PROJECT WORK PLAN

Background and Location of Organization

A partnership with both SCE and SoCalGas will break down some of the barriers identified in previous water-energy programs and provide a model for other water and energy providers throughout the state to stretch limited program funds. The infusion of grant funding would be the catalyst needed to launch a full-scale program with all three utilities achieving savings in the most efficient and effective manner.

IRWD is an independent special district serving over 20% of Central Orange County, California. IRWD provides drinking water, wastewater collection and treatment, recycled water, and urban runoff treatment to more than 340,000 residents within the City of Irvine and portions of the surrounding cities including, Lake Forest, Tustin, Newport Beach, Costa Mesa, Orange and unincorporated Orange County areas. Approximately 65 percent of the drinking water supply comes from local groundwater sources pumped through IRWD's extensive well system. The remaining 35 percent of IRWD's drinking water comes from the Colorado River and the State Water Project and is imported by the Metropolitan Water District of Southern California (MWD). IRWD's unique five-tiered rate structure and the free distribution and/or installation of cost effective water-saving devices has set them apart as a leader in water management.

Project Proponent & Partners

Southern California Edison was established in 1894 to provide electrical power to the Los Angeles area. SCE currently provides power to 14 million people in180 cities spanning 50,000 square miles in central and coastal Southern California. The SCE residential customer base consists of approximately 4.5 million service accounts. SCE has been active in efforts to improve Southern California air quality since the 1940s.

Southern California Gas Company (SoCalGas) has been delivering clean, safe and reliable natural gas to its customers for more than 140 years. It is the nation's largest natural gas distribution utility, providing safe and reliable energy to 20.9 million consumers through 5.8 million meters of pipeline in more than 500 communities. The company's service territory encompasses approximately 20,000 square miles in diverse terrain throughout Central and Southern California, from Visalia to the Mexican border.

The funding will be used for water and energy efficiency device installations at mutual customer locations and for marketing the combined program. Grant funds will cover the installation costs for a variety of water, electric and natural gas saving measures.

Experience with Water-Energy Partnerships

IRWD successfully partnered with SCE in the past on a Joint Water and Energy Business Audit Program which was funding in part through a grant from the US Bureau of Reclamation. This program integrated water with SCE's energy audits. SCE auditors were trained to identify the inefficient toilets, urinals and faucet aerators at the sites they audited. IRWD followed up on

these “leads” provided by the SCE audit team with a direct install to retrofit the inefficient fixtures.

IRWD is currently partnering with SoCalGas on a low-income direct install program by providing co-funding for high efficiency clothes washers. IRWD and SoCalGas entered into an Inter-Utility and Nondisclosure Agreement to enable SoCalGas to release customer address and installed measure data for installations completed within IRWD’s service territory. The addition of grant funding from DWR would enable this program to potentially expand to a larger customer group with a focus on IRWD’s disadvantaged community.

Environmental Compliance

This project is not subject to the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Section 15061 (b) (3), in that CEQA applies only to projects that may result in a direct physical change in the environment or reasonably foreseeable indirect physical change in the environment. This program will focus solely on retrofitting existing water and energy fixtures and therefore the program is not subject to CEQA.

Project Map

A System map is presented in Exhibit A that provides detail on the project location, associated imported and domestic water infrastructure, District jurisdictional boundaries associated with the project, and the area of benefit.

Project Tasks

Upon notification of award from DWR, IRWD will execute the following tasks:

Task 1 – Project Administration:

Deliverable: N/A

This task includes program and contract administration with the selected installation contractor and coordination efforts with SCE and SoCalGas.

Task 2 – Program Development:

Deliverable: Signed agreements between IRWD & SCE, IRWD and SoCalGas and IRWD and Installation Company.

Execute Inter-Utility Agreements
Execute Contract with Installation Company

Task 3 – Conduct Program Marketing:

Deliverable: Printed program marketing materials promoting the program as a “one-stop-shop” for water, electricity and natural gas.

Program marketing efforts will incorporate a variety of methods to reach customers most likely to have existing inefficient fixtures or who reside within DACs. The primary marketing materials will emphasize the convenience to the customers by having only one installer that can replace multiple fixtures, such as toilets, showerheads and lighting fixtures, within one visit. The combined program will be less disruptive to the customer and require only one visit compared with three if each utility were to operate the program and perform the installation work as individual utilities. The program materials will also include simplified information on embedded energy.

Single-Family Customers

Potential program participation flow for Single-Family customers will incorporate a strategy proven to be successful in previous IRWD direct install programs. Customers targeted for participation, such as those residing within DACs, will be mailed an oversized postcard advertising the free water and energy saving program. The postcard would direct them to sign up for their free devices by a specific deadline. The contracted installation company would take the calls, prescreen for eligibility with questions regarding the customer's existing electrical, natural gas and water using fixtures. Upon passing the pre-screening process for any of the devices the customer will be scheduled for the installation. It is important to note that the customers need not have all devices qualify for retrofit in order to have the installation completed.

Multi-Family Customers

Program marketing for multi-family customers such as apartments, will focus on direct communication with property managers and industry associations. This customer type often yields the greatest number of installs per touch, but also can take more time to implement due to corporate decision making protocols and managing communication with tenants regarding the installation work.

Task 4 – Perform Installations:

Deliverable: Routine report of all devices and their associated water and energy savings installed during each quarterly reporting period. Devices installed with grant funds and devices installed because of program participation but not covered by grant funds will be included in the report.

Upon contact from the customer the installation company will: 1) Schedule installation date with customer; 2) Assess replacement water and energy devices and install efficient equipment; and 3) Submit an invoice to IRWD with location and measures installed identifying those funded with grant funds. The installation of all water and energy saving devices will be conducted for qualified customers with eligible devices. The contractor will provide monthly invoices for all devices funded by this program. Any additional devices funded exclusively by SCE or SoCalGas directly will be included in the program reporting along with their associated energy savings.

The energy and water efficient devices eligible for install include the following: light bulbs, interior and exterior hardwired lighting fixtures, occupancy sensors, programmable variable-speed swimming pool pumps, low-flow faucet aerators, low-flow showerheads, high efficiency clothes washers, thermostatic shower valves, and high-efficiency toilets.

Task 5 – Program Analysis & Reporting:

Deliverable: IRWD will provide routine progress reports and invoices for eligible expenses. Quarterly progress reports including outreach and marketing efforts, number of participating customers, quantity, type and associated savings for installed devices.

Electrical, natural gas and water savings, as appropriate, from each device installed will be quantified and reported with each invoice submitted to DWR. Participation rates and response to unique outreach efforts will also be tracked and reported to provide insight on which methods are most cost-effective. An assessment of program coordination between the three participating utilities (SCE, SoCalGas and IRWD) will also be provided to inform future collaborative program efforts.
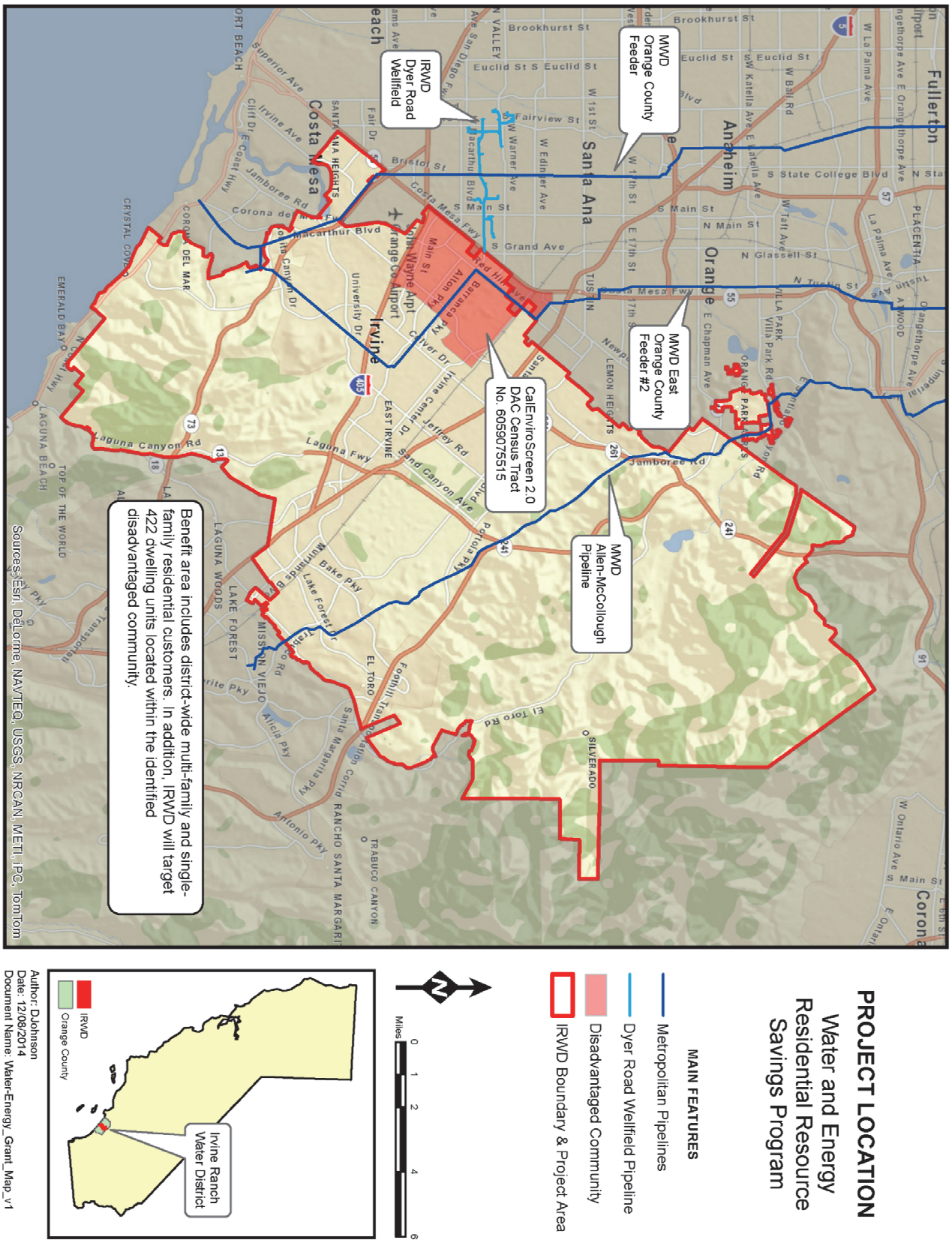
Exhibit A – System Map