



City of Riverside Energy Efficiency Assessment

July 2009

Energy Efficiency Programs and Riverside Public Utilities

The City of Riverside in Southern California and its municipal utility, Riverside Public Utilities (RPU), have an energy efficiency program for its 105,000 customers. As a publicly owned utility (POU), RPU has the responsibility of promoting energy conservation and demand management in its community through public education programs and rebate programs.

As part of its participation in the California Department of Conservation's *Emerald California* pilot program in partnership with the California Sustainability Alliance and RPU, Navigant Consulting undertook a study evaluating RPU's current energy efficiency portfolio of programs and initiatives. The study also recommended strategies and measures to ensure a comprehensive, best-of-class approach to maximizing RPU's energy efficiency efforts.

Emerald California

The California Department of Conservation's (DOC) *Emerald California* pilot program is designed to optimize sustainable/green activities across several focus areas including energy activity and policy, greenhouse gas emission reductions, waste and recycling, urban design and land use, urban nature, transportation, water conservation and 'healthy communities'. The program is designed to assist and provide support to cities such as Riverside in its efforts to 'Green the City'.

Key Findings

The study noted that RPU's portfolio of energy efficiency programs gives it a strong baseline to achieve energy savings given the current regulatory climate and the competition for supply-side resources and focus. However, with the emergence of energy efficiency as the strategy of choice for achieving the State's energy goals as illustrated in the *Energy Action Plan* and through the passage of SB1037 and AB32, the policy context in which RPU and other POUs operate has significantly changed. In order to meet the new "stretch goals" adopted by the state, as well as the additional goals being adopted by Riverside as part the Emerald Cities program, RPU will need to significantly enhance and/or revamp its concept of how to deliver energy efficiency (and other "Green" values) to its residents and customers.

Recommendations

The study recommends the following best practices for adoption by RPU's energy efficiency program:

- Develop of a comprehensive mapping of energy use in its service area, with a focus on overall energy end-use by sectors and identifying key energy user market sub-segments
- Use the IOU's 2006-2008 energy efficiency portfolios as a model for market-segmentation and focus
- Develop energy efficiency programs based on a comprehensive understanding of both the energy use patterns in the city, and the customer-owner infrastructure and decision making framework that exists within the identified key market sub-segments
- Allocate RPU's resources to research key "best practice" programs that can be added to the RPU portfolio to enhance program take-up.
- Utilize elements of the Sacramento Municipal Utility District's (SMUD) portfolio of programs, collectively known as the *SMUD Compact With the Customer* as a model for program adoption
- Adopt a spirit of innovation and creativity within RPU's energy efficiency program and marketing staff to help RPU meet any adopted "stretch goals" for energy efficiency and demand response
- Investigate collaborations with neighboring utilities. Collaboration among utilities is a "best practice" that has proven effective in making significant inroads into the market for energy efficiency in adjacent or nearby service territories
- Develop a comprehensive demand response strategy to partner with City's largest customers in co-marketing a comprehensive energy efficiency and demand response program