

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Concerning
Energy Efficiency Rolling Portfolios,
Policies, Programs, Evaluation, and
Related Issues.

Rulemaking 13-11-005
(Filed November 14, 2013)

**SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)
ENERGY EFFICIENCY PROGRAMS 2022 ANNUAL REPORT**

Holly A. Jones

Attorney for
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Suite 1400
Los Angeles, California 90013
Telephone: (213) 244-2232
Facsimile: (213) 629-9620
E-mail: HAJones@socalgas.com

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Southern California Gas Company (SoCalGas) submits its 2022 Annual Report for energy efficiency programs and accomplishments. The Annual Report is prepared in accordance with the Administrative Law Judge’s Ruling Adopting Annual Reporting Requirements for Energy Efficiency and Addressing Related Reporting Issues (August 8, 2007),¹ and Decision (D.) 18-01-001 and 18-05-041. The Ruling requires “each utility to file its annual report on May 1 of the year following the end of a given program year.”² Due to the need to obtain additional documentation from implementors for statewide programs, an email ruling was issued granting an extension to file the Energy Efficiency Annual Reports on June 1, 2023.³

Pursuant to Ordering Paragraph (OP) 8 of D.18-01-004, the dollar amounts of third-party contracts (provided in aggregate) are included in Appendix C. As directed by the Commission, particular contract dollar amounts will be provided to the Commission. Additional detail regarding third-party programs and statewide programs directed by the Commission is provided in Appendix C.⁴ Pursuant to OP 11 of D.18-05-041, SoCalGas’s progress towards metrics and

¹ Per the Ruling, issued in Rulemaking 06-04-010, filing and serving the Annual Report would apply to successor proceedings, which includes this docket. See Ruling at 4, OP 2.

² *Id.*

³ Email ruling granting Extension Request for Energy Efficiency Annual Report Submittal (March 28, 2023).

⁴ D.18-05-041, OP 17 directed the investor-owned utilities (IOUs) to track the number and proportion of third parties that forego the option of using utility account representatives. Conclusion of Law 19 directed the IOUs to develop an agreed-upon annual report to facilitate ongoing statewide program funding-level management.

ATTACHMENT

**SOUTHERN CALIFORNIA GAS
COMPANY**

**ENERGY EFFICIENCY PROGRAMS
ANNUAL REPORT**

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2022 ENERGY EFFICIENCY PROGRAM PORTFOLIO SUMMARY

Executive Summary

At Southern California Gas Company (SoCalGas), sustainability and environmental stewardship are fundamental elements of doing business. SoCalGas actively works to reduce the environmental impact of its operational practices and assists customers in reducing their impact by showing them how to use energy more efficiently. SoCalGas accomplishes this by offering a comprehensive suite of energy efficiency (EE) programs, strategies, and solutions to meet the dynamic energy needs of its customers. In 2022, SoCalGas continued the programmatic successes achieved in previous program cycles, and further refined its program delivery and implementation processes to actively seek EE opportunities and adapt to its diverse customer base. Additionally, SoCalGas continued the implementation of its 2018-2025 EE Business Plan approved in Decision (D.) 18-05-041 and continued its EE third-party solicitation process approved in D.18-01-004. SoCalGas demonstrated the success of its programs by saving customers more than 44 million net therms in 2022, which represents 116% of the energy efficiency goal established by the California Public Utilities Commission (Commission or CPUC) in D.22-05-016. SoCalGas cost-effectively administered EE savings to customers, providing ratepayers nearly \$457 million in resource benefits. In addition, as part of SoCalGas's commitment to help California meet its goal of greenhouse gas (GHG) emission mitigation, its EE programs avoided over 259,000 tons (net) of carbon dioxide (CO₂).

SoCalGas continues to work closely with the Commission and other stakeholders to achieve California's strategic vision and goals to promote: (1) maximum achievement of all cost-effective and feasible energy efficiency savings in the natural gas sector, (2) programs, strategies, and offerings that provide deep, long-term energy savings, and (3) energy efficiency programs that will generate quick and low-cost reductions in greenhouse gas emissions, as adopted in the California Long-Term Energy Efficiency Strategic Plan and Energy Action Plan (CLTEESP or Strategic Plan), and contribute to a doubling of energy efficiency by 2030, as adopted by Senate Bill (SB) 350. Approved through D.18-05-041, SoCalGas's 2022 EE portfolio activities also focused on achieving the following goals of its Energy Efficiency Business Plan to: (1) facilitate, sustain, and transform the long-term delivery and adoption of energy-efficient products and services, (2) cultivate, promote, and sustain lasting energy-efficient operations and practices; and (3) meet customers' energy efficiency adoption preferences through a range of simplified offerings that address customer energy efficiency needs.

In addition, in order to help achieve the Commission's aggressive long-term goals, SoCalGas has partnered with municipal electric utilities and water agencies to increase its program reach, enhance cost-effectiveness, and offer comprehensive demand-side management offerings to customers. This approach minimizes lost opportunities, allows for more comprehensive and deeper energy efficiency projects, and increases operational efficiencies allowing for a more streamlined delivery of ratepayer-funded programs.

Notable successes during program year 2022

In April 2023, SoCalGas was awarded the U.S. Environmental Protection Agency (EPA) 2023 ENERGY STAR Partner of the Year for demonstrating leadership in its energy efficiency programs that incorporate ENERGY STAR as a key strategy to help increase the adoption of energy efficiency products in homes, buildings, and facilities. This award was a result of SoCalGas' energy efficiency program efforts and activities during 2022 such as those of the residential rebate program that resulted in thousands of ENERGY STAR smart thermostats and natural gas dryer purchases as well as rebates for thousands of ENERGY STAR natural gas tankless water heaters.

SoCalGas' energy efficiency programs are some of the largest in the United States; over the last 5 years, SoCalGas energy efficiency programs delivered almost 240 million therms in energy savings, enough natural gas usage for more than 146,000 households a year and reduced greenhouse gas emissions (GHGs) by over 1,260,000 metric tons, the equivalent of removing nearly 273,000 cars from the road annually. These advances have also helped save SoCalGas customers over \$358 million in utility bill costs.

Finance Programs

The On-Bill Financing Program

On-Bill Financing (OBF) offers interest-free, unsecured, repayment of loans on the utility bill that work in conjunction with SoCalGas energy efficiency rebate programs. OBF allows non-residential and multifamily customers who cannot afford to invest in energy-efficient measures to be able to purchase and install qualified energy efficiency measures by helping them receive up-front capital to invest in real and sustainable long-term energy cost reductions.

In 2022, the OBF program collaborated with both internal and external partners to create awareness of the program and its' benefits to SoCalGas customers. Seminars, webinars, and various types of educational outreach were conducted. The effort resulted in eight OBF loan projects totaling \$225,000 and reserved funding for an additional 6 projects (at the pre-approval stage).

Additionally, the program received the Commission's approval to increase loan limits for commercial and multifamily customers from \$100,000 to \$250,000. The program loan funding pool also increased from \$5.5 million to \$10 million.

Residential Programs

Residential Energy Advisor

SoCalGas's Energy Advisor Surveys were delivered to customers through the Universal Audit Tool (UAT). The survey under the Energy Advisor program helps customers understand their usage and learn of opportunities to save energy and money. In 2022, thousands of SoCalGas customers used the online platform and continue to use it to actively manage their energy use. There were 20,077 online SoCalGas Energy Advisor Surveys completed during the year.

The Energy Advisor Surveys continue to deliver energy efficiency education to help customers understand and manage their energy use. In 2022, 405,460 customers interacted with the Analyze Usage function within the UAT resulting in an increase of 13.74% when compared to the prior year. Customers who viewed the *Compare* bills tool increased 58% (18,596) compared with 11,763 from the prior year.

Residential Behavioral Program

The Behavioral Program successfully reached over 1.7 million residential customers from November 2021 through October 2022 (PY 2022). There were 15 treatment cohorts that received various Home Energy Reports from two implementers. The total therm savings for the year was nearly 10 million therms, which is a savings of 1.4%. Up to four paper Home Energy Reports (HERs) were distributed during the winter months and twelve email reports throughout the year. Monthly summary emails and a similar home comparison for each customer billing cycle were delivered.

The Behavioral Outreach Program continues to be successful in contributing significant natural gas savings to the SoCalGas energy efficiency portfolio.

Commercial Programs

Small Business Savings Program

The SoCalGas Small Business Savings Program, an EE program serving commercial customers in Southern California, targets SoCalGas' small and medium commercial business customer facilities in San Bernardino and Riverside counties emphasizing customer segments such as restaurants, lodging, dry cleaning, retail, and offices. The program offers deemed rebates and direct install. Originally structured to have program personnel conduct free energy audits for customers and evaluate opportunities, the program shifted to a trade professional-delivered model in late 2021. Their ability to conduct outreach and canvass, make equipment recommendations, and complete quality installations resulted in the program achieving 100% of its 2022 performance goal.

A focal point has been foodservice installations and enrolling customers who are defined as disadvantaged or hard-to-reach (HTR). To better reach such customers, the program reversed its design from the standard process where customers purchase equipment and apply for a rebate to instead providing the equipment to customers for almost no-cost/copay. Changing the delivery mechanism and reducing the customer copay was a key element to the success of the program. To drive further program participation, in the fourth quarter, the program launched a winter campaign offering the direct installation of the tier 2 tankless hot water heaters.

Statewide California Food Service Instant Rebates Program

The Program expanded upon existing initiatives offered in 2021 in addition to launching various enhancements to drive participation across all sales channels and customer segments. The Program developed the Online Rebates Tool (ORT) to provide Instant Rebates at checkout to eligible customers purchasing qualifying equipment online.

The Program exceeded its Disadvantaged Business Enterprise (DBE) spending commitment and provided Instant Rebates to over two thousand HTR and Disadvantaged Community (DAC) customers. The Program implementer also enrolled 50 new participants which helped expand the Program’s geographical coverage and customer reach across the state, sales channels, and customer segments. 150 participant locations are now enrolled in the Program.

Statewide Midstream Water Heating Program

The Statewide Midstream Water Heating Program works with midstream market actors to offer point-of-sale (POS) rebates to contractors serving California Investor-Owned Utility (IOU) end-use customers. More than a quarter of the total therms savings reported in 2022 were in DACs. Slightly more than one-eighth of the installation addresses sampled during the quality assurance (QA) process were in HTR markets.

Industrial Sector

Industrial Strategic Energy Management Program (SEM)

The Industrial SEM Program is a whole-facility program that addresses energy reduction opportunities within large energy use industrial facilities. The program is designed to help facilities identify, prioritize, and implement energy savings opportunities that include low cost behavioral, O&M and retro-commissioning (BRO) measures.

This program launched the first-of-its-kind gas-only cohort in the country in 2021. That cohort is on its way to exceeding savings goals. A second gas-only cohort was launched in 2022. The program’s success has led a large retailer to strongly encourage their supply chain manufacturers to enroll in the program. Participants have built a pipeline of more than 470 savings projects and have completed approximately 30% of them, which exceeds typical completion rates for SEM. Customer satisfaction is highlighted by the fact that several customers from the first cohort, jointly funded with Southern California Edison (SCE) in 2018, signed up for a fifth year of participation in 2022, and are still generating incremental savings. Finally, a key element of program delivery is alignment with Aspire 2045, SoCalGas’ sustainability strategy that includes a bold commitment to achieve net zero greenhouse gas emissions in SoCalGas’ operations and delivery of energy by 2045.⁵

Non-Residential Calculated Incentive Program

In 2022, the Non-Residential Calculated Incentive Program exceeded the natural gas energy savings goal of 2,250,000 net therms. Among the projects that contributed to this success is one of the largest projects in energy efficiency completed in SoCalGas’ history.

After several years of interaction between SoCalGas and a large industrial sector customer, the project was approved by CPUC’s Energy Division in 2020, however, was put on hold due to the COVID-19 pandemic. Throughout the hiatus, SoCalGas remained in communication with the customer on this project which ultimately led to the implementation of a BRO-RCx Process Steam Reduction measure. The installation of Dry Low NOx (DLN) combustors optimized the

⁵ https://www.socalgas.com/sites/default/files/2021-03/SoCalGas_Climate_Commitment.pdf

original efficiency of the Heat Recovery Steam Generators (HRSGs) steam system. The retro-commissioning of the existing system results in multi-year energy efficiency savings which occur by decreasing the required gas load for superheated steam production at the HRSGs and auxiliary boiler.

This project's energy efficiency measure resulted in savings of over 10 million gross therms per year, a substantial increase from the initially estimated amount of just under 7.5 million gross therms per year. Participation in the Non-Residential Calculated Incentive Program awarded a \$3,000,000 incentive to the customer for meeting all eligibility criteria required by both SoCalGas and the CPUC. This project demonstrates the influence, creativity, innovation, and collaboration of SoCalGas' expert staff which includes Account Executives, Engineering Services and Programs to find impactful energy-efficient measures and close out this project successfully in 2022.

Program Descriptions and Strategies

Residential Energy Efficiency Programs

The Residential energy efficiency sector programs offer and promote both specific and comprehensive energy solutions for residential customers. By encouraging adoption of economically viable energy efficiency technologies, practices, and services, these programs employ strategies and tactics to overcome market barriers while delivering services that support the CPUC’s Strategic Plan and the Energy Efficiency Business Plan.

SoCalGas’s Residential Energy Efficiency Programs focus is to:

- Facilitate, sustain, and transform the long-term delivery and adoption of energy-efficient products and services for single and multi-family dwellings;
- Cultivate, promote, and sustain lasting energy-efficient behaviors by residential customers through a collaborative statewide education and outreach mechanism; and
- Meet customers’ energy efficiency adoption preferences through a range of offerings including single-measure incentives and more comprehensive approaches.

Residential Energy Efficiency Programs include a number of statewide subprogram elements that together comprise the core product and service offerings. These subprograms and efforts include Midstream Plug Load & Appliance, Residential Upstream Heating Ventilation and Air Conditioning (HVAC), and Residential New Construction.

Additional residential energy efficiency programs include the HOPPs (High Opportunity Projects or Programs) Central Water Heater Multifamily Building Solution Program and AB793 Residential Energy Management Technology Solution Program.

SCG3701 Residential – Energy Advisor

This program is a continuation of the existing statewide Energy Advisor Program within the residential energy efficiency portfolio. SoCalGas’s Energy Advisor Surveys were delivered to customers through the Universal Audit Tool (UAT). In 2022, thousands of SoCalGas customers used the online platform and are using it actively to manage their energy use. Last year, there were 20,077 online SoCalGas Energy Advisor Surveys completed.

In 2022 the average number of customers who started and completed the survey was 48%. With the assistance of a third-party vendor, SoCalGas continues to evaluate and improve some of the questions to increase completion. Improvement recommendations includes streamlined and enhanced survey questions which can help increase the completion rate to over 50%.

Ahead of the 2022-2023 winter heating season, SoCalGas utilized a “test and learn” technique to understand the effectiveness of two marketing approaches for the My Energy Profile survey. Through the assistance of a third-party, 75,000 randomly selected residential customers were placed into three groups (25,000 per group) that were statistically equivalent across observable relevant customer characteristic i.e. usage and CARE status. One of the groups received

marketing messaging via email while the another through direct mail. The third group did not receive any messaging. The approach taken gleaned from customers getting lost in the Ways to Save platform on its' way to the Energy Profile survey. Findings from the approach indicated that a combination of email and direct mail yields significantly more survey completion.

Completed Energy Advisor Surveys continue to deliver energy efficiency education to help customers understand and manage their energy use. In 2022, 405,460 customers interacted with the Analyze Usage function within the UAT compared to the prior year with 356,492. This is a 13.74% increase from 2021. Customers who viewed the Compare bills tool increased 58% (18,596) compared with 11,763 from the prior year.

SCG3702 Residential – Residential Energy Efficiency Program

The Residential Energy Efficiency Program (REEP) is a deemed downstream gas measure rebate program that offers incentives to single and multifamily customers, as well as to new construction residential projects, encouraging the installation of the most efficient gas appliances available. REEP incorporates the best downstream practices to its three subprograms: the Home Energy Efficiency Rebate Program (HEER), the Multifamily Energy Efficiency Rebate Program (MFEER) and new construction appliance rebates provided through the Energy Efficiency New Homes Program (EENH).

The Multifamily Energy Efficiency Rebate (MFEER) program offers cash rebates available for the installation of qualified energy efficiency products in apartment dwelling units and in the common areas of apartment complexes, condominiums, and mobile home parks. Residential multifamily complexes with two or more dwelling units may qualify. Dwelling units must be fully constructed and occupied. New construction does not qualify for this subprogram.

The program succeeded in securing notable multifamily (MF) customer participation in 2022, particularly in Central Domestic Hot Water rebates (including demand control loop temperature controllers). The success of the program in 2022 was based on several factors: SoCalGas.com providing dedicated web pages on MF programs for customer education and participation, SoCalGas offering Single Points of Contact to guide customers through a step-by-step process to participate and benefit from SoCalGas programs, and SoCalGas maintaining and establishing new relationships with external partners like manufacturers and contractors to act as “ambassadors” for the rebate and incentive program. The latter facilitated a MF customer’s participation in MFEER and helped promote increased year-end rebates. Additionally, the Program collaborated with the Multifamily Energy Alliance (MEA) to ensure customers received the most advantageous rebate offering. MFEER again made a significant contribution to REEP in 2022. SoCalGas also provided a special initiative for MF customers to receive increased rebate amounts for year-end equipment retrofits of central domestic hot water systems.

In 2022, SoCalGas also extended the MF Vending Machine Clothes Washer Rebate partnership to include not only the Metropolitan Water District but also Los Angeles Water and Power. In doing so, the Program was able to greatly increase the incentive offering to qualifying customers. The HEER program was successful in 2022 and SoCalGas was also able to maintain visibility in HTR retail stores through instore marketing communication and field ride opportunities with

distributors. In-store visits increased from 178 in 2021 to 3,600 in 2022. The field visits provided a chance to discuss upcoming changes to the rebate programs (e.g., such as incentive, efficiency and technology advancements). The online portal for the Solar Thermal Water Heating system went live in Q4, thus providing customers the ability to submit their application online and through any mobile device. The online portal also provides visibility to “Getting to Know your Solar Water Heater” webpage which was specifically designed as a resource guide for residential customers on the system.

SCG3705 Residential – Multifamily Whole Building Program

In 2022, SoCalGas's Multifamily Whole Building (MFWB) program delivered comprehensive energy efficiency upgrades tailored to the needs of existing multifamily dwellings and their owners, tenants, and management companies. The program presented multifamily customers with capital improvement solutions and promoted long-term energy benefits through comprehensive retrofit measures including building shell upgrades, high-efficiency HVAC units, central heating and cooling systems, central domestic hot water heating and other deep energy reduction opportunities. To achieve this, the program utilized an investment grade assessment to identify applicable energy efficiency measures. This performance-based approach assisted property owners and managers with making informed decisions, identify measures for energy savings, and maximize energy reductions for each property owner, manager, and tenant, as applicable.

To better serve multifamily customers, MFWB worked with industry partners and created program awareness to increase participation through contractors. Additionally, the Program Team continued to refine collaboration practices with other similar whole building programs such as the Energy Savings Assistance Program (ESAP/ESA), Southern California Regional Energy Network (SoCalREN) and Tri-County Regional Energy Network (3C-REN). The program also cross-promoted additional value-added services like On-Bill Financing to help multifamily property owners implement large capital improvement solutions for instances of having limited access to capital.

Over the course of 2022, MFWB was able to increase the pipeline of projects and potential energy savings but did not meet its annual goal. The MFWB program has closed to new enrollments as of December 31, 2022, and projects previously submitted to and approved by Customer Measure and Project Archive (CMPA) will be allowed to complete construction through the end of 2023. At the end of 2022, SoCalGas completed a competitive solicitation to transition this program to a third-party implementor which will continue to serve the multifamily sector through a whole building program design.

SCG3707 Residential – Residential New Construction

The California Advanced Homes Program (CAHP) is a comprehensive residential new construction concept with a cross-cutting focus on sustainable design and construction, green building practices, energy efficiency, and emerging technologies. Through a combination of education, design assistance and financial support, the CAHP works with building and related industries to exceed compliance with the California Code of Regulations, Title 24, Part 6,

Building Energy Efficiency Standards for Residential and Nonresidential Buildings (Standards), to prepare builders for changes to the Standards and to create future pathways beyond compliance and traditional energy savings objectives. Participation is open to single-family as well as low-rise and high-rise multifamily residential new construction built in an Investor-Owned Utility (IOU) service area.

The Program was closed at the end of 2019 in anticipation for the launch of the statewide residential new construction program to be implemented by a third-party under PG&E Lead. CAHP activities in 2022 were focused on closing projects, processing and paying incentives for projects submitted in prior years.

SCG3764 Residential – LivingWise

LivingWise is a school-based program that engages and educates sixth-grade students in energy efficiency activities, implemented by AM Conservation Group. Teachers and administrators enroll in the program through recruitment efforts that include an emphasis on Title 1 schools. The program empowers sixth-grade students to learn how to protect natural resources and reduce energy usage at home by supplying energy efficiency materials to the teachers for distribution in the classrooms. These materials include energy efficiency kits (with water-reducing and monitoring measures for installation), student guides, take-home workbooks, posters, and a teacher guide with suggested teaching plans. This no-cost program is designed to generate immediate and long-term resource savings by bringing interactive, real-world education home to students and their families.

The LivingWise program had a 17% increase in households served totaling more 33,000 and exceeded the 2022 Diverse Business Enterprise (DBE) Partner Key Performance Indicator (KPI) goal of 43% by distributing over 47.5% of total program kits built by their DBE partner.

SCG3810 Residential – Smart Home Optimization Program

The Smart Home Optimization Program (SHOP) is a comprehensive energy savings program which installs energy management technologies in single-family residential homes which meet the eligibility requirements of the program. Program measures which include a Wi-Fi thermostat, a cloud optimization protocol (controlling the thermostat), water heater controller, and a thermostatic control valve. Program measures were selected based on their ability to deliver high energy savings for their cost and persistent savings over time. To encourage persistency of savings, Program Installation Contractors (PIC) will educate homeowners on the benefits of the measures and how they work. Energy savings will be derived monthly by an SCG-contracted third-party using the CalTRACK normalized metered energy consumption (NMEC) methodology.

With the sunset of program participation in December 2021, the program continued to monitor/evaluate customer natural gas consumption data to determine accurate/normalized savings claims. In total, nearly 1700 customers enrolled in the SHOP program generating approximately 18,000 net therms.

SCG3823 Residential – HVAC QI/QM

The Residential High-Efficiency Furnace Quality Installation Program provides incentives to Participating SoCalGas Customers for the installation of high efficiency gas furnaces when installed according to the ENERGY STAR HVAC Quality Installation guidelines by a Participating Contractor. By offering incentives according to the quality of installation, a greater potential of the efficiency of a particular gas furnace can be recognized.

High efficiency heating equipment is expensive. The initial investment is costly and becomes more so when higher efficiency equipment is purchased. The rebates are not high enough to offset the cost of the qualifying equipment. Installation practices require extensive training and are difficult to achieve and maintain. The low incentive does not appear to be great enough to support the costs of training, commissioning, and participation in general. Inconsistencies on offerings by neighboring utilities make it difficult to partner for a more effective implementation.

Title 24 enforcement and Program permitting requirements – Because permitting rates remain low, it is believed that the majority of HVAC installations are performed without a permit. These installations are typically less expensive which can lead to customers choosing a less expensive installation over a quality installation.

Contract agreement issues, lack of an electric utility partner, contractor participation and enrollment, the transition to statewide HVAC program and slow industry recovery from the COVID-19 pandemic were barriers to launching the Quality Installation program in 2022. Data research for Quality Maintenance workpapers were gathered in 2021 but slow recovery from the COVID-19 pandemic continued to create a delay with additional data collection and any such launch of a local residential Quality Maintenance program in 2022. In 2023, SoCalGas will look to address these challenges by obtaining additional furnace usage data which will provide sufficient information for the development of a QM workpaper. The workpaper will justify furnace tune-ups and claim savings.

The SoCalGas Residential QI/QM program objectives were not met in 2022.

SCG3824 Residential – Behavioral Program

Behavioral based energy efficiency programs focus on energy savings as a result of changes in customer usage. Behavioral programs hereinafter are mandated by the CPUC to follow three basic components: they (1) must employ comparative energy usage and disclosure, (2) must be measured ex post, and (3) must utilize an experimental design (Random Control Trial or RCT design). Randomly selected customers referred hereinafter as “treatment groups”. They have been defaulted to receive natural gas usage feedback in the form of paper mail, email, and/or alerts utilizing Advanced Meter Usage Data. Advanced Meters remotely read and transmit customers’ hourly natural gas usage information back to SoCalGas. Advanced Meter Usage Data collected together with other demographic factors are utilized in the development of personalized natural gas usage feedback communication.

In 2022, the Behavioral Program through two third-party implementers reached over 1.7 million residential customers from November 2021 through March 2022. (Behavioral Program Year is unique since November and December of the prior year allows a savings ramp up period, thereby is the start of savings estimation) No new treatment waves or cohorts launched during the program year. The prior year's implementers are no longer providers of the SoCalGas Behavioral Program and the treatment customers that were originally assigned to these implementers were re-assigned to the new implementors. A therm savings projection for 2022 was developed where historical therm savings and weather data from 2018 through 2021 were utilized. The forecasted 2022 annual savings for the program was 13.4 million therms. The program achieved 74% of that forecast, with a total savings of nearly 10 million therms.

Several factors may have contributed to smaller than expected savings in 2022. First, overall gas consumption was lower in winter 2022 versus 2021. This may be due to warmer weather, higher natural gas prices, or a combination of the two. Second, there may be continued effects of the COVID-19 pandemic that are difficult to control given the available data. Finally, while the projection model accounted for delayed treatment in several waves, the level of persistence may not have been as high as expected. That said, percent savings in PY2021 were 1.6%, which is only marginally greater than the percent savings in 2022 (1.5%). In other words, absolute therm savings were lower than expected but percentage savings remained relatively constant year-over-year.

Overall, the Residential Behavioral Program continues to be successful in contributing significant natural gas savings to the SoCalGas energy efficiency portfolio.

SCG3829 Residential – Marketplace

SoCalGas' Marketplace website features incentives for energy-efficient home appliances and consumer electronics. The products featured at the site include gas water heaters, thermostats, connected home applications, gas dryers and washers. The site is mobile optimized, so it can be viewed on a variety of devices including smart phones, tablets, and desktops. Customers who visit the site can: Create their own personalized accounts; View product energy scores; View a calculation of the energy savings that can be achieved by using more energy-efficient products; View a calculation of the total cost of product ownership; Save any of their searches for future use; Sign-up to receive price change alerts; And find rebate information.

SoCalGas Marketplace experienced a significant increase (68%) in the number of customer visits and unique visitors in 2022. Page views, page views per visit, and time on site were also up this year. Eco Financing, which provides financing for measures between \$250 to \$5,000, proved to be a strong motivator for customers purchasing energy-efficient appliances and coupled with instant thermostat rebates and OEM discounts on select products in Q4, drove a substantial number of transactions on the marketplace resulting in a 550% increase in total orders compared to 2021. Eco Financing, after being paused mid-year to make optimizations to the program, will be relaunching in Q1 2023. SoCalGas Marketplace was marketed to over 11.5 million customers in 2022.

SoCalGas Marketplace objectives were met in 2022.

SCG3830 Residential – Retail Partnering

In support of the Home Energy Efficiency Rebate program, retail store service visits are needed to provide a comprehensive overview of SoCalGas residential energy efficiency programs to retailer personnel. Retail store visits include placement of promotional and marketing materials as well as store personnel training and program reinforcement throughout the SoCalGas service territory. This service is not limited to appliance retailers, but extends to manufacturers, distributors, contractors, and residential associations that can benefit from energy efficiency education and rebates.

Activities for the program in 2022 include the following:

- Integrated SoCalGas rebate information and program training for contractors, distributors and retail sales associates in the pool, water heating and retail appliance industry.
- Worked with many manufacturers to include SoCalGas rebate information in their marketing materials.
- Increased program visibility with retailers and increased quarterly store visits and sales associate training to ensure current rebate materials remained visible and correctly placed.
- Over 3,600 retail store visits were made and over 3,400 sales managers and sales associates were trained on SoCalGas rebate programs in 2022.

The COVID-19 pandemic proved to be a significant barrier to participation in industry shows/events in 2021, but for 2022 industry shows and contractor events increased resulting in participation of over 150 events and interaction with over 8,000 customers in 2022.

In providing rebate training to sales associates and store personnel it is observed that:

- Store personnel still prefer a paper Qualifying Model list to refer to (which is provided at each service), but frequently misplace these qualifying lists.
- A little over 55% of customers are now using the mobile application for submitting their rebates vs. a traditional mail-in application.
- Temporary staff who often cover the Department due to required breaks, shift change, coverage due to illness, vacations, etc. These temporary sales staff support personnel are not always knowledgeable about the products and/or rebates attached to qualifying models thus the need for consistent trainings at various locations.
- At stores where qualifying units are not tagged, many sales associates leave it up to the customer to figure out if their unit qualifies for a rebate. Most sales associates don't want to give out wrong information, so they will advise customers that the unit *may qualify* for a rebate and to check the SCG website where they can also apply online.

The SoCalGas retail partnering objectives were met in 2022.

SCG3831 Residential – EE Kits

To help customers with continued water energy savings and conservation, SoCalGas offers no-cost EE kits to eligible SoCalGas customers. The EE kit contains a low flow showerhead, kitchen aerator and bathroom faucet aerators. The EE kit is available to customers through the SoCalGas website, outreach events and partnership activities throughout the year.

The SoCalGas EE kit program was able to distribute over 60,000 EE kits in 2022. A large majority of the EE kits were distributed in partnership with LADWP during Q4 to joint customers in the shared service territory. This EE kit partnership and EE kit distribution with LADWP will continue to extend into the first half of 2023.

There were no program implementation barriers or problems encountered and no changes were made to the program in 2022. Additionally, the SoCalGas EE kit program met its objectives in 2022.

SCG3832 Residential – Pasadena Home Upgrade

The Pasadena Home Upgrade Program is a direct install program that offers a variety of energy efficiency services to residential customer residing or owning homes in the City of Pasadena and served by Southern California Gas Company (SoCalGas) and Pasadena Water and Power (PWP). Services include in-home energy and water efficiency survey and weatherization services. A participant in the program can have energy and water savings measures installed at no cost. Measure cost and installation are funded by SoCalGas and PWP.

The Pasadena Home Upgrade program treated homes with a variety of energy efficiency measures that resulting energy savings for residents of the City of Pasadena.

SCG3833 Residential – Burbank Home Upgrade

The Burbank Home Improvement Program offers a whole house approach to efficiency. All of Burbank's 20,000 single family and 23,000 multifamily homes are eligible to participate and will receives various levels of electric, water, and natural gas efficiency measures at no cost. This program is made possible by the unique partnership between SoCalGas and Burbank Water & Power (BWP). SoCalGas and BWP jointly implement, within shared SoCalGas and the City of Burbank territory, the installation of eligible and feasible water and energy saving measures. BWP implements, manages, and administers contracting of the installer and is responsible for administering day-to-day coordinating with the other Parties.

The unbundling of measure packages in 2022 allowed the Program to complete numerous projects, resulting in energy savings for residents of the City of Burbank.

SCG3836 Residential – LADWP HVAC

LADWP's HVAC Optimization Program provides no-cost installation of smart thermostats for Los Angeles residents and businesses which is supported by LADWP's Technical Support

Services Provider. SoCalGas agrees to co-fund the installation of qualifying smart thermostats for joint eligible customers.

Due to the COVID-19 pandemic, the LADWP HVAC program was suspended for a majority of 2021 and 2022. Therefore, there were no program changes made and the LADWP HVAC program objectives were not met in 2022.

SCG3861 Residential – Community Language Efficiency Outreach – Direct Install (CLEO – DI)

The 2022 Community Language Efficiency Outreach –Direct Install (CLEO-DI) Program, is a 100% in-language, resource, local, highly-targeted, and residential energy efficiency marketing, outreach, education, and direct install program, that targets hard-to-reach, Vietnamese, Indian, Chinese, Korean, Hispanic and African American (VICK-HA) speaking residential customers of Southern California Gas Company (SoCalGas).

The program markets SoCalGas' EE programs, along with energy efficiency education and training, through faith-based organizations, schools, and community events. The program's marketing efforts garner interest and lead to participation in Los Angeles, San Bernardino, Riverside and Orange Counties; those with higher densities of CLEO demographic customers in SoCalGas' service territory. In 2022, the program held more in person events with the easing of pandemic restrictions. In 2022, the program added new measures for the Metropolitan and West Basin Municipal Water Districts, including tankless water heaters and storage water saving measures.

In 2022, the program met its program goals by providing in-language seminars, hosting school event booths, and installing a variety of energy-efficient measures such as smart thermostats, hot water pipe sleeves, low flow aerators, tub spout diverters, storage water heaters and tankless water heaters. The program continues to have a significant impact on middle to low-income customers.

SCG3883 Residential – Residential ACE Program

SoCalGas Residential Advanced Clean Energy (Res ACE) is a comprehensive advanced clean energy solution for single family customers. The advanced clean energy path begins with the delivery of cost-effective direct install measures, transitioning to an advanced clean energy opportunity for the single-family customer that can be financed by outside sources. Res ACE leverages natural gas clean energy solutions, in addition to IOU electric, municipal electric, and local agency clean energy single family opportunities offerings.

In 2022, the program delivered cost-effective energy savings and advanced clean energy technologies. The proposed delivery model of leading with cost-effective direct install measures to increase the customer's interest in tier-2 advanced clean energy technologies, such as tankless water heaters, proved to be successful. There were thousands of complimentary walkthrough energy assessments and sales consultations performed that resulted in the installation of energy-efficient and advanced clean energy technologies.

SoCalGas and the implementer worked to identify potential storage water heater to tankless water heater retrofits sites, resulting in successful outreach and installations of tankless water heaters and other EE measures. The utilization of outreach personnel and technicians, through various program synergies, assisted the program with meeting its goals. SoCalGas provided a marketing boost through a tankless water survey that generated interest in tankless water heater installs.

Program objectives that were met include cost-effective energy savings, disadvantaged community program participation, hard-to-reach program participants served, and advanced clean energy measures installed.

SCG3884 Residential – Comprehensive Manufactured Home Program

The SoCalGas Comprehensive Manufactured Homes Program (CMHP) is one of two manufactured home programs offered by SoCalGas. CMHP is a comprehensive advanced clean energy solution for manufactured home customers that reside in Ventura, Los Angeles, Orange, Riverside, San Bernardino, and Imperial Counties. The program path begins with the delivery of cost-effective, direct install measures that transition to an advanced clean energy opportunity for the manufactured homes customers that can be financed by outside sources. CMHP delivers natural gas energy efficiency, clean energy, and carbon emission solutions.

In 2022 the program continued to deliver cost-effective energy savings and advanced clean energy technologies. The program delivery model of leading with cost-effective direct install measures to peak the customer's interest in advanced clean energy technologies, such as water heaters, proved successful.

In spite of supply chain issues created by COVID-19, the program was able to gain traction in enrollments and installation of EE measures as the year progressed. SoCalGas' marketing support assisted in boosting energy assessments, and various other measure installations, including tankless water heaters. Additionally, the program was able to serve disadvantaged communities and hard-to-reach customers on a more consistent basis.

SCG3885 Residential – Residential Manufactured Home Program

The SoCalGas Residential Manufactured Homes program leverages a tiered, direct install, approach to provide manufactured home park owners and residents with convenient no cost or low-cost EE measure pathway. The program informs customers of the benefits of energy efficiency products and includes a physical assessment of tenant homes and community shared facilities.

In 2022, the Central Valley which is served by the program posed challenges in regard to customer outreach. However, the program found success by canvassing master metered mobile home parks with no customer data and working with park management.

The program had multiple objectives aimed at benefiting hard-to-reach and disadvantaged communities, while also focusing on installing energy-efficient measures. The program successfully met the HTR and DAC enrollment goal and achieved energy saving through the installation of various measures, such as Duct Testing and Sealing, Smart Thermostats, Showerheads with TSVs, Outdoor Pipe Wrap, and Bathroom Faucet Aerators.

SCG3888 Residential – MF Space and Water Heating Controls

The objective of Multifamily Space and Water Heating Controls (MF SAWH) Program is to surmount the dichotomy of split incentives and maximize the efficiency of dual-function (Raydronics) central water heaters (water heating and hydronic space heating) found in multifamily apartment buildings through a direct install offering. These systems were installed in the 1970s-1980s throughout Southern California and provide both water heating and hydronic space heating to their facility. To achieve savings, the program is designed to target these properties and install Dual Set Point Controllers, which can realize significant energy savings ranging from 11-25%, and variable frequency drives on Raydronic system pumps to achieve additional savings. Together, participants can reduce combined natural gas and electricity consumption by as much as 20%.

Since its inception in 2021 this program has struggled with several challenges. As a result of COVID-19, supply chain issues resulted in increased cost and time to procure needed equipment for measure installations. Another result of COVID-19 was labor shortages creating an increase demand for plumbers, electricians, and other trades that caused increased costs to deliver the program's product and services. Lastly, there continues to be limited ability to contact and schedule installations with multifamily building staff due to closed offices or reduced availability of maintenance staff on site. As a result of the above market barriers and challenges, the program did not meet its therm goals in 2022. No changes to the program were made in 2022.

SCG3889 Residential – Multifamily Energy Alliance (MEA)

In 2022, SoCalGas continued to offer a new, innovative third-party program aimed at multifamily customers called the Multifamily Energy Alliance (MEA). This program offered customers a one-stop shop ("OSS") approach to driving energy efficiency upgrades in multifamily properties, existing construction, 2 units or greater. MEA targets properties from large, corporate-owned portfolios to small, individually owned and managed ones. It successfully achieved no-cost direct installations inside the residential dwelling units and actively sought to enroll customers in rebates on qualifying equipment for about 3,200 units. The MEA program fell short of meeting both therm and budget goals, despite making every effort to engage and enroll customers in HTR and/or DAC properties.

Commercial Energy Efficiency Programs

The Commercial Energy Efficiency (CEE) Programs offers California’s commercial customers a statewide-consistent suite of products and services to overcome the market barriers to optimized energy management. The program targets integrated energy management solutions through strategic energy planning support; technical support services, such as facility audits, and calculation and design assistance; and financial support through rebates, incentives, and financing options. Targeted end users include all commercial sub-segments such as distribution warehouses, office buildings, hotels, motels, restaurants, schools, trade schools, municipalities, universities, colleges, hospitals, retail facilities, entertainment centers, and smaller customers that have similar buying characteristics.

The CEE Programs consist of six core statewide subprogram elements, including: Commercial Energy Advisor, Commercial Calculated Incentives, Commercial Deemed Incentives, Continuous Energy Improvement, and Nonresidential HVAC. IOU offerings also include:

- Local program elements such as third-party programs
- Local government partnerships that have close ties to Business Improvement Districts
- Statewide programs for Point Of Sale Food Service and Mid-Stream Water Heating

SCG3710 Commercial – Calculated Incentives

The SoCalGas Commercial Calculated Incentives program offered financial incentives for customized new construction, retrofit and retro-commissioning energy efficiency projects. Incentives are paid on the energy savings for both existing baseline and above baseline energy performance, which include state-mandated codes, federal-mandated codes, industry accepted performance standards, or other baseline energy performance standards.

The Commercial Calculated Incentive program was discontinued in 2021 and set in place a transition timeline to third-party implemented programs. SoCalGas actively managed the pipeline, by maintaining existing reserved projects and reserving new projects until completion of transition and new programs launch. In 2022, the program’s sector was consolidated into the cross-cutting Non-Residential Calculated Incentive Program SCG3910, to facilitate the transition into the third-party programs and ensure Energy Efficiency program coverage until the third-party programs are onboarded. Projects may be eligible for the newly launched programs.

SCG3813 Commercial – Savings By Design

Savings by Design (SBD) promotes integrated design by providing owner incentives, design team incentives, and design assistance to participants who design spaces that perform at least 10% better than Title 24. SBD encourages energy-efficient building design and construction practices. SBD offers in collaboration with SCE and LADWP in their respective shared territories. Within the joint SoCalGas/SCE territory, SCE acts as the lead utility, and SoCalGas buys back therms associated with dual electric and gas projects.

The program was ramped down and closed to new enrollments at the end of 2020. The program will continue to work on existing projects until 2024.

In 2022, 49 projects were completed, and incentives were paid to customers. Additionally, the program maintains and progresses projects in its pipeline through construction completion, installation verification, and customer incentive payment phases.

No program implementation barriers or problems encountered in 2022.

No changes to the program were made in 2022.

SCG3909 Non-Residential Energy Advisor

The Non-Residential Energy Advisor program cohesively provides services to support customer education and participation in energy efficiency programs. The program seeks to engage customers in the Commercial, Industrial and Agricultural sectors in energy reducing opportunities by creating awareness of the benefits of energy efficiency, water conservation activities, and greenhouse gas reduction. The program offers customers a comprehensive energy survey to deliver education on improving business operations and advice on upgrading equipment to more efficient options. Customers are provided resources for where to apply for rebates or incentives which can assist them with capital investments. Resources for financial assistance programs are also provided to assist with capital investments, such as information on SoCalGas' On Bill Financing Program which provides financial assistance resources with 0% interest.

In 2022, Energy Surveys continued to be conducted by various third-party contracted Energy Consultants. The impacts of COVID-19 restrictions on business accessibility were gradually reduced as the year progressed. Consultants were able to connect and set up appointments with business points of contact with more ease and comfort from customers. Energy Consultants received comprehensive training on how to promote newly acquired programs and how to use their outreach tools to optimally deliver program messaging.

The Agricultural and Industrial sectors continued to represent a challenge in 2022. Identifying third-party energy consultants with specialization in gas applications in the agriculture and industrial sectors has proven to be difficult, resulting in the halt of agricultural and industrial audits entirely.

As COVID-19 limitations eased, Energy Consultants were eager to utilize their training to maximize their outreach. As a result, the program delivered surveys to 328 restaurants and 17 hospitals in 2022.

SCG3917 Commercial – Statewide California Food Service Instant Rebates Program

The California Food Service Instant Rebates Program enables non-residential CA IOU end-use customers to receive point-of-sale rebates when they purchase eligible, high-efficiency

Commercial Food Service (CFS) equipment from Program participants. The Program implementer provides turnkey program implementation services to SoCalGas.

The Program expanded upon existing initiatives offered in 2021 in addition to launching various enhancements to drive participation across all sales channels and customer segments. The Program developed the Online Rebates Tool (ORT) to provide Instant Rebates at checkout to eligible customers purchasing qualifying equipment online. In addition, the Program partnered with AutoQuotes (AQ), the CFS industry's leading project planning and invoicing software provider to increase participation by automatically identifying and applying rebates on qualifying equipment when sold to eligible IOU customers through the AQ software.

The Program also offered a new Q4 participation bonus to participants along with increased rebates on fryers sold in December which drastically helped drive savings through the end of the year.

Despite the continued supply chain disruption that extended into 2022, the Program delivered more energy savings and customer rebates compared to 2021. This was due to targeted program outreach which led to participation from large national chain accounts, strategic ad placements which resulted in an impressive customer reach of over 15 million people, and the end-of-year program promotions. The Q4 participation bonus offered an opportunity for participants to earn a bonus if they met a stretch goal of Instant Rebates provided to customers on sales that occurred within the quarter. The promotion resulted in over \$3M in customer rebates and 20 new participants to enroll in the Program. Finally, the December Fryer promotion drove an overwhelmingly positive response from Program participants and customers. Due to budgetary constraints, the promotion was offered for only the first 9 days of December but resulted in millions of dollars in customer rebates and a significant increase in therm savings.

The Program faced many challenges in 2022 driven by the effects of on-going supply chain disruptions. The CFS industry was heavily impacted as staffing levels were at an all-time low, lead times on some equipment were up to a year, equipment prices increased drastically, and inventory was low. As a result of these issues, the Program implementer proactively implemented multiple strategies to connect market actors to alternative supplier options to source other models or introduce them to new qualifying models or brands and worked with manufacturers on equipment testing to add additional available models to the Program qualifying products list.

Additionally, the Program implementer increased the frequency of in-person visits which ensured that Program marketing materials were consistently updated on floor inventory and Program staff were able to gain visibility and exposure with participants. Participants who carried high-savings measures or were capable of significant sales volume were prioritized during these in-person outreach visits. The Program also encouraged participation from sales channels and market actors that usually do not participate in rebate programs. National chain accounts, a historically low participating sales channel, represented over a quarter of the total units sold through the Program in 2022.

The Instant Rebates Program nearly achieved its natural gas energy savings goal and exceeded its electric energy savings goal through national account participation, strategic outreach, and successful end-of-year promotions. Additionally, the Program exceeded its Disadvantaged Business Enterprise (DBE) spending commitment and provided Instant Rebates to over two thousand HTR and DAC customers. The Program implementer also enrolled 50 new participants which helped expand the Program's geographical coverage and customer reach across the state, sales channels, and customer segments. 150 participant locations are now enrolled in the Program.

SCG3918 Commercial – Statewide Midstream Water Heating Program

The Statewide Midstream Water Heating Program works with midstream market actors to offer point-of-sale (POS) rebates to contractors serving California Investor-Owned Utility (IOU) end-use customers. All customers with a non-residential rate structure served by one of the four IOUs are eligible for POS rebates and the Program is offered consistently across all IOU territories. The Program offers deemed POS rebates to contractors serving customers and incentives to midstream market actors for facilitating and driving sales of high-efficiency natural gas and electric water heating equipment. Additionally, the Program advocates for increased awareness and sales of high-efficiency equipment through a variety of outreach, training, advertising, and engagement activities.

The implementer continued to enroll distributors in 2022 and expanded from 40 distributors associated with over 70 different store locations statewide, to 34 distributors associated with over 240 store locations. Two Diversity Business Enterprise (DBE) organizations support the Program, one provides marketing services and the other provides quality assurance. Marketing efforts included the development of eight pieces of collateral including both horizontal and vertical banners to be hung in distributor locations. An innovative marketing sell sheet to allow individual manufacturers to list high-efficiency water heaters with high incentives is still in use. The implementer continued the campaign to help drive contractor traffic towards participating distributor locations.

The implementer's online midstream portal provides innovation through a streamlined implementation process. The portal was developed to minimize the time it takes distributors to enter transactions and receive their payments, minimize the risk that transactions will be rejected, and help distributors connect with their market. The tool achieves these benefits through a design focused on three design principles: responsive process flow, smart data validation, and data integration.

In the early months of 2022 distributors faced supply chain issues and labor workforce shortages for in-store support at the distributor level to execute sales. Distributors reported less of these concerns by the end of the second quarter. Distributors intermittently reported concerns about inflation throughout 2022.

The Sales Performance Incentive Fund (SPIF) was modified from the original design where it was paid annually to being paid on a per transaction basis. In 2022, the Program achieved just

under three million in gross therms savings and over 1.5 million in net therms savings, and distributors received more than \$5million in incentives.

More than a quarter of the total therms savings reported in 2022 were in DACs.

Slightly more than one-eighth of the installation addresses sampled during the quality assurance (QA) process were in HTR markets.

SCG3882 Commercial – Small and Medium Commercial EE Program

The Small and Medium Commercial EE Program targets SoCalGas’ small and medium commercial business (“SMB”) customer facilities in San Bernardino and Riverside counties (therm usage up to 50,000 therms per year) with an emphasis on customer segments, such as restaurants, lodging, dry cleaning, retail, office, and others.

In 2022, Franklin Energy Services (FES), an implementor for SoCalGas, successfully executed three contract amendments for the following:

- A reduction in payment terms enabled FES to pay out project rebates to customers and trade allies quicker
- A change in delivery mechanism for tier II tankless hot water heaters which allowed for Direct Installation
- Addition to budget for PY 2023.

In 2022, FES also extended its contract with its Diversity Business Enterprise (DBE) subcontractor through the end of 2023.

The Small Business Savings Program (SBSP) implemented three campaigns in PY 2022.

- The first campaign targeted specific equipment upgrades and offered customers those measures at no cost. The SBSP team completed several months of in-person canvassing and cold calling to promote the no-cost measures.
- The second campaign focused on tier II tankless hot water heater installations. The SBSP team worked in tandem with its trade professional network and leveraged their existing relationships
- The final campaign began in 2022 but will be initiated in Q1 2023. The commercial fryer campaign offers foodservice customers new commercial fryers for a small customer co-pay.

During 2022, the SBSP team developed and released materials to support the various campaigns. The team hosted a booth at the Western Foodservice and Hospitality Expo in August 2022 to promote the program and meet potential foodservice customers.

The program experienced two challenges in 2022. First, the saturation of specific measures in the limited SBSP territory. The SBSP team had success with two measures that could only be installed in a unique building type. After contact had been made with all customers of that building type and opportunities were depleted, installations slowed down and eventually ceased. Second, the team received feedback from its trade professionals that suggested rebate levels were too low for high-cost measures.

In Q3 2022, the program shifted its focus to Direct Installation (DI) of tier 2 tankless hot water heaters. Although the program had already evolved into a trade professional delivered model, the large DI projects required more attention and several procedural changes. The SBSP team worked diligently to build a new process, to be responsive to installation issues, and to provide timely technical assistance when needed.

In 2022, the SBSP achieved the following milestones:

- Completed account management training with SoCalGas
- Successfully executed three amendments
- Verified and enrolled customers
- Completed installations and paid out rebates to customers and trade professionals
- Completed inspections
- Developed marketing materials and executed three campaigns.

SCG3887 Commercial – Commercial Building Energy Solutions and Technologies Program (CBEST)

Commercial Building Energy Solutions and Technologies (CBEST) delivers energy savings to SoCalGas business customers outside of San Bernardino and Riverside counties that use under 50,000 therms. The program can help pinpoint energy-efficiency improvements that could reduce overhead operating costs, improve customer and employee comfort, reduce maintenance time and costs, as well as help save money and energy.

To drive customer participation, CBEST launched a Direct Install Tankless Water Heater initiative in Q4. CBEST utilized trade professionals within the ICF network to install 112 tankless water heater units in restaurants, hospitality, and senior living properties. The outreach team developed close relationships with trade professionals in the dry cleaning/laundromat industry for steam trap and pipe insulation projects. With efforts to develop strong network relationships with trade professionals, CBEST added a new Account Manager (AM) in 2022. The AM, local to Southern California, is solely responsible to directly connect and support Trade Professionals in the area.

The CBEST Program did not have local representation to canvas businesses or to build relationships with trade professionals. This proved to be a barrier for program success in not meeting key performance indicators associated with project enrollments, customer engagement, or savings. As noted above, the CBEST Program hired a local account manager to build trade-professional relationships and be able to canvas.

The CBEST program did not meet key performance indicators associated with project enrollments, customer engagement, or savings.

SCG3891 Commercial – Service RCx+

Service RCx+ provides population-level NMEC-based energy savings through the direct implementation of retro-commissioning (RCx) and Optimization services at large and very large commercial facilities throughout the SoCalGas service territory, prioritizing the specific segments of commercial office, health care, and laboratories. The program targets participation using interval data analytics. Individual project savings will be measured and verified following the initial treatment by comparing actual energy consumption over a reporting period with a NMEC baseline model specific to the facility. Energy data and analytics used during the performance maintenance period will promote and ensure persistence, detect unexpected changes, and (if necessary) coordinate with facility personnel to provide additional training and corrective action.

In 2022, the program completed the rigorous cybersecurity assessments and data privacy reviews to support the program launch. The program implementer has introduced the program to SoCalGas account managers, and the program has launched for SoCalGas customers and is in the process of enrolling seventeen customer sites.

The program’s Implementation Plan, M&V Plan, Marketing Plan, and Program Operations Manual are complete. The program has prepared a list of customers based upon the targeted market for customer recruitment.

SCG3892 Commercial – Large Commercial Program

The Large Commercial Program (LCP) is an energy efficiency program that offers financial incentives for the implementation and verification of natural gas-saving technologies. The program supports a comprehensive list of upgrades and provides technical assistance and financing options. The LCP serves large and very large commercial customers with annual gas consumption of more than 50,000 therms in the SoCalGas service territory.

Services performed under the LCP are offered at no-cost to the customer and include the following:

- Project identification with energy-saving forecasts including energy efficiency and return-on-investment calculations
- Building energy audits (where applicable)
- Energy engineering and technical assistance
- Design and procurement advice
- Measurement and verification (M&V) with NMEC techniques
- Assistance with obtaining financing

Having been launched in the latter half of the prior year, 2022 served as a ramp-up period for the program—one in which Willdan reached many program milestones in conjunction with SoCalGas. Willdan began marketing efforts that included outreach via phone calls, site visits, and contractor education. These efforts led to the enrollment of the first customers into the

program. Willdan also initiated a custom project in 2022 that they will send to SoCalGas in early 2023. The program website will come online in 2023.

SCG3910 Commercial – Non-Residential Calculated Incentive Program

The Non-Residential Calculated Incentive program offers incentives for customized energy efficient projects. In addition to incentives, the program provides customers technical and calculation assistance, based on calculated savings, to influence the design and installation of energy efficient equipment and systems. This program covers new construction, retrofit and retro-commissioning energy efficiency projects. Incentives are paid on the energy savings above and beyond baseline energy performance, which include state-mandated codes, federal-mandated codes, industry accepted performance standards, or the other baseline energy performance standards. This is a cross-cutting program covering the Agricultural, Commercial, Industrial and Public sectors.

The Non-Residential Calculated Incentive program streamlined efforts with the Programs Team, Account Executives, Engineering Services and other departments to identify active projects in the pipeline and ensure timely submission to CMPA for CPUC’s Energy Division review process. The program successfully closed seven projects in 2022.

The lingering effects of the COVID-19 pandemic still present challenges such as access to customer sites, customer staffing, obstacles to traditional M&V, customer budget restraints due to shifting priorities, supply chain issues including equipment delays from manufacturers, and contractor scheduling delays. Customers requested project extensions where applicable. As the program is ramping down, the program is ensuring that customers are aware of energy efficiency offerings until the third-party programs are launched. With a transition to new third-party programs, the length of the Custom Project Review after submitted to CMPA can be longer depending on the complexity of the project, and this presents a challenge for customers who face strict internal timelines for production and for authorizing budgets.

In 2022, the Non-Residential Calculated Incentive program was created as a cross-cutting program to ensure Energy Efficiency program coverage is offered for the discontinued Calculated Incentive programs for the Agricultural, Commercial, Industrial and Public sectors. The purpose of consolidating these four sectors into this program is to facilitate the transition to the third-party programs until they are successfully onboarded and launched. The program activities support the transition timeline to the new third-party programs based on the customers’ specific sector. Active projects in discontinued the previous programs were transitioned to this program in 2022.

SoCalGas is actively managing the pipeline by maintaining existing reserved projects and reserving new projects where the new program has not been launched. The program’s objective is to ensure that Energy Efficiency projects with custom measures move forward without a gap in service until the respective third-party program is launched and active. SoCalGas is engaging customers, maintaining, and progressing projects from the pipeline to the fully installed phase. The Program’s therm savings goal was exceeded.

SCG3911 Commercial – Non-Residential Deemed Incentive Program

The Non-Residential Deemed Incentives Program, also known as the Energy Efficiency Rebates for Business (EERB) program, offers rebates to customers in an easy-to-use mechanism to offset the cost of off-the-shelf energy saving equipment to cost-effectively subsidize and encourage adoption of mass market efficiency measures through fixed incentive amounts per unit/measure. Commercial, public, industrial, or agricultural customers with a SoCalGas account can apply for a rebate.

The program has continued to utilize its working partnership with SoCalGas' TradePros, Account Executives, and Industrial Service Technicians to present energy efficiency program details to their customers. In 2022 the marketing outreach focused on storage and tankless water heaters as well as general awareness of the program.

Greenhouse heat curtains and infrared film were no longer active measures in 2021. This negatively impacted the agriculture sector in 2022 as such projects can take about a year or more to complete installation. As a result, therm savings from these types of projects were lower in 2022. The only therms reported in 2022 derive from projects with purchases at the end of 2020. Agriculture savings dropped about 2.5 million therms.

Program terms and conditions changed from the purchase and install products within the same calendar year to purchase date of products within 12 months of the installed date. The program also converted to online application submission only. Public sector purchases made through June 30, 2022, qualified for a 50% added incentive.

In 2022, the program experienced an uptake in storage and tankless water heaters. The program saw an increase of 174% therms saved for storage and tankless water heaters.

Industrial Energy Efficiency Programs

The Industrial Energy Efficiency (IEE) Programs provide services to improve the energy efficiency of industrial facilities in California. The primary services offered to industrial customers include:

- Energy audits covering EE and demand management opportunities
- Technical assistance in measure specification, procurement, and project management
- Post-installation inspection and analysis to verify performance;
- Continuous energy improvement consultation
- Financial incentives and project financing for installed measures.

Financial incentives are based on deemed energy savings by per unit of equipment and calculated energy savings by per unit of energy.

Each IOU offers local programs that complement and enhance the core offerings in their region. The local portfolio mix of SoCalGas is specifically designed to enhance energy efficiency and

demand-side management (DSM) opportunities for industrial customers, including financial solutions.

SCG3714 Industrial – Strategic Energy Management

The Industrial Strategic Energy Management (SEM) Program engages cohorts of large industrial customers in two-year cycles to drive persistent energy savings across an entire facility. Specifically, the program includes a full spectrum of services: cohort workshops; on-site “Energy Treasure Hunts” to identify, track, and prioritize energy saving opportunities; on-site and remote support for: goal development, employee engagement, energy data collection, project savings, and persistence strategies; and Implementation of an “Energy Management System Assessment” to assess progress on each participant’s management approach and to plan future improvements.

Energy savings opportunities in the SEM program include low-cost behavioral, retro-commissioning, and operational (BRO) measures as well as capital projects. The program measures savings at the meter level, using a normalized regression model that accounts for factors such as production volume and weather, which affect energy consumption. Customers receive incentives for BRO measures, for capital projects, and for achieving key milestones. This program complies with the California Industrial SEM Design Guide and the California Industrial SEM Measurement and Verification (M&V) Guide (updated in 2020), which have been accepted by the CPUC.

The program supports the SoCalGas Aspire 2045 initiative by engaging industrial customers in continued work to reduce their greenhouse gas footprint as part of a holistic energy management approach. During 2022, the program continued to engage participants in discussions on using renewable natural gas and hydrogen to meet their thermal requirements.

There were no major changes in 2022. SoCalGas, the implementer, and participants continue to find more efficiencies in program delivery. In 2022, the program included twenty-two of SoCalGas’ largest industrial customers across five cohorts. By January 2023, the program completed the initial two-year cycle of the nation’s first-of-its-kind gas-only cohort. The cohort of five sites completed 43% of their projects, the highest completion rate of any SEM cohort in California. In addition, the program completed the fourth year with customers who began the program in 2018 in a cohort jointly funded with SCE. This group achieved 168% of their savings goal, showing that SEM delivers incremental savings every year. Three sites are continuing into their fifth year of program participation.

Participants continue to generate the majority of their savings with BRO measures, such as tune burners to reduce excess oxygen, reduce lost heat through careful management of oven and building doors and a steam-trap monitoring program. The program achieved customer satisfaction ratings above 85% based on regular evaluations during workshops.

With the immediate impacts of COVID in the rear-view mirror, the two largest barriers in the industrial sector are staffing and supply chain issues. All participants continued to experience the challenge of hiring and retaining qualified staff, especially in maintenance positions. In addition,

continuing from 2021, standard parts that used to have a delivery time measured in days were often seeing deliveries in months. Nevertheless, the program team and participants have proved adept at pivoting to activities and projects that meet program requirements and generate a steady flow of savings.

In summary, the program continued to meet key objectives such as generating substantial BRO savings from a variety of gas-using equipment, maintaining high cost-effectiveness, showing persistence of savings across multiple years of participation, improving administrative processes, and improving relationships between customers and their SoCalGas account executives.

SCG3715 Industrial – Calculated Incentives

The SoCalGas Industrial Calculated Incentive program offers incentives for customized energy-efficient projects. This program covers new construction, retrofit and RCx energy efficiency projects. Incentives are paid on the energy savings above and beyond baseline energy performance, which include state-mandated codes, federal-mandated codes, industry accepted performance standards, or the other baseline energy performance standards.

The Industrial Calculated Incentive program was discontinued in 2022 and set in place a transition timeline to third-party implemented programs. In 2022, the program's sector was consolidated into the cross-cutting Non-Residential Calculated Incentive Program (SCG3910) to facilitate the transition into the third-party programs and ensure Energy Efficiency program coverage until the third-party programs are onboarded. Projects may be eligible for the newly launched programs.

SoCalGas successfully engaged customers, maintained, and progressed projects from the pipeline through to the fully installed phase.

SCG3757 Industrial – Small Industrial Facility Upgrades

The Small Industrial Facility Upgrades Program (SIFU) is implemented by CLEAResult Consulting, Inc. SIFU assists SoCalGas industrial customers across all sizes and industrial segments in becoming more energy-efficient and productive through the implementation of efficient technologies and processes. It is designed to help industrial customers reduce their energy consumption by providing an incentive to invest in energy efficiency measures. SIFU offers proven measures currently used in SoCalGas' Energy Efficiency Calculated Incentive Program (EECIP) and Energy Efficiency Rebates for Business (EERB) program. These measures include calculated custom process improvements as well as deemed measures and include measures and technologies with low market penetration.

CLEAResult has expertise in California energy markets, extensive experience in finding and delivering energy savings, and thorough understanding of SoCalGas' programs. This helps ensure that customers maximize the benefits of efficiency initiatives and program participation.

Over the last year marketing activities included customer introductions led by SoCalGas Account Executives, and follow-ups with end-use customers. Field visits included pre- and post-inspection activities as well as customer education on program benefits, rule changes and potential opportunities.

The program continues to expend great efforts to develop and maintain customer engagement to meet challenges in identifying and providing acceptable, available documentation for custom project influence, baseline determinations and free ridership screening.

SIFU follows any changes made to process, eligible measures, documentation requirements, etc. per SoCalGas program and policy guidance. CLEAResult continues to apply a higher degree of screening for customer requests and projects to achieve contractual mandates for program cost effectiveness and appropriate use of rate payer funds. Communication with SoCalGas is to ensure expectations are properly set around program service offering.

SIFU successfully engaged customers, maintained, and progressed projects from the pipeline through to the fully installed phase and paid customer incentives based on the completed projects. Additionally, CLEAResult is actively managing SIFU pipeline, both by maintaining existing reserved projects and by continuing to develop and reserve new custom projects, positioning SIFU for success in 2023.

Agricultural Energy Efficiency Programs

The Agricultural Energy Efficiency (AEE) Program facilitates the delivery of integrated energy management solutions to California’s agricultural customers. The program offers a suite of products and services, such as strategic energy planning support, technical support services, facility audits, calculation/design assistance, financing options, and financial support through rebates and incentives. In addition, the program adopts and supports the strategies and actions of the Agricultural and Industrial chapters of the CLTEESP and the energy efficiency business plan.

The AEE Programs target end-users such as irrigated agricultural growers (crops, fruits, vegetable, and nuts), greenhouses, post-harvest processors (ginners, nut hullers, and associated refrigerated warehouses), and dairies. Due to North American Industry Classification System (NAICS) designations, food processors have traditionally received IOU services through the Industrial program offering. However, there are those facilities with on-site processing that are integrated with growers and their products, as is the case with some fruit and vegetable processors (canners, dryers, and freezers), prepared food manufacturers, wineries, and water distribution customers that may be addressed by this program’s offerings. To address the potential in these markets, SoCalGas offers four AEE programs.

SCG3719 Agricultural – Calculated Incentives

The SoCalGas Agricultural Calculated Incentive program offered incentives through a customized approach for energy efficiency. This program covers new construction, retrofit and RCx energy efficiency projects. Incentives are paid on the energy savings above and beyond

baseline energy performance, which include state-mandated codes, federal-mandated codes, industry accepted performance standards, or the other baseline energy performance standards.

The Agricultural Calculated Incentive program was discontinued in 2021 with a transition timeline to a third-party implemented program set in place and had no new enrollments. In 2022, the program's sector was consolidated into the cross-cutting Non-Residential Calculated Incentive Program to facilitate the transition into the third-party programs and ensure Energy Efficiency program coverage until the third-party programs were onboarded. There were no new enrollments in 2022. Projects may be eligible in the newly launched program for the Agricultural sector.

SCG3890 Agricultural – Agriculture Energy Efficiency (AgEE)

The Agriculture Energy Efficiency Program (AgEE) seeks to accelerate the uptake of energy-efficient cost-effective solutions through delivering technical assistance to drive customer awareness of both EE and non-EE measure benefits. AgEE is open to all agricultural SoCalGas customers classified under NAICS code 11 category of Agriculture, Forestry, Fishing, and Hunting, and emphasizes adoption of measures with long useful life and high total resource cost (TRC). AgEE also seeks to identify and pursue grants to further drive customer adoption of new and underutilized technologies.

Program successes include the creation of marketing materials to support outreach and the program launch. A full selection of materials was created, and many were translated to languages such as Hmong, Simplified Chinese, and Spanish. Materials included:

- Program and No-Cost Postcards
- No-cost Overview Flyer
- Custom Fact Sheets
- Sector Fact Sheets

The AgEE team attended the Resilient Harvests Conference in November and promoted the program. They initiated further engagement with AEs in June 2022 through Tier 3 services to enable effective coordination between the AgEE and AE team. This is a critical step towards reaching customers.

The AgEE contractor portal was developed and approved through collaboration between SoCalGas and ICF Marketing and IT. The portal is a one-stop-shop that provides a method for contractors working on the program to submit applications directly. It provides a streamlined process for the contractors to understand program eligibility, the enrollment process, and to submit project details and documents.

Lastly, the AgEE program was able to enroll and complete multiple projects in 2022, including one direct install project. Development of a 2023 pipeline was also achieved to support meeting savings goals for the year.

A barrier to program implementation was the need for reconfiguration of both enrolling and invoicing projects in SoCalGas' EECP. Issues were resolved as they arose throughout Q3/Q4 of 2022 to complete projects. Another barrier was the ability of the program to collect information from customers related to the influence requirement of custom projects. Discussions began on how to approach these issues.

Due to the lack of projects in the programs pipeline, AE services were changed from Tier 2 to Tier 3. This allowed the AgEE team to work more directly with SoCalGas AEs to find new customers, enroll projects, and gather documentation. This helped tremendously with improving the outlook of the program and its ability to meet savings goals.

Process Boiler measures were also added to the program to allow for a wider range of boiler equipment to be eligible for receiving rebates from the program.

Due to delays in program launch, at the beginning of 2022 the program was not positioned to achieve key performance indicators associated with project enrollments, customer engagement, or savings. However, the program was able to build out a project pipeline and fix issues related to enrolling and invoicing projects thus allowing most of the 2022 therm savings goal to be met. Further, one direct install project was completed in 2022.

Statewide Emerging Technologies Program

The Statewide Emerging Technologies Program (ETP) supports the CA IOU EE programs and helps California meet its energy reduction goals by identifying and screening potential technologies, assessing them to validate performance and customer acceptance, performing in-situ demonstrations, gathering actionable information for use by EE programs and publishing the results of these activities. Well performing technology is recommended for inclusion in IOU customer education and rebate programs for wide use by utility customers. The information below summarizes key activities across all three subprograms: Technology Development Support, Technology Assessment Support and Technology Implementation Support. Additionally, in late 2021 SoCalGas launched the SW Gas Emerging Technologies Program which replaced the three subprograms in 2022.

ETP worked closely to complete two Technology Introduction Support projects in 2022, with EE program managers and engineering, that were initiated in 2021.

- Co-funding a California Energy Commission (CEC) research and demonstration project, integrating a solar thermal subsystem and a natural gas engine-driven heat pump subsystem to a traditional hot water boiler system in a multi-family apartment complex. Adding booster fans to enhance the engine cooling is expected to increase system performance efficiency. This project was completed with a final report delivered in Q4 2022. The results were less energy savings than expected and its promotion for further study and adoption has been placed on hold and will likely not be brought back as a priority.
- ETP worked closely with EE program managers and the outreach and education program managers to execute the Advanced Fryer Technology Introduction to demonstrate the

benefits of new, highly efficient, advanced fryer technologies for commercial foodservice. Program managers identified a need to reassess and possibly adjust existing measure incentives. This demonstration was performed at several restaurants and sought to identify and measure all customer benefits that would drive adoption (e.g., increased oil savings, improved food quality, kitchen environment improvements). The project progress was significantly delayed due to shipping delays in 2021, however, the majority the work was accomplished in 2022. Positive results were obtained and both marketing material and a final report were submitted and completed in Q4 2022. This project is now closed and was delivered to the Foodservice team of program managers for their outreach and education efforts as well as inform them of potential benefits to incorporate into the measure offerings.

ETP completed the following outreach activities:

- In collaboration with the Emerging Technologies Coordinating Council (ETCC) leadership and partners, the Statewide ETP program successfully conducted a virtual ET Summit in 2022, which attracted over 300 registrants and over 200 attendees over two days.
- Collaborated with ETCC on its website management and capabilities, as the site is critical for communicating ET project results and outreach events, primarily for the benefit of program implementers, administrators, and technology actors.

Statewide Gas Emerging Technologies (GET) Program

- SoCalGas, the lead Program Administrator for the Statewide GET, completed its third-party solicitation for a SW Implementer. The SW GET program began start-up and program activities in September and October 2021 and officially launched in November 2021. The initial program activities include updating the technology priority maps (TPMs), developing the 2022 annual research plan, and conducting initial scanning and screening to select technologies for further study and evaluation.
- The first full year of the GET program has been completed in 2022. All metrics have been attained with ETP-M3 (number of outreach events) and ETP-M6 (number of projects initiated with other IOU programs with each Technology-Focused Pilot) each having been exceeded by one performance metric. Also, a research plan was completed though not explicitly stated as a contractual performance metric.

ETP moved forward with identifying technologies and initiating new SW GET projects. ETP was able to complete its local ET projects, communicating project results, supporting technology transfer, and supporting technology development by working closely with program managers, technology actors and industry groups.

SoCalGas ETP met its IP objectives through the activities and results highlighted above.

Codes & Standards Program

Codes and Standards

In accordance with D.18-05-041, D.22-03-010, and D.22-04-034, SoCalGas's role in Statewide Codes & Standards Advocacy Programs is limited to the transfer of funds to the statewide codes and standards lead for program implementation.⁶

Workforce Education & Training (WE&T) Program

SCG3729 WE&T – Integrated Energy Efficiency Training

The Statewide Workforce Education and Training (WE&T) Program represents a portfolio of education, training, and collaborative engagement between the IOUs and other stakeholders involved in energy education and training. SoCalGas WE&T targets an audience of incumbent workers and new workers entering the workforce through technical upskill and core energy education. WE&T actively seeks to make measured advancements in DACs and HTR communities.

SoCalGas's Integrated Energy Efficiency Training (IEET) continued providing relative industry-related trainings to attract audiences representing various occupations. These trainings allowed immediate application of increased knowledge and skills to trades & professions, defining the value of the SoCalGas IEET program portfolio. During 2022, SoCalGas IEET conducted 253 seminar/webinar/training sessions, 105 outreach consultations, and 135 equipment demonstrations.

In 2022, SoCalGas IEET training classes reached a total of 7,448 customers, with 17% identified as Disadvantaged. Within COVID-19 guidelines, WE&T - IEET delivered a hybrid of online webinars and in-person seminars to continue providing learning resources to customers. Delivering a hybrid training portfolio allowed for the effective and efficient delivery of training. As the training portfolio continues to evolve, the WE&T team continues to develop and implement best practices for providing training.

IEET delivered its' HVAC/R portfolio industry classes utilizing both online and in-person training. The online delivery of classes was integrated with hands-on training sessions through video & online demonstrations. This training is important to new and incumbent workers in efforts to achieve industry certifications which include HVAC/R Support Training and North American Technician Excellence (NATE) courses and exams. The SoCalGas WE&T team collaborated with the SoCalREN to market & deliver online workshops & skill enhancement to HVAC contractors. IEET also effectively adapted to evolving circumstances to continue delivering quality training, consultations & demonstrations throughout the year. Events delivered high quality and informative course material designed to address gaps in new & incumbent workers & industry educational needs. Examples include Building Science, Distributed Energy

⁶ D.18-05-041 at 144; D.22-03-010; D.22-04-034.

Resources (Combined Heat & Power) & Steam License Preparation webinars emphasizing compliance with building code design, energy-efficiency, and resource conservation.

SCG3760 WE&T – HERS Rater Training Advancement

The HERS Advanced Rater Training Program promotes, develops, and delivers training to currently certified Home Energy Rating System (HERS) raters, energy analysts, HVAC technicians, building department officials, other building trade professionals, residential homeowners, and technical students. The program focuses on participants involved in new and existing engineering and construction in the SoCalGas service territory. The curriculum addresses technical and administrative elements of energy ratings, energy-efficiency standards including changes based on updated Title 24 requirements, and industry best practices.

This program is implemented by CLEARResult. The Program has developed and delivered 43 classes as part of the curriculum. Classes are either half day (4 hours) or full day (8 hours) and manuals (paper or digital) are provided to students to reference during sessions and take home.

The program has worked with numerous training partners through the years including Cal-Certs, CHEERS, Sierra Building Science, Wollin Group (formerly, Douglas Beaman and Associates) and CLEARResult. Currently, the Wollin Group is the primary training organization delivering most of the seminars. Wollin Group's reputation for quality training development and delivery has remained consistent throughout the years. Their ground-breaking MI-BEST (Mobile Integrated Building Energy Science Training) series has given the program an innovative offering that is highly popular along with standard HVAC trainings that teach industry standards which are well-received and highly attended.

Continuing Education Credits from NATE are available for many of the classroom seminars offered by the program including Manual J, S and D; MI-BEST (Days 1-5), Proactive Transactions: HVAC Sales & Service Training; Hands-on Refrigerant; HVAC System Airflow Analysis & Static Pressure Diagnostics; and Introduction to ZNE: Zero Net Energy Homes.

Once the initial launch of the program was completed, it began to successfully operate its hub, performing the functions of enrollment intake as well as providing comprehensive information about curriculum, classes, and training. Relationship building is another key component of the program with venue partners such as SCE Energy Education Center in Irwindale, SCE in Tulare and SDG&E Energy Innovation Center providing cross-marketing opportunities giving additional support to expand outreach.

Monthly marketing efforts are made via e-mail to the existing student database which announces classes at least one month prior as well as refreshing the schedule and landing page on the website. Phone outreach to HVAC companies and distributors, local government building entities and other building professionals has proven to be effective in reaching potential students who might not otherwise be aware of class offerings.

The HERS Rater Training Program is implemented with the intent of leveraging resources and funding from other utility, state, and local programs. SoCalGas' commitment to diverse business

enterprises is an important component of the program. Relationships with DBE subcontractors who conduct the training continue to provide strong percentage numbers impacting total spend each year. DBE spending remained strong with a yearly average of 24.2% in 2021. 2022 DBE spend reached 23% (\$102,550).

Curriculum development and delivery is an essential part of the program with a major emphasis on Building Energy Science and HVAC curriculum that includes hands-on training with classroom delivery of the most current industry standards.

Program implementation barriers or problems encountered have been relatively low and were overcome. Attrition rates for some classes can be unpredictable based on numerous factors such as undeclared cancellations, inclement weather, and other unforeseen conditions.

With a heavy concentration of HVAC technicians, building professionals and technical trade students taking these core classes, keeping strong enrollment during the summer months in the increasingly hot Southern California climate, has been a challenge. Holding classes during evening hours for working professionals has increased uptake for classes during these months. Additionally, leveraging SoCalGas' strong partnerships with technical training schools during this period has allowed us to keep strong enrollments for entry-level, technical tradespeople who benefit from the experience as they prepare to join the workforce.

The program has evolved organically allowing the development of relevant, timely curriculum while delivering production in a more efficient manner to a wider audience. The focus is to provide students with quality training which conforms to codes and standards while adhering to program budget guidelines. Innovative training methods encouraging hands-on participation have proved to be particularly popular and effective among participants. Larger classes are held at venues able to accommodate larger groups while maintaining a suitable and effective learning environment. Direct engagement with students through hands-on participation continues to be a strong component of the curriculum, enabling them to better understand and apply subject matter. In classes such as the Building Energy Science with MI-BEST (Mobile Integrated Building Energy Science Training), class size is monitored, and additional trainers added for each student to get proper individual attention. The program continues to refine and improve its delivery as it determines ways it can strategically and operationally support the Workforce Education and Training goals of SoCalGas.

SCG3901 WE&T – Community Support Outreach (CSO) Program

The 2022 Community Support Outreach (CSO) Program is an in-language, non-resource, highly targeted EE marketing, outreach, and education program. The program targets DACs and HTR customers in underserved communities, such as Vietnamese, Indian, Chinese, Korean, and Hispanic speaking customers, and other ethnic customer segments across all sectors.

The program markets SoCalGas' EE programs with energy efficiency education and training, through professional organizations, customer intermediaries, faith-based organizations, schools, and community events. The program's marketing efforts garner interest and lead to participation in SoCalGas' EE Programs. CSO is active in all of SoCalGas territory.

Marketing and outreach started with telephone calling, visiting, researching, and talking with community centers, public libraries, municipal utilities, civic organizations, faith-based organizations, and community resource events in an effort to collaborate or to secure event space and time to hold community booths and seminars.

The CSO program completed two seminars and three booth events in 2022 and will be building on these efforts in the following year.

Finance

SCG3735 Finance – On-Bill Financing

On-Bill Financing (OBF) offers interest-free, unsecured, repayment of loans on-the-utility-bill that work in conjunction with SoCalGas energy efficiency rebate programs.

The program is designed to facilitate the purchase and installation of qualified energy efficiency measures by non-residential customers who lack up-front capital to invest in real and sustainable long-term energy cost reductions.

Loan terms range from up to ten years for commercial customers and up to fifteen years for government agency customers. The eligible loan amount is based on the project cost, less incentives, or rebates, up to the loan maximum of the OBF product and within the loan term thresholds.

Customer loan repayments are calculated to approximately equal the monthly energy savings and repaid through a fixed monthly installment on their utility bills. There is no prepayment penalty and loans are non-transferable. Partial or non-payment of loans could result in gas service disruption.

On-Bill Financing (OBF) program features:

- Zero percent interest
- No closing costs
- Unsecured loan
- Loan repayment added directly to SCG utility-bill
- Works in conjunction with utility energy efficiency rebate programs

Loan Terms:

Customer Segment	Loan Amounts	Loan Terms
Business	Up to 10 years	Min- \$5,000- Max \$250,000
Multi-Family	Up to 10 years	Min- \$5,000- Max \$250,000
Local Government/Public Sector	Up to 15 years	Min- \$5,000- Max \$250,000
State of California	Up to 15 years	Min- \$5,000- Max \$1,000,000

The OBF program continued working with SoCalGas customer account representatives, third-party implementers, Trade Pros, Multifamily Whole Building Program, Foodservice group, and other internal teams to create awareness and education through webinars to encourage customer participation. The program team successfully disbursed 8 OBF loans projects for a total of \$225k and reserved funding for an additional 6 project pre-approvals.

The OBF program received approval from the commission to increase loan limits for commercial and Multifamily customers from \$100k to \$250k. In addition, the program received approval to increase the loan funding pool from \$5.5 million up to \$10 million.

The OBF program served as a tool to remove capital restraint barriers for customers interested in moving forward with deeper energy efficiency retrofits. The OBF team facilitated monthly meetings with the other IOU OBF program leads to collaborate on administrative, policy, regulatory, and program changes.

SCG3737 Finance – SW-New Financing Offerings

CPUC Decision (D.) 13-09-044 authorized the development of statewide financing pilot programs leveraging third-party capital products to increase the availability of financing for underserved sectors and encouraging deeper energy savings.

A key feature of the financing pilots is providing credit enhancements and an On-Bill Repayment (OBR) option to attract private capital support for financing energy improvement projects. The pilots were developed to reach residential, affordable multifamily, and small business sectors. Ratepayer-supported credit enhancements are made available to participating lenders offering financing for these programs. Credit enhancements provide additional security to participating lenders to mitigate loan default and provide more attractive borrowing terms for the customers.

The California Hub for Energy Efficiency (CHEEF) is administered by the California Alternative Energy and Advance Transportation Financing Authority (CAEATFA), a state agency in the California State Treasurer's Office. CAEATFA is responsible for designing and developing program regulations for the Financing Pilots through an existing public rulemaking process with support from the IOUs. The Residential program was the first pilot to launch in 2016 and was followed by the small business pilot and Multifamily pilots that launched in 2019.

CPUC D. 21-08-022 authorized CAEATFA to continue as the program administrator and for the IOUs to continue support of the program through 2027, with SoCalGas continuing as lead IOU.

SoCalGas along with the other IOUs continued to support CAEATFA in the implementation and marketing of the financing programs. Decision 21-08-022 authorized an additional \$8 million for Marketing, Education, and Outreach of the GoGreen Financing programs. SoCalGas conducted a Request for Proposal for a new marketing vendor and a new contract was executed in July 2022.

SoCalGas paused financing energy-efficient measures through its online Marketplace midway through 2022 as a new lender was secured for this program. Prior to pausing the program, the Marketplace had funded close to 500 loans totaling \$725k. The program offered customers 60-month unsecured terms for loans under \$5k. The program relaunched in early Q2 of 2023.

The residential program, GoGreen Home, approached \$50 million dollars in loan originations and has enrolled over 2,700 loans since implementation. The program has enrolled 8 participating lenders and 671 contractors. The program offers residential customers unsecured loans up to \$50k for the installation of energy-efficient equipment. The GoGreen Home Program continues to reach underserved communities. Over half of the loans originated are made to properties in Low to Moderate income census tracts. Customers can select repayment terms up to 15 years with the average interest rate less than 6%. The most commonly funded measures for the program have been HVAC, windows, and insulation.

The GoGreen Business financing program has enrolled 20 loans and financed \$2.4 million in loan originations. The small business program has 77 enrolled contractors and 8 participating lenders. The OBR program functionality launched in all IOU territories offering small business the option to repay their loan directly on the utility bill.

The GoGreen Multifamily program serves affordable properties of five or more units where at least 50% of the units are income restricted. The program is making efforts to achieve its first project enrollment.

SCG3803 Finance – SW-California Hub for EE Financing

The California Hub for Energy Efficiency Financing (CHEEF) was established to design and implement new statewide financing pilots targeting the single family residential, multifamily, small business, and non-residential sectors.

The CHEEF infrastructure coordinates the flow of third-party private capital to fund energy improvements, manage the availability of project, loan, and energy consumption data, and ensure a streamlined process for program participants. Key components of the CHEEF infrastructure includes a Master Servicer responsible for the day-to-day administrative operations of the program, a trustee bank responsible for holding and transferring ratepayer funds used for credit enhancements, a contractor manager that provides quality assurance and control (QA/QC) for finance-only projects, and data manager that will make anonymized and aggregated program data available to the public.

In D.13-09-044, the Commission requested CAEATFA to take on the role as CHEEF manager. CAEATFA is responsible for administering the CHEEF which includes developing program regulations for the Financing Pilots through a public rulemaking process, operationalizing program processes and forms, and managing outreach efforts to both contractors and financial institutions. A contract was executed by the IOUs and CAEATFA in September 2014 with the most recent amendment executed in July 2022. SoCalGas is the lead utility for the Financing Pilots Program and lead contract administrator for the CHEEF agreement. SoCalGas extended

the CHEEF agreement through 2027 and administers monthly invoicing and reporting activities to the commission and IOUs.

In August 2021, the commission issued D.21-08-006 which amongst other things restated the Commission’s approval for CAEATFA to continue administering the pilots.

Moreover, the decision ordered the IOUs to provide up to an additional \$75.2 million in ratepayer funding to CAEATFA for implementation of the programs through 2027. The decision authorized IOUs to request additional funding to support the programs through either utilization of unspent funds, Annual Budget Advice Letter (ABAL), submittal of Tier 2 Advice Letter, or through future business plan filings. SoCalGas’ advice letter seeking approval to utilize unspent funds for program year 2022 to support CHEEF programs was accepted in October 2021. The IOU funds went toward supporting operational activities including marketing and designated SoCalGas to continue as the lead utility partner.

In 2022, the IOUs assisted CAEATFA in the marketing of the GoGreen Home Small GoGreen Business, and GoGreen Multifamily. The IOUs utilized each organization’s Trade Pro Networks to promote the Business and Multifamily programs through “lunch n learns” and newsletters. CAEATFA and the IOUs finalized implementation of the On-Bill Repayment (OBR) secure cash flow data exchange with the servicing bank. This process will allow customers to remit their Business Financing or Multifamily loan repayments directly on their utility bills.

SoCalGas launched a digital and social media campaign in Q4 which helped drive an additional 20k customers to the GoGreenFinancing website.

SoCalGas is engaged in coordination meetings with CAEATA, Energy Division, the state-wide marketing implementer Riester, and facilitated meetings with the Finance leads from the other IOU’s.

GoGreenFinancing is the IOU co-branded website and contains lender, contractor, and partner information for customers to learn and apply for the loan programs. SoCalGas extended the CHEEF agreement through 2027 and administers monthly invoicing and reporting activities to the Commission and IOUs.

Public Sector Programs

Institutional Partnerships

Institutional Partnerships were designed to create dynamic and symbiotic working relationships between IOUs, state or local governments and agencies or educational institutions. The objective is to reduce energy usage through facility and equipment improvements, share best practices, and provide education and training to key personnel. In 2022, the Higher Education Institutional Partnerships addressed programmatic challenges impacting energy efficiency projects at the campuses as well as providing a concentrated effort to support shared energy efficiency, Zero Net Energy (ZNE), and environmental goals. As described in the energy efficiency business plan, Institutional Partnerships will be considered part of the Public Sector Program portfolio.

Through the energy efficiency Business Planning process, SoCalGas worked with partners to engage them in identification of challenges facing higher education and state agencies, as well as included them in the development of Public Sector strategies. In addition, the Partnerships worked with the UC/CSU and CCC Institutions to transition to the new Statewide Higher Education Program which launched in the third quarter of 2022.

SCG3739 Public – California Community College Partnership

The California Community Colleges (CCC) Partnership is a unique, statewide program with a goal to achieve immediate and long-term energy savings and peak demand reduction within California’s higher education system. The program was established in previous program cycles for sustainable, comprehensive energy management at campuses served by California IOUs.

The Partnership has a hierarchical management structure to ensure successful implementation that includes an Executive Team and Management Team comprised of senior leadership at the CCC Chancellor’s office, sustainability managers from CCC districts, and IOU management on an ongoing basis.

The teams met quarterly in 2022 to discuss program management, overall program status and policy issues. The CCC Partnership also focuses heavily on outreach efforts in several areas, including: (1) development of a comprehensive list of technologies, project types, and offerings to be used by team members during campus visits to help generate project ideas; (2) evaluation of new project technologies for suitability in the CA Community College market; and (3) planning and participation in CCC conferences and regional Campus Forums.

The Partnership participated in virtual quarterly Campus Forums in both Northern and Southern California, serving as a venue for districts to share successes and strategies to address the shared challenges faced for facilities management and energy efficiency. The Partnership team presented at these Forums, providing time-sensitive updates on modern technologies, information on program implementation, and direct assistance to districts in attendance.

The Management Team participated in several virtual CCC conferences such as the Community College Facilities Coalition conference (CCFC) and the Association of College Business Officers (ACBO) conference to reach a diverse audience of facilities, business officers, administration, and board members. In addition, the team participated in Northern and Southern California regional virtual energy meetings organized by the Community Colleges (NorCal Summit and Southern California Facilities Officers), targeted towards campus facilities and energy managers. Finally, outreach team members conducted virtual campus meetings with Facilities and Operations and Maintenance staff to review project opportunities and manage project development efforts both on site at college campuses and while participating in the virtual ACBO Facilities Task Force quarterly meetings.

The Partnership expanded its reach to collaborate with the CEC connect districts with the necessary resources to comply with the mandatory building energy benchmarking program under AB 802 and maintain eligibility for future project funding from the recently passed Inflation

Reduction Act. The team meets with representatives from the CEC and the Chancellor’s Office to brainstorm opportunities for collaboration and support on a monthly basis.

The Partnership’s first quarterly e-newsletter was published and distributed in October of 2021 and received positive feedback and appreciation throughout 2022. The PDF format highlighted links to these web resources and upcoming events. The newsletter also encouraged districts to utilize the Partnership’s assistance with developing a queue of sustainability projects as well as with setting up benchmarking and reporting for their campuses’ energy use intensity using the Energy Star Portfolio Manager tools. In addition, the Partnership identified and prioritized the needs of the CCC districts, which were organized in a matrix by Program, Communication, and Management focused. The needs were met or addressed through providing Outreach Management support to districts as requested. Accomplishments toward meeting these needs primarily included the addition of IOU resources and offerings to the Partnership website for CCC districts to access. The website features energy savings incentive and rebate programs such as Direct Install and other turnkey programs, Building Operator Certification and other workforce education and training classes.

The Partners continue to perform virtual operations as projects recover from COVID-19 delays and adapt to new challenges. In addition, Proposition 39 funding ended, which created a significant slowdown Statewide for the identification of new energy efficiency projects. In 2022, CCC districts continued to focus on the complete utilization of any available funding.

SCG3740 Public – UC/CSU/IOU Partnership

The UC/CSU/Utility Energy Efficiency Partnership is a unique statewide program which includes IOUs in partnership with the University of California (UC) and the California State University (CSU). The program generates energy savings through the identification and implementation of energy efficiency projects. The Partnership consists of three main project types: retrofit, commissioning, and new construction. 2022 is the UC/CSU/Utility Partnership’s final year.

As this was the final year of the Partnership, the management team focused largely on efforts surrounding program transition. Individual transition plans were established for UC and CSU and coordinated with individual utilities. The team worked closely with UC to determine how reporting needs will be addressed in the future without the support and data provided by the Partnership and met with the new third-party implementer to offer insight to the offerings and operations provided by the Partnership. A report was also drafted providing an overview of the Partnership and its successes over the past 19 years. Final legacy projects will continue to close out over the next few years within individual utility programs after the Partnership closes.

In May of 2022, the Partnership stopped accepting new project applications, decreasing the project volume for the year. Some campuses stopped pursuing certain projects due to incentive cuts resulting from non-utility supply hourly analysis. In addition, current Commission policy requiring energy savings above code (Title 24) and industry standard practice baselines is not always aligned with determining project financial impact to support project financing or translating savings to carbon reductions to meet university carbon goals.

The third-party solicitation process for the Statewide Higher Education program progressed as planned during 2022 and launched at the start of Q4.

Local Government Partnerships

Local Government Partnerships are designed to serve and support local governments by increasing energy efficiency in municipal facilities and provide programs and services to local communities that can help them reduce both operating costs and greenhouse gas emission levels through energy-efficiency. SoCalGas supports partnerships in achieving their energy efficiency and climate goals and works with partners to engage them in the identification of challenges faced by local governments as well as include them in the development of Public Sector strategies.

In 2022, SoCalGas' Local Government Partnership (LGP) activities and efforts transitioned into the Regional Energy Pathways Program which is a collective effort supporting public sector customers with energy efficiency and sustainability offerings from SoCalGas. The program is unique due to its approach to support customers by region to address the diverse needs that exist across regions and sub-sectors. The program also works to inform customers about offerings and connect them with applicable third-party (3P) Programs while adhering to 3P engagement rules and cross promote Residential, Commercial and Customer Assistance programs such as CARE/ESAP when applicable.

As part of the strategy to focus on unique challenges, Regional Energy Pathways will work with local regional stakeholders (i.e., Regional Ambassadors). The plan is to have these Regional Ambassadors throughout the SoCalGas territory as an extension of its public sector team helping to identify challenges and assist in bringing solutions to customers. SoCalGas will seek to work with Regional Energy Networks to jointly support customers, coordinate training, education, program marketing strategies, events, outreach, and work that aligns with customer strategic planning activities supporting the States' goals to reduce GHG through energy-efficiency efforts (i.e. GHG inventories, benchmarking, and Energy Action plans).

SCG3912 Public – Regional Energy Pathways

The Public Sector Regional Energy Pathways is a transition from the existing LGP model. To build on successes and lessons with the LGP model, SoCalGas will update Public Sector partnering approach to ensure valuable programs and services for all Public Sector customers are provided. The objective of this model is to maintain support for local government partners along with all Public Sector customers to allow for more flexible engagement. SoCalGas believes the model will demonstrate the value of regional partnering while maintaining direct relationships with existing partners and implementers while developing new relationships with public agencies.

Regional Energy Pathways is a non-resource program that will be implemented by SoCalGas and external resources based throughout the service territory to expand knowledge of available EE.

In 2022, SoCalGas' Public Sector Regional Energy Pathways program focused on supporting Cities, Counties, State of California Agencies including Higher Education and K-12. Through the Energy Pathways efforts SoCalGas facilitated engagement between EE third-party Implementers and Public Sector Customers which contributed to EE projects being completed in K-12 Schools and Local Government facilities. SoCalGas hosted an EE Webinar for K-12 customers which included participation from EE program implementers. An example was the participation of Synergy which offers direct install measures for small and medium Public Sector Customers. Program information was also provided on other programs offered by SoCalGas for K-12 customers. The Regional Pathways team assisted finding project opportunities which resulted in projects for the Synergy Direct Install Program and for deemed rebates offered by SoCalGas. In addition, SoCalGas supported Cities with their goals to reduce energy use such as the City of Rancho Cucamonga which was selected as a Beacon Vanguard award winner by the Institute for Local Government (ILG). SoCalGas collaborated with the SoCalREN to jointly support Public Sector customers to maximize benefit for customers.

SoCalGas found that some customers were confused about the transition to providing programs through 3 parties; however, SoCalGas is working to provide information to resolve the confusion. Part of the effort will involve working with local organizations which can serve as ambassadors to help connect customers with new programs.

The program met its objective to transition away from the previous LGP model to a new dynamic model and will expand efforts in 2023 by engaging with stakeholders who can help reach additional customers.

Non-Partnership Public Sector Programs

SCG3815 Public – Calculated Incentives

The SoCalGas Public Calculated Incentive program focuses on customized incentives for the public sector. Incentives are paid on the energy savings above and beyond baseline energy performance, which include state-mandated codes, federal-mandated codes, industry accepted performance standards, or the other baseline energy performance standards.

The Public Calculated Incentive program was discontinued in 2022 and set in place a transition timeline to third-party implemented programs. In 2022, the program's sector was consolidated into the cross-cutting Non-Residential Calculated Incentive Program to facilitate the transition into the third-party programs and ensure Energy Efficiency program coverage until they are onboarded. Projects may be eligible for the newly launched program. SoCalGas successfully engaged customers, maintained, and progressed projects from the pipeline through to the fully installed phase. SoCalGas is actively managed the pipeline by maintaining existing reserved projects and reserving new projects until completion of transition.

SCG3886 Public – Public Direct Install Program

The SoCalGas Public Direct Install Program (PDIP) is a turnkey cost-effective end-to-end solution for SoCalGas that serves very small, small, and medium local government, federal government, and education (K-12) facilities. In addition to no cost direct install technologies, the program offers advanced energy efficiency improvements that can be financed.

SoCalGas and the implementer held a successful K-12 webinar in Q3 2022. There were 29 attendees and these included Anaheim Elementary School District, Charter Oak Unified School District, Hemet Unified School District, Los Angeles Unified School District, and Santa Monica-Malibu Unified School District. The program received a glowing testimonial from Alvord Unified School District's maintenance manager and superintendent of schools in the webinar. In 2022, the program also introduced SoCalGas branded vehicle magnets and polo shirts to assist program recognition and awareness.

The contagious Omicron COVID-19 variant resulted in committed K-12 projects cancelling their project schedules with the PDIP implementer. The affected period has been December 2021 into Q1 of 2022.

The program introduced an incentive for tankless water heaters at the end of 2022. There were several interested school districts in the offering. With the holidays and short staffing of public entities, the projects were not able to be completed.

PDIP was not able to meet all the program objectives forecasted for 2022. The implementer has performed well in establishing relationships and Tier 1 measures; however, the implementer has experienced challenges in delivering the installation of Tier 2 energy efficiency technologies.

Energy Atlas

The Energy Atlas is a tool or database of building energy consumption that links utility account information to building characteristics, socio-demographic data, and other significant attributes that can be expressed spatially. The public portion of the Energy Atlas is a front-end website which displays spatially aggregated energy consumption statistics at an annual temporal resolution for most neighborhoods, cities, and counties in Southern California.

Recent Developments

In D.18-05-041, the Commission directed the IOU Program Administrators, under the leadership of SCE, to oversee the statewide deployment of a tool akin to the Energy Atlas, now referred to as "CATALENA." The program's goal is to competitively solicit a third-party to implement CATALENA's deployment, maintain its data quality, consistency, and security, and continue development of the Energy Atlas's capabilities. D.18-05-041 also directs the IOU PAs to:

- Allocate up to \$2 million to CATALENA, and
- Include annual management and maintenance costs for CATALENA in their annual budget advice letters, in proportion to their relevant energy efficiency programs.

SoCalGas continues to collaborate with a working group of IOU, REN, and Commission representatives to develop CATALENA.

Statewide Programs

Under the context of the energy efficiency rolling portfolio overseen by the IOUs, D.18-01-004 approved the solicitation process for procurement of energy efficiency programs for the next several years and beyond. The decision requires the utilities to have at least 60 percent of their energy efficiency portfolio budgets designed and implemented by third-party implementers by the end of 2022.

SoCalGas is the program administrator for three statewide programs in the Statewide Food Service Point of Sale (SW FS POS), the Statewide Mid-Stream Water Heating (SW MS WH), and the Statewide Gas Emerging Technologies (SW GET) sectors.

The program for SW FS POS is called the California Food Service Instant Rebates Program. The program works with midstream market actors to offer POS rebates to CA IOU end use customers. All customers with a commercial rate structure served by one of the four IOUs are eligible for POS rebates. Foodservice equipment dealers, manufacturers, contractors, and distributors who make sales directly to end use customers are eligible to enroll in the Program.

The program for the SW MS WH sector is the SW WH Program. It is a distributor-centric model design, which will collaborate with a network of distributors that specialize in the sale of efficient electric and natural gas measures. Point-of-sale discounts and incentives will be paid at the midstream level to distributors based on transactions and sales to contractors. All customers with commercial rate structures served by one of the four CA IOUs are eligible for program participation.

SoCalGas's GET Program is designed to rapidly identify, prioritize, screen and advance promising energy-efficient gas technologies into the EE program portfolio and support their increased adoption by customers. GET is based on a collaborative effort with targeted markets and technology actors to provide program implementers and administrators with eligible technologies for program inclusion, information on barriers to their adoption and, where applicable, potential strategies to overcome such barriers.

Advice Letters for SW FS POS and SW MS WH programs were filed with the Commission on December 15, 2020, and December 4, 2020, respectively. The SW FS POS Advice Letter was approved January 14, 2021. The SW MS WH Advice Letter, following two protests by stakeholders, was suspended on December 30, 2020, and was approved on March 18, 2021. The Advice Letter for SW GET program was filed with the Commission on July 23, 2021, and approved on August 24, 2021.

SoCalGas also provides funding to the Lead Program Administrators as shown in Tables 3 and 4 of D.18-05-041. SoCalGas receives the proportional benefits from the Statewide Program through the CPUC's CEDARS reporting system. Please refer to the Lead Program Administrators' 2022 Energy Efficiency Annual Report for the performance for the respective Statewide Program.

APPENDIX A – SOCALGAS PORTFOLIO SUPPORTING DATA

Please review the file: “SoCalGas 2022 Annual Report Template,” uploaded to the CEDARS website (<https://cedars.sound-data.com/documents/standalone/list/>), to view 2022 Supporting Data including the following tables:

Tab	Content
T-1 Savings&Goals	Net First Year Savings, Goal Attainment and Fuel Sub Load Reduction Adjustments
T-2 Fuel Sub	Fuel Substitution Savings
T-3 EnvImpacts	Environmental Impacts of EE Portfolio by Measure Use Category
T-4 Program Data	EE Programs
T-5 Segment Summary	Savings By Sector and Segment
T-6 NET CE	Cost Effectiveness (Net)
T-7 Bill Impacts	Average Billpayer Impacts from Net Savings
T-8 SavingsUseCategory	Annual Savings By Use Category
T-9 Commitments	Funding commitments
T-10 ESPI	Shareholder Incentives (ESPI) [Not Applicable this Program Year]
T-11 Cap & Target	Energy Efficiency Quarterly Cap And Target Expenditure Performance
T-12 BP Metrics	Business Plan Metrics
T-13 3P Calculation	Third-Party Calculations
T-14 PG&E Marketplace Metrics	PG&E Marketplace Metrics [Not Applicable to SoCalGas]

APPENDIX B.1 – UPDATED MONTHLY REPORT

The Updated Monthly Report can be found on the CEDARS website:

<https://cedars.sound-data.com/monthly-reports/all-pas-dashboard/>

APPENDIX B.2 – UPDATED QUARTERLY REPORT

The Updated Quarterly Report can be found on the CPUC’s energy efficiency reports website:
<https://cedars.sound-data.com/upload/dashboard/list/>

APPENDIX C – THIRD-PARTY SOLICITATIONS INFORMATION

See tab T-13 3P Calculation as referenced above for information regarding SoCalGas’s third-party programs budget and contract information.

Compliance with D.18-05-041

- Program administrators must also assess the relative success of implementers’ strategies, for purposes of identifying lessons learned and best practices for maximizing the contribution of energy efficiency in disadvantaged communities. These assessments shall be included in the program administrators’ annual reports. (OP 11, p. 184).
 - *In 2022, SoCalGas met the 60% third-party program percentage requirement. The SoCalGas program operations team is in the process of reviewing the program implementer’s key performance index and new insights will be included in the 2023 Annual Report filing.*
- Investor owned utilities must track the number and proportion of third parties that forego the option of using utility account representatives. The utilities must include this information in their annual reports. (OP 17, p. 185)
 - *All third-party programs that target customers with SoCalGas account representatives are provided with basic support that includes providing general information of relevant energy efficiency programs, referring program-related inquiries to respective implementers, and coordinate with implementers to address basic customer questions and concerns. By year-end 2022, nine implementers have chosen to utilize SoCalGas account representatives that go beyond the basic support described.*

APPENDIX D – METRICS

Appendix D – Metrics; see tab T-12 BP Metrics as referenced above.

APPENDIX E – STATEWIDE TRUE-UP REPORT

Per Advice Letter 3268-E-A/2701-G-A, the annual true-up, which provides each IOUs status of statewide program payments, expenses and related interest for the programs administered is included below.

SoCalGas | Statewide EE Programs, 2022

YE True-Up Reports, Refund Summary

Program	SDG&E	SCG	SCE	PG&E	Total
SW Gas Emerging Technology	\$109,260.60	\$584,213.04	\$0.00	\$705,990.89	\$1,399,464.53
SW Food Services*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SW Water Heating	\$549,133.11	\$1,265,832.48	\$809,568.38	\$2,422,646.01	\$5,047,179.98
Total Refund	\$254,047.70	\$917,984.35	\$213,458.98	\$1,344,776.28	\$2,730,267.31

*SoCalGas will not pay due to Food Services program running over budget. IOUs will deduct interest accrued from overage reimbursement to SoCalGas.

SW Gas Emerging Technology

	SDG&E	SCG	SCE	PG&E	Total
Proportional Contribution per Load-Share	7.80%	41.80%	0.00%	50.40%	100.00%
Total Monthly Payments made	\$160,211.65	\$858,568.68	\$0.00	\$1,035,213.01	\$2,053,993.34
Total Interest Payment Accrued	\$1,584.26	\$8,490.00	\$0.00	\$10,236.74	\$20,311.00
Program Costs actually spent	\$52,535.31	\$282,845.64	\$0.00	\$339,458.86	\$674,839.81
Annual True-Up Payment accrued	\$109,260.60	\$584,213.04	\$0.00	\$705,990.89	\$1,399,464.53

SW Food Services

	SDG&E	SCG	SCE	PG&E	Total
Proportional Contribution per Load-Share	10.88%	25.08%	16.04%	48.00%	100.00%
Total Monthly Payments made	\$1,668,258.41	\$3,845,581.68	\$2,459,455.08	\$7,359,963.70	\$15,333,258.87
Total Interest Payment Accrued	\$7,128.14	\$16,431.41	\$10,507.77	\$31,448.68	\$65,516.00
Program Costs actually spent	\$2,079,732.56	\$4,794,074.26	\$3,066,072.25	\$9,175,273.00	\$19,115,152.07
Annual True-Up Payment accrued	-\$404,346.01	-\$932,061.17	-\$596,109.40	-\$1,783,860.62	-\$3,716,377.20

SW Water Heating

	SDG&E	SCG	SCE	PG&E	Total
Proportional Contribution per Load-Share	10.88%	25.08%	16.04%	48.00%	100.00%
Total Monthly Payments made	\$1,598,308.20	\$3,684,335.40	\$2,356,330.22	\$7,051,359.72	\$14,690,333.54
Total Interest Payment Accrued	\$10,142.99	\$23,381.08	\$14,953.45	\$44,748.48	\$93,226.00
Program Costs actually spent	\$1,059,318.08	\$2,441,884.00	\$1,561,715.29	\$4,673,462.19	\$9,736,379.56
Annual True-Up Payment accrued	\$549,133.11	\$1,265,832.48	\$809,568.38	\$2,422,646.01	\$5,047,179.98

APPENDIX F – 2024 JOINT COOPERATION MEMORANDUMS

Per the Ruling, issued in Rulemaking 13-11-005, a request to extend the submission of 2024 Joint Cooperation Memorandums to 90 days after a decision disposing of the 2024 and beyond energy efficiency portfolios in Applications 22-02-005 et al., was granted by Executive Director Rachel Peterson.