CALIFORNIA
Efficiency + Demand Management
COUNCIL

Advancing Our Clean Economy

SOCALGAS BUSINESS FORUM

September 5, 2024

SoCalGas™

Agenda

Topic	Time	Speaker
Registration Open	9:00 – 10:00	All
Hydrogen Home Tour (OPTIONAL) - Exterior Equipment and Home	9:15 – 9:45	SoCalGas-led
Introduction, Welcome and Safety	10:00 – 10:10	Joe Desmond, CEDMC Darren Hanway, SoCalGas
SoCalGas Overview • Review of SoCalGas' Organization Structure • SoCalGas' Energy Efficiency Strategy • Discussion / Q&A	10:10 – 11:00	Darren Hanway, SoCalGas
EE-Focused Discussion • Progress on Processes (e.g., Custom Review, NMEC Rules, Cost-Effectiveness, Solicitation Structure) • Regulatory Matters (Attribution, EUL, etc.)	11:00 – 12:00	Discussion Facilitated by Joe Desmond
Lunch/Networking Break 12:00 – 1:15		
DR-Focused Discussion • SoCalGas Gas DR Status • Future of Gas DR Programs	1:15 – 1:30	Discussion Facilitated by Joe Desmond
Other Topics • Affordability • Hard to Reach / Disadvantaged Communities • Legislative Issues	1:30 – 1:55	Discussion Facilitated by Joe Desmond
Closing Remarks	1:55 – 2:00	Joe Desmond, CEDMC Darren Hanway, SoCalGas
Tours of SoCalGas Technology Demonstrations (OPTIONAL) • Advanced Water Heating Lab • Ventilation and Bake Kitchen	2:00 – 3:00	SoCalGas-led

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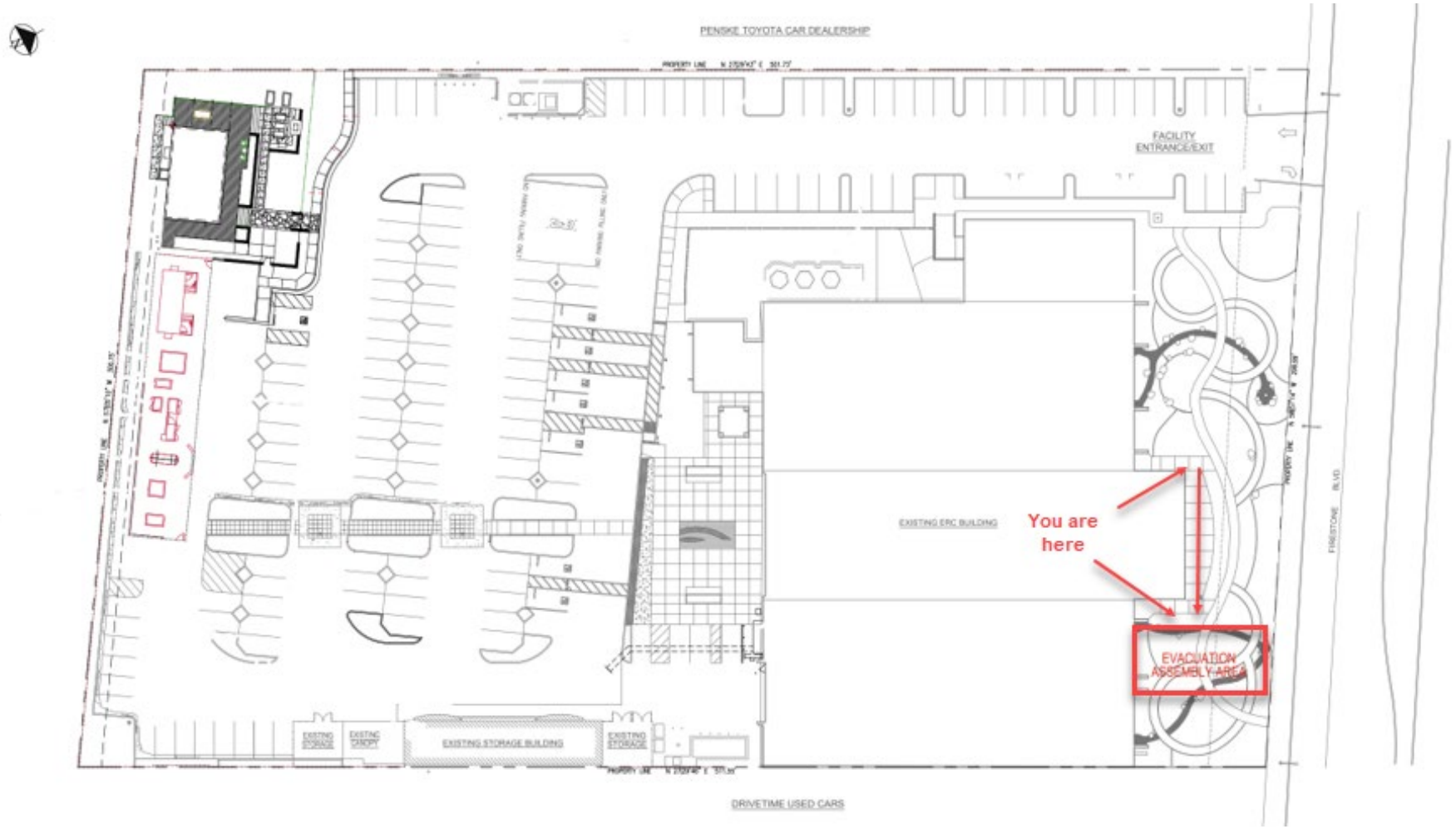
Safety - Evacuation Assembly Area



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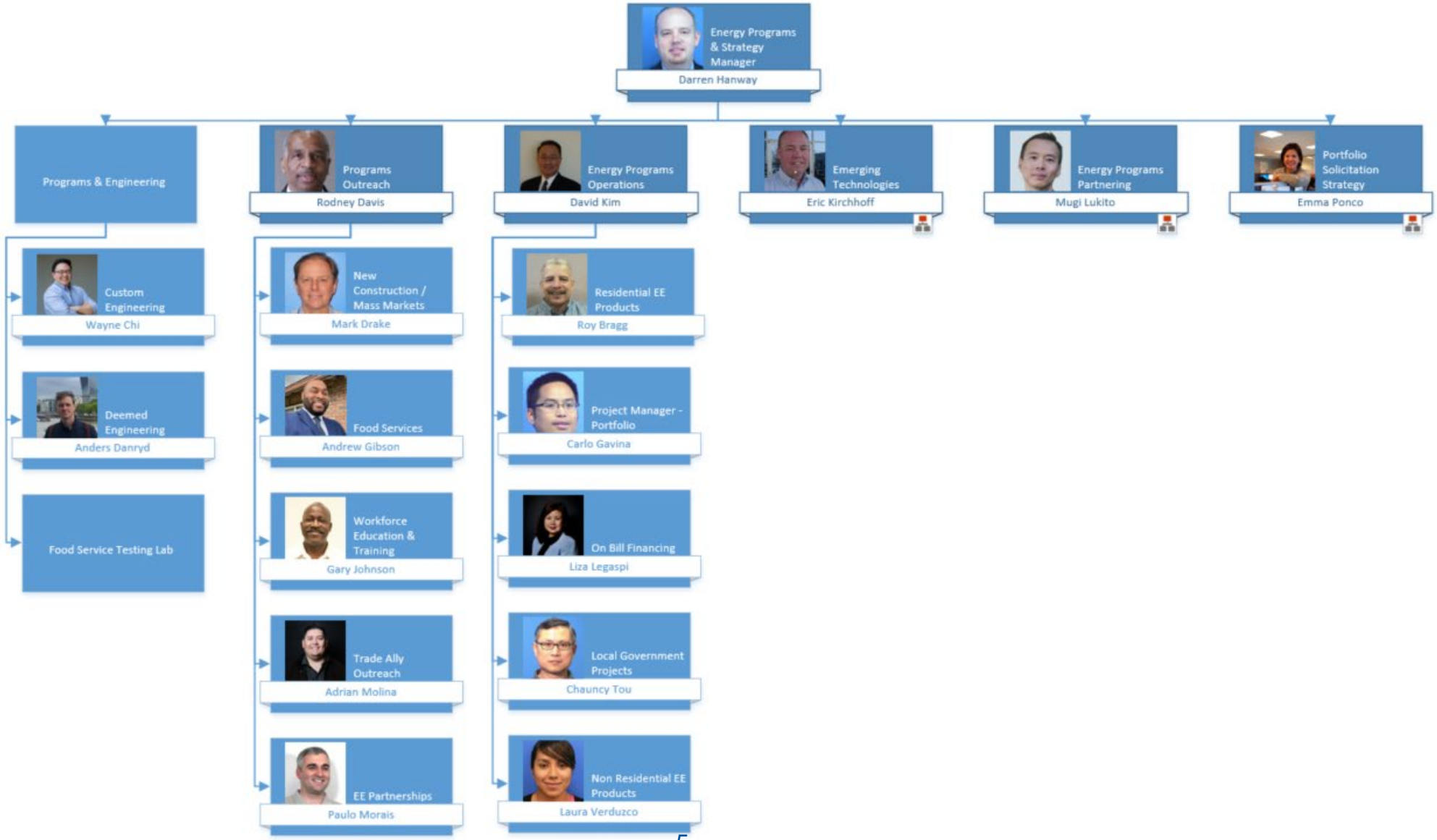
SoCalGas – Customer Programs & Assistance

SoCalGas - Energy Programs Team



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SoCalGas: Shaping the Future

In business for over 150 years and headquartered in Los Angeles, **SoCalGas®** is North America's **largest gas distribution utility.**

Serving 22 million consumers across **24,000 square miles** of Central and Southern California with affordable, reliable, and increasingly renewable gas service.

SoCalGas's mission is to build the **cleanest, safest and most innovative energy infrastructure company in America**.

SoCalGas has committed to the goal of achieving **net zero greenhouse gas emissions** in its operations and delivery of energy by 2045 while keeping bills affordable for customers.

SoCalGas' recent **economy-wide technical analysis** shows how clean fuels like green hydrogen can help California achieve its net zero goals more affordably and with less risk than other energy pathways.

2045

Customer Programs Strategy

SoCalGas will accelerate California's progress toward clean energy goals through innovative and comprehensive customer-centric decarbonization solutions.

Customer Centric Solutions

- Provide value add opportunities
- Advance multi-fuel partnership strategy

Cost Effective Delivery

- Lower cost of service
- Streamline program operations

Advance Natural Gas Efficiency

- Refocus delivery strategy
- Technology advancement (e.g., gas heat pumps)

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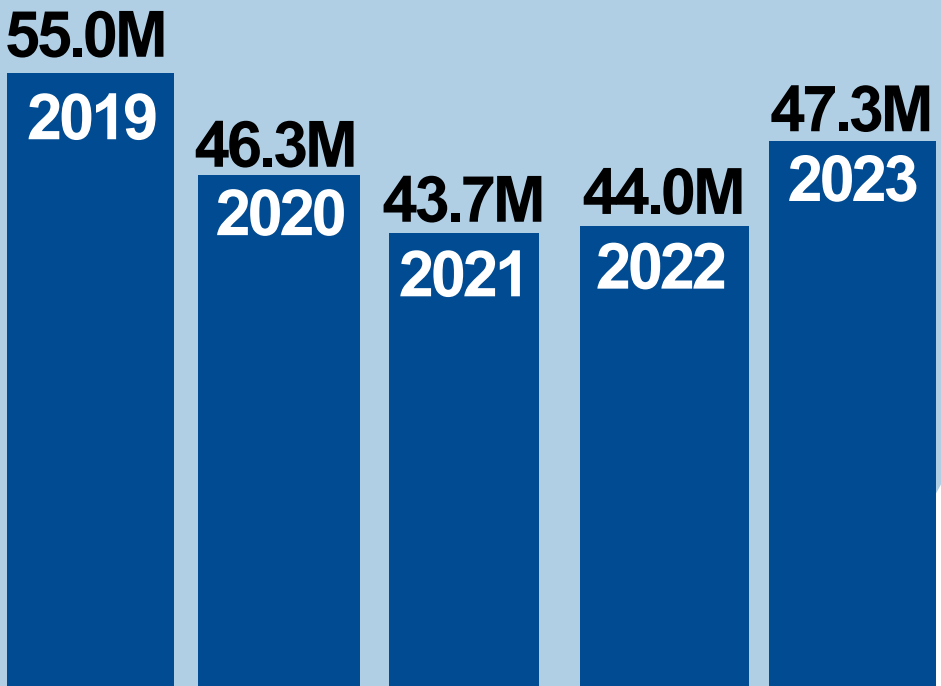
Advancing Energy Efficiency

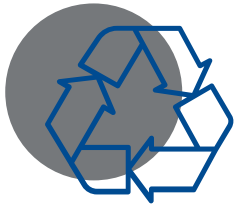
A journey of success

236M+ **Therms saved since 2019**



These energy savings are equivalent to:

Enough energy for **590,000+** homes for one year



Reduced greenhouse gases by **1,250,000+** metric tons

298,000 Cars removed from the road

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energy
ENERGY STAR
AWARD WINNER
2024
PARTNER
OF THE YEAR

SoCalGas Energy Efficiency Focus Areas

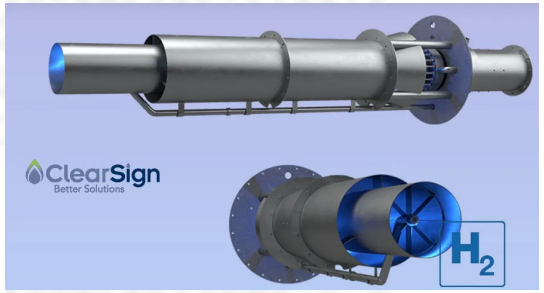
- Finish 2024 Strong
- Innovation
- Streamline Delivery
- Expand Funding Opportunities
- Advance Efficiency of Gas Equipment

Technology, Progressing Forward

SoCalGas is progressively striving to be cleaner through a commitment to reliability, resiliency, and affordability as we aspire to be net zero by 2045. We aim to accomplish this by being the cleanest, safest and most innovative energy infrastructure company in America.

Notably, SoCalGas is making significant advancements in the deployment of renewable natural gas, investing in clean hydrogen initiatives, and *continuing to lead the nation in gas Energy Efficiency delivery*.

Our Technology Groups focus on *Today* with our Energy Engineering teams, *Tomorrow* with our Innovation Now! and Clean Energy Integration initiatives, and the *Future* with our Emerging Technologies team.



Technology, Progressing Forward

	Today (ready now)	**Tomorrow** (a few years out)	**Future** (long term outlook)
Residential	GAHP	Hybrid Heat Pumps	IoT Controls
	Patio Heaters	Infrared BBQ	Adv. Clothes Dryers
	Wall Furnaces	Cook Tops and Ovens	Hydrogen-Ready Appliances
Commercial	Patio Heaters	Hybrid Heat Pumps	IoT Controls
	Solar Water Heating	Wok Ranges	CCU with Heat Recovery
	Rack Ovens	GAHP with Boilers	Hydrogen-Ready Appliances
Industrial	Ultra Low Nox Burners	GAHP with Boilers	Hydrogen-Ready Burners and Equipment

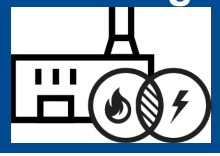
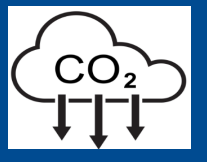
1. GAHP – Gas Absorption Heat Pump
2. CCU – Carbon Capture, and Utilization

On Bill Financing

- 0% interest
- No Fees
- Convenient loan repayment through your SoCalGas bill
- Equipment rebates
- Potential long term energy savings
- No income verification
- Unsecured

Expanded On Bill Financing

Technologies & Programs

Technology Types	Distributed Energy Resource Technologies	Clean Fuels	Transportation Infrastructure for RNG, CNG, Hydrogen	Emissions & Carbon Management
				

Technology Examples	• Fuel Cells
	• Combined Heat and Power
	• Waste Heat to Power
	• Linear Generators
	• Backup Generators
	• Solar Thermal
		• Digesters
		• Biogas Conditioning
		• Hydrogen Reformers
			• Refueling Stations
			  • CNG
			  • Hydrogen
			• Heavy Duty Trucks
				• Ultra Low-NOx Burners/Controls
				• Carbon Capture Technologies

Tariff On Bill

- Proposal submitted to CPUC May 2024
- Replace storage tank water heater with tankless system + weatherization
- Target residential, owner-occupied, single-family residence
- SoCalGas owns and installs equipment
- Tariff monthly charge added to meter and transferable to any new tenant
- 1st year savings guarantee

Multi-Fuel Partnerships

» SoCalGas connects with local utilities to partner on the delivery of natural gas, electric, and water efficiency solutions for customers.

- ESA Program
- Joint Direct Install Opportunities
- Joint Rebates
- Outreach/Education Initiatives
- New Construction Incentives
- Joint Project Processing

Current Partners

- Metropolitan Water District
- Los Angeles Department of Water and Power
- Anaheim Public Utilities
- Pasadena Water and Power
- Burbank Water and Power
- Riverside Public Utilities
- City of Colton
- West Basin Municipal Water District
- City of Glendora
- California American Water
- Eastern Municipal Water District
- Elsinore Valley Municipal Water District
- Fontana Water Company
- Liberty Utilities
- Moulton Niguel Water District
- San Gabriel Valley Water Company
- Western Municipal Water District
- Rancho California Water District

Solicitations - 2024 Schedule

IOU	Year		2024											2025										
	Quarter		Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4	
	Month		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
SoCalGas	Local - Commercial	SEM																								
SoCalGas	Local - All Segments	Innovative Design for EE Activities (Round 1)																								
SoCalGas	Local - All Segments	Innovative Design for EE Activities (Round 2)																								
SoCalGas	Local - All Segments	Innovative Design for EE Activities (Round 3)																								
SoCalGas	Local - All Segments	Market Access Program (MAP)																								

- Market Access Program for commercial and residential, a one-stage solicitation.
- IDEEA365 is a recurring competitive procurement process. In 2024, SoCalGas plans to release the 3rd round of IDEEA365 solicitations, a one-stage solicitation.

LEGEND:
RFA Prep
RFA
RFP Prep
RFP
Contract Negotiation
AL (if applicable) + Approval + IP

Future Solicitation Strategy

- CPUC Guidance:
  - No Limits on Extensions: The Commission allows flexibility for IOUs to manage their programs.
  - Disclosure and Discussion: IOUs must discuss contract extensions with their Procurement Review Group and Independent Evaluator.
  - Flexibility: IOUs can extend contracts or re-issue solicitations based on performance and goals.
- SoCalGas Aims:
  - Renew or recompete contracts as they expire.
  - Evaluate programmatic success across all metrics.
  - Maintain diversity and growth in EE programs.
- SoCalGas Procedures:
  - Utilize established procedures for contract performance reviews.
  - Use Key Performance Index reports to monitor program details.
  - Collaborate with business partners for accurate information flow.
  - Provide variance explanations based on budgets and schedules.
  - Implement corrective action plans when necessary.

Discussion / Q&A