

**PGE2078 Comprehensive Manufactured-Mobile Home—Synergy Company**

2006 - 2008

1. Projected Budget*	\$3,994,434
2. Projected Net Impacts	
MWh	4,606
MW (Summer Peak)	.520
Therms	258,532
3. Cost Effectiveness*	
TRC	2.79
PAC	1.09

\*Does not include PG&E contract administration costs, which are estimated at 5 percent of expected contract value and included at the portfolio level.

**4. Descriptors**

Market Sector: Residential Mass Market  
Classification: Third Party  
Status: Previous--Existing 2002-04

**5. Statement**

There are market failures and barriers to address in the mobile home market related to cost effectiveness; split incentives; park management directives; income and language. The basis for this PG&E comprehensive Manufactured/Mobile Home proposal is to reach, among others, the moderate and fixed-income customers of PG&E in a cost effective and comprehensive manner.

In recent years, we have found few contractors serving this market segment. We also learned that this market segment was not likely to take advantage of programs because of language, economic, or educational barriers. Synergy associates also found that many of the tenants being served are senior citizens, on a fixed income and many times not physically able to install these measures themselves. Our firm observed these issues to be significant barriers to using EE funding and programs.

To avoid double-dipping practices that might possibly occur as a result of the same property being served by another PG&E program, such as Energy Partners or the MF program, Synergy's outreach and installation associates will do a property survey to assure that there is a need for the various energy efficiency services that have not been served by others.

This assessment will take place at several different times to avoid this possibility. Once at the initial meeting with the property owner by the outreach specialist, a second time at neighborhood meetings when our staff meets with property managers and tenants (Synergy will clarify that we

will be sure that the measures have not already been installed), and at the time of installation when the technician will do a walk-through to be sure that the measures have not yet been installed or served. This effort to screen out duplication of work has been most effective in the past.

**6. Rationale**

Synergy and its sub contractor UCONS have successfully addressed each of the following hurdles in the mobile home arena the past seven years.

*A. Hurdle #1:* Clearly identifying target sites for program education and introduction.

Our full-time marketing department will identify customers, targeting areas that are most responsive and identifying qualified parks for this program.

*B. Hurdle #2:* How to break down park manager barriers to allowing personal contacts with park residences.

The tactic to address this hurdle is to recognize the separate decision makers in mobile home parks and to establish credibility with park managers (in addition to mobile home owners) through repeated meetings and participation in their scheduled park association meetings. This is a real hurdle as park owners and managers can be protective and suspicious of anyone that wishes to “market or contact” their tenants and residents. Synergy’s long-term experience of serving hundreds of parks and owners will help Synergy to build “trust” with many park Managers.

*C. Hurdle #3:* How to address the suspicion and reluctance of customers to permit individuals in their homes.

The tactic to address this hurdle is to gain the support of the park management by building on reputation from past programs.

*D. Hurdle #4:* Recognizing and addressing language, economic and age barriers.

The tactics to address this hurdle have been addressed above. In addition, many of Synergy’s associates are bi-lingual.

The manufacturer-mobile home program is focused on energy efficiency savings through the installation and use of energy efficiency measures and will not be focused on energy self-generations measures.

**7. Outcomes**

Description of Outcome	Program Goal
1. To target customers in the manufactured and mobile home customers and to provide them a comprehensive set of Energy Efficiency measures. (Duct Test & Seal, AC Diagnostic, Aerators, Low Flow Showerheads, and CFL’s)	1. To serve and educate about 5,500 customers in this market segment.

2. To deliver cost effective energy savings	2. To save: A. Annual Net kWh: 4,605,958 B. Annual Net Therms 258,532 C. Net kW 520
3. To reduce emissions of CO2, NOX, and PM-10	3. To reduce annual emissions by: A. CO2 emissions reduction- 2,479 tons B. NOX- 637 lbs. C. PM-10- 323 lbs.
4. To have a have quality and satisfaction rating	4. To have 100 percent quality installations of Duct Seal and AC Diagnostic work, with follow-up surveys and random sample inspections for other items. To have 97 percent customer satisfaction

Synergy will proactively evaluate program milestones and accomplishments on a monthly and quarterly basis. If we find that we are falling behind on the milestone schedule, Synergy will communicate a plan with the PG&E program manager of how we will get back on track, which would likely involved increasing the number of visits to property managers for marketing purposes or increasing the number of qualified technicians to complete the projected number of installations, or both. It is Synergy’s goal and business strategy to get ahead of the milestones and accomplishments, so that we will have a cushion of production in the event of unforeseen events such as weather or other acts of nature.

**8. Program Strategy**

This program will deploy a creative marketing program to teach energy efficiency in Mobile parks and neighborhood gatherings. These meetings not only introduce the customers to the measures that will be utilized in their home, but helps them be comfortable with the technicians that will do the work. Each customer is provided with an energy efficiency tips brochure that also teaches about other energy efficiency programs, providing phone numbers and contact information for those that may be able to take advantage of them. The features mentioned allow us to optimize energy savings opportunities and to avoid lost opportunities. Our technicians also contact all neighbors when the actual work is being completed to further educate to the program availability.

This Manufacturer- Mobile Home Program will employ the following strategies:

- Residential Comprehensive Retrofit
- Residential Education

- Residential Quality Installation
  - Residential Direct Install
  - Residential Downstream Training
  - Residential Targeted Marketing
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- The strategies encompassing: Residential Education; Comprehensive Retrofit; Direct Install and Targeted Marketing will be performed concurrently and employing the following strategies:

Initial program launch will have Synergy initiating marketing in those geographic sectors which Synergy identifies, with input from PG&E as needed, of highest priority. Synergy has developed marketing and program descriptors for this program and will review with PG&E prior to providing to the mobile home park managers and to their homeowners.

Targeted marketing will be on the mobile home sectors. Prior to initiating the education and direct install component, both the prescriptive and innovative measures will be described to each mobile home park manager over the course of the first 45 days. It is their support and cooperation, which is key prior to marketing the program to the individual park homeowners. In many instances, the park manager will have Synergy attend or host a park or neighborhood association meeting to explain program benefits to each mobile home owner. Upon notification of customer interest, Synergy will do a walk-through with each customer and install measures, which are found to be needed in each home.

- The Synergy strategy for ensuring Quality Installation will be implemented to ensure that: all customer needs are met and customer satisfaction levels exceed 95 percent; that long-term persistence of savings is achieved in order to meet or exceed E-3 calculator levels of savings; and finally, a separate early-M&V program will be implemented by sub contractors UCONS and Stellar to maximize therm, kWh and peak kW savings.

The early-M&V component will utilize the same in-field testing and evaluation features which have been utilized by UCONS in their current SCE mobile home program.

- The strategy for achieving Downstream Training will employ Synergies' long-standing policy of providing long-term: educational materials; response to customer inquiries; and providing long-term service and repairs long-after contract deadlines. This policy maintains customer awareness of the potential for energy savings, which is a key problem with many mobile home residential ratepayers (who have some of the highest energy bills in the residential sector).

## **9. Objectives**

ACTIVITY DESCRIPTION
Finalize Operations Plan
Completion and approval of Marketing Piece
Add Laptops for technicians
Begin Roll-out of Marketing Campaign
Modification of Web Page to Reflect this Program
Complete Energy Savings Materials for Customers
Evaluate Response Rates to Marketing
Synergy Stakeholders Training Session
Monthly Report (Every month by the 21 <sup>st</sup> )
Quarterly Evaluation and Training Meetings
Complete Implementation Plan

**Production Benchmarks**

<b>Date</b>	<b>Projected Units Complete</b>	<b>Progress Measurement</b>
1 <sup>st</sup> Qtr 2006	0	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
2 <sup>nd</sup> Qtr	800	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
3 <sup>rd</sup> Qtr	800	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
4 <sup>th</sup> Qtr	600	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
1 <sup>st</sup> Qtr 2007	300	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
2 <sup>nd</sup> Qtr	750	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
3 <sup>rd</sup> Qtr	750	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
4 <sup>th</sup> Qtr	400	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
1 <sup>st</sup> Qtr 2008	400	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
2 <sup>nd</sup> Qtr	500	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
3 <sup>rd</sup> Qtr	200	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
4 <sup>th</sup> Qtr	0	Monthly Report (On the 21 <sup>st</sup> of each Month) and Invoice
1 <sup>st</sup> Qtr 2009		Program Evaluation and Final Report
<b>Total</b>	<b>5,500</b>	

	<b>Contacts/Meetings with Managers/Owners</b>	<b>Attendees at Neighborhood Meetings</b>	<b>Direct Mail/Canvass Notifications</b>
1 <sup>st</sup> Qtr 2006	10	0	1,000
2 <sup>nd</sup> Qtr	10	300	2,000
3 <sup>rd</sup> Qtr	10	300	3,000
4 <sup>th</sup> Qtr	10	300	3,000
1 <sup>st</sup> Qtr 2007	10	300	2,000
2 <sup>nd</sup> Qtr	10	300	2,000
3 <sup>rd</sup> Qtr	10	300	2,000
4 <sup>th</sup> Qtr	10	300	2,000
1 <sup>st</sup> Qtr 2008	10	300	2,000
2 <sup>nd</sup> Qtr	10	300	2,000
3 <sup>rd</sup> Qtr	0	300	2,000
4 <sup>th</sup> Qtr	0	0	0
1 <sup>st</sup> Qtr 2009	0	0	0
<b>Total</b>	<b>100</b>	<b>3,000</b>	<b>23,000</b>

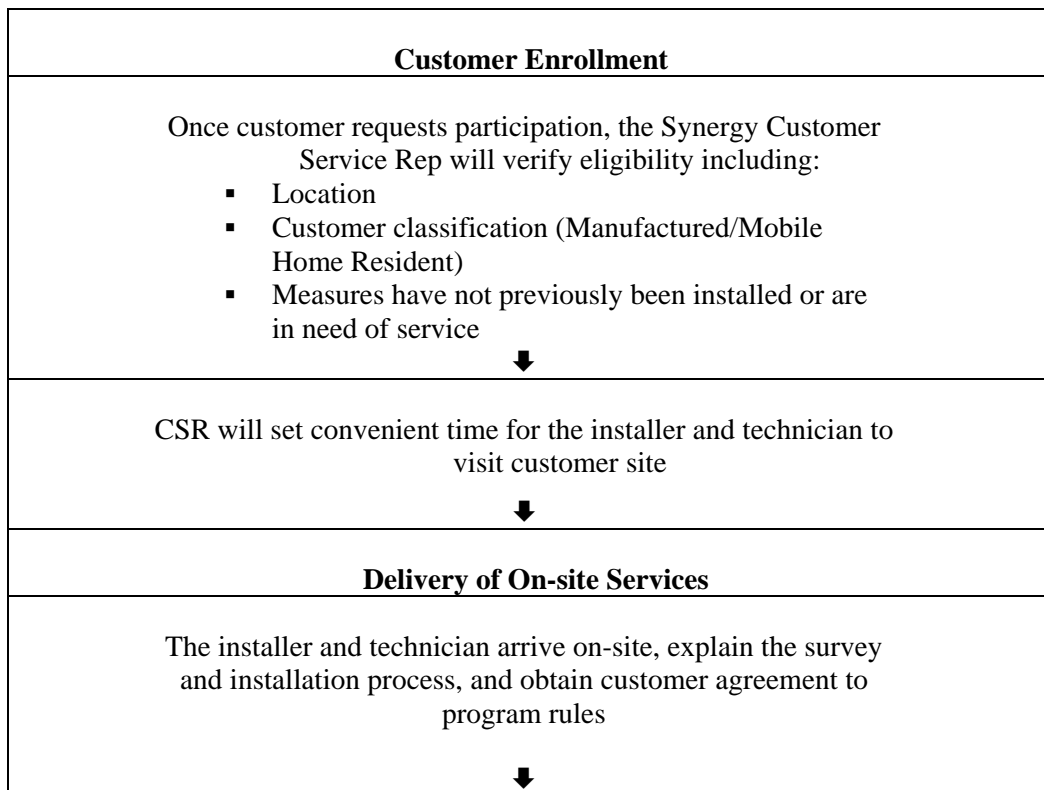
**10. Implementation**

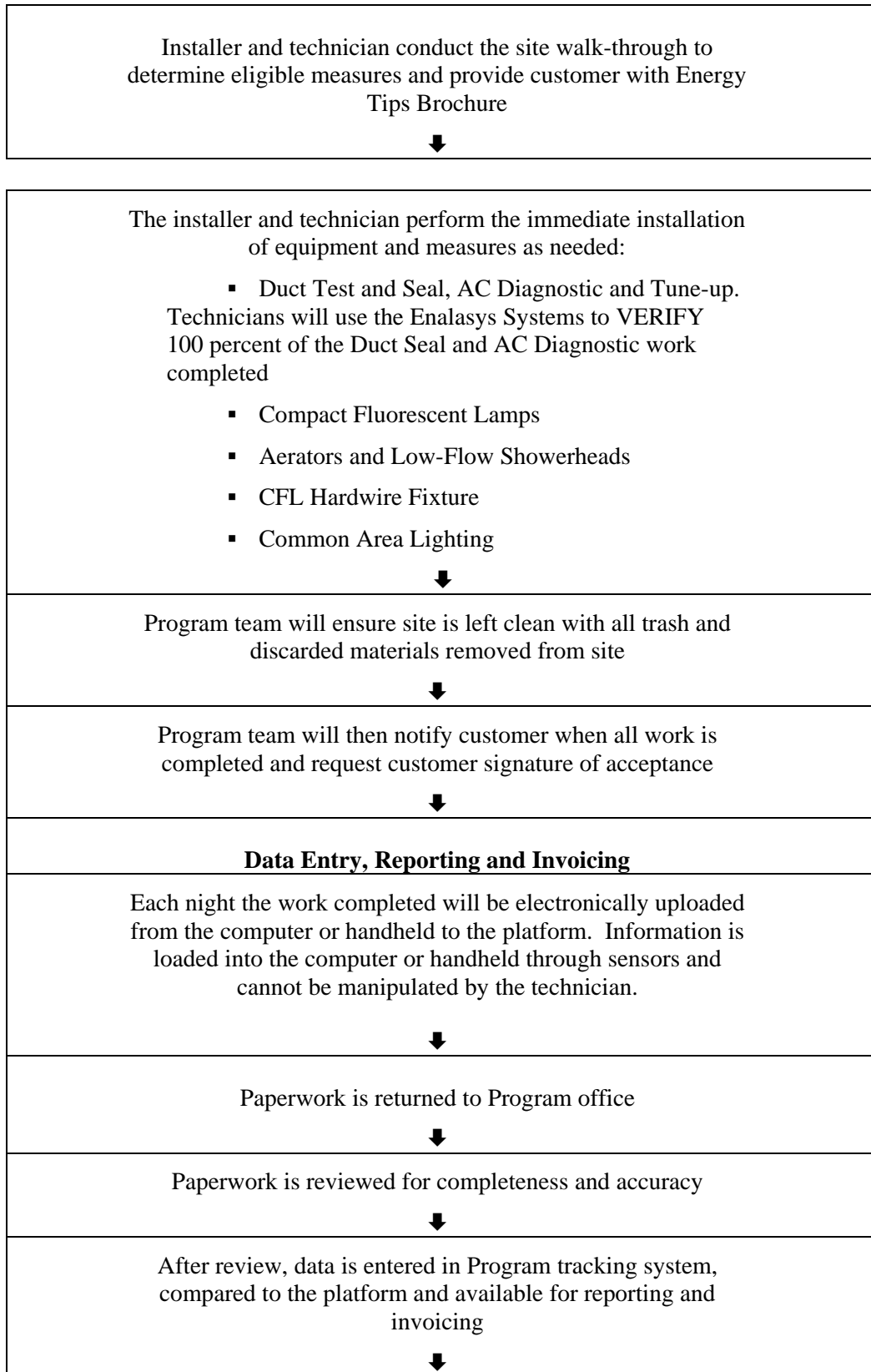
The program design has been completed in preparation for a timely launch of this program. An overview of the program is as follows:

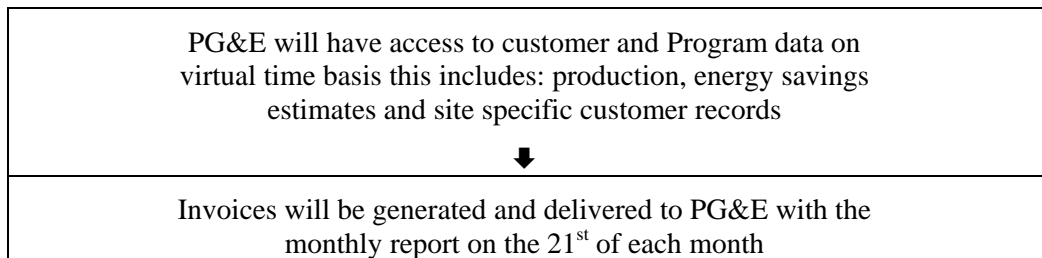
<b>Marketing Method</b>	<ul style="list-style-type: none"> <li>▪ Direct mail and canvass notification</li> <li>▪ Meetings with Park Managers and Owners</li> <li>▪ Telemarketing</li> </ul>
<b>Delivery Approach</b>	<ul style="list-style-type: none"> <li>▪ On-site survey</li> <li>▪ Direct installation of products and services</li> </ul>
<b>Customer and Market Segments</b>	* Focus first on the Manufactured/Mobile Home Customers in warmer and dryer climates, such as the Central Valley Areas of California.

While the elements of our program design are highlighted above, it is also important to understand the sequence of customer interactions and overall program below.

Depicted below is the proposed Process Flow Diagram and Process Flow Narrative of the Innovative and Comprehensive Manufactured/Mobile Home Program:







## **11. Customer Description**

The customers targeted for this program are the owners and renters of manufactured and mobile homes in mobile home parks with a first emphasis in the hotter, dryer climate zones of PG&E service area. This market is typically more costly to serve and difficult to reach by virtue of multiple decision makers; the high expense to locate these individuals; the typically inefficient building shells; and because of the financial constraints of moderate-income level (income levels less than 400 percent of federal poverty guidelines). Frequently these individuals are retired and on fixed or moderate incomes. These customers are also some of the highest residential energy users in the utility service area.

## **12. Customer Interface**

The customers will likely be introduced to the program through a live neighborhood meeting, where the program and associated measures are presented and demonstrated. Those desiring to take advantage of the program may sign-up for a schedule date at the neighborhood meeting.

In addition, flyers will be sent to each potential customer, inviting him/her to call the toll-free number for an appointment if they are interested in the program.

At the time of installation, the technician does a walk through and explains to the customer what service will be provided at their home. At the conclusion of the installations, the technician provides the customer with a follow-up of what was installed and is provided the energy efficiency tips brochure.

## **13. Energy Measures and Program Activities**

### **13.1 Prescriptive Measures.**

Measures that will be utilized in this program on a direct install program basis are:

Verified Duct Test and Seal  
Verified AC Diagnostic and Tune-Up  
Energy Star CFL's and Hardwire Fixtures  
Lo-flow Showerheads and Aerators

The detail on each of these measures is found in the E3 Calculator "input sheet."

### **13.2 kWh Level Data**

This information is included in the E3 Calculator.

### **13.3 Non-energy Activities**

Not applicable in this program

### **13.4 Subcontractor Activities**

Description of activities expected to be performed by subcontractors.

Synergy Companies will work in conjunction with CAL-UCONS, a design, marketing, and EM&V consulting firm.

CAL-UCONS will focus on program design plus EM&V support to assure delivery of energy savings. Synergy Companies will provide the marketing, customer support and overall program management and implementation for the program.

### **13.5 Quality Assurance and Evaluation Activities**

Description of expected quality assurance and evaluation activities, including expected number/percent of inspections (planned percent of projects).

Synergy Companies, in conjunction with Enalaysys Corp, will use an electronic sensor program to VERIFY 100 percent of the Duct Seal and AC Diagnostic jobs. The Enalaysys technology will measure both pre and post work equipment efficiency readings. These readings are electronically read and not manually Input by a technician. This provides for 100 percent verification of quality Installations. General input information i.e. Name, Address, equipment serial number, etc, are entered manually or are push down to the laptop. The diagnostic data measured from sensors and testing equipment i.e. duct blaster, ChargeRite are RF transmitted to the laptop where they are either recorded or used in algorithms for calculating performance criteria as well as calculated and deemed energy savings. All of this data is then uploaded to a central secured database that can be accessed and downloaded in various formats. This information provides the basis for the calculations of the EM&V.

In addition, Synergy has an office that is dedicated to quality control and customer satisfaction. This office calls 20 percent of customers after the work is complete to determine customer satisfaction and to gain other important information about the work completed.

Synergy also has an in-house inspector that physically and randomly inspects 5 percent of all jobs complete. These measures support a high level and commitment to quality installations at each home.

### **13.6 Marketing Activities**

Synergy begins its efforts in its marketing department by doing research for all Manufactured/Mobile home parks and residences available, by target market. In PG&E's service area Synergy has located about 135,000 homes for marketing.

A dedicated Synergy member will personally contacts each manager or owner and presents the program opportunity. From this experience, a neighborhood meeting is set up to explain the program. Attending the meeting will be Synergy staff and an experienced technician.

During the neighborhood meeting, activities would include setting up a table with energy conservation savings packets and programs. During the meeting, a demonstration would be held with the types of measures that can provide energy savings, such as duct test and seals, AC Diagnostic, CFL's, aerators, and Lo flow Showerheads. A question and answer session would also be held.

The Synergy marketing teams have bilingual capability staffed with individuals who speak English, Spanish, and Navajo.

The program is then explained and many customers will schedule service right at the meeting.

Other marketing activities include:

- 1) Working directly with local Community Organizations: Senior Citizen Centers, Mobile Home Associations, Association of Retired People, Chambers of Commerce, and local libraries of community information.
- 2) Flyers.
- 3) Word-of-mouth.

Marketing and outreach plans have been carefully developed by the program implementer to address the primary market barriers. Prior marketing efforts in these targeted sectors demonstrate that it is not practical to acquire customer contributions from the typical mobile home owner. There can be exceptions to this rule, but we have found that it often costs more from a marketing and long-term customer care perspective to collect a contribution than the amount of the contribution itself. For this targeted market sector, our experience is that the most cost effective use of Public Goods funds is to provide a direct install program (which is also cost effective on its own merits) without a customer contribution.

#### **14. Conclusion**

Synergy Companies looks forward to working together with PG&E on this proven program that serves many customers, while achieving solid energy savings on a positive cost effective basis.