



# ENERGY SAVINGS ASSISTANCE PROGRAM (ESAP)

## Customer Engagement

**Board of Public Utilities**

April 28, 2025

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## LEGISLATIVE HISTORY OF ENERGY EFFICIENCY

Assembly Bill (AB) 1890, adopted in 1996, requires publicly owned utilities to collect and spend Public Benefits Charge funds for low-income assistance, energy efficiency and conservation programs, renewable energy, as well as research, development, and demonstration projects.

Senate Bill (SB) x 2-2, adopted in 2001, also requires POUs to streamline enrollment for low-income programs by collaborating with existing providers for the Low-Income Home Energy Assistance Program (LIHEAP) and other electric or gas providers within the same service territory.



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## BACKGROUND

1. January 2012, RPU and SoCal Gas initiated an Inter-Utility Agreement creating the Energy Savings Assistance Program (ESAP)
2. The ESAP program was suspended during COVID-19, the restated Agreement was approved by the City Council on February 8, 2022
3. On May 17, 2022, the City Council expanded access to ESAP increasing the income eligibility requirement from 200% to 250%, consistent with the income eligibility requirements for SoCal Gas
4. On December 12, 2023, the City Council approved the ESAP inter-utility agreement renewal



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## DISCUSSION

ESAP program offers the direct installation of a range of energy efficient measures including:

1. Whole house fan 2500 CFM (cubic feet)
2. Whole house fan 3300 CFM
3. Refrigerators (and refrigerator recycling)
4. LED lighting (e.g. floodlamps, porch lights)
5. Duct sealing and testing
6. ECM motors
7. Ceiling insulation
8. Occupancy sensors
9. Smart thermostats
10. Computer smart power strips
11. Nightlights



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## DISCUSSION

1. Agreement provides 2 new measures:
  - a. Lifecycle refrigerant management (for Gas Furnace & Heat Pumps)
  - b. Smart fan control switch (for Gas Furnace & Heat Pumps)
2. These new measures will help save substantial kWh when compared to previous 'traditional' measures (AC tune-ups and HVAC fan control switches)
3. The chart highlights the differences these measures provide in kWh savings:

| Old Measure                   | kWh Savings     | New Measure                        | kWh Savings |
|-------------------------------|-----------------|------------------------------------|-------------|
| HVAC Efficient Control Switch | 566             | Smart Fan Efficient Control Switch | 700         |
| AC Tune-up                    | 74<br>(per ton) | Lifecycle refrigerant management   | 292-705*    |



\*kWh savings depend on unit

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## DISCUSSION

1. The chart below shows program participation, kWh savings and costs by fiscal year since 2021/22.

| Program Details           | FY 21/22*    | FY 22/23     | FY 23/24     | FY 24/25**<br>To Date |
|---------------------------|--------------|--------------|--------------|-----------------------|
| <b>Homes Served</b>       | 456          | 709          | 398          | 262                   |
| <b>kWh Saved</b>          | 642,570      | 884,862      | 437,972      | 223,320               |
| <b>Program Cost (RPU)</b> | \$313,941.52 | \$443,591.48 | \$455,740.57 | \$428,142.95          |

\*FY 21/22 program was only available for 4 months due to COVID-19 restrictions and contract expiration.

\*\*7/1/24-1/31/25

2. Program participation has been steady, peaking in 2022/23.
3. Numbers decreased in 2023/24, due to pricing changes and economic conditions.



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## STRATEGIC PLAN ALIGNMENT



### Strategic Priority 4 – Environmental Stewardship

**Goal 4.4** – To implement measures and educate the community to responsibly manage goods, products and services throughout their life to achieve waste reduction.

#### Cross-Cutting Threads



Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency



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## RECOMMENDATIONS

That Board of Public Utilities recommend that the City Council:

1. Approve the Energy Savings Assistance Program Master Inter-Utility Agreement with Southern California Gas Company in the amount of \$750,000 for Fiscal Years 2025/26 and 2026/27 for a total contract amount of \$1,500,000; and
2. Authorize the City Manager, or designee, to execute the Master Inter-Utility Agreement with Southern California Gas Company including the ability to make any minor, non-substantiative changes without exceeding the approved program budget.



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