



Fact Sheet

Statewide Heating, Ventilation, and Air Conditioning (HVAC) Residential and Commercial Programs (2013-2014)

March 2013

On September 18, 2008, the California Public Utilities Commission (CPUC) adopted the state’s Long Term Energy Efficiency Strategic Plan (“Strategic Plan”), presenting a single roadmap to achieve maximum energy savings across all major groups and sectors in California. This comprehensive Strategic Plan for 2009 to 2020 represents the state’s first integrated framework of goals and strategies for saving energy, covering government, utility, and private sector actions, and holds energy efficiency to its role as the highest priority resource in meeting California’s energy needs.

The Heating, Ventilation, and Air Conditioning (HVAC) programs build on the Long Term Energy Efficiency Strategic Plan’s vision and goals. HVAC program strategies use existing programs, education, marketing, and leverage relationships within the HVAC industry to transform the market into a sustainable, quality-driven market. Residential and small commercial HVAC programs strive to have technology, equipment, installation, and maintenance is of the highest quality to promote energy efficiency and peak load reduction in California’s climate.

2013-2014 HVAC Program Budget by Utility

Program by Utility	PG&E	Edison	SDG&E	SoCalGas	Total
Residential HVAC	16,135,031	3,865,177	2,830,601	406,434	23,237,243
Commercial HVAC	26,225,652	61,779,634	6,088,768	655,965	94,750,019
Total Budget by Utility	42,360,683	65,644,811	8,919,369	1,062,399	117,987,262
Total Energy Savings (Gross/Net kWh)			186,011,789		
Total Demand Reduction (Gross/Net kW)			61,104		
Total Gas Savings (Gross/Net Therms)			(168,797)		

Program Descriptions

Residential HVAC Program

Residential HVAC Quality Maintenance

This program area focuses on energy and demand savings achieved through the regular application of comprehensive, continuously improving Operation and Maintenance activities applied to existing residential HVAC equipment. It represents one of the more creative aspects of the HVAC “Big Bold Energy Efficiency Strategy”. This is based on the assumption that there are energy and demand savings achievable through the regular application of quality maintenance (QM) procedures applied to existing residential HVAC equipment.

Residential HVAC Quality Installation Development

Residential Quality Installation Development is applicable to quality installation (QI) of split or packaged HVAC systems, with a rated capacity up to 65,000 BTU/H. This program element is based on the assumption that energy and demand savings are achievable through the application of QI in accordance with appropriate industry standards applied to new residential HVAC equipment.

Below are the planning budgets for Residential QM, Residential QI, the proposed Residential Upstream, and the proposed Residential HVAC code compliance incentive program, and any budgets associated with the Residential 3rd Party HVAC offerings.

RESIDENTIAL HVAC BUDGETS	SDG&E	PG&E	SCE	SCG
Residential QM	\$1,824,887	\$10,018,710	\$ 1,315,027	\$0
Residential QI	\$682,391	\$1,768,008	\$ 5,150,150	\$144,130
Residential Upstream	\$551,250	\$2,648,313	\$ 500,000	\$300,000 *
Residential HVAC Code Compliance Incentive Program	\$505,000	\$1,700,000	\$500,000	\$137,304

Notes:* The SoCalGas Residential Upstream program will be funded through the Plug Load and Appliance Program

Commercial HVAC Program

Upstream HVAC Equipment Distributor Incentive

The Upstream HVAC Incentive Program offers incentives to upstream market actors who sell qualifying high efficiency HVAC equipment. The logic that underscores this sub-program’s design is that a small number of upstream market actors are in a position to impact hundreds of thousands of customers and influence their choice of equipment by increasing the stocking and promotion of high efficiency HVAC equipment. The upstream program area is designed to adapt to market changes, and therefore the IOUs will continue working with relevant industry players to continually enhance the program to include new beyond-code upstream incentives.

Commercial Quality Installation

The Commercial Quality Installation (QI) Program addresses commercial installation practices

to ensure that equipment is installed and commissioned per industry standards. This sub-program element is applicable to installations of packaged HVAC systems, with a rated capacity up to 760,000 BTU/H. This sub-program element is based on the assumption that energy and demand savings are achievable through the application of QI in accordance with appropriate industry standards (e.g., ACCA, SMACNA and ASHRAE) applied to commercial HVAC equipment.

Commercial Quality Maintenance

This program area focuses on energy and demand savings achieved through the regular application of quality maintenance (QM) through comprehensive and continuously improving Operation and Maintenance activities to provide customers with a high return on investment. Equipment efficiencies are improved by applying diagnostic methods and the detailed HVAC inspection and maintenance tasks of American National Standards Institute (ANSI)/American Society of Heating, Refrigerating and Air Conditioning (ASHRAE)/Air Conditioning Contractors of America (ACCA) Standard 180. The Commercial QM program element is driven by Service Agreements between customers and contractors. The program incorporates training, marketing and incentives to help contractors understand and communicate the value of HVAC quality maintenance and energy efficiency.

Below are the planning budgets for Commercial QM, Commercial QI, Commercial Upstream, and any budgets associated with the Commercial 3rd Party HVAC offerings.

COMMERCIAL HVAC BUDGETS	SDG&E	PG&E	SCE	SCG
Commercial QM	\$839,457	\$8,534,003	\$20,131,204	\$0
Commercial QI	\$161,907	\$1,506,001	\$4,033,712	\$655,965
Commercial Upstream	\$381,672	\$16,185,648	\$34,514,718	\$0
Commercial Downstream/Midstream Equipment (SDG&E Local/3P)	\$475,004	N/A	N/A	N/A
Commercial Hotel Controllers and PTACs (SDG&E Local/3P)	\$926,336	N/A	N/A	N/A
Commercial Tune Ups (SDG&E Local/3P)	\$2,696,957	N/A	N/A	N/A
AirCare Plus (PG&E Local/3P)	N/A	\$10,563,919	N/A	N/A