BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Proposed Policies and Programs Governing post-2003 Low-Income Assistance Programs.

R. 04-01-006

PROPOSED REVISIONS TO THE LOW INCOME ENERGY EFFICIENCY PROGRAM STANDARDIZATION TEAM PROPOSED REVISIONS TO THE LOW-INCOME ENERGY EFFICIENCY STATEWIDE POLICIES AND PROCEDURES MANUAL AND WEATHERIZATION INSTALLATION STANDARDS MANUAL FILED ON NOVEMBER 1, 2005

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March 9, 2006

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On behalf of the Joint Utilities Low Income Energy Efficiency (LIEE) Program Standardization Project Team¹ (Team), San Diego Gas & Electric (SDG&E) hereby proposes two (2) revisions to the LIEE Statewide Policies and Procedures and Weatherization Installation Standards Manuals (Manuals) filed herein on November 1, 2005. These proposed revisions are being made in response to recent public input² received on the Manuals and are designed to (1) delete the energy efficiency rating reference of 11.5 for high efficiency central air conditioners and (2) clarify the policy on replacement of leaky water heaters. The proposed revisions to the Manuals were circulated at the Low Income Oversight Board meeting held on February 28, 2006, and are attached hereto as Attachment 1 (redlined version) and Attachment 2 (non-redlined version). SDG&E requests that opening comments be filed within seven days from the date of this filing, March 16, 2006, and reply comments 5 days thereafter,

March 21, 2006, unless the Administrative Law Judge establishes other dates.

Respectfully submitted,

Georgetta J. Baker

Attorney for

San Diego Gas & Electric Company

March 9, 2006

¹ The Team consists of Pacific Gas & Electric Company, Southern California Edison, Southern California Gas Company, San Diego Gas & Electric Company, and the joint utilities technical consultants, with coordination assistance from the Commission's Energy Division and participation by the Office of Ratepayer Advocates.

² The California Public Utilities Commission held a workshop on February 17, 2006, to discuss, among other things, the November 1, 2005 Standardization Project Tem filing on the Manuals.

Attachment 1

Table 5-1: Eligible Measures for 2006

Measure	TOTAL CLASS
······································	Eligibility
Ceiling Insulation	All Climate Zones and Residence Types
Low Flow Showerheads	All Climate Zones and Residence Types
Water Heater Insulation	All Climate Zones and Residence Types
Weather-Stripping Doors	All Climate Zones and Residence Types
Caulking	All Climate Zones and Residence Types
Outlet Cover Plate Gaskets	All Climate Zones and Residence Types
Faucet Aerators	All Climate Zones and Residence Types
Water Heater Pipe Insulation	All Climate Zones and Residence Types
Evaporative Coolers	Climate zones 10-16 only; single family
	and mobile homes only
Refrigerator Replacements	All Climate Zones and Residence Types
Evaporative Cooler and Air Conditioner	All Climate Zones and Residence Types
Vent Covers	***
Hard-Wired Compact Fluorescent Lamp	All climate Zones, but Single Family
Porch Light Fixtures	Homes only
Thread-Based Compact Fluorescent	All climate Zones and Residence Types
Lamps	V A
High Efficiency Window/Wall Air	Climate Zones 10-15 only
Conditioners	•
High Efficiency Central Air Conditioners	Climate Zones 14 and 15 only
Duct Testing and Sealing	All Climate Zones for Single Family
	and Mobile Homes with gas space
	heating; Only Climate Zones 10-16 for
	homes with electric space heating
Minor Home Repairs ¹	All Climate Zones and Residence Types

There are multiple submeasures included under minor home repairs. Minor home repairs are constituted by services that either reduce infiltration (e.g., window repairs), mitigate a hazardous condition, or accommodate the installation of Program measures (e.g., attic venting). Furnace repairs and replacements and water heater repairs and replacements fall under the category of minor home repairs, and are provided only when necessary to mitigate NGAT fails and pursuant to the installation of infiltration-reduction measures. Water heater repairs and replacements are also considered minor home repairs, and are provided only to mitigate NGAT fails or to replace leaky water heaters. For the purposes of qualifying a home for the Program, all minor home repairs (combined) count as a single measure.

- The unit is a central water heater serving more than one unit, or
- The customer refuses water heater repair.

Other Policies. The following other policies apply to water heater repairs and replacements:

- Water heater repair or replacement may be provided only when: (a) the appliance fails NGAT, and correction cannot be achieved with Service/ Adjustment by utility gas service personnel (or their designated representative), or (b) the tank has a water leak.¹⁴
- Water heater replacements and major repairs may be provided only if the residence is owner-occupied. Service/Adjustment may also be conducted in renter-occupied homes.
- Water heater repairs and replacements will be provided only if the fuel used by the appliance is supplied by the utility providing LIEE Program services.
- Water heater replacement will not include hazardous material abatement, major structural alteration, concrete work, painting, or floor covering.
- A water heater may be repaired only if the cost of repairing the unit would be less than 50% of the cost of replacement.

7.3.19. Refrigerator Replacement

Non-Feasibility Criteria. Refrigerators shall not be replaced if:

- Any refrigerator to be removed was manufactured after 1992,
- The electrical outlet used by the existing refrigerator is not properly grounded and cannot be properly grounded,
- Floor is not level and cannot safely support a new refrigerator,
- The refrigerator is not accessible for removal (e.g., doors from room are too small, refrigerator is encased in tile),
- Hazardous electrical conditions exist at the outlet used by the existing refrigerator, or
- The customer refuses refrigerator replacement.

Other Policies. Other policies that apply to refrigerator replacement include the following.

■ The minimum size for primary refrigerators replaced under the LIEE Program is 10 cubic feet.

⁴⁴ A water heater will be considered to fail the NGAT if it has a leaky tank.

10.4 Timing of Combustion Appliance Testing

10.4.1. Homes with Natural Gas Appliances

For homes with natural gas appliances, post-weatherization NGAT protocols are conducted <u>after</u> weatherization. Post-weatherization NGAT shall be conducted within five (5) working days from the date that infiltration reduction measures are installed.

10.4.2. Homes for which Infiltration Reduction is Simulated

Temporary sealing/blocking of defective windows and doors, in order to perform post-weatherization NGAT, is allowed when required materials (such as specialty glass or special-order windows or doors) are not available to be installed concurrently with the other weatherization measures. NGAT will be conducted with the defect sealed/blocked (e.g., with plastic sheeting) to simulate infiltration reduction achieved by the completed window/door repair/replacement. A repeat of NGAT following the completed repair/replacement is <u>not</u> required.

10.5 Actions to be Taken When Appliances Fail NGAT

The following actions will be taken when appliances fail NGAT:

- In owner-occupied homes, natural gas space heaters failing one or more of the tests covered by the NGAT protocol will be provided with Service/Adjustment and, if necessary, will be repaired or replaced subject to Program policies and procedures.²
- In owner-occupied homes, natural gas water heaters failing one or more of the tests covered by the NGAT protocol will be provided with Service/Adjustment and, if necessary, will be repaired or replaced subject to Program policies and procedures.³
- In owner-occupied homes, non-program appliances⁴ failing one or more of the tests covered by the NGAT protocols will be provided with Service/Adjustment .⁵ If Service/Adjustment does not correct the problem in question, the appliance will be tagged, shut off, and/or capped and reported to the owner.
- In renter-occupied homes, appliances failing one or more of the tests covered by the NGAT protocol will be provided with Service/Adjustment.⁶ If Service/Adjustment

Note that the absence of a furnace in cases where another gas appliance is used for space heating will constitute an NGAT fail.

³ A water heater with a leaky tank will be considered to fail NGAT.

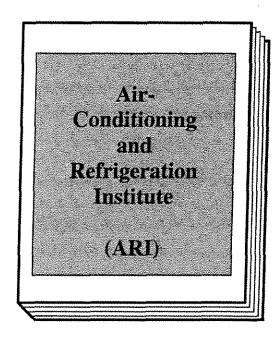
⁴ Appliances for which LIEE repair or replacement is not available.

In this context, Service/Adjustment of an appliance entails providing services that are within the scope of the gas service department for customers in general.

CENTRAL HIGH EFFICIENCY AIR CONDITIONER REPLACEMENT STANDARDS

5. APPROVED MATERIALS

- All Units
 - All materials shall be in conformance with the CBC and CMC.
 - Replacement air conditioning systems shall be rated by the Air-Conditioning and Refrigeration Institute (ARI).
 - Programmable thermostat shall be selected and installed as prescribed in Section 23.
- Package Units (Dual Packs)
 - Minimum SEER of 13.0 and EER of 11.5.
- Split Systems
 - Minimum SEER of 13.0 and EER of 11.5 with a Thermostatic Expansion Valve (TXV).
 - The SEER shall be determined by the coil match as listed in the current ARI Directory.



4. SIZING CRITERIA

- System Size

- Unit shall be sized in accordance with Title 24 or local code, whichever is more stringent.
- The tonnage of the new system should be equal to or smaller than the existing system.

Refrigerant Lines

- Shall be properly sized per manufacturer's specifications.
- Shall provide the rated SEER for the combination condenser and evaporator coil match.

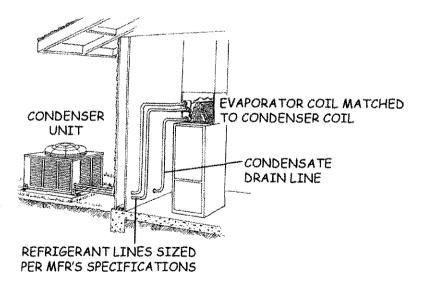
5. EVAPORATOR (INDOOR) COIL AND CONDENSER (OUTDOOR) COIL

- Split Systems

- An evaporator coil shall be installed which is verified to be a rated match with the condenser unit, as listed in current ARI Directory.
- The coil label shall be visible.
- Condenser coil and evaporator coil shall be verified to function properly.
- An access panel shall be provided for cleaning.

- Evaporator Coil Replacement

- Prior to charging, vacuum shall be drawn on the refrigerant lines to test for leaks and remove water vapor.
- Depth of vacuum and length of time shall be as specified by the manufacturer.



Attachment 2

Table 5-1: Eligible Measures for 2006

Measure	Eligibility
Ceiling Insulation	All Climate Zones and Residence Types
Low Flow Showerheads	All Climate Zones and Residence Types
Water Heater Insulation	All Climate Zones and Residence Types
Weather-Stripping Doors	All Climate Zones and Residence Types
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Faucet Aerators	All Climate Zones and Residence Types
Water Heater Pipe Insulation	All Climate Zones and Residence Types
Evaporative Coolers	Climate zones 10-16 only; single family and mobile homes only
Refrigerator Replacements	All Climate Zones and Residence Types
Evaporative Cooler and Air Conditioner	All Climate Zones and Residence Types
Vent Covers	
Hard-Wired Compact Fluorescent Lamp	All climate Zones, but Single Family
Porch Light Fixtures	Homes only
Thread-Based Compact Fluorescent	All climate Zones and Residence Types
Lamps	
High Efficiency Window/Wall Air	Climate Zones 10-15 only
Conditioners	
High Efficiency Central Air Conditioners	Climate Zones 14 and 15 only
Duct Testing and Sealing	All Climate Zones for Single Family
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Minor Home Repairs ¹	All Climate Zones and Residence Types

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Other Policies. The following other policies apply to water heater repairs and replacements:

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- Water heater replacements and major repairs may be provided only if the residence is owner-occupied. Service/Adjustment may also be conducted in renter-occupied homes.
- Water heater repairs and replacements will be provided only if the fuel used by the appliance is supplied by the utility providing LIEE Program services.
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- The customer refuses refrigerator replacement.

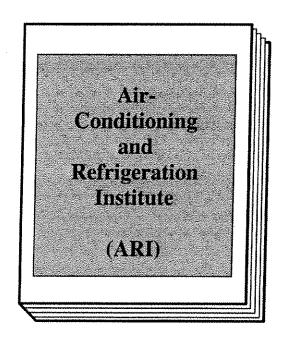
Other Policies. Other policies that apply to refrigerator replacement include the following.

 The minimum size for primary refrigerators replaced under the LIEE Program is 10 cubic feet.

CENTRAL HIGH EFFICIENCY AIR CONDITIONER REPLACEMENT STANDARDS

5. APPROVED MATERIALS

- All Units
 - All materials shall be in conformance with the CBC and CMC.
 - Replacement air conditioning systems shall be rated by the Air-Conditioning and Refrigeration Institute (ARI).
 - Programmable thermostat shall be selected and installed as prescribed in Section 23.
- Package Units (Dual Packs)
 - Minimum SEER of 13.0.
- Split Systems
 - Minimum SEER of 13.0 with a Thermostatic Expansion Valve (TXV).
 - The SEER shall be determined by the coil match as listed in the current ARI Directory.



4. SIZING CRITERIA

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- Refrigerant Lines

- Shall be properly sized per manufacturer's specifications.
- Shall provide the rated SEER for the combination condenser and evaporator coil match.

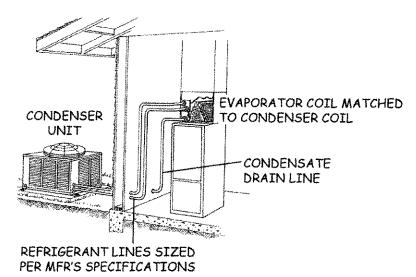
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- Prior to charging, vacuum shall be drawn on the refrigerant lines to test for leaks and remove water vapor.
- Depth of vacuum and length of time shall be as specified by the manufacturer.



CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing PROPOSED REVISIONS TO THE LOW INCOME ENERGY EFFICIENCY PROGRAM STANDARDIZATION TEAM PROPOSED REVISIONS TO THE LOW-INCOME ENERGY EFFICIENCY STATEWIDE POLICIES AND PROCEDURES MANUAL AND WEATHERIZATION INSTALLATION STANDARDS MANUAL FILED ON NOVEMBER 1, 2005 on all parties of record in R.04-01-006 by electronic mail and by U.S. Mail to those parties who have not provided an electronic address to the Commission. I have also sent hard copies by overnight mail to the assigned ALJ(s) and Commissioner(s).

Dated at San Diego, California, this 9th day of March, 2006.

Joel Dellosa