



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners Carlson, Barofsky, McRae, Schlossberg, and Brown

FROM: Julie McGaughey, Chief Customer Officer; Anna Wade, Customer Solutions Manager (AIC)

DATE: October 22, 2023

SUBJECT: Gap Analysis of EWEB and Sacramento Municipal Utility District programs

OBJECTIVE: Information Only

Issue

At the August 2023 Board Meeting, a representative from Sacramento Municipal Utility District (SMUD) presented information relating to energy efficiency and electrification programs, with an emphasis on rental units. Commissioners indicated interest in assessing whether additional opportunities exist to expand on EWEB's current offerings relative to the suite of programs presented by SMUD. This memo and gap analysis is provided for the Board's information.

Background

Board members met independently with the Customer Solutions Manager in April 2023 to learn more about EWEB's portfolio of efficiency programs available to various customer segments. Many of EWEB's products and services have been available to customers for 20+ years, while others, particularly those relating to transportation electrification, have been added more recently.

Peer assessment of EWEB offerings is regularly undertaken to ensure continuous improvement, industry best practices, and to identify emerging products that may advance EWEB's Strategic Plan.

Discussion

Staff has prepared a high-level comparison of utility characteristics and gap analysis of programs presented by SMUD. The gap analysis covers four categories: Energy Efficiency, Energy Assistance, Electrification, and Engagement. Select EWEB cost per kWh reflects 2022 results and program pricing. Recent updates to EWEB's conservation programs will effectively increase these metrics.

Utility Comparison: At a Glance

EWEB and SMUD share many values and priorities. Both utilities seek to facilitate a clean energy transition and strive to exemplify the benefits of Public Power. We are customer focused and future oriented, with much to learn from one another. Each utility seeks to deliver strategic priorities from a different starting point, with unique advantages and challenges.



Prioritization

Carbon Reduction
Inclusion
Electrification



Reliability
Affordability
Conservation

50% Carbon
Neutral



90% Carbon
Neutral

Portfolio

Financial

Retail Revenue:
\$1.68 Billion



Retail Revenue:
\$210 Million

Community Investment Plan:
Current: \$13.5M or 1% of revenue
Future: \$30M or 2% of revenue

EWEB comparable
product suite:
\$5.4M or 3% of revenue

\$131 Electric Bill



Basic Charge: \$23.50
Summer: \$0.1350 - \$0.3279
Non-Summer: \$0.1120 - \$0.1547

\$96 Electric Bill

Basic Charge: \$23.50
All Months: \$0.0972

Rates

Electric Bill based on a residential customer using 750 kWh

Energy Efficiency

Table Key	
Y	Currently Offered
N	Not Offered
P	Planned or in progress
U	Unknown

Program	SMUD	EWEB	EWEB Cost per kWh Saved
Ducted Heat Pumps	Y	Y	\$0.62
Ducted Heat Pumps - LI	Y	Y	\$2.34
Ductless Heat Pumps	Y	Y	\$0.37
Ductless Heat Pumps - LI	Y	Y	\$1.77
HPWH (Heat Pump Water Heaters)	Y	Y	\$0.63
HPWH - LI	Y	Y	\$1.34
Seal & insulate	Y	Y	\$1.42
Seal & Insulate - LI	Y	Y	\$2.16
Residential Windows	N	Y	\$0.62
Appliances	Y	N	-
Multifamily Units	Y	Y	\$0.27
Smart Thermostats	Y	Y	-
Commercial Lighting	Y	Y	\$0.08
Commercial HVAC	Y	Y	\$0.40
Commercial Custom	Y	Y	\$0.25

Appliances: In the past, EWEB offered rebates for appliances such as refrigerators with an Energy Star rating. These programs were discontinued as consumer options for non-efficient appliances diminished and incentives were no longer required to encourage efficiency. Energy Star ratings are ubiquitous in today's marketplace.

Smart Thermostats: EWEB recently signed an agreement with General Pacific to offer point of sale rebates on the purchase of qualified smart thermostats. The program will qualify for BPA reimbursement and will incentivize the installation of in-home infrastructure that will support future programs relating to time of use and demand response. Cost per kWh will be assessed over time.

Energy Assistance

Program	SMUD	EWEB	SMUD Assistance	EWEB Assistance
Rate Discount	Y	N	\$120 - \$840	-
Residential Bill Credits	N	Y	-	\$280
Unhoused Support Services	Y	Y	\$120 - \$840	Up to \$1,000
Medical Equipment Discount	Y	N	\$180	-

EE Premiums for LI	Y	Y	Variable	Variable
Electric Service Repair or Upgrade (LI Only)	Y	Y	\$2,500	\$5,000
Generators	N	Y	-	0% Loan
Load Flexibility Programs (DR)	Y	P	Variable	-

Rate Discount: EWEB is in the process of developing a two to five-year rate strategy which will assess a broad range of potential enhancements. Through this process, the utility may consider the benefits and drawbacks of delivering bill assistance through a rate discount vs fixed annual credits.

Medical Equipment Discount: Staff are currently working to improve identification of medically sensitive customer accounts for the purposes of outage management and service restoration. A discount for customers with in-home medical equipment is not currently being considered.

Load Flexibility Programs: Rollout of time-based pricing structures is not possible with existing customer and financial systems. A horizontal team, led by Customer Solutions, will be developing a comprehensive Demand-Side Optimization Study (D-SOS) over the next year. The results of this analysis will inform Integrated Resource Plan (IRP) assumptions and provide customer segmentation intelligence and product development guidance. EES program implementation, combined with cost/benefit analysis, will enable EWEB to explore and deliver load flexibility programs.

Electrification

Program	SMUD	EWEB	SMUD Rebate/Discount	EWEB Rebate/Discount
EV Rate Discount	Y	N	\$0.015	-
EV Purchase Incentive (LI Only)	Y	N	\$9,500	-
EV Charging - SF homes	Y	Y	\$1,000	\$500
EV Charging - MF Units	Y	Y	Varies	\$2,000
EV Charging - Commercial	Y	Y	Varies	\$1,500
EV Community Grants	N	Y	-	\$25,000
Car Sharing	P	Y	-	Varies
e-bikes	N	Y	-	\$300
Solar Generation Rates	Y	Y	0.0740	0.0693
Solar Incentives	N	Y	-	\$2,500 - \$12,500
Battery Storage	Y	N	\$2,500	Loan Only
Community Solar	Y	N	Varies	-
Building Electrification	Y	Y	Varies	Varies

EV Rate Discount: As with other potential rate enhancements, EWEB will assess the appropriateness of EV rate discounts within the context of a comprehensive rate study.

EV Purchase Incentive: EWEB prioritizes charging infrastructure over asset subsidization. This decision is aligned with future time of use programs, resource optimization, and reliability. As noted above, EWEB offers EV Charging incentives across customer segments.

Car Sharing: For limited-income populations, EWEB supports EV access outside of a vehicle ownership model through our GoForth CarShare program.

e-bike: EWEB’s e-bike rebate is offered to enhance transportation electrification with a low-cost option that carries limited maintenance costs, parking or charging considerations, and no insurance or driver’s license requirements. E-bikes help the utility address accessibility issues relating to e-mobility.

Battery Storage: EWEB’s initial IRP results selected battery storage as a potentially viable resource option. The Board will make decisions on utility investments in energy storage, among others, as more data emerges. EWEB’s Backup Power Program offers customers zero-interest loans to support generator or battery investments.

Community Solar: Complex billing requirements for community solar projects will become possible with near-term replacement of EWEB’s existing Customer Information System. Project siting, cost, value, and equity are all factors that must be analyzed to support community solar offerings in the future.

Engagement

Program	SMUD	EWEB	Description
Online Energy Store	Y	P	Retail items available through utility website
Segmentation & personalized marketing	Y	P	Customer specific product offerings and promotion
Urban Tree Planting	Y	N	Subsidized tree planting & maintenance
Home Energy Audits	Y	Y	Identify conservation opportunities
Rental unit consumption history	U	Y	Know before you rent utility costs
E-Mobility events	P	Y	Community outreach, education, & test drives
Non-profit agency collaboration	Y	Y	Leverage existing service channels
IRA integration	P	P	Develop/provide consumer guidance
Municipal Government	Y	Y	Engagement with City initiatives
State Government	Y	Y	Engagement with state-wide initiatives
Go Forth	U	Y	EV Infrastructure & regional partnerships
Retail Partnerships	Y	Y	Point of sale rebates, marketing & promotion

Online Energy Store: Customer access to retail products is actively being discussed within the context of EES functionality requirements. This offering is not possible with existing systems.

Segmentation & personalized marketing: Data-driven customer segmentation will be central to the D-SOS. This analysis, coupled with the Emarsys marketing platform (EES Season 1), will enable the utility to deliver customer-specific marketing. This offering is not feasible with existing systems or available data.

Urban Tree Planting: Friends of Trees has been awarded the EWEB Greenpower Grant on three separate occasions. These projects have targeted underserved neighborhoods to improve tree canopy and mitigate the effect of urban heat islands.

IRA Integration: Customer Solutions staff are actively monitoring eligibility and implementation updates as they come available. Existing efficiency offerings will seek to align with these requirements to streamline customer access to multiple funding streams. EWEB will leverage Oregon’s one-stop program information for customers. Staff are participating in all events and listening sessions that provide updates and information on IRA program design.

City of Eugene Collaboration: EWEB staff regularly collaborate with City employees on a variety of topics, including economic development, e-mobility, crisis response (COVID-19, Holiday Farm Fire), environmental policy goals, and building electrification.

OR State Collaboration: Recent collaboration includes Septic and Heat Pump Hot Water Heater grants.

Retail Partnerships: EWEB recently signed an MOU with Jerry’s Home Improvement to deliver point of sale rebates for heat pump water heaters (HPWHs). This option is in addition to an existing partnership with General Pacific, which provides point of sale rebates for HPWH and Smart Thermostats. Retail partnerships reduce upfront costs and eliminate product selection complexity for customers.

Conclusion

Both EWEB and SMUD offer and deliver robust programs to customers to deliver strategic priorities to customer-owners. Each utility must assess trade-offs between competing priorities. On balance, few gaps exist between program offerings. Many of those gaps reflect necessary infrastructure and customer analytics needs that will be forthcoming. EWEB is committed to on-going program evaluation and will make adjustments or additions as warranted.

Recommendation

This gap analysis is provided for information only.

Requested Board Action

None at this time.