

# **Evaluation of Southern California Edison's PY2002 Local Government Initiative Program**

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## **Executive Summary**

### ***Introduction***

The Local Government Initiatives is an energy efficiency effort of Southern California Edison (SCE). Within Local Government Initiatives (LGI), three distinct programs are promoted:

- The Community Energy Efficiency Program (CEEP),
- Express Efficiency and
- Checkpoint.

This evaluation examined responses to the LGI effort, gathering feedback both on current program offerings as well as soliciting input for future directions SCE might pursue. The approach used in this research consisted primarily of gathering data from officials of target jurisdictions, supplemented with information from program staff, program advisors, local builders, and local small businesses.

The research included:

- In-depth interviews with program implementation staff,
- in-depth interviews with nine selected participating jurisdictions,
- A short survey administered by either mail or phone to twenty-one other jurisdictions in the SCE service territory.
- In-depth interviews with two non-participant jurisdictions,
- Two days of ride-alongs with program staff and program advisor visiting jurisdictions,
- Interviews with 4 program advisors.
- Interviews with 10 local builders, and
- Interviews with 10 small business owners.

Topics addressed in the research included experiences with the program operations and market response, satisfaction levels and drivers of satisfaction, program-specific recommendations, and general recommendations for collaboration between SCE and the jurisdictions on energy efficiency activities.

### ***Findings***

The CEEP program provides valuable outreach and support to local jurisdictions. Most importantly, CEEP fills a void in the SCE energy efficiency portfolio by building a relationship between builders and the local zoning offices. It is through these offices that builders must go to have projects approved, and the local officers have enormous influence over what measures are included in buildings.. CEEP uses that relationship to inform builders of energy efficiency options and to encourage builders to build above code. In most participating communities, builders who comply with CEEP requirements, generally 15% above the state energy code, receive expedited plan review, a very valuable reward for builders, as well as other benefits valued by builders.

The consultant, George Burmeister, gives excellent service in support of CEEP. He is a good salesman of the program to potential communities, and a conscientious provider of materials, information, and technical support to those communities already enrolled. The 2002 program goals called for Mr. Burmeister to continue to enroll more communities into CEEP. Because most of the communities most active in residential construction are already enrolled, the communities still available to enroll have little new construction activity. We think it is important that 2004 plans for CEEP cut back the effort to enroll new communities in favor supporting those communities already enrolled.

CEEP is viewed favorably as addressing a worthwhile purpose, providing a program consistent with the direction toward green building practices, operating smoothly and without creating burdens for jurisdiction staff, pushing the market toward superior construction plan preparation, and providing a voluntary vehicle for builder compliance. ConSol's role in the program was praised, with their representative being credited with being very knowledgeable and effective. There was some feedback suggesting that the component of offering recognition awards to builders should be expanded.

The degree of involvement among participating jurisdictions varies widely from city to city. According to our survey, a small proportion of jurisdictions are taking an active role in program marketing, a significant proportion are in a passive mode of waiting for something to happen, and a proportion of jurisdictions listed as participants in program records do not consider themselves to be participating in the program.

Factors contributing to the variance in jurisdictional interest in SCE efficiency programs include the lack of critical energy situations in the state in recent months, the emergence of other building inspection and construction issues, and the relative degree of top-down pressure placed on green building generally and energy efficiency specifically.

Participation activity on the part of residential builders and developers has varied widely from one jurisdiction to another. Quite a high percentage of participating jurisdictions reported no builder participation in their area. This is the primary negative feedback on CEEP and the issue most commonly identified as the program feature in need of improvement. It is noteworthy that most participating jurisdictions are not taking an active role in promoting CEEP themselves and have no apparent intention of taking a proactive role in program promotion. A couple indicated an interest in joint SCE-jurisdiction outreach to builders and developers to boost builder interest in the program.

In contrast to the broad awareness of CEEP, there is virtually no awareness and even less documented activity in the two new initiatives added to the Local Government Initiatives Program in 2002. Awareness is far too low for the Express Efficiency and Checkpoint Programs. Very low awareness levels were

found among eligible commercial builders and business operators; more importantly, the awareness among jurisdiction personnel was also very low. Only two Checkpoint rebates were paid in 2002.<sup>1</sup> Lack of program awareness and activity are the primary shortcomings seen for Express Efficiency and Checkpoint. Virtually no promotional support exists for these programs and as a result there is little awareness of them. Some brochure distribution is occurring, but it is doubtful that any other support has been provided to date. None of the distributed brochures were on display at the two active jurisdictions visited as part of this evaluation.

Needless to say, this is the principal barrier to program activity at this point in time. It is important to note that our research uncovered interest in Checkpoint among builders and selected jurisdictions; we also found interest in Express Efficiency among some jurisdiction personnel, usually in the Economic Development departments. This suggests a reasonable degree of market willingness to utilize the programs, if not impeded by the lack of awareness of the programs and how they operate.

It is also recognized that these local zoning offices are an excellent contact point for marketing energy efficiency to builders, developers, architects, and engineers. All of these persons must visit these offices on a regular basis. It is here that builders and local officials discuss emerging issues and technologies. As CEEP has successfully demonstrated, influencing builders takes a long-term commitment of promotion, technical support, and reward. Local code officials are unlikely to change builders' plans when they come into get final zoning approval, but they may be able to suggest ideas for the next project that a builder may consider. If SCE desires, they could use these offices to promote their programs, however, it will take a more concerted effort than just dropping off program brochures to be successful.

SCE training, either in relation to CEEP or otherwise, is highly regarded. Jurisdiction officials would seriously consider sending their staff to additional technical workshops. There is mixed interest in further CEEP-related training, dependent to some degree upon the amount of turnover in their staff. Some jurisdictions mentioned a need for technical assistance with respect to commercial sector efficiency options; possibly training on this subject would be of use to local government officials.

With respect to developing new programs or forging new cooperative relationships with jurisdiction officials, significant but spotty opportunities exist. The level of interest in energy efficiency programs varies widely from one city to another. Many jurisdictions are mildly supportive of efficiency programs,

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<sup>1</sup> Because Express Efficiency applications do not come through the LGI pipeline, there is no way to determine if any of the Express Efficiency applications were the result of LGI activity. Our assessment of the interviews and survey suggests that few if any applications were stimulated by the LGI program,

supporting the concept of rebates and distributing information. Some jurisdictions really do not have much enthusiasm for efficiency programs, either being swamped with existing workloads or facing other, more compelling concerns on a day-to-day basis.

A minority of cities would champion new initiatives and would gladly work in partnership with SCE on selected projects of relevance to their jurisdictions. The focus of these projects varies on a case by case basis. The most widespread area of interest we found was in new programs to promote photovoltaics. Increased efforts on the commercial sector were also of substantially widespread interest. Feedback from this evaluation also suggests that the technical resources and expertise of SCE could be of very significant value to jurisdictions in advancing energy efficient practices locally.

There would be receptivity to more local education of jurisdiction staff regarding existing programs. A number of officials indicated that they would welcome this if (possibly only if) the information was brought to them in the form of a relatively short, on-site presentation.

Depending upon their focus, new programs need to be targeted to different departments within jurisdiction offices. Planning Departments are the key points of contact for initiatives addressing new construction at the initial plan stage. Economic Development or Community Development departments would be the primary points of contact for programs addressing existing commercial buildings. These departments may also be interested in any commercial sector programs suitable for Planning Department targeting.

## ***Summary and Recommendations***

### **Major Recommendations**

This research found areas of opportunity for the LGI program which merit further effort. Collaboration with local government officials is a useful adjunct to the direct utility to consumer approach used in most programs, leveraging the influence of some useful partners who share some similar efficiency goals. The information we collected suggests that much greater success is possible for the LGI program, but that some important modifications will need to be instituted.

Two primary considerations need to be addressed as LGI goes forward. These have to do with effective program marketing and interaction with the participating jurisdictions. We first provide a brief discussion of these overarching concerns, which we believe are most important to improving program performance. The remainder of this section then provides more varied and finely detailed recommendations for the program which SCE may want to consider, depending upon the direction that the company wants to pursue with LGI.

**Decide the Role that LGI Should Play in SCE's Energy Efficiency Portfolio.**

SCE first needs to address the issue of how much participation they want in these programs. Determining this must be a first priority which will then guide decisions about how much marketing should be funded, should recruiting of new jurisdictions continue, and should other programs be brought into the portfolio.

The underlying dilemma facing LGI is that the CEEP and CheckPoint programs conflict in some ways with SCE's main programs in residential and non-residential new construction. Enhancing LGI directly or indirectly affects the performance of the new construction programs. CheckPoint is intended to attract builders who have not taken the opportunity to participate in Savings By Design (SBD), a more rigorous and more highly incentivized program. There is some fear expressed by SCE that if CheckPoint were to become too successful, then builders would abandon SBD for the much easier CheckPoint requirements. Funds for CheckPoint incentives are drawn from the SBD allocation which currently is insufficient to fund all potential projects.

While CEEP does not directly draw funds away from the EnergyStar New Homes Program, they do compete for recognition among builders and potential home buyers. We as reviewers were quite confused by the various program standards, and who sponsors which program.

Because SCE reaches its quotas for their main programs, there is little incentive or need to increase alternative marketing approaches. This confines LGI to its current, tangential and underutilized role in the SCE portfolio. Yet, the LGI program has demonstrated that it can be an effective means to encourage energy efficiency and promote stronger communities within its service territory. If SCE should need or want to expand its energy efficiency delivery in the future, having this force of community partners will be invaluable. Accordingly, we see two alternatives for LGI in the near future.

- LGI can exist as it is in general support of the CEEP initiative. Under this approach, LGI would continue to support the CEEP jurisdictions, though SCE may choose not to provide the marketing desired by most parties associated with the program. SCE could continue to offer promotional materials for Express Efficiency and CheckPoint, however, SCE should not expect any greater level of interest unless greater attention and support is given.
- SCE can enhance LGI so that it meets the expectations of many of the current participants and achieves its true potential in partnering with local jurisdictions to delivery energy efficiency. This approach uses many of the recommendation that are described in the rest of this section.

### **CEEP Needs to Focus on Increasing Builder Activity in Existing Jurisdictions**

Rather than spending time on recruiting more communities with ever smaller amounts of new construction activity, Mr. Burmeister should concentrate more of his attention on support of existing communities. It is clear from our survey, that lack of attention or staff turnover have resulted in little or no active involvement in CEEP in some participating communities. Program success should be measured not by the number of communities, but by the number of active builders—ones who built a CEEP home in the year, and the number of CEEP homes built. SCE should collect these data from each participant community and use these values to measure program achievement.

Building informed building officials is also a worthy objective, and CEEP should be encouraged to continue to provide training and technical support to the communities. The number and types of these services should be recorded and also used to set goals.

### **LGI's Future Success Requires Increased Promotional Activities**

The factor most closely tied to jurisdiction satisfaction with LGI programs, and perceptions that the programs are successful, is participation activity. Respondents most frequently faulted LGI for not being more helpful in attracting builders (for CEEP), and/or not creating an awareness of their programs among eligible customers. SCE provides little promotion of any LGI program outside of the direct contact between LGI representatives and the jurisdictions themselves. ConSol does provide some promotion of CEEP to builders. It was hoped that the jurisdictions and their code officials would actively promote the LGI programs to their constituent builders and developers. While there is evidence of this happening in a few jurisdictions, it is not generally the rule, and appears not to happen at all with the new CheckPoint option. Our interviews and survey indicate a strong desire by the jurisdictions for greater promotion of these programs by SCE to builders, developers, and the public. SCE has heard this request repeatedly from many of its jurisdictions, however, when SCE offers to increase on-site collateral materials we are frequently told that “there isn't enough room on the counter, etc.” Our recommendation is to keep trying new ways to make the program visible. The kiosks being made for this purpose are an excellent example.

### **LGI Should Use Existing SCE Programs When Possible**

One of our long-term recommendations for LGI is to move away from the need to create new stand alone products for this program and instead to use the SCE/jurisdiction connection as a conduit for existing SCE programs. We see no reason why the jurisdictions cannot right now be effective partners in both the EnergyStar Home and SBD programs.

If Express Efficiency (EE) were to be sufficiently supported, it could become an excellent example of the use of existing programs under the LGI banner. Local code officials have the opportunity to guide potential non-residential firms towards measures that qualify for EE. For this relationship to be effective it will require more than just displaying EE pamphlets at code offices.

Sometime in the near future, serious thought should be given to realigning the CEEP and EnergyStar labels. CEEP was designed to encourage the builder to exceed existing energy code while Energy Star markets to the consumer, so structurally it may be difficult to merge them. However, there is only a minor difference in the actual energy-saving requirements of the two programs. For CEEP to have real meaning it may want to position itself further away from Energy Star.

CheckPoint offers an interesting policy study. If properly promoted, CheckPoint could attract a lot of interest. By careful pricing of the incentives so that SBD gives builders much larger returns, we think it is possible to position CheckPoint so that it does not bleed potential participants from SBD, but still captures the broadly untapped market of small builders who might be convinced to make marginal changes in equipment purchases at permitting. Naturally, such a program will need more than the placement of pamphlets at the code official offices.

### **LGI Needs to Strengthen its Ties to Jurisdiction Officials**

Another recommendation for LGI is a focus on developing close relationships between SCE and the jurisdiction officials. The needs and interests of jurisdictions are heterogeneous, suggesting that more tailored approaches to the jurisdiction officials are warranted when promoting the LGI portfolio of programs and services. We suggest that the type of customer service support provided by utilities to their major accounts provides a model for the type of outreach that the LGI program should provide to target jurisdictions. Interaction with the jurisdictions should not only be used to convey information about existing SCE programs from SCE to the jurisdiction, but should also be used as an opportunity to have the jurisdictions speak to what energy efficiency issues are of interest to them and how they would like to work with SCE on these issues. This type of one-to-one support will enable SCE to better capture opportunities for effective partnerships with interested jurisdictions. We found some local officials had a strong interest in working closely with SCE in new program ventures. By developing a strong outreach effort to the jurisdictions, SCE will be able to identify these opportunities in a timely fashion and forge stronger alliances with those local partners most interested in collaboration on efficiency initiatives.

The perception among the advisors was that the utilities definitely have an important role to play in interfacing with local governments to support more energy efficient practices in the marketplace. “The utilities have an amazing

array of technical resources and some funding which could benefit local governments.” There was a belief that there are opportunities to collaborate more fully with local governments and that SCE should try to interest the jurisdictions in expanded collaboration.

One way that LGI nurtures this relationship is through the training it provides jurisdictions. Our study found a general positive appreciation of both the basic training sessions and the on-site support provided by LGI. We recommend that this training continue because staff turnover, program requirement changes, and the complicated nature of some of the programs necessitate repeated sessions.

The remainder of the recommendations discussed here are specific to the existing programs, market sectors, or possible new program concepts.

### **Other Recommendations**

**Recommendations for CEEP.** Overall, the CEEP is viewed positively and is seen by many as requiring little modification. Furthermore it is viewed as a useful model for how to design future energy efficiency programs.

There is a perceived need for more program marketing and more recruitment of builders. This could take the form of joint SCE-jurisdiction outreach through local meetings and mailings, SCE-only outreach, or a combination of the two approaches, depending on the level of interest at the jurisdiction level.

**Recommendations for New Residential Programs.** Develop programs which target emerging technologies, such as photovoltaics, specifically integrated PV shingles. Photovoltaics was mentioned far more frequently than any other technology as a candidate for consideration for future promotions. The market (at the jurisdiction level at least) seems to be ready to embrace a new SCE program for this technology.

Cooperative efforts with jurisdiction in development of more efficiency-oriented ordinances were also proposed by some of those interviewed in this research. One possible approach to ordinance design is to require new homes exceeding a certain size threshold to perform at the “energy footprint” of a smaller home. Other ordinance concepts proposed by the respondents focused on mandates for specific technologies, such as cool roofs in commercial construction. Even if SCE is hesitant to boldly pursue ordinance development as one of its own endeavors, it should be recognized that there is a small niche in the jurisdiction population that would welcome technical assistance as they themselves pursue efficiency ordinance improvements. BII also would not support any mandatory ordinance at the local level. According to them, it is against State law to have local ordinances that exceed the California Energy Code without that local jurisdiction having the appropriate cost effectiveness analysis approved by the California Energy Commission and a Finding of Fact by the State Buildings Standards Commission.

One means by which SCE might help interest more builders in more efficient housing is by addressing the concerns over indoor air quality and the inability to find insurers willing to provide risk management in this arena.

**Recommendations for Checkpoint and Express Efficiency.** The interviews with local government officials demonstrated that the strategy of targeting districts with high residential rates of growth worked well for CEEP, but less well for the commercial programs. There is extremely low awareness of Checkpoint and Express Efficiency among both jurisdictions and eligible businesses and builders. Future efforts at recruiting jurisdictions for the commercial sector programs should be targeted to jurisdictions showing high rates of commercial new construction or remodeling activity. Marketing of the CheckPoint program to commercial builders should focus on increased involvement of local code officials responsible for commercial construction permitting. This recruitment of local officials will likely require on-site meetings even in jurisdictions now participating in CEEP as there frequently is different staff responsible for each sector. SCE should also develop contacts in the local Economic Development Departments for recruiting jurisdictions into participating in commercial sector programs.

On a practical matter, the current process for the distribution of materials to the jurisdictions is not working. To be effective, information needs to be attractively displayed in a means that fits the unique space requirements of each jurisdiction. The materials must be consistently restocked and current. It will not do SCE's image to post information on old or oversubscribed programs. What is most needed by the communities is a simple chart or brochure briefly describing each program, how to apply, and where to get more information. Several of the communities we spoke to were willing to place a small kiosk display in their office on a trial basis.

**Recommendations for New Commercial Programs.** Other recommendations to strengthen the non-residential programs include:

- **Coordination and outreach on the commercial sector programs should be targeted to other departments.** Frequently it is the Department of Community Development or Economic Development which is the best point of contact for this outreach. There appeared to be some real interest in this prospect in selected districts.
- **Partner with jurisdictions in developing programs** There is a desire among some jurisdictions for assistance in identifying efficiency measures worth targeting in new municipal initiatives.
- **Coordinate outreach to commercial builders and developers** This recommendation is analogous to the one offered for residential programs: have Edison provide program information to local builders at meetings sponsored by the jurisdictions

- **Education of property managers and leasing agents** Specific sectors mentioned included shopping center managers, other retail operations, and real estate industry professionals.
- **Work with jurisdictions to upgrade municipal facilities** More improvements could be made to the jurisdictions' own facilities with respect to energy efficiency, particularly those associated with pools and large HVAC systems. Outreach for this type of initiative should be directed to the Public Works Department.

### ***Program Changes for 2004***

Ongoing discussions between the evaluation team and program staff and consultants have led to some significant changes in the manner in which the 2004 program will be operated. Many of these changes respond to specific recommendations provided above. We provide a concise summary of these changes in this section.

### **The Need to Increase Program Awareness**

In 2003, SCE has made huge leaps in increasing awareness opportunities and outreach support for participating jurisdictions. SCE's website is being updated to relocate the LGI information page to a more accessible location. Additionally, SCE has made available a banner weblink back to SCE's energy efficiency webpage. In 2003, SCE created a two page (front and back) fact sheet that highlights six energy efficiency programs available to both residential, nonresidential retrofit, as well as residential and small nonresidential new construction. SCE has also created information kiosks for the jurisdictions. The kiosk stands roughly six feet tall and has subtle graphics covering various customer segments. The kiosks, which come in two shapes, have several 8 \_ by 11 brochure holders and are branded with SCE's logo as well as the jurisdictions' logos.

SCE will begin a six month advertising run in Southern California Builder magazine where CEEP will be the focus along with the 60 plus jurisdictions being highlighted. The intent of the advertisements is to encourage builders to participate in the CEEP program. Midway through the ad run we may switch from highlighting the jurisdictions to highlighting those builders actively participating.

SCE is currently in preliminary discussions regarding the possibility of teaming with their own Planning department to offer additional outreach and support to those builders meeting CEEP requirements.

### **Building Interest and Outreach for the Commercial Programs**

SCE is aware of the need for increased awareness of both Express Efficiency and CheckPoint. SCE is working with the city of Corona on a potential direct mail marketing opportunity by accessing permit request data and sending program

information directly to those customers. Additionally, SCE plans to devote one FTE to this program in 2004.

In 2003 SCE, along with BII, has made a concerted effort to actively promote the CheckPoint program. This has been done through various means including monthly fax updates “featuring” CheckPoint. Additionally, SCE is working with the city of Corona evaluating permit activity for the possibility of doing a direct mail solicitation. SCE is working on a possibility of direct mail marketing of CheckPoint, Express Efficiency, and the Multifamily Rebate Program.

## **Section 1: Background and Approach**

### **1.1 Overview**

The Local Government Initiatives is an energy efficiency effort of Southern California Edison (SCE). Within Local Government Initiatives (LGI), three distinct programs are promoted:

- The Community Energy Efficiency Program (CEEP),
- Express Efficiency and
- Checkpoint.

The CEEP program, initially launched by the Building Industry Institute, is targeted at residential new construction. The LGI effort has built upon the foundation established by the CEEP program, which developed a relationship with local jurisdictions, by broadening the array of efficiency programs directed to jurisdiction officials by including the two commercial sector programs.

The SCE's effort in the Local Government Initiatives Program consists of support to the local jurisdictions in the form of training, and implementation support. The Program Manager, Michelle Thomas, supervises this program in addition to SCE's Residential New Construction Program. She is assisted by Elisa Clifford, New Construction Technical Specialist, who provides general assistance to the Program Manager, for both LGI and the Residential New Construction Programs, and provides the field presence for SCE to the participating jurisdictions. SCE also contracts with George Burmeister of Colorado Energy Group, Inc to support the jurisdictions in the field.

### **1.2 The Community Energy Efficiency Program**

The Community Energy Efficiency Program (CEEP) is a voluntary program designed to encourage energy efficiency in the residential new construction market. Established in 1999, CEEP was designed to have local governments promote energy efficiency within residential new construction projects by providing certain benefits and incentives to builders at the point-of-permit in return for meeting specific CEEP standards. The principal benefit comes in the form of an expedited plan approval and recognition of the home as energy efficient. Some jurisdictions offer small incentives, expedited inspections, and other benefits.

A CEEP standard home is built to exceed the Title 24 minimum standards by at least 15 percent. One component of CEEP that differentiates it from EnergyStar is that CEEP requires tight ducts.

CEEP was developed and managed by The Building Industry Institute (BII). Rob Hammon, Research Director of BII and Principal of ConSol, manages the program and concentrates on attracting builders into the program, and providing the certification inspections. George Burmeister of The Colorado Energy Group,

Inc. is responsible for enrolling, training, and supporting the participating local jurisdictions. SCE's contribution to this program all goes to support the local community side.

Builders pay for additional services to participate in CEEP. Builders pay around \$440 per home for ComfortWise compliance, mechanical design, inspection and marketing services. By participating in ComfortWise, builders also qualify for CEEP. Technically builders could qualify for CEEP using another inspection/certification provider other than ConSol, but to date no one has taken this approach. The program is really designed to appeal to large volume builders. The \$440 per unit fee is based on a volume of homes being inspected. The cost for CEEP certification of an individual home would be closer to \$2000.

An Advisory Council consisting of representatives from environmental agencies, local government officials, and building industry groups advises BII on the CEEP Program. Advisory Council members have included representatives of the following organizations: the California Energy Commission, Natural Resources Defense Council, California Integrated Waste Management Board, Local Government Commission of California, California Local Building Officials (CALBO), as well as state and local offices of the Building Industry Association.

### **1.3 The Express Efficiency and CheckPoint Programs**

In an effort to expand the role of the local jurisdictions in promoting energy efficiency, SCE added the CheckPoint program and promotion of the ExpressEfficiency (EE) program to the LGI portfolio. EE is a well-established statewide program that offers rebates for energy efficiency in existing non-residential structures. LGI is promoting EE by providing and stocking promotional materials at each jurisdiction.

The CheckPoint program is a new effort designed specifically to be promoted through LGI that targets commercial new construction. SCE already offers Savings By Design (SBD), a statewide program to promote energy efficiency in non-residential new construction. SBD is a holistic design approach that requires that developers' participation at the earliest stages of development. CheckPoint is designed to give a second opportunity for energy efficiency for those developers not able or willing to participate in SBD. CheckPoint allows developers to apply for rebates on a small number of qualifying measures, at the time of final code approval. The program provides cash incentives to upgrade HVAC systems (e.g., install variable-frequency drives (VFDs) for fans and cooling tower pumps, carbon dioxide demand ventilation controls, high efficiency packaged units, carbon monoxide garage ventilation controls, premium efficiency motors) and lighting equipment (e.g., metal halide fixtures, occupancy sensors, LED exit signs, skylighting controls).

Local governments were given marketing materials in order to promote CheckPoint at the point of permit.

## **1.4 Research Objectives and Approach**

This evaluation examined responses to the LGI effort, gathering feedback both on current program offerings as well as soliciting input for future directions SCE might pursue. The approach used in this research consisted primarily of gathering data from officials of target jurisdictions, supplemented with information from program staff, program advisors, local builders, and local small businesses. The research included:

- In-depth interviews with program implementation staff,
- in-depth interviews with nine selected participating jurisdictions,
- A short survey administered by either mail or phone to twenty-one other jurisdictions in the SCE service territory.
- In-depth interviews with two non-participant jurisdictions,
- Two days of ride-alongs with program staff and program advisor visiting jurisdictions,
- Interviews with 4 program advisors.
- Interviews with 10 local builders, and
- Interviews with 10 small business owners.

Topics addressed in the research included experiences with the program operations and market response, satisfaction levels and drivers of satisfaction, program-specific recommendations, and general recommendations for collaboration between SCE and the jurisdictions on energy efficiency activities. Copies of all research instruments appear in the appendices of this report.

### **1.4.1 In-depth Interviews with Participants Jurisdictions**

The in-depth interviews were conducted with jurisdictions participating in one or more of the LGI program components. (Jurisdictions reporting no participation in any LGI program were screened out of these interviews, but were included in other tasks). These jurisdictions were asked about their experiences with the three programs, their views of program strengths and weaknesses, recommendations for future program implementation as well as suggestions for new ways in which SCE might partner with them on energy efficiency endeavors. The intent of this research task was to interview two or more contacts at each jurisdiction as appropriate and feasible, to gather detailed information from decision makers in one or more departments on current programs and future program directions. In some cases, we were unable to complete interviews with more than one person in a particular jurisdiction; none-the-less, these interviews still captured information on receptivity to current LGI programs and recommendations for future efficiency efforts. A total of nine participant in-depth interviews were completed.

### **1.4.2 Short Mail and Phone Surveys with Participants Jurisdictions**

In participating jurisdictions where we were unable to complete an in-depth interview, we mailed out a short questionnaire, and follow-up reminder postcard.

In all, 18 surveys of the 56 surveys mailed were completed and returned by respondents. Nonrespondents were called to increase the response level; an additional 3 completes were so obtained, for a total of 21 short survey participant respondents.

#### **1.4.3 Interviews with Nonparticipant Jurisdictions**

Telephone interviews were also completed with two nonparticipating jurisdictions so as to explore reasons for nonparticipation, interest in efficiency programs overall, and suggestions for how SCE might work with their offices in promoting energy efficiency. Because most jurisdictions eligible for LGI chose to participate at some level, the pool of jurisdictions available for nonparticipant research was very limited.

#### **1.4.4 Ride-along with Program Staff and Program Advisor**

Two days were spent riding with George Burmeister and Elisa Cooper visiting various community offices to observe the types of support provided and to understand key issues confronting these jurisdictions. Two prospective communities were visited, and two well established active jurisdictions were also visited.

#### **1.4.5 Advisor and Staff Interviews**

Several advisors to the CEEP program and personnel from all three programs were interviewed as well. Program personnel were asked to describe program operations, review program performance, characterize feedback from the marketplace, and to provide input on appropriate program directions for the future. The advisors were asked to share perceptions about the relative success of the Local Government Initiatives, to characterize market trends, to identify market barriers and program or policy needs regarding energy efficiency, and to offer suggestions for future directions of the LGI programs.

#### **1.4.6 Interviews with Participant Builders**

Ten interviews were conducted with builders who have participated at least once in CEEP. These in-depth interviews sought to understand builders' perception of program benefits and issues.

#### **1.4.7 Interviews with Small Business Owners.**

Ten interviews were conducted with commercial developers/builders/firms who built new facilities in participating jurisdictions, but did not take advantage of CheckPoint. These interviews sought to determine developer awareness and receptiveness to the CheckPoint concept.

## **Section 2: Summary of Findings from Jurisdictions**

### **2.1 Background**

What follows is a composite of the telephone interviews with participant communities, interviews with non-participant communities, and responses to the mail survey. Detailed findings from individual interviews are provided in Appendix B. The complete results from the mail survey are recorded in Appendix C.

### **2.2 Discussion**

#### **2.2.1 Program Awareness**

Respondents at the interviewed jurisdictions were asked about their awareness of the three LGI programs. At this point in time, awareness of the CEEP program is substantially greater than awareness of the Checkpoint or Express Efficiency programs (87% vs. 12% and 17%, respectively).<sup>1</sup> Clearly the very low awareness of the commercial programs is impeding jurisdictional involvement at this time. Efforts need to be made to address this low awareness of the commercial programs if SCE is to expect greater partnership with the jurisdictions in commercial sector programs.

In 2003, SCE has made huge leaps in increasing awareness opportunities and outreach support for participating jurisdictions. SCE's website is being updated to relocate the LGI information page to a more accessible location. Additionally, SCE has made available a banner weblink back to SCE's energy efficiency webpage. In 2003, SCE created a two page (front and back) fact sheet that highlights six energy efficiency programs available to both residential, nonresidential retrofit, as well as residential and small nonresidential new construction. SCE has also created information kiosks for the jurisdictions. The kiosk stands roughly six feet tall and has subtle graphics covering various customer segments. The kiosks, which come in two shapes, have several 8 \_ by 11 brochure holders and are branded with SCE's logo as well as the jurisdictions' logos.

SCE will begin a six month advertising run in Southern California Builder magazine where CEEP will be the focus along with the 60 plus jurisdictions being highlighted. The intent of the advertisements is to encourage builders to participate in the CEEP program. Midway through the ad run we may switch from highlighting the jurisdictions to highlighting those builders actively participating.

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<sup>1</sup> Data reflects responses to mail survey. This question was not included in the in-depth interviews, although informally there was feedback consistent with the conclusion above, that awareness of the commercial programs lags behind that for CEEP.

### **2.2.2 Level of Interest in CEEP**

Overall, most jurisdictions reported some degree of interest in SCE-sponsored energy efficiency programs, ranging from tepid to enthusiastically supportive. The less interested were willing, in essence, to serve as a conduit, allowing SCE programs to operate in their areas. The enthusiastic jurisdiction officials exhibited a degree of interest suggesting untapped potential to serve as leaders in developing or promulgating efficiency initiatives. A handful would welcome the opportunity to work in close partnership with SCE on program design and development with respect to specific technologies or market segments of interest.

There appears to be at least a few jurisdictions that have very little to do with these programs, even CEEP, even though they are listed as participants in the program database. Eight of 24 jurisdictions who responded to the mail survey and that were listed as participants responded that they were not currently offering or promoting CEEP in their jurisdiction.

Among those jurisdictions that were aware of having enrolled in CEEP, there was a group who could be characterized as “waiting for something to happen.” Those jurisdictions who took an active role in CEEP were a minority; those actively involved with the other programs – a small minority.

The level of interest among builders appears to be quite low in most communities. Only three of the 24 respondents to the short survey indicated that interest in these programs from the eligible builders is five or higher on a scale of 1 to 10, where 1 was there “is no interest from the marketplace” and 10 was there is “extremely strong interest from the market”. Eleven of the 13 other jurisdictions that claim they are promoting listed builder interest as a 1 or 2.

### **2.2.3 Interest and Outreach for the Commercial Programs**

Interest and activity in the Express Efficiency and Checkpoint programs are barely detectable. Only 3 and 4 jurisdictions identified their jurisdictions as offering or promoting the two programs, respectively. SCE’s support of these two programs was also limited to providing a brief overview of the programs to local officials and providing a display rack with program description materials. This level of support resulted in very low participation with only two rebate applications filed in 2002 for Checkpoint. It is not known how many of the Express Efficiency applications resulted from the local jurisdiction promotion.

SCE is aware of the need for increased awareness of both Express Efficiency and CheckPoint. SCE is working with the city of Corona on a potential direct mail marketing opportunity by accessing permit request data and sending program information directly to those customers. Additionally, SCE plans to devote one FTE to this program in 2004.

In some participating jurisdictions, officials expressed an interest in supporting commercial sector programs, but in other areas where commercial development is weak; there was less interest among our respondents. It is not surprising that interest in CEEP was more consistent than interest in commercial programs among this group of respondents given the marketing strategy used to date: the jurisdictions targeted for CEEP were selected in part on the basis of high rates of residential development. If outreach were targeted to areas experiencing high rates of commercial development, it is likely that more consistent levels of interest in the commercial programs would be evident. This was corroborated by the interview respondents. Where lower levels of interest were expressed, the respondent usually explained this as attributable to the weaker market activity in the commercial sector.

If SCE is interested in expanding its commercial programs, two areas will need to be considered.

- LGI, in some jurisdictions, may need a second contact for commercial programs. To date, the marketing for the commercial programs has generally been piggybacked on that for CEEP. The primary contact for the CEEP program typically has been the Chief Building Official in the jurisdiction's Building Department. This department is not always the best point of contact for commercial sector programs. In some communities, it would be more appropriate to interface with Community Development or Planning Department personnel. As this relationship with other departments is developed, the prospects for interested partnership arrangements are likely to increase.
- LGI will need to provide additional resources to properly support the commercial efforts. Services such as training, program promotion, and technical assistance, which are provided as part of CEEP, will be needed to increase the interest in the commercial programs.

#### **2.2.4 Pockets of Opportunity Exist**

Jurisdictional interest levels in energy efficiency programs vary. The response to SCE programs has not been, and will not be, uniform across jurisdictions. In the short run, there should not be an expectation of being able to achieve any sort of uniformity in program response from one jurisdiction to another. The Company should utilize opportunities where and as they arise, particularly when introducing new and unproven programs. To capitalize upon newly emerging opportunities, stronger outreach and communications from SCE personnel to jurisdiction offices will be key.

Nonparticipation was found to be linked to uneven market activity levels and enrollment timing issues. The two nonparticipating jurisdictions interviewed spoke of missed opportunities, of being unable to move quickly enough to influence on new construction projects in the past, and of not having had additional significant projects in the interim. None-the-less new opportunities appear to be on the horizon as other new construction projects are developing.

The areas of opportunity shift over time with construction activity and there is a need for ongoing contact with the jurisdictions to keep abreast of current market conditions.

One of the factors which seems to be a key determinant of both program activity levels and jurisdiction interest in working with SCE on other energy efficiency opportunities is the degree to which there has been a push for green building or other environmentally responsible policies from top-level government officials. Some of the most active, most successful jurisdictions in CEEP have development or environmental ordinances or City Council imperatives that push the market in directions which are consistent with CEEP [and the other LGI programs]. In these circumstances, CEEP becomes attractive because it offers a defined mechanism by which developers can comply with local initiatives. CEEP and the other programs also offer jurisdiction staff a means by which they can comply with their local requirements without having to create and promote a program on their own. A couple of respondents mentioned efforts at their jurisdictions to establish their own programs, without success. Having initiatives available such as the ones sponsored by SCE provides vehicles for them to attain their objectives or related objectives with greater odds for success.

In areas where there has not been a top-down push for energy or environmental policies, there is often much less interest in energy efficiency programs on the part of staff. If these respondents are indicative of larger trends, then energy efficiency is just one of a number of considerations which they must address and, for many, a less compelling issue at the moment than other concerns. In these cases, the state requirements are viewed as sufficient to address energy efficiency practices in new construction and the building officials are content to leave it at that.

These findings suggest that SCE will find varying levels of support for their programs from one jurisdiction to another and that messages which are influential in one area may not prove persuasive in others. It seems likely that the greatest degree of success is to be expected in areas where there are local policies which would work to support energy efficiency programs or where local development pressures have sensitized the jurisdiction staff to energy or green building issues.

### **2.2.5 Present Relationship with SCE**

By and large, the key contacts at the jurisdictions report little or no ongoing contact with SCE staff. Some interaction with ConSol personnel was reported in relation to LGI programs, especially CEEP, and this contact was consistently rated favorably.

The findings from this research suggest that there is room for expanded interaction between jurisdictions and SCE personnel to strengthen relations, build

partnerships for future collaboration, and improve awareness of current program offerings.

### **2.2.6 Satisfaction with Programs**

CEEP received higher ratings than the commercial programs. For those respondents aware of the specific program using a ten-point scale where 1 is “of no value” and 10 is “of great value”, CEEP averaged a score of 6, Express Efficiency a 4, and Checkpoint a 3. The key benefit of CEEP for most respondents was that the program helped the City meet state requirements; for Express Efficiency the key plus was that the program was consistent with local policies; for Checkpoint the key benefit was that the program enabled the City to offer something extra to businesses in their area. In all cases, the key negative was lower market response levels than what was hoped for.

The low satisfaction levels on the commercial programs points out a need to better address commercial sector needs through LGI. The consistency of frustration with lack of market response needs to be addressed. Respondents at the jurisdictions felt that this nonresponse stemmed from a lack of awareness of the programs on the part of eligible businesses, not from shortcomings in the program designs. Rebate programs are perceived to be very positively received by the market and the jurisdictions view these programs as something they could support, philosophically. Right now, SCE is perceived as needing to be more aggressive in its promotional activities.

In 2003 SCE, along with BII, has made a concerted effort to actively promote the CheckPoint program. This has been done through various means including monthly fax updates “featuring” CheckPoint. Additionally, SCE is working with the city of Corona evaluating permit activity for the possibility of doing a direct mail solicitation.

### **2.2.7 Program Operations**

In areas where the program has had activity, CEEP has been operating smoothly. Uniformly, the Chief Building Officials report that CEEP participation presents no burden to their staff. To the contrary, several indicated that the program benefits their cities in fostering the creation of better development plans which require less staff time for review and approval. The superior quality of CEEP applicant plans was mentioned very favorably by staff from a number of Building Departments.

The program is also of value to the jurisdictions in facilitating their ability to meet state and regional efficiency mandates. Being able to join in with a program which already has been conceptualized, formulated, and implemented saves the jurisdictions innumerable man-hours of effort for development of strategies and programs. Where there has been a governmental push for efficiency initiatives, staff has valued the expertise and assistance available from SCE and from Consol.

### **2.2.8 Value of Training**

CEEP-related training and SCE-sponsored training generally, were felt to have offered valuable information to staff at city offices in the region. In one noteworthy case, a chief building official indicated that the program-specific training enabled his staff to better perform their inspection duties and to better enforce efficiency practices in new construction. No respondents had a negative view of training. Staff turnover and the need for periodic refresher courses to keep recall strong provide motivation for some continued interest in technical training for CEEP.

Additional non-technical “training” on the LGI programs would be welcome at several jurisdictions. A short on-site presentation on the programs, their features and operations would be perceived as useful. This type of presentation needs to be brought to the jurisdictions to reduce lost time spent in travel.

SCE will continue its training efforts in 2003 as at least 30 local jurisdictions will receive energy code training, CEEP, CheckPoint, Express Efficiency, and Multifamily Rebate Programs information/training.

### **2.2.9 Uneven Market Response**

It is apparent from the in-depth interviews that participating jurisdictions have seen quite varied market response to the CEEP program. Whereas some jurisdictions have had hundreds of homes approved, others have yet to have one builder or a single home in the program. Understandably, in the inactive, participating jurisdictions this is a primary concern and suggestions for program improvements focus on SCE recruiting builders and developers to participate. There is little to suggest that the majority of these inactive jurisdictions will be proactive in recruiting developers to the program. In fact, some respondents articulated an expectation that SCE or Consol would be doing the builder outreach; it was their understanding that builder recruitment was not their responsibility.

SCE will begin a six month advertising run in Southern California Builder magazine where CEEP will be the focus along with the 60 plus jurisdictions being highlighted. The intent of the advertisements is to encourage builders to participate in the CEEP program. Midway through the ad run we may switch from highlighting the jurisdictions to highlighting those builders actively participating.

Most respondents could not speak to the market response to Checkpoint or Express Efficiency, other than some awareness of questions being asked at their offices or brochures being picked up.

More investigation into the uneven market response patterns may be appropriate. Conflicting feedback on the influence of housing type and price on program interest suggests that housing type or price alone does not predict

program involvement. One factor that seems to play a significant role in driving market response is the local or regional government's stance on energy efficiency or green building practices. It may well be that program participation in CEEP is heavily influenced by local ordinances and mandates that require a higher standard for efficiency in new construction. This linkage should be examined more closely.

### **2.2.12 Recommendations from the Jurisdiction Officials**

With respect to opportunities for additional partnership opportunities between SCE and the jurisdictions, a number of interesting ideas were put forward. These included:

#### ***General***

- **On-site or local meetings to explain current programs to jurisdiction staff.** There is some interest in a short, local program debriefing jurisdiction personnel on currently available programs. It is important that such a presentation be kept fairly brief and that it be brought to a convenient location. SCE will address this issue in the planned training sessions.
- **SCE-sponsored training and seminars are valued.** Many respondents spoke favorably about past experiences with SCE workshops and this was an area where jurisdictions would be willing to participate in the future. More training is to be provided by the end-of-year 2003, and 30 individual jurisdiction training visits in 2004.

#### ***CEEP***

- **Greater recruitment of builders** This was the most frequent suggestion for improving the CEEP program. Some suggestions focused on marketing through the local BIAs and their newsletters. Direct mail to builders and developers was also suggested. It was suggested that program marketing provide information on how to enroll and what is required of participating builders. A six-month advertising run promoting CEEP will get underway in December 2002.
- **Joint jurisdiction-Edison outreach to developers through local or regional meetings** This concept was put forward by a couple of respondents, one of whom has regular meetings with builders and developers. The other respondent was willing to organize new meetings in coordination with SCE. One volunteered that announcements for the meeting could be displayed in the jurisdiction offices.
- **Continued offering of CEEP training.** Due to staff turnover there is a continuing need for program-specific training. As noted, training is an ongoing part of the 2004 program.
- **Minimize level of effort required of jurisdictions.** One nonparticipant indicated that, at smaller cities, there is no staff available to support energy efficiency programs. His perception was

that to participate in CEEP would entail some initial time and effort on the part of his staff, customizing the program to their jurisdiction. He indicated a need for a packaged, turn-key program.

### ***Other Residential Programs***

- **SCE should reach out to Planning Departments.** There is acknowledgement that more could be done if SCE worked with the Planning Departments to try to influence building designs to more energy efficient designs. More outreach directly to developers was also recommended. SCE is currently in preliminary discussions regarding the possibility of teaming with their own Planning department to offer additional outreach and support to those builders meeting CEEP requirements.
- **More training for Title 24 Consultants.** A number of respondents mentioned that the standard of practice in plan preparation was not all that it could be. One respondent in particular characterized the work being done by Title 24 consultants as less professional than it could be, often containing “basic flaws.” The continued offering of Title 24 training could augment the gains achieved through CEEP’s approach to improving the quality of construction plans. CEEP participants are typically also California Energy Star New Homes participants which means plan check analysis is conducted on all models. This should alleviate most T24 inconsistencies.
- **Address excessive night time illumination of model homes** One respondent felt that this was a problem area in the residential new construction market.

### ***Commercial Programs***

- **Coordination and outreach on the commercial sector programs should be targeted to other departments.** Frequently it is the Department of Community Development or Economic Development which is the best point of contact for this outreach. There appeared to be some real interest in this prospect in selected districts. SCE is working on developing and/or further improving relationships with these other city departments.
- **Partner with jurisdictions in developing programs** One jurisdiction indicated a desire for assistance in identifying efficiency measures worth targeting in new municipal ordinances. The jurisdiction would value Edison’s expertise and guidance in measure identification. The respondents indicated the possibility of working in partnership on programs for both existing facilities and new construction, saying “If Edison has ideas for more use of specific measures, we would like to discuss this with them.”
- **Coordinate outreach to commercial builders and developers** This recommendation is analogous to the one offered for residential programs: have Edison provide program information to local builders at

meetings sponsored by the jurisdictions. SCE is working on a possibility of direct mail marketing of CheckPoint, Express Efficiency, and the Multifamily Rebate Program. Additionally, SCE has begun offering “Energy Efficiency Resource Center” information kiosks. The kiosks are being piloted to a couple of interested jurisdictions, but are available to all jurisdictions participating in the LGI program. Although the jurisdictions complain about the need for more information, we have found that although they want more information available, they lack the on-site space to display the program literature. SCE’s updated webpage and the jurisdictions SCE link will also be helpful

- **Education of property managers and leasing agents** A couple of respondents mentioned the difficulties they have had in trying to interest and influence property managers in efficiency improvements. Specific sectors mentioned included shopping center managers, other retail operations, and real estate industry professionals.
- **Work with jurisdictions to upgrade municipal facilities** There was some recognition that more improvements could be made to the jurisdictions own facilities with respect to energy efficiency. Outreach for this type of initiative should be directed to the Public Works Department. Concern was expressed over the level of energy usage associated with pools and with HVAC in large buildings.
- **Develop projects promoting photovoltaics** This technology was most frequently mentioned by respondents as one they would like to see targeted in the commercial sector. There is concern that paybacks are too long and that the marketplace needs more information on the technology and its benefits. At least one City Council was reported to favor the promotion of photovoltaic technology. The Community Development Department in this jurisdiction would welcome an opportunity to work with Edison in developing a program or programs promoting PV. The possibility of jurisdictional mandates in conjunction with Edison incentives was put forward.
- **Develop programs for other measures** Cool roofs, energy efficient appliances, peak-clipping technology, and lighting were mentioned as areas of interest. Excessive night-time lighting at retail operations was mentioned as one potential target.

## Section 3: Interviews with Builders of Residential New Construction

### 3.1 Research Objectives

This phase of research was intended to determine the effectiveness of CEEP outreach and CEEP messages in reaching the building industry. A broader objective is to determine how effective the program is in encouraging greater investment in energy efficiency in the new residential construction market.

In order to address these research issues, we conducted in-depth interviews with a number of commercial builders active in new residential construction in the participating jurisdictions. Generally, these interviews sought to explore a builder's overall approach to energy efficiency in new home construction and, more specifically, what their experiences, attitudes and awareness of CEEP were. An interview guide was designed around the following four categories of inquiry:

- **Understanding Current Market Conditions** – Our first line of questions sought to determine level of activity where, geographically, these builders are concentrating their activity. We also asked about their overall orientation toward energy efficiency in new home construction, and to what degree energy efficiency is a market niche that they actively pursue.
- **Exploring CEEP** – This series of questions was designed to explore how the program was being received by builders and to understand their attitudes and awareness of the CEEP program. We asked how they learned about CEEP, what attracted them to the program, and what CEEP benefits they valued highly.
- **Meeting CEEP Standards** – The next series of questions asked what percentage of a builder's overall new construction portfolio met CEEP standards. We also asked what specific measures builders take to meet CEEP standards of 15 percent above Title 24 minimums.
- **Recommendations** – The final segment of the interview was to ask builders how CEEP could better reach and influence its intended market and stakeholders.

By exploring these categories in detail, we sought to capture a clear picture of the current attitudes and awareness builders have toward CEEP. We also wanted to provide SCE recommendations to improve CEEP and better meet the needs of its target audience.

### 3.2 Research Methodology

Using these four categories of research as an outline, a draft survey instrument was designed and submitted for approval by the SCE project manager. The final instrument is attached in Appendix E.

The scope of work specified a small number of interviews with builders (n=10). The earlier series of interviews we conducted with participant LGI jurisdictions generated an initial sample list of builders for this task. The list included builders that are (1) active in the Southern California market and (2) have previously participated in CEEP. The sample identified 12 construction firms, 16 project managers and/or contacts and 39 residential construction sites (subdivisions) that had been through the CEEP permitting pipeline. Using this contact list as our starting point, we conducted a series of interviews with representatives from these firms.

The interviews with builders included project managers, marketing executives, vice presidents of operations, and regional executives. We also conducted an extensive interview with a market observer and with two builders that are active in CEEP jurisdictions but have not participated in CEEP.

**Table: 3-1 CEEP Interview Sample**

<b>Interview</b>	<b>Number</b>
Builder Executives	10
CEEP Builders (subset of Builder Executives)	(7)
CEEP Non-participants	2
Market Observer	1
<b>Total</b>	<b>13</b>

Because of the limited number of interviews, the intent of this effort was not to determine differences in outreach or effectiveness between participating CEEP jurisdictions, or quantify specific CEEP activities and accomplishments. Nonetheless, by talking with a number of intended users of CEEP, we were able to gain insight into the program delivery process and, by extension, the effectiveness of the market outreach.

### 3.3 Review of Research

#### 3.3.1 Market Conditions

The first area of inquiry was to determine where the developers were active, how many homes they were building per year in California, and if they market energy efficiency as a feature in the homes they build. We interviewed 10

representatives from seven companies that have participated in CEEP since 2000 (a brief summary of our interviews with two builders that have not participated in CEEP is included at the end of this chapter). The demographic of our survey sample can be categorized as follows:

- One-hundred percent of firms interviewed were actively engaged in new residential construction in multiple LGI jurisdictions in Southern California in 2002 and 2003
- The least active developer cited 75 new residential homes in 2002 and 200 in 2003
- The most active developer cited 2500 new residential homes in 2002 and greater than 2500 in 2003
- All builders were primarily involved in single family, new construction
- Statistics on the selling price of these new home:
  - Minimum: \$160,000
  - Maximum: \$850,000
  - Average: \$440,000

After determining the builders' approximate sizes and areas of activity, we sought to determine their perspective on the new residential construction market. By all accounts the market continues to be strong. There was unanimous agreement that the current demand for new single-family homes exceeds supply. There was also unanimous agreement that market indicators suggest that the strong market will continue well into the future.

The next questions asked if the builders market energy efficiency as a feature in the homes they build and if this is a market niche that they pursue. The responses to these questions provided decidedly mixed opinions. Five of the seven firms said they do market the energy efficiency features of their new homes in some capacity. The seven firms can be characterized as having a committed, pragmatic, or ambivalent attitude toward energy efficiency in the market as follows:

- **Committed** – Two representatives were adamant that energy efficiency was a very important consideration for new home buyers and that it was something their organization took very seriously. They believe that energy efficiency is an increasing expectation of new home buyers, that buyers are increasingly sophisticated about energy efficiency features and they want to distinguish themselves in the market as leaders in energy efficient construction. One subject described a sophisticated corporate strategy to incorporate energy efficiency throughout the design, build and marketing processes.

- **Pragmatic** – Three representatives said they do market energy efficiency features either through Comfort Wise or Energy Star but that it is not a significant issue in the market. They described a pragmatic acceptance of energy efficiency in new construction practices. Their companies take advantage of marketing these benefits, and use existing resources to do so (e.g. ComfortWise and/or Energy Star marketing materials), but did not reflect a high level of organizational commitment. One said, “we market energy efficiency because it is on peoples’ radar, but I don’t believe it really impacts the purchasing decision.”
- **Ambivalent** – Two firms indicated they do not market energy efficiency features and they did not perceive any benefit in doing so. They argued that, because the supply of new homes is so limited, there is no need to market energy efficiency features. One individual said, “people care about three things: cost, design, and location. Beyond that, nothing else matters. When the market turns around, I’m sure we will take the marketing [of energy efficiency] more seriously.”

All those surveyed indicated that Title 24 minimum standards have had a significant impact in changing construction practices.

### 3.3.2 CEEP Program

The next sequence of questions addressed builders experience with, familiarity with, and perception of, CEEP. It should be noted that our sample provided the names and contact information for companies that have already participated in CEEP. This would suggest they would or should have some specific familiarity with the program. There was, however, little direct, immediate awareness of the program from many of the interview subjects. Six of the executives we interviewed needed to have CEEP described to them in order to refresh their memory about the program.

To begin in-depth exploration of builders’ orientation with the program, we asked how they heard about CEEP, what attracted them and whether they are participating in CEEP in more than one municipality. Of the 10 interviews with executives of seven building contractors:

- One cited a specific municipality that brought CEEP to the builders’ attention.
- Four cited ConSol Consulting (the consulting agents for ComfortWise) as the source.
- Two said they learned of CEEP from a colleague or through the design process.
- Three said they were not familiar with CEEP.

During the phase of the interview, it became clear that there is only general awareness of CEEP and its specific benefits, ComfortWise often mediates CEEP to builders, and builders have stronger associations with Energy Star and ComfortWise than with CEEP.

### 3.3.3 Benefit to Builders

After providing a clear orientation about the CEEP program with builders, the next phase of our inquiry sought to identify more specifically the CEEP benefits the builders have received and, as importantly, what benefits they value the most. We reviewed each potential CEEP benefit, asked if the builder has received the benefit, and then asked them to rank the value of these benefits to their business. The following table summarizes the responses provided.

**Table 3-2 – CEEP Benefit Received (n=7 builders)**

<b>CEEP Benefit</b>	<b>Yes</b>	<b>No</b>	<b>Not sure</b>	<b>Total</b>
Expedited plan review	7	0	0	7
Expedited inspections	1	4	2	7
Rebate or fee reduction	5	0	2	7
Recognition as efficient builder by community	3	2	2	7

The number of “not sure” responses is evidence of a lack of builders tracking of their involvement with CEEP and the specific program benefits.

**Table 3-3 – Value of CEEP Benefits to your business (n=7 builders)**

<b>CEEP Benefit</b>	<b>Value of Benefit to Firm (1 is "no value," 5 is "extremely valuable")</b>					<b>Average</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	
Expedited plan review				1	6	<b>4.9</b>
Expedited inspections			4	1	2	<b>3.7</b>
Rebate or fee reduction, specify amount			1	4	2	<b>4.1</b>
Recognition as efficient builder by community			2	4	1	<b>3.9</b>

Clearly, participating builders consider all of the benefits provided by CEEP valuable. These data, and the conversations that coincided with the data

collection, reveal that expedited plan reviews are clearly the most valued benefit, and are the one benefit they know they are receiving. Builders consistently repeated a “time is money” refrain and the expedited plan reviews are the single biggest benefit to address this issue. The builders do not perceive expedited inspections as a benefit or problem area, primarily because once construction of a development is underway; inspections during the construction process do not usually hold the process up.

As for rebates and/or fee reductions, builders suggested that fees are a fixed, manageable cost and not considered a problem area. The CEEP rebates or discounts are modest and not compelling. One interview summed it up best by saying “we have millions of dollars in financing involved in these [subdivisions] so the permitting process is most important. Delays in permitting can have significant impact. If rebates or fee reductions can help us off-set hard costs, then we have some motivation but the [CEEP] fee reduction issue is kind of a joke. They offered to discount fees only on our three model homes. But we have 76 homes in the development. If they discounted fees on all 76, they would get my attention.”

### **3.3.4 Impact**

We asked each builder to identify in what way is CEEP valuable to their business and if they perceive that CEEP is having any effect on the demand for energy efficient housing in Southern California. The responses provided a unified theme that can be summarized as follows: CEEP helps their business most with expediting plan reviews. The other benefits are good but not compelling.

While builders did identify, in very general terms, how CEEP has benefited their business, they were more specific in discussing how the energy crisis of 2000 and Title 24 standards have infused the new construction market with new products and construction practices that builders are experimenting with and incorporating into their design/build process. Five builders cited a new residential subdivision currently in development in Orange County as an important model for builders to watch. Phase 5 of the Ladera Ranch Community (Terramor) is integrating the latest in energy efficient and green construction practices and technology. This project stands out because builders are participating in energy efficient construction in more depth than ever before. They will be watching to see how participating builders respond to the higher costs associated with and also if there is significant demand for homes in the development. One executive said, “A lot of people are watching Phase 5. If developers don’t get burned (financially) and there is demand from buyers, I think you will see much more willingness with developers to be aggressive with energy efficiency.”

### 3.3.5 Methods Builders Use to Meet CEEP Standards

As mentioned, CEEP require that each home be built to standards 15 percent above Title 24 energy efficiency requirements. We were interested in determining what percentage of builders' overall new home portfolios complies with CEEP standards and if a builder builds CEEP standard homes outside of participating jurisdictions.

Builders provided a wide range of estimates of what percentage of their homes comply with CEEP standards.

**Table 3-4 – Compliance with CEEP Standards**

<b>Builder</b>	<b>Percentage of CEEP compliant homes (overall)</b>	<b>Do you build CEEP compliant homes outside of participating jurisdictions?</b>
1	0*	No
2	25%	No
3	40%	No
4	50%	No
5	50%	No
6	75%	Yes
7	100%	Yes

\* Builder did participate in CEEP in 2000-2001 but is no longer.

We also sought to determine what specific measures builders are taking to achieve CEEP compliance. The responses revealed that there is no great mystery on how to address energy efficiency in new home construction. All builders said they used some combination of the following:

- Low E glass
- Insulation
- Duct testing

One builder mentioned shielding on roofing and water heaters as a means of complying with standards.

### 3.4 Recommendations

The last sequence of questions provided an opportunity for builders to make recommendations on how CEEP could be improved to better serve their business. Many provided specific suggestions about how their organizations could best be served. Some executives offered specific recommendations for how to improve the program. A recurring theme throughout all the feedback from builders is, "time is money." There are a number of simple implications here. 1)

Builders value their (staff) time and are protective of it. 2) Efficiency in the design/build process is essential for them and anything anyone can do to facilitate this will be well received.

There were few specific program recommendations. One executive said simply, “Faster and Cheaper is always better. Increase fee reductions and decrease the number of inspections.” Three executives were uncertain what the “recognition as an efficient builder by the community” benefit involved and were looking for some specificity. One said, “What is that? A plaque? An ad in the newspaper? It sounds good but I’m not sure what that is.”

Most of the recommendations involved ways in which CEEP could be more effectively promoted to, and accessed by, the relevant employees. These recommendations can be classified in the following categories:

- **Communication** – For many of these builders, there is a significant gap in awareness about CEEP. The following quotations offer specific suggestions.
- “I would like someone to clearly articulate what CEEP is, how it works, and how it is different from ComfortWise. And I don’t want to hear from 15 different people (municipalities).”
- “Take a hands-on marketing approach with us. It has to be person-to-person. Mail and email won’t work. There are at least 8 people here who should know how the program works. ”

Another executive questioned whether some jurisdictions were actually following through on the promise for expedited permitting and said, “Agencies need to be more specific with permit timeframes and stick to them. I’m reluctant to participate if they can’t articulate specific deliverables and stand by them.”

- **Timing** – Throughout the development process of residential subdivisions, builders have different levels of management performing different tasks at different times. One executive said, “For CEEP to be most effective, we need to know when and how to best access it in our planning cycle. If you know our business, you will know when we need this information.”
- **Training** – “Our purchasing agents, field managers and construction managers all need to be specifically informed about CEEP, how it works and what the benefits are.” Two builders were interested in training concerning new energy efficient technology and construction practices. Another spoke of the need for

consumer education and suggested that real estate agents were the best avenue for this.

- **Commitment to CEEP** – A few executives raised the question of how committed municipalities are to CEEP. One said, “They (municipalities) were more interested in CEEP and more actively promoting the program two years ago than they are today. I used to hear from them. Today, I’m the one who is bringing it up.” Another said, “ConSol is pushing this, the municipalities are not.”

### **3.5 Summary of Significant Findings**

The interviews we conducted provided good insight into the current market of new residential construction, issues and challenges that confront these builders, their orientation toward energy efficiency, and how CEEP helps their business. Based upon analysis of feedback from builders, the following significant themes emerge:

- **A housing market supply shortage puts energy efficiency on the back burner** – As long as the housing market supply falls short given increasing demand, energy efficiency will be a feature not a driver for both consumers and builders. Title 24 minimum standards are increasing the energy efficiency of new home construction, but the market is not demanding much beyond that.
- **There is little clear awareness of CEEP** – Program managers/builders know of CEEP but are only vaguely aware of specific program benefits and, as importantly, where and how they participate. Further, there is little clear differentiation between ComfortWise and CEEP.
- **Commitment to energy efficiency varies among builders** – Some of the builders interviewed are clearly committed to energy efficiency in new home construction; others are less so and take a more pragmatic or opportunistic approach to energy efficiency. This was reflected in both their construction practices and how they described energy efficiency in the market place.
- **Currently, local governments are not actively marketing CEEP** – Builders suggest that CEEP used to be more actively promoted by code officials and jurisdictions than it is currently.
- **Ladera Ranch Development provides a significant model for builders** – The eyes of the residential construction world will be on Phase 5 of the Ladera Ranch community (Terramor) in Orange County. This development is integrating the latest in energy

efficient and green construction practices and technology and many builders are (1) participating in energy efficient construction in more depth than ever before and (2) watching to see how the construction process and demand for homes in the development plays out.

- **Hands-on marketing approach needed** – Builders need direct contact with program officials and support in training their staffs and keeping them abreast of program changes.

## **Section 4: Interviews with Builders of Commercial Properties**

### **4.1 Research Objectives**

Participation in the CheckPoint program has been extremely limited with only two permits processed in 2002 in the SCE service area. This phase of research was initiated in order to determine why developers, architects or project managers whose projects were eligible for CheckPoint rebates were not participating in the program. The lack of participation raises a number of questions about the effectiveness of CheckPoint marketing and outreach efforts as well as about the program logic model and funding.

In order to address these research issues, we conducted phone interviews with a number of commercial firms and their builders who recently built new buildings in the LGI jurisdictions and could have applied for CheckPoint. Generally, these interviews sought to determine:

- If firms/builders knew about CheckPoint and, if so, why did they choose not to participate?,
- If firms/builders did not know about CheckPoint, is the program something they would be interested in?, and
- How could a program like CheckPoint be most effectively marketed to them?

The interview guide was organized around these central questions to garner feedback from firms/builders in reference to specific projects that had been submitted for permit. By exploring these questions in detail, we sought to determine if CheckPoint would be valued in the marketplace and to provide SCE with recommendations on how to reach the intended audience of the program.

### **4.2 Research Methodology**

A draft survey instrument was designed and submitted for approval by the SCE project manager. The final instrument is attached in Appendix F.

The scope of work specified a small number of interviews with potential CheckPoint customers (n=10). An earlier series of interviews conducted with LGI jurisdictions generated an initial sample list for this task. This list included builders, architects or developers that had submitted non-residential construction permits in LGI service areas. The sample identified 33 projects from the city of Rancho Mirage and 14 others from the city of Santa Clarita.

Using the contacts provided, we conducted interviews with representatives from these firms.

**Table: 4-1 CheckPoint Interview Sample**

<b>Community</b>	<b>Sample Total</b>	<b>Completed Interviews</b>
Rancho Mirage	33	7
Santa Clarita	14	3
<b>Total</b>	<b>47</b>	<b>10</b>

Because of the limited number of interviews budgeted for this task and because the sample was drawn from only two of the 53 participating LGI jurisdictions, the intent of the effort was not to determine differences in promotion or marketing or consumer awareness between CheckPoint jurisdictions. Nor was it intended to quantify specific CheckPoint or local government activities or accomplishments. By talking with a small number of potential CheckPoint customers, we were able to gain insight into their interest in the CheckPoint program and how to more effectively reach the market.

### **4.3 Review of Research**

Our interviews involved ten individuals and organizations in the construction process. Among the respondents were individual developers involved in 15,000-25,000 square foot office projects, an individual building, a convenience store, an architect involved in two church buildings, and a large contracting firm involved in multiple commercial construction projects including hotel and mall construction. We also interviewed architects attached to multiple golf and country club construction projects, and others involved in medical facilities and retail chains. Of the 10 firms interviewed, eight were involved in multiple commercial construction projects in 2002 and 2003. Collectively, the small interview sample represents a reasonable cross section of new commercial construction activity in Southern California. It does not represent a reasonable cross section of jurisdictions.

#### **4.3.1 Survey Results**

After introducing the purpose of the interview and confirming that we were speaking with the appropriate contact about an appropriate construction project, we asked each person if they were aware of the CheckPoint program. After providing a description of CheckPoint, its benefits and the technologies it applies to, we asked if it was a program that would have been of interest or value to their project. We then asked, had they been aware of the program, would they have considered applying for CheckPoint? Responses are shown in Table 4-2.

**Table 4-2 – CheckPoint Program Awareness and Interest**

	Yes	No
Are you aware of the CheckPoint program?	0	10
Does this sound like a program that would have been of interest or value to you?	10	0
Had you been aware of the program, would you have considered applying?	8	2

Based on these data, there is clearly a high level of interest in the program concept. To the respondents, CheckPoint *sounds* interesting. When asked if they would consider applying, respondents offered variations on “yes, but...” and proceeded to suggest that their decision would depend upon the amount of time it would take to complete an application and how much money was actually involved. The details of the program requirements and benefits determine the willingness to participate.

CheckPoint is meant to supplement SCE’s main Commercial New Construction Program, Savings By Design (SBD). Participation in SBD requires early involvement in the building design process. CheckPoint was developed to offer a smaller set of incentives to those projects that could not take advantage of SBD. As a means of qualifying if a project had accessed other LGI programs, we asked if they had participated in the Savings By Design program.

**Table 4-3 – Participation in the Savings by Design Program**

	Yes	No
Have you participated in the Savings by Design Program?	2	8
Was this project part of SBD?	0	10

Our last question in this segment of the interview was to determine if they had any dialogue with local code officials about energy efficiency in the project. Only one of the 10 respondents had talked to a local code official, and that was vague in recalling the conversation details saying only, “we talked about insulation.”

It is clear from these responses that LGI jurisdictions are not promoting CheckPoint and have little interaction with builders of commercial sector properties regarding energy efficiency opportunities.

#### **4.4 Recommendations**

We then asked if respondents had recommendations for how CheckPoint could be improved to better serve their business. Each interview provided the same response; it can’t help my business if I/we don’t know about it. Because our interview sample did not include any firms that had participated in CheckPoint,

we were unable to elicit any constructive feedback about specific program elements.

The next question asked, “do you have any recommendations for how CheckPoint might be more effectively promoted?” We received decidedly and evenly contradictory responses to this question. Half of the responses said that the best way to market or promote CheckPoint to them was via the mail or email. To the contrary, the other half of the respondents said that email and/or mail do not work and they would prefer personal contact in some form. Two of the larger development and architecture firms suggested working through professional development channels such as the AIA.

We also asked them to identify barriers that impede their participation in the CheckPoint program. Because none of the ten individuals were familiar with CheckPoint, they all identified a lack of information about the program as the primary barrier. If that barrier were to be overcome, then they would have more specific concerns about paperwork, the amount of time involved, and whether the rebates would warrant the investment in time and money.

One said specifically, “If I’m spending more than I need to (for energy efficiency), I need to have the savings and the pay back spelled out for me.” Another builder suggested that on smaller projects, he is often involved in the decision making processes with owners and/or architects. On larger construction projects, however, he is simply “building to spec” and all decisions regarding energy efficiency are out of his hands. He concluded, “On big projects, if it is not in the plans, we aren’t going to intervene.” Another barrier identified was that, in many circumstances, the person at the permit counter is not the person able to make decisions about change orders or spending more money on energy efficiency measures.

## **Section 5: Summary of Findings from Advisors and Internal Interviews**

Interviews were completed with 5 program personnel and 4 industry advisors. These interviews explored program strengths and weaknesses and suggestions for future directions. The discussion of existing programs in the Advisor Interviews focused on the CEEP program, because it was this program for which the respondents had served as advisors.

### **5.1 Critique of Current Program**

**CEEP is viewed positively** - According to the CEEP advisors we interviewed, the feedback from both builders and from municipal building officials has been pretty good. There was a feeling from all advisors that CEEP is a good fit with the current emphasis on green building practices in California, and that this generates interest in that program.

**Levels of interest may have diminished** - A couple respondents reported that interest in CEEP may be waning as other health and safety inspection issues have assumed greater prominence recently. Some of these issues include new structural requirements, disabled access to buildings, indoor air quality, and storm water run-off. For most of these trends, there is no incompatibility between CEEP and the other area of concern. The exception to this is the concern over indoor air quality, which dampens interest in more efficient construction practices among some developers and builders.

**Opinions on CEEP's voluntary approach** - While the feedback from builders' trade groups favored voluntary programs exclusively, other perspectives suggested that local governments should seriously consider the opportunities for change that would be achieved through ordinance changes and other mandatory approaches. There was a distinct split in opinion among advisors from within and outside the building industry about CEEP's emphasis to date on pursuing only voluntary participation. The voluntary nature of CEEP was consistently mentioned by those from building trade associations as a key positive of the program. In contrast, there was a feeling among other advisors that the program has been too influenced by the building industry in not being more aggressive in pushing the envelope with respect to the potential for green building practices.

From the building industry side, there was a leaning toward continued education and incentives within the context of a voluntary program. From other advisors, there was more of an inclination toward mandatory plan review, ordinance development, and other approaches that would take a more forceful approach to changing current practices.

From the environmental side there was a desire to see more comprehensive requirements, incorporating energy, waste management, and water conservation. By law, the jurisdictions are supposed to be addressing this now by diverting waste materials for re-use. This concept of an integrated program could also be attractive to local governments in that the infrastructure costs associated with water treatment can be significant.

**Market Response** - A number of comments offered by different respondents do point to the difficulty of involving builders in a complex voluntary program when operating within a strong housing market. Not only is there a lack of need to take extra steps to make the homes marketable, but developers also perceive the requirements as increasing their costs and risks. One key consideration reported to us is a perceived risk that the additional requirements imposed by some program ideas (for example in waste management) could cause developers to lose good subcontractors to competitors who do not request compliance with stricter standards. In a strong housing market, the competition for subs is undoubtedly strong to begin with. If, indeed, the builders perceive that program participation risks the loss of their preferred contractors, it is understandable that they avoid enrolling.

Compounding this, attention now is going into other areas where failure to comply with environmental requirements is leading to significant fines for developers. Storm water runoff mitigation is a large concern at present for this reason. This is reported to be an area of large, and growing, costs to developers. Concerns over litigation and lack of insurance coverage for indoor air quality problems were also mentioned as a concern of builders.

**Program personnel** - Both ConSol and SCE personnel were praised by the respondents. SCE was characterized as being more responsive to local building officials than other utilities. "The ConSol people are outstanding." ConSol was praised for the training delivered, for their knowledge of the code, and for building relationships between builders and local building officials.

**CEEP Training** - The program training was viewed favorably by all groups interviewed: building official organizations, environmental boards, and builders associations. The training was viewed as having increased knowledge and having facilitated good practices. One respondent did feel that this should not be a continued area of emphasis for the CEEP program, that there has been enough program-specific training and the need is diminishing. However, it was suggested that training be offered for supporting any new programs that SCE launches. In general, CEEP was viewed as a positive model for other new program efforts.

**Factors affecting participation levels** - Some feedback that awareness of CEEP is not very high among builders and developers. Also it was the perspective of a respondent from the building industry that the incentives to homebuilders “are not that significant.” Incentives that were viewed as being of value to builders were the awards offered in some areas and the reduced plan fees offered in one area. The awards were characterized as “undoubtedly a benefit” to the recipients. In his view, the program had succeeded in one jurisdiction as a result of it being championed by the local building official there.

## ***5.2 Recommendations from Staff and Advisors***

### **5.2.1 Recommendations for the CEEP Program**

The perception among the advisors was that the utilities definitely have an important role to play in interfacing with local governments to support more energy efficient practices in the marketplace. “The utilities have an amazing array of technical resources and some funding which could benefit local governments.” There was a belief that there are opportunities to collaborate more fully with local governments and that SCE should try to interest the jurisdictions in expanded collaboration.

One building industry representative mentioned that where there was strong support for the CEEP program from the local government [city council members] a more attractive program resulted. The program referenced in this case had offered both recognition awards and reductions in plan filing fees to participating developers. This respondent urged SCE to work to create a desire for the program among the City Council members in target jurisdictions and to influence them to create “a good package of incentives” for participants.

One respondent mentioned that there is some evidence that developments of sustainable housing have experienced stronger market appreciation in terms of resale price than some comparable standard construction homes. This information could be used as a marketing topic for CEEP.

### **5.2.2 Recommendations for New Residential Programs**

Suggestions for new residential programs included the recommendation to target photovoltaics, specifically integrated PV shingles. It is reported to be difficult to interest builders in this technology now, with the greatest receptivity being within a small segment in the move-up buyer market. One possibility suggested in this area would be to promote photovoltaics in a market segment of larger homes where it is easier to justify the incremental expense in this niche because the buyer who can afford a very large house should be able to afford the cost of the PV.

One means by which SCE might help interest more builders in more efficient housing is by addressing the concerns over indoor air quality and the inability to find insurers willing to provide risk management in this arena. It was reported that there are commercially available materials (paint, adhesives, sealants) that are less problematic and which tend to be more widely used in the commercial sector than the residential. It was suggested that SCE could help facilitate the wider use of these materials within residential sector.

The possibility of SCE working to promote new ordinances addressing building efficiency was brought up. An example of one form this could take was provided in the case of a jurisdiction that is drafting a new ordinance to require new homes exceeding a threshold size to perform at the “energy footprint” of a smaller home. In this jurisdiction, more efficient performance can be achieved either through conservation alone or in conjunction with on-site generation. SCE was urged to consider the impacts that might be possible through such prescriptive approaches.

Another possibility which was mentioned was the option of partnering with the Local Government Commission on their Local Energy Assistance Program. This program reaches out to jurisdictional Planning Departments. Together, the two organizations may be able to leverage their influence and develop effective outreach to local Planning Departments.

### **5.2.3 Recommendations for the Commercial Sector Programs**

There was interest expressed in a program to promote cool roofs. There was a feeling that PV and cool roofs could be used “everywhere.” The widespread applicability and reasonable costs of cool roofs led one respondent to suggest that these should become a requirement in the commercial sector. In areas where agriculture is a significant part of the economy, it was recommended that SCE look at displacing diesel generators with electric equipment so as to mitigate emissions.

A couple of respondents mentioned the need for technical assistance in addressing opportunities in the commercial sector. In some cases the

jurisdictions felt they needed assistance on a general planning level in identifying which types of technologies were worth promoting to their businesses. SCE was viewed as having considerable expertise in this area. One respondent suggested a need for technical expertise on more of an implementation level, suggesting that SCE institute a pilot program in which all commercial projects in participating jurisdictions would undergo review for compliance with, or utilization of, local government programs, green building practices, and use of renewables technologies.

It was mentioned by a few respondents that SCE could play a role in ordinance development in the jurisdictions. There was also a feeling that the same types of approaches used in CEEP could be applied to commercial sector programs as well. Another concept, and one which could be applied to either residential or commercial sector programs, would be to develop awards for the jurisdictions themselves.

There were some suggestions for more involvement and closer coordination with the trade associations for building officials as well as those for builders. The advisor from CALBO suggested that Edison attend CALBO meetings, providing training at these meetings. To facilitate this, it was suggested that Edison designate a representative to work with CALBO. Another trade group, BIA, has been discussing green building at its meetings; this might be an opportunity for introducing discussion of CEEP to the builders in attendance.

## **Section 6: Summary and Recommendations**

### **6.1 Major Recommendations**

This research found areas of opportunity for the LGI program which merit further effort. Collaboration with local government officials is a useful adjunct to the direct utility to consumer approach used in most programs, leveraging the influence of some useful partners who share some similar efficiency goals. The information we collected suggests that much greater success is possible for the LGI program, but that some important modifications will need to be instituted.

Two primary considerations need to be addressed as LGI goes forward. These have to do with effective program marketing and interaction with the participating jurisdictions. We first provide a brief discussion of these overarching concerns, which we believe are most important to improving program performance. The remainder of this section then provides more varied and finely detailed recommendations for the program which SCE may want to consider, depending upon the direction that the company wants to pursue with LGI.

#### **6.1.1 Decide the Role that LGI Should Play in SCE's Energy Efficiency Portfolio.**

SCE first needs to address the issue of how much participation they want in these programs. Determining this must be a first priority which will then guide decisions about how much marketing should be funded, should recruiting of new jurisdictions continue, and should other programs be brought into the portfolio.

The underlying dilemma facing LGI is that the CEEP and CheckPoint programs conflict in some ways with SCE's main programs in residential and non-residential new construction. Enhancing LGI directly or indirectly affects the performance of the new construction programs. CheckPoint is intended to attract builders who have not taken the opportunity to participate in Savings By Design (SBD), a more rigorous and more highly incentivized program. There is some fear expressed by SCE that if CheckPoint were to become too successful, then builders would abandon SBD for the much easier CheckPoint requirements. Funds for CheckPoint incentives are drawn from the SBD allocation which currently is insufficient to fund all potential projects.

While CEEP does not directly draw funds away from the EnergyStar New Homes Program, they do compete for recognition among builders and potential home buyers. We as reviewers were quite confused by the various program standards, and who sponsors which program.

Because SCE reaches its quotas for their main programs, there is little incentive or need to increase alternative marketing approaches. This confines LGI to its current, tangential and underutilized role in the SCE portfolio. Yet, the LGI program has demonstrated that it can be an effective means to encourage

energy efficiency and promote stronger communities within its service territory. If SCE should need or want to expand its energy efficiency delivery in the future, having this force of community partners will be invaluable. Accordingly, we see two alternatives for LGI in the near future.

- LGI can exist as it is in general support of the CEEP initiative. Under this approach, LGI would continue to support the CEEP jurisdictions, though SCE may choose not to provide the marketing desired by most parties associated with the program. SCE could continue to offer promotional materials for Express Efficiency and CheckPoint, however, SCE should not expect any greater level of interest unless greater attention and support is given.
- SCE can enhance LGI so that it meets the expectations of many of the current participants and achieves its true potential in partnering with local jurisdictions to delivery energy efficiency. This approach uses many of the recommendation that are described in the rest of this section.

### **6.1.2 CEEP Needs to Focus on Increasing Builder Activity in Existing Jurisdictions**

Rather than spending time on recruiting more communities with ever smaller amounts of new construction activity, Mr. Burmeister should concentrate more of his attention on support of existing communities. It is clear from our survey, that lack of attention or staff turnover have resulted in little or no active involvement in CEEP in some participating communities. Program success should be measured not by the number of communities, but by the number of active builders—ones who built a CEEP home in the year, and the number of CEEP homes built. SCE should collect these data from each participant community and use these values to measure program achievement.

Building informed building officials is also a worthy objective, and CEEP should be encouraged to continue to provide training and technical support to the communities. The number and types of these services should be recorded and also used to set goals.

### **6.1.3 LGI's Future Success Requires Increased Promotional Activities**

The factor most closely tied to jurisdiction satisfaction with LGI programs, and perceptions that the programs are successful, is participation activity. Respondents most frequently faulted LGI for not being more helpful in attracting builders (for CEEP), and/or not creating an awareness of their programs among eligible customers. SCE provides little promotion of any LGI program outside of the direct contact between LGI representatives and the jurisdictions themselves. ConSol does provide some promotion of CEEP to builders, but the little there is not supported by SCE. It was hoped that the jurisdictions and their code officials would actively promote the LGI programs to their constituent builders and

developers. While there is evidence of this happening in a few jurisdictions, it is not generally the rule, and appears not to happen at all with the new CheckPoint option. Our interviews and survey indicate a strong desire by the jurisdictions for greater promotion of these programs by SCE to builders, developers, and the public.

#### **6.1.4 LGI Should Use Existing SCE Programs When Possible**

One of our long-term recommendations for LGI is to move away from the need to create new stand alone products for this program and instead to use the SCE/jurisdiction connection as a conduit for existing SCE programs. We see no reason why the jurisdictions cannot right now be effective partners in both the EnergyStar Home and SBD programs.

If Express Efficiency (EE) were to be sufficiently supported, it could become an excellent example of the use of existing programs under the LGI banner. Local code officials have the opportunity to guide potential non-residential firms towards measures that qualify for EE. For this relationship to be effective it will require more than just displaying EE pamphlets at code offices.

Sometime in the near future, serious thought should be given to realigning the CEEP and EnergyStar labels. CEEP was designed to encourage the builder to exceed existing energy code while Energy Star markets to the consumer, so structurally it may be difficult to merge them. However, there is only a minor difference in the actual energy-saving requirements of the two programs. For CEEP to have real meaning it may want to position itself further away from Energy Star.

CheckPoint offers an interesting policy study. If properly promoted, CheckPoint could attract a lot of interest. By careful pricing of the incentives so that SBD gives builders much larger returns, we think it is possible to position CheckPoint so that it does not bleed potential participants from SBD, but still captures the broadly untapped market of small builders who might be convinced to make marginal changes in equipment purchases at permitting. Naturally, such a program will need more than the placement of pamphlets at the code official offices.

#### **6.1.5 LGI Needs to Strengthen its Ties to Jurisdiction Officials**

Another recommendation for LGI is a focus on developing close relationships between SCE and the jurisdiction officials. The needs and interests of jurisdictions are heterogeneous, suggesting that more tailored approaches to the jurisdiction officials are warranted when promoting the LGI portfolio of programs and services. We suggest that the type of customer service support provided by utilities to their major accounts provides a model for the type of outreach that the LGI program should provide to target jurisdictions. Interaction with the

jurisdictions should not only be used to convey information about existing SCE programs from SCE to the jurisdiction, but should also be used as an opportunity to have the jurisdictions speak to what energy efficiency issues are of interest to them and how they would like to work with SCE on these issues. This type of one-to-one support will enable SCE to better capture opportunities for effective partnerships with interested jurisdictions. We found some local officials had a strong interest in working closely with SCE in new program ventures. By developing a strong outreach effort to the jurisdictions, SCE will be able to identify these opportunities in a timely fashion and forge stronger alliances with those local partners most interested in collaboration on efficiency initiatives.

The perception among the advisors was that the utilities definitely have an important role to play in interfacing with local governments to support more energy efficient practices in the marketplace. “The utilities have an amazing array of technical resources and some funding which could benefit local governments.” There was a belief that there are opportunities to collaborate more fully with local governments and that SCE should try to interest the jurisdictions in expanded collaboration.

One way that LGI nurtures this relationship is through the training it provides jurisdictions. Our study found a general positive appreciation of both the basic training sessions and the on-site support provided by LGI. We recommend that this training continue because staff turnover, program requirement changes, and the complicated nature of some of the programs necessitate repeated sessions.

The remainder of the recommendations discussed here are specific to either the existing programs, market sectors, or possible new program concepts.

## **6.2 Other Recommendations**

### **6.2.1 Recommendations for CEEP**

Overall, the CEEP is viewed positively and is seen by many as requiring little modification. Furthermore it is viewed as a useful model for how to design future energy efficiency programs.

There is a perceived need for more program marketing and more recruitment of builders. This could take the form of joint SCE-jurisdiction outreach through local meetings and mailings, SCE-only outreach, or a combination of the two approaches, depending on the level of interest at the jurisdiction level.

### **6.2.2 Recommendations for New Residential Programs**

Develop programs which target emerging technologies, such as photovoltaics, specifically integrated PV shingles. Photovoltaics was mentioned far more frequently than any other technology as a candidate for consideration for future

promotions. The market (at the jurisdiction level at least) seems to be ready to embrace a new SCE program for this technology.

Cooperative efforts with jurisdiction in development of more efficiency-oriented ordinances were also proposed by some of those interviewed in this research. One possible approach to ordinance design is to require new homes exceeding a certain size threshold to perform at the “energy footprint” of a smaller home. Other ordinance concepts proposed by the respondents focused on mandates for specific technologies, such as cool roofs in commercial construction. Even if SCE is hesitant to boldly pursue ordinance development as one of its own endeavors, it should be recognized that there is a small niche in the jurisdiction population that would welcome technical assistance as they themselves pursue efficiency ordinance improvements. BII also would not support any mandatory ordinance at the local level. According to them, it is against State law to have local ordinances that exceed the California Energy Code without that local jurisdiction having the appropriate cost effectiveness analysis approved by the California Energy Commission and a Finding of Fact by the State Buildings Standards Commission.

One means by which SCE might help interest more builders in more efficient housing is by addressing the concerns over indoor air quality and the inability to find insurers willing to provide risk management in this arena.

### **6.2.3 Recommendations for Checkpoint and Express Efficiency**

The interviews with local government officials demonstrated that the strategy of targeting districts with high residential rates of growth worked well for CEEP, but less well for the commercial programs. There is extremely low awareness of Checkpoint and Express Efficiency among both jurisdictions and eligible businesses and builders. Future efforts at recruiting jurisdictions for the commercial sector programs should be targeted to jurisdictions showing high rates of commercial new construction or remodeling activity. Marketing of the CheckPoint program to commercial builders should focus on increased involvement of local code officials responsible for commercial construction permitting. This recruitment of local officials will likely require on-site meetings even in jurisdictions now participating in CEEP as there frequently is different staff responsible for each sector. SCE should also develop contacts in the local Economic Development Departments for recruiting jurisdictions into participating in commercial sector programs.

On a practical matter, the current process for the distribution of materials to the jurisdictions is not working. To be effective, information needs to be attractively displayed in a means that fits the unique space requirements of each jurisdiction. The materials must be consistently restocked and current. It will not do SCE's image to post information on old or oversubscribed programs. What is most needed by the communities is a simple chart or brochure briefly describing each

program, how to apply, and where to get more information. Several of the communities we spoke to were willing to place a small kiosk display in their office on a trial basis.

#### 6.2.4 Recommendations for New Commercial Programs

Other recommendations to strengthen the non-residential programs include:

- **Coordination and outreach on the commercial sector programs should be targeted to other departments.** Frequently it is the Department of Community Development or Economic Development which is the best point of contact for this outreach. There appeared to be some real interest in this prospect in selected districts.
- **Partner with jurisdictions in developing programs** There is a desire among some jurisdictions for assistance in identifying efficiency measures worth targeting in new municipal initiatives.
- **Coordinate outreach to commercial builders and developers** This recommendation is analogous to the one offered for residential programs: have Edison provide program information to local builders at meetings sponsored by the jurisdictions
- **Education of property managers and leasing agents** Specific sectors mentioned included shopping center managers, other retail operations, and real estate industry professionals.
- **Work with jurisdictions to upgrade municipal facilities** More improvements could be made to the jurisdictions' own facilities with respect to energy efficiency, particularly that associated with pools and large HVAC systems. Outreach for this type of initiative should be directed to the Public Works Department.

## **Appendix A: Interview Notes from Jurisdiction Interviews**

### ***Profile #1***

#### **Background and Experiences with Programs**

This City was an early backer of the CEEP program. The impetus for participating came from the City Council. It has been important to top officials here that the City promotes sustainability in new construction. City Council has made this something of a priority. Having CEEP available has made it easier for City staff to follow the sustainability imperative; in their view, there is little else that they have to offer to support this objective of City Council. The staff had tried, unsuccessfully, to initiate their own program in support of green building. When this effort was not embraced by builders they were left with the CEEP program alone.

This City did a pilot project to kick off CEEP, offering a 10% discount on the fees builders are required to submit with their plans. City Council authorized over \$20,000 for this fee discount. The idea for the discount had been brought up by builders and developers when the program idea was initially tested with them. City Council members felt the idea of the fee discount was worth trying, and so the pilot was born.

Support for the program remains high at this city, among both staff and the Council, although the program is not as high profile as it was at the outset.

The City does not actively promote CEEP to developers. It is their experience that developers are already aware of the program.

With respect to Checkpoint and Express Efficiency, the Chief Building Officer remembered receiving the brochures, but was unfamiliar with the programs. This was the case even though, by his own description, the Building Department would be the appropriate contact point for any new construction programs, be they residential or commercial. There has been no feedback from their front office staff regarding questions from the public on the programs.

For Checkpoint, it may be that the city's Environmental Services Department would be an appropriate point of contact for SCE to approach. The commercial programs would likely receive the same level of interest as CEEP in that the sustainability issue is viewed as equally important in either sector.

#### **Market Response**

The City has gotten "positive remarks" about the CEEP program and is pleased to have been a part of getting the program started.

The city staff does not market the program to builders or developers and yet the respondent indicated that "the program has taken off." The Chief Building Official

characterized the greatest strength of the CEEP program as its effectiveness in generating interest among builders to include additional efficiency features into their new homes. He felt that the program was in fact accomplishing what it had been intended to do, i.e., motivate builders to install more energy efficient measures and increase public awareness of efficiency options in new construction, with the ultimate goal that, over time, of these features becoming more “popular.” It was felt that this had in fact taken place, and “to a greater degree than expected.”

The Building Official felt that he had seen evidence of spillover effects of CEEP in areas where it was not being promoted by the local jurisdictions. He attributed this effect to the fact that CEEP “is marketable for them [developers].” This observation was based upon personal experience in shopping for a new home. A large tract development where four or five major builders are working simultaneously was referenced. [Centex Homes was specifically referenced as one of the developers involved.] The sales pitch heard [unprompted by the homebuyer] was that the homes were “quality homes” and that they were “CEEP homes,” thus linking quality production to the CEEP program in this sales pitch.

### **Recommendations**

The city would “absolutely” be interested in having SCE send out a rep to explain the programs to the city staff who man the counters where the public sees the program brochures. A fifteen to thirty minute presentation on highlights of all the programs would fit the bill.

A regional or local meeting for contractors, developers, and possibly other groups was suggested. This Building Official volunteered to work with SCE to coordinate such a meeting, if so desired. The meeting announcement could be displayed along with other program brochures in their offices. “We get hundreds of people through here daily.”

As mentioned earlier, it was recommended that SCE outreach regarding commercial sector programs be directed to the Environmental Services Department.

One initiative that the City has pursued on its own was an effort to leverage the efforts of the Green Building Council. The City attempted to encourage builders to adopt green building standards and to use the measurement tool of the GBC, without success. The builders indicated that the program would have to become obligatory before they would participate. The City hasn’t pursued this course since, but is likely to revisit it in the future. Whether or not there is an opportunity to partner with the local government in this endeavor would need to be explored directly with them.

## **Profile # 2**

### **Background and Experiences with Programs**

This City began participating in CEEP in 2000. Up until now, program activity in CEEP has involved only one developer. Locally, reaction to the program was characterized as following a slower rate of adoption: “ It’s just starting to take hold this year.” The City expects to have additional developers participating in the program in the future and, in fact, have a new tract being built this summer which will consist entirely of CEEP construction. Other builders have made inquiries. The Building Official feels that developers’ awareness of the program has grown through their experiences in other jurisdictions.

When asked to rate the value of the CEEP program on a ten-point scale where 1 is equivalent to “of no value” and 10 is equivalent to “of great value to your City” this Building Official indicated that his rating of the program gets higher year by year. He would give the CEEP program an “8” rating now. When asked to explain why he gave this response, he indicated that the level of interest is linked to the state energy efficiency legislation that they must comply with. “Our interest increases as the state legislates more of a role for us.”

The program has not increased workload for personnel at all. They are able to offer expedited plan check as a result of the fact that the plans being submitted have already undergone review by a certified engineer. “Much of the work has been done already.”

The efficiency training received in association with CEEP was felt to be of “very, very good” quality. The Building Official made a direct linkage between the training his staff received and the ability of their inspectors to enforce quality insulation work in new construction projects. He reported that since the training, “our inspectors are taking a hard line” with builders.

The Building Inspections Department’s interest in CEEP remains high.

There is little or no interest in the commercial programs or in retrofit programs.

### **Market Response**

Program participation levels were felt to have lagged behind other cities as a result of differences in the relative rate of growth in the housing market.

The display of CEEP brochures at their offices drew quite a few comments and questions from homeowners. The materials did not generate much reaction from builders.

### **Recommendations**

No apparent need was perceived for improving or modifying the CEEP program overall. With respect to program marketing or public education, it was suggested

that SCE provide more information showing the level of bill savings that customers could anticipate.

The Building Official felt that there is a continuing need for SCE to provide in-house training to the personnel in his offices on energy efficiency topics. This is due in part to turnover in staff. The Inspection Department has two new people who are in need of training. However, it was mentioned in the same breath that more senior staff would also benefit from a refresher class. Outreach through associations such as ICBO was *not* felt to be of substantial value.

This City does not seem to be interested in retrofit programs due to a lack of permitting or inspection activities associated with this type of efficiency activity. There does not appear to be a larger overarching drive to move the market forward with respect to energy efficiency. There was also no interest expressed in the programs for the commercial sector.

### **Profile # 3**

#### **Background and Experiences with Programs**

According to the statements made in this interview, this city has been offering the CEEP program only. Respondents were unaware of Checkpoint or Express Efficiency. However, later in the conversation it became apparent that they had been asked to display brochures about SCE programs, so it may be that these materials are on display and that the more senior staff has little or no involvement with this activity. For CEEP, the City is offering both expedited plan checking and recognition awards.

One impetus for deciding to participate in CEEP was the direction given by a local government body, the Coachella Valley Association of Governments (CVAG). This body established an energy efficiency goal to have new residential construction achieve performance levels 15% above the state energy efficiency requirements. CEEP is the cities' answer to this directive. Several cities in the Valley are now supporting the CEEP program.

When asked to rate the value of the CEEP program on a ten-point scale where 1 is equivalent to "of no value" and 10 is equivalent to "of great value to your City" the Chief Building Official gave the program a rating of 9. He indicated that the program simplified the plan checking and inspection tasks for staff; the program was characterized as "absolutely" improving the quality of plans submitted for approval. It was explained that because the plans are done by a licensed mechanical engineer they are of a superior quality as compared to the average submittal received in their offices.

#### **Market Response**

In its first year, this City had two builders participate. There have been no additional participants since. As far as they can tell, there is no significant

interest in energy efficiency among either homebuyers or builders in their area at present.

In the view of the Chief Building Official, the current state standards are already strict without any additional efficiency initiatives added to them. He stated that it is difficult for builders to achieve the 15% standard put forward by the CVAG. Given the large square footage and large window area of the homes in the City, "the builders are doing everything they can just to meet the state requirements." In addition that houses "can't be built fast enough" to satisfy demand in today's market and, as a result, the builders do not need to incorporate additional efficiency features to make their homes more marketable.

The respondent felt there was little interest in efficiency among typical homebuyers in their area. A significant percentage of their new construction projects are retirement homes of 2500 square feet or so, which sell for around \$700,000. Buyers of these homes were characterized as not placing importance on energy efficiency.

### **Recommendations**

The respondent would like to see SCE bring in additional builders to the program. This was mentioned repeatedly.

There was no desire expressed for training any staff on the program or other support from SCE representatives in explaining the current CEEP program. For the most part, there was no perceived benefit in having SCE interface with other City departments at this time. The exception to this is the Planning Department. It was felt that there could be benefits in developing an approach which would influence initial plans from the builders, and that such a direction would involve the Planning Department. The Building Department and the Planning Department have collaborated in the past in developing programs targeted at builders, linked to a state program (the particular program was not identified). The Planning Department addressed site orientation, tree planting, and other issues in this effort.

This City would support additional SCE programs by putting out brochures in countertop displays. The rebate programs were viewed as SCE's most successful and specifically mentioned as programs that would be supported by displaying materials. No preference was indicated on the matter of single family versus multifamily programs. Presumably the possibility of displaying brochures for the commercial programs would also be acceptable (if it is not already being done).

This Chief Building Official felt that, with respect to residential new construction, SCE should look to jurisdictions with less costly housing and a larger first-time buyers' market. Given the lack of interest in efficiency locally, he presumed that a market area with different characteristics might offer better opportunities.

## **Profile # 4**

### **Background and Program Experiences**

This City is participating in the CEEP program. The Building Official reported no awareness of the commercial programs and did not express any interest in this area. The lack of interest in the Checkpoint program was attributed to a lack of commercial construction activity in the City.

This City is participating in CEEP as a result of requests from builders. For the City personnel, energy efficiency programs are “not a high priority.” Reaction to the program was that “it’s fine... I’m not that excited about it.”

When asked to rate the CEEP program’s value to the City on a ten point scale, the respondent gave it a 5 or 6, this on the basis of the program’s design and premises, saying “It all sounds good in theory.” Essentially, the City has agreed to make CEEP available but has not pushed the program or involved itself in the program any more than necessary. The respondent had no comments when asked about program strengths or weaknesses.

The respondent indicated that the City already kept plan check turnaround times very short to start with and did not offer any additional expediting of the check process for participating builders.

The City outsources its plan checking activities and so is removed from the one concrete benefit which the respondent identified during the interview. The plan checker has found that the CEEP plans are easier to review because “they are done right” from the start.

### **Market Response**

This City has made no effort to market CEEP itself and consequently the respondent had no feedback on barriers to program acceptance among builders. For the two builders who have elected to participate in the program, the respondent views CEEP as a sales tool for them. It is believed that these builders are already convinced of the value of the program.

Changing market conditions with respect to the energy crisis have not markedly changed the City’s support for the program, which has been somewhat disinterested all along.

### **Recommendations**

This respondent had no suggestions for modifications to the CEEP program or for marketing or outreach efforts from SCE. He indicated that he had not spoken with anyone from SCE regarding the CEEP program recently, and had no particular desire for any assistance with the program.

For the future, as to how SCE could work with their City to promote energy efficiency, this respondent indicated an interest in seminars. He reported that the

seminars they had attended in the past were of good quality and that they passed along relevant information to others who were not in attendance. He would like to see continued seminar offerings, although no specific topic areas were identified.

This respondent did not express any interest in other program areas or in having more contact between SCE and personnel in their offices. However, it may be useful, if SCE is considering modifying CEEP so that it would affect Planning Departments, to reach out to the Planning Department directly to see if there is greater level of interest in that office. This respondent did not seem likely to be an active champion for bringing in SCE, although he may go along with the idea, if SCE proposes a meeting at their offices.

One service idea that the respondent suggested (unrelated to energy efficiency programs) would be if SCE were to work with the City offices to shut off power to properties they had identified as housing drug dealing activities. [Note from interviewer: While such an effort would not directly support SCE's efficiency objectives, it may be worthwhile to examine cases where relationships with jurisdictions can be nurtured by assisting them with local concerns such as this.]

## **Profile # 5**

### **Background and Program Experiences**

This City is participating in all three programs to some degree. For Checkpoint and Express Efficiency, the City staff makes the program brochures available to the public, for CEEP they offer builder recognition awards in addition to expedited plan check.

The decision to support these programs was a result of direction given by City Council, which desired that the City would become more proactive in promoting green building practices. A local Growth Control Amendment (which has an efficiency component) and the state energy efficiency requirements also were central considerations. CEEP was viewed as being a good fit with all of these factors.

The Building Department had heard favorable views of the CEEP program from other jurisdictions, met with the BII/SCE representative to learn more, and subsequently decided that they would participate. Their perspective was that the CEEP program would enable them to follow the directives from City Council without a large incremental effort from their staff. The Chief Building Official did not anticipate that the program would alter the workload of staff one way or the other.

When asked to rate the three programs for their value to the City on a ten point scale, the Chief Building Official gave all a 5 rating "on paper." The Checkpoint and Efficiency Express programs are viewed as somewhat valuable. Again, all

discussion of the value of the programs was linked back to being able to address the direction from their City Council.

This City has not worked with neighboring municipalities on any efficiency programs. They do try to model conservation behaviors themselves by having energy analyses performed on the City's buildings to identify areas of savings opportunity.

### **Market Response**

There has been no activity in CEEP as yet; no builders are participating. The demand for housing is very strong; in fact, there is not presently enough housing available to meet the existing demand. This economic climate was viewed as a factor influencing builder behavior in relation to the program.

The City is not promoting the program itself. It was the Building Department's understanding that the recruitment of builders was the responsibility of the representative from BII/SCE.

The Chief Building Official felt he could not offer comments regarding program strengths and weaknesses as they had seen no program activity to date. He did appreciate a presentation provided by SCE as well as publicity that had been provided.

### **Recommendations**

This City would like to see one or more builders recruited into the CEEP program. This would be of value in serving to provide a demonstration of the program's benefits. No recommendations were offered regarding either Express Efficiency or Checkpoint, nor were any other services suggested.

## **Profile # 6**

### **Background and Program Experiences**

This city is participating, or waiting to participate, in the CEEP program. There have been no participating builders or developers as yet, hence no program activity. They are not participating in the other programs although they are equally interested in them in concept.

Colorado Energy Group was mentioned as having done a good job at outreach to their municipality. This outreach involved meetings with the Mayor's office as well as the Building Department.

CEEP was given a rating of "6" and characterized as having a lot of potential. The energy efficiency objectives are viewed as being good for California and good for the citizens.

Due to the lack of program activity, it was not possible for the Building Department to comment on the degree to which CEEP affects the workload of

their staff. The offer of expedited plan checks will be accommodated by making any necessary schedule adjustments when qualifying plans are received.

This city does not coordinate with other cities or county offices with respect to CEEP.

### **Market Response**

As mentioned above, there has been no participation to date. The lack of builder participation was attributed to the characteristics of the local housing base. Housing here is lower end. This was felt to be at odds with the need for extra features in order to meet CEEP requirements.

### **Recommendations**

This City would be interested in supporting other programs, including programs for single family or multifamily homes as well as Checkpoint or Express Efficiency. Information on such programs should be provided.

### **Profile # 7**

#### **Background and Program Experiences**

The current Building Official started in his job about 8-9 months ago - after this city enrolled in CEEP. For a time, all program-related information was being forwarded to former building official and the current Official was unaware of the available program information. That situation has since been rectified, but for a while there was no internal monitoring of the program in any fashion. There has been no meeting between this Official and SCE representatives, although George Burmeister had called recently and lines of communication were being re-established.

Given the lack of program activity and the primary respondent's lack of awareness of the program during his job tenure, no rating was given to the CEEP program.

The Building Official reported a vague degree of familiarity with SCE's commercial programs, mentioning a workshop he had attended where the programs were discussed. However, this is not a priority area for the Building Department. This jurisdiction has more construction activity in residential and unconditioned industrial space [warehousing] than commercial, so there is less interest in the commercial programs than in CEEP. [Note: as later findings indicate, this is a department-specific reaction. The Director of Community Planning had several areas of interest in addressing existing commercial properties.]

This jurisdiction has not made an effort to market the CEEP program and is not coordinating with other municipalities in this regard.

CEEP is not viewed as likely to increase workloads for staff as the jurisdiction already does detailed plan checks.

### **Market Response**

No applications for CEEP have been received in the last 9 months. The perception of developers is that they are unaware of the CEEP program. This was considered surprising in light of the fact that they have a number of “national-level builders” active in their area.

### **Recommendations**

No suggestions were offered for these programs specifically, except for the provision of more handouts for the countertop display in their office.

In the experience of this Building Code Official, most Title 24 reports prepared by certified energy consultants are done very badly, having “basic flaws” and overall “not being as professional as they could be.” He would think that there is a role for SCE to play in providing additional training to these consultants to improve the level of standard practice in the industry.

For new program directions, it was felt that SCE should intervene earlier with developers, before construction plans are brought in to be filed. It was commented that SCE “needs” to be involved at the jurisdiction’s initial point of contact with developers, which is at the Planning Department. This was characterized as “a key moment in time to get to developers.” The appropriate contact in that area is the Director of Community Development.

The Director of Community Development also felt there was a need for more education from SCE to the marketplace, including decision makers on existing facilities. In this case, he was advocating for trying to influence shopping center managers and real estate industry professionals that work with this segment on the importance of landscaping as a tool for reducing air conditioning requirements. In his experience this is a hard sell to convince property managers to grow shade trees to a height to allow them to be effective. He reported that his department’s interactions with this market segment tend, on the whole, to be more confrontational and problem-driven in nature. He therefore felt direct marketing or outreach from SCE to the property managers and leasing agents would be a better avenue.

Within the City Council, there is a desire to promote photovoltaic options to the commercial sector but a sense within the Community Development Department that the paybacks are too long. They would welcome a chance to work with SCE on a program providing incentives for PV in commercial properties. One possibility would be for the City to institute requirements for PV in conjunction with SCE offering monetary incentives.

It was also suggested that the commercial sector programs include one or more requirements for energy efficient appliances. The Director of Community Development also mentioned that it might be possible for their office to institute requirements for more efficient appliances, with SCE providing guidance to them on which measures should be targeted. Whereas other jurisdictions had mentioned an unwillingness to pursue making efficiency upgrades mandatory, this respondent appeared inclined to consider such a course, especially with support from SCE on either planning or providing monetary incentives.

With regard to commercial new construction, again it was suggested that the City and SCE might be able to partner with one another through projects in which the City mandates certain efficiency options and SCE provides financial incentives. "If SCE has ideas for more use of specific measures, we would like to discuss this with them."

## **Profile # 8**

### **Background and Program Experiences**

This jurisdiction has been interested in CEEP and, in contrast to most other cities contacted in this study, has actually taken the initiative to market the program. There was no awareness of the Express Efficiency or Checkpoint programs, but the Chief Building Official was interested and intended to find out about them [possibly online].

CEEP was viewed as "above average" and rated as a 7 on a ten point scale. There was a feeling that as an efficiency program it is worthwhile, but there has been little participation in CEEP of late. It was indicated that this is probably due to the relative lack of incentive in their area [only the quick plan check time is offered]. Because their standard plan check time is already at 2 weeks, program participants in their jurisdiction do not experience any significant benefit from the quick plan check arrangement of the program. The Chief Building Official felt that an additional incentive is needed, especially in this strong building market.

This jurisdiction views energy efficiency programs favorably, seeing them as a benefit to their citizens and businesses. They have not attempted to take a mandatory compliance approach and view that as creating complications which would require a cooperative effort with the Building Industry Association. They are equally interested in commercial sector programs as residential, despite the lack of awareness of the commercial programs supported through LGI. The new construction market for commercial properties was characterized as very steady in their area and clearly viewed as an area of opportunity for promoting efficiency programs. The Assistant City Manager indicated an interest in having printed program promotion materials available to the city's Economic Development Department for distribution to businesses that are prospects for relocation into the jurisdiction.

### **Market Response**

This jurisdiction has marketed CEEP by means of meetings and direct mailings. Meetings are held with residential builders a couple times each year, and CEEP pamphlets have been distributed through this channel. A letter was also sent out to all residential developers active in their jurisdiction. Despite this effort, response has been lacking. There is no participation now among homebuilders. This is attributed to the strength of the housing market at present. "There is so much activity in the market that there is no need to improve sales [and consequently no interest in pursuing greater efficiency opportunities]."

### **Recommendations**

It was suggested that SCE visit the jurisdiction to work more closely with their staff. Further, they would welcome having SCE speak at the meetings they have with local developers. Separate meetings are held with commercial developers and with residential developers. They would be happy to have SCE promote either commercial or residential programs in their area.

While no specific thoughts were offered about how to work with the Planning Department to have an earlier point of interfacing with developers, it was agreed that CEEP was a late point of contact and that an approach of working with the Planning Department was worth consideration. In addition to the possibility of having SCE work with the Planning Department, there was a clear benefit seen to having SCE work with their Economic Development function in marketing the commercial sector programs. The Assistant City Manager is responsible for this function in this city and would be the appropriate point of contact for these types of endeavors.

Another suggestion centered on working with the Public Works Department to address energy usage in the jurisdiction's own facilities. While they have undertaken on-site analyses in the past, there is a belief that more remains to be done. The city could serve as an example to the community in adopting more energy efficient measures. Municipal pools and the HVAC systems of larger buildings were identified as end uses where there was concern over the magnitude of the City's energy use.

Other areas of concern included excessive night time lighting use. Retail operations and model homes were identified as market segments where excessive hours of operation or lumen levels are seen. The Assistant City Manager would be interested in developing some effort to try to reduce this usage locally.

## **Profile # 9**

### **Background and Program Experiences**

The view from the government authorities in this jurisdiction is that CEEP is a good idea. From the perspective of staff, the view is more one of "it's okay, we're not going to turn it down now that it's there," but the program has not been an

area of keen interest. From the perspective of the Building Department, they are doing all right as they have good compliance with the state energy requirements. There was little motivation evident to exceed that standard. The Building Official reported that there was no push from the builders for the program and consequently no perceived need on their part to be concerned about it. "We're not really looking to go further."

There was no awareness of the commercial programs.

### **Market Response**

This jurisdiction has not marketed the program.

CEEP "really hasn't taken off" here. The Building Official was of the opinion that developers do not have a good sense of how to get involved of what the benefits would be to participation in the program.

### **Recommendations**

Given the lack of program activity to date, it was felt that little feedback could be offered other than suggesting additional marketing of the program to builders and developers. In this regard, it was recommended that SCE attempt to market the program through the building industry trade associations. Specifically, having program information placed in the BIA newsletter was felt to be worthwhile as was sending a flier to developers.

### ***Profile #10***

#### **Background and Program Experience**

[Note: this respondent was included in the research as he served as an advisor to the program and has served as an officer of CALBO. While much of the commentary from that interview is included in the write-up of advisor feedback, the respondent also was able to provide perspective from the local jurisdiction level. This advisor happened to be a Building Official in a jurisdiction outside San Diego. This jurisdiction is not in SCE's area, but some of the information provided was informative none-the-less and is included here.]

This City has had "hundreds and hundreds" of homes designed to program standards. Feedback from builders is pretty good. Some builders are also participating in the EnergyStar program.

This City is a leader in environmental issues and has air quality standards and growth management standards that builders have to meet. The CEEP program provides a means for the builders to meet these requirements. By participating in CEEP they can more easily meet the City requirements. CEEP provides the builders more predictability: there is a defined set of program requirements to be followed as compared to trying to design homes to environmental specifications on their own. Typically the program participation process results in less time spent in negotiation with the City staff than the alternatives.

City Council was not asked to formally adopt the program. It was implemented administratively without formal adoption.

The City offers expedited plan checks and finds that this is very valued by the builders. By giving program plans higher priority in their system, participants experience a one week reduction in plan review times.

The Consol people are “outstanding.” A lot of training was provided by Consol.

### **Market Response**

Program participation has been active. This area is undergoing extremely fast growth. The Chief Building Official feels that this is a contributing factor to program participation. The rapid growth creates competition for homebuyers.

Another factor contributing to program success is the fact that by following program requirements, developers of large master plan communities are able to negotiate thousands of homes at a time with the City. This streamlines their approval process.

### **Profile #11**

#### **Background and Program Experience**

This jurisdiction is not participating in the LGI programs.

This Building Official is aware of CEEP and had been interested in the possibility of participating in CEEP at one point in time. This interest was linked to past housing market activity, which appears to be characterized by sporadically fast rates of growth in residential development in the area. According to the respondent, “we couldn’t move fast enough” to capture the opportunity to influence the development that came in.

The ability to succeed in the implementation of CEEP was characterized as being linked to two factors: (1) political context and (2) government resources. Local political support for the types of goals addressed by CEEP is an important condition facilitating adoption and backing of the program. Still, implementation will be impeded if the City offices do not have adequate resources to devote to the program. Medium and small jurisdictions were characterized as operating in a mode where they are barely able to keep up with their existing workload and where they do not have resources available to implement additional initiatives.

This respondent indicated that it was his understanding that there is some up-front effort in CEEP to customize the program in each area. His recommendation is to provide the program on a packaged, turn-key basis which would not require any consultation with the City staff to get the program started. This is not to say that there should not be customization or tailoring of the program to the local

builders' preferences, but to take the local officials out of that process, with Consol or SCE working out the details.

This respondent continues to have interest in CEEP and, in fact, sees a new development looming in the near future which could be a potential candidate for CEEP.

Commercial sector programs would also be of interest in this jurisdiction and others. This respondent felt that "jurisdictions will want to get that done. The questions is 'how to get it done.'" In particular, there is a question about how to mainstream practices that are in keeping with compliance with energy standards. Some technologies that would make sense to target would be cool roofs and lighting for commercial properties; also measures which address peak load control.

## ***Profile #12***

### **Background and Program Experience**

This jurisdiction is not presently offering any of the LGI programs, but would be interested in the Checkpoint program. The respondent was aware of CEEP but was not aware of Checkpoint or Express Efficiency.

CEEP was characterized as being "a great idea," however, the jurisdiction's area is largely built out and the Chief Building Official sees little opportunity to promote energy efficiency in residential new construction locally. In contrast, on the non-residential side, they are facing a new commercial development of approximately 160 acres and would be interested in addressing that project using Checkpoint, if applicable, or other programs as available.

This City does not have a large staff to address these issues. It would be impractical for them to consider attending full day training seminars. The Chief Building Official would like to have SCE provide information to City staff at their offices or in a neighboring community. A program lasting from 45 minutes up to a half day for building inspectors and building officials, providing information on what's available, how to enforce standards, etc.

## Appendix B: In-Depth Interview Guide

### INTERVIEW GUIDE: PARTICIPATING LOCAL GOVERNMENT OFFICIALS

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
 Town/County: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Date interviewed: \_\_\_\_\_ Other contacts: \_\_\_\_\_

1. Please briefly describe your initial involvement in CEEP/Edison’s Local Government programs. *[when first approached, when joined, decision process at the municipal/county offices]*.
2. Characterize your experiences with the program(s) since that time.
3. *(If joined before LGI)* Describe evolution of programs & services since enrollment. *(reaction to program bundling)*
4. How would you assess these three programs on a scale of 1 to 10, where 1 is “of no value” and 10 is “of great value” to your municipality.

Program	Rating *										
CEEP	1	2	3	4	5	6	7	8	9	10	NA
Express Efficiency	1	2	3	4	5	6	7	8	9	10	NA
Checkpoint	1	2	3	4	5	6	7	8	9	10	NA

5. Please explain why you rated each program as you did:***(CEEP, Express Efficiency, Checkpoint)***
6. ***(for early CEEP participants)*** How valuable is it to your municipality to have the Checkpoint and Efficiency Express program available for addressing commercial establishments ?***(if not very valuable, ask: Is there another person or department within your government that might have greater use for these programs?)***
7. **What are the key selling points for these programs in your view?**
8. What are the key hurdles you have to overcome in order to get a prospective builder or business interested in participating in these programs?***(Residential builder, Commercial builder, Commercial establishment )***
9. What level of success are you having in overcoming these barriers when promoting energy efficiency to builders and businesses? ***(What is an “easier sell”? What is a “harder sell”?)***
10. **Does your municipality work with neighboring locales in promoting these programs? (if “Yes”) In what ways do you coordinate with nearby**

**communities?** *(Joint marketing/outreach efforts, Uniform program requirements for participants, Uniform incentives offered to participants, Other)*

11. Has your town/county's interest in these programs changed over time, given changes in the energy situation, economic conditions or other changing market factors? What is the key reason for participating in the program under today's circumstances?

12. To date, what has been most successful about each of these programs and what would you hope to see work better in the future?

13. Does having these programs increase or decrease the workload for you and your staff?

14. (If expedited plan processing is offered:) **What makes it possible for your offices to grant quicker plan approval to CEEP builders?**

15. How helpful have the Edison staff been with respect to these three programs? Are there any ways that Edison could work better with your municipality in relation to these programs? ***(provide more outreach to elected officials or to planning staff or to other departments, redesign program to provide incentives earlier in the construction process chain, etc.)***

16. Does your municipality have an ongoing need for additional support from Edison to continue to promote energy efficiency to builders and businesses? ***(If "yes")*** What type of support would be of the most value to you? ***(need for program training for office staff, deputizing building department inspectors to inspect for energy efficiency)***

17. **What modifications, if any, would you suggest to these programs today?**

18. **Do you have any recommendations with respect to marketing or outreach?**

19. What direction would you like to see for Edison's Local Government programs, moving forward?

20. **Would you be interested if Edison were to add additional programs? What types of programs would be of the most interest to your municipality?** *(MF retrofit program, SF retrofit program)*

21. **Do you have any other recommendations?**

## Appendix C: Local Government Officials Survey

### SURVEY ON SOUTHERN CALIFORNIA EDISON EFFICIENCY PROGRAMS FOR LOCAL GOVERNMENTS

[with results]

**Southern California Edison is helping local governments promote energy efficiency in their communities through three programs:**

**Community Energy Efficiency Program (CEEP)** – rewards homebuilders who build to program standards with expedited plan processing, reduced fees, or recognition awards

**Express Efficiency** – promotes efficiency in existing commercial establishments by offering cash rebates for qualifying equipment such as lighting and fixtures

**Checkpoint** – promotes efficiency in commercial new construction through rebates for qualifying lighting, ventilation, motors, and air conditioning equipment

1. Please indicate which of these programs you are aware of. [**Circle all that apply**]

- |                       |      |
|-----------------------|------|
| 1. CEEP               | [21] |
| 2. Express Efficiency | [3]  |
| 3. Checkpoint         | [4]  |

2. Which of these programs are you offering or promoting in your area?

[**Circle all that apply**]

- |                       |      |
|-----------------------|------|
| 1. CEEP               | [17] |
| 2. Express Efficiency | [3]  |
| 3. Checkpoint         | [4]  |

**PLEASE ANSWER THE FOLLOWING QUESTIONS ONLY FOR THOSE PROGRAMS WHICH YOU ARE HELPING TO MAKE AVAILABLE IN YOUR AREA.**

4. How would you assess these three programs on a scale of 1 to 10, where 1 is “of no value” and 10 is “of great value” to your municipality.

Program	Rating *										[average]	
<b>CEEP</b>	1	2	3	4	5	6	7	8	9	10	NA	<b>[6.0]</b>
<b>Express Efficiency</b>	1	2	3	4	5	6	7	8	9	10	NA	<b>[4.33]</b>
<b>Checkpoint</b>	1	2	3	4	5	6	7	8	9	10	NA	<b>[2.75]</b>

\* where NA means “not applicable”, indicating you are not offering or promoting this program within your community.

4. Please explain why you rated each program as you did:

**CEEP [Select as many as applicable]**

- 1. Program is consistent with the policies of our City [4]
- 2. Program helps us with State/County requirements [6]
- 3. Program is desired by homebuilders in our area [3]
- 4. Program eases workload for our inspectors [5]
- 5. Program gave us something extra to offer to the community [8]
- 6. There has been little interest in the program [9]
- 7. Program increases workload for our inspectors [0]
- 8. Program has not attracted any homebuilder interest [9]
- 9. Program standards are too difficult to meet [0]
- 10. Program is not a good fit with City/County policies [0]
- 11. Other (please describe) \_\_\_\_\_ [we couldn't get program going fast enough to capture development.]

**Express Efficiency [Select as many as applicable]**

- 1. Program is consistent with the policies of our City [2]
- 2. Program helps us with State/County requirements [1]
- 3. Program is desired by establishments in our area [0]
- 4. Program eases workload for our office staff [0]
- 5. Program gave us something extra to offer to the community [1]
- 6. There has been little interest in the program [3]
- 7. Program increases workload for our office staff [0]
- 8. Program has not attracted any interest [5]
- 9. Program is not a good fit with City/County policies [0]
- 10. Other (please describe) \_\_\_\_\_

**Checkpoint [Select as many as applicable]**

- 1. Program is consistent with the policies of our City [1]
- 2. Program helps us with State/County requirements [1]
- 3. Program is desired by commercial builders in our area [1]
- 4. Program eases workload for our inspectors [0]
- 5. Program gave us something extra to offer to the community [2]
- 6. There has been little interest in the program [3]
- 7. Program increases workload for our inspectors [0]
- 8. Program has not attracted any builder interest [5]
- 9. Program is not a good fit with City/County policies [0]
- 10. Other (please describe) \_\_\_\_\_

5. Characterize the level of interest you have seen in these programs from the eligible builders or businesses on a scale from 1 to 10 where 1 is “no interest from the marketplace” and 10 is “extremely strong interest from the market”.

Program	Rating *											[average]
<b>CEEP</b>	1	2	3	4	5	6	7	8	9	10	NA	[2.7]
<b>Express Efficiency</b>	1	2	3	4	5	6	7	8	9	10	NA	[2.3]
<b>Checkpoint</b>	1	2	3	4	5	6	7	8	9	10	NA	[1.25]

where NA means “not applicable”, indicating you are not promoting this program within your community.

6. Does your municipality work with neighboring locales in promoting any of these programs? **[Circle the appropriate answer]**

- 1. Yes [5]
- 2. No
- 3. Don't know

6a. (if “Yes” to preceding question) **In which of the following ways do you coordinate with nearby communities?** *[Circle all that apply]*

- 1. Joint marketing/outreach efforts [2]
- 2. Uniform program requirements for participants [1]
- 3. Uniform incentives offered to participants [2]
- 4. Other (describe ) \_\_\_\_\_[I just encourage other jurisdictions to offer CEEP]  
[trying now to establish cooperative relationship with other CVAG jurisdictions]

**7. What recommendations do you have for ways in which each of these programs could be improved?**

**CEEP** \_\_\_\_\_

Developer follows CEEP requirements and standards; The program is valid, the big question is how to get the builders to buy in. They are tight with costs; Better outreach to smaller builders; Rebates to the Home Builders; Need Greater Communication with Developers, more direct contact with builders, developers, educational opportunities: We have custom-built market. Awards programs are more effective in working with these architects. CEEP is designed for tract home developers; marketing to attract builders; Package together a green building program with air quality & waste management; Heavier Marketing, workshops for builders and property owners, TV exposure; More exposure to developers/owners/contractors and public sector

**Express Efficiency** \_\_\_\_\_ Make program more visible to cities; more advertising

**Checkpoint** \_\_\_\_\_ Make program more visible to cities; Need information on Checkpoint program \_\_\_\_\_

9. Which of the following types of assistance from Edison would be of the most value to you in support of these programs? **[check all that apply]**

<b>Type of Assistance Desired</b>	<b>CEEP</b>	<b>Express Efficiency</b>	<b>Checkpoint</b>
<b>Meetings with other local officials to explain programs and benefits to us</b>	[6]	[7]	[7]
<b>Technical assistance</b>	[6]	[3]	[3]
<b>Marketing support/publicity</b>	[9]	[6]	[5]
<b>Help in enrolling participants</b>	[8]	[2]	[2]
<b>Meetings with our staff to explain programs and their requirements</b>	[8]	[4]	[4]
<b>Deputizing your building code inspectors re. energy efficiency</b>	[3]	[2]	[2]
<b>Other (please describe)</b>	**		
<b>No assistance needed at this time</b>	[4]	[1]	[0]

\*\*more local BIA promotion. Local BIA has contacts with the tract builders  
 Bring us a turnkey program. We'd like to implement but can hardly keep up with workload.  
 Have consultant customize as needed for us so our staff doesn't have to take on the start up work.

10. Are there other ways that Edison could better assist you in promoting energy efficiency to builders and businesses in your area? Do you have any suggestions for new services that Edison could offer to municipal or county governments to promote energy efficiency locally?

11.

Depends on whether rebates are generated; All programs should dovetail with State Requirements. Requirements and incentives should be easy to understand and use.; Edison would need to meet with top management planning and development services agency to explain program and benefits to the agencies; Public awareness may drive up demand; Provide packets of info for distribution to constituents at city/county offices; Staff meetings here or nearby for less than half day to explaining programs; CEEP offers more benefits to governments than to design professionals. Make more attractive to custom builders.; Rebates seem most successful. Incentives for eliminating old equipment. Keep on promoting programs. More emphasis on commercial programs.; Commercial sector programs would be of interest; question is "how to get it done?" Help us to mainstream energy compliance so that it is implemented more consistently

## **Appendix D: Advisor Interview Guide**

### **INTERVIEW GUIDE FOR CEEP ADVISORS**

Role in establishment of CEEP

Key objectives/goals of CEEP in your view

How successful has the program been to date, in your view

What are key strengths and weaknesses

To your knowledge, are any changes being planned?

What direction would you like to see it move in for the future?

How important or successful have the utilities' efforts been in supporting this program?

Is there anything you would like to see SCE doing that it is not now doing with the program?

Edison is now endeavoring to work with local government officials to get their support not only for the CEEP program but also programs addressing the commercial sector. Do you have any thoughts or advice for direction to Edison as they try to work with local governments on:

commercial new construction?

Commercial retrofit program?

Retrofits for multifamily residences?

Retrofits for single family homes?

Are there any other thoughts you have with respect to how Edison can attempt to work with local government officials in promoting energy efficiency programs?

Thank you for your time.



## **Appendix E: Local Builder Interview Guides**

### **INTERVIEW GUIDE EXPRESS EFFICIENCY PROGRAM MANAGER**

Brief background on EE program: when started, activity levels

Program objectives. mechanism of delivery to market.

Describe marketing. How does EE program contact eligible businesses?

How did EE come to be linked with LGI? Why was this particular program put under the umbrella of LGI?

What changes, if any, has this linkage to LGI brought to the Express Efficiency program?

Is this linkage working smoothly?

Have you been able to discern whether or not LGI has been successful in encouraging new participation in EE? How have you been able to identify effects?

What feedback have you gotten from local government officials? How would you characterize the level of interest in the program [high, moderate, low]?

What elements of the program do they tend to like best? What modifications, if any, have been suggested?

Are there any ways that LGI could work better with EE?

What direction would you like to see for LGI, moving forward?

Do you have any recommendations with respect to marketing?

Do you have any preferences for future definition of target municipalities?

Do you have any other recommendations?

## **Appendix F: Small Business Interview Guides**

### **INTERVIEW GUIDE EXPRESS EFFICIENCY PROGRAM MANAGER**

Brief background on EE program: when started, activity levels

Program objectives. mechanism of delivery to market.

Describe marketing. How does EE program contact eligible businesses?

How did EE come to be linked with LGI? Why was this particular program put under the umbrella of LGI?

What changes, if any, has this linkage to LGI brought to the Express Efficiency program?

Is this linkage working smoothly?

Have you been able to discern whether or not LGI has been successful in encouraging new participation in EE? How have you been able to identify effects?

What feedback have you gotten from local government officials? How would you characterize the level of interest in the program [high, moderate, low]?

What elements of the program do they tend to like best? What modifications, if any, have been suggested?

Are there any ways that LGI could work better with EE?

What direction would you like to see for LGI, moving forward?

Do you have any recommendations with respect to marketing?

Do you have any preferences for future definition of target municipalities?

Do you have any other recommendations?