



RINSE & SAVE

A Hot Water Conservation Program for Business

Rinse & Save Program

- First of Its Kind
- Statewide Implementation
 - Water and Energy Utilities
- Saved 9 Billion Gallons of Water
- Saved 68 Million therms
 - How Program Originated
 - Why it Worked
 - What Could Have Been Done Better
 - Accomplishments



Background

- 2002 CPUC Solicited Bids from Third Parties
- CUWCC Looking for Funding Sources
 - Working with Food Service Technology Center
 - Acting as a Collaborator of Water Agencies
 - Researched Water/Energy Products
 - Dishwashers
 - Ice Machines
 - Food Steamers
 - Spray Valves Rose to the Top



Pre-rinse Spray Valve

-Part of Dishwasher
Assembly

-Older Valves Use
3.0 gpm

-New Valves Use
1.6 gpm

-5 Year Life

-100,000 in California



Why Spray Valves?

- Water Savings = 300 gallons per day
 - Energy Savings = 1 therm per day
 - 1% Market Saturation
 - Cleaned Same or Better than Standard Valves
 - Reduced Cleaning Time
 - Product Costs \$60
 - Hit Underserved Market – Food Service
- Savings Provided Benefit of Being Able to Design a Best in Class Program*



Program Design

Market Issues

Restaurants Run on
Tight Margins

Managers are Busy with
the Days Business

And Typically Don't
Respond to Mail or
Phone Solicitation

Design Solutions

-Free Product

-Free Installation

-Door-to-Door Canvass

-5 Minute Sales Pitch

-Focus on Dollar Savings

-Install Product at Time
of Canvass



Phase 1 Bid Issues

- Didn't Have a History with CPUC or IOUs
- New Product
 - Only 1 Model in the Market
- Claiming Extreme Savings and Cost/Benefit Numbers

Solution

- Wrote a Great Proposal
- Provided Testing Data from FSTC
- Hired Lobbyist
 - Support Letters from 18 Senators and Reps.



Phase 1 Awarded \$2.2 Million

- Awarded \$2.2 Million
- Statewide Implementation
- PG&E, SCE and SDG&E Territories
- 12 Water Agencies Provided \$800,000
- Goal: 16,900 Spray Valve Installations



Phase 1 Results

- Installed 16,903 Spray Valves
- October 2002 – December 2003
- One of a Only a Few Third Party Programs to Hit Goal within Timeframe
- 6.1 Million therms Saved Annually
- 740 Million Gallons Saved Annually
- Average Customer Savings \$500-\$1,000 per Year
- Received 60% Response Rate



Phase 2 Bids

- Submitted Three Proposals to the CPUC
 - SoCalGas, PG&E, SDG&E Territories
- Ranked 10th out of 400 Proposals Received
- Awarded \$2.5 Million
 - SoCalGas
 - PG&E
- Set Site Limitation
 - 5 Sites per Owner
- Goal = 24,700 Spray Valve Installations



Phase 2 Results

- Installed 19,003 Spray Valves
- May 2004 – December 2005
- Response Rate Went Down to 50%
- Pre-rinse Spray Valves incorporated into the Energy Policy Act of 2005
 - National Standard of 1.6 GPM in 2006
- 6.9 Million therms Saved Annually
- 832 Million Gallons Saved Annually



Phase 3

- Direct to Utilities
 - Not through CPUC Process
- Awarded Contracts with SoCalGas & PG&E for \$1.3 Million
- 1 Year Implementation
 - Due to 2006 National Standard
- Goal: 10,000 Spray Valves Installed



Phase 3 Results

- Installed 5,644 Spray Valves
- June 2006 – March 2007
 - 6 Months for SoCalGas
 - 9 Months for PG&E
- Response Rate Reduced
 - From 60% to 27%
- Savings Estimates Reduced



Phase 3 Issues

- Overestimated Market
- Limited by IOU and Water Agency Territories
- Canvassing Didn't Work in Saturated Market
 - Staff Production Fell by 50%
- Couldn't Find a Useful Customer List
 - IOUs
 - Health Department
- Lower Water and Energy Savings



Accomplishments

- Installed 40,731 Spray Valves
- Penetrated the Market: 60% Saturation
- Passed National Standard
- Abundant Products in Markets
- Programs Across the Nation
- Saved 9 Billion Gallons of Water
- Saved 68 Million therms
- Saved Customers \$20 Million in Utility Bills



Moving Forward

- Difficult to Find Another “Silver Bullet”
- Many Technologies will Require Upstream Incentives
- Still Challenged by Energy and Water Utility Territories
 - Hundreds of Water Agencies in CA Alone
 - Sporadic Programs with Different Incentive Levels and Processes
- Competition for Who Will Implement



Results



	Phase 1	Phase 2	Phase 3	Total
Goal	16,900	24,700	10,000	51,600
Installs	16,903	19,003	5,644	40,731
% of Goal	100%	77%	56%	79%
Response Rate	60%	50%	27%	45%
EE Funding	\$2.2 M	\$2.3M	\$1.3M	\$5.8M
WUE Funding	\$845k	\$950k	\$282k	\$2M
therms Saved	28M	31M	9.3M	68M
Water Saved	3.7 Billion	4.2 Billion	1.2 Billion	9 Billion
Customer Savings	\$8.45M	\$9.5M	\$2.8M	\$20M

Production



	Phase 1	Phase 2	Phase 3
Total Installs	16,084	19,003	5,644
North	3,205	6,608	2,532
South	12,879	11,254	3,112
Avg Monthly	946	1,117	640
Close Ratio	60%	50%	27%