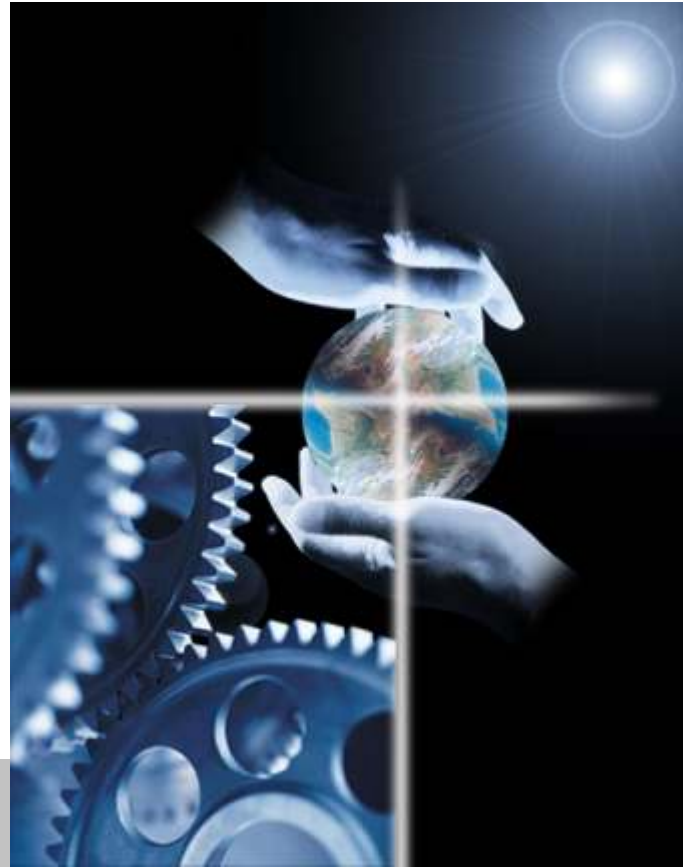


CONFIRMATION NUMBER



SAN JOAQUIN

COMPREHENSIVE ENERGY EFFICIENCY PROGRAM

Continuation of the 2002-2003 Stockton Area Comprehensive Local Program

Submitted to:

California Public Utilities Commission

Insync Energy



ADM Associates



San Joaquin County



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Other Proposals being submitted by the same Proposer-
Tri-Valley Resource and Information Program

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Section I

Program Overview

A. Program Concept

Insync Energy, in association with the Cities of San Joaquin County, is pleased to submit a proposal that intends to build on the success of the “2002-2003 Stockton Area Local Comprehensive Program” by continuing to aggressively and creatively utilize various major innovations, unique to local governments, to target and deliver energy efficiency information and long-term energy and demand savings to hard-to-reach small/medium businesses and hard-to-reach residents.

- **First**, this will be a regional program that builds on the success of the Stockton/Insync Third Party Program during 2002-2003, by applying the lessons learnt and knowledge gained by it.
- **Second**, this program will continue to aggressively utilize specific local institutions and networks to assist in program implementation, while maximizing synergies with all Statewide programs.
- **Third**, the market will be segmented further than most of the previous programs to effectively utilize a mix of different strategies that are most relevant and appropriate to each sub-group.
- **Fourth**, this Program will target hard-to-reach residential (Spanish, multi-family, low-income, owner-tenant split incentive situations) and underserved commercial markets (restaurants, groceries, very small businesses).
- **Fifth**, we will conduct training sessions for vendors and contractors on effectively marketing energy efficiency to specific target audiences.
- **Sixth**, the program will be completely comprehensive by offering services ranging from creatively informing the target audiences about energy efficiency to successfully completing the project.
- **Lastly**, the reach of this Program will include virtually all residents of Lodi, Lathrop, Manteca, Tracy and will also include the unincorporated residents and businesses of San Joaquin County.

B. Program Rationale

“Certainly one of the key strengths of InSync has been their capability to team with the City in utilizing local partnerships and networks to increase the awareness about energy efficiency and the resources that are available to our residents and businesses. These activities have created a basic infrastructure and momentum that could be effectively carried forward to other cities”

Mark Lewis, ESQ., Stockton City Manager (Complete Reference Letter Attached)

Stockton and Insync have been implementing the third Party “Stockton Area Comprehensive Local Program” in 2002-2003. This Program has been successful on all fronts. It is on target to achieve more than 100% of its energy/demand goals, and has completed all other components of the Program in a timely, effective, and cost effective manner. The Program has been successful in meeting all its targets by creating synergies with the statewide IOU programs and aggressively utilizing the local networks, partnerships, and institutions. This Program intends to expand these services to the other Cities of San Joaquin County (Lodi, Lathrop, Manteca, Tracy, and the unincorporated areas) by leveraging this success and infrastructure and applying the lessons learnt and successful core principles.

It is important to note that the Cities of Lodi, Manteca, Tracy, Lathrop and the unincorporated areas of San Joaquin County have not received any direct CPUC funding in the past, despite its having a population of over 300,000 and most of the population being hard-to-reach. The residents and businesses in these Cities rely heavily on their local governments for information. There is also a significant Hispanic population in these Cities that, in addition to just getting mailers sent to them, need experienced energy efficiency experts market and assist them with implementation of projects. The factors above make this a unique opportunity to target this area.

This Program intends to be innovative and effective in the following ways:

i) Build on the success of the 2002-2003 Stockton Third Party Program

During 2002-2003, there has been significant momentum and infrastructure built to execute on the implementation of this Program. Some examples include creating synergies with the various statewide IOU programs (for example marketing the Express Efficiency program), coordination with other third party programs (offering of site surveys and seminars with the Food Service Technology Center), utilization of the City capabilities (for example, distribution of the information mailers through the City Utility Bills), and partnerships with other local institutions (for example, the Downtown Alliance, Chamber of Commerce, Hispanic Chamber of Commerce etc.). It is important that this momentum and infrastructure be continued and leveraged to expand these services to include the other Cities of San Joaquin County.

There have also been various valuable lessons learnt during the implementation of the Stockton Program that can be applied to this Program. For example, in the Direct Install component, we learnt that the small business customers valued the audit, project installation assistance, and the after installation Quality Check portions more than the payment of up to 100% of the project cost. Since there are various statewide IOU programs already available (including the Express Efficiency Program that has recently increased incentive levels), and the paybacks with the statewide programs were already well within the acceptable levels, it was more important that someone stepped these customers through the entire process rather than just pay 100% of the project cost. We are applying this lesson learnt by concentrating more on the support portion (audit, project installation assistance, after installation QC etc.) for this Program the “rebate” can be more effectively obtained from the statewide IOU programs (especially since they already have the whole infrastructure already set up for that).

Another example of a lesson learnt was that, for the information dissemination strategy, the response received was much more positive since the information was from the City. The mailers sent included a quote from the Mayor of Stockton. The emails sent also had the same quote. The information included had energy efficiency tips most relevant to the targeted audiences. We plan to apply this lesson by expanding the “local” angle by including the information above, but also enhancing it by adding names of local vendors who carry energy efficient equipment, contact information for local City departments that can assist, and case studies of similar energy efficiency projects completed.

ii) Utilize specific local institutions/networks and create synergies with Statewide programs

One of the key differentiating factors of this Program is the extent to which it will utilize the local networks, partnerships, and institutions. The local government is always perceived as a credible leader and provider of energy efficiency information which makes it extremely effective to “open doors”. This Program intends to utilize this strength. Some of these alliances will include:

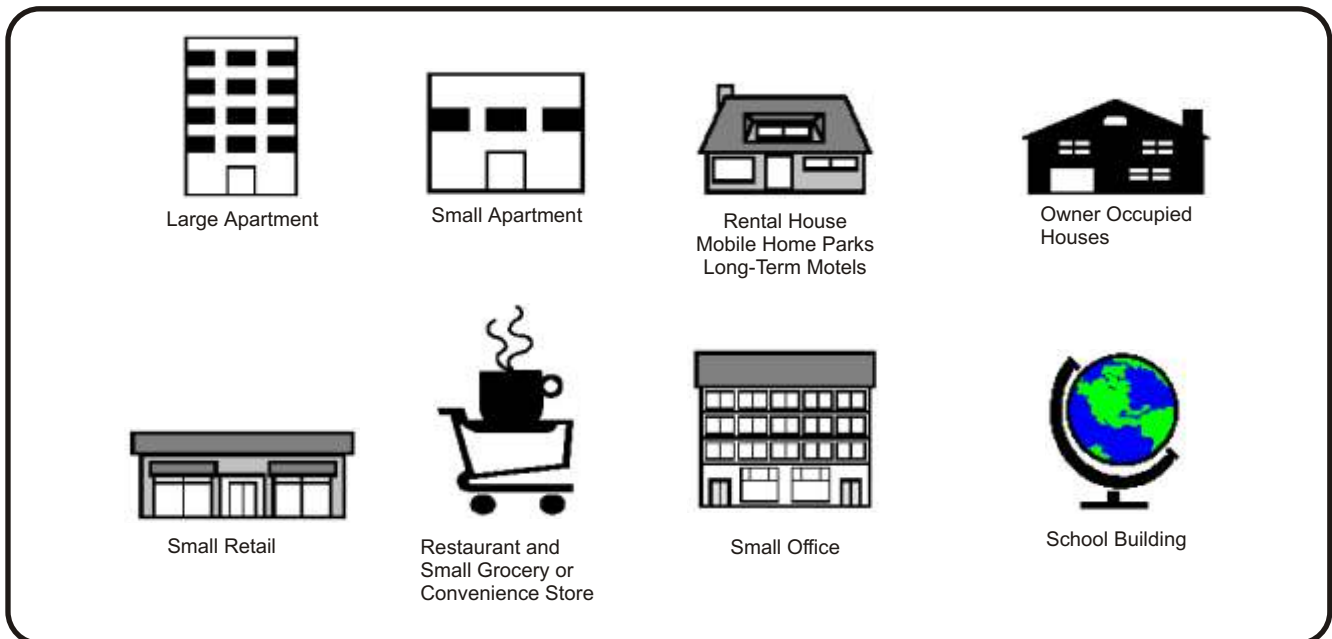
- Strategic relationships with organizations such as the regional and ethnic Chambers of Commerce, local County Business Alliances, and local Universities and Schools.
- City Government Small Business networks such as the Strong Neighborhoods Business Districts, the Office of Business Development, and with departments that provide other City Services to small businesses.

- Environmental groups, schools (PTAs, Booster Clubs, Parent Groups etc.), neighborhood groups and associations, service organizations (Rotary, Soroptomists, Urban League), youth groups (4-H, FFA, Junior Achievement, environmental clubs etc.) and faith groups.

The San Joaquin County and Insync are well acquainted with State and utility energy programs offered by PG&E, the California Energy Commission, the State's Department of General Services, Small Business energy assistance offered by the Department of Trade and Commerce, and other local efforts. This familiarity will allow us to maximize synergies and coordination with these programs. For example, we plan to aggressively utilize the Express Efficiency and SPC programs to facilitate energy efficiency projects. We also plan to work closely with the Stockton Training Center to offer the training programs to local vendors and contractors.

iii) Further segmentation and targeting to tailor outreach and delivery methods

For any Program to be successful, it is critical that the message, Program offerings, and delivery/outreach methods be relevant to the market being targeted. For example, in the San Joaquin County, the residential market can be segmented by Small apartments, Large apartments, Rental Houses, Mobile Home Parks, Long Term Motels, and Owner Occupied houses. The non-residential market can be segmented by Small Office, School Buildings, restaurants, and small groceries. Included below is a summary of the different possible segments of the markets:



As an example, here is how we plan to target the small business market within the non-residential segment. It is important to note most of the businesses in this segment are owned privately and as such time is of essence. They have various other “firedrills” everyday rather than worry about an energy efficiency project, even of the returns on investment are high. Given their higher trust of the local government, the initial outreach effort will be from the City (Direct Mailers will be through the City, City sponsored seminars etc.). The content of this outreach effort must stress the ease by which an energy efficiency project can be completed and the high rates of return of such an investment. This will be followed by an audit which will not only be comprehensive, but will also provide them details about local vendors who carry energy efficiency equipment, statewide programs that are available to them for rebates, completed calculations for these rebate applications and examples of other businesses that have completed similar projects. This will be followed by complete assistance during the installation stages of the project. Finally, we will perform a complete post installation inspection to protect the consumer from any communication errors with the installing vendor.

iv) Targeting of hard-to-reach market segments

This Program will target various hard-to-reach segments within the San Joaquin County. There are over 300,000 residents and 3,500 small and very small businesses within the Cities of Lodi, Lathrop, Manteca, Tracy, and the unincorporated areas of San Joaquin County. The Spanish speaking population in San Joaquin County is over 23% of the population. We plan to target the small/very small and non-English speaking audiences within the County. It is important to note that we will also aggressively target the

Unincorporated populations of San Joaquin County. This population has been largely underserved in the past because of their strong dependence on local channels and mechanisms to receive information. Within the non-residential sector, we plan to target the hard-to-reach restaurants, groceries, and other small businesses. We will also target buildings with owner-tenant barriers to energy efficiency projects.

v) Training Sessions for local Vendors and Contractors

Vendors and Contractors are critical to the successful completion of any energy efficiency project. They are where the “rubber hits the road”. One of the key reasons, in our opinion, for the low conversion of audits to actual energy efficiency projects is the lack of active involvement of vendors/contractors in the process. This is especially true with small businesses. Given their high level of time constraints, they usually depend heavily on local vendors for their buying decisions. It is important that the local Vendors and Contractors have the expertise to market and implement energy efficiency projects. This Program will coordinate training sessions for local vendors and contractors to assist them with marketing energy efficiency more effectively. These sessions will also inform them of the advantages of marketing energy efficiency projects, from a profit standpoint which is virtually in all cases the primary driving force for the vendors. Examples of energy efficiency projects completed in the area will also be discussed.

The value proposition for marketing energy efficiency projects will be aggressively communicated in these sessions. This value proposition will primarily comprise of our offer to include their names (given that they complete the training sessions and stock energy efficiency equipment) in mailers and other outreach efforts to the residents and businesses, and the fact that we will be aggressively marketing energy efficiency directly to their target audiences thus making it easier for them to “open doors” by utilizing the energy efficiency concept.

vi) Extensive Reach of the Program

The 2002-2003 Stockton Program was targeted to all residents and businesses in the City of Stockton. This Program will virtually include all the residents and businesses in the Cities of Lodi, Manteca, Lathrop, Tracy, and also the unincorporated areas of San Joaquin County. It is important that the Program target all these Cities to ensure that there is one comprehensive energy efficiency strategy that is being implemented, in partnership between Insync and these Cities, throughout the County.

vii) Comprehensiveness (“The Complete Solution”) of the Program

The following steps usually occur during the successful completion of any energy efficiency project. This Program is unique and innovative in that it offers all these services in a comprehensive manner:

- **Outreach effort to interest the target audience** this has to be carefully built for content and delivered to the target audience so as to generate interest. For example, a mailer from a Central State agency will not be as effective as a mailer from the City, which the residents/businesses trust more. Information about other similar projects completed and its return on investments should be highlighted. The message has to be very targeted and relevant. We plan to utilize mailers, seminars, local events, email campaigns, and website information to achieve this.

- **Audit of the facility** The purpose of the audit has to be beyond just offering energy efficiency alternatives from a technical standpoint. It must include information about local vendors that can complete the project, financial resources available statewide and locally, and assistance in completion of all applications towards attaining these financial resources. One of the primary reasons many of the audits do not result in energy efficiency projects is the lack of information about how to actually get the project done which is especially critical to small businesses. We plan to achieve this by performing complete comprehensive audits as described above.
- **Selection of Contractor to complete the project** Assistance in the selection of the contractor who can successfully complete the project. We plan to offer this service through this Program.
- **Applying for any rebates/financial resources** Assistance in informing about and completing applications for the relevant rebates and financial resources to complete the project. We plan to offer this service through this Program.
- **Quality Assurance** Assistance in ensuring that equipment and installation standards are met during the energy efficiency project. We plan to offer this service through this Program.
- **Post Installation Inspection** Assistance in ensuring that the equipment is functioning as per specs and if the objectives of the project is being met. Given the extent to which small businesses depend on “word of mouth” about the success of projects and hence their interest in doing it, this step is critical. We plan to offer this service through this Program.

The combination of all the services described above will allow us to offer a “complete solution” to the target audiences within these Cities.

Market Barriers and Opportunities Addressed

The Program is designed to comprehensively address many market barriers, which need to be overcome to complete energy efficiency projects. The primary barriers are described below:

- **Businesses lack an economic incentive** Tenants are often unwilling to invest in their landlord's facility. However, if a tenant has a long-term commitment to the space and the Program “buys down” the cost to a payback period shorter than the lease, the tenant then sees the benefit. Also, many commercial spaces have old systems that need upgrading for aesthetics and this can be an important selling point.
- **Split Incentives for energy efficiency measures** Landlords/owners sometimes have no incentive to invest in energy efficient equipment. This Program offers differentiated incentives to owner occupied facilities and tenant occupied facilities with the objective of overcoming this barrier.
- **Lack of Credible Information** Residents and Businesses often do not have access to and sometimes do not trust information provided to them by vendors and other entities. These businesses depend heavily and trust the local infrastructure. This proposal intends to disseminate credible information to businesses and residents through these local sources that they trust.
- **Businesses lack the knowledge of efficient lighting technologies and retrofits** Due to the lack of expertise, small business owners will defer or refrain from initiating what they see as potentially risky projects.
- **Businesses lack the time, and/or staffing to investigate and identify efficient lighting opportunities, and evaluate proposals** Because of staffing and time constraints most businesses aren't able to investigate lighting efficiency opportunities, get competitive estimates, or evaluate the proposals. Because they don't have sufficient time to make an informed decision, they choose to make no decision at all.

- **Businesses are uncertain of the skills and honesty of installation contractors** Unless there is an existing relationship, small businesses are hesitant to talk with any solicitor, let alone allow new, unknown contractors, with potentially unsubstantiated savings claims, to work on their facility.
- **Vendors/Installation Contractors are not economically motivated to provide comprehensive services to smaller, individual business facilities** All projects, whether large or small, require almost the same effort from the installation contractor to sell and coordinate installation, but small projects tend to yield less profit. Therefore, vendors tend to ignore the small customer.
- **Lack of financing capabilities or capital** Many businesses lacks the capital or ability to finance these types of projects. Working within a slim margin, many businesses find it difficult to maintain sufficient cash flow to operate month to month, let alone finance a lighting project, especially with the recently increased utility rates.

Equity Considerations

The Cities of Lodi, Manteca, Tracy, and Lathrop, and the unincorporated areas of San Joaquin County have over 300,000 residents. There are over 3,500 small and very small businesses in this area. Out of the total population, over 23% is Spanish speaking. To date, there have been no direct CPUC funding targeted to any of these Cities. Based on discussions with the Economic Development departments of these Cities, the financial assistance (through rebates, loans etc.) received by local businesses has been minimal. This is primarily due to the heavy reliance of residents and businesses to achieve services locally from their City and County governments. Given the extreme climates in San Joaquin County, this area has been especially hit hard by the rising energy costs. The reliance on local government and high number of small businesses, coupled with the low activity to date in the energy efficiency arena, presents a unique opportunity to target this area by aggressively utilizing local partnerships and alliances.

C. Program Objectives

At a fundamental level, the objective of this program is captured in the statement from Mark Lewis, the City Manager of Stockton, who commended Insync for its performance in the 2002-2003 Stockton Area Comprehensive Local Program.

“Certainly one of the key strengths of Insync has been their capability to team with the City in utilizing local partnerships and networks to increase the awareness about energy efficiency and the resources that are available to our residents and businesses. These activities have created a basic infrastructure and momentum that could be effectively carried forward to other cities”

Mark Lewis, ESQ., Stockton City Manager
(Quote from attached Reference letter)

This Program intends to build on the success of the Stockton program and carry the momentum forward to the other Cities of San Joaquin County (Lodi, Lathrop, Manteca, Tracy, and the unincorporated areas) by leveraging this success and infrastructure and applying the lessons learnt and successful core principles. This program's components include the following:

Marketing Activities

- **Direct Mail:** Targeted to the residential, commercial, non-English speaking, and certain sub-categories of the population. These include 50,000 mailers in each round to the residential and commercial segment; 5,000 to the non-English speaking segment; and 1,000 each to three (3) sub-categories, for example, the high energy usage customer segment. A total of four (4) such rounds of direct mailers will be distributed during the course of the program.
- **Email:** Targeted to the residential, commercial and student population. Four (4) rounds of 30,000 emails each will be sent to the target audience. This media is expected to be especially useful to target the student population, as they are very comfortable with the idea of information via electronic media.
- **Seminars for the Business Community:** Three (3) seminars will be conducted each year for the business community, for a total of 6 seminars during the course of the program. We will target local business networks like the local Chambers of Commerce, and will work in coordination with PG&E, and utilize facilities like the Stockton Training Center.
- **Training sessions for local vendors:** Three (3) training sessions will be conducted each year for the local vendor and technician community (total 6 sessions). Information will be targeted to helping vendors with sales and marketing strategies of energy efficiency equipment, as well as with information on contemporary energy efficiency technologies. The sessions will primarily focus on answering the following question how can local vendors improve their bottom line and revenue by implementing energy efficiency projects? The target audience for these training sessions will be vendors in the San Joaquin County Area.
- **City and County events:** Coordinate two such events each year in 2004 and 2005 (total 4 events) targeted to the Cities of Lodi, Manteca, Lathrop, and Tracy. Each of these booths will have a similar look and feel to “brand” them as a reliable source of energy efficiency information. Example of these events include events like “Earth Day”, July 4th celebrations, and farmer markets.
- **Website:** General energy efficiency information, Lists of local and other vendors that can perform energy efficiency work including the types of equipment they carry, and other similar information targeted to the local population. The website will provide useful links to sites such as pge.com, energystar.gov, and the CEC website. Information regarding upcoming seminars and events will be put up on the website. One of the primary objectives is to carry information that is complimentary to information on other state websites in that it will primarily provide information that is local instead of repeating information, links to other state energy efficiency websites will be provided.

Facility Audits, Installation Assistance & Quality Check

- **Perform 500 comprehensive energy audits for small businesses:** Offer investment grade audits and other services outlined above to 500 small businesses in the Cities of Lodi, Manteca, Lathrop, Tracy, and the unincorporated areas of San Joaquin County. This Proposal is innovative in that it will utilize the City networks, like the Business Associations, Chambers of Commerce, and Property Managers to generate interest. We will inventory the businesses through the Business License databases and will offer investment grade audits to firms that express willingness to invest in measures with up to a five year payback. The final selection of firms will also depend on the geographical location, size, projects completed in the past, and based on discussions with other local organizations. We will also focus on non-English speaking hard-to-reach businesses and will utilize professional auditors fluent in the relevant languages. The list of targeted small businesses for these audits will finally be checked with PG&E to ensure that the same facilities are not audited by both entities.

- Provide installation assistance to the interested customers, including complete information on rebate programs available to them, information on possible vendors to be utilized, and hand-holding through the process. The objective of this Program is to have 20% of the businesses that receive the report to move ahead and complete the energy efficiency project during this program cycle. Audit report will comprise of the following information:
 - Energy analysis and breakdown of the facility energy usage
 - List of low cost, medium cost and longer term opportunities
 - Benchmark information against other similar local facilities
 - Suggested Operational changes
 - List of PG&E Express Efficiency rebates, and other rebates available through statewide or local programs.
 - All relevant forms and applications to apply for these incentives
 - Listing of local vendors that carry the suggested equipment
 - Complete plan for a successful execution of the implementation of the suggested measures including assistance from this Program throughout the process.
- Post Installation Inspection on the work performed by the vendor

Section II

Program Process

A. Program Implementation

The Cities of Lodi, Lathrop, Manteca, Tracy, and the unincorporated areas of San Joaquin County currently have no Third Party or IOU programs that are explicitly targeted to these Cities. This Program is unique in its ability to not only aggressively and creatively utilize local networks/partnerships/alliances, but also create synergies with other statewide programs with the overall objective of offering a complete comprehensive energy efficiency solution to the targeted residents and businesses.

One of the primary objectives of this Program is to create synergies with other existing programs and resources, so as to improve its performance and acceptability in this area. The efforts to create synergies with other Programs will focus in three areas:

Statewide Energy Efficiency Programs: We will coordinate our efforts with other statewide information and resource programs. For example, in addition to informing small businesses of the Express Efficiency and SPC programs available to them, we will also assist them in completing all the applications that are required to apply for the incentives. All components of the outreach program (Direct Mailers, seminars, Emails, website, City Events) will actively market the portions of the statewide programs that best applies to the target audiences. We will coordinate our outreach efforts with the Statewide Marketing Strategy being coordinated by the four IOUs. Training of the local contractors will be provided in coordination with the Stockton Training Center.

One of the key differences between the this San Joaquin County Program being proposed here and the 2002-2003 Stockton Program is the dependence on Express Efficiency and SPC rebates versus 100% Direct Install monies for energy efficiency projects. We will combine the Small Commercial Express Efficiency Program and SPC Program with a localized marketing and delivery system to maximize impact. We believe that this will result in more cost effective energy efficiency projects and better synergies between statewide and local efforts especially because one of the lessons learnt from the 2002-2003 Stockton Program was that businesses place the most value on the assistance with the installation and the post installation services that the Program offers.

Third Party Local Programs: We will work closely with the other third party programs that are funded and can be applied to the San Joaquin area. For example, the 2002-2003 Stockton Program coordinated its efforts with the Food Service Technology Center (also a third party funded program in the same cycle) in assisting restaurants with their energy efficiency projects. The 2002-2003 Stockton Program also coordinated its efforts with the Statewide School Program (a third party program funded in the same cycle) in assisting local schools with their energy efficiency projects. We intend to continue these type of coordination efforts during the 2004-2005 Program cycle.

Local Government and Statewide Programs: We will work closely with any other relevant local County and statewide programs. For example, information about any financing alternatives offered by the State of California will be included in the information provided to businesses. We will leverage the outreach efforts of the local government to get our message across for example, information about this Program through recycling information sent to residents and businesses by the County.

This Program is different than other similar third party programs offered in the past in that it utilizes various innovative approaches. Some of these approaches include:

- It applies the lessons learnt from the 2002-2003 Stockton Area third party program and also the same core principles that made it a success. For example, all marketing outreach efforts will be undertaken under the relevant City's name given the higher level of trust residents and businesses place in information from the City. Another example is the marketing and utilization of the statewide Express and SPC programs instead of providing 100% of the project cost (a Direct Install Program). This will create more effective synergies with statewide programs.
- It provides a “complete solution” to the target audiences. Programs can either take one solution (for example audits) and apply it to different territories or take various solutions (outreach, audits, installation assistance, post installation QC) and apply it to one area. This Program utilizes the latter approach. It is a complete solution in that it guides and assists the target audience through the entire process of completing an energy efficiency project. The Program starts with an outreach component, followed by a detailed audit, then assistance with selection of a contractor, followed by assistance with applying for financial incentives for the project, then assistance with the installation process, and finally doing a post installation Quality Assurance check.
- The Program aggressively segments the market into various niches and then tailors the outreach and delivery methods that are most relevant to that target. For example, the Program intends to do a Direct Mailer to residents and businesses that attended previous energy seminars sponsored by the various Cities. This audience consists of early adopters that will likely have a higher chance of being interested in energy efficiency and hence implementing a project.
- This Program is unique in that it realizes and acts upon the importance of vendors and contractors in this process. Virtually all vendors and contractors are driven by their profitability. Can energy efficiency help them increase sales and/or improve their bottom line? In this Program, we intend to conduct seminars throughout the targeted Cities to train vendors on how energy efficiency can assist them in closing sales and improving their bottom line.

Some of the other innovative approaches in this Program include aggressively and creatively utilizing the various local partnerships/alliances/networks, and targeting hard-to-reach residents and businesses in the San Joaquin County.

B. Marketing Plan

This Program has three primary components:

- Marketing and Outreach
- Investment Grade Audits, Contractor Information, and Financial Assistance
- Installation Assistance/Quality Check/Post Installation Assistance

Marketing and Outreach

The overall approach of this Program is to utilize outreach methods that are appropriate and relevant to targeted segments. We plan to maximize the reach of this Program by aggressively utilizing local networks and synergies with statewide programs. Our outreach strategies will include:

Direct Mailers: These will be unique and effective in their content and delivery mechanisms. These mailers will contain specific and targeted energy efficiency information. We will utilize the City Utility billing system to send program and energy efficiency information to all homes and businesses. Where appropriate, targeted direct mail will also be utilized. For example, there are about 500 potential early adopters who attended various City energy events. We will also coordinate targeted mailers with PG&E to homes and businesses with high tier energy consumption. The Return on Investment for energy efficiency projects are significantly higher when the avoided costs are more than \$0.20/kWh.

The mailers will contain the following information that will be locally focused and targeted to different sub-groups:

- Energy efficiency tips that are relevant to industry and the local area. For example, given the extreme climates in the area, we will focus on tips to save energy on air-conditioning.
- List of local vendors and technicians who stock energy efficiency equipment. These will be vendors who stock energy efficiency equipment or have attended energy efficiency training seminars in the past.
- List of relevant programs and resources available from PG&E and other organizations
- Local contact information to get assistance from PG&E and the relevant Cities
- Case Studies of energy projects that have been previously completed in the area

We will coordinate four mailing campaigns two in 2004 and two in 2005. Each of these campaigns will consist of the following:

- 40,000 mailers to residents in the Cities of Lodi, Manteca, Lathrop, Tracy, and the unincorporated areas of San Joaquin County
- 10,000 mailers to Spanish speaking residents in the Cities being targeted
- 5,000 mailers to small businesses in the Cities being targeted
- 1,000 mailers each, three versions, to specific sub-groups. For example, residents with high tier energy consumption

Events and Booths: There are many events in the area that provide ideal settings for outreach activity. Example of these events include “Earth Day”, July 4th celebrations, and farmer markets. We plan to set up booths in these events with modem connections that residents and businesses can use to access information about resources and programs available to them. These booths will be staffed by energy efficiency experts who will answer general questions from the attendees. Having a similar booth in these various events will result in residents and businesses depending on it as a regularly available energy efficiency information resources.

We plan to coordinate three events each in 2004 and 2005 targeted to the Cities of Lodi, Manteca, Lathrop, and Tracy. Each of these booths will have a similar look and feel to “brand” them as a reliable source of energy efficiency information.

Email: Increasingly residents and businesses are dependent on the electronic media to get their information. This medium is also very popular with students. This medium has the advantage of being

able to provide comprehensive information, including relevant links. We plan to enhance the “open/read rate” of these emails by having them be sent from the Cities given the high level of trust residents and businesses place in information from their local governments. It is important to note that San Joaquin County has a significant student population. Some of the universities and colleges in the area include the University of the Pacific, California State University Stanislaus, Stockton Center, Humphreys College and School of Law, National University, and the San Joaquin Delta Community College. There are 17 school districts in the County. These students represent a generation that is increasingly dependent on electronic media to get their information.

We will coordinate four email campaigns, two in 2004, and two in 2005. Each of these emails will be sent to email addresses that have chosen to “opt in” to receive information by email. These emails will be sent by the City and will contain information about energy tips that are relevant to the targeted audiences, list and links to local vendors/contractors, list/links to other statewide energy efficiency programs, and lists/links to other local and statewide resources (for example, loans) that are available to the residents and businesses.

Training Sessions for Vendors/Contractors: We will coordinate three training sessions targeted to local vendors and contractors each year. These vendor training sessions will be coordinated with PG&E and will utilize the Stockton Training Center. They will primarily focus on answering the following question how can local vendors improve their bottom line and revenue by implementing energy efficiency projects? The target audience for these training sessions will be vendors in the San Joaquin Area. These sessions will focus on the following:

- Training on marketing strategies to increase sales of energy efficiency equipment.
- Training on the technical aspects of various energy efficiency technologies
- Information on this Program and other Statewide Programs and resources that are available to them
- Information about other marketing activities being coordinated by this Program targeted to local residents and businesses
- Discussion of local energy efficiency project case studies, from a vendor's perspective.

These three training sessions will be coordinated in partnership with the local City government officials, who will inform vendors about other programs (small business assistance, loans etc.) that may be available through the Cities.

Website: The San Joaquin County website will have a special web page for this Program. The website will provide useful links to sites such as pge.com, energystar.gov, and the CEC website. The website will also contain links and lists about local vendors/contractors including information about energy efficiency equipment stocked by these vendors. The website will contain information about the upcoming seminars and events. One of the primary objectives here is to work in synergy with the other statewide websites in that it will only provide information that is local and will provide links to the other relevant websites.

Seminars for Small Businesses: There are over 3,500 small and very small businesses in the Cities of Lodi, Manteca, Lathrop, Tracy, and the unincorporated areas of San Joaquin County. We will conduct three seminars in each year, specifically targeting these businesses. These seminars will be held in coordination with PG&E for example, we will use the Stockton Training Center. These seminars will focus on the following:

- Information about how energy efficiency projects can yield high returns on investment
- Information about this Program and how we will assist during the entire project
- Discussion about some common barriers small businesses face in installation of energy efficiency measures and how these barriers can be mitigated
- Case studies of other small businesses that have successfully completed energy efficiency projects
- Information about the various Statewide and Local resources and programs that are available to small businesses

These seminars will be attended by energy efficiency experts and City staff who will inform small businesses about the other resources (loans, small business assistance etc.) available to them.

Investment Grade Audits, Contractor Information, and Financial Assistance

The San Joaquin County is dominated by small businesses located in either downtown or in neighborhood shopping centers - which will be the primary target for these investment grade audits. It is important to note that the intent of this Program is not to only provide an audit. We intend to also provide, in addition to an investment grade audit, information about local contractors who stock the equipment, information and assistance with incentives and other financial assistance, and some benchmark information against other similar facilities in the area. The targeting of audits will be coordinated with PG&E to avoid overlap between the efforts.

This Program will offer investment grade audits and other services outlined above to 500 small businesses in the Cities of Lodi, Manteca, Lathrop, Tracy, and the unincorporated areas of San Joaquin County. One of the challenging aspects of any similar Program is generating interest and scheduling. This Proposal is innovative in that it will utilize the City networks, like the Business Associations, Chambers of Commerce, and Property Managers to generate interest. We will inventory the businesses through the Business License databases and will offer investment grade audits to firms that express willingness to invest in measures with up to a five year payback. The final selection of firms will also depend on the geographical location, size, projects completed in the past, and based on discussions with other local organizations. We will also focus on non-English speaking hard-to-reach businesses and will utilize professional auditors fluent in the relevant languages. The list of targeted small businesses for these audits will finally be checked with PG&E to ensure that the same facilities are not audited by both entities.

The focus of these audits will be comprehensive and dependent on the facility being audited. For example, we will focus on Lighting, HVAC, and Food Service for restaurants. We will focus on Lighting, Refrigeration, and HVAC for small groceries. Experienced Program auditors will use energy audit software to evaluate key opportunities for equipment improvement. The Energy auditor will propose a set of energy efficiency actions that will be prioritized by low cost, medium cost, and longer term categories. Operational changes will also be identified. The final audit report will include a list of available PG&E Express Efficiency or any other rebates, all relevant application forms, and a listing of local vendors who carry the suggested equipment.

In summary, the Investment Grade Audit report will comprise of the following information:

- Energy analysis and breakdown of the facility energy usage
- List of low cost, medium cost and longer term opportunities
- Benchmark information against other similar local facilities

- Suggested Operational changes
- List of PG&E Express Efficiency rebates. List of any other rebates available through statewide or local programs.
- All relevant forms and applications to apply for these incentives
- Listing of local vendors that carry the suggested equipment
- Complete plan for a successful execution of the implementation of the suggested measures including assistance from this Program throughout the process.

Comprehensiveness will be an integral part of these audits. The purpose will not be to just present an energy analysis, and suggested changes in a report and walk away. Every effort will be made to convert the audit to an actual project - by providing incentives available, assistance in completion of application for incentives, list of local vendors that carry the energy efficiency equipment, and clearly stating that this Program will assist the business throughout the installation process.

Installation Assistance / Quality Check / Post Installation Assistance

Once the investment grade audit is completed and the report submitted and discussed with the client, we will determine the willingness of the business to proceed further with the project. The objective of this Program is to have 20% of the businesses that receive the report to move ahead and complete the energy efficiency project during this program cycle. Once the willingness is determined, we intend to provide the following services to the business:

- Complete assistance in selection of the contractor to implement the project. The business would already have the list of local contractors that carry the energy efficiency measures being recommended. We will work closely with the business to select a contractor from the list provided or any other vendors identified. This will include discussing the project with possible vendors and providing feedback to the business on the various cost proposals.
- Complete assistance in completion of all relevant applications for applying for any applicable incentives. For example, we will work with the business for the completion of the Express Efficiency or the SPC Program applications. We will also coordinate the submission of these applications with PG&E or any other relevant entity.
- Complete assistance during the installation of the energy efficiency measures. We will work closely with the selected contractor to ensure that the installation and equipment standards are met.

For businesses that choose not to install the energy efficiency measures recommended during the audit stage, we intend to discuss the reasons for their decision with them and make any appropriate changes to the audit. We intend to continuously improve the ratio of businesses that are audited to businesses that complete installation of the recommended energy efficiency measures.

Post installation inspections will be performed to protect the customer from any miscommunications between the business and vendor during the installation stages. It will ensure that the proper equipment was installed and that the objectives of implementing the project are being met.

C. Customer Enrollment

Though this is not directly applicable to an Information Program, please find below a brief discussion of how we plan to target different audiences for the various components of the Program.

Marketing Outreach - Direct Mail - Residential: Since we plan to distribute the Direct Mailers through the City Utility Bills (water, garbage), we will obtain the list of residential customers directly through the City databases. This strategy was extremely successful during the 2002-2003 Stockton Program and we intend to continue it.

Marketing Outreach - Direct Mail - Businesses: We will obtain the list of businesses from the City Business License databases. Preference will be given to small businesses. This strategy was successfully utilized in the 2002-2003 Stockton Program.

Marketing Outreach: Direct Mail - Spanish speaking audiences - We will obtain this list from the Hispanic Chamber of Commerce in the San Joaquin County. This list currently has over 10,000 residents and over 500 businesses. Preference will be given to Spanish speaking audiences in the unincorporated areas of San Joaquin County.

Marketing Outreach - Direct Mail - Targeted: In each campaign, there will be three targeted mailers mailed to about 1000 addresses each. Different criteria will be used to decide the target audience. For example, residents or businesses that have attended previous City sponsored energy events may be targeted. Residents with high tier energy consumption may be targeted - this will be accomplished in coordination with PG&E.

City Events: We plan to coordinate booths in a total of six events during the two years. These events will be chosen based on discussions with the local City governments and in coordination with PG&E. The objective will be to ensure that there is an appropriate audience during the events and there is no overlap with any other planned PG&E booths.

Email: The first step in this process will be to obtain opt in lists from the City and other sources for the San Joaquin County. If this number is higher than the target number of emails planned (25000), we will attempt to target emails that are linked to addresses not targeted by the Direct Mail campaign. We will also attempt to give preference to smaller businesses in this campaign.

Vendor Training Sessions: These sessions will be targeted to all vendors and contractors the cities of Lodi, Lathrop, Manteca, Tracy, and other unincorporated areas of San Joaquin County. Lists of these vendors/contractors will be obtained from the Yellow pages and local Chambers of Commerce.

Small Business Seminars: These seminars will be targeted to all small businesses in the cities of Lodi, Lathrop, Manteca, Tracy, and other unincorporated areas of San Joaquin County. Lists of these small businesses will be obtained from the City Business License databases.

Investment Grade Audits/Contractor Lists/Financial Assistance: An initial inventory of small businesses will be obtained from the City Business License databases. We will then work in close coordination with local Chambers of Commerce, City Governments, and other institutions (for example, Downtown Alliances) to finalize the list of small businesses. Willingness to invest in energy efficiency projects with an approximate payback of 5 years will be a major criteria. Geographical location will also be a criteria - preference will be given to the hard-to-reach businesses in the unincorporated areas of San Joaquin County.

Installation Assistance/Quality Check/Post Installation Assistance: This will be targeted to small businesses that decide to install energy efficiency measures.

Virtually all the activities above will be completed in synergy with statewide programs and other third party local programs. For example, we will coordinate our target list for audits with PG&E to ensure that the same facilities are not audited by both entities. We will also work with the statewide marketing outreach campaign to ensure that the messages in our Direct mailers are consistent with the statewide messages and branding.

D. Materials

Not Applicable.

E. Payment of Incentives

Not Applicable.

F. Staff and Subcontractor Responsibilities

Insync Energy and ADM Associates have formed a partnership structure to implement the San Joaquin County Energy Efficiency Program. Insync is the primary contractor, and will have overall responsibility for the success of the program. Each partner has a significant, defined role in the operation of this program, as described below.

Insync Role

Insync will have primary program administrative responsibility, including:

- Filing the program proposal with the CPUC
- Tracking and reporting status of activities and goals
- Tracking expenditures
- Manage the resolution of any complaints
- Coordinating implementation activities
- Managing the independent program measurement and evaluation study

Insync will also have the following additional responsibilities:

- Implement the Outreach program including direct mail, email, seminars for business customers, vendor training sessions, publicize the program and energy efficiency at city and local events, and develop a website with appropriate information for the County.

Provide Installation assistance, discuss rebate options like Express Efficiency and SPC, and perform post-installation Quality Check services for customers that move forward with implementing the recommendations of the Audit.

Subcontractors Role

ADM Associates

ADM will have primary implementation responsibility for the Facility Audits, including:

- Performing the Facility Audits for 500 small commercial customers in the targeted areas.
- Provide detailed reports of audits
- Provide list of recommendations on proposed retrofit opportunities.

Potential EM&V Contractors

The contractors listed below can objectively and effectively evaluate program success. As a group, their work includes impact evaluation, measurement and verification, process evaluation, market assessments, and verification of program accomplishments. These firms have a track record of completing high quality, objective studies of energy efficiency programs either for the California investor-owned utilities or for other entities whose studies we have been able to review. This list does not include all of the qualified evaluators who could objectively evaluate program success.

- ADM Associates
- Alternative Energy Systems Consulting (AESC)
- Architectural Energy Corporation (AEC)
- ASW Engineering Management
- Itron (RER)
- KEMA XENERGY
- Nexant
- Quantec
- RLW Analytics

G. Work Plan and Timeline for Program Implementation

#	Event	Target Date
	Outreach	
1	Direct Mail - Phase I	05/30/04
2	Direct Mail - Phase II	11/30/04
3	Direct Mail - Phase III	05/30/05
4	Direct Mail - Phase IV	11/30/05
5	Small Business Seminar - Phase I	04/30/04
6	Vendor Training Session - Phase I	04/30/04
7	Small Business Seminar - Phase II	07/31/04
8	Vendor Training Session - Phase II	07/31/04
9	Small Business Seminar - Phase III	10/31/04
10	Vendor Training Seminar - Phase III	10/31/04
11	Small Business Seminar - Phase IV	03/31/05
12	Vendor Training Seminar - Phase IV	03/31/05
13	Small Business Seminar - Phase V	07/31/05
14	Vendor Training Seminar - Phase V	07/31/05
15	Small Business Seminar - Phase VI	10/31/05
16	Vendor Training Seminar - Phase VI	10/31/05
17	Email Campaign - Phase I	05/31/04
18	Email Campaign - Phase II	10/31/04
19	Email Campaign - Phase III	05/31/05
20	Email Campaign - Phase IV	10/31/05
21	City/County Event - Phase I	04/30/04
22	City/County Event - Phase II	07/31/04
23	City/County Event - Phase III	10/31/04
24	City/County Event - Phase IV	03/31/05
25	City/County Event - Phase V	07/31/05
26	City/County Event - Phase VI	10/31/05
27	Website	12/31/04
	Audits & Installation Assistance/QC	
28	Facility Audits (500)	09/30/05
29	Installation Assistance/Quality Check	12/15/05

Section III

Customer Description

A. Customer Description

San Joaquin County profile: Population 613,500. 15th Largest county in California.

Cities in San Joaquin County: Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton, Tracy.

City populations:

Escalon	6,650
Lathrop	12,050
Lodi	60,500
Manteca	57,200
Ripon	11,550
Stockton	261,300
Tracy	69,600
Unincorporated Area	134,600

This Program will target various hard-to-reach segments within the San Joaquin County. The Cities of Lodi, Manteca, Tracy, and Lathrop, and the unincorporated areas of San Joaquin County have over 300,000 residents. There are over 3,500 small and very small businesses in this area. Out of the total population, over 23% is Spanish speaking, with over 75 languages being spoken in the County, making it a particularly Hard-to-Reach area. To date, there has been no direct CPUC funding targeted to these Cities. Based on discussions with the Economic Development departments of these Cities, the financial assistance (through rebates, loans etc.) received by local businesses has been minimal. This is primarily due to the heavy reliance of residents and businesses to achieve services locally from their City and County governments. Given the extreme climates in San Joaquin County, this area has been especially hit hard by rising energy costs. The reliance on local government and high number of small businesses, coupled with the low activity to date in the energy efficiency arena, presents a unique opportunity to target this area by aggressively utilizing local partnerships and alliances.

B. Customer Eligibility

This Program is designed to provide a complete package of services through a single, objective, point of contact for the customer. The Program will aggressively utilize local networks and partnerships to overcome the historical barriers by providing marketing outreach, design assistance, pre-qualified installation and quality control services. All eligible participants in this Program will meet the small business and geographic area definitions of underserved markets. Almost all participants will meet the tenant landlord definitions and many will also meet the language criteria as well.

Eligibility in the Stockton Area Brighter Business Program, the major component of this proposal, will primarily be targeted to the hard-to-reach small commercial (PG&E A1-A6 rate schedules). This ensures that customers are small and allows for immediate verification of eligibility. Many of the participants targeted will also meet the tenant landlord and language criteria for the hard-to-reach segments.

The marketing outreach and information component of this Program will be targeted to residents and businesses throughout the Stockton area, a geographically hard-to-reach segment. Partnerships with the City of Stockton, Property Managers, Local Associations, Chambers of Commerce and other local entities will be utilized as distribution channels to disseminate this information.

C. Customer Complaint Resolution

Contact information will be provided as part of each channel used to disseminate information for this program. Since information about the program will also be distributed through Local Associations, Chamber of Commerce, Property managers and other local entities, these entities may also serve as points of contact to deal with complaint resolution. Initial complaints by the Customer shall be sent to Insync. Insync will initially contact the customer and try to resolve the dispute verbally, within seven days of receipt of the complaint. If this discussion fails to resolve the issue, a company representative will personally visit the customer and attempt to resolve the situation. If the face-to-face discussion fails to resolve the resolution, Insync will contact the IOU that is managing the contract, to discuss the issue further and take appropriate steps.

D. Geographic Area

This is a local program tailored specifically to the San Joaquin County. The program will target the Cities of Lodi, Manteca, Lathrop, Tracy and the unincorporated areas of San Joaquin County. It is the 15th largest county in California, has seven cities within its borders, and a very warm climate. It is a highly fertile, agricultural area and this is the mainstay of the economy the agricultural production in 2002 was over \$1.3 billion.

Section IV

Measure & Activity Descriptions

A. Energy Savings Assumptions

This is an Information only Program and as such does not have any energy impacts summarized in the worksheet, as per instructions in the Policy Manual. Summarized below is the approximate kWh and kW that is expected to be identified in the audit. The tables below contain the following information, based on the audit being done on a small commercial facility (less than 5,000 Square foot).

- Examples of recommended measures that will be summarized in the audit report, as applicable
- Average kWh saved per measure this is based on an average number of units per small business
- % Applicable this is a measure of the estimated number of times the measure is applicable. For example, “Replace all incandescent bulbs with cf bulbs” is relevant approximately 62% of the time.
- Average kWh/site which is obtained by multiplying the average kWh saved per site by the “% applicable” number.

Summary of Identified kWh per site

Recommended Measures	Avg. kWh Saved	% Applicable	Avg. kWh/site
Change Lighting to T8 Fluorescent Lamps & Electronic Ballasts	2,772	0.81	2,739
Replace all incandescent Bulbs with CF Bulbs	788	0.62	490
Energy Efficient Exit Signs			
Replace existing Advertising Signs with Energy Efficient Advertising Signs	296	0.04	12
Install an Evaporative Cooler	4,784	0.41	1,963
Have Ductwork Tested & Sealed	650	0.30	194
Insulate Ductwork	359	0.52	188
Install Window Film	665	0.61	408
Upgrade to higher efficiency model water heater	117	0.63	74
Upgrade to higher efficiency model air conditioner	718	0.96	691
Install Self Closing Doors on Exits	191	0.58	110
Insulated Ice Box	755	0.02	13
Install Self Closing Doors on Reach-in Boxes	1,176	0.05	57
Install Plastic Strip Curtains	2,012	0.08	155
Install New Gaskets around reach-in or walk-in door doors	801	0.06	46
Replace incand. display spot lighting with Hi-Eff Spot Lighting	874	0.02	22
Total	16,961		7,162

Note that the kW numbers are not necessarily peak kW numbers. The conversion to peak will depend on the measure and type of facility.

Summary of Identified kW Savings

Recommended Measures	Avg. kWh Saved	% Applicable	Avg. KWh/site
Change Lighting to T8 Fluorescent Lamps & Electronic Ballasts	.81	0.99	.80
Replace all incandescent Bulbs with CF Bulbs	.22	0.62	.14
Energy Efficient Exit Signs			
Replace existing Advertising Signs with Energy Efficient Advertising Signs	.07	0.04	.003
Install an Evaporative Cooler	6.0	0.41	2.44
Have Ductwork Tested & Sealed	.8	0.30	.24
Insulate Ductwork	.5	0.52	.25
Install Window Film	.9	0.61	.52
Upgrade to higher efficiency model water heater	.01	0.63	.01
Upgrade to higher efficiency model air conditioner	1.0	0.96	.95
Install Self Closing Doors on Exits	.25	0.58	.14
Insulated Ice Box	.17	0.02	.003
Install Self Closing Doors on Reach-in Boxes	2.15	0.05	.10
Install Plastic Strip Curtains	.46	0.08	.04
Install New Gaskets around reach-in or walk-in door doors	.18	0.06	.01
Replace incand. display spot lighting with Hi-Eff Spot Lighting	.24	0.02	.01
Total	13.6		5.6

Source: Actual Audit Report Data from over 2000 audits completed by ADM Associated in 2000-2002.

This Program will target 500 facilities for audits. As per the tables above, we expect to identify an average 7000 kWh in annual energy savings and an average of 5 kW in demand savings per site.

B. Deviations in Standard Cost-effectiveness Values

Not Applicable.

C. Rebate Amounts

Not Applicable.

D. Activities Descriptions

The activities for this program include:

i). Marketing and Outreach

The overall approach of this Program is to utilize outreach methods that are appropriate and relevant to targeted segments. Our outreach activities will include:

Direct Mailers: We will utilize the City Utility billing system to send program and energy efficiency information to targeted homes and businesses. Where appropriate, targeted direct mail will also be utilized. For example, there are about 500 potential early adopters who attended various City energy-related events. We will also coordinate targeted mailers with PG&E to homes and businesses with high tier energy consumption.

The mailers will contain local information that will be locally focused including energy efficiency tips that are relevant to industry and the local area; list of local vendors and technicians who stock energy efficiency equipment; list of relevant programs and resources available from PG&E and other organizations; local contact information to get assistance from PG&E and the relevant Cities; and case studies of energy projects that have been previously completed in the area. Four mailing campaigns, two in 2004 and two in 2005, will be coordinated. Each of these campaigns will consist of 40,000 mailers to residents, 10,000 mailers to Spanish speaking residents, 5,000 mailers to small businesses, and 1,000 mailers each, three versions (thus a total of 3,000), to specific sub-groups.

Events and Booths: These events include events like Earth day, July 4th celebrations, and farmer markets. We plan to set up booths in these events with modem connections that residents and businesses can use to access information about resources and programs available to them. These booths will be staffed by energy efficiency experts, who can answer questions from the attendees. Having a similar booth in these various events will result in residents and businesses depending on it as a regularly available energy efficiency information resource. We plan to coordinate three such events each year in 2004 and 2005 targeted to the Cities of Lodi, Manteca, Lathrop, and Tracy.

Email: We will coordinate four email campaigns, two in 2004, and two in 2005. Each of these emails will be sent to email addresses that have chosen to "opt in" to receive information by email. These emails will contain information about energy tips that are relevant to the targeted audiences, list and links to local vendors/contractors, list/links to other statewide energy efficiency programs, and lists/links to other local and statewide resources (for example, loans) that are available to the residents and businesses. This medium is also very popular with students, so energy efficiency tips for educational institutions will be included. It is important to note that San Joaquin County has a significant student population. These students represent a generation that is increasingly dependent on electronic media to get their information.

Training Sessions for Vendors/Contractors: We will coordinate three training sessions targeted to local vendors and contractors each year (total of 6). These vendor training sessions will be coordinated with PG&E and will utilize the Stockton Training Center. They will primarily focus on answering the following question how can local vendors improve their bottom line and revenue by implementing energy efficiency projects? The target audience for these training sessions will be vendors in the San Joaquin Area. These sessions will focus on marketing strategies to increase sales of energy efficiency equipment, technical aspects of various energy efficiency technologies, information on this program and other Statewide Programs and resources available. These training sessions will be coordinated in partnership with the local City government officials, who will inform vendors about other programs (small business assistance, loans etc.) that may be available through the Cities.

Website: The San Joaquin County website will have a special web page for this Program. The website will provide useful links to sites such as www.pge.com, www.energystar.gov, and the CEC website. The website will also contain links and lists about local vendors/contractors including information about energy efficiency equipment they carry. The website will contain information about the upcoming seminars and events. One of the primary objectives here is to provide information that complements other statewide websites, and focus on information that is relevant to the local area.

Seminars for Small Businesses: Three seminars will be conducted each year, specifically targeting local business organizations (total of 6 seminars). These seminars will focus on information about how energy efficiency projects can yield high returns on investment, how this Program can help, discussion about some common barriers small businesses face in installation of energy efficiency measures and how these barriers can be mitigated, case studies of other small businesses that have successfully completed energy efficiency projects, and information about the various Statewide and Local resources and programs that are available to small businesses.

Investment Grade Audits, Contractor Information, and Financial Assistance: The San Joaquin County is dominated by small businesses located in either downtown or in neighborhood shopping centers - which will be the primary target for these investment grade audits. *It is important to note that the intent of this Program is not to only provide an audit. We intend to also provide, in addition to an investment grade audit, information about local contractors who stock the equipment, information and assistance with incentives and other financial assistance, and some benchmark information against other similar facilities in the area.*

This Program will offer investment grade audits and other services outlined above to 500 small businesses in the Cities of Lodi, Manteca, Lathrop, Tracy, and the unincorporated areas of San Joaquin County. One of the challenging aspects of any similar Program is generating interest and scheduling. This Proposal is innovative in that it will utilize the City networks, like the Business Associations, Chambers of Commerce, and Property Managers to generate interest. We will inventory the businesses through the Business License databases and will offer investment grade audits to firms that express willingness to invest in measures with up to a five year payback. The final selection of firms will also depend on the geographical location, size, and projects completed in the past, as well as on our discussions with other local organizations. We will also focus on non-English speaking hard-to-reach businesses and will utilize professional auditors fluent in the relevant languages. The list of targeted small businesses for these audits will finally be checked with PG&E to ensure that the same facilities are not audited by both entities.

The focus of these audits will be comprehensive and dependent on the facility being audited. For example, we will focus on Lighting, HVAC, and Food Service for restaurants. We will focus on Lighting, Refrigeration, and HVAC for small groceries. Experienced Program auditors will use energy audit software to evaluate key opportunities for equipment improvement. The Energy auditor will propose a set of energy efficiency actions that will be prioritized by low cost, medium cost, and longer term categories. Operational changes will also be identified. The final audit report will include a list of available PG&E Express Efficiency or any other rebates, all relevant application forms, and a listing of local vendors who carry the suggested equipment.

In summary, the Investment Grade Audit report will comprise of the following information:

- Energy analysis and breakdown of the facility energy usage
- List of low cost, medium cost and longer term opportunities
- Benchmark information against other similar local facilities

- Suggested Operational changes
- List of PG&E Express Efficiency rebates. List of any other rebates available through statewide or local programs.
- All relevant forms and applications to apply for these incentives
- Listing of local vendors that carry the suggested equipment
- Complete plan for a successful execution of the implementation of the suggested measures including assistance and hand-holding from this Program throughout the process.

Comprehensiveness will be an integral part of these audits. The purpose will not be to just present an energy analysis and suggested changes in a report, and walk away. Every effort will be made to convert the audit to an actual project - by providing incentives available, assistance in completion of application for incentives, list of local vendors that carry the energy efficiency equipment, and clearly stating that this Program will assist the business throughout the installation process.

Installation Assistance/Quality Check/Post Installation Assistance

Once the investment grade audit is completed and the report submitted and discussed with the client, we will determine the willingness of the business to proceed further with the project. The objective of this Program is to have 20% of the businesses that receive the report to move ahead and complete the energy efficiency project during this program cycle. Once the willingness is determined, we intend to provide the following services to the business:

- Complete assistance in selection of the contractor to implement the project. The business would already have the list of local contractors that carry the energy efficiency measures being recommended. We will work closely with the business to select a contractor from the list provided or any other vendors identified. This will include discussing the project with possible vendors and providing feedback to the business on the various cost proposals.
- Complete assistance in completion of all relevant applications for applying for any applicable incentives. For example, we will work with the business for the completion of the Express Efficiency or the SPC Program applications. We will also coordinate the submission of these applications with PG&E or any other relevant entity.
- Complete assistance during the installation of the energy efficiency measures. We will work closely with the selected contractor to ensure that the installation and equipment standards are met.

For businesses that choose not to install the energy efficiency measures recommended during the audit stage, we will discuss the reasons for their decision with them and make any appropriate changes to the audit. We will strive to continuously improve the ratio of businesses that are audited to businesses that complete installation of the recommended energy efficiency measures.

Post installation inspections will be performed to protect the customer from any miscommunications between the business and vendor during the installation stages. It will ensure that the proper equipment was installed and that the objectives of implementing the project are being met.

Section V

Goals

The suggested Performance Goals for each are stated below:

#	Activity	Target Date	Numeric Goal
OUTREACH PROGRAM			
1	Direct Mail Insert in local Utility Bill - Phase I	05/30/04	58,000
2	Direct Mail - Insert in local Utility Bill Phase II	11/30/04	58,000
3	Direct Mail - Insert in local Utility Bill Phase III	05/30/05	58,000
4	Direct Mail - Insert in local Utility Bill Phase IV	11/30/05	58,000
5	Small Business Seminar - Phase I	04/30/04	1
6	Vendor Training Session - Phase I	04/30/04	1
7	Small Business Seminar - Phase II	07/31/04	1
8	Vendor Training Session - Phase II	07/31/04	1
9	Small Business Seminar - Phase III	10/31/04	1
10	Vendor Training Seminar - Phase III	10/31/04	1
11	Small Business Seminar - Phase IV	03/31/05	1
12	Vendor Training Seminar - Phase IV	03/31/05	1
13	Small Business Seminar - Phase V	07/31/05	1
14	Vendor Training Seminar - Phase V	07/31/05	1
15	Small Business Seminar - Phase VI	10/31/05	1
16	Vendor Training Seminar - Phase VI	10/31/05	1
17	Email Campaign Phase I	05/31/04	30,000
18	Email Campaign Phase II	10/31/04	30,000
19	Email Campaign Phase III	05/31/05	30,000
20	Email Campaign Phase IV	10/31/05	30,000
21	City Event - Phase I	04/30/04	1
22	City Event - Phase II	07/31/04	1
23	City Event - Phase III	10/31/04	1
24	City Event - Phase IV	03/31/05	1
25	City Event - Phase V	07/31/05	1
26	City Event - Phase VI	10/31/05	1
27	Website	12/31/04	1
#	Activity	Target Date	Numeric Goal
AUDITS & INSTALLATION ASSISTANCE/QC			
28	Facility Audits	09/30/2005	500
29	Installation Assistance/Quality Check	12/15/05	100

Section VI

Program Evaluation, Measurement, and Verification (EM&V)

Evaluation, Measurement, and Verification (EM&V) plans is a critical aspect of any energy efficiency project funded by public monies. It is important to note that the relationship between the savings achieved and general information type of programs is difficult and tenuous to document. The Commission has required that information type programs only need to submit the evaluation portion of the EM&V plans. For purposes of this proposal, we are providing a Program Evaluation methodology, which can be used by our team and a third party evaluator to determine if these strategies are effective in meeting the objectives of this proposal.

We will hire a third-party evaluator for this program. Evaluator selection will be subject to approval by the utility administrator.

Evaluation Objectives

Program evaluation will address the following objectives:

- Provide up-front market assessments and baseline analysis
- Provide ongoing feedback, and corrective and constructive guidance regarding the implementation of programs
- Measure indicators of the effectiveness of specific programs, including testing of the assumptions that underlie the program theory and approach
- Help to assess whether there is a continuing need for the program.

The Evaluation plan should be consistent with the overall Program's scope of work. We propose the following evaluation plan, fully understanding that the complete evaluation plan will be developed with the evaluation team under a contract awarded for this Program. The approach for the evaluation will have the following steps:

1. Determine the variables to be measured by the Evaluation process. The Evaluation process should test the basic Program concept around which this proposal is based. This testing will likely not actual energy saving impacts. It will focus on measuring the effectiveness of the various outlined strategies.
2. Determine specifics of the various marketing strategies, which will be evaluated. For example, we will work with the evaluation team to determine what specific customer behaviors will be evaluated.
3. Determine the tools, which will be used to evaluate the different marketing strategies. These tools could include, but are not limited to, mail surveys, phone interviews, and tracking features in the campaigns (we could measure the number of people who clicked through the emails received). A combination of the tools mentioned above could offer the best solution.
4. Utilize the tools discussed above to measure the effects of the marketing strategies before and after implementation. It is important to measure the baseline attitudinal, and behavioral data in the targeted segments. If baseline data is lacking, the evaluation plan will outline the baseline development strategy.

Timing is critical with any post implementation evaluation strategies. We propose that evaluation activities happen throughout the implementation process, versus after implementation is complete. We intend to use the results from this evaluation process to continually modify the messages sent to the audiences. This will allow us to achieve the most impact from these messages.

5. Determine and analyze the differences between the baseline and post-tactic awareness, attitudes, and behavior of samples of customers targeting by these marketing strategies. These results will allow us to determine the effectiveness of the email and direct mail channels to meet the objectives of this proposal. We intend to use the results, in the future, to determine if these marketing strategies should be ramped up, continued, reduced, or eliminated entirely.

In some cases, we propose that qualitative analyses be used to improving future strategies and reduce costs. These qualitative strategies should be used in situations where it is difficult to identify issues through quantitative analyses. Statistical sampling will be used where appropriate. We propose to also use existing data, if available, to reduce costs.

Section VII

Qualifications

A. Primary Implementer

INSYNC ENERGY

COMPANY BACKGROUND

Insync's core areas of expertise are in the marketing, design, and implementation of energy efficiency programs. We are a full service energy efficiency company. We help to bring together the utilities, the customers, local governments and energy efficiency vendors to provide energy efficiency solutions to our customers. Our mission is to provide high quality energy efficiency services, with professionalism, ontime, and in a highly cost effective manner. Customer satisfaction is our primary goal.

SKILLS

Our core strengths are discussed below. For interdisciplinary projects with areas outside of our expertise, we work with partner firms that have complementary skills in implementation, engineering, and measurement and evaluation. Our skills include:

- Program Design
- Marketing Services
- Partnering with Local Governments
- Information Services with domain expertise in the energy arena

Program Design

Our personnel have managed all aspects of programs oriented toward overall "energy" savings, peak kW reductions, or market transformation initiatives. Insync can provide everything from the initial focus groups to evaluating the program results as a feedback loop for improved design.

We have developed programs to encourage a self-sustaining market for energy-efficient technologies, including:

- Customer-funded design and project management services
- Operations and maintenance energy savings program
- Energy cost benchmarking
- Web-based technical information sites to educate customers
- Web-based directory of suppliers of energy-efficient products and services

We were selected by the California PUC to market to local consumers and implement the Stockton Area Comprehensive Local Program for the 2002-2003 local programs. As part of that work, we reviewed all 1998 California utility energy efficiency programs.

Marketing Services

Insync offers comprehensive marketing services for your programs. We are experienced at creating and implementing turnkey marketing solutions for energy-efficiency programs, products, and services. Our marketing strength lies in the following areas:

Marketing Strategies: Insync has designed, managed, and evaluated a wide range of programs. Our market research experience ranges from conducting focus groups to synthesizing secondary market research. We apply this experience to develop effective marketing strategies that target specific sectors and market actors, meet your business goals, and achieve your implementation targets.

Marketing Materials: Insync provides content, graphic design, and production services for applications, brochures, direct mail pieces, and other marketing materials. We develop targeted marketing campaigns tailored to select groups of customers and trade allies. By combining our technical and market knowledge of energy efficiency with the skills of a graphic design team experienced in energy efficiency programs, we can quickly provide our clients with marketing materials to roll out a program to boost participation. Our familiarity with energy efficiency markets enables us to shift marketing materials, messages, targeting, and promotional strategies to respond dynamically to market conditions and client needs.

Website Development: The Web is an efficient medium to offer a wide range of information services to customers, including program and technical information, purchasing support, account review, and required regulatory documentation. The Web offers interactivity, dynamic and instantaneous response, and the ability to communicate highly technical information. A properly designed site allows customers to find the content they need at their appropriate level of interest and expertise. Insync provides web site content and works with a highly skilled team of programmers, graphic designers, and Internet developers who are experienced at creating and maintaining an effective, state-of-the-art web site tailored to your corporate or program needs.

We developed the Stockton Energy Efficiency web site (www.stocktongov.com/energysaving). This site was designed to provide a one-stop information site for energy efficiency for the City of Stockton, including information for residential and business customers with links to incentive programs and vendors purchasing guides, and technical articles.

Partnering with Local Governments

Insync has experience providing energy efficiency technical and planning support to local governments. Prior to working at Insync, our management has a combined 20 years of experience working with utilities and the government sector. Current and former projects range from helping a city develop integrated energy efficiency strategies to co-authoring million-dollar grant proposals.

Insync has recently developed and administered energy efficiency programs through third party solicitations. These programs aim to capture specific energy efficiency market opportunities.

Insync has successfully worked with the City of Stockton for the last 1-1/2 years. Insync initiated and formed a partnership with the City of Stockton to fund a Local Third Party Program through the California Public Utilities Commission (CPUC). The ~\$ 1 million program involves development of an outreach component for promoting energy efficiency awareness, as well as an implementation component for energy savings measures for small businesses. The outreach component involved a direct mail component to local residents and businesses including non-English speaking residents, an email marketing campaign, and an energy efficiency focused website. A database application was also developed to handle customer orders, their status and versions, as well as reporting on the successful implementations.

InSync helped to form and create a mutually beneficial relationship with the City of Stockton. InSync, with the help of City officials, worked with City business groups and organizations to nurture this program, disseminate information to these small businesses and other entities, and enable them to leverage this program for the benefit of small business enterprises. The expected date for completion of this program is March 2004.

Database Management Tools & Information Services

Our team provides solutions for tracking and sharing data between different programs and platforms. Utilities have huge quantities of valuable data, but are often not in a position to process and analyze it efficiently. We know that the best program or product is incomplete without proper data, marketing analysis tools, and information resources.

Insync helps to provide customers with the information they need to make informed decisions about energy. Insync has technical expertise in both energy efficiency and information technologies. Insync has developed a great variety of customer information services including on-line searchable technology databases, vendor directories, program evaluation applications, and applications to help manage energy-efficiency programs for home and business customers. Our staff has experience in implementing information services on numerous platform architectures, from traditional personal computers to high-end server-based web applications.

B. Subcontractors

ADM Associates, Inc. - Qualifications

ADM's ability to implement the San Joaquin Program is based on our considerable experience in working with small business firms to improve energy efficiency. Since beginning business in 1979, ADM Associates, Inc. has worked with utilities throughout the country to implement large-scale programs to help small commercial firms use energy more efficiently. We have conducted programs to market energy efficiency services to small business firms for various clients, including the California Energy Extension Service, the Bonneville Power Administration, Entergy Services, Northern States Power, El Paso Electric, and Colorado Springs Public Utilities Department.

Our ability to inform owners/operators of small businesses about energy efficiency opportunities derives more generally from our hands-on experience in collecting and analyzing data on energy use for large numbers of commercial facilities.

- We have conducted energy audits on nearly 3,000 commercial and industrial facilities for such clients as Niagara Mohawk Power, Entergy Services, Northern States Power, El Paso Electric, Wisconsin Electric Power, Iowa Southern Utilities, Centerior Services Company, the Bonneville Power Administration, San Diego Gas and Electric, and Rochester Gas and Electric.
- We have conducted on-site surveys of nearly 10,000 commercial and industrial facilities for clients such as Entergy Services, Northern States Power, Union Electric, Central Illinois Public Service, Florida Power and Light, Alabama Power Company, El Paso Electric, the Bonneville Power Administration, Southern California Edison, Pacific Gas and Electric, the California Energy Commission, the Sacramento Municipal Utility District, San Diego Gas and Electric and other utility companies.

C. Resumes or Description of Experience

Jay Bhalla

Mr. Jay Bhalla has been in the energy efficiency arena for over 12 years. He managed the Express Efficiency Program at PG&E for over 5 years. During these five years, the Express Efficiency Program consistently beat its energy and demand goals. He was responsible for the concept, development, and implementation of CustomNet (a benchmarking program) and SmarterEnergy (a website with comprehensive energy efficiency information). During 2002-2003, Mr. Bhalla was responsible for coordination of the "Stockton Comprehensive Energy Efficiency Program", a third party program funded by the CPUC. The Stockton Program is on track to beat all its goals and objectives. Mr. Bhalla has a B.S. in Mechanical Engineering and a MBA in Marketing.

Ashish Goel

Mr. Goel has over 12 years experience working in government contracting, the energy industry, and technology. He has substantial experience with program management, design, and coordination. At Insync, he has been managing the Stockton program, one of the 2002-2003 third party programs. He was a group manager with the IT group at Tetra Tech. He was instrumental in setting up the GIS department at Tetra Tech. He managed several engineering projects during his 6-1/2 year tenure at Tetra Tech for Hunters Point and Mare Island Naval Shipyard. His government experience work/interaction with organizations like the Department of Defense, Environmental Protection Agency, California EPA, U.S. Geological Survey, California Department of Health Services, and others.

Mr. Goel has an undergraduate degree from the Indian Institute of Technology, Bombay, and a MS in Environmental Engineering from Clemson University.

JAY BHALLA

221 Azalea Lane, Suite D San Ramon, CA 94583

Tel: 925.336.1862 Email: jay.bhalla@insyncenergy.com

Highly creative, self-motivated professional with MBA and demonstrated product/program development and management experience. Consistently successful in identifying and capitalizing upon market opportunities to drive revenue growth, develop programs/products and expand market penetration. Equally strong qualifications in working with cross functional teams, innovativeness/creativity, problem solving, decision-making, communication, consensus team building and presentation skills. Ability to analyze complex situations, design practical solutions and implement cost-effective plans. Proficient in Microsoft Word, Excel, Access and PowerPoint. Extensive experience in product development including finding creative solutions, assembling cross functional teams, setting deadlines, and delivering final products/programs on time and within budget.

EXPERIENCE

Insync, San Jose, CA

Vice President, Business Development, 2000 - Present

- Complete responsibility for creation and maintenance of various partnerships within the energy arena
- Coordination of the 2002-2003 Stockton Comprehensive Energy Efficiency Program
- Managed the above reference program budget of over \$1 Million
- Successfully met all objectives and goals for above program resulting in peak demand savings of over 250 kW from installations in over 450 facilities
- Coordination of the development of Groupware Application for CPUC ongoing

PACIFIC GAS & ELECTRIC COMPANY, San Francisco, CA, 1992 - 2000

Senior Program Manager (1995 - Present)

Planning/Marketing Support Lead (1993 - 1994)

Technical Support (1992 - 1993)

- Promoted rapidly throughout an eight year career with a Fortune 500 company. Dynamic leader and mentor, able to build team cohesion and inspire individuals to strive towards ever higher levels of achievement.
- Full strategic and management responsibility for leading project teams through critical phases of program development including budgeting, design, implementation, rollout, marketing and advertising of several revenue generating programs.
- Proactive in creating sales and marketing strategies, developing customized marketing plans, and providing project support to teams. Developed and managed programs with an annual budget of over \$25 Million.
- Managed \$2 million contracts annually and led a team of over 25 professionals.
- Consistently met all goals and targets.

Major areas of responsibility :

Express Efficiency Program (1995 Present)

- Successfully directed the company's flagship energy efficiency program targeted to over 300,000 PG&E business customers and 5000+ vendors to encourage energy efficiency.
- Developed and managed this program with an annual program budget of \$20 million.
- Led cross functional team of 14 Express Coordinators, 200 reps, legal contact, regulatory contact, advertising contact, and internet development contact to develop, implement and market the program.
- Responsible for advertising, media coordination and focus groups within an average annual budget of \$1 million.
- Identified target audiences to market program, determined key elements of audience's focus to drive market penetration, developed marketing and media strategies to target the market, partnered with consultants in ad development and worked with various techniques to test effectiveness.

- Completed presentations to various stakeholders including internal department, customers, and vendors.
- Received feedback from vendors and customers to determine the effectiveness of program and made changes/addressed concerns accordingly. Responsible for all issue resolution with vendors and internal PG&E team.
- Total responsibility for database (Oracle/SQL queries), tracking, regulatory and vendor/customer related issues.
- Developed an interactive website for business customers to procure information and apply for incentives.

Accomplishment: Developed, designed, and implemented a \$20 Million program on time and within budget. Attained 175% of target and an average of \$3 million in annual shareholder earnings. Consistently met all cost effectiveness goals.

SmarterEnergy Website (1998 2000)

- Challenged to direct the efforts of a project team in conceiving and developing a one-stop shopping website for customers which provided energy efficiency information and access to a listing of qualified vendors. \$1.5 Million annual budget.
- Vendors paid to sign up which generated dollars for the site.
- Used internal presentations to build consensus amongst management team regarding strategic focus and direction of site.
- Managed website development and web enabling of business activities including online registration and processing.

Result: Developed, designed, and implemented first complete web-based site within energy efficiency to generate revenue, meeting over 200% of vendor sign-up target. The number of hits to the site increased from 5000 to 100,000 per month.

JAY BHALLA

Page two

EXPERIENCE

(Continued)

CustomNet (1998-2000)

- Developed and managed a corporate energy strategy benchmarking program designed specifically for large businesses, developing a first-of-its-kind program in the utility industry.
- Program filled a critical gap that previous programs could not meet by presenting energy efficiency options to the financial decision-maker. Over \$1 million annual budget.
- Website supported.

Result: Developed, designed, and implemented this market based solution on time and within budget. Met 150% of goal related to the number of customer reports. Target was 100% good-to-excellent rating of program and achieved 100% of excellent rating.

Tailored Energy Planning Assistance (TEPA) (1997-1998)

- Developed a unique solution to address organizational barriers large businesses face in planning decisions.
- Established customer funded energy efficiency planning services, thereby charging customers for their services which was a first for PG&E.
- Budget \$1 million annually.

Result: Met 125% of incentive target to contract services.

PG&E, San Francisco, CA, 1991

Intern

- Responsible for determining energy efficiency marketing strategies to underserved markets within PG&E service territory.

AT&T, Pleasanton, CA, 1990

Summer Intern

- Developed techniques to determine effectiveness of marketing strategies with an annual budget of \$5 million.

Marketing Lead

- Complete responsibility for sales and marketing of a new shipping software product line. Exceeded targeted goal of 200 systems per year by 300%.

Sales Representative

- Sold copiers nationally, resulting in personal sales of over \$2 million per year.

EDUCATION AND PROFESSIONAL DEVELOPMENT

MBA Concentration Marketing, 1992

San Jose State University

BS Mechanical Engineering, 1988

Punjab Engineering College

Taghi Alereza

Principal & Director of Engineering

Mr. Alereza is a Principal of ADM Associates, Inc. and Director of the Engineering Division. He has been responsible for the development of several state-of-the-art contributions in the energy modeling field. These contributions have centered on energy analysis and energy forecasting for the residential, commercial, and industrial sectors. During his 25 years of professional experience, Mr. Alereza has successfully managed highly technical projects for over thirty major utility companies, the Department of Energy, California Energy Commission, and Electric Power Research Institute.

California Statewide Programs

Mr. Alereza has led ADM's effort to develop and implement two statewide residential programs during the 1998 program year. He conceived and developed the "Residential Duct Efficiency Program," which was implemented in the service territories of Pacific Gas and Electric, Southern California Edison, Southern California Gas and San Diego Gas and Electric. Mr. Alereza directed the development of the procedures for duct leakage tests and repairs, the training curriculum for HVAC contractors, marketing materials and program evaluation protocols. The Duct Repair program is being considered as an item with the most amount of incentives in the 1999 residential SPC program. Mr. Alereza also conceived the Local Energy Assistance Program (LEAP), which was implemented in the PG&E, SCE and SCG service areas. This program provided extensive training to developer/builders, local government staff and elected officials.

Program Evaluation

Mr. Alereza has managed several commercial, industrial and residential impact evaluations for Detroit Edison, Portland General Electric, Pacific Gas and Electric, Delmarva Power, BC Hydro, and Consumers Power Company. ADM designed the sample for participants and non-participants, collected the data, prepared baseline simulations of HVAC energy use, evaluated the energy impacts of the programs, and conducted all metering-related work, including installing, maintaining and removing metering equipment, collecting and verifying metered data on energy use and using these data to calibrate procedures for simulating such energy use.

Mr. Alereza has also managed various new construction evaluations for Pacific Gas and Electric, San Diego Gas and Electric, Southern California Edison Company and BC Hydro. ADM assessed the actual (realized) impact of several post-implementation program parameters, first-year annual energy savings, load shape impacts, net-to-gross and persistence impacts, incremental customer equipment and installation costs, and total customers' costs.

Pacific Gas and Electric's Commercial New Construction Program entailed an evaluation of realized savings for participant and non-participants using data on building equipment and characteristics;

economic and attitudinal characteristics of the businesses involved; and billing and/or end-use metered data. In addition, monitoring equipment was installed in a subsample of the buildings to measure end-use electricity under "as operated" conditions.

ADM Associates provided analysis of the impacts of SDG&E, SCE and BC Hydro's energy efficiency programs. We conducted more than 300 high-resolution on-site surveys and correlated the results to billing data and local weather data. SDG&E and SCE's evaluations included additional parametric runs compared the energy use of the buildings under Title 24 conditions, as-built conditions and per incentivized measures. The data from the decision makers' survey was combined with the results of the DOE-2 parametric analysis to perform the overall net-to-gross analysis.

End Use Metering

Mr. Alereza has been the principal-in-charge on monitoring projects that collected data from more than 500 buildings in various locations.

He is currently managing Phase I and Phase II of an end-use metering project for Entergy Services Inc. ADM is performing this project to provide baseline end-use information for commercial buildings in Entergy's service area. We are installing monitoring equipment at 40 commercial buildings throughout Entergy's four-state service area and will be collecting end-use data from these buildings over the next year. End uses being monitored include space heating, air conditioning, and lighting, as well as end uses important in particular types of buildings (e.g., refrigeration in grocery stores).

As part of Pacific Gas & Electric Company's Collaborative Process program verification efforts, ADM conducted short-term monitoring of end uses in commercial and industrial buildings, both before and after conservation measure implementation. Data were analyzed to identify actual energy savings associated with each end use at each site and included in a comprehensive summary report prepared for each site. For Southern California Edison, ADM provided technical support for end-use metering of 50 commercial buildings. For San Diego Gas & Electric Company, ADM conducted its commercial end use and thermal storage monitoring project. We installed data acquisition systems at over 100 selected buildings with chillers and/or thermal storage systems in SDG&E's service territory. For all projects, ADM was responsible for recruiting the buildings for the program, preparing the meter installation plan, verifying the meter installation, and for validating the end-use data collected. Data validation is accomplished using our Load Profile Viewer, a custom-designed software program for reviewing and validating end-use load profile data. Installed equipment included current transformers, Btu meters, flow meters and temperature sensors.

He was responsible for the development of Data Analysis and Reporting System (DARS), a microcomputer software package that graphically displays metered end-use load data. DARS was developed as a coordinated set of SAS (Statistical Analysis System) programs that can extract end use load data from a mainframe data base and prepare the data for analysis and reporting. For simple reporting purposes, DARS can produce daily load profile plots, percent energy distribution pie charts, and energy distribution bar charts. For data analysis, DARS can produce load profile plots for various options, including individual site plots, plots for distributions across monitored sites, and plots for weighted averages across sites.

Publications

Mr. Alereza has authored over twenty research papers which he has presented to the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). He has also served as the technical committee (TC) chairman on energy utilization. This committee is the cognizant TC for development of measurement and verification protocols being developed jointly by DOE and ASHRAE. He is the author of, or a principle contributor to, over 50 technical papers or major reports in the areas of energy analysis, energy conservation, and energy forecasting.

Some of the projects to which Mr. Alereza has been a principal technical contributor include:

- Conducting Survey of 500 Commercial Establishments in California, California Energy Commission
- Conducting Survey and Performing EUI Calculations for 60 Commercial Buildings, Southern California
- Conducting Survey of 400 Commercial Buildings in Baltimore, MD, Federal Energy Administration
- Development of Typical Commercial Buildings in California, California Energy Commission
- Development of Building Energy Standards for Residential and Commercial Buildings, State of Alaska
- Development of Non-Computerized Methodology for Building Energy Analysis, U.S. Army Construction Engineering Research Laboratory
- Evaluation of Residential Energy Consumption and Assessment of Technical Innovations Enabling Reduction of Energy Consumption, U.S Department of Housing and Urban Development
- Development of Variable-Based Degree-Day Energy Calculation Method, National Bureau of Standards
- Energy Use and Electricity Demand Forecasting for the Commercial Sector, Electric Power Research Institute
- Comprehensive Community Planning for Energy Management and Conservation, U.S. Energy Research and Development Administration
- Energy Analysis for the South Florida Region, South Florida Regional Planning Council
- Hot Water Usage in Hospitals, Lawrence Berkeley Laboratory

Prior to forming ADM Associates, Inc., Mr. Alereza was Program Manager of the Western Office of Hittman Associates, Inc.

Mr. Alereza is a graduate from Auburn University with a Bachelor of Mechanical Engineering (B.M.E.), and has completed M.S. and the coursework for a D.Sc. in Mechanical Engineering at George Washington University. Mr. Alereza is a Registered Professional Engineer in the State of California.

Cyrus Davehlo

Field Engineer

Cyrus Davehlo is a mechanical engineer at ADM Associates. As a field engineer and trainer, his primary responsibilities are to conduct energy surveys and analysis of residential, commercial and industrial facilities.

Mr. Davehlo has considerable experience in collecting information on energy use, energy conservation, and load management in residential, commercial and industrial facilities. He is skilled at interviewing building owners and at collecting data on industrial processes, HVAC equipment and systems, lighting systems, and building operational characteristics. He is also skilled at identifying cost-effective energy conservation measures. In addition to participating on the industrial customer survey and data base development for Wisconsin Electric, he is participating in the Commercial and Industrial End-Use Survey with Southern Company Services, Inc. in Atlanta.

Mr. Davehlo was involved with the Commercial and Industrial End-Use survey that ADM conducted for Florida Power & Light Company (FP&L). This survey gathered information on the characteristics of commercial and industrial buildings through on-site visits to 1,200 of FP&L's customers. Data collected documented the structural equipment characteristics of the buildings with a view to existing and potential energy conservation measures. The data collected are also being used to prepare input for COMMEND.

Mr. Davehlo's past experience includes several years as customer representative for major HVAC manufacturers, including Trane and York. He has also managed several HVAC installation projects.

Mr. Davehlo has a B.S. in Mechanical Engineering from Florida International University, with an emphasis on Industrial Technology.

Safdar Chaudhry, Ph.D

Senior Mechanical Engineer

Dr. Chaudhry is a Senior Engineer at ADM Associates, Inc. His professional experience emphasizes building energy end-use analysis, development of load management programs for utilities, and technology evaluation in residential, commercial and industrial applications.

Dr. Chaudhry has been involved in new residential community design under the Local Energy Assistance Program (LEAP.) He has participated in evaluation of energy conservation strategies proposed for several cities in California. He has evaluated these strategies for energy and cost savings for developers/builders, city governments and future homeowners.

He developed energy conservation evaluation procedures, monitored field staff, and reviewed recommended energy measures for the Mobile Energy Clinic program conducted for Southern California Gas Company. He also developed energy auditing and measure evaluation procedures conducted for the Lodging Industry Education Program conducted for SCG.

He has participated in the development of technology and performance characteristics, and formulating these characteristics as a function of parameters affecting the performance. He has used these functional relationships in DOE-2 building energy simulation, and other models, including TRNSYS and BLAST.

He has been involved in the following projects, related to Demand Side Management Program Development and Evaluation, Energy Auditing and Analysis, End-Use Load Profiles and Appliance Technology Assessment:

- New Construction Evaluation Program for Pacific Gas and Electric Co.
- Title 24 Plus Program Evaluation for SDG&E
- Technical review for State Schools Energy Conservation Improvements Program for the Office of Local Assistance, Department of General Services.
- Impact evaluation of adding insulation in refrigerated warehouses for Southern California Edison Company.
- Impact Evaluation of the Smart Energy Design Program for Portland General Electric Co.
- New Building Design Program for British Columbia Hydroelectric Company.
- Commercial Building Energy Use Simulation Program for Southern California Edison Company.
- Commercial/Industrial and Residential Audits for ENTERGY Services, Inc.
- On-site surveys of new commercial buildings for the Sacramento Municipal Utility District.
- New Construction Evaluation Program for the Sacramento Municipal Utility District.
- Cooperative study to assess application of geothermal heat pump system in schools.

While a Research Associate at the University of Birmingham, his activities included:

- Development of a computer based automatic control system for energy systems.
- Development of a computer based data acquisition system, and analysis tools to monitor and analyze performance of energy systems.
- Data acquisition, processing and analysis of energy systems.
- Mathematical modeling, and development of energy simulation algorithms and computer codes for a variety of engineering problems.

- Computer simulation of energy systems and performance optimization.

Dr. Chaudhry worked as a Research Fellow at the George Washington University, where he was involved in analysis of energy resources and devices, forecasting, input/output and net energy analysis, life-cycle costing, second law energy analysis and technological assessment. His experience also encompasses management of engineering projects and public administration, including planning, preparation, implementation, evaluation and economic and financial analysis. His work on energy systems have been widely published in the U.S. and abroad.

Dr. Chaudhry has, an M.S. in Mechanical Engineering from George Washington University and a Ph.D. in Mechanical Engineering for the University of Birmingham.

Mugimin Lukito

Mechanical Engineer

Mugimin Lukito is a Mechanical Engineer with ADM Associates, Inc. His responsibilities include site surveys, building energy end-use analysis, technical evaluation of energy conservation retrofits in commercial and industrial applications, and coordination of surveys for energy efficiency programs.

At ADM, Mr. Lukito is currently working on the Public Interest Research (PIER) Energy Efficient Low Income Housing Program. For this project, he has performed a preliminary technical evaluation of the attic water pre-heater, and he is currently involved in the temperature study of existing Habitat for Humanity homes. Another project he is involved in is the retro-commissioning of the Arco Arena and Sacramento Airport Terminal A, sponsored by Sacramento Municipal Utility District (SMUD), the latter using a building simulation model in DOE-2. He is also currently responsible for coordinating surveys for the Residential Contractor Program (RCP) evaluation sponsored by PG&E, SDG&E and SCE.

Prior to joining ADM, Mr. Lukito was working as a Graduate Assistant (GA) for the University of Notre Dame Industrial Assessment Center (NDIAC) while completing his post-graduate studies. The primary goal of this program sponsored by the U.S. Department of Energy is to provide free energy, waste and productivity assessment for small to medium size local manufacturing companies. In this capacity, he was responsible for coordinating site visits, managing ongoing projects, training new members, and being a teaching assistant for the class offered by the Aerospace & Mechanical Engineering Department in support of the program. Before becoming a GA, he also participated in the program as an undergraduate. During his tenure at the NDIAC, he participated in more than 60 audits. He has also written numerous technical reports related to these assessments.

Mr. Lukito has earned B.S. and M.S. degrees in Mechanical Engineering from the University of Notre Dame.

Section VIII

Budget

Total budget for this program is \$591,200. (This does not include the potential Performance Goal of 7%). Detailed costs are summarized in the Excel worksheet.

Description	2004 (\$)	2005 (\$)	Total (\$)
<i>Administration</i>	\$ 32,200	\$ 26,500	58,700
Marketing/Advertising/Outreach Program			
Direct Mail - Phase I	\$ 23,200	\$ 23,200	\$46,400
Direct Mail - Phase II	\$ 23,200	\$ 23,200	\$46,400
Direct Mail - Phase III	\$ 23,200	\$ 23,200	\$46,400
Direct Mail - Phase IV	\$ 23,200	\$ 23,200	\$46,400
Email Campaigns (4)	\$ 18,000	\$ 18,000	\$36,000
City Events (2)	\$ 31,500	\$ 31,500	\$63,000
Website	\$ 9,800	\$ 0	\$9,800
Direct Implementation			
Small Business Seminars (6)	\$ 11,400	\$ 11,400	\$22,800
Vendor Training Sessions (6)	\$ 11,400	\$ 11,400	\$22,800
Facility Audits (500)	\$ 85,000	\$ 85,000	\$170,000
Installation Assistance/Quality Check (100)	\$ 11,250	\$11,250	\$22,500
EM&V	5,950	5,950	11,900
Third Party EM&V Consultant	13,050	13,050	26,100
TOTALS	322,350	306,850	\$ 629,200



CITY OF STOCKTON

OFFICE OF THE CITY MANAGER

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www.stockton.gov

September 18, 2003

TO WHOM IT MAY CONCERN:

INSYNC ENERGY RECOMMENDATION LETTER

This letter is to provide a recommendation to InSync Energy for their efforts in the energy efficiency arena.

InSync first approached Stockton in 2001 hoping to increase business and resident awareness of the benefits of energy efficiency. As a City, we now have a greater awareness of those benefits and the advantages we can derive from it in the future.

The InSync program covers many facets - from delivering creative quality energy efficiency information to residents and businesses, utilizing local networks like the Greater Stockton Chamber of Commerce and the Downtown Business Alliance of Stockton, to the actual implementation of energy efficiency measures for the small business community. Certainly one of the key strengths of InSync has been their capability to team with the City in utilizing local partnerships and networks to increase the awareness about energy efficiency and the resources that are available to our residents and businesses. These activities have created a basic infrastructure and momentum that could be effectively carried forward to other cities.

If you would like to discuss the positive relationship that the City of Stockton has had with InSync and those involved with the company, please feel free to contact me at (209) 937-5530.

MARK LEWIS, ESQ.
CITY MANAGER

STEVE CARRIGAN, DIRECTOR
ECONOMIC DEVELOPMENT

SC/lwc

