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VIA US Mail and Electronic Mail

ED Tariff Unit
Energy Division
California Public Utilities Commission
505 Van Ness Ave, 4th Floor
San Francisco, CA 94102

RE: Addendum to Pacific Gas and Electric Company's (PG&E) Advice Letter 3421-G / 4294-E regarding PG&E's 2014 California Solar Initiative – Thermal Local Market Facilitation Plan

Dear Energy Division:

Background

On October 1, 2013, Pacific Gas and Electric Company (PG&E) submitted to the Energy Division (ED) its California Solar Initiative (CSI) Thermal Program statewide and Local Market Facilitation 2014 Plan (2014 CSI Local Market Facilitation Plan or Plan) in Advice Letter 3421-G/4294-E. In disposition letter dated November 5, 2013, approving PG&E's Plan, the ED ordered the CSI Program Administrators (PAs) to submit to the ED a single-family low income program outreach addendum to the 2014 Local Market Facilitation Plan by December 13, 2013. PG&E hereby submits this addendum in both electronic and hardcopy format.

Current Status

General residential outreach:

In 2013, PG&E promoted the CSI Thermal program by conducting outreach to residential customers through television, print and digital media channels. PG&E also continued to offer customer educational classes—both online and in-person throughout its service territory.

To further support these efforts, PG&E also performed targeting analysis for residential customers to better understand prospective customers interested and

likely to adopt solar water heating (SWH). This analysis will be used to improve future marketing activities, as well as training and education efforts. The two primary areas identified for providing the best prospects were:

- Profiling Analysis – identifying the key characteristics of Solar Thermal best prospects and the creation of a profile to determine the target audience.
- Geographical Analysis – mapping the best prospects to determine the cities with the highest penetration of best prospects.

Low income outreach:

To drive adoption of solar water heating among low-income customers, the California Department of Community Services and Development (CSD) and a select network of weatherization agencies have developed a pilot to install 1,000 no-cost SWH systems in qualified households. PG&E has partnered with CSD to identify and target eligible customers that have participated in the Energy Savings Assistance (ESA) Program. PG&E deployed an outreach campaign within certain geographical areas as determined by CSD to support the pilot and help enrollment in the CSI Thermal Low Income Program.

To date, PG&E has sent 5,350 Direct Mail letters to eligible low income customers to inform them of the pilot and encourage customers to call CSD to be connected with a contractor. As a result this effort, CSD has seen a response rate of about 4.5% with 4 completed installation and 10 additional installations currently pending for January 2014. PG&E will be sending approximately 6,000 additional letters through the end of 2013 and into early 2014. The outreach includes in-language versions of letters (Spanish and Chinese) for customers with non-English preferences.

2014 Low Income Outreach

CSD Pilot Outreach

The primary focus for 2014 outreach efforts for the CSI Thermal Low Income Program will be continued support of the CSD pilot to ESA Program participants. PG&E will explore supplementing the current direct mail effort to past ESA Program participants that is underway with additional marketing and outreach. Tactics to reach this audience could include telemarketing, door-to-door canvassing and/or an email campaign as deemed feasible.

PG&E also plans to broaden the target audience to include new ESA Program participants. PG&E will provide training to its ESA Program contractors and providers about the pilot and CSI Thermal Program. Within the eligible counties,

the ESA Program contractors and providers will conduct outreach to customers in the Target Enterprise Zones and promote the pilot to new enrollees. Activities could include, but are not limited to:

- Provide basic information about solar water heating as part of the energy management education done for the ESA Program.
- Supplementing their efforts with collateral and other materials about the pilot to encourage customers to call CSD after completing their participation in ESA Program.
- Contractors may also utilize release forms to allow PG&E to pass along their contact information to CSD, who could then follow-up with communications about participation in the pilot.

Integrated Marketing

As a secondary focus, PG&E plans to leverage existing ESA and CARE Program outreach that will be done in 2014 to other geographical areas outside of the CSD pilot to promote the CSI Thermal Low Income program. PG&E would coordinate and integrate messaging about the benefits of the solar water heating as a next step to supplement the energy efficiency measures done through the ESA Program and a way to further reduce energy bills for CARE customers.

This cross-promotion with other PG&E program offerings is an effective and efficient way to create awareness of the CSI Thermal low income incentive. Some potential marketing activities could include, but are not limited to:

- Traditional marketing channels such as direct mail, door-to-door canvassing, IVR and ethnic media.
- Contractor based outreach with toolkits (including specific material on solar water heating and/or CSI Thermal Low Income incentives) and training.
- Partnerships with community based organizations that serve low income customers and/or participation in local community events.

CSI Thermal Budget

At this time, PG&E does not anticipate requiring any additional funding for marketing and outreach to low income customers. The above activities will weave into the tactics described in the Local Marketing Facilitation Plan and associated costs will be covered under the approved Budget. However, if needed, PG&E may request additional funding via the established Marketing and Outreach Approval Request Form (MOARF) process.

2014 CSI Thermal Local Marketing Plan and Budget		
Tactics	Budget	Customer Segment
Research	\$125,000	All
Integrated Marketing	\$100,000	All
Local Media	\$400,000	All
Education/Classes	\$25,000	All
Retail	\$175,000	Residential
Community Events	\$300,000	Residential
Email	\$150,000	Residential
Direct Mail/ Telemarketing	\$150,000	All
Industry Partnership and Trade Shows	\$25,000	Large Business
Contractor Training	\$25,000	Large Business
Labor/Fixed Costs	\$175,000	NA
Unallocated	\$75,000	NA
Total Local Budget	\$1,725,000	

2014 CSI Thermal Total Marketing Budget	
PG&E Local Plan	\$1,725,000.00
PG&E Statewide Plan	\$624,022.56
Total	\$2,349,022.56

CSI Thermal Implementation Timeline

Below is the implementation timeline with the proposed timing for execution of the above 2014 CSI Thermal Low Income marketing and outreach plan. Timing is estimated and based on receiving plan approval by the end of 2013. Delays in approval will result in delays to be in-market.

Local PG&E Jan-Dec 2014 Calendar		Planning		Production		In-Market							
Activity		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Residential	CSD Pilot Outreach												
Low-Income	Integrated Marketing												

Brian Cherry /IG

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cc: Edward Randolph - Director, Energy Division
Service List R.12-11-005