

SOUTHERN CALIFORNIA GAS COMPANY

**PY 2003 ENERGY EFFICIENCY
PROGRAMS**

THIRD QUARTER STATUS REPORT

NOVEMBER 3, 2003

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**Statewide Residential Single Family Energy Efficiency
Rebates Program**

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Program Title: Statewide Residential Single Family Energy Efficiency Rebates Program

I. Program Overview

The Single Family Energy Efficiency Rebates program is a statewide program, administered by the four California investor owned utilities, which provides rebates on various home improvement products, heating and cooling equipment, appliances, and residential pool equipment.

II. Program Summary

1. Total program budget = \$2,942,000*

Expenditures to date = 2,918,001

*The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

Additionally, the Commission approved SoCalGas' request to increase the SFR program budget by \$1,200,000 to maintain incentive funding.

2. Total net demand reduction and energy savings:

	Net Peak kW	Net kWh	Net therms
Program Target*	758	2,675,121	952,328
Actual	528	2,547,919	896,805
Committed	248	642,017	238,619
Total Actual and Committed (Recorded)	777	3,189,936	1,135,424

*2003 targets were not set for the third quarter.

3. Total number of customers served:

Projected: Projection of the number of customers to be served was not provided in the implementation plan.

Actual: 12,180 sites were completed during third quarter

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid: \$2,232,920

Committed = \$0

III. Program Implementation Status

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1. Status of program delivery

In compliance with Decision 03-04-055, Statewide utilities worked jointly to launch the Single Family Rebate program following Commission approval on April 17th, 2003.

2. Customer enrollment

Sample copies of program applications were sent to the California Public Utilities Commission's Energy Division.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

There was no statewide training during the third quarter.

5. Marketing

- Coordinated marketing activities with the CPUC approved Direct Marketing Outreach Program.
- Updated web site information to show rebate funds availability.
- Conveyed information via SCG website to survey customers on methods of improving SCG Residential Rebates

6. Hard to Reach

Third Quarter Hard-To-Reach accomplishments will apply toward 2003 targets.

The 2003 Hard-To-Reach target for Single Family Rebate is 23% of Single Family Rebate applications will be from Hard-To-Reach customers. Thru the third quarter of 2003, Single Family Rebate has 25% of applications from Hard-To-Reach customers.

IV. Program Accomplishments

Statewide Third Quarter Activities

The statewide team worked jointly to continue aggressive implementation of the 2003 Single Family Rebate program. Statewide activities included:

- The CA HVAC Initiative team met in July to begin planning for participation in several conferences scheduled for the remainder of 2003: two with the Air-Conditioning and Refrigeration Institute (ARI) in Washington, DC and in Boston; a meeting with The Consortium For Energy Efficiency (CEE) in Waltham, MA;

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and one at the 2003 ENERGY STAR[®] HVAC Partner Meeting scheduled for late October in Portland, OR

- Participated in the ENERGY STAR[®] Appliance Partners Meeting in Portland Oregon September 23 – 24. Appliance manufacturers and major national retailers were well represented along with utilities from around the country. The IOUs met separately with Home Depot and Lowe's to discuss plans for 2004-2005
- Conducted extensive discussions with Leslie's Poolmart, Inc. for the conduct of a pilot instant rebate program with this retailer's 106 California stores. A final agreement for each of the IOUs to incorporate is near completion. This agreement would become effective with the 2004 program.
- The IOUs attended and participated in the CEE Program Conference in Waltham, Massachusetts September 8 - 10. The conference focused on expanding HVAC partnerships with such industry interests as ENERGY STAR[®], utilities, national distributors, HVAC manufacturers, PUC organizations, NATE, ACCA and other industry partners. These organizations discussed opportunities for collaboration and approaches needed to develop comprehensive national energy efficiency products and equipment installation standards.
- The IOUs agreed to co-fund an approach for the implementation of a more sophisticated and user-friendly web based list of qualifying models for the program's HVAC measures.
- Participated in the Air-Conditioning and Refrigeration Institute (ARI) conferences held in Washington, DC and Boston. These meetings addressed the continuing effort on behalf of the California utilities to persuade the trade organization to resume publication of EER data in the unitary product directory.

SCG Third Quarter Activities

- Coordinated marketing activities with the CPUC approved Direct Marketing Outreach Program.
- Updated web site information to show rebate funds availability.
- Implemented SCG website to survey customers on methods of improving SCG Residential Rebates
- Maintained Retailer Management effort with over 377 participating local retailers which included notifying retail manager of continuing rebate availability and details; replenishing rebate applications and information in multiple places in retail stores; explaining program changes and differences between SCG rebates and other marketplace rebates.

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- Worked with Lowe's and Home Depot to improve process for issuing in-store rebates.
- 5,000 additional rebate applications were printed and distributed to satisfy retail demand.

V. Program Challenges

None.

VI. Customer Disputes

None.

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

D. 03-04-055, Ordering Paragraph 6 states:

The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SDG&E will work together with other utilities to market their statewide programs. To the extent SDG&E offers the same programs SDG&E will advertise them together with the other utilities. SDG&E's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Decision 03-04-055, states:

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SDG&E proposes to reduce the requirements for pool pumps and motors to achieve statewide consistency. Specifically, SDG&E proposes to eliminate the requirements of (1) peak shifting and (2) reduction of filtering time.

While statewide consistency is one program objective, it should not take precedence over goals relating to energy savings and cost-effectiveness. For that reason, we will deny SDG&E's proposal to eliminate its peak shifting and filtering time standards and instead require the other IOUs to adopt the standards used by SDG&E in 2002.

All IOUs shall maintain the unit goals proposed for PY2003. Their future quarterly reports should include kW and kWh projections corrected for the increased standard. The entries for those measures should be accompanied by an explanation of how the numbers were changed from the filed implementation plans.

Response:

SDG&E will apply 2002 shifting and filtering time standards to the 2003 program

Retracted Measures

Energy Star® 80% AFUE furnaces will be removed from the list of measures eligible for incentives due to low customer demand for the measure.

Response:

Effective 2003 - Energy Star® 80% AFUE furnaces were removed from the list of eligible measures.

**Statewide Residential Multifamily Energy Efficiency Rebates
Program**

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Program Title: Statewide Residential Multifamily Energy Efficiency Rebates Program

I. Program Overview:

The Multifamily Energy Efficiency Rebate program is a statewide consistent program, which provides a broad list of qualifying energy efficiency measures with prescribed rebates for the installation of qualifying energy-efficient improvements in apartment dwelling units and in the common areas of apartment and condominium complexes, and common areas of mobile home parks. Property owners and property managers of existing residential multifamily complexes with 5 or more dwelling units may qualify. The program is uniform throughout all the IOU's service areas, with consistent terms and requirements and implementation characteristics, including rebate levels and application procedures.

II. Program Summary

1. *Total program budget = \$1,698,000*

Expenditures to date = \$937,943

*The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings

	Net Peak kW	Net kWh	Net Therms
Program Target*	1,863	1,695,044	755,503
Actual	68	963,375	240,081
Committed	0	0	0
Total Actual and Committed (Recorded)	68	963,375	240,081

*2003 targets were not set for third quarter.

3. Total number of customers served

Projected: Projection of the number of customers to be served was not provided in the implementation plan.

Actual: 470 rebate and reservation applications have been received YTD

4. Projected and actual number of units:

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total rebate

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Paid = \$412,863

Committed = \$289,890

III. Program Implementations Status

1. Status of program delivery

In compliance with Decision 03-04-055, SCG launched the Statewide MultiFamily Rebate Program following Commission approval on April 17th, 2003.

2. Customer Enrollment

Sample copies of program applications were sent to the California Public Utilities Commission's Energy Division.

3. Workbook

Please refer to workbook for details of program expenditures and program activities

4. Training

No statewide training was offered during the third quarter of 2003

5. Marketing

List Pieces	Quantity	Method of Delivery	Number Each Method
2003 Multifamily Energy Efficiency Rebates Program application	1	Mail/Fax by Program Manager	200 Customers
	1	Website download	Not Available
	1	Mailed by Customer Call Center	Not Available
Statewide Advertising Placement	1	Multifamily Trends	30,000 circulation
Multifamily Energy Efficiency Rebates Program, Print Ad	1	Apartment Management Magazine	60,000 circulation
	1	Apartment Age	39,500 circulation
	1	Apartment Owners Association	62,000 circulation
	1	Apartment News – Orange County	3,000 circulation

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Additionally, SoCalGas's website, www.socalgas.com, continues to be a valuable resource by providing general program information about Multi Family Rebates to include downloadable application forms.

6. Hard to Reach

All hard-to-reach accomplishments will apply toward 2003 targets. The 2003 Hard-To-Reach target for Multi Family Rebate is 29% of Multi Family Rebate applications will be from Hard-To-Reach customers.

During the third quarter of 2003, Multi Family Rebate has 31% of applications from Hard-To-Reach customers.

IV. Program Accomplishments

Statewide Third Quarter Activities

- With the implementation of the approved 2003 Multifamily Rebate program, the IOUs implemented a 45-day reservation system for property owners/managers. Property owners/managers can request a certain dollar amount be reserved for a period of 45 days. The program commits the units and dollars until the energy efficiency products are installed within 45 days from the date of the approved reservation and receipt of a completed application to the utility.
- The Statewide Multifamily team recognized the lack of participation in the installation of therm saving products. Therefore, the Statewide Multifamily team developed and distributed an innovative letter to all multifamily property owners and managers, informing them of the significantly higher natural gas prices to occur this winter. Because of this innovative letter, the utilities have seen an increase in reservations and installations of gas products in multifamily properties.
- IOUs developed and coordinated the submittal of a statewide Multifamily Rebate program full-page advertisement in the Multifamily Trends magazine that will be distributed at the Urban Land Institute's Fall Conference. These statewide advertising efforts continue to strengthen the program's prominence among industry actors and participants.

SoCalGas Third Quarter Activities

- Application submissions during the 3rd quarter increased considerably from the 2nd quarter. By September 30th, applications representing over 4,500 Set Back Thermostats, 200 Hot Water Boilers, 80 controllers and 50,000 sq. ft of Attic/Wall insulation had been submitted for rebates
- As of September 30, 2003, the SCG-MF program has received applications for energy efficiency rebates representing nearly two-thirds of its incentive budget. There were an additional \$350,000 dollars committed for measures requiring reservation prior to application submission.

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- SoCalGas continued its relationship with local Apartment membership organization. Advertising in association publications continues to be one of the more effective means of reaching customers. The program manager continues to take the time to present the program to interested parties, as requested.
- SoCalGas anticipates early program closure due to the current demand. Socialgas will extend its program for as long as possible even after full subscription to ensure that any available dollars can be used to pay customer rebates.

V. Program Challenges

None.

VI. Customer Disputes

None

VII. Compliance Items

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

D. 03-04-055, Ordering Paragraph 6 states:

The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SCG will work together with other utilities to market their statewide programs. To the extent SCG offers the same programs SCG will advertise them together with the other utilities. SCG's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

D. 03-04-055, Ordering Paragraph 13 states:

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A utility shall not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without securing first notifying all parties to this proceeding electronically and receiving approval from designated Commission staff, consistent with this order. A utility may lower customer incentives by notifying designated Commission staff and the service list of this proceeding. Increases to customer incentive amounts must be approved in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.

Response:

SCG will not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without first notifying all parties to this proceeding electronically and securing approval from designated Commission staff consistent with Ordering Paragraph 13 of D. 03-04-055. For increases to customer incentive amounts SCG will secure approval in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.

SCG will lower customer incentives by notifying designated Commission staff and the service list of this proceeding.

Decision 03-04-055, page 5, states -

Accordingly, the IOUs shall limit reservations for a single program participant (including installing contractors and property management companies) to no more than 5% of the available statewide incentive budget. In addition, reservations of funding should expire within 45 days if installations are not complete and final claims for incentives submitted. Participants may be provided with an extension to the 45-day period, at the discretion of the IOU.

Response

In response to Decision 03-04-055, SoCalGas will apply the 5 percent cap to its program incentive budget. The cap will apply to the incentive budget shown in SoCalGas's approved program implementation plan and will not change during the year unless the incentive budget is modified.

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 2, IOU's added the following New Measures/Rebates to the PY 2003 Multifamily Energy Efficiency Rebate Program:

- Electric Water Heaters, R30 and R40 Reflector Lighting
- Expanded incentives for Energy Star® porch lights to include all exterior fluorescent lighting applications.
- Two levels of clothes washer rebates, one for machines installed in tenant units and the other for coin-operated units in common areas.

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- Two levels of incentives for central system natural gas equipment controllers based upon specific display features of the equipment and the number of tenant units served.

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 2, IOU's retracted Energy Star® 80% AFUE furnaces from the list of measures eligible for incentives under the Multi-Family Energy Efficiency Rebate Program for PY 2003.

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 2, IOU's increased rebates for the measures listed below by the amounts prescribed for the PY 2003 Multi-Family Energy Efficiency Rebate Program:

- Energy Star® programmable thermostats rebates are increased
- High performance windows are increased
- Compact Fluorescent Lamps (CFL) are now tiered.

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 2, IOU's decreased rebates for natural gas water heaters by the amount prescribed.

Statewide Residential Home Energy Efficiency Surveys Program

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Program Title: Statewide Residential Home Energy Efficiency Surveys Program

I. Program Overview:

The Home Energy Efficiency Survey program provides customer specific energy efficiency information for single-family residential customers. The program employs two delivery channels: Mail-In Surveys, which include targeted direct mailings, and the interactive online survey in English, which offers convenient results online to provide customers with valuable information to assist them with understanding, controlling and reducing energy use in their homes.

II. Program Summary

1. Total program budget =\$170,000*

Expenditures to date = \$174,418

*The program budget was revised from the forecast filing in accordance w/ D.03-04-055 Attachment 1”

2. Total net demand reduction and energy savings

Not applicable for this information program

3. Total number of customers served during third quarter

	Mail-In Survey	On Line Survey	Hard To Reach Mailing
Program Target*	6,000	N/A	3000 (50% Of Mail In target)
Actual	115	4,780	To be completed in Q4

*2003 targets were not set for the third quarter.

4. Projected and actual number of units:

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total rebate

Not applicable to this information program

III. Program Implementation Status

1. Status of program delivery

In compliance with Decision 03-04-055, Statewide utilities worked jointly to launch the Home Energy Efficiency Program following Commission approval on April 17th, 2003.

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2. Customer Enrollment

The following sample copies of audits were sent to the Commission's Energy Division:

- Mail-in survey - English and Spanish in all four IOU service territories
- Chinese in PG&E, SoCalGas, and SCE service territories, and
- Vietnamese in SDG&E's service

3. Workbook

Please refer to informational tables shown in the program workbook for details of program expenditures and program activities

4. Training

Customer training is typically not conducted due to the nature of the program. The energy audits are created in simplified form to help the customer's complete an energy audit.

5. Marketing

Marketing for the program during the third quarter was primarily done through participation at community events targeting large numbers of attending customers. Display panels promoting the survey program were also set up at the LA. County Fair:

Additionally, the SoCalGas website, www.socalgas.com provides general program information about HEES and other programs, downloadable application forms, and audit surveys.

6. Hard to Reach

IOU's will work within the Commissions definition of hard to reach customers as defined in the October 2001 Energy Efficiency Policy Manual,¹ to actively target one

¹ **Residential Hard-to-Reach:** Those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a language, income, housing type, geographic, or home ownership (split incentives) barrier. These barriers are defined as:

- Language – Primary language spoken is other than English, and/or
- Income – Those customers who fall into the moderate income level (income levels less than 400% of federal poverty guidelines), and/or
- Housing Type – Multi-Family and Mobile Home Tenants, and/or
- Geographic – Residents of areas other than the San Francisco Bay Area, San Diego area, Los Angeles Basin or Sacramento, and/or

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or more of the customer segments for mailing. In compliance with D. 03-04-055, at least 50% of the following utility mail-in survey targets as defined by the Commission, will be sent to Hard To Reach customers:

Utility	2003 Mail In survey targets	Hard To Reach mailings in third quarter
PG&E	29,000	14,500
SCE	18,000	9000
SCG	6,000	3,000
SDGE	8,000	4,000

IV. Program Accomplishments

Statewide Third Quarter Accomplishments

During the third quarter, extensive work was done to complete preparation for the launching of the statewide Spanish Online Interactive Survey. With the addition of the Spanish survey, the program has expanded its audience potential to include a larger segment of California's diverse population. According to the 2000 Census Report, 32.4% of Californians are of Hispanic decent compared to 12.5% nationwide. These customers who in the past have not had the tools necessary to participate in this type of program, will now have the ability to benefit equally.

Specific activities during the quarter include vendor contract development, translation of English version to Spanish where applicable and customization of each survey to fit individual utility systems. Additionally, IOU's participated in ongoing quality assurance testing to guarantee uninterrupted service for participating customers.

Statewide Utilities met in person on July 18, 2003 for a strategy meeting to discuss current program status and program enhancements including on-line surveys and working with community-based organizations. As a result of the meeting, IOU's agreed to implement and release a statewide joint news release for the Spanish language HEES program, in conjunction with UniVision. The statewide campaign, which will include 10 and 60-second ads, will be released during the fourth quarter of 2003.

SoCalGas Third Quarter Activities

-
- Homeownership – Renters

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In preparation for the launching of the interactive Spanish online survey, SDG&E did extensive work to ensure its release in early Q4. Activities include:

- Numerous meetings with the vendor resulting in two proposals detailing implementation of the interactive Spanish audit as well as an updated/improved version of the existing English audit. In addition, an Ad Hoc team was created to include Customer Service Technology, Web Business Technology, Customer Communications, Software Development and Mass Markets, to ensure that the launching of the survey went smoothly.
- Development of the contract in conjunction with the vendor.
- Extensive review of survey materials to ensure accurate and appropriate translations. Several telephone conferences were also held with the translator to discuss text.
- In addition, preparation began for the massive customer mailings to take place in the fourth quarter, including development of the communications piece, identification of the customer database, and coordination efforts with the mail center.

V. Program Challenges

None

VI. Customer Disputes

None

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

D. 03-04-055, Ordering Paragraph 6 states:

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The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SDG&E will work together with other utilities to market their statewide programs. To the extent SDG&E offers the same programs SDG&E will advertise them together with the other utilities. SDG&E's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Decision 02-03-056, states

50% of all mailed statewide residential Home Energy Efficiency Surveys shall be sent to hard to reach customers. IOU's shall develop and make available a Spanish language version of the survey and a version in the most prevalent Asian language in the IOU's territory for both mailing and web posting within two months of the launch of their survey programs.

Response:

IOU's actively targeted hard to reach customers via direct mailing efforts, based on each IOU's unique marketing strategy. For SDG&E this occurred in early fall 2002. IOU's met the Commission's mandate for having Spanish and Asian language version surveys available for mailing and web posting within two months of the programs launch date, or June 1, 2002.

Decision 03-04-055, states:

We require each (IOU) to provide mailed and online surveys in Spanish. The IOUs should continue to send 50% of mail-in surveys to hard to reach customers.

Response:

IOU's continue to work jointly to implement the Commissions mandate of a Spanish version interactive online survey. IOU's are targeting the third quarter 2003, for the addition of this component. IOU's continue to send at least 50% of mailed surveys to Hard To Reach customers.

**Statewide Residential New Construction California ENERGY
STAR[®] New Homes Program**

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Program: Statewide Residential New Construction California ENERGY STAR® New Homes Program

- Single family Program
- Low Rise Multifamily Program
- High Rise Multifamily Program

I. Program Overview

The California Energy Star New Homes Program (CESNHP) is designed to encourage single family and multifamily builders to construct homes that exceed compliance with the California Energy Code through a combination of education, design assistance and financial incentives. The program is open to single family residential new construction including custom homes and production housing. The program is also open to multifamily residential new construction including condominiums, town homes and rental apartments. Multifamily is open to both low rise and high rise construction.

The program is performance based and is designed to encourage construction that is 15% more energy efficient than required by the Energy Code by reducing the source energy usage of the proposed design from the standard design by a minimum of 15%. This energy savings level is recognized by the Environmental Protection Agency (EPA) as the standard for Energy Star Homes in California.

The program is offered statewide by the four Investor Owned Utilities (IOU): Pacific Gas & Electric (PG&E), San Diego Gas & Electric (SDG&E), Southern California Edison (SCE) and Southern California Gas (SoCalGas)

II. Program Summary

In compliance with Decision (D.) 03-01-038, all first quarter accomplishments will apply toward 2003 program targets.

1. Total Single family Program budget* = \$692,338

Total Multifamily Program budget* = \$987,662

Single family Expenditures and Commitments to date = \$293,800

Multifamily Expenditures and Commitments to date = \$857,999

* The program budget has been adjusted to reflect the Commission's October 10, 2003, approval of SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

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2. Total net demand reduction and energy savings:

Currently Committed Projects:

Single family, 2 project, 157 dwelling units

Multifamily, 20 projects, 3,532 dwelling units.

Multifamily

	Net Peak kW	Net kWh	Net Therms
Target *	1,112	1,036,682	145,845
Actual	2,832	704,786	100,483
Committed	0	0	0
Total Recorded	2,832	704,786	100,483

* The program energy targets were revised to reflect the change required in D.03-04-055, Attachment 2 page 10, as filed by SoCalGas on June 2, 2003, in compliance with D.03-04-055, Ordering Paragraph 14.

Single Family

	Net Peak kW	Net kWh	Net MTherms
Target *	0	0	0
Actual	120	111,269	2,462
Committed	0	0	0
Total Recorded	120	111,269	2,462

* The program energy targets were revised to reflect the change required in D.03-04-055, Attachment 2 page 10, as filed by SoCalGas on June 2, 2003, in compliance with D.03-04-055, Ordering Paragraph 14.

3. Total number of customers served:

Single Family Projected: 675 dwelling units

Single Family Actual: 157 dwelling units

Multifamily Projected: 2,500 dwelling units

Multifamily Actual: 3,532 dwelling units

4. Projected and actual number of units:

Refer to tables in the corresponding program workbook.

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5. Total Incentive

Total Single family Incentives Paid = \$0

Total Single family Incentives Committed = \$78,500

Total Multifamily Incentives Paid = \$5,250

Total Multifamily Incentives Committed = \$529,800

III. Program Implementation Status

1. Status of Program Delivery

Program continues to be aggressively marketed to the single and multifamily building industry. SoCalGas is on target to reach and exceed the forecasted goals for 2003.

2. Customer Enrollment

Sample copies of the program applications were sent to the California Public Utilities Commission's Energy Division.

3. Workbook

Please refer to the workbook for details of program expenditures and program activities.

4. Training

SoCalGas conducted the following training sessions during the third quarter of 2003. The Manual D and Manual J training is run in conjunction with SoCalGas' Statewide Education and Training Program. During the third quarter, 27 classes were held. These classes were attended by a total of 308 individuals representing 288 firms. The specific attendance is detailed below with the class description.

• **ACCA Manual J Residential Load Calculation and Equipment**

The focus of this class is on performing room-by-room load calculations. Every participant receives a copy of the ACCA Manual J. Topics include:

- Using the ACCA Manual J workbook, worksheets and short form.
- How to use the manufacturer's cooling capacity sheets.
- Calculating required cubic feet per minute (CFM) based on loads.
- Selecting equipment based on loads and required CFM.
- Demonstration of how to use the Wrightsoft-brand computer software for performing Manual J calculations. This class prepares the attendee for the Manual D Residential Duct Design course and ends at the exact starting point of the Manual D class.

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- Five classes held. 90 attendees presenting 83 firms.

- **ACCA Manual D Residential Duct Design**

The focus of this class is on designing residential duct systems according to the ACCA Manual D specifications. Every participant will receive a copy of the ACCA Manual D and a flex duct calendar. Participants should first have attended the Manual J class, or have working knowledge of room-by-room load calculations. Topics include:

- How to determine the static pressure and available static pressure.
- Calculating total equivalent length of duct runs.
- Determining friction rate based on total equivalent length and available static pressure.
- Using a duct calculator to properly size ducts.
- How registers are used to achieve desired air distribution within each room. This class will cover how to perform Manual D calculations both manually and by using the Wrightsoft-brand computerized Manual D Program.
- Six classes held. 69 attendees representing 64 firms.

- **ACCA Manual D Residential Duct Design – Advanced**

Participants must have attended the ACCA Manual D duct design class.

This class steps beyond the introduction to ACCA Manual D to more advanced topics including how to perform Manual D calculations using the official Wrightsoft brand ACCA computer software program. The class is split between the classroom and the computer lab. Participants perform group exercises and have the opportunity to work, with instructor assistance, on individual problems. Class topics cover:

- Homes with multiple HVAC systems.
- Two-story homes with single systems.
- Using the computer program to generate room-by-room load calculations and select HVAC equipment.
- Learn how to use the graphic design module of the computer software, which automatically calculates room-by-room load calculations and provides Manual D duct design.
- Four classes held. 39 attendees representing 38 firms.

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- **High-Performance Duct Systems and 2001 Residential Energy Standards Overview**

Oriented toward builders, HVAC contractors and engineers, this class reviews changes to the Residential Energy Efficiency Standards. It includes a hands-on demonstration of duct-system testing that HVAC contractors and builders will be using to comply with the 2001 standards. Class topics include:

- A demonstration of high-performance glazing.
- A demonstration of radiant barrier roof sheathing.
- How to use the Home Energy Rating System (HERS) verification process.
- Performing an actual duct test in laboratory format.
- Four classes held. 31 attendees representing 30 firms.

- **HVAC System Air Flow and Static Pressure Diagnostics**

Participants in this hands-on class use a full-size horizontal HVAC system to measure airflow, static pressure and amperage under various system configurations. System variables include different filters, coils, variable size return ducts and different leakage amounts. Hands-on work in the class includes:

- Measuring static pressure.
- Measuring pressure drop.
- Identifying potential airflow problems.
- Instruments for testing and diagnostics.

Participants make changes to a model system and performing all tests under the guidance of the instructor. It is recommended that participants in this class first attend both the ACCA Manual J and Manual D classes.

- Four classes held. 39 attendees representing 36 firms.

- **Combined Hydronic Systems Sizing Guidelines**

This class reviews and explains how to use the Gas Research Institute Guidelines for Sizing and Installing Hydronic Systems. (A copy of the report and guidelines is included.) While system installations will be briefly reviewed, the primary focus of the class is on how to size hydronic systems. A demonstration hydronic system is displayed. The class covers:

- Water heating sizing for both hot water and space heating.
- Cooling and heating coil sizing guidelines.
- Air Flow recommendations for heating and cooling.

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- Two classes held. 18 attendees representing 15 firms.

5. Marketing

The following are projections on the quantities of items that will be available.

List Pieces	Quantity	Method of Delivery	Number with Each Method
Single Family Application	500	Direct Contact	200
Low Rise Multifamily Application	500	Direct Contact	200
High Rise Multifamily Application	500	Direct Contact	200

Other Marketing Activities:

- Outreach to the building industry through participation in regional chapter activity.
- Presented California Energy Star New Homes Program at the Building Industry Association of Orange County Green Building Conference. The conference promoted the incorporation of energy efficiency as a component of green building.
- Electronic mailbox, californiaenergystar@semprautilities.com specific to residential new construction in support of the California Energy Star New Homes Program. The mailbox is titled “California Energy Star Homes” and is accessible both independent of and through SoCalGas’ web page, and is intended to receive electronic compliance submittals, architectural plans as well as all program related documents that can be transmitted electronically. The mailbox also fields questions for both the single family and multifamily programs, responds to requests for applications as well as reply to general residential new construction questions.
- Program and training information is available from the following websites:
 - SoCalGas – <http://www.socalgas.com/construction/energystar.shtml> and <http://www.socalgas.com/construction/freeresources.shtml>
 - Institute of Heating and Air-conditioning Industries – <http://www.ihaci.org>
 - California Energy Commission – <http://www.energy.ca.gov/index>
 - California Building Energy Consultants – <http://www.cabec.org>
 - California Building Industry Association, <http://www.cbia.org>

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- SoCalGas continues its outreach to the building industry through numerous individual meetings with the building industry.

6. Hard-to-Reach

In 2003, the Hard-to-Reach target requires that, at a minimum, 20 percent of the direct implementation (DI) funds of both the Single Family and Multifamily programs be directed at Hard-to-Reach customers. The following table details the accomplishments through the third quarter, 2003.

Customer Type	Hard-to-Reach Target	Actual (YTD) of Committed Projects
Single Family	20% of DI	0%
Multifamily	20% of DI	100%

IV. Program Accomplishments

Statewide Accomplishments

- No statewide activities to report during the third quarter.

SoCalGas Accomplishments

- SoCalGas continues an aggressive marketing and design assistance program to the building industry. Through the field contact team and program management team, the design assistance offered by the utility has been very effective in educating the builder, design and mechanical community in methods that will increase the energy efficiency of residential new construction. This has been especially effective in the multifamily market where SoCalGas has had its primary focus. This market segment has been an area of increased activity in residential new construction. Through the design assistance offered, numerous projects have been able to qualify for the California Energy Star New Homes Program. This influence can be seen in the increase in participation from the second quarter of 2003. Specific attention has been given to the Hard to Reach customers. Project such as the Los Adobes de Maria in Santa Maria built by People's Self-Help and Oak Creek Commons, a co-housing project in Paso Robles and numerous senior housing projects demonstrates SoCalGas' commitment to assisting this market segment in increasing energy efficiency.
- The training program offered by SoCalGas and mirrored by SDG&E offers a broad range of courses aimed at training the building industry players in HVAC technology, proper installation and diagnostics. These classes continue to be well received with demand for more classes and locations remaining high. During the third quarter, the training program partnered with the Building Industry Association and regional

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building departments to offer classes in San Bernardino and Riverside County. This program will continue to be incorporated into the California Energy Star New Homes Program in 2004. These training classes support SoCalGas' commitment to the industry and to developing programs that promote energy efficiency.

V. Program Challenges

None.

VI. Customer Disputes

None.

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

Decision 03-01-038, Ordering Paragraph 3, states:

“To prevent service disruption, we authorize the IOUs whose programs will expire at the end of 2002 to continue those programs through March 31, 2003, using Public Goods Charge collections from that period, in the amounts set forth in the body of this decision. If the Commission issues a decision on 2003 program applications prior to that time, this “bridge funding” shall expire upon issuance of that decision. If the IOUs incur expenses in 2003 before the Commission issues this decision, they should track those expenses and account for such expenses in their reports to the Commission on first quarter 2003 program results. The IOUs can request recovery of these expenditures through their respective PGC energy efficiency balancing accounts.”

Response:

The IOUs continued the 2002 programs through March 31, 2003. Expenses prior to the issuance of the decision and bridge funding expenditures through March 31, 2003 are reported in each program's text and Workbook.

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Decision 03-01-038, Ordering Paragraph 4, states:

“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”

Response:

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

Decision 03-03-028, Ordering Paragraph 1, states:

“To prevent program disruption, we authorize the utilities whose programs expire at the end of 2002 to continue those programs beyond March 31, 2003, using Public Goods Charge collections from associated periods, in the amounts set forth in the body of this decision.”

Response:

The IOUs continued the 2002 programs beyond March 31, 2003.

Decision 03-03-028, Ordering Paragraph 2, states:

“The utilities are hereby authorized additional bridge funding at a level of 7% a month against the total 2003 utility funding amounts set forth in Decision (D.) 03-01-038 so that the bridge funding, plus funding for new 2003 programs, equal the total amounts described in D. 03-01-038.”

Response:

The IOUs continued the 2002 programs using the additional bridge funding at the level specified until Commission approval of the 2003 programs.

Decision 03-04-055, Ordering Paragraph 3, states:

“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

Decision 03-04-055, Ordering Paragraph 6, states:

“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”

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Response:

SoCalGas will work together with other utilities to market their statewide programs. To the extent SoCalGas offers the same programs, SoCalGas will advertise them together with the other utilities. SoCalGas' Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities will focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Decision 03-04-055, Ordering Paragraph 14, states:

“Where program changes are required by this order, the utilities shall submit revised sections of their previously filed program implementation plans incorporating those changes. Those revisions shall be submitted to Energy Division staff within 45 days of this order.”

Response:

SoCalGas submitted a revised program implementation plan incorporating the program changes required by this order on June 2, 2003.

Statewide Nonresidential Express Efficiency Program

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Program Title: Statewide Nonresidential Express Efficiency Program

I. Program Overview

This statewide program offers nonresidential prescriptive rebates for specific, proven energy efficient measures including lighting, HVAC, refrigeration, agriculture, gas, LED lighting technology and motor retrofit measures. The program is limited to small and medium customers with an emphasis on the hard-to reach sector.

The Express Efficiency program at SoCalGas only offers rebates on selected gas measures. These measures include clothes washers, greenhouse curtains, boilers, water and space heaters, pipe and tank insulation and various cooking equipment.

II. Program Summary

In compliance with Decision (D.) 03-01-038, all accomplishments will apply toward 2003 program targets.

1. Total program budget = \$3,255,000 *

Expenditures to date = \$1,629,211

* The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings

	Net Peak kW	Net kWh	Net Therms
Target	N\A	17,086	2,162,482
Actual	N\A	732,226	918,561
Committed/Reserved **	N\A	16,372	1,569,759
Total Actual and Committed (Recorded)	N\A	748,598	2,488,320

** Not accounted for in Excel workbook

3. Total number of customers served

Projected: No projections in the Implementation Plan

Actual: 116 applications received

Reservations: 76 applications (255 measures)

4. Projected and actual number of units

Please refer to the program activity tables shown in the corresponding program workbook.

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- 5. Total rebates (\$) paid = \$\$ 473,878
Total incentives (\$) committed = \$0

III. Program Implementations Status

- 1. Status of program delivery:

In compliance with D. 03-04-055, the 2003 program began in April 2003.

Beginning September 22, 2003, and for the remainder of PY 2003, the Commission's Energy Division granted the IOUs' request to increase Express Efficiency incentive rebate levels by up to 60 percent for measures that the joint utilities program managers deemed appropriate.

- 2. Customer Enrollment

Copies of the rebate applications were sent to the California Public Utilities Commission Energy Division.

- 3. Workbook

Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.

- 4. Training

This program did not sponsor any external training during the quarter.

- 5. Marketing:

List Pieces	Quantity	Method of Delivery	# w/Each Method
Express Efficiency application	7,693	US mail E-mail Hand delivered Fax	6,537 462 684 10
Chamber of Commerce publication with Express ad	300	Mailed to businesses on Chamber of Commerce mailing list	300
Cash Rebate Program is Back brochure aka Equipment replacement	2,688	US mail Hand delivered E-mail	2,313 300 75
Letter Explaining Express Efficiency	7,884	US Mail E-Mail	7,716 110

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List Pieces	Quantity	Method of Delivery	# w/Each Method
Express Efficiency application	7,693	US mail E-mail Hand delivered Fax	6,537 462 684 10
Program		Fax	58
Summer Barbeque Vendor Mixer and Seminar Survey Evaluation	179	US Mail E-Mail	112 67
Rebate Program Update 2003 Letter	1704	E-Mail US Mail	1344 360
Revised Express Efficiency application	1,000	Hand delivered	250

- <http://www.socalgas.com/> - SoCalGas's Web home page
- http://www.socalgas.com/business/cash_for_you/er_express_rebates.shtml – SoCalGas's Express Efficiency Web site page

6. Hard to Reach

The PY2003 target is that 42% of the Express Efficiency applications will be from hard-to-reach customers. Through the third quarter 2003, 41% of the SoCalGas Express Efficiency applications were from hard-to-reach customers.

IV. Program Accomplishments

3rd Quarter accomplishments include:

- In July, the IOU Team submitted a joint utility proposal to the Energy Division to increase incentive levels for certain energy efficient measures to focus on the needs of the smaller and medium sized customer. The incentive amounts were based upon the results of a study conducted on behalf of the IOUs. On September 22, 2003, the Energy Division granted IOUs to increase incentive rebate levels by up to 60 percent for Express measures that utility program managers deemed appropriate. The IOUs immediately announced the new rebate levels via emails, customer contacts and printed material.
- The IOU Team completed the translation of the 2003 Express Efficiency Program applications into Spanish and Vietnamese. SoCalGas also offers on-line applications in Chinese and Korean.
- PG&E, San Diego Gas and Electric Company (SDG&E), and Southern California Electric Company (SCE) promoted the statewide Express Efficiency program by

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sponsoring a quarterly ad with the California Air Conditioning Contractors of America (Cal-ACCA) organization.

- To assist customers needing project financing, Safe-Bidco, a nonprofit financier was identified. Coordinated efforts are now in progress.
- Regular IOU meetings and conference calls continued to ensure statewide consistency in all externally visible aspects of the Express Efficiency program.
- IOU program managers continuously identify ways to improve the program to make future the Express program more focused toward the needs of small and medium customers as in the example of a toll free information and reservation phone number.
- SoCalGas' Express Efficiency and Nonresidential Audit programs continued to closely coordinate activities to increase customer participation.
- SoCalGas promoted the Express program by participating in several trade shows such as Western Expo (targeted towards food service industry); Clean Show 2003 (targeted toward textile and dry cleaners industry); Pomona Fair; PWS Coin Operated Laundry Show; African American Black Business Expo 2003, and Access City Hall (targeted towards Chamber of Commerce). SoCalGas also was promoted the program at a non-profit workshop.
- SoCalGas partnered with numerous vendors and distributors to promote the Express Efficiency program. These partners included Lowes Hardware, CWCI Insulation, Pride Marketing Procurement Group, Pacific Insulation and John Mansfield Insulation.
- SoCalGas also partnered with Metropolitan Water District, Sparklean and PWS specifically to promote the Horizontal Front Load Washers.
- The SoCalGas Express Efficiency program was promoted through several associations such as Latin Business Association (website ad), Coin Laundry Association, and Insulation Contractor's Association.
- In an effort to reach out to our ethnic community, SoCalGas advertised the Express Efficiency Program through the Latin Business Association website; sponsored/participated in the Black Business Expo 2003, advertised the Express program through the Vietnamese TV and provided a presentation to the Chinese American Construction Professionals.
- SoCalGas initiated a sprint campaign in the third quarter designed to contact all qualifying energy efficiency measure manufacturers, vendors, distributors and key sales personnel to promote the specific features and benefits of the Statewide Express Efficiency. Priority calls were made to the following energy efficiency measure vendors: pipe and tank insulation, water heaters, clothes washers, programmable set-back thermostats, food service equipment and boilers. By mid-September, the vendor outreach effort had successfully contact 53 vendors.
- SoCalGas Account Executives and other field staff made 727 site visits to customer facilities to promote the Express Efficiency program during the third quarter. An

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additional 950 phone calls were made to customers as part of the marketing effort to promote this program.

V. Program Challenges

None

VI. Customer Disputes

None

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

The PY03 Statewide NR Express Efficiency program was kicked off after CPUC funding approval on April 17, 2003.

D. 03-04-055, Ordering Paragraph 6 states:

The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SoCalGas is working together with other utilities to market the statewide programs. To the extent SoCalGas offers the same programs SoCalGas will advertise them together with the other utilities. SoCalGas's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

D. 03-04-055, Ordering Paragraph 13 states:

A utility shall not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without securing first notifying all parties to this proceeding electronically and receiving approval from designated Commission staff, consistent with this order. A utility may lower customer incentives by notifying designated Commission staff and the service list of this proceeding. Increases to customer incentive amounts must be

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approved in advance by designated Commission staff following a 20-day notice to staff and the service list of this proceeding.

Response:

SoCalGas will not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without first notifying all parties to this proceeding electronically and securing approval from designated Commission staff consistent with Ordering Paragraph 13 of D. 03-04-055. For increases to customer incentive amounts, SoCalGas will secure approval in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.

SoCalGas will lower customer incentives by notifying designated Commission staff and the service list of this proceeding.

On July 30, 2003, SDG&E, on behalf of PG&E, SCE and SoCalGas, filed a joint IOU request to increase customer incentive levels for certain measures. On September 22, 2003, the Energy Division issued a letter allowing the IOUs to "increase by up to 60 percent incentive rebate levels for Express Efficiency measures that utility program managers deem appropriate for such increases."

Response:

Rebate levels for certain measures have been increased by up to 60 percent.

D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 7, Express Efficiency Program states:

7. Express Efficiency Program

In 2003 the utilities propose to replace the "Account Aggregation Rule" with a program eligibility limit of 500 kW per service account and limiting incentives to any single corporation or chain account customer to \$25,000.

We adopt the utility proposal to permit incentives of up to \$25,000 per corporation or chain account customer for work done on service accounts with loads not exceeding 500 kW. This proposal would apply to all utilities.

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 7, SoCalGas's 2003 program replaces the "Account Aggregation Rule" by offering incentives of up to \$25,000 per corporation or chain account customer for work done on service accounts with loads not exceeding 500 kW.

Statewide Nonresidential Energy Audit Program

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Program Title: Statewide Nonresidential Energy Audit Program

I. Program Overview

This statewide program offers free energy audits to nonresidential customers. The audit provides customer assistance in the form of information on the benefits of installing measures or adopting practices that can reduce the customer's utility bills. The energy audit recommendations are based on the customer's recent billing history and/or customer-specific information regarding equipment and building characteristics.

II. Program Summary

In compliance with Decision (D.) 03-01-038, all accomplishments will apply toward 2003 program targets.

1. Total program budget = \$2,717,000 *

Expenditures to date = \$2,572,641

* The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings

Not applicable to this information program.

3. Total number of customers served

Energy Audits	Total	Mail-In	CD Rom	On-Line	Phone	On-Site
Projected	4,000	800	500	500	1,000	1,200
Actual	2,606	203	419	282	689	1,013

4. Projected and actual number of units

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total rebates (\$) paid

Not applicable to this information program

III. Program Implementations Status

1. Status of program delivery:

The PY03 Statewide NR Audit program was kicked off after CPUC funding approval on April 17, 2003.

2. Customer Enrollment

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Sample copies of audits were sent to the California Public Utility Commission Energy Division.

3. Workbook

Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.

4. Training

This program sponsored a “How to do an Energy Audit” seminar on August 13, 2003 through the Education and Training program.

5. Marketing

During the quarter, SoCalGas continued to offer the following energy audit options to business customers: online, mail in, phone audits, CD-ROM and on site. The on site audits were promoted on the SoCalGas web page, and by SoCalGas Account Executives and Field Service Representatives.

List Pieces	Quantity	Method of Delivery	# w/Each Method
CD-ROM audit		Mailed and handed out at events and door to door	28
Energy savings for your business. A free night at the movies for you.		June bill insert	230,000
Mail in Audit Form			79
Serious savings for business owners flyer		Distributed at various events	733
Watch Your Mailbox! Mailer		Mailed to targeted customers	33,000

- <http://www.socalgas.com/> - SoCalGas’ Web home page
- <http://www.energyguide.com/energysmartsbe/default.asp?bid=socalgas&trackid=eft%0A> – SoCalGas’ on-line energy audit web site
- http://socalgas.com/business/eep/ee_home.shtml - SoCalGas’ on-site energy audit web site

6. Hard to Reach

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Conduct 400 energy audits for hard-to-reach customers in 2003 as defined in the October 2001 Energy Efficiency Policy Manual. Through the third quarter of 2003, there were 397 hard-to-reach customer audits completed.

IV. Program Accomplishments

In the third quarter, the IOUs continued to offer audit services to all nonresidential customers. In addition, the IOUs promoted the on-line and mail-in audit, as well as phone, CD-ROM and on-site audit services via e-mails and US mail of energy audit kits and bill inserts to encourage customers to participate in these types of audits.

On September 10, 2003, the IOUs developed a MS Power Point presentation describing the multi-channel audit methods available to small and medium sized business customers. The presentation will be utilized in business meetings, and training situations.

At SoCalGas, a successful "How to do An Audit " seminar was held on August 13, 2003. Customers were given tools to assess their facility's energy costs, energy auditing techniques, and software. They were given a way to quantify energy expenses and ways to reduce energy consumption by installing new high efficiency equipment and technologies that will help keep their facility running in top form.

SoCalGas continued to utilize third party contractors to assist in distributing the mail-in audit forms and CD ROMs in the third quarter.

V. Program Challenges

None.

VI. Customer Disputes

None

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

The PY03 Statewide NR Audit program was kicked off after CPUC funding approval on April 17, 2003.

D. 03-04-055, Ordering Paragraph 6 states:

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The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SoCalGas will work together with other utilities to market their statewide programs. To the extent SoCalGas offers the same programs SoCalGas will advertise them together with the other utilities. SoCalGas's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

D. 03-04-055, Ordering Paragraph 14 states:

Where program changes are required by this order, the utilities shall submit revised sections of their previously filed program implementation plans incorporating those changes. Those revisions shall be submitted to Energy Division staff within 45 days of this order.

Response:

SoCalGas will submit revised sections of their previously filed program implementation plans incorporating those program changes required by this order. Those revisions will be submitted to Energy Division staff within 45 days of D. 03-04-055, Ordering Paragraph 14.

D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 8 Nonresidential Energy Audit Program states:

8. Nonresidential Energy Audit Program

[W]e will require that in exchange for approving the number of audits as proposed, the IOUs shall include in their revised program implementation plans and quarterly reports the numbers of the types of audits that are planned and conducted.

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 8, SoCalGas's 2003 revised program implementation plan and quarterly report include the numbers of the types of audits that are planned and conducted.

Statewide Nonresidential Building Operator Certification Program

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Program Title: Statewide Nonresidential Building Operator Certification Program

I. Program Overview

This is a statewide training and certification program for operators of medium and large commercial buildings (including governmental and institutional buildings and complexes) that seeks to establish and support a professional credential for building operators in California. Certified operators will have the training and background to identify and implement energy savings opportunities as an integral part of their operations and maintenance activities. The BOC training course consists of eight days of training classes offered once per month over a seven-month period

II. Program Summary

In compliance with Decision (D.) 03-01-038, all accomplishments will apply toward 2003 program targets

1. Total program budget = \$150,000 *

Expenditures to date = \$116,851

* The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings

Categorized as an information program consistent with the California Public Utility Commission's 2002 Energy Policy Manual.

3. Total number of customers served

Projected: 20 students

Actual: 22 students

4. Projected and actual number of units:

Please refer to the program activity tables shown in the corresponding program workbook.

5. Total rebate (\$) paid

Not applicable for this information program.

III. Program Implementations Status

1. Status of program delivery

The PY03 Statewide BOC program was kicked off after CPUC funding approval on April 17, 2003. The 2003 BOC training courses began in July 2003 except at PG&E, where two course series began in late June 2003.

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2. Customer Enrollment

Not applicable for this information program.

3. Workbook

Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.

4. Training

The 2003 BOC training courses at SoCalGas began in July 2003. SoCalGas offered one course series and held three class sessions during the third quarter.

The PY2002 BOC classes, which began in October and November 2002 in all four IOU service territories, held the final class in the second quarter of 2003. SoCalGas' final class of the PY2002 BOC series was held in April 2003.

5. Marketing

At SoCalGas, both SoCalGas and Northwest Energy Efficiency Council (NEEC) promote the BOC program. NEEC handles most of the marketing efforts for SoCalGas. The main informational source for the program is the NEEC Web site. SoCalGas also promotes the program by sending electronic notification of the BOC program to prospective attendees. The SoCalGas Account Executives promotes the BOC program to their nonresidential customers. The following marketing pieces were specific to the BOC program

List Pieces	Quantity	Method of Delivery	# w/Each Method
BOC Informational Meeting flyer		Distributed by Account Executives	250
BOC Registration forms		Distributed by Account Executives	250

- http://socalgas.com/business/resource_center/erc_home.shtml - SoCalGas BOC Web site page

6. Hard-to-Reach

This program targets building operators of medium and large commercial facilities and is not designed for the small hard-to-reach business customers. Interested hard-to-reach nonresidential customers may participate in the training program if they have a building operator for their facility.

IV. Program Accomplishments

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The 2003 BOC training courses began in July 2003 except at PG&E, where two course series began in late June 2003. During the third quarter, six Level I and two Level II BOC course series began statewide.

At SoCalGas, one Level I BOC course series began in July. There were three BOC classes from this series held in the third quarter.

V. Program Challenges

None

VI. Customer Disputes

None

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

The PY03 Statewide BOC program was kicked off after CPUC funding approval on April 17, 2003. The 2003 BOC training courses began in July 2003 except at PG&E, where two course series began in late June 2003.

D. 03-04-055, Ordering Paragraph 6 states:

The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Response:

SoCalGas will work together with other utilities to market their statewide programs. To the extent SoCalGas offers the same programs SoCalGas will advertise them together with the other utilities. SoCalGas's Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 9, Building Operator Certification and Training Program states:

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9. Building Operator Certification and Training Program

The utilities offered Level I of the program in 2002. For 2003, the utilities propose to work with the program contractor to develop Level II, which would focus on enhanced energy savings strategies for building operators. The Commission fully supports this effort and encourages the utilities.

Response:

In compliance with D. 03-04-055, Attachment 2, "2003 IOU Statewide Programs," Item 9, during PY2003, SoCalGas is working with program contractors to develop Level II, which focuses on enhanced energy savings strategies for building operators.

Statewide Nonresidential New Construction Savings by Design Program

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Program Title: Statewide Nonresidential New Construction Savings By Design Program

I. Program Overview

The Savings By Design (SBD) program influences nonresidential building owners, tenants, and design teams to exceed current Title 24 standards (or industry standards for processes) by 10 percent or more for their new construction or renovation/remodel projects. SBD provides energy design education, design assistance, and cash incentives for all project types and sizes that meet the program's eligibility. SBD also leverages resources from industry relationships, strategic alliances, and other Public Goods Charge programs to accomplish the goals of energy savings, peak demand reductions, and long-term market change.

The program has three elements: the Whole-Building Approach, the Systems Approach, and education and outreach. The core strategy centers on an integrated design approach to optimize energy efficiency, known as the Whole-Building Approach. To include participants who would not normally consider a fully integrated design approach, the Systems Approach provides a simplified, performance-based method, which moves owners and design teams far beyond prescriptive approaches. Finally, program education and outreach strategies, focused on the successful Energy Design Resources (EDR) model, address market barriers by providing owners and designers with the information, education, and tools to help them make the best possible energy efficiency choices. All three elements support the California Energy Commission's (CEC) goals for market transition to the 2005 Title 24 code revision cycle.

The SBD program will continue to meet the California Public Utilities Commission's (Commission) goals and objectives for energy efficiency programs. SBD delivers cost-effective, permanent, and verifiable energy savings and peak demand reduction with long-term energy savings of between 16 and 20 years, far exceeding the Commission's minimum target of three years. Since 1999, the SBD program has involved thousands of participants and has worked with hundreds of projects and design teams. The program's innovative educational elements and implementation strategies have successfully overcome market barriers and failures.

II. Program Summary

In compliance with Decision (D.) 03-01-038, all first quarter accomplishments will apply toward 2003 program targets.

1. Total program budget * = \$ 2,234,000
Recorded Expenditures = \$ 1,872,095

* The program budget has been adjusted to reflect the Commission's October 10, 2003, approval of SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

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2. Total net demand reduction and energy savings

	Net Peak kW	Net kWh	Net Therms
Target	1,651	8,554,703	111,976
Actual			
Systems	408	4,565,531	-5,664
Whole Building	779	2,299,156	10,316
Total target	1,188	6,864,687	4,652
Committed			
Systems			
Whole Building			
Total Committed			
Total Actual and Committed (Recorded)	1,188	6,864,687	4,652

3. Total number of customers served

Projected: N/A

Actual: 36 projects are participating in the program and 63 potential project leads have been identified and followed up with owners and designers. Leads were entered into tracking system for qualifying projects. Year to date, 36 contracts have now been signed towards 2003 goals, 12 of which were signed during the 3rd Quarter of 2003.

4. Projected and actual number of units:

Please refer to tables in the corresponding program workbook.

5. Total incentives paid = \$ 0

Total incentives committed = \$ 536,616

III. Program Implementation Status

1. Status of program delivery

The SBD program was rolled out to the public on Commission approval using agreed-to 2003 program rules. The program is on target and no major changes are anticipated.

2. Customer Enrollment

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Copies of appropriate 2003 applications were sent to the Commission's Energy Division.

3. Workbook

Please refer to workbook for details of program expenditures and program activities.

4. Training

Attendees	Category	Date	Location	Title	Delivery Method
17	Online courses (835 visits)	7/1/03-9/30/03	www.energydesignresources.com	Energy Design Resources Online Courses	Online
171	3 Classes/ Training/ Seminars	7/1/03-9/30/03	Energy Resource Center (ERC)	Energy Design Resources Classes on subjects including Preview of 2005 Title 24 Standards, LEED Intermediate Workshop and Building Commissioning Overview and Techniques	Lecture/ Classroom presentation

5. Marketing

List Pieces	Quantity Total Ordered	Method of Delivery	# w/Each Method 3rd Quarter 2003
SCG Specific Efforts			
SBD Brochure	No additional copies ordered in 3 rd Quarter	Customer Meetings	121
		Trade Shows	
		Conferences	145
SBD Fact Sheets	No additional copies ordered in 3 rd Quarter	Trade Show & Facility Manager's Show	68
EDR Binders and CDs	No additional copies ordered in 3 rd Quarter	ERC training/seminars	89 CDs/Binders

- SBD maintains a statewide Web site at www.savingsbydesign.com that provides comprehensive program information, utility contacts, and a downloadable Participant Handbook outlining program policies and procedures as well as application guidelines.
- EDR, the educational and academic arm of SBD, maintains a comprehensive library of information and resources at www.energydesignresources.com, including electronic newsletters for the design community, freeware for design and financial analysis, and a series of American Institute of Architects (AIA) credited online courses.

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- www.socalgas.com features pages describing SBD that direct customers to program contacts and provide external links to the Statewide Web site for more information.

6. Hard-to-Reach

SBD targets geographically hard-to-reach customers. The program identified the goal as a 25% increase over the percentage of participating projects from geographically hard-to-reach customers as identified in 2002. This means SBD program will increase the number of projects from HTR geographical areas to a 7.8% participation rate in 2003.

There were two HTR projects signed in the second quarter and none signed in the third quarter. A total of two HTR projects have been signed year to date.

IV. Program Accomplishments

3rd Quarter accomplishments include:

Statewide

- SBD partnered with the American Institute of Architects, California Council (AIACC) to co-sponsor the Monterey Design Conference. This conference hosted 626 attendees and held workshops that covered integrated design principles as well as SBD-sponsored seminars on designing energy efficient, green buildings.
- SBD's EDR component launched a new website which won the following awards:
 - An Honors Award in the Corporate Web Site - Energy category from the International Academy of Communication Arts & Sciences as part of its International iNova Awards- 2003
 - The Silver Award in the eMedia category of the Beacon Awards, sponsored by the Business Marketing Association's Northern California chapter- 2003
- The University of California system adopted SBD as standard practice for all campuses, requiring SBD participation for all new construction.
- SBD's Web site attracted over 3,294 visits, 2,372 unique visitors, and 160,493 hits during the third quarter.
- EDR's Web site attracted 8,505 visits, 6,278 unique visitors, and 429,762 hits in the third quarter.
- SBD worked with the CEC to develop training and program enhancements to prepare the commercial design and construction industries for upcoming code change.

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SoCalGas Specific Accomplishments

- A total of 436 individuals were trained in classroom, presentation, lecture, and seminar format during the 3rd Quarter. A total of 38 project-specific design assistance and training sessions were provided covering the subjects of commissioning high performance buildings; energy efficient measures targeting building envelope, windows, lighting and mechanical systems; preview of the 2005 Title 24 Building Energy Standards; and the USGBC LEED (Leadership in Energy and Environmental Design) Intermediate Training.
- High Performance Schools: Support for the Collaborative for High Performance schools (CHPS) continued in conjunction with all partner state agencies that includes but is not limited to the CEC, Division of State Architect, Department of Education, and the California Integrated Waste Management Board. Continued to support the Los Angeles Unified School District's (LAUSD) High Performance Working Group to ensure compliance with the CHPS criteria, maximize participation with the SBD Program, and develop more stringent energy efficiency requirements for the design and construction of the upcoming Phase II schools.
- Savings By Design Integration Awards: Made presentation to Felix Roth of Silver Roth, electrical engineers for Special Citation Award that was given for the Polytechnic School Middle School Ecology/Science Classroom.
- ASHRAE 90.1 Technical Committee and Summer Meeting: Attended ASHRAE SSPC 90.1 Standard (Energy Standard for Buildings Except Low-Rise Residential Buildings) committee meeting during the ASHRAE summer meeting. Attended various presentations at the ASHRAE Summer Meeting including a series of presentations of commercial new construction programs across the United States. Southern California Edison, New Building Institute and various other entities made a presentation on the new construction programs including the SBD Program.
- American Institute of Architects Committee on the Environment meeting: Presented an overview of SBD, CHPS, and the LAUSD's Cahuenga Elementary showcase school to a group of approximately 15 prospective designers of Phase 2 LAUSD new schools. Included lengthy discussion regarding expectations of architects and mechanical engineers throughout the design process.
- California Commissioning Collaborative (CCC): Continued participation in the CCC strategic planning meeting where a mission statement, set of goals and strategies were developed. It was agreed that the CCC should pursue incorporation as a non-profit entity, similar to that of CHPS.

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V. Program Challenges

None.

VI. Customer Disputes

None.

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”

Response:

SoCalGas’ 2003 program commencement and preparation were not delayed pending submission of or Commission action on these plans.

D. 03-04-055, Ordering Paragraph 6 states:

“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”

Response:

SoCalGas is working together with other utilities to market its statewide programs. To the extent SoCalGas offers the same programs, SoCalGas will advertise them together with the other utilities. SoCalGas’ Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. SoCalGas will focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

D. 03-04-055, Ordering Paragraph 13 states:

“A utility shall not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without securing first notifying all parties to this proceeding electronically and receiving approval from designated Commission staff, consistent with this order. A utility may lower customer incentives by notifying designated Commission staff and the service list of this proceeding. Increases to customer incentive amounts must be approved in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.”

Response:

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SoCalGas will not increase the dollar amounts of individual customer incentives above those approved in this decision and as filed in their approved Program Implementation Plans without first notifying all parties to this proceeding electronically and securing approval from designated Commission staff consistent with Ordering Paragraph 13 of D. 03-04-055. For increases to customer incentive amounts, SoCalGas will secure approval in advance by designated Commission staff following 20-day notice to staff and the service list of this proceeding.

SoCalGas will lower customer incentives by notifying designated Commission staff and the service list of this proceeding.

Statewide Crosscutting Education and Training Program

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Program Title: Statewide Education and Training Program

I. Program Overview

The statewide Energy Efficiency Education and Training program continues to be offered in the service areas of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas). Overall, the program promotes energy efficiency to a variety of customer segments through energy centers (physical and virtual) and other informational programs.

The educational and information efforts of the energy centers and of SDG&E cover a broad spectrum of market actors including customers, midstream actors such as the design, engineering and contracting communities, and upstream market actors. The motivations to make use of education and training services include reducing operational costs, increasing productivity and profitability, and designing more efficient new buildings.

II. Program Summary

1. Total program budget = \$1,909,000

Expenditures to date = \$1,360,426

* The program budget has been adjusted to reflect the Commission's October 10, 2003 approval of SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings:

	Net kW	Net kWh
Projected	N/A	N/A
Actual	N/A	N/A
Committed	N/A	N/A
Total Recorded	N/A	N/A

3. Total number of customers served:

Projected: 137 Seminars

Actual YTD: 117

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

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Not applicable to this program.

III. Program Implementation Status

1. Status of program delivery

No changes were made to the program implementation plan.

2. Customer Enrollment

Two blank copies of the program application forms were sent to the Commission's Energy Division.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

40 seminars were conducted during the third quarter.

Date	Class/Description	Attendees
09/09/03 09/30/03	ACCA Manual "J" Training (various locations) – load calculations, equipment selection. Part of the Residential New Construction Title 24 Training Series.	49
09/10/03	ACCA Manual "D" Intro Residential Duct Design (various locations) – designing residential duct systems. Part of the Residential New Construction Title 24 Training Series.	11
09/11/03	Advanced ACCA Manual "D" (various locations) – advanced duct design topics, including training on use of computer software to generate load calculations and equipment selection. Part of the Residential New Construction Title 24 Training Series.	11
09/09/03	Combustion Seminar (various locations) - This seminar provides basic knowledge of gas, gas equipment, combustion and air quality guidelines and the safe and efficient use of gas-fired equipment while focusing on energy efficiency and conservation.	11
08/14/03	LEED Intermediate Workshop - This workshop will cover an introduction to green building design benefits and strategies and an intermediate-level technical review	71

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Date	Class/Description	Attendees
	of each point in the LEED Green Building Rating System which requires energy efficiency in all LEED certified buildings.	
09/16/03	HVAC System Air Flow/Pressure Static Diagnostics (various locations) - A hands-on class utilizing full-size horizontal HVAC system to measure airflow, static pressure and amperage under various system configurations to optimize energy efficiency performance.	16
09/17/03	T24 Residential Zoning (Various locations)- Review equipment options and methodologies for residentially zoned systems. Discussion will include load calculations for each zone and how to determine the required components, as well as application and sizing of bypass ducts for designing energy efficient systems.	18
07/08/03 07/10/03 07/15/03 07/17/03	System Design – (Various locations) Learn how to size linesets, ductwork, etc. Proper systems design leads to energy efficiency and proper system installations, followed by satisfied customers	82
07/09/03	Culinary Connections – Conveyor Ovens - Conveyor ovens are energy efficient and excellent for pizza, but their versatility extends far beyond just that. By transporting foods through a heat source radiating from both above and below, conveyor ovens are also perfect for preparing baked goods, seafood, etc.	11
07/16/03	Preview of 2005 Title 24 Nonresidential Standards - Workshop discusses the future of commercial new construction in California by previewing the proposed 2005 Title 24 standards for energy efficiency. The state expects to adopt the updated standards by September 1, 2003. Implementation is scheduled for 2005. Learn how these changes will affect your commercial new construction projects.	66

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Date	Class/Description	Attendees
07/23/03	Builder Operator Certification Training #101 -Training for operators of medium and large commercial/industrial buildings to identify and implement energy savings opportunities as an integral part of their operations and maintenance activities.	21
07/23/03	Your Equipment Work It, Tune It, Clean It (Spanish) -A one-day seminar was held to provide specialized training on the operation and maintenance of today's natural gas-fired energy-efficient cooking equipment. Properties of natural gas, regulators, burner maintenance, automatic safety systems, trouble shooting, maintenance, thermostat operation, calibration and ventilation issues that affect operations were addressed.	8
07/28/03	Steam Equipment Seminar – Joint Energy Center Seminar -Steam cooking is quick, energy-efficient, and excellent for a wide variety of foods. This seminar, co-produced by The Gas Company, San Diego Gas & Electric, Southern California Edison, and Pacific Gas and Electric, is offered at no fee, as part of our effort to provide commercial customers with practical information on effective energy efficient practices in their kitchens. Four experts in energy efficient steam cooking will share their knowledge and experience.	59
08/04/03 08/05/03 08/06/03 08/07/03	California Mechanical Code – (Various locations) - This course discusses the changes and challenges contractors, services, technicians and installers must contend with while managing customer expectations of energy efficiency. Course covers 2001 California Mechanical Code and permit procedures and policies.	85
08/13/03	“How To Do An Audit” For Customers - Get an overview of energy auditing techniques, tools and software. Along the way, we'll show you how to quantify your energy expenses. In addition, you'll discover ways to reduce your energy consumption by installing new high efficiency equipment and technologies that will help keep your facility running in	8

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Date	Class/Description	Attendees
	top form.	
08/03/03	Culinary Connections – Smokers -Any mystery about properly preparing smoked, grilled and rotisserie foods will disappear as we explain how marinades, sauces, and rubs influence the character of food doing it all using energy-efficient gas cooking equipment.	10
08/20/03	Successful Control Strategies for Engine Emissions Systems - Good installation and maintenance practices for modern emission control systems are an important component of successful natural gas engine operations. The ability to understand, operate, and maintain this equipment is the key to reliable, trouble-free, emission-compliant installations. An additional benefit of consistent, correct maintenance is more energy-efficient operation leading to optimized energy costs savings.	36
08/26/03	Lets Cater It – Featuring Mike Roman of CaterSource - Mike Roman provided an insider's tips on how to stay at the cutting edge of the catering business. Attendees learned about health department regulations, rubs and hot flavors, and about the latest in energy efficient gas cooking equipment.	122
08/27/03	Builder Operator Certification Training #107 -Training for operators of medium and large commercial/industrial buildings to identify and implement energy savings opportunities as an integral part of their operations and maintenance activities.	21
09/02/03 09/04/03 09/09/03 09/11/03	Air Balance – (Various locations) – HVAC air system balancing is a must to provide optimum energy efficiency. Balancing also provides assurance that the contractor is not to blame for uneven space conditioning.	71

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Date	Class/Description	Attendees
09/10/03	Building Commissioning - . The workshop will explain money-saving advantages of commissioning, a systematic process for achieving and maintaining peak performance of a building throughout its life cycle at the lowest possible cost. Gain an understanding of commissioning techniques, including training, inspection and testing, and how to integrate commissioning into your design process. Explore commissioning strategies, potential pitfalls and their solutions, and budgeting and scheduling for commissioning. Discussion will also include commissioning credits within the LEED (Leadership in Energy and Environmental Design) green building rating system.	55
9/10/03	Culinary Connections – Fryers/Pasta Cookers -Culinary Connections is a monthly hands-on demonstration highlighting new recipes and cooking techniques using energy-efficient equipment. This month's offering featured the FSEC's Executive Chef Craig Smith, who provided attendees with useful information on rebates, and tips on effectively using fryers for energy efficiency. A tour of the FSEC and the newly completed Ventilation and Baking Lab ended the seminar.	10
09/18/03	Residential Energy Standards and High Performance Ducts - Oriented toward builders, HVAC contractors and engineers, this class will review changes to the Residential Energy Standards and will include a hands-on demonstration of duct system testing to optimize energy efficiency performance that HVAC contractors and builders will be using under the AB 970 standards.	17
09/18/03	Energy-Efficient Lighting For Food Service - Correct lighting is essential for achieving success in a commercial kitchen. This seminar covers such topics as the availability of various lighting system types, selection of the most energy efficient lighting system, and optimum placement of lighting fixtures.	
09/23/03	Food Safety: Doing It Right - Attendees learned from Peter Healey about controlling food safety with energy efficient gas cooking equipment and supplies and, in addition to new technologies, how to produce higher	93

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Date	Class/Description	Attendees
	addition to new technologies, how to produce higher quality food with safety and cost improvements.	
09/24/03	Certified Permitting Professional's Update – Seminar addresses the latest changes, present the best options for dealing with them and provide the most effective computerized tools for the job. Participate in a thorough review of emission quantification, quantification affects, BACT, typical permit conditions, regulatory requirements and Title V compliance with a focus on energy-efficient combustion equipment.	44
09/24/03	Building Operator Certification-Class #102 - Training for operators of medium and large commercial/industrial buildings to identify and implement energy savings opportunities as an integral part of their operations and maintenance activities.	15
9/24-25/03	Costco District Managers Seminar - This seminar provided Costco's district managers with up to date information on energy efficiency practices and guidelines in managing their food service operations. Included was a tour of the Food Service Equipment Center and the newly completed Ventilation and Bakery Lab	28
09/25/03	Water Treatment for Energy Efficiency - This seminar goes hand-in-hand with the "Understanding Boiler Basics" seminar. Owners and operators of boilers will learn how correct treatment of water can increase operating energy efficiency. Learn how chemical costs can be reduced. Find out how to protect your boiler from corrosion, scale and biological fouling.	23
09/30/03	Non Profit Seminar - This seminar highlights services & programs currently offered to assist non-profits in managing energy use and costs. Discussion includes tools and techniques to help address energy efficiency issues. Topics include: • Money-saving equipment rebate programs	19

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Date	Class/Description	Attendees
	<ul style="list-style-type: none"> • Customer assistance for group living facilities • Energy audits • Information on food service equipment seminars and more 	

5. Marketing

During the third quarter of 2003, 23 flyers have been printed and distributed through direct mail or e-mail for a variety of energy efficiency seminars and workshops. About 24,275 flyers were printed with more than 18,602 distributed by direct mail alone. More than 20,751 customers received flyers distributed via e-mail. 10,000 ERC quarterly events calendars and 18,000 semi annual T-24 Residential New Construction Training calendars were also printed and distributed in the third quarter. Please refer to the corresponding program workbook for details of third quarter activities.

The ERC's website contains information about the training facilities and courses available, and can be accessed through the links below:

http://www.socalgas.com/business/resource_center/erc_home.shtml

www.energyefficiencycenter.com

6. Hard to Reach

Third quarter HTR accomplishments will apply toward 2003 targets. For 2003, SoCalGas proposed to target 40 energy efficiency events to hard to reach customers.

During the third quarter of 2003, SoCalGas has provided 27 events for the hard to reach markets.

IV. Program Accomplishments

In 2003, the program continued to offer seminars and workshops focused on promoting energy efficiency to customers. In support of this activity, SoCalGas proposed that it would conduct 137 seminars and workshops during 2003. During the third quarter of 2003, SoCalGas conducted 40 such seminars or workshops.

V. Program Challenges

None

VI. Customer Disputes

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None

VII. Compliance Items

There are no new compliance items to report on during the third quarter.

Statewide Crosscutting Emerging Technologies Program

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Program Title: Statewide Emerging Technologies

I. Program Overview

Southern California Gas Company's (SoCalGas) Statewide Emerging Technologies (ET) program is an information-only program that seeks to accelerate the introduction of energy efficient technologies, applications, and analytical tools that are not widely adopted in California. The program addresses all market segments, and is composed of two parts: Demonstration & Information Transfer, and the Emerging Technologies Coordinating Council (ETCC). The program's assessment activities focus on near commercial and commercial energy efficient applications with low market penetration. The projects help to measure, verify, analyze, and document the potential energy savings and demand reduction of specific applications in different market segments. Information Transfer efforts disseminate project results, and are customized to the targeted markets. The ETCC is a statewide information exchange and coordination effort between the investor owned utilities (IOUs) and the California Energy Commission's (CEC) Public Interest Energy Research (PIER) program. Program efforts to select technology applications for assessment projects include working with PIER as well as, but not limited to, members of the research and design communities, manufacturers, energy efficiency advocates, customer groups, universities, professional societies, national laboratories, government agencies, engineering firms, and industry and trade groups.

II. Program Summary

1. Total program budget = \$779,000

Program Expenditures = \$465,996

* The program budget has been adjusted to reflect the Commission's October 10, 2003, approval of SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings:

Based upon the California Public Utilities Commission approved Energy Efficiency Policy Manual, this information program is not expected to provide energy savings targets.

3. Total number of customers served:

Projected: The program will initiate a limited number of customer site demonstration projects in 2003, since not all emerging technology assessments require customer site testing and multiple assessments may be performed at a single customer site. As a target, we anticipated six new customer site demonstrations would be initiated by year-end.

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Actual: Three new site assessment projects were initiated during the third quarter. Seven customer site assessments have been initiated thus far in 2003 in a variety of technology areas.

4. Projected and actual number of units:

Please refer to program activity tables in corresponding program workbook.

5. Total rebate (\$) paid:

The program does not provide customer rebates.

III. Program Implementation Status

1. Status of program delivery

The program staff is pursuing new ET application assessments, and coordinating activities with the California IOUs and the CEC PIER program through the ETCC. Program staff provided SoCalGas' energy efficiency program managers supporting information on emerging technologies that might be added into the 2004 energy efficiency programs.

2. Customer Enrollment

The program does not use application forms to enlist customers in the program. Due to the nature of the program and the limited number of customer site demonstrations, customized agreements are negotiated with each customer for each project.

3. Workbook

Please refer to the informational tables shown in the corresponding program workbook for details on program expenditures and activities.

4. Training

The program neither sponsored nor conducted any training during the third quarter.

5. Marketing

The program did not engage in any marketing activities during the quarter.

6. Hard-to-Reach

The program does not have specific goals for the hard-to-reach market segments. In general, the information the program generates through its demonstration activities tends to benefit all customers. One of the objectives of an ET program is to explore the application a new technology has in various market segments in an effort to characterize the widest possible deployment opportunities. Thus, the program seeks opportunities to host appropriate demonstration projects at hard-to-reach customer sites.

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IV. Program Accomplishments

ETCC Activities

The ETCC met once during the third quarter on September 24 at SCE's Customer Technology Application Center (CTAC) in Irwindale. The utilities reviewed the action items to evaluate opportunities to demonstrate the following CEC PIER lighting technologies within the statewide ET programs:

- **Residential Kitchen Lighting.** SCE is seeking to include the technology into an ongoing Habitat for Humanity project. Pacific Gas & Electric (PG&E) will consider the technology in the 2004 program year.
- **Hotel Occupancy Sensor with LED Night Light.** SCE is pursuing an assessment with several hotels to establish the deemed savings estimates and to determine the impact of room occupancy rates. In addition, the measure information was provided to the energy efficiency program planning staff for possible addition into the 2004 statewide incentive programs. PG&E will work with the City of San Francisco to assess the measure in a residential type setting.
- **Integrated Classroom Lighting.** SCE is pursuing this technology in the High Performance Classroom under construction at CTAC.
- **Bi-level Switching for Stairwell Lighting.** This measure remains in review with the utilities for a potential assessment.

SCE toured the ETCC around the new 'Wet Cleaning' demonstration room at CTAC and shared activities underway connected with their refrigeration lab and their advanced portable classroom facility (also located at CTAC). In addition, SoCalGas reported that the new Ventilation/Baking facility at the Energy Resource Center is completed. Five different hood systems have been installed as part of the SoCalGas' efforts to further the CEC PIER work on commercial kitchen ventilation systems and energy saving make-up air designs. San Diego Gas & Electric and SCE are pursuing the technologies in several customer site restaurant installations.

ET Database Updates

No database updates were performed during the third quarter.

Emerging Technology Application Assessments

Currently, SoCalGas has several Emerging Technology Application Assessments underway during PY2003 consisting of projects begun this year and during prior years. They cover a wide range of technologies and market segments. During the third quarter, SoCalGas committed to and initiated 3 new assessment projects:

- Bowman Microturbine – Combined Heat and Power (CHP) Application.
- Forced Internal Recirculation (FIR) Burner Demo 350 HP Boiler.

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- Performance and Continuous Recommissioning Analysis Tool (PACRAT) Demonstration at USC Campus.

The following 4 assessments initiated earlier during 2003 continued to progress:

- Nishiyodo Adsorption Chiller – CHP heat recovery.
- Advanced Thermal Oxidizer – Printer VOC Destruction.
- Lean Burn Engine (Westport/Cummins) Demonstration.
- Bio-fuel / natural gas blend for Microturbine.

Several technology assessments and other activities and studies begun in prior years are also progressing well and include:

- Capstone Microturbine performance (single and clusters)
- Engines with heat recovery in various applications
- Infrared gas burners for powder coating curing and plastic shaping
- Ventilation Lab for Commercial Kitchen ‘Make-up’ Air design workshops
- Solar Photovoltaic Panel Demonstration at the ERC
- Energy efficiency gains due to ‘Recommissioning’ a LEED Building

Also, SoCalGas ET staff is working to identify and initiate additional assessment projects, and are presently considering new assessments or seeking additional customer sites for demonstrations in the following emerging technologies areas:

- Infrared burners for various applications,
- Advanced engine controls for pollution control and efficiency improvements,
- New ‘lean burn’ engines demonstrating 40% shaft efficiency,
- Additional low NOx, high efficiency boiler burner alternatives,
- Opportunities to study new software and sensors to accomplish continuous building energy monitoring and diagnostics,
- Energy impacts of changing to PERC ‘dry’ cleaner technology alternatives, and
- Assessments of the performance of heat recovered engines in air compression and refrigeration applications.

V. Program Challenges

There were no specific program challenges during the third quarter.

VI. Customer Disputes

There were no customer disputes during the third quarter.

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VII. Compliance Items

Based on Decision D.03-04-055, there is no California Public Utilities Commission regulatory compliance item directly related to this program.

Statewide Crosscutting Codes & Standards Program

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Program Title: Statewide Crosscutting Codes and Standards Program

I. Program Overview

Southern California Gas Company's (SoCalGas) Statewide Codes and Standards (C&S) Advocacy program promotes enhancements to, and enforcement of, energy efficiency standards and codes. Codes and Standards Enhancement (CASE) studies are performed for promising design practices and technologies. The study results are presented to standards and code-setting bodies during the public rulemaking process to encourage adoption of energy efficiency measures. Expert witness testimony and additional analysis are provided throughout the rulemaking process as needed. Enforcement activities include participation in development of standards documents and strategic education efforts.

II. Program Summary

In compliance with Decision (D.) 03-01-038, all first accomplishments will apply toward 2003 program targets.

1. Total program budget = \$150,000 *

Expenditures to date = \$ 100,687

* The program budget has been adjusted to reflect the Commission's October 10, 2003, approval of SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings:

Categorized as an information program consistent with the California Public Utilities Commission's 2002 Energy Efficiency Policy Manual, energy savings are not applicable to this program.

3. Total number of customers served:

The Statewide C&S program focuses on upgrades and enhancements in the energy efficiency standards and codes thereby benefiting all Californians.

4. Projected and actual number of units:

Not applicable to this information program.

5. Total rebate (\$) paid:

Not applicable to this information program.

III. Program Implementation Status

1. Status of program delivery

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Program approval was received on April 17, 2003, and no program changes have been made since then.

2. Customer Enrollment

Due to the nature of the program, there are no customer enrollment forms.

3. Workbook

Please refer to the program workbook for details of program expenditures and program activities.

4. Training

Customer training is typically not conducted due to the nature of the program. However, there are numerous workshops associated with codes and standards advocacy. These workshops are listed under the Program Accomplishments section shown below.

5. Marketing

The program did not conduct any marketing activities in the third quarter of 2003.

6. Hard-to-Reach

C&S activities support hard-to-reach market segments by advocating cost effective code enhancements that promote energy efficiency for all building types and appliances included in the California standards.

IV. Program Accomplishments

Participated in workshops and business on dates listed below. Performed advocacy for code enhancements in the subject area addressed at each workshop.

07/07/03	Represented SoCalGas at the California Energy Commission (CEC) AB549 workshop
07/23/03	Represented SoCalGas at CEC business meeting
08/20/03	Represented SoCalGas at CEC business meeting
09/04/03	Represented SoCalGas at 45-Day Language workshop for the 2005 Title 24 Building Efficiency Standards

During the third quarter, SoCalGas completed work on one CASE study, "Gas Cooling Compliance Options for Residential and Non-Residential Buildings."

V. Program Challenges

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None encountered to date.

VI. Customer Disputes

None.

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

Decision 03-01-038, Ordering Paragraph 3, states:

“To prevent service disruption, we authorize the IOUs whose programs will expire at the end of 2002 to continue those programs through March 31, 2003, using Public Goods Charge collections from that period, in the amounts set forth in the body of this decision. If the Commission issues a decision on 2003 program applications prior to that time, this “bridge funding” shall expire upon issuance of that decision. If the IOUs incur expenses in 2003 before the Commission issues this decision, they should track those expenses and account for such expenses in their reports to the Commission on first quarter 2003 program results. The IOUs can request recovery of these expenditures through their respective PGC energy efficiency balancing accounts.”

Response:

The IOUs continued the 2002 programs through March 31, 2003. Expenses prior to the issuance of the decision and bridge funding expenditures through March 31, 2003 are reported in each program’s text and Workbook.

Decision 03-01-038, Ordering Paragraph 4, states:

“The IOUs shall include the program accomplishments achieved during the bridge funding period toward the cumulative goals of their 2003 programs.”

Response:

All accomplishments during the bridge funding period will be included toward the cumulative goals of the 2003 programs.

Decision 03-03-028, Ordering Paragraph 1, states:

“To prevent program disruption, we authorize the utilities whose programs expire at the end of 2002 to continue those programs beyond March 31, 2003, using Public Goods Charge collections from associated periods, in the amounts set forth in the body of this decision.”

Response:

The IOUs continued the 2002 programs beyond March 31, 2003.

Decision 03-03-028, Ordering Paragraph 2, states:

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“The utilities are hereby authorized additional bridge funding at a level of 7% a month against the total 2003 utility funding amounts set forth in Decision (D.) 03-01-038 so that the bridge funding, plus funding for new 2003 programs, equal the total amounts described in D. 03-01-038.”

Response:

The IOUs continued the 2002 programs using the additional bridge funding at the level specified.

Decision 03-04-055, Ordering Paragraph 3, states:

“No party shall delay program commencement or preparation pending submission of or Commission action on these plans.”

Response:

Program commencement and preparation were not delayed pending submission of or Commission action on these plans.

Decision 03-04-055, Ordering Paragraph 6, states:

“The utilities shall work together to market their statewide programs. To the extent the utilities offer the same programs, they shall advertise them together. Program Implementation Plans and quarterly reports shall describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.”

Response:

SoCalGas will work together with other utilities to market their statewide programs. To the extent SoCalGas offers the same programs, SoCalGas will advertise them together with the other utilities. SoCalGas' Program Implementation Plans and quarterly reports describe utility efforts to coordinate programs. Utilities shall focus all PGC-funded marketing for programs in this decision on energy efficiency messages.

Local Nonresidential Financial Incentives Program

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Program Title: Nonresidential Financial Incentives Program

I. Program Overview

The Nonresidential Financial Incentives program (NRFIP) is a local program focusing on small to medium nonresidential (commercial and industrial) gas customers. The program includes technical support, education, training, outreach, contractor referral, bulk procurement, prescriptive rebates and incentives.

The Nonresidential Financial Incentives program comprises three program elements:

- The “Purchase-Apply-Receive Rebate” (PARR) prescriptive rebate element is targeted to the very small, small and medium nonresidential core schedule market segments. The primary focus is prescriptive measures for foodservice type equipment.
- The “Nonresidential Equipment Replacement “ (NRER) incentive element is also targeted to the small and medium nonresidential core schedule market segments. This element is limited to “kind-for-kind” replacement of old, inefficient commercial or industrial end-use gas-fired technology with higher efficiency alternatives.
- The “Nonresidential Energy Conservation” (NREC) incentive element is also targeted to the small and medium nonresidential core schedule market segments. This element provides qualified customers with a financial incentive to implement comprehensive energy saving commercial building envelope or industrial process changes on a unique, site specific, “case-by-case” basis.

II. Program Summary

Please note that the results in this section are preliminary and will be updated in the 2003 Energy Efficiency Annual Report.

1. Total program budget = \$1,121,000 *

Expenditures to date = \$826,254

* The program budget has been adjusted to reflect the October 10, 2003 Commission's approval regarding SoCalGas' Motion to replace funds inadvertently removed from SoCalGas' PY 2003 statewide and local program budgets in D.03-04-055.

2. Total net demand reduction and energy savings

	Net Peak kW	Net kWh	Net Therms
Target	N/A	N/A	1,453,639
Actual	N/A	N/A	536,001
Committed **	N/A	N/A	749,928
Total Actual and Committed (Recorded)	N/A	N/A	1,285,929

** Not accounted for in Excel workbook

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3. Total number of customers served
 Projected: No projections in the Implementation Plan
 Actual: 144 applications received
4. Projected and actual number of units:
 Please refer to the program activity tables shown in the corresponding program workbook.
5. Total incentives (\$) paid = \$227,032
 Total incentives (\$) committed = \$401,340

III. Program Implementations Status

1. Status of program delivery:
 The PY03 local Nonresidential Financial Incentive program was kicked off after CPUC funding approval on April 17, 2003.
2. Customer Enrollment:
 Copies of the application forms were sent to the California Public Utilities Commission Energy Division.
3. Workbook:
 Please refer to informational tables shown in the program workbook for details of program expenditures and program activities.
4. Training:
 This program did not sponsor any external training during the quarter.
5. Marketing:
 Marketing materials used to promote this program included the following:

List Pieces	Quantity	Method of Delivery	# w/Method
Commercial Food Service Equipment Applications (PARR applications)	1,084	US Mail, E-mailed and hand delivered	1,084
Equipment and efficiency rebates and incentives are back for a limited time only	250,000	March/April bill insert	230,000
Chamber of Commerce publication with NRFIP ad	300	Mailed to businesses on Chamber of Commerce	300

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List Pieces	Quantity	Method of Delivery	# w/Method
		mailing list	
2003 Energy Efficiency Programs and Services for Business Customers	2,052	US Mail E-Mail Hand Delivered Fax	1,729 110 155 58
2003 Energy Efficiency Programs and Services for Business Customers	500	US Mail and E-Mail	500
Equipment and Efficiency Rebates and Incentives are Back for a Limited Time Only Mailer/Brochure	700	US Mailed, E-mail and Hand delivered	700
Letter Explaining Program	1000	US Mail/Fax	1000
Summer Barbeque Vendor Mixer and Seminar Survey & Evaluation	150	US Mail and E-Mail	150
Flyer on Food Service Equipment Center "Rebate Program Update 2003"	50	E-Mail and US Mail	50

- <http://www.socalgas.com/> - Southern California Gas Company's Web home page.
- http://www.socalgas.com/business/cash_for_you/parr.shtml – Southern California Gas' PARR rebate element of the NRFIP local program for commercial foodservice Web site page.
- http://www.socalgas.com/business/cash_for_you/ic_home.shtml – SoCalGas's NRER and NREC incentive elements of the NRFIP local program for very small to medium commercial and industrial customers Web site page.

6. Hard to Reach

SoCalGas' Nonresidential Financial Incentives local program was not filed with a formal hard to reach target nor did D. 02-05-046 specify a hard to reach target. SoCalGas remains committed to outreach to hard-to-reach customers in this program.

IV. Program Accomplishments

SoCalGas continued to rely on the SoCalGas Account Executives to promote this program to nonresidential customers. Other promotional and delivery vehicles included participation in trade shows, seminars, outreach, and program information on the

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SoCalGas website. SoCalGas promoted the Nonresidential Financial Incentive Program by participating in the following trade shows: Western Expo (targeted food service industry), African American Black Business Expo 2003 and the Farm Show. SoCalGas also gave a presentation at a Non-Profit Organization Workshop.

SoCalGas initiated a sprint campaign designed to contact all qualifying energy efficiency measure manufacturers, vendors, distributors and key sales personnel to promote the specific features and benefits of the Nonresidential Financial Incentive Program (NRFIP). Priority calls were made to the following energy efficiency measure vendors: water heaters, and food service equipment.

SoCalGas reached out to the ethnic community by advertising in the Latin Business Association website, participated in the Black Business Expo 2003, advertised the NRFIP program through the Vietnamese TV and gave a presentation to the Chinese American Construction Professionals.)

SoCalGas' NRFIP and Nonresidential Audit programs continued to closely coordinate activities to increase customer participation in both programs. Audit participants are informed about the NRFIP rebate opportunities.

V. Program Challenges

None

VI. Customer Disputes

None

VII. Compliance Items

The following list itemizes the various regulatory compliance items issued by the California Public Utilities Commission directly relating to this program.

D. 03-04-055, Ordering Paragraph 3 states:

No party shall delay program commencement or preparation pending submission of or Commission action on these plans.

Response:

The PY03 local Nonresidential Financial Incentive program was kicked off after CPUC funding approval on April 17, 2003.

Local Diverse Markets Outreach Program

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Program Title: Diverse Market Outreach Program (DMOP)

I. Program Overview

The DMOP program is a crosscutting, multi-lingual, multi-cultural, marketing and outreach program that provides residential and business customers with information about the breadth of energy efficiency resources available to improve the energy efficiency of their homes and businesses. The program promotes the full range of SoCalGas energy efficiency programs as well as other investor owned utility and municipal utility programs, third party energy efficiency programs and energy efficiency financing and funding resources. Through DMOP, information is provided to customers in a variety of languages, including Spanish, Chinese, Vietnamese and Korean. DMOP also supports the SoCalGas residential Call Center staff and nonresidential Energy Efficiency InfoCenter (Help Desk) staff by providing information they can relay to customers seeking energy efficiency advice. A new market segment that was targeted in the third quarter was non-profit organizations and the accompanying new program materials were launched.

II. Program Summary

1. Total approved program budget = \$1,222,000*

Recorded Expenditures = \$ 1,088,952

(Recorded Expenditures = expenditures + commitments)

** The program budget has been revised, per ALJ Malcolm's October 10, 2003 ruling, granting replacement of EM&V funds, effectively modifying D.03-04-055 approved DMOP budget to be consistent with the forecast budget.*

2. Total net demand reduction and energy savings

Not applicable for this information program.

3. Total number of customers reached

Projected: Commercial: 40,000

Residential: 200,000

Actual Third Quarter: Commercial: 41,630

Residential: 407,000

4. Total rebate (\$) paid:

Not applicable for this information program.

III. Program Implementation Status

1. Status of program delivery

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No changes from the approved implementation plan as filed on November 4, 2002 and approved on April 17, 2003 in D.03-04-055.

2. Customer Enrollment

Not applicable.

3. Workbook

Please refer to the program workbook for details of program expenditures and program activities.

4. Training

All internal training for the Residential DMOP program was conducted in Q1 and Q2; however, two DMOP Program training sessions were held in the third quarter for 12 new Commercial Service Technicians. They were trained in the delivery of energy efficiency information to C&I customers during customer phone calls. Three DMOP training sessions were held for 18 multi-lingual bureau Customer Service Representatives. They were trained in the delivery of energy efficiency information to customers during phone interactions. In addition, a PowerPoint presentation was developed for SoCalGas' Public Affairs Managers to assist them in delivering DMOP information during civic and cultural events. (Attachment A).

5. Communications and Outreach

The Communication and Outreach effort is a two pronged effort utilizing Mass Market and Direct Outreach techniques.

Mass Market efforts during the third quarter included:

1. PRINT ADVERTISING.

a. General Market:

Print advertisements in community papers that began in June 2003, concluded the last week of July 2003. Copies of the ads were submitted with the Q2 report.

b. Hispanic Market:

Print ads launched the week of July 14 ran for four weeks with approximately 5 insertions per paper in 15-community publications with a total circulation of 1,200,000 supplemented by one week of ten-second radio traffic reports. Also, in collaboration with Univision's Statewide Marketing and Outreach Program, a Spanish language e-

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mail was sent to 117,000 Univision subscribers promoting energy efficiency rebates.

- Attachment B Spanish “Mi Comadre” advertisement.
- Attachment C list of publications
- Attachment D Electronic-mail Spanish language promotion

c. Asian Markets (Chinese, Korean, Vietnamese, Japanese & Filipino):

Print ads launched the week of August 8 ran in 11 newspapers for four weeks with an average of 5 insertions and a total circulation of 26,160.

- Attachment E Chinese, Vietnamese, Korean versions of the “Grow More Green” advertisement,

Also, in selected Filipino and Japanese publications, an English energy efficiency ad was run for 4 weeks

- Attachment F Energy efficiency rebate advertisement
- Attachment G list of publications

2. MEDIA RELATIONS

b. **Press Release**

On July 14, 2003 a news release was issued to targeted newspapers encouraging customers to call SoCalGas’ Spanish language Call Center to request information on energy efficiency and conservation. A new and innovative “audio news release” was also issued on July 21, 2003 to targeted Spanish language radio. A radio news story was prepared and placed with targeted radio station formats that accommodate news clips.

- Attachment H press release
- Attachment I audio news release script

3. BILL INSERT

In July, a bill insert was sent to all SoCalGas C/I Mass Market customers advising them of the many services offered by the Energy Efficiency InfoCenter.

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- Attachment J July bill insert

4. DIRECT MAIL

40,030 DMOP/Energy Efficiency InfoCenter postcards were sent to targeted hard-to-reach customers during the month of September.

- Attachment L InfoCenter postcards

Direct Outreach efforts during the third quarter included:

1. COMMUNITY EVENTS

SoCalGas sponsored and staffed booths at a variety of community events. At multi-cultural events, bi-lingual booth staffers distributed in-language and English program materials and answered questions about energy efficiency programs.

Date	Event	Location	Attendance
7/7	Music On Main	Seal Beach, CA	2000
7/12	Independent Cities Assn. Conference	Rancho Bernardo	2500
7/22	First Church Of God – Health Fair	Inglewood, CA	300
July 26	Energy Efficiency Fair	Clinton Elementary School, Garden Grove, CA	200
7/30	Asian Pacific Community Fund		100
8/2	Black Research & Educational Center Meeting	Gene Autry Museum, Los Angeles	100
8/2	Fiesta Familiar	Santa Ana Zoo	1000
8/15	Senior Appreciation Lunch	Los Angeles, CA	400
Aug 23&24	Southern California Native American POW WOW	Orange County Fair Grounds	10000
August 23,24, 30, 31	African Marketplace	Los Angeles Sports Arena	10000
Sept 12-14	Black Business Expo	LA Convention Center	75,000
Sept 18 th	Access City Hall	LA City Hall	250

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Date	Event	Location	Attendance
Sept 20 th	PWS Coin Operated Laundry Show	Commerce, CA	700
Sept 27 & 28	Latino Book & Family Festival	Los Angeles Convention Center	10000
Sept 27th	Chinese American Construction Professionals	Alhambra, CA	3000
Sept 30th	Non-Profit Organization Workshop	Energy Resource Center, Downey, CA	16

2. SMALL GROUP PRESENTATIONS

DMOP continued to deliver its successful bi-lingual presentations and workshops that promote the concept of energy efficiency and programs available to the residential customer. The innovative and successful collaboration with the University of Southern California's Sustainable Cities Program was continued with 11 presentations of *We're All in This Together: Sustainability Starts at Home*. SoCalGas' Public Affairs team also delivered energy efficiency presentations to special interest groups and key community leaders.

SoCalGas/DMOP is very pleased to announce the development and launching of a new, specialized outreach targeted to non-profit groups. New marketing material has been developed that educates the non-profit business regarding the variety of programs available and ways they can operate in a more energy efficient manner, thus reducing their energy costs. In addition, a *Non-profit Energy Efficiency Seminar* was held at the ERC on Sept. 30th. Seventeen attendees from various non-profit agencies attended and were provided this information and material. David Casentini, project manager for D&R International, an energy and environmental consulting firm working on behalf of the EPA's Energy Star programs was the primary speaker. He advised the attendees of Energy Star based approaches and technical tools which can help accelerate energy efficiency gains and efficiency program cost effectiveness. The attendees were also provided information on SCG's EE InfoCenter, rebate programs, Energy Analysis programs, additional EE seminars and equipment programs available through SCG's Energy Resource Center, and various income qualifying programs such as the Direct Appliance Program and California Alternate Rates for Energy.

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Date	Group	Location	Attendance
7/12	Montebello Housing New Homebuyers Presentation (Spanish) USC	Montebello, CA	15
7/12	LA Neighborhood Housing Services New Homebuyers Presentation USC	Los Angeles, CA	40
7/19	LA Neighborhood Housing Services New Homebuyers Presentation (Spanish) USC	Los Angeles, CA	25
7/26	Montebello Housing New Homebuyers Presentation (Spanish) USC	Montebello, CA	20
8/2	LA Neighborhood Housing Services New Homebuyers Presentation USC	Los Angeles, CA	25
8/9	New Economics for Women Homebuyers Seminar (presentation) USC	Los Angeles, CA	20
8/9	Los Angeles Neighborhood Housing Services New Homebuyers Presentation (Spanish) USC	Los Angeles, CA	30
8/23	New Economics for Women Homebuyers Seminar (presentation) (Spanish) USC	Los Angeles, CA	20
9/6	Los Angeles Neighborhood Housing Services New Homebuyers Presentation USC	Los Angeles, CA	25
9/11	Los Angeles Neighborhood Housing Services New Homebuyers Presentation USC	Los Angeles, CA	15
9/13	Los Angeles Neighborhood Housing Services New Homebuyers Presentation USC	Los Angeles, CA	20
9/30	Seminar for Non Profits	ERC, Downey, CA	17

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3. MOBILE ENERGY WORKSHOPS

Mobile Energy Workshops (MEWs) provide energy efficiency program and resource information to small and medium hard-to-reach businesses customers. For customer convenience, *Mobile Energy Workshops* are set up within short walking distances of targeted customers and are operated during regular business hours. As part of the outreach effort to hard to reach customers, SoCalGas proposed to conduct 160 Mobile Energy Workshops in 2003.

SoCalGas conducted 54 *Mobile Energy Workshops* during the third quarter of 2003. 639 hard to reach customers participated in these workshops, receiving information on how to reduce their utility bills as well as information regarding energy efficiency rebates and financing for purchasing energy efficient equipment. This brought the YTD total of MEWs to 167, with 2,010 businesses participating, an additional 7 workshops more than the initial goal.

4. MARKETING COLLATERAL

A redesigned DMOP/Energy Efficiency InfoCenter brochure was finalized and 13,500 were printed during August (Attachment M). Public Affairs Managers requested more than 10,500 for distribution at various civic and community events. These brochures were also distributed at various outreach events during Q3.

A Non-Profit version of the DMOP/EE InfoCenter brochure was also developed and printed during Q3 (Attachment N). This brochure will be distributed through direct mail and at Non-Profit oriented seminars. 300 Commercial Care Non-Profit customers were sent copies of the brochure along with an invitation to attend the initial Non-profit Energy Efficiency seminar, which was held at the ERC on Sept. 30th.

1600 Customized Energy Efficiency Information Packets were distributed during Q3 2003. These were distributed through interactions created by the Mobile Energy Workshop, Energy Efficiency InfoCenter, and distribution by a third party. This brings the YTD total of Energy Efficiency Information Packets distributed to HTR customers to 3,242.

5. ENERGY EFFICIENCY INFOCENTER AND CALL CENTER

The Energy Efficiency InfoCenter (EEIC) provides commercial customers energy efficiency information to regarding SoCalGas' energy efficiency programs as well

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as for all utility, municipalities, and third party contractors serving customers in the SoCalGas service territory. The EEIC received 203 phone contacts during the third quarter of 2003, bringing the YTD total to 777.

6. Hard to Reach (HTR)

In compliance with Decision (D.) 03-01-038, all hard-to-reach accomplishment will apply toward 2003 targets.

Goal: Outreach efforts in 2003 to residential customers will reach at least 200,000 households, representing approximately 10 percent of the hard-to reach residential sector.

Status: 203,000 HTR residential customers participated in various DMOP programs during Q3 2003.

Goal: Outreach efforts in 2003 to commercial customers will reach at least 40,000 businesses, representing approximately 20 percent of the hard-to-reach commercial sector.

Status: 41,630 HTR Commercial and Industrial Customers participated in DMOP programs during Q3 2003

IV. Program Accomplishments *

As noted above in detail under Communication and Outreach, marketing materials have been updated and design of new material is underway. Outreach into the community has continued, unabated from 2002, at numerous large and small community events and at several small group presentations. The Energy Efficiency InfoCenter and Call Center representatives continued to be available to respond to customer inquiries regarding energy efficiency programs available through SoCalGas or other entities. The initial non-profit seminar was a success with 17 people from various non-profit agencies in attendance. During the seminar several attendees expressed their surprise and gratitude that SCG would provide so much information specifically for their market segment.

** In compliance with Decision (D.) 03-01-038, all accomplishments will apply toward 2003 program targets.*

V. Program Challenges

None to report.

VI. Customer Disputes

None to report.

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VII. Compliance Items

None