



PG&E Energy Efficient Motor Distributor Incentive Program

Presented by:

**James Tuleya, Pacific Gas & Electric Company
Megan Johnson, Energy Solutions**

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Agenda

- ❑ Setting the Stage for Higher Efficiency Motors
- ❑ What is the Motor Distributor Incentive Program?
- ❑ Why Upstream vs. Downstream?
- ❑ How Does the Program Work?
- ❑ Overall Program Accomplishments

U.S. Market Changes are in the Wind

- Cost of conventional energy is rising
- Need to reduce emissions is increasing
- Customers are ready to go green



- Legislative and Regulatory polices are shaping the markets:
 - Renewable Portfolio Standard (RPS)
 - Greenhouse Gas (GHG)
- Investment in technology solutions is rising



- Cost of renewable generation is falling
- Energy storage (battery) performance is improving
- The Grid is starting to get smarter...much smarter



What's Happening in California?



- ❑ CA Long Term Energy Efficiency (EE) Strategic Plan makes energy efficiency “business as usual” by 2020
- ❑ Renewable Portfolio Standard requires 20 percent renewables by 2010
- ❑ AB 32 Scoping Plan calls for greatly increased EE
- ❑ 32 Years of continuous EE programs – Voluntary and Codes and Standards

CA Investor-Owned Utilities Service Areas



PG&E Territory:

- ❑ 70,000 square miles
- ❑ 15 million people
 - about 1 in every 20 Americans
- ❑ 6 million customers
 - 87% residential
 - 13% non-residential
- ❑ 139,000+ circuit miles of electric lines
- ❑ 45,800+ miles of natural gas pipeline
- ❑ **Summer Peak (2007): 20,258 MW**
- ❑ **2007 Electricity Use: 86,313 GWH**

Note: Service areas of Municipal Utilities are not shown, such as Sacramento Municipal Utility District, Silicon Valley Power, et al.

Delivery Channels for PG&E's EE Programs

- “Upstream”
 - Partner with manufacturers and distributors to increase the market share of higher efficiency products through incentives
 - Lighting, Commercial A/C, Motors
- “Midstream”
 - Leverage retailers, distributors and vendors to increase accessibility, stocking, promotion and sales of high efficiency products in the mass market through channel incentives
 - A/C Duct Test and Seal, Appliance Recycling Program, Business & Consumer Electronics
- “Downstream”
 - Encourage customers to purchase energy efficient products through a rebate offering

PG&E's EE Motor Distributor Incentive Program

Financial incentives are provided “upstream” to motors distributors who stock and sell qualifying higher efficiency motors.

□ Stocking higher efficiency motors will:

- Ensure broad availability of efficient motors for quick turnaround upon urgent need, since replacement on burn-out is commonplace
- Ensure efficient motors availability in the market for new facilities and planned replacement in existing facilities

□ Up-selling higher efficiency motors will:

- Reduce operating costs for rate-paying customers
- Decrease peak demand and energy needs in PG&E territory
- Increase sales and profits for distributor partners in program
- Improve environment for California residents

PG&E's EE Motor Distributor Incentive Program

Qualified distributors can earn

...from \$33 to \$2,838

...for every premium efficiency motor sold

...that meets the Program requirements

Upstream Rationale

- ❑ Distributors control a majority of the market
- ❑ Fewer market actors make program implementation practical and cost effective
- ❑ Distributor incentives directly affect stocking and selling practices
- ❑ Downstream customer rebates did not result in high market penetration of premium efficiency motors

Upstream Rationale

□ Pricing

- Distributors have the flexibility to use incentives to reduce first cost, which is one of the major market barriers

□ Stocking

- Replacement of many motors is not a planned event
- Distributors can use incentives to stock more PE motors

□ Marketing

- Distributors can use incentives motivate employees or underwrite time needed to “sell” PE motors

PG&E's EE Motor Distributor Incentive Program

- ❑ Distributors sign participation agreement agreeing to program terms and conditions
- ❑ Incentive applications are entered online
- ❑ Customer and equipment information is reviewed by program the first time it is submitted
 - Program maintains a database of previously verified equipment and customer information
- ❑ Average application processing time less than 3 days

Required Application Information

- ❑ Customer: must provide installation site customer name and address
 - Customer must be have PG&E non-residential electric account and pay the public goods charge
- ❑ Sales Information: must provide sales invoice and sales date
- ❑ Equipment: provide manufacturer and model number
 - Must provide equipment specification sheet first time unit is entered
- ❑ Quality Assurance/Verification: units are subject to field verification by PG&E Inspector

New Commercial Motor Rebate Application View

Add LED Case

Add Low Watt T8

Add Commercial HVAC

Add Monitors

Equipment Information

Look up equipment or add a new model to our database using the "Add New Model" button below. Then fill out the number of units and serial numbers (if available) to calculate your Total Potential Rebate.

Add New Model

MANUFACTURER

-- select --

MODEL

-- select --

DETAILED SPECIFICATIONS

No Model Selected

UNITS INSTALLED

UNIT SERIAL NUMBERS (OPTIONAL)

Add

Delete

REBATE SUMMARY

Installation Site Information

Enter installation site information or, optionally, search terms to the right or use "Look Up" to search for previously entered sites.

Look Up

In order for any rebate application to be approved, we must be able to match the installation address to

BUSINESS NAME

STREET ADDRESS

STREET ADDRESS LINE 2 (OPTIONAL)

CITY

STATE

CA

CONTACT TYPE



Utility Customer



Sales Representative

CONTACT NAME

CONTACT PHONE (NNN-NNN-NNNN)

Bulk Upload Applications

- Bulk upload of sales data to reduce application entry time
- Provide application data in excel file with set format
- Can work with distributors sales software to set up queries of sales data for monthly application submission

Bulk Upload Applications

Installation customer name	Contact name	Contact phone	Customer Address 1	Customer City	Customer Zip	Invoice Number	Sales Date	Number of units	Manufacturer	Model Number	Serial Number	Application Notes	Username
Tom's General Store	Bob	555-555-5555	123 Main Street	Anytown	90000	ABC124	2009-01-01	1	ACME	ABCD		New constructi	meganj

Overview Search List Applications w/ Issues Add New Batch Upload Batch List Batch Search Promotions

NEW Application Batch Import View

This form is for importing multiple rebate applications using an ASCII text data file format.

Use the specification and example file for your Application type, below:

- Commercial Lighting
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Commercial HVAC
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Commercial Motors
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Commercial Monitors
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Refrigerant Charge and Airflow
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Duct Test and Seal
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Residential Water Heaters
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
- Commercial Water Heaters
 - [File Specification \(pdf\)](#)
 - [Sample File \(text\)](#)
 - [Sample Excel Columns \(xls\)](#)

VENDOR BATCH ID

APPLICATION TYPE

BATCH DATA FILE

Note: Do not create your ASCII batch files in a

Overall Program Accomplishments

- ❑ Total of 63,894 HP of premium efficiency motors incentivized in 2004/05 Program (\$440,250 total incentive dollars)

- ❑ Total of 244,037 HP of premium efficiency motors incentivized in 2006-08 Program (\$1,626,475 total incentive dollars)

- ❑ **Estimated Total Program Impacts of 7 Peak MW Reduced and 41 GWh of annual energy savings**
 - Equivalent to annual energy use of approximately 7,000 homes in California

Benefits of Up-selling/Stocking

- Up-selling benefits us all:
 - Increase premium efficiency motor sales
 - Decrease PG&E's peak demand and energy
 - Reduce customers' operating costs
 - California residents have a better environment in which to live