

ACEEE  
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# Energy Efficiency Policy in California 2002

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## 2002: A New Paradigm

- Major policy shift at year's end without substantive public input
- From utility to CPUC administration

## 2002-Concerns With New Paradigm

- CPUC taking on administrative role – building good infrastructure takes time
- CPUC in administrative role creates conflict of interest
- Deal is a moving target. Ever changing rules not commercially reasonable
- Utilities asked to administer contracts they are not selecting and negotiating.  
All downside risk + no upside = bad business

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## Program Structure 2002

- CPUC Decision divides programs into “statewide” (4 IOUs) and “local” (open to all)
- Statewide programs - foundation of rebate and information services for all customers
- Emphasis on reaching smaller customers and targeted segments
- Statewide Total: \$160 million
- Local Total: Utilities: \$25 million  
Non-Utilities: \$50 million
- Present status on programs:
  - 3.21.02 Decision on Statewide Programs
  - Bridge Funding for 2001 Local Programs through May 31
  - Awaiting Decision on 2002 Local Programs

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## High Points of CPUC Decision

- Full Funding for Statewide (\$160 M)
- Energy Savings Targets Reduced for Certain Programs
- Bridge Funding for Select Local Programs (\$2.75 M)
- Punitive Language Directed At IOUs Removed
- Decision authorizes program roll-out immediately

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## Low Points of CPUC Decision

- No Decision on Funding For MA&E Activities
- No Shareholder Incentives for PY 2002
- IOU (SCE) Ordered to Contract With DCA and Univision For Marketing And Outreach
- No Decision on 2002 Local Programs

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# The Numbers Talk

**Megawatts Saved by IOUs  
in the Last Decade**

