PG&E's Sustainable Solutions Turnkey (SST)

Project Spotlight: DMV Headquarters in Sacramento, CA

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PG&E's SST team successfully completed installation of a multi-measure energy efficiency project for the Department of Motor Vehicles at its headquarters in Sacramento, CA. As a result, DMV now enjoys significant annual energy cost savings, substantial reductions in its carbon footprint, and the peace of mind and comfort that comes with installation of new efficient and reliable lighting and HVAC systems.

Background

PG&E is in partnership with the State of CA to drive energy savings and carbon reductions across the state's footprint. Pursuant to this partnership PG&E's SST team met with Department of Motor Vehicle (DMV) leadership concerning its energy challenges and goals at its large headquarters campus on the edge of downtown Sacramento.

DMV was struggling with antiquated systems, comfort issues, and a strong desire to cut its bill and lower its carbon emissions. The DMV headquarters consists of three office buildings and a large central plant comprising more than 840,000 square feet.

Project

The SST team's first step was to release a competitive "Request for Proposal" to several of its pre-qualified Energy Services Companies (ESCOs), seeking their best proposals to complete an Investment Grade Audit (IGA) in a timely and cost-effective fashion.

PG&E has dozens of top ESCOs under contract with high standards of technical and operational performance as well as economical rates and adherence to strict safety standards all pre-negotiated and agreed upon. By running a competitive process among its ESCOs, the SST team drives costs down and quality up.

Working "hand in hand" with DMV, PG&E completed the RFP process in just 3 months, selecting Centrica to be its subcontractor. The team then proceeded apace on the IGA. Fifteen "potential" measures were proposed, evaluated, and compared against the financial and qualitative criteria set by DMV. Potential measures included installation of photovoltaics (PV), a cogeneration unit, a pony chiller, transformer replacement, and lighting and HVAC upgrades and controls. Ultimately, four measures met the DMV's criteria and were selected for installation:

- LED Lighting / controls retrofits (to Title 24)
- HVAC controls (with direct digital control)
- HVAC fan array replacement and consolidation
- Repair and upgrade of the existing rooftop PV

The installed price of the project, including post-installation measurement and verification, was \$9.1M. With the IGA completed and the "final" measures selected, the SST team then went to work with the State's GS-\$Mart financing program to arrange competitively procured financing. This was accomplished in just a matter of weeks, with the entire project price financed at a historically low rate and completely out of the project's annual energy and maintenance cost savings. The minute the financing package "closed" SST and its contractor put their "boots on the ground" and got to work safely and methodically installing the measures.

Results

Project results are impressive, with savings estimated to be on the order of:

- \$600K in annual energy & maintenance cost savings
- 33% reduction in DMV's use of electricity
- 26% reduction in DMV's use of gas
- 2700 metric tons of annual CO2 emissions eliminated

PG&E's SST Offering and Team

SST is a "one-stop-solution" that identifies, finances, and <u>implements</u> energy efficiency, renewable generation, energy storage and water conservation measures for large customers. Savings generated from a project are deployed to pay for the project itself.

The SST team is a group of dedicated energy experts in PG&E's "Customer" division committed to driving cost and carbon reductions for PG&E's customers in keeping with PG&E's focus on the triple bottom: "People, Planet and Prosperity underpinned by Performance."

If you'd like to connect with the SST team please contact SST's Product Manager John Garnett at 415-672-1746, J7GB@pge.com or one of SST's Development Managers: David Carter at 415-590-0071, D6C4@pge.com or Brent Patera at 415-265-7232, BXPL@pge.com