

MANAGING ENERGY USE: THE COUNTY OF SAN LUIS OBISPO'S APPROACH

Utility Energy Forum
April 25, 2019
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Agenda

- Background
- Project Drivers
- Project Example: Sustainable Solutions Turnkey
- Project Example: EcoGreen
- What works/doesn't
- Looking forward
- Wish list



Background: The County

- San Luis Obispo County
 - Approximately 284,000 people
 - Per capita income: ~\$34k
 - Populated center surrounding City of San Luis Obispo
 - Predominantly rural and agricultural elsewhere
- County of San Luis Obispo
 - Approximately 3,000 staff
 - Twenty-four departments
- The Energy & Water Coordinator Position
 - Facilities Planning Division, Department of Public Works (approximately 300 staff members)
 - Filled in mid-2017 after numerous years of vacancy



Background: Our Assets & Energy

Asset Types

Pipeline Pump & Booster Stations: 4

Water Treatment Plants: 4

Buildings: 167

- Communication Sites: 16
- Airports: 2

Parks: 27

Energy Use

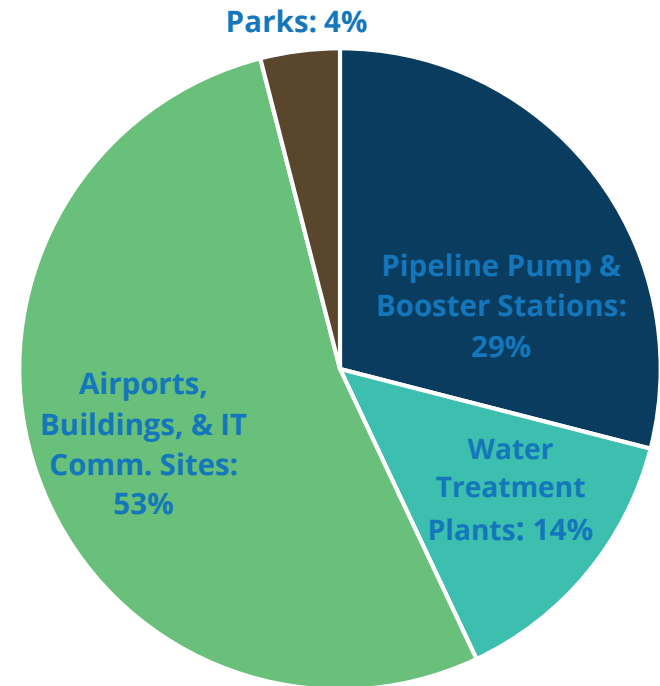
Electricity

- ~27.8M kWh per year

Natural Gas

- ~352,000 therms per year

Energy Use by Asset Type



Project Drivers

- Rationale
 - **Cost savings to taxpayers**
 - Upgrade and standardize technology
- Accessibility
 - Energy Efficiency
 - Do we have the project identified?
 - If not, can we get a project identified without capital investment?
 - Solar
 - What is the energy use at the site and adjacent and contiguous parcels?
 - Do we have any land, parking lot, or new roof space available?
 - Has energy efficiency been addressed?
- Funding
 - Identified in Energy & Water Conservation Fund?
 - What funding approval pathway will this follow?



Project Example: Sustainable Solutions Turnkey

- **When**
 - November 2015
- **Approval Level**
 - Board of Supervisors
- **Utility Programs**
 - PG&E's Sustainable Solutions Turnkey (SST) Program and On-Bill Financing (OBF) Program
- **Financials and Savings**
 - \$4.76M project cost
 - Funded through: capital investment, on-bill financing, CA Energy Commission Loan
 - Energy savings: ~1.6M kWh, ~9,900 therms
- **Scope**
 - Lighting, new chillers, HVAC, controls, etc. at numerous buildings



Project Example: Sustainable Solutions Turnkey

What Worked

- Comprehensive audit of numerous facilities
- On-bill financing helped make the project financially feasible
- IOU involved in the project from start to finish
- Highly visible recognition post-installation



Project Example: Sustainable Solutions Turnkey

Room for Improvement

- Technology didn't always fit existing conditions
- Projects weren't installed according to scope of work
- Contractor unresponsive to uninstalled scope
- Projects started out of sequence jeopardizing incentives
- Challenging managing gas and electric programs simultaneously
- Utility slow to respond/needed prodding to respond

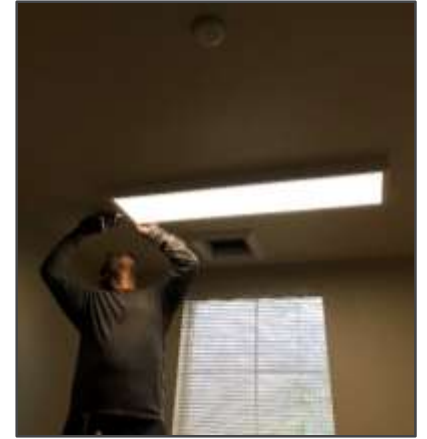
Possible Solutions

- Verify that ancillary equipment can handle new technology (e.g. ballasts & LED tubes)
- Better oversight and control from ESCo and IOU
- Better oversight and control from IOU
- Better oversight and control from IOU
- Better oversight and control from IOU
- Improved follow-through from IOU



Project Example: EcoGreen

- **When**
 - October 2018
- **Approval Level**
 - Board of Supervisors
- **Utility Program**
 - PG&E's On-Bill Financing Program
- **Financials and Savings**
 - ~30K project cost, ~\$2K incentives → \$28K exclusively through OBF
 - Energy savings: ~12K kWh
- **Scope**
 - Indoor and outdoor lighting at a regional park



Project Example: EcoGreen

What Worked

- Lighting audit was comprehensive
- Contractor was eager to identify and install work
- Project required limited staff involvement
- **OBF check goes to the contractor**
 - Removes risk of scope changes from County
 - Allows enterprise funds/special revenue funds to install new technology without capital investment

Room for Improvement

- Slow process getting final OBF agreement



Utility Wishlist

- Proactive communication
 - Don't make the customer reach out
 - Exercise greater control of subconsultants on projects to ensure they don't fall out of sequence
- Biannual check-ins with utility representatives
 - Specific meetings to address rate changes, program offerings, etc.
- On-Bill Financing
 - Utility representative should be giving the program pitch, not the consultant
 - Provide more OBF programs where the incentive check is paid to the contractor (removing risk from public agency if scope changes)



Our Future

- Focus on:
 - Renewables
 - Energy efficiency where OBF can be used or where projects have fast payback for capital investment
 - Electric vehicles
 - Energy storage
- How we are getting there:
 - Utility programs for energy efficiency
 - Developers for solar and energy storage
 - Utilities, local nonprofits and organizations for electric vehicles
 - Leaning on our new local government partnership



Thank You

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COUNTY OF SAN LUIS OBISPO

www.slocounty.ca.gov