

SOCALGAS SJV PILOTS

Presentation to DACAG, May 3, 2019

SoCalGas Overview

- Nations' largest natural gas distribution utility
- Serving 500+ communities in 12 counties
- 5.9 million gas meters, 21.7 million consumers



SoCalGas Customers

- Approximately 5.4M residential accounts with 1.6M accounts on CARE (about 30%)
- 21.7 million consumers in 672 zip codes
 - 6.8M residents in 1623 DAC* census tracts
 - 48,567 Customers on Medical Baseline
- ESA weatherized just under 100K low-income households in 2018
- 20 Tribal nations in service territory

* Top 25 of census tracts in CalEnviroScreen

Proceeding R.15-03-010

- AB 2672 (Perea) required CPUC to identify disadvantaged communities and analyze the economic feasibility of natural gas extensions, increased electric subsidies or ‘other alternatives’
- Phase I ended May 11, 2017
 - Identified 170 “Disadvantaged Communities”
- Phase II ended December 18, 2018
 - Authorized 11 pilots in DAC’s
 - SoCalGas authorized for 1 pilot, 2 contingent on funding (Allensworth, Seville)

California City Pilot for R.15-03-010

- Approximately 1,110 households in California City using propane
- SoCalGas will convert approximately 224 low-income households from propane and wood to natural gas - average cost of \$22K per household
- Eligibility limited to households with incomes of up to 400% of Federal Poverty Guidelines

Low-income Household Upgrades

- » ESA Weatherization for each household
- » Replace propane appliances with energy efficient / low-NOx natural gas appliances
- » Install tankless water heaters and Solar Thermal water heating where feasible
- » Convert existing propane lines or install new house lines

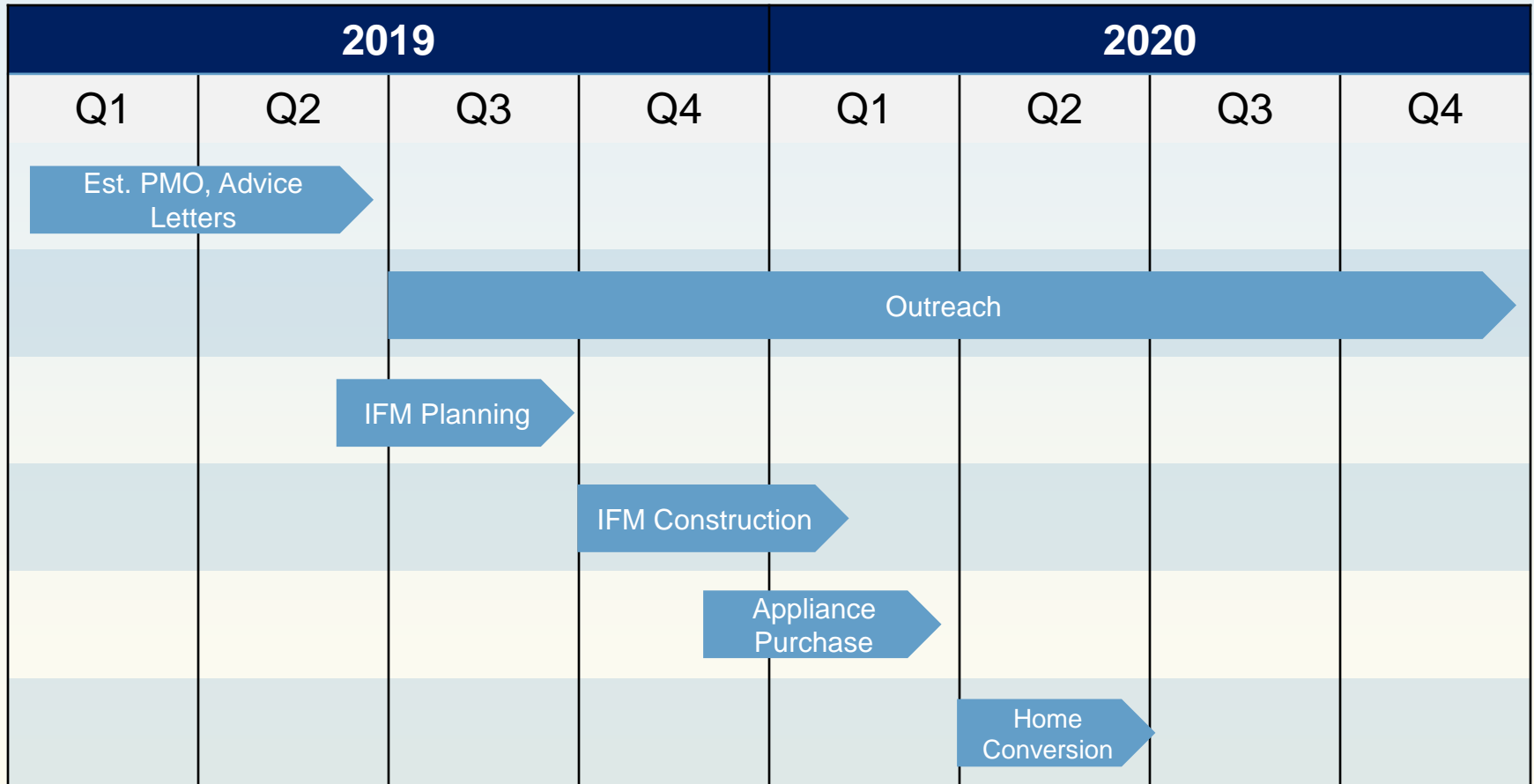
Community Engagement

- Community Energy Navigator (CEN)
 - Responsible for community engagement, education and outreach
 - Collects eligibility documentation, conducts pre-pilot surveys, assists with program enrollments and rate selection (electric)
- Bill protection by utilities
 - Up to \$500 per household over 3 years
- Property owner and tenant agreements
 - Guarantees that homeowner will not raise rent for 5 years

Community Engagement

- Workforce development, education and training available for residents to encourage employment in pilots
 - ESA weatherization training
 - Solar Thermal installation training
- Appliance warranties
 - 2 years for most appliances, 5 years for heat pump space heaters
- Household remediation as needed for conversions
 - Costs are capped at \$5,000 per household.

California City Draft Project Schedule



Estimated Impact

Estimated Annual Energy Costs & Emissions	W/O Solar Thermal	W/Solar Thermal
Propane bill (@ \$3.50 / gallon)	\$1,356	\$1,356
Natural gas bill non-CARE	\$372	\$272
Saving non-CARE	\$984	\$1,084
Natural gas bill CARE	\$288	\$216
Saving CARE	\$1,068	\$1,140
GHG emissions for propane (MTCO ₂)	2.17	2.17
GHG emissions for natural gas (MTCO ₂)	1.69	1.15
GHG emissions reductions (MTCO₂)	0.47 (22%)	1.01 (47%)

Areas of Discussion

- Many households in poor condition and may require expensive remediation costs but there is a \$5,000 cap for remediation
- Landlord / Tenant protections may deter landlords from participating
- Bill Protection level for pilots

THANK YOU

Grant Wooden, Integrated Customer Strategy Manager, SoCalGas
gwooden@semprautilities.com