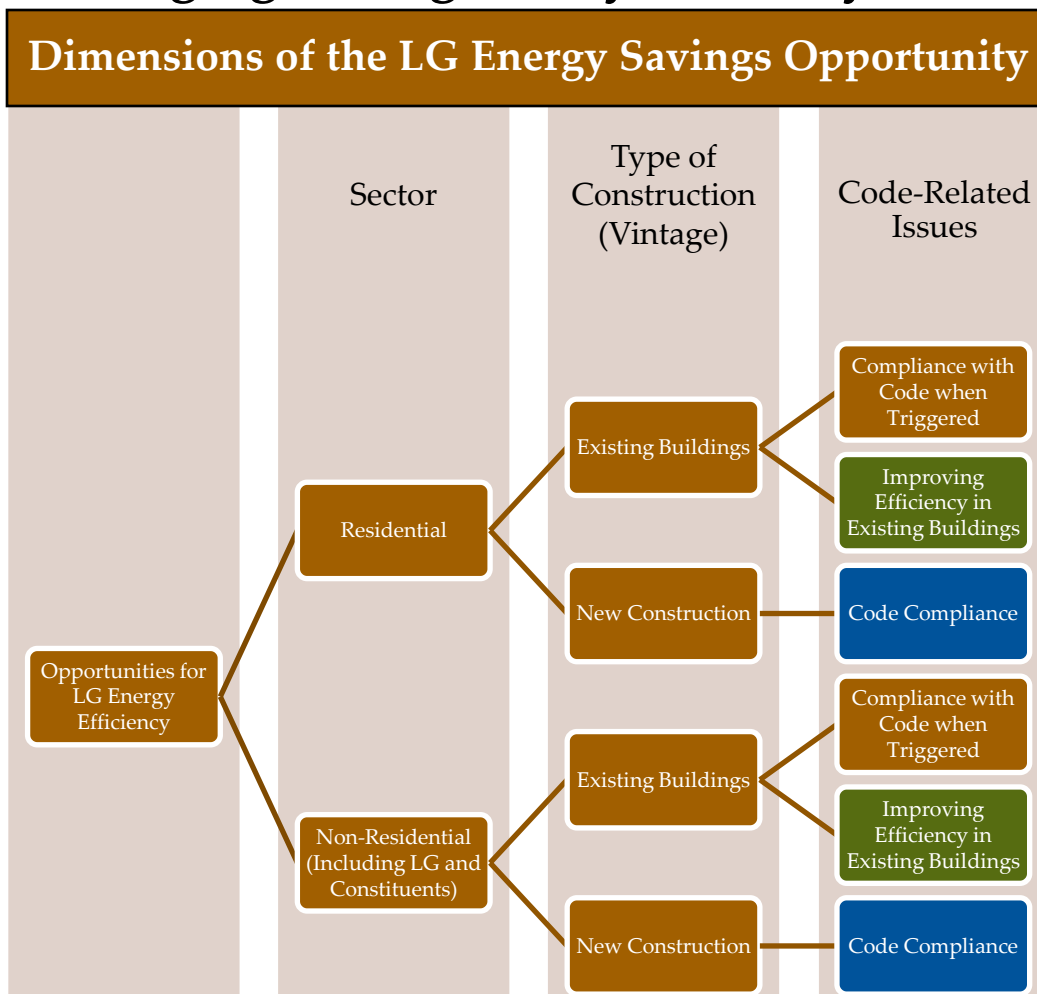
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The proposed metrics for Goal #3 quantify two types of effects that could be achieved by leveraging LG regulatory authority.

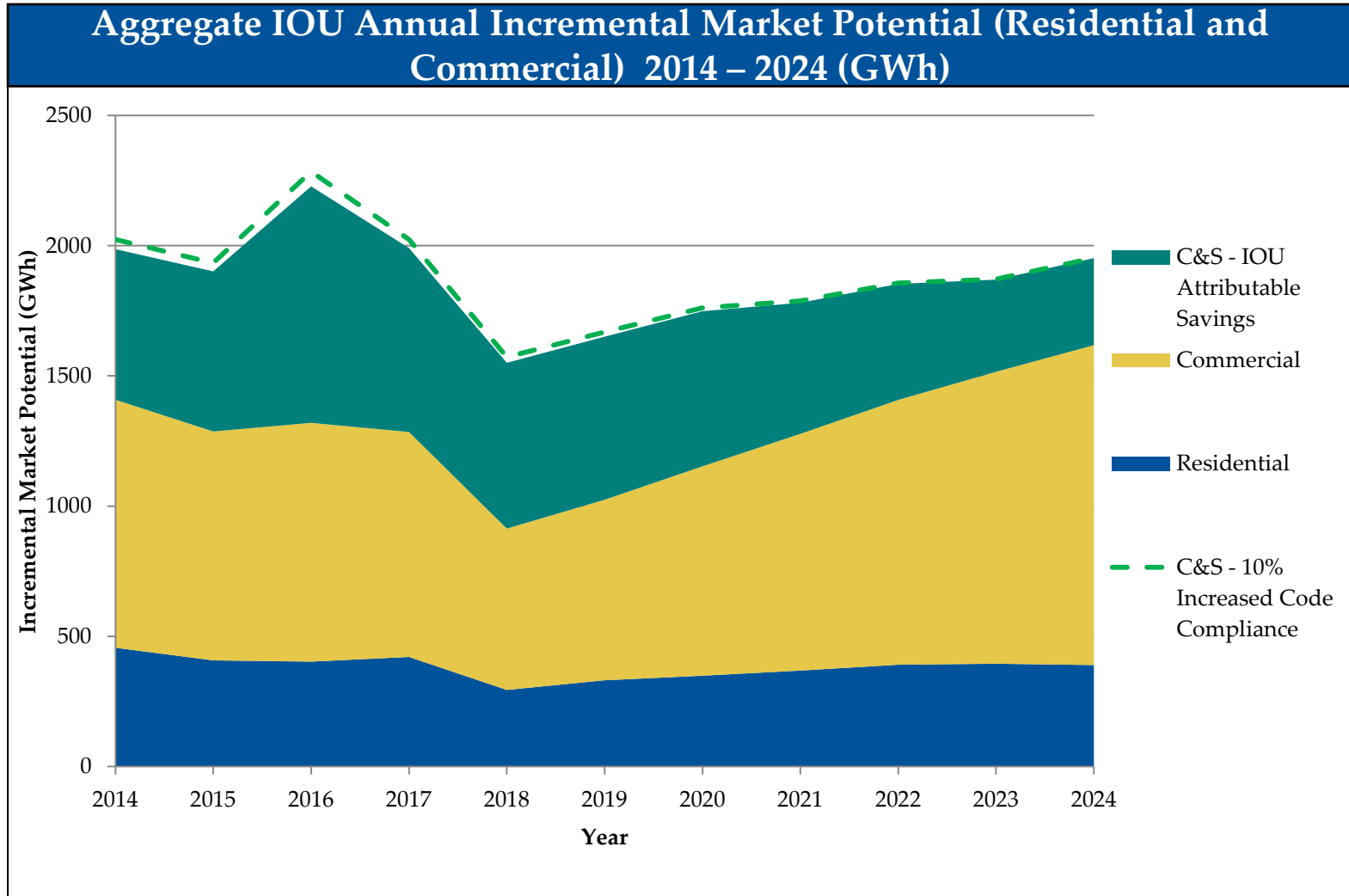


The proposed metrics capture the effects of enhanced code compliance (blue) and improved efficiency in existing buildings (green).

The project team developed two metrics for Goal #3 based on the discussion during the first stakeholder meeting.

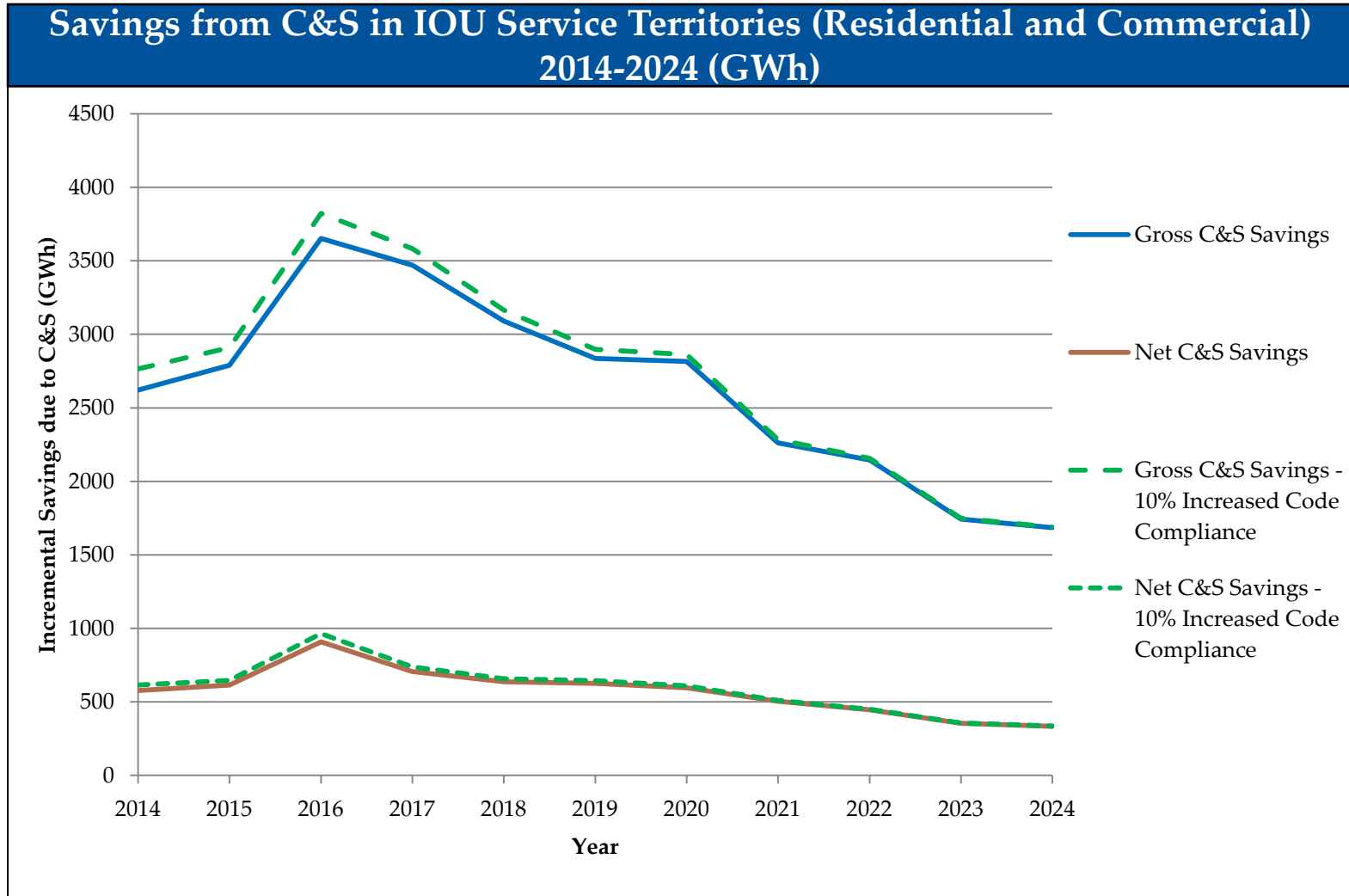
	Metric #1	Metric #2
Goal	Goal #3: Local governments accelerate the implementation of energy efficiency, zero net energy and greenhouse gas reduction goals through the use of their regulatory authority.	
Metric	Energy savings from an increase of 10 percentage points in compliance with existing codes for new construction.	Energy savings from bringing the existing building stock up to code from its current state.
Relevant Strategy	Strategy 3-2: Dramatically improve compliance with and enforcement of Title 24, including HVAC permitting and inspection requirements (including peak-load reduction solutions in inland areas).	Strategy 3-3: Develop, adopt and implement model policies and programs focusing on improving the energy efficiency of existing buildings.
Notes	Requires collection of baseline compliance data for 2013 Title 24.	Requires more comprehensive understanding of current energy performance of existing building stock, perhaps by LG jurisdiction
Modeling Approach	Assume baseline code compliance rate increases by 10 percentage points	Increase baseline energy consumption (against which savings are calculated) by 25%

Increasing new buildings' compliance with code by 10 percentage points yields marginal additional electric savings.



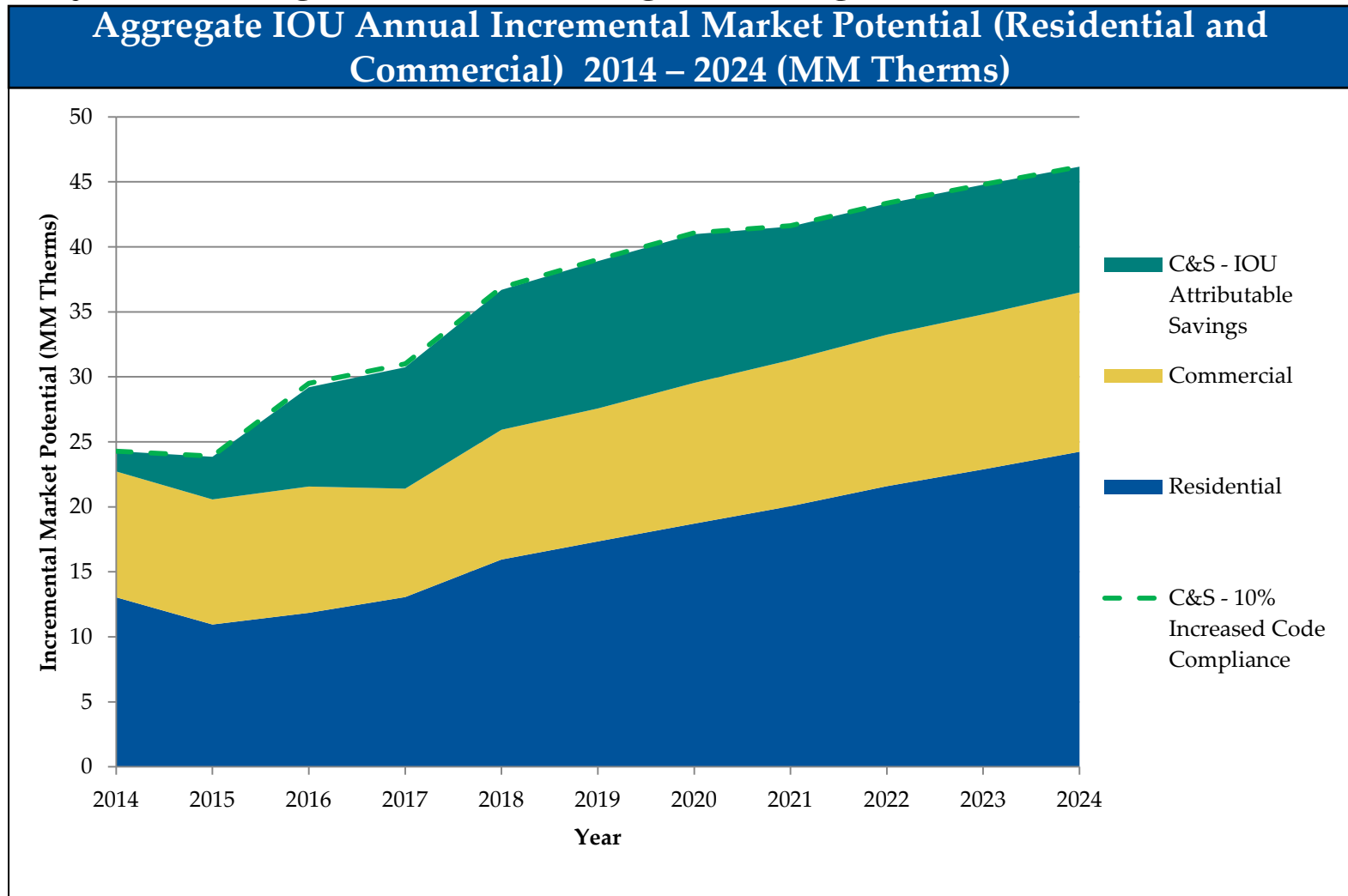
Source: Navigant analysis of PG Model release on 5/22/2013.

Increasing new buildings' compliance with code by 10 percentage points yields marginal additional electric savings.



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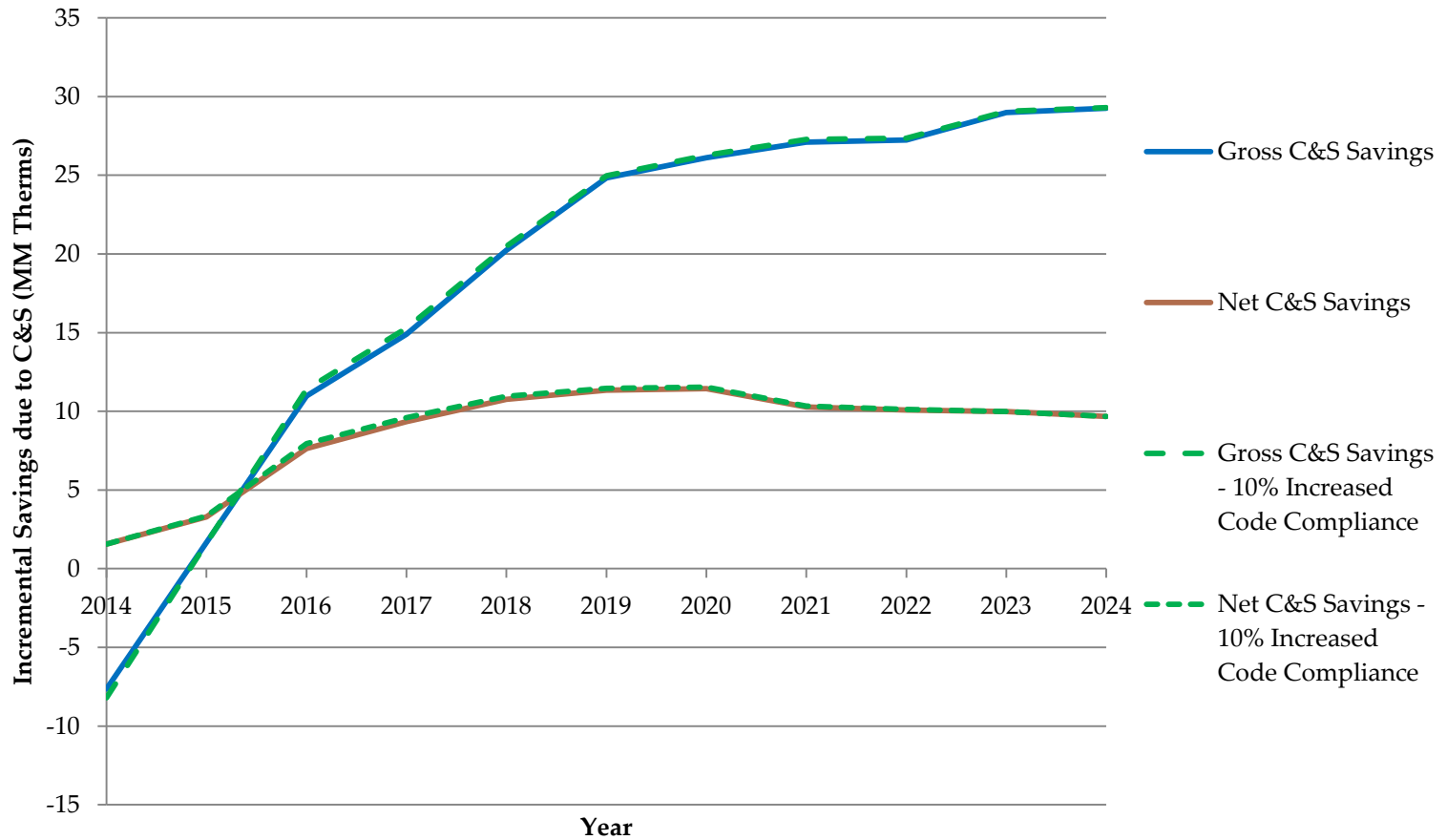
Increasing new buildings' compliance with code by 10 percentage points yields marginal additional gas savings.



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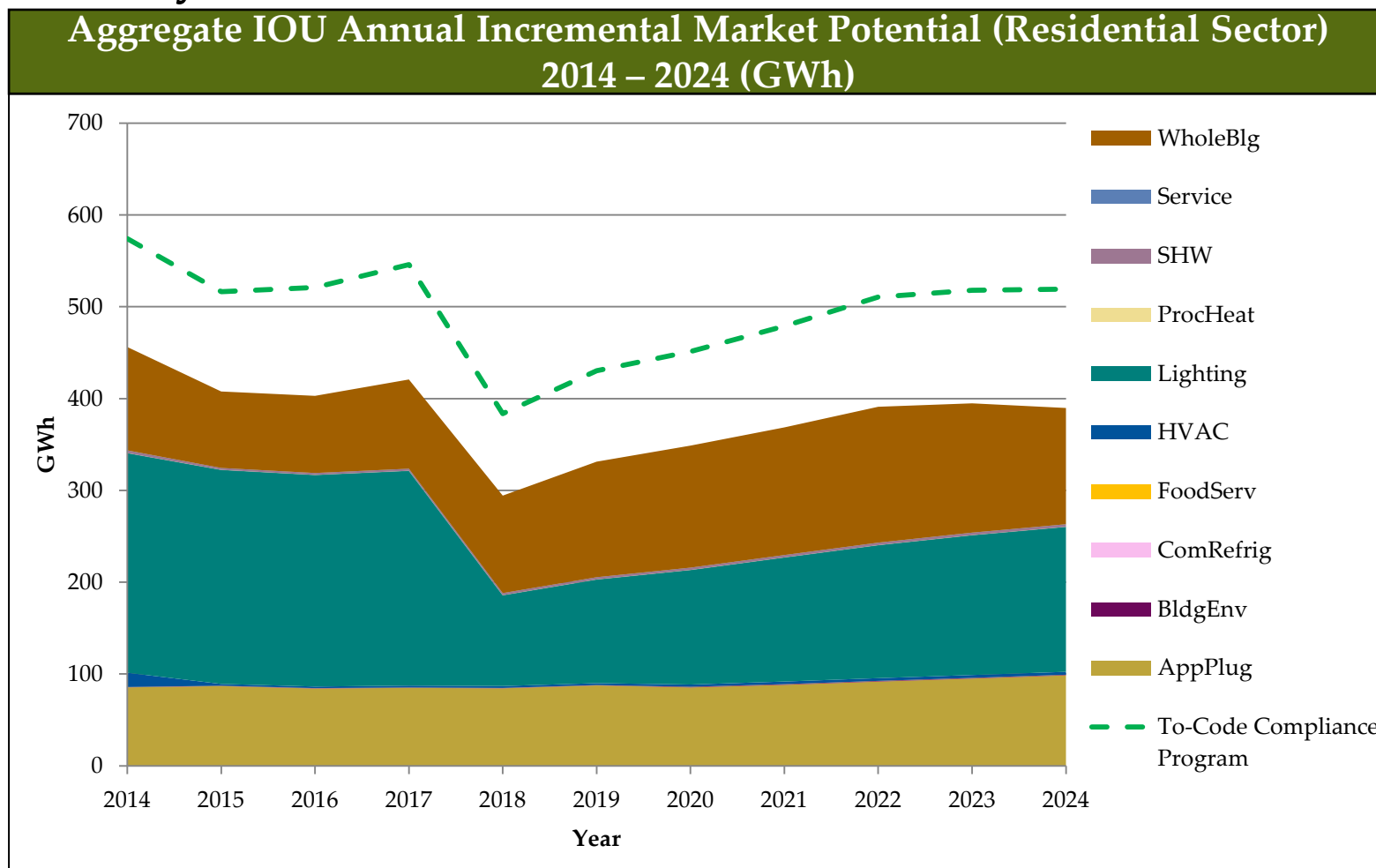
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Savings from C&S in IOU Service Territories (Residential and Commercial) 2014-2024 (MM Therms)



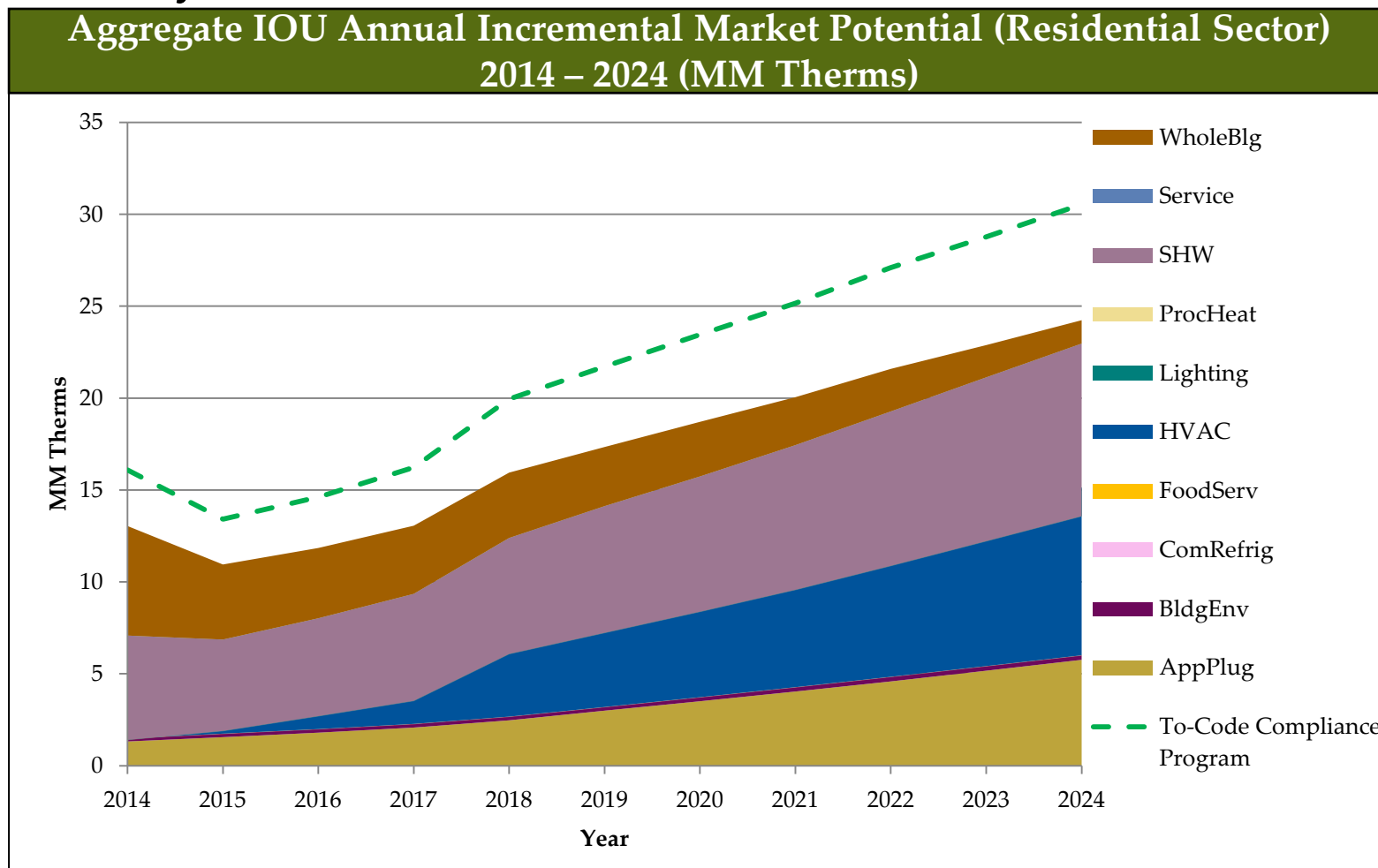
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In the residential sector, incremental electric savings increase by 23% in 2020 after increasing the baseline against which energy savings are measured by 25%.



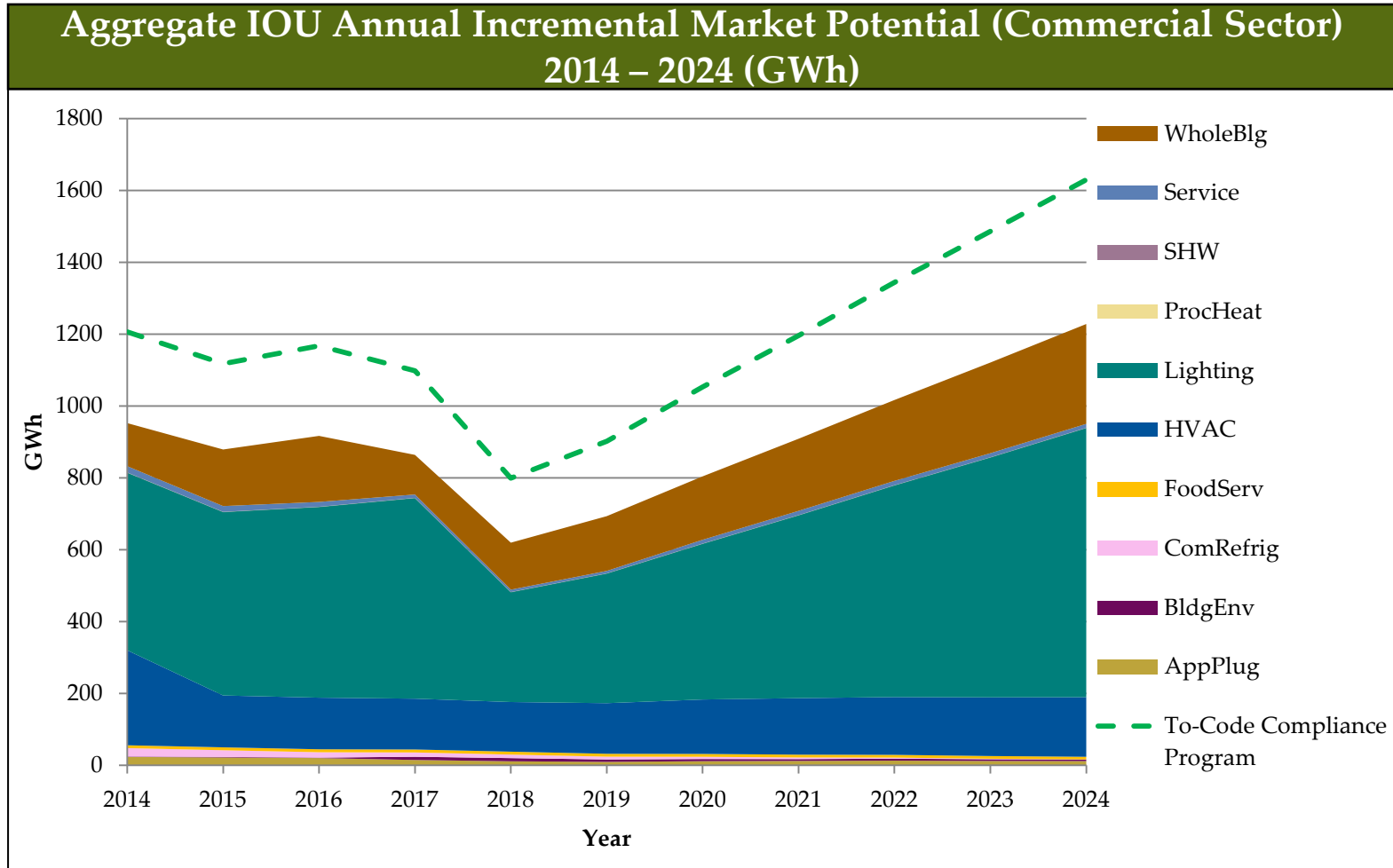
Source: Navigant analysis of PG Model release on 5/22/2013.

In the residential sector, incremental gas savings increase by 20% in 2020 after increasing the baseline against which energy savings are measured by 25%.



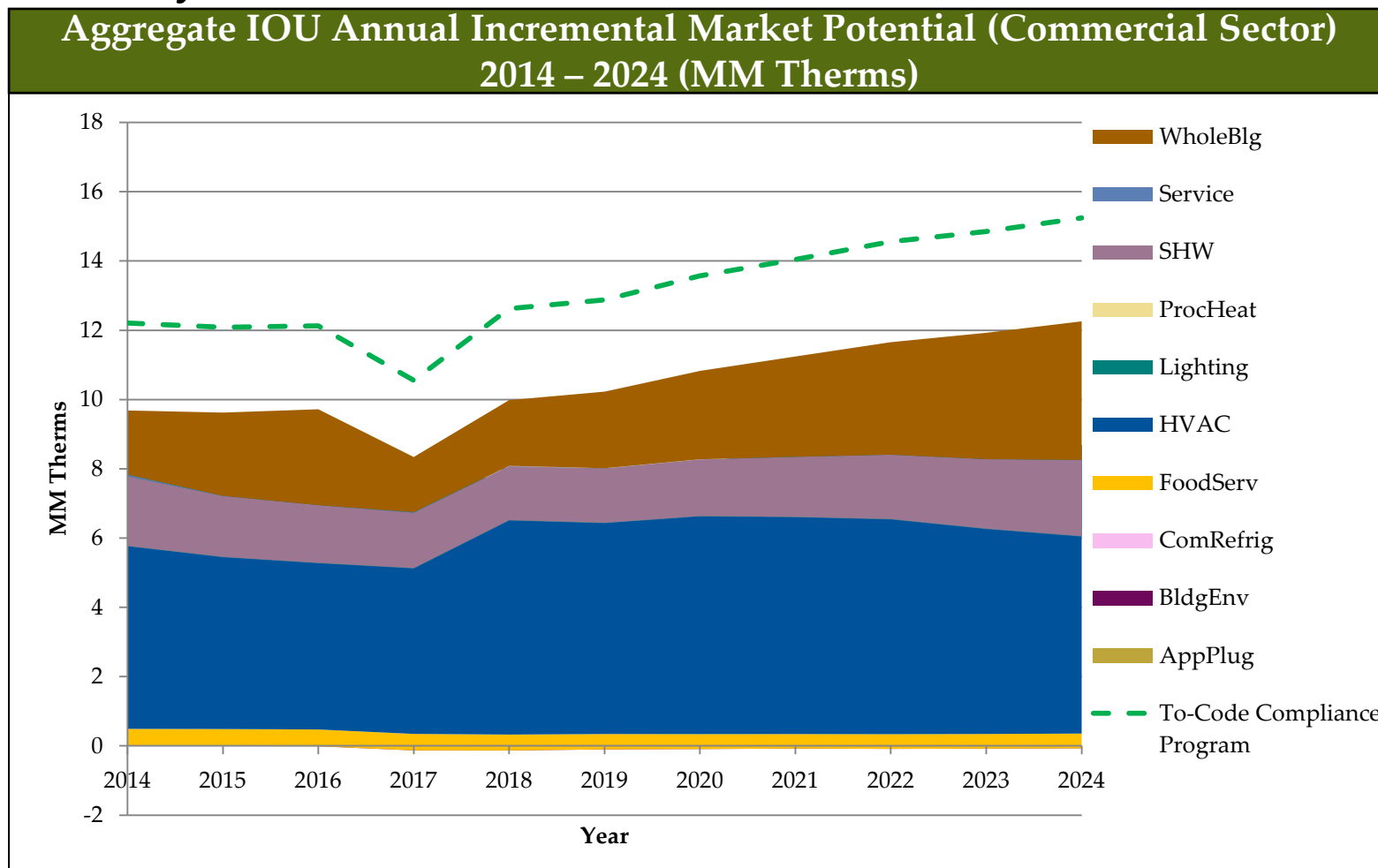
Source: Navigant analysis of PG Model release on 5/22/2013.

In the commercial sector, incremental electric savings increase by 24% in 2020 after increasing the baseline against which energy savings are measured by 25%.



Source: Navigant analysis of PG Model release on 5/22/2013.

In the commercial sector, incremental gas savings increase by 20% in 2020 after increasing the baseline against which energy savings are measured by 25%.



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The team has planned one additional stakeholder meeting to discuss further comments and provide updates on the analysis.

Planned Engagement Timeline		
Meeting Date and Time	Agenda	Location
21-Nov 2:00 p.m. – 4:30p.m.	Describe methodology for estimating baselines and potential; Share preliminary results.	Webex and Pacific Energy Center (San Francisco)
5-Dec 1:30 p.m. – 3:00 p.m.	Comments on preliminary results of Goals 1 and 2; Preliminary results of Goal 3.	Webex only
16-Dec 1:30 p.m. – 3:00 p.m.	Share draft-final results; Solicit additional comments.	Webex and SCG site in Downey

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