

**California Solar Initiative Thermal Program**  
**Quarterly Progress Report**  
**(April 1 – June 30, 2012)**

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Center for  
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# 1. Executive Summary

## 1.1. Introduction

Pacific Gas and Electric Company (PG&E), on behalf of the California Solar Initiative Thermal (CSI-Thermal) Program Administrators (PAs)<sup>1</sup>, submits this Quarter 2, 2012 Progress Report for the CSI-Thermal Program, in compliance with California Public Utilities Commission (CPUC or Commission) Decision (D.) 10-01-022, which requires the PAs to submit quarterly progress reports to the CPUC Energy Division.<sup>2</sup>

This report provides an overall qualitative and quantitative review of the CSI-Thermal Program from January 1, 2010 through June 30, 2012. It also highlights the program's progress and achievements for the quarter. The report has been divided into several sections covering topics such as program budget, eligibility requirements, incentive structure, program expenditures, market facilitation activities and regulatory updates.

## 1.2. Key Report Highlights

During the second quarter of 2012, the PAs successfully launched the highly anticipated statewide marketing and outreach campaign which is discussed in detail in Section 5 of this report. The PAs also submitted an Advice Letter during the second quarter of 2012, which proposed amendments to the CSI-Thermal Program Handbook. The proposed amendments came as a result of industry feedback and improvements identified through administration of the program.

In addition to these program enhancements, the PAs continue to effectively manage the CSI-Thermal Program. Since program inception more than 626 projects have been completed, accounting for over \$5,324,077 in statewide incentive payments<sup>3</sup>.

# 2. Introduction

## 2.1. Program Background

In January 2007, the CPUC launched the California Solar Initiative (CSI), a \$2.16 billion ratepayer-funded incentive program with a goal of installing 1,940 megawatts (MW) of new solar generation and creating a sustainable solar industry by 2016.<sup>4</sup> State law allows up to \$100.8 million of CSI

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<sup>1</sup> CSI-Thermal PAs are Pacific Gas and Electric Company (PG&E), California Center for Sustainable Energy (CCSE), Southern California Edison (SCE), and Southern California Gas Company (SCG).

<sup>2</sup> D.10-10-022, Ordering Paragraph No. 13 and Appendix A.

<sup>3</sup> As of July 23, 2012

<sup>4</sup> Public Utilities Code § 2851, enacted by Senate Bill (SB) 1 (Murray), Chapter 132, Statutes of 2006

funds to be used for incentives for solar thermal technologies that displace electricity usage, but the CPUC deferred allowing solar water heating (SWH) technologies to be eligible for CSI until after a pilot program for SWH was conducted in San Diego Gas & Electric Company's (SDG&E) service territory. Starting in July 2007, CCSE administered a \$2.59 million pilot program for SWH incentives in SDG&E service territory. In D.08-06-029, the Commission made minor modifications to the pilot to allow it to run until December 31, 2009, or until the budget was exhausted, whichever occurred first.

In 2007, Governor Arnold Schwarzenegger signed Assembly Bill (AB) 1470 (Huffman, 2007),<sup>5</sup> authorizing the CPUC to create a \$250 million incentive program to promote the installation of 200,000 SWH systems on homes and businesses that displace the use of natural gas by 2017. AB 1470 required the CPUC to evaluate data from the SWH Pilot Program and determine whether a SWH program was "cost effective for ratepayers and in the public interest" before designing and implementing an incentive program for gas customers.

On January 21, 2010, the CPUC established the CSI-Thermal Program,<sup>6</sup> allocating funds for both natural gas and electric-displacing SWH and other solar thermal technologies, in the service territories of California's major investor-owned utilities. The CPUC established the incentive structure, the program administration details, and other key CSI-Thermal Program rules. The CPUC designated PG&E, SCG, SCE, and CCSE (for the SDG&E service territory) as the PAs for the CSI-Thermal Program. The PAs launched the single-family residential program in May of 2010 and the commercial/multi-family program in October of 2010.

On October 6, 2011, the CPUC signed D. 11-10-015 which authorized the low-income component of the CSI-Thermal Program. The \$25 million budget for CSI-Thermal low-income SWH incentives will be funded by collections from gas ratepayers pursuant to Assembly Bill 1470 (stats. 2007, ch. 536), and as previously established in D.10-01-022. The low-income program was launched in March 2012.

## 2.2. Program Goals

The CSI-Thermal Program is designed to significantly increase the adoption rate of SWH technologies in the California marketplace. The program strategy and design principles will address the barriers to growth, namely installation costs, lack of public knowledge about SWH, permitting costs and requirements, and a potential shortage of experienced installers. As laid out in D.10-01-022, the primary goals of the CSI-Thermal Program include the following:

- Significantly increase the size of the SWH market in California by increasing the adoption rate of SWH technologies, including:

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<sup>5</sup> Public Utilities Code § 2860-2867

<sup>6</sup> D.10-01-022

- Achieving the installation of natural gas-displacing systems that displace 585 million therms (equivalent to 200,000 single-family residential systems) over the 25-year life of the systems;
  - Achieving the installation of electric-displacing SWH systems that displace 275.7 million kilowatt hours (kWh) per year (equivalent to 100,800 single-family residential systems); and
  - Achieving an expansion of the market for other solar thermal technologies that displace natural gas and electricity use, in addition to SWH.
- Support reductions in the cost of SWH systems of at least 16 percent through a program that increases market size and encourages cost reductions through market efficiency and innovation;
  - Engage in market facilitation activities to reduce market barriers to SWH adoption, such as high permitting costs, lack of access to information, and lack of trained installers; and
  - Increase consumer confidence and understanding of SWH technology and its benefits.

### 2.3. Program Budget

The total incentive budget (excluding administrative, marketing, and measurement and evaluation budget allocations) for the CSI-Thermal Program is approximately \$280.8 million over the life of the program. Of this total, \$180 million is allocated to natural gas-displacing SWH systems, as authorized by AB 1470, and up to \$100.8 million may be used to fund electric-displacing systems subject to overall CSI budget availability, as authorized by Senate Bill (SB) 1. There is also an additional \$25 million incentive budget dedicated to low-income single-family and multi-family residences in the service territories of PG&E, SCG and SDG&E, as established in D.10-01-022.

In the CSI-Thermal Program, incentive dollars totaling \$180 million for natural gas-displacing systems are allocated between two customer classes, single-family residential and multi-family/commercial, as follows:

- 40 percent of the total incentive budget is reserved for single-family residential customer SWH systems; and
- 60 percent of the total incentive budget is reserved for multi-family/commercial SWH systems. Funds may be moved from the multi-family/commercial budget to the single-family residential budget, but not vice versa.

The incentive budget is split proportionately among the PAs based on the percentages the investor-owned utilities used to collect the Public Goods Charge from customers in their respective service territories.

Table 1 below displays the incentive allocation percentage and budget amount by PA for the natural gas-displacing SWH systems. Table 2 displays the incentive allocation percentage and budget amount by PA for the electric/propane-displacing SWH systems.

The incentive budget for the natural gas-displacing portion of CSI-Thermal Program will operate until all funds available from the program’s incentive budget have been allocated or until January 1, 2018, whichever occurs first. The incentive budget for the electric/propane-displacing portion of the program is available until the budget caps have been reached, the CSI General Market Program budget has been exhausted, or January 1, 2017, whichever occurs first.

The \$25 million natural-gas low-income incentive budget is allocated among CCSE, PG&E, and SCG in the same proportions as the total CSI-Thermal natural gas-displacing program outlined in Table 1. There will not be specific low-income incentive allocations between single-family and multi-family projects. Incentives for low-income projects will be available until the incentive budget is fully expended or January 1, 2018, whichever occurs first. Table 3 below displays the incentive allocation percentage and budget amount by PA for the low-income natural gas-displacing SWH systems.

**Table 1: Incentive Allocation per PA for Natural Gas-Displacing Systems**

PA	Budget Allocation	Total Incentive Budget (in millions)
PG&E	39.0%	\$70.2
CCSE	10.0%	\$18.0
SCG	51.0%	\$91.8
<b>Total</b>	<b>100.0%</b>	<b>\$180.0</b>

**Table 2: Maximum Incentive Allocation per PA for Electric/Propane-Displacing SWH Systems**

<b>PA</b>	<b>Budget Allocation</b>	<b>Maximum Incentive Budget (in millions)</b>
PG&E	43.7%	\$44.0
CCSE	10.3%	\$10.4
SCE	46.0%	\$46.4
<b>Total</b>	<b>100.0%</b>	<b>\$100.8</b>

**Table 3: Low-Income Incentive Allocation per PA for Natural Gas-Displacing SWH Systems**

<b>PA</b>	<b>Budget Allocation</b>	<b>Maximum Incentive Budget (in millions)</b>
PG&E	39.0%	\$9.75
CCSE	10.0%	\$2.50
SCG	51.0%	\$12.75
<b>Total</b>	<b>100.0%</b>	<b>\$25.00</b>

#### **2.4. Incentive Structure**

One of the primary goals of the CSI-Thermal Program is to lower the cost of SWH technology for the System Owner through incentives. Incentive rates will decline over the life of the program in four steps to facilitate market transformation.

Natural gas-displacing incentives will decline from step to step when the total incentive amount reserved is equal to the budget allocation for the given step in each service territory. If a PA receives applications accounting for more dollars than what is left in the budget allocation for a given step, a lottery may determine which projects receive the higher incentive level. Table 4 below displays the dollar amount paid per therm displaced in each step and the total program budget allocation per step excluding the low-income budget as noted in Section 2.3 of this report.

**Table 4: Total Natural Gas Budget Allocation per Incentive Step**

Step	Incentive per therm displaced	Total Program Budget Allocation (in millions)
1	\$12.82	\$50
2	\$10.26	\$45
3	\$7.69	\$45
4	\$4.70	\$40

As incentives decline under the natural gas-displacing program, a corresponding step reduction occurs in the electric/propane-displacing incentive structure. Table 5: Electric/Propane-Displacing System Incentive Steps below, shows the electric rates at each of the four steps. Electric and propane-displacing SWH installations will count against the MW trigger in Step 10 of the General Market CSI Program. If the Step 10 budget is insufficient, the PAs may use funds from Step 9.

**Table 5: Electric/Propane-Displacing System Incentive Steps**

Step Level	Electric/Propane-Displacing Incentive (\$/kWh)
1	0.37
2	0.30
3	0.22
4	0.14

Incentive step changes will move independently in each program territory<sup>7</sup> and for each customer class. Incentives will be paid on a first come, first serve basis. The most current information on incentive step status per customer class is posted on [www.csithermal.com/tracker](http://www.csithermal.com/tracker).

The low-income program has a separate incentive step structure from the mainstream program, as shown in Table 6: Low-Income Single-Family and Multi-family Natural Gas Incentive Steps below. The maximum incentives for qualifying single-family low-income customers are 200% of the applicable CSI-Thermal SWH incentive level; and incentives for qualifying SWH installations on

<sup>7</sup> SCE incentive step changes will correspond with SCG gas incentive step changes for each customer class.

multi-family housing are 150% of the applicable CSI-Thermal SWH incentive level. The current incentive step level will be the same as the current incentive step in the natural gas portion of the mainstream CSI-Thermal Program. Currently, the mainstream natural gas single-family program is in Step 1 for all PA territories; therefore the low-income single-family program is also in Step 1.

**Table 6: Low-Income Single-Family and Multi-family Natural Gas Incentive Steps**

Step Level	Single-Family Low-income Incentive per therm displaced	Incentive Cap for Single-Family Low-income Projects	Multi-family Low-Income Incentive per therm displaced	Incentive Cap for Multi-family Low-income Projects
1	\$25.64	\$3,750	\$19.23	\$500,000
2	\$20.52	\$3,000	\$15.39	\$500,000
3	\$15.38	\$2,250	\$11.53	\$500,000
4	\$9.40	\$1,376	\$7.05	\$500,000

## 2.5. Program Eligibility

Eligibility for the CSI-Thermal Program is described in detail in the CSI-Thermal Handbook.<sup>8</sup> A few key eligibility requirements are highlighted below:

- Customer site must be within the service territories of SCG (for natural gas only), PG&E, SCE (for electric only), or SDG&E.
- Single-family residential SWH systems must have a Solar Rating and Certification Corporation (SRCC) or International Association of Plumbing and Mechanical Officials (IAPMO) OG-300 System Certification.<sup>9</sup>
- Solar collectors used in multi-family/commercial water heating shall have SRCC OG-100 Collector Certification.
- All components must be new and unused (with exceptions). All systems must have freeze and stagnation protection.
- For single-family projects, all Domestic Hot Water (DHW) end-uses are eligible.<sup>10</sup>
- For multi-family/commercial projects, SWH applications must directly consume the solar-heated potable water, as opposed to using the solar-heated water as a medium to carry heat

<sup>8</sup> The CSI-Thermal Handbook is located at [http://gosolarcalifornia.org/documents/CSI-Thermal\\_Handbook.pdf](http://gosolarcalifornia.org/documents/CSI-Thermal_Handbook.pdf)

<sup>9</sup> D.11-11-004 was approved on November 18, 2011 to modify D. 10-01-022 regarding certification standards for SWH systems. This decision allows systems certified to the OG-300 standards by IAPMO to be eligible for CSI-Thermal incentives along with those certified by SRCC.

<sup>10</sup> DHW is defined as water used, in any type of building, for domestic purposes, principally drinking, food preparation, sanitation and personal hygiene (but not including space heating, space cooling, or swimming pool heating).

for some other end-use. In multi-family/commercial applications, DHW and commercial end-uses are eligible for CSI-Thermal Program incentives.<sup>11</sup>

- Rebates are available for qualifying natural gas-and electric-displacing systems that were installed within 24 months after the date on the final signed-off permit. Propane-displacing systems are eligible for a CSI-Thermal Program incentive if a final permit was signed-off after June 14, 2011.
- SWH contractor or self-installer must complete a one-day mandatory training offered by the PAs.
- For specific details regarding low-income eligibility requirements, go to the CSI-Thermal Handbook.

### **3. Program Expenditures**

From program inception through June 30, 2012, CSI-Thermal Program expenditures totaled just over \$14 Million. Table 7 below illustrates the detailed expenditures by PA followed by a breakdown of expenses specific to the natural gas and electric/propane-displacing programs for the reporting period as represented in Table 8 and Table 9.

Program expenditures consist of, but are not limited to, administration activities, such as application processing, continued enhancement of the statewide online database, mandatory contractor and self-installer training, local and statewide marketing efforts, activities related to potential program expansion, and administrative staffing support.

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<sup>11</sup> Examples of eligible DHW end uses include: apartment buildings with central DHW systems, convalescent homes, hotels and motels, military bachelor quarters, school dormitories with central DHW systems and prisons. Examples of eligible commercial end uses include: commercial laundries, laundromats, restaurants, food processors, agricultural processes and car washes.

**Table 7: CSI-Thermal Expenditures by PA**

Natural Gas and Electric/Propane CSI-Thermal Program Expenditure Data January 1, 2010 to June 30, 2012					
Expenditure Type	CCSE	PG&E	SCE	SCG	Total
Administration	\$982,887	\$2,183,818	\$457,271	\$905,283	\$4,529,259
Market Facilitation	\$469,542	\$1,801,200 <sup>12</sup>	\$53,475	\$2,179,653 <sup>13</sup>	\$4,503,870
Measurement & Evaluation	\$3,103	\$2,543	\$0	\$0	\$5,646
Incentives Paid	\$717,900	\$3,479,320	\$17,127	\$830,025	\$5,044,372
<b>Total</b>	<b>\$2,173,432</b>	<b>\$7,466,881</b>	<b>\$527,873</b>	<b>\$3,914,961</b>	<b>\$14,083,147</b>

**Table 8: CSI-Thermal Expenditures by PA (Natural Gas)**

Natural Gas April 1 – June 30, 2012				
Expenditure Type	CCSE	PG&E	SCG	Total
Administration	\$72,873	\$120,219	\$101,944	\$295,036
Market Facilitation	\$28,265	\$975,723	\$1,585,921 <sup>13</sup>	\$2,589,909
Measurement & Evaluation	\$76	\$0	\$0	\$76
Incentives Paid	\$20,974	\$710,845	\$393,639	\$1,125,458
<b>Total</b>	<b>\$122,188</b>	<b>\$1,806,787</b>	<b>\$2,081,504</b>	<b>\$4,010,479</b>

<sup>12</sup> An incorrect charge of \$63,583.97 was applied in April and a reversal will be reflected in July reporting.

<sup>13</sup> This amount also includes total Statewide M&O expenses including allocations to be reimbursed by other Program Administrators.

**Table 9: CSI-Thermal Expenditures by PA (Electric/Propane)**

<b>Electric/Propane April 1 –June 30, 2012</b>				
<b>Expenditure Type</b>	<b>CCSE</b>	<b>PG&amp;E</b>	<b>SCE</b>	<b>Total</b>
<b>Administration</b>	\$19,178	\$101,814	\$52,562	<b>\$173,554</b>
<b>Market Facilitation</b>	\$8,036	\$247,937 <sup>12</sup>	\$5,756	<b>\$261,729</b>
<b>Measurement &amp; Evaluation</b>	\$0	\$0	\$0	<b>\$0</b>
<b>Incentives Paid</b>	\$5,713	\$27,135	\$4,646	<b>\$37,494</b>
<b>Total</b>	<b>\$32,927</b>	<b>\$376,886</b>	<b>\$62,964</b>	<b>\$472,777</b>

#### **4. Program Progress**

The PAs spent much of Q2 2012 developing the proposed modifications to the CSI-Thermal Program Handbook and corresponding database changes that needed to be made as a result. Additionally, the PAs devoted a significant amount of time working with their respective marketing leads on the launch and post-launch of the statewide marketing campaign. The PAs also worked on the implementation of the recently launched low-income program for Natural Gas customers.

##### **4.1 Applications Received, Installation Costs and Incentives Paid**

The CSI-Thermal Program began accepting applications for single-family systems and multi-family/commercial systems on May 1, 2010 and October 8, 2010, respectively. Applications for propane-displacing SWH systems were also made available on February 7, 2012, while the low-income program began on March 29th of this year. Tables 10, 12, 14, 16 and 18 represent the amount of applications received by each PA in Q2 2012, as well as the corresponding incentives and energy savings for those applications. Tables 11, 13, 15, 17 and 19 show the average costs of systems for completed projects by PA and customer class since program inception.

**Table 10: Summary Data: CSI-Thermal Single-Family Applications by Status (Natural Gas)**

	CCSE	PG&E	SCG	Total
	Q2	Q2	Q2	
<b>APPLICATIONS RECEIVED</b>				
<b>Application (Number)</b>	1	11	24	<b>36</b>
<b>Incentives (\$)</b>	\$1,231	\$17,880	\$32,728	<b>\$51,839</b>
<b>Capacity (First Year Expected Energy Displaced in therms)</b>	96	1,522	2,779	<b>4,397</b>

Legend: Applications Received = All applications that moved to "Application Review" status during the reporting period

**Table 11: Average Cost per Single-Family Project (Natural Gas)**

	CCSE	PG&E	SCG	Overall Average
<b>Average Project Cost per Single-Family Project*</b>	\$7,329	\$9,796	\$8,532	<b>\$8,552</b>
<b>Average Project Cost per Unit of First Year Energy Displaced (\$/therm)*</b>	\$65.51	\$73.13	\$74.34	<b>\$70.99</b>

\*Since program inception

**Table 12: Summary Data: CSI-Thermal Single-Family Applications by Status (Electric/Propane)**

	CCSE	PG&E	SCE	Total
	Q2	Q2	Q2	
<b>APPLICATIONS RECEIVED</b>				
<b>Applications (Number)</b>	9	11	5	<b>25</b>
<b>Incentives (\$)</b>	\$8,589	\$11,781	\$5,909	<b>\$26,279</b>
<b>Capacity (First Year Expected Energy Displaced in kWh)</b>	23,632	37,732	18,132	<b>79,496</b>

Legend: Applications Received = All applications that moved to "Application Review" status during the reporting period

**Table 13: Average Cost per Single-Family Project (Electric/Propane)**

	CCSE	PG&E	SCE	Overall Average
<b>Average Project Cost per Single-Family Project*</b>	\$7,385	\$7,783	\$8,367	<b>\$7,845</b>
<b>Average Project Cost per Unit of First Year Energy Displaced (\$/kWh)*</b>	\$2.61	\$2.88	\$2.69	<b>\$2.73</b>

\*Since program inception

**Table 14: Summary Data: Multi-family/Commercial (Natural Gas)**

	CCSE	PG&E	SCG	Total
	Q2	Q2	Q2	
<b>APPLICATIONS RECEIVED</b>				
<b>Application (Number)</b>	1	35	4	<b>40</b>
<b>Incentives (\$)</b>	\$108,637	\$274,484	\$42,947	<b>\$426,068</b>
<b>Capacity (First Year Expected Energy Displaced in therms)</b>	8,474	21,769	3,350	<b>33,593</b>
<b>UNDER REVIEW Incentive Claims</b>				
<b>Application (Number)</b>	1	44	7	<b>52</b>
<b>Incentives (\$)</b>	\$108,637	\$392,409	\$176,135	<b>\$677,181</b>
<b>Capacity (First Year Expected Energy Displaced in therms)</b>	8,474	32,820	13,739	<b>55,033</b>

Applications Received = All applications that moved to "RR Application Review" status during the reporting period

Under Review Incentive Claims = All applications that moved to "ICF Application Review" status during the reporting period

**Table 15: Average Cost per Multi-family/Commercial Project (Natural Gas)**

	CCSE	PG&E	SCG	Total
<b>Average Project Cost per Multi-family/commercial Project (\$)*</b>	\$143,000	\$81,803	53,788	<b>\$92,864</b>
<b>Average Project Cost per Unit of First Year Energy Displaced (\$/therm)*</b>	\$45.85	\$48.46	43.73	<b>\$46.01</b>

\*Average Project Cost per Multi-family/commercial Project for all completed projects since program inception

**Table 16: Summary Data: Multi-family/Commercial (Electric/Propane)**

	CCSE	PG&E	SCE	Total
	Q2	Q2	Q2	
<b>APPLICATIONS RECEIVED</b>				
Application (Number)	N/A	N/A	N/A	N/A
Incentives (\$)	N/A	N/A	N/A	N/A
Capacity (First Year Expected Energy Displaced in kWh)	N/A	N/A	N/A	N/A
<b>UNDER REVIEW Incentive Claims</b>				
Application (Number)	N/A	N/A	N/A	N/A
Incentives (\$)	N/A	N/A	N/A	N/A
Capacity (First Year Expected Energy Displaced in kWh)	N/A	N/A	N/A	N/A

Applications Received = All applications that moved to "RR Application Review" status during the reporting period  
 Under Review Incentive Claims = All applications that moved to "ICF Application Review" status during the reporting period

In Q2 2012, no multi-family/commercial electric-or propane-displacing applications were received.

**Table 17: Average Cost per Multi-family/Commercial Project (Electric/Propane)**

	CCSE	PG&E	SCE	Total
Average Project Cost per Multi-family/commercial Project (\$)*	N/A	\$58,793	\$7,630	\$33,212
Average Project Cost per Unit of First Year Energy Displaced (\$/kWh)*	N/A	\$1.44	\$4.32	\$2.88

\*Average Project Cost per Multi-family/commercial Project for all completed projects since program inception

**Table 18: Summary Data: Multi-family Low-income (Natural Gas)**

	CCSE	PG&E	SCG	Total
	Q2	Q2	Q2	
<b>APPLICATIONS RECEIVED</b>				
<b>Application (Number)</b>	22	29	16	<b>67</b>
<b>Incentives (\$)</b>	\$798,946	\$1,121,700	\$889,708	<b>\$2,810,354</b>
<b>Capacity (First Year Expected Energy Displaced in therms)</b>	41,547	59,675	46,344	<b>147,566</b>
<b>UNDER REVIEW Incentive Claims</b>				
<b>Application (Number)</b>	1	11	1	<b>13</b>
<b>Incentives (\$)</b>	\$28,364	\$405,876	\$47,190	<b>\$481,430</b>
<b>Capacity (First Year Expected Energy Displaced in therms)</b>	1,475	21,403	2,454	<b>25,332</b>

Applications Received = All applications that moved to "RR Application Review" status during the reporting period  
 Under Review Incentive Claims = All applications that moved to "ICF Application Review" status during the reporting period

**Table 19: Average Cost per Multi-family Low-income (Gas)**

	CCSE	PG&E	SCG	Total
<b>Average Project Cost per Multi-family/commercial Project (\$)*</b>	\$56,520	\$177,893	N/A	<b>\$117,207</b>
<b>Average Project Cost per Unit of First Year Energy Displaced (\$/therm)*</b>	\$38.38	\$45.59	N/A	<b>\$41.99</b>

\*Average Project Cost per Multi-family/commercial Project for all completed projects since program inception

#### 4.2 Turnaround Times

The PAs strive to process reservation requests and incentive claim requests within 30 days or less for both single-family residential and multi-family/commercial applications to ensure that projects are moved forward as quickly as possible. The tables below reflect the reporting period from April through June 2012.

Table 20 below shows the most recent application processing times between the "Reservation Application Review" and "Reservation Application Approved" stages for 2- or 3-step applications. This metric represents the amount of time it took to reserve incentives for a multi-family/commercial project. Table 21 shows the time from Application Review to Incentive Approval (1 Step – Single-Family Residential). The time period being measured in the processing times tables includes both PA application processing time and the time taken by the host customer to respond to requests for more information or application corrections.

Table 22, shows the Time from Application to Incentive Approval (2- and 3-Step- Commercial or Multi-Family Residential).

Applications that take the PAs more than 60 days to approve typically have outstanding issues that require resolution or input from the Applicant and/or customer. Problems encountered from these applications include, but are not limited to:

- Incorrect project site addresses
- Missing signatures
- Missing or incomplete documentation
- Slow customer/Applicant responsiveness

[Table 20: Multi-family/Commercial Application Processing Times by Program Administrator between "Reservation Application Review" and "Reservation Application Approved" Stages](#)

Program Administrator	30 Days or Less	60 Days or Less	Greater than 60 Days	Total
	Q2	Q2	Q2	
<b>Multi-family/ Commercial</b>				
<b>CCSE</b>	95.65%	95.65%	4.35%	23
<b>PG&amp;E</b>	93.10%	100.00%	0.00%	58
<b>SCE</b>	N/A	N/A	N/A	0
<b>SCG</b>	100.00%	100.00%	0.00%	13

**Table 21: Processing Time from Application Review to Incentive Approval (1- Step – Single-Family Residential)**

Program Administrator	30 Days or Less	60 Days or Less	Greater than 60 Days	Total
	Q2	Q2	Q2	
<b>No Inspection: Percentage of applications without inspection with processing time between Incentive: Application Review and Incentive: Approved as described.</b>				
CCSE	100.00%	100.00%	0.00%	5
PG&E	100.00%	100.00%	0.00%	12
SCE	100.00%	100.00%	0.00%	2
SCG	100.00%	100.00%	0.00%	22
<b>Inspection: Percentage of applications with inspection with processing time between Incentive: Application Review and Incentive: Approved as described.</b>				
CCSE	60.00%	80.00%	20.00%	5
PG&E	40.00%	100.00%	0.00%	10
SCE	50.00%	50.00%	50.00%	2
SCG	0.00%	66.67%	33.33%	3
<b>Percentage of applications with processing time between Incentive: Application Review and Incentive: Paid as described.</b>				
CCSE	66.67%	83.33%	16.67%	6
PG&E	56.52%	100.00%	0.00%	23
SCE	75.00%	75.00%	25.00%	4
SCG	80.00%	96.00%	4.00%	25

**Table 22: Processing Time from Application Review to Incentive Approval (2-and 3-Step - Commercial or Multi-Family Residential)**

Program Administrator	30 Days or Less	60 Days or Less	Greater than 60 Days	Total
<b>No Inspection: Percentage of applications without inspection with processing time between Incentive: Application Review and Incentive: Approved as described.</b>				
CCSE	0.00%	0.00%	0.00%	0
PG&E	88.89%	88.89%	11.11%	9
SCE	0.00%	0.00%	0.00%	0
SCG	66.67%	88.89%	11.11%	9
<b>Inspection: Percentage of applications with inspection with processing time between Incentive: Application Review and Incentive: Approved as described.</b>				
CCSE	100.00%	100.00%	0.00%	3
PG&E	53.85%	84.62%	15.38%	13
SCE	0.00%	0.00%	0.00%	0
SCG	60.00%	100.00%	0.00%	5
<b>Percentage of applications with processing time between Incentive: Application Review and Incentive: Paid as described.</b>				
CCSE	100.00%	100.00%	0.00%	3
PG&E	52.63%	84.21%	15.79%	19
SCE	0.00%	0.00%	0.00%	0
SCG	30.77%	84.62%	15.38%	13

## 5. Market Facilitation

Q2 2012 was a momentous quarter for the Marketing and Outreach (M&O) effort that included the launch of the statewide market facilitation plan and the concurrent integration of local outreach efforts with the statewide campaign.

### 5.1 Launch of Statewide Marketing Campaign

After months of planning, strategizing, developing, and producing creative materials by Fraser Communications, under the supervision of the M&O Representatives with the SCG representative

acting as liaison to implement the elements of the approved Statewide Market Facilitation Plan, the Statewide Marketing Campaign was successfully launched on schedule in April, 2012:

1. Campaign Internet Landing Page
  - a. [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - b. Visitors first select the modality by which they heat their water – natural gas, electricity, or propane – and then select their utility
  - c. By clicking on “Go” the visitor is taken to the CSI-Thermal landing page of the corresponding Program Administrator
  - d. Live on 4/13 – Ongoing
  
2. 30-second TV Commercial
  - a. Established the creative approach and tone of the campaign by illustrating various eco-friendly activities that resonate with the target audience as examples of behaviors they are typically already undertaking as part of their interest in protecting the environment.
  - b. Introduced solar water heating as “the next step in your green routine”
  - c. Simply explained what SWH is to build awareness of the technology.
  - d. Call to action to visit the campaign landing page at [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com).
  - e. Aired on NBC-owned stations in Los Angeles, San Francisco, and San Diego from 4/16 to 4/22 as part of a sponsorship of the “NBC/Green Is Universal” campaign
    - i. Corresponding sponsorship of the “NBC/Green is Universal” sections of the stations’ websites from 4/16 to 4/22
  - f. Aired on broadcast stations and cable channels in Los Angeles, San Francisco, and San Diego markets from 4/16 to 5/13
    - i. SoCalGas local funds added concurrent airings in Bakersfield, Palm Springs, and Santa Barbara markets
    - ii. PG&E local funds added concurrent airings in Sacramento market
  
3. Campaign Launch Press Release
  - a. Introduced the statewide campaign to the press
  - b. Incorporated the “Meet the Next Step in Your Green Routine – Solar Water Heating” theme
  - c. Promoted the [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com) landing page.
    - i. Issued 4/16
  - d. Spanish-language Press Release
    - i. Issued 4/17
  
4. Residential-themed animated Internet Banner Ads
  - a. Followed the creative lead of the TV commercial
  - b. Reinforced the “Meet the Next Step in Your Green Routine – Solar Water Heating” theme
  - c. Launched 4/16 on targeted websites in California
  - d. Linked to [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - e. Ongoing
  - f. Static version posted on “GoSolarCalifornia” website

5. 60-second Radio Advertisement with a Residential Theme
  - a. Utilized a humorous approach in a family slice-of-life story
  - b. Reinforced the “Meet the Next Step in Your Green Routine – Solar Water Heating” theme
  - c. Promoted [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - d. Aired in Los Angeles, San Francisco, and San Diego markets from 4/16 to 5/27, then again from 6/11 to 7/1
    - i. SoCalGas local funds added concurrent airings in Bakersfield, Palm Springs, and Santa Barbara markets
    - ii. PG&E local funds added concurrent airings in Sacramento market
  
6. 60-second Radio Advertisement with a Business Theme
  - a. Utilized a humorous approach in a competitive co-worker story
  - b. Reinforced the “Meet the Next Step in Your Green Routine – Solar Water Heating” theme
  - c. Promoted [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - d. Aired in Los Angeles, San Francisco, and San Diego markets from 4/16 to 5/27, then again from 6/11 to 7/1
    - i. SoCalGas local funds added concurrent airings in Bakersfield, Palm Springs, and Santa Barbara markets
    - ii. PG&E local funds added concurrent airings in Sacramento market
  
7. Google Ad Word Search
  - a. Launched 4/16 on [www.google.com](http://www.google.com) in California
  - b. Linked to [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - c. Ongoing
  
8. Pandora Internet Radio Ads
  - a. Launched 4/16 and ran until the end of May
  - b. Reinforced the “Meet the Next Step in Your Green Routine – Solar Water Heating” theme
  - c. Promoted [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  
9. “Go Solar California” Newsletter
  - a. Items about the launch of the campaign ran in the April and May editions.
  
10. Business-themed animated Internet Banner Ads
  - a. The animated business-themed banner ads took a more business-oriented creative approach focusing on reducing energy consumption and costs
  - b. Launched 6/4 on targeted websites in California
  - c. Linked to [www.WaterHeatedbytheSun.com](http://www.WaterHeatedbytheSun.com)
  - d. Ongoing
  
11. Launch Press Outreach effort
  - a. *Roseville Press Tribune* printed an article on Monday, April 9, and posted it online as well

- b. KMAX-TV- Sacramento – *Good Day Sacramento* – aired a segment including an interview with a representative of PG&E on Monday, April 16
- c. Promiseenergy.com posted an item on Tuesday, April 17
- d. Solarserver.com posted an item on Wednesday, April 18
- e. CleanTechnica.com posted an item on Thursday, April 19
- f. KCRA-TV – Sacramento – aired a live in-studio interview with a PG&E representative on Monday, April 23, at 7:45am
- g. *LA Daily News* plus sister newspapers *Long Beach Telegram* and *Torrance Daily Breeze* published a feature article on solar water heating on Saturday, April 28, including quotes from SoCalGas representatives. The article was also posted online.
- h. Renewable Energy World.com posted an item on Tuesday, May 1
- i. *El Observador* printed an article and posted it online in Spanish and English on Friday, May 4
- j. KION-TV Central Coast News ran a story on Solar Water Heating on Tuesday, May 8 and again on Wednesday, May 9

Additional campaign materials were developed during the quarter and approved by Energy Division with implementation and distribution scheduled for the third quarter, including four collateral brochures and two print ads.

### 5.2 International Solar Heating and Cooling Conference Sponsorship

Materials were provided to the conference organizers for the CSI-Thermal Program’s Gold Sponsorship of the Solar Heating and Cooling Conference including an animated internet banner ad featuring the “WaterHeatedbytheSun.com” URL and the “GoSolarCalifornia” logo, and a black-and-white print ad for the Conference Program book. The URL and “GoSolarCalifornia” logo were also provided for placement on the conference bag to be distributed to all conference attendees. Finally, the CSI-Thermal Program Manager from PG&E appeared as a panelist for one of the conference information sessions.

### 5.3 Sunset Magazine Promotional “Breezhouse”

Materials were developed and provided during the quarter as part of the CSI-Thermal Program’s sponsorship of Sunset Magazine’s “Breezhouse” promotion including animated banner ads for the Sunset Magazine website, static banner ads for Sunset’s “Facebook” page sweepstakes, solar water heating signage for the on-site tours of the Breezhouse, and an “Ask the Experts” feature on Sunset’s website in which the four PA program managers answered some questions on solar water heating.

### 5.4 Pre-campaign Awareness Survey

One of the elements of the approved statewide market facilitation plan is to conduct pre-campaign awareness survey to provide baseline data of the level of awareness and understanding of solar water heating and the CSI-Thermal Program in the target markets for both residential and business customers on a statewide basis. The data will then be compared to a post-campaign survey to help

measure the effectiveness and reach of the statewide campaign. During the quarter, Fraser Communications oversaw the completion and compilation of the online responses to provide baseline data for pre-campaign levels of:

- Aided and unaided awareness of solar water heating
- Current attitudes and familiarity with solar water heating
- Consideration of installation of solar water heating
- Awareness of the CSI-Thermal program

### **5.5 Mandatory CSI-Thermal Workshops**

Contractors and self-installers are required to attend a designated, no-cost CSI-Thermal Program training workshop. The PAs conduct training courses in their respective service territories. The workshops are publicized on each PA website as well as the GoSolarCalifornia website. As part of the statewide effort, the PAs coordinated this activity and developed a one-day Contractor and Self-installer Workshop curriculum for the training workshop.

The CSI-Thermal Program training workshop is intended to familiarize Applicants (contractors and self-installers) with program rules and requirements. The workshop provides an overview of the CSI-Thermal Program Handbook, application process, program requirements, technical requirements, and additional related resources. Upon completion of this mandatory CSI-Thermal Program training workshop and meeting other requirements, Applicants receive a unique alphanumeric key that allows them to register on the web-based, online statewide application database and be eligible to apply for CSI-Thermal Program incentives in any PA territory.

Table 23 shows the number of workshops held in each service territory for Q2 2012 and the number of attendees. As of July 25, 2012, there were 411 licensed eligible solar contractors statewide. Approximately 22 additional contractor companies registered as participants in the program compared to the number reported in the previous CSI-Thermal Quarterly Progress Report.

**Table 23: Mandatory CSI-Thermal Workshops Held by Program Administrator**

	Q2 2012	
PA	Number of Workshops	Number of Attendees
CCSE	3	29
PG&E	3	55
SCE <sup>14</sup>	2	31
SCG <sup>14</sup>	1	15
<b>Total</b>	<b>9</b>	<b>130</b>

### **5.6 PA-Specific Marketing Efforts**

In addition to statewide marketing activities, each PA completed territory-specific or local marketing to address the needs of their customer base.

#### **5.6.1 California Center for Sustainable Energy**

##### **Training and Education**

CCSE continues to educate the next generation of SWH professionals and the broader community about SWH. In Q2 2012, 49 people participated in a total of five CSI-Thermal workshops. CCSE conducted two homeowner workshops, one contractor and self-installer workshop, and two specialized training courses for SWH installation. CCSE trained a total of 16 homeowners, 13 contractors, and 20 SWH training students on SWH technology and its benefits at these workshops.

A brief outline and synopsis of the workshops offered follows:

**Solar Water Heating Basics for Homeowners:** This educational workshop is for homeowners seeking to learn more about the benefits of SWH technology and economics.

- 2 workshops held during Q2
- 16 Attendees

**How to become a CSI-Thermal Eligible Contractor:** Attendance at this contractor and self-installer workshop is a prerequisite for becoming an eligible contractor under the CSI-Thermal Program.

- 1 workshop held during Q2

<sup>14</sup> Contractors and self-installers can attend classes offered by either SCE or SCG. SCE and SCG alternate locations each month to cover overlapping service territories.

- 13 Attendees

**Solar Water Heating Installation Training (4 day):** This workshop was a 4-day in-depth SWH training program.

**Solar Water Heating Installation Training (2 day):** This workshop was a 2-day SWH training program.

### Workshop Promotion

CCSE promoted its ongoing workshop offerings for both homeowners and contractors in the CCSE quarterly workshop calendar, Round Up Newsletter, CSI Newsletter, as well as CCSE's online calendar.

- Weekly Round Up – Approximately 11,000 recipients per weekly email
- Monthly CSI Newsletter – Approximately 10,500 subscribers per month
- CCSE Calendar – 5,729 unique page views during Q2

### Solar Water Heating Installation Training (2-day and 4-day sessions)

CCSE has partnered with National Solar Trainers to provide an in-depth solar water heating training program to fully prepare attendees to enter into this rapidly growing market. There were two different tracks offered and participants could choose between a 4-day or 2-day training series. In this training, participants discovered the skills needed to launch a SWH career as an installer, designer, sales and marketing professional or entrepreneur.

The training sessions covered all aspects of SWH from fundamentals to business practices to hands-on installation. The first two days of the series covered SWH technology fundamentals, sales, marketing, and business development. The final two days covered system design and also provided comprehensive hands-on SWH installation laboratory.

This training series catered to people who were new to the workforce, unemployed, or changing careers. The workshop also provided participants the basic skills and information needed to advance their career in the SWH industry.

### Public Relations & Media

June 29, 2012 – Program Manager, Jordan DiGiorgio, was interviewed on KYXY 96.5 to discuss the CSI-Thermal Program. Segment aired on the Sunday morning radio show *“Concerning San Diego”*.

### Events and Outreach

**May 16, 2012:** CSI Program Forum (San Diego, CA)

CCSE hosted the Q2 CSI Forum and presented and shared info on CSI-Thermal Program and the statewide M&O campaign launch.

**May 17, 2012:** American Solar Energy Society (ASES) Conference (Denver, CO)

CCSE was a represented panelist in a conference session discussing solar water heating programs nation-wide.

**May 22, 2012:** American Council for an Energy-Efficient Economy (ACEEE) Hot Water Forum (Berkeley, CA)

CCSE moderated a session comparing Solar Thermal marketplaces throughout the world.

**June 10, 2012:** Encinitas Environment Day (San Diego, CA)

CCSE attended the Encinitas Environment Day alongside CCSE's Residential Energy Roadshow – a mobile residential energy efficiency tour that features SWH technology. CSI-Thermal team members interacted with environmentally conscious community members at the fair and had collateral present to drive homeowners to CCSE's Solar Water Heating Basics for Homeowners Workshops.

**June 14, 2012:** Encinitas Environmental Commission Meeting (San Diego, CA)

CCSE presented to the Encinitas Environmental Commission to help facilitate understanding of SWH technology and the CSI-Thermal program. CCSE is now coordinating to present a SWH for Homeowners Workshop in North County San Diego.

#### [Interactive Outreach/ Web Development](#)

CCSE's website devotes several pages to CSI-Thermal Program-specific information at <http://www.energycenter.org/swh>. This landing page contains links to CSI-Thermal FAQs, as well as information on how to apply for an incentive, upcoming workshops, program documents, resources for installers, solar thermal vendors, webinars and latest news and legislation on SWH. This information is updated frequently to ensure information is accurate and up to date.

In addition to ongoing website maintenance, CCSE also began updating the CSI-Thermal webpage during June 2012, and a revitalized page is scheduled to go live in August 2012. Updates are focused on improved navigation and usability as well as some minor design overhauls intended to resonate more closely with the statewide campaign's messaging and theme.

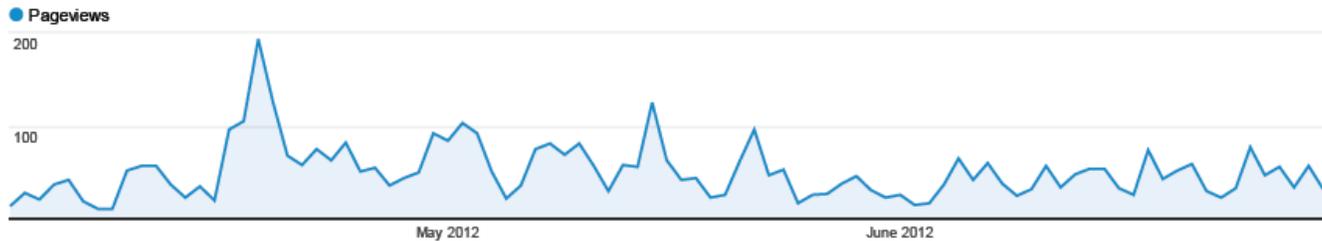
## Pages

Apr 1, 2012 - Jun 30, 2012

% of pageviews: 100.00%

Explorer

Site Usage



Pageviews	Unique Pageviews	Avg. Time on Page	Entrances	Bounce Rate	% Exit	Page Value
<b>4,622</b> % of Total: 2.02% (228,407)	<b>3,573</b> % of Total: 1.99% (179,194)	<b>00:01:35</b> Site Avg: 00:01:25 (11.49%)	<b>2,053</b> % of Total: 2.69% (76,450)	<b>58.50%</b> Site Avg: 52.56% (11.30%)	<b>41.35%</b> Site Avg: 33.47% (23.53%)	<b>\$0.01</b> % of Total: 20.17% (\$0.05)

This data was filtered with the following filter expression: solar water

Page Title	Pageviews	Unique Pageviews	Avg. Time on Page	Entrances	Bounce Rate	% Exit	Page Value
1. <a href="#">CSI-Thermal Program (Solar Water Heating)</a>	2,974	2,184	00:01:39	1,666	57.02%	44.45%	\$0.00
2. <a href="#">Solar Water Heating Basics for Homeowners</a>	410	340	00:01:08	165	66.06%	37.80%	\$0.02
3. <a href="#">Solar Water Heating FAQs</a>	348	287	00:02:38	23	52.17%	48.56%	\$0.00
4. <a href="#">Solar Water Heating Systems</a>	151	119	00:01:24	39	69.23%	36.42%	\$0.00
5. <a href="#">Solar Water Heating Installation Training (4 days)</a>	78	69	00:01:14	11	36.36%	24.36%	\$0.00
6. <a href="#">Solar Water Heating Installation Training (5 days)</a>	77	65	00:02:04	14	78.57%	31.17%	\$0.12
7. <a href="#">Solar Water Heating Installation Training (4 days) - Monday, Apr 23, 2012 8am - Thursday, Apr 26, 2012 4:59pm</a>	76	65	00:00:44	6	66.67%	23.68%	\$0.00
8. <a href="#">Solar Water Heating Installation Training (2-5 days)</a>	66	55	00:02:03	12	66.67%	34.85%	\$0.00
9. <a href="#">Solar Water Heating Installation Training (2-4 days)</a>	56	50	00:01:36	10	40.00%	25.00%	\$0.00
10. <a href="#">Solar Water Heating Installation Training (2 days)</a>	39	33	00:00:50	7	57.14%	23.08%	\$0.00

During Q2 2012, CCSE attracted 3,573 unique page views to its solar water heating pages – 696 more than in the previous quarter. More apparent is the rise in the amount of unique page views specifically of the CSI-Thermal landing page which increased from 935 unique visitors during Q1 to 2,184 unique visitors during Q2. This growth can be attributed in large part to the efforts of the statewide campaign which directs visitors to CCSE’s CSI-Thermal landing page.

### Program Promotion

CCSE has promoted the CSI-Thermal Program through additional marketing avenues in Q2 2012, including but not limited to:

- Developed commercial case study featuring the adoption of a SWH on a women’s dormitory at Point Loma Nazarene University. This case study is available on CCSE’s SWH web site and will be available as marketing collateral at relevant CSI-Thermal workshops in the future.
- Deployed new CSI-Thermal messaging and talking points for CCSE’s event leads that interact extensively with the local community at CCSE’s various events. Commenced production of new marketing premium item (“Soak up the Sun” Sponge) for distribution at local events.

## 5.6.2 Pacific Gas & Electric Company

### CSI-Thermal Workshop

As a core part of PG&E’s ongoing efforts, PG&E continues to offer monthly CSI-Thermal Program Workshops for contractors and self-installers. The workshops are vital in conveying program requirements and ultimately help ensure contractors are better prepared to submit CSI-Thermal Program paperwork. This workshop is required for anyone looking to become an eligible installer within the CSI-Thermal Program.

### Solar Water Heating Informational Courses

PG&E continues to offer customer education and outreach courses online and in person at our local training centers. Informational and introductory courses provide details on SWH technology, rebates and market information to individuals looking to get into the business or looking to have a system installed on their property. Many of the classes are offered on Saturdays and via the web to ensure optimal access and that attendees do not have to take time off from their jobs to attend.

PG&E conducted two different SWH courses in Q2 2012:

- **Solar Water Heating Basics:** This course provides an overview of SWH technologies to individuals looking to gain high level information.
- **Solar Water Heating: Advanced Commercial Systems:** This advanced class focuses on key aspects of large-scale SWH systems for commercial applications. It is recommended that students in this class have a strong basic knowledge of solar water heating SWH systems.

### Updated Web Pages Launch

In April 2012, PG&E launched updated web pages dedicated to SWH on the For My Home and For My Business pages of PGE.com. The new pages were designed to help customers learn about SWH, identify if it was right for them and help to educate them about rebates and how to find a contractor. As part of these page updates, a dedicated section to provide contractors with the

resources they need was also included. The new SWH section is intended to be very user friendly for customers seeking more information about SWH.

### Local Media Outreach – Extension of Statewide

In April and May 2012, PG&E expanded the reach of the statewide media campaign by airing the :30-second television commercial on local and cable television stations in the Sacramento media market. Additionally, the :60-second radio spots also aired in the Sacramento market in May and June 2012, helping to further broaden the marketing coverage in a key area for SWH adoption.

Also, much of the earned media garnered from the statewide outreach occurred in Sacramento, Roseville and Monterey (all PG&E Territory). PG&E worked to ensure additional promotion of the statewide Solar Water Heating efforts and media coverage by Tweeting and posting on Facebook about the events as well as writing up an article in the PG&E blog, The Next 100, in April 2012.

### Earth Day Outreach

PG&E was able to cross-promote SWH at several events that took place within our service territory in celebration of Earth Day 2012. During the weekends of April 14-15 and April 22-23, 2012, PG&E hosted events at Sears' locations throughout the service territory and on April 14, 2012 at the Orchard Home Supply location in Fresno. Each participating store had a PG&E display with employees available to discuss energy- and money-saving tips, programs and rebates, including SWH.

### PG&E Partners with San Francisco Department of the Environment

PG&E kicked off a multi-year partnership with San Francisco Department of the Environment during Q2 2012. The main objective of the endeavor will be to promote SWH to commercial and multi-family audiences in San Francisco. The activities will include a press conference, small business case studies, attendance at local events and promotion of PG&E SWH training. While planning and regulatory approval was completed in Q2 2012, the outreach plans will begin in Q3 2012.

### SMB Energy Advisor Newsletter

As part of the efforts targeted at our Small and Medium Business (SMB) customers, PG&E included a highlight on SWH in the June 2012 SMB Energy Advisor Newsletter. An excerpt was placed in the online newsletter sent to 55,000 SMB customers posing the question:

“Is hot water a drain on your profits? If your business uses lots of hot water, investing in a solar water heating system could help your bottom line while conserving energy and preserving the environment. Rebates are available now through the California Solar Initiative- Thermal Program.”

In addition, a link driving customers to: [www.pge.com/SolarSavings](http://www.pge.com/SolarSavings), enabling them to get more information on how SWH can benefit their business.

### San Jose State: Engaging Students and Businesses with Solar Water Heating Technology

This spring, a pilot program was implemented by graduate students at San Jose State University College of Engineering in cooperation with PG&E. Students helped to conduct feasibility audits for interested large business customers to determine the technical and economic viability of installing SWH systems for commercial facilities in the South Bay Area. This no-cost audit was designed to identify the potential for installing SWH systems for PG&E customers with large hot water needs. Three large business customers signed up for the audit and of those, one expressed interest in pursuing a more in-depth assessment to potentially install SWH at one of their facilities.

#### [Silicon Valley Leadership Group Energy Conference](#)

On June 8, 2012, PG&E participated in the Silicon Valley Leadership Group Energy Conference to promote many of our products and services to customers in Silicon Valley. As part of PG&E's larger presence, the SWH Fact Sheet was available to event attendees.

#### [Solar Water Heating Kit for Residential Customers](#)

On June 18, 2012, PG&E unveiled a new tool for residential customers who are considering installing SWH. The free Solar Water Heating Kit is available for download on pge.com and includes:

- Residential SWH Brochure – discusses technology and benefits of SWH for residential homeowners
- CSI-Thermal Rebate Brochure – outlines the specifics of the CSI-Thermal Rebates and steps customers should take to ensure they are eligible for the rebates
- Bid-Comparison Form – helps customers make informed decisions when it comes time to choose a contractor to help install their SWH system

#### [CBS 5-Minute Video Segment](#)

In late June 2012, a 5-minute video segment created by PG&E and CBS aired in the San Francisco and Sacramento markets. The piece used first-hand customer accounts and industry expert insights to educate viewers about SWH technology, its benefits and the rebates that are currently available to help offset the initial installation costs. Viewers were encouraged to visit PGE.com to learn more about SWH and to secure their free SWH Kit. The SWH kit will contain more detailed information on the technology, rebates and steps to find a qualified contractor.

### **5.6.3 Southern California Edison Company**

#### [Training and Education](#)

SCE continues to highlight the CSI-Thermal Program in current solar training offerings, including its CSI Homeowner Solar Class (HSC), Solar Connection Event, CSI Contractor Solar Class and CSI Commercial Solar Workshops. The residential-focused classes (HSC & Solar Connection Events) are non-technical, easy-to-understand, free sessions that educate customers about the CSI Program, available rebates and how to "go solar."

The Solar Connection Event is a 50-minute presentation followed by an opportunity to meet with solar contractors to help determine a customer's home's solar potential. The CSI-Thermal Program is marketed in these classes to provide exposure to two key audiences: homeowners and solar contractors.

In Q2 2012, SCE held four Homeowner Solar Classes and nine Solar Connection Events, drawing nearly 400 customers to locations that included Malibu, Rancho Cucamonga, Culver City, Tulare, Barstow, Bishop, Irvine, Lancaster and Santa Clarita, to name a few.

The monthly CSI-Thermal Program Contractor and Self-Installer Training is a consistent offering for SCE. Since SCE and SCG have overlapping territories, training is offered at alternating venues each month. The date and location of the trainings are cross-promoted within each PA's website. For this reporting period, SCE held two classes at SCE's Energy Education Center.

### Bundled Outreach

SCE participated in appropriate conferences, tradeshow and community-based events as a means to publicize the CSI Thermal Program and provide continued program exposure. Program information and fact sheets were distributed at the following events:

- Earth Day Santa Barbara, April 21-22, 2012
- Los Angeles Times Festival of Books, April 21-22, 2012
- Asian Pacific American Heritage Celebration, May 4, 2012
- Culver City Expo, June 27, 2012

### Local Market Facilitation Plan

SCE spent a significant amount of time in Q2 2012 on launching the statewide marketing campaign. In addition, SCE has taken many of the statewide materials and posted them on its website, including the TV commercial and brochures. Furthermore, the TV commercial has been posted on media screens across SCE's Energy Centers and other workplace facilities.

SCE has signed on for a Green Partnership with Southern California Golf Association (SCGA), partnering in the SCGA's first-ever electronic, green issue of "FORE" magazine, with exposure to the organization's 160,000+ membership across Southern California with prime readership metrics. Furthermore, exposure to the CSI-Thermal Program is enhanced by the posting of the TV commercial on SCGA's Website along with other ads and related promotional opportunities, including a dedicated e-Blast, monthly email, website content including banner ads and solar factoids, SCGA.org's splash page and a direct mail postcard.

SCE has reviewed its list of 440,000+ all-electric customers to determine customer class (i.e. residential, multi-family, commercial, etc.) for opportunities for direct outreach as well as creating case studies of customers that have already installed SWH systems in SCE territory.

Furthermore, SCE has just begun working with Fraser Communications on its local outreach efforts and looks forward to many exciting tactics in the coming quarters.

### SCE Website

SCE promotes the CSI-Thermal Program through SCE.com website, which contains current information including program changes and upcoming Contractor and Self-Installer trainings offered by SCE and SCG. To access the latest information about the program, please visit [www.sce.com/csithermal](http://www.sce.com/csithermal).

Following the April 16, 2012 launch of the WaterHeatedByTheSun.com campaign, SCE saw a significant jump in visitors to the CSI-Thermal web-page on SCE.com, with the average number of visitors increasing by 45 per day; there was a related increase in visitors to SCE's main CSI Web page as well.

SCE.com is currently undergoing a redesign that will result in a more streamlined website, as well as separate channels for residential and commercial customers seeking information on the CSI-Thermal Program.

#### 5.6.4 Southern California Gas Company

In an effort to increase adoption of SWH systems and increase the number of trained installers, SCG continued its collaboration with SCE and Alternative Energy Systems Consulting (AESC) to provide mandatory contractor and self-installer training courses. To ensure overlapping SCG and SCE service territories were covered by both utilities, training courses alternated every other month between SCE and SCG training facilities. SCG's course was offered at its Energy Resource Center in Downey, California. SCG hosted one workshop with 15 attendees during Q2.

#### Trade Shows and Events

The CSI-Thermal Program had a presence at the following shows and events in which SCG participated as an Exhibitor. The Solar Water Heating Fact Sheet and promotional items were distributed at each event:

- KEARTH Radio Earth Day Celebration event at the Los Angeles Zoo on April 21, and April 22, 2012.
- Community Environmental Council's Santa Barbara Earth Day Festival on April 21, and April 22, 2012.
- University of Southern California Green Symposium Energy 2012 Event in Los Angeles on April 24, 2012
- Wells Fargo Earth Day Event in Los Angeles on April 25, 2012
- Municipal Green Building Conference & Expo sponsored by the Los Angeles and Orange County chapters of the U.S. Green Building Council at SCG's Energy Resource Center in Downey on April 26, 2012
- Metropolitan Water District's Spring Green Expo Event at Union Station in downtown Los Angeles on May 3, 2012
- TreePeople Green City Fair at Coldwater Canyon Park in Los Angeles on May 5, 2012
- Southern California Facilities Expo at the Anaheim Convention Center in Orange County on May 16 and 17, 2012

- Apartment Owners Association of California’s “Apartment Owners Million Dollar Trade Show and Landlording Conference” at the Long Beach Convention Center on May 17, 2012
- Orange County Green Fair in Tustin on May 17, 2012
- California Contract Cities Association’s Annual Municipal Seminar Event in Indian Wells/Palm Desert on May 18, 2012
- Parsons Engineering Company Green Day Event in Pasadena on May 23, 2012
- Strawberry Festival in Garden Grove from May 25 to May 28, 2012
- U.S. Green Building Council - Orange County Chapter Event in Irvine on May 31, 2012
- Hawthorne Resource Fair in Hawthorne on June 2, 2012
- Home Depot/Ramsey Shilling Associates Home Expo in Toluca Lake on June 11, 2012
- Home and Garden Show at the Ontario Convention Center on June 15, 2012
- CBS Sustainability Event in Studio City on June 21, 2012
- LINC Housing City Project at City Garden Apartments in Santa Ana on June 27, 2012
- U.S. Green Building Council – Orange County Chapter Event in Tustin on June 28, 2012

### Workshops

Three Informational workshops were presented during the quarter:

- Solar Water Heating Basics for Single-family Residences in Calabasas, California, on May 23, 2012
- Solar Water Heating Basics for Single-family Residences in Camarillo, California, on June 12, 2012
- Solar Water Heating Basics for Multi-family Dwellings at the SCG Energy Resource Center in Downey, California, on June 28, 2012

### External Communications

An announcement about the launch of the campaign that reflected the “Meet the Next Step in Your Green Routine” campaign theme was included on the onsert of the May SCG bill. Press releases were prepared and disseminated in support of the workshops.

SCG local funds were utilized to expand the distribution of the statewide TV commercial and the two radio ads beyond the Los Angeles market to the Bakersfield, Palm Springs, and Santa Barbara markets to ensure campaign launch coverage throughout the service territory.

### Internal Development

CSI- Thermal participated in in-service training sessions for SCG public affairs, community relations, account executives, program advisors, and event staff on April 23, 2012 to help raise awareness of SWH and understanding of the rebate program among company representatives.

CSI-Thermal also participated in in-service training sessions for event specialists, public affairs managers, and program managers on April 25, 2012.

### Website Development

SCG updated the content on its dedicated CSI-Thermal Program page: <http://www.socalgas.com/solar>, during the quarter to align with the “Meet the Next Step in Your Green Routine” theme of the Statewide Marketing Campaign. An online sign-up form was implemented for the workshops to allow customers to register for them in advance.

### Customer Contact Center

SCG continued to provide fact sheets and information updates to its Customer Contact Center, 1-800-GAS-2000, in an effort to answer and address SWH questions and program inquiries. Interested participants are also provided information and links to the SCG CSI-Thermal Program webpage in an effort to direct and address the callers’ questions. SCG continues to actively monitor its [swh@socalgas.com](mailto:swh@socalgas.com) email account for SWH inquiries.

## **6. Legislative and Regulatory Update**

Since publishing the last quarterly progress report, Assembly Bill (AB) 2449 (Buchanan), which proposes to expand the CSI-Thermal Program to include non-residential pools has been reviewed and is progressing through the California Legislature. Should this bill pass and not be vetoed by the Governor, it will subsequently make its way to the CPUC for implementation.

Additionally, during Q2 2012, the CPUC constructed a Proposed Decision in response to CALSEIA’s Petition to Modify Decision 10-01-022 to increase the CSI-Thermal Program incentives. A final Decision, D.12-08-008, was approved by the Commission on August 2, 2012, modifying the incentive structure for the single-family and multi-family/commercial mainstream programs, and an advice letter to propose changes to the CSI-Thermal Program Handbook to implement the Decision will be filed by the PAs within 30 days of the effective date of the Decision. The low-income program is not be affected by the approval of the Decision.

## **7. Conclusions**

With the launch of the statewide marketing campaign and the recent Decision to increase incentives, the PAs are optimistic that there will be a significant increase in program participation for the remainder of 2012.

The PAs are also looking forward to the potential for allowing other solar thermal end-uses to participate in the program in the near future. These program improvements will aid in the adoption of solar thermal technologies in California and help to create a self-sustaining solar thermal industry for years to come.