



## Commercial & Industrial Customer Overview

October 2016

# Commercial Customer Profile

SVCE's service territory encompasses a large and dynamic commercial community . . .

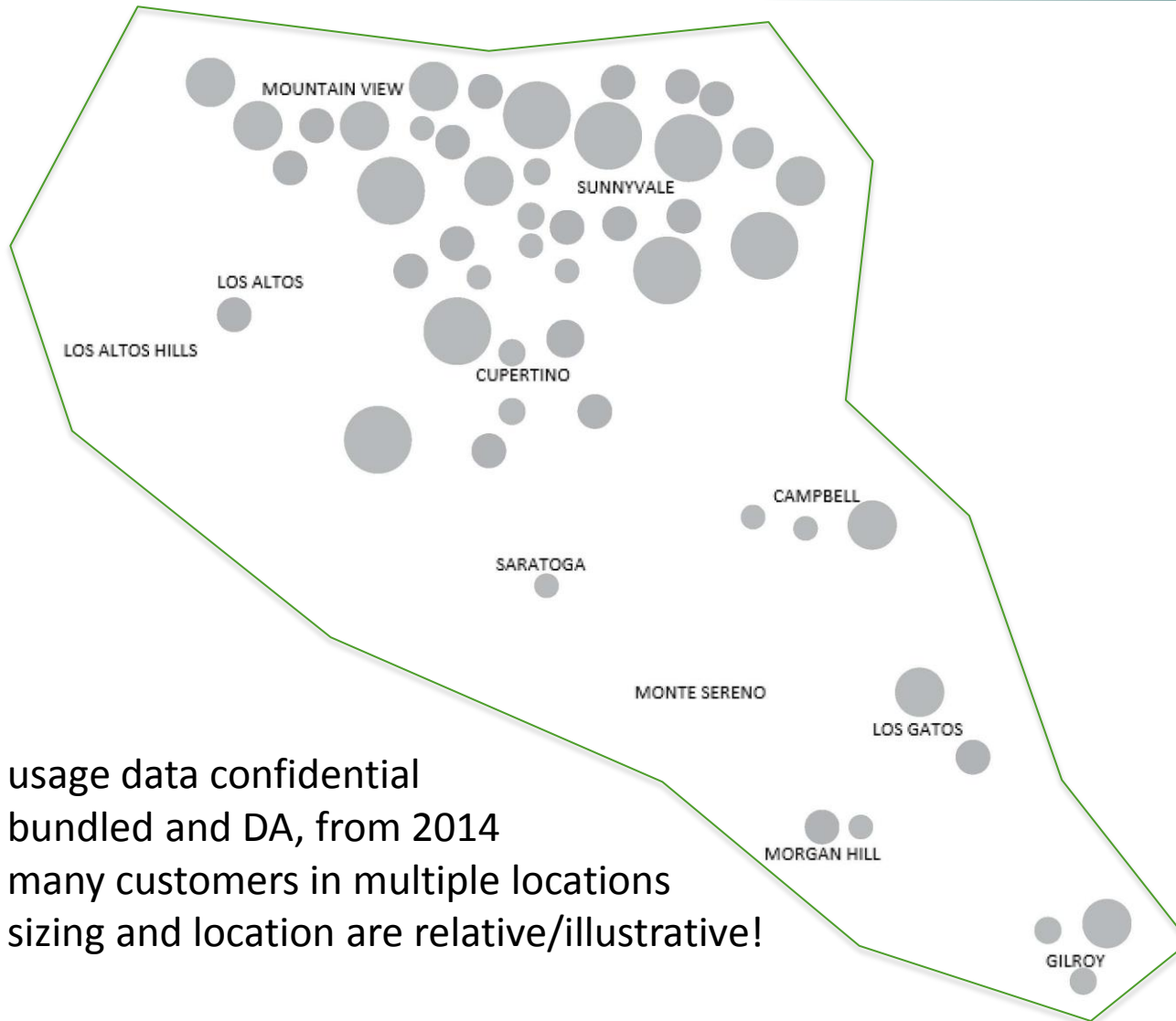
Customer Classification	Customer Accounts	Accounts % of Total	Energy Use (million kWh)	Energy Use % of total
Residential	218,049	90%	1,336	34%
Ag, Pumping and Street Lighting	2,532	1%	83	3%
Small and Medium Business (SMB)	21,647	9%	992	25%
Large Commercial and Industrial (C&I)	1,209	<1%	1,552	39%
<b>Totals* (Bundled)</b>	<b>243,437</b>	<b>100%</b>	<b>3,963</b>	<b>100%</b>
Direct Access (DA)	765	<1%	799	20% (of bundled total)

**64%**

\* Totals may not add to 100% due to rounding

# Largest C&I Electricity Customers

Relative Size



APPLE	[ DA ]
APPLIED MATERIALS	
EQUINIX	
GOOGLE	[ partial DA ]
HANSON PERMANENTE	[ DA ]
JUNIPER NETWORKS	
LOCKHEED MARTIN	
NETWORK APPLIANCE	[ DA ]
CENTURY LINK COMMUNICATIONS	
CISCO	[ DA ]
EL CAMINO HOSPITAL	
LEVEL 3 COMMUNICATIONS	
MICROSOFT	
NOKIA	
NORTHROP GRUMMAN	[ DA ]
OLAM	
SAFeway	[ DA ]
SYMANTEC	
AT&T SERVICES	
CEPHEID	
COSTCO	
FLEXTRONICS	
FOOTHILL DE ANZA	[ DA ]
FUJITSU	[ DA ]
HP	[ DA ]
INFINERA CORPORATION	
INTUITIVE SURGICAL	
JSR MICRO	
LAYER 42 NETWORKS INC	
LINKEDIN	
MT SPE LLC	
PALO ALTO MEDICAL FOUNDATION	
SAN JOSE WATER COMPANY	
SYNOPSIS	
TARGET	[ DA ]
YAHOO	
AMAZON	
BLUE COAT SYSTEMS	
CUPERTINO CITY CENTER	
INTERNATIONAL PAPER	
MIASOLE	
PULMUONE FOODS	
7-ELEVEN	[ DA ]
AIXTRON	
ANRITSU	[ DA ]
BLOOM ENERGY	
GTE MOBILNET	
NOB HILL	[ DA ]
SAVE MART	[ DA ]
WHOLE FOODS MARKET	

- usage data confidential
- bundled and DA, from 2014
- many customers in multiple locations
- sizing and location are relative/illustrative!

# Paying for both Energy and ‘Demand’

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Many local C&I customers have electricity budgets in excess of \$1M/year. They pay for both the energy they use, and for the grid distribution capacity that they require.

## Energy Charges

- based on actual kWh usage
- costs for a kWh of energy varies, based on:
  - time of day – peak, partial peak, off-peak
  - time of year – summer vs. winter rates
- SVCE responsible for energy charges, typically ~35-45% of total bill

## Demand Charges (for capacity)

- based on peak kW usage for a 15-minute period during a month
  - separate demand charges by TOU period
  - vary to time of year
  - complex
- PG&E will remain responsible for most demand –related charges
- demand charges have increased significantly in recent years

# C&I Engagement Challenges and Approach

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Large C&I organizations are complex!

Identifying and engaging with the right contacts takes time and effort.

## Common C&I engagement issues:

- no consolidated energy exec listing
- energy managed remotely, or by geographically-dispersed team
- customer has hired a 3<sup>rd</sup> party for facilities management
- leased facilities
- bill sent to remote or 3<sup>rd</sup>-party accounting function

## How SVCE is addressing:

- contact development via direct email/phone outreach to 'Top 100'
- leverage local City contacts, EDD and Chambers
- business group meetings and 1:1 meetings/calls
- stream of communications re business events and activities . . .
  - webinars - November 2015, Feb 2016
  - workshop series - June 2016
  - early enrollment program – September 2016

# C&I 'Early Enrollment' Program

Option for C&I customers to launch in April vs. July 2017

- details mailed to all customers with C&I accounts (600+)
- email/phone outreach to largest customers
- signed and returned LOI form

Early-Enrollment C&I Customers (alphabetical, as of 10/3):

<b>Applied Materials</b>	<b>Infinera</b>	<b>Microsoft</b>	<b>Symantec</b>
<b>BlueLight Cinemas</b>	<b>JSR Micro</b>	<b>Nokia</b>	<b>Synopsys</b>
<b>Cepheid</b>	<b>Juniper Networks</b>	<b>Olam Spices</b>	<b>The Ford Store</b>
<b>Computer History Museum</b>	<b>Level 3 Communications</b>	<b>Pulmuone</b>	<b>Tri Star Foods</b>
<b>Equinix</b>	<b>LinkedIn</b>	<b>Quality Inns</b>	<b>VTA</b>
<b>Global Testing Corp</b>	<b>Lockheed Martin</b>	<b>Steamers Grillhouse</b>	<b>Weiss Associates</b>

Facts and Figures . . .

- overall early enrollment load of ~620 million kWh/year; 40% of C&I bundled load
- 8 of top 10 commercial bundled customers, 15 of top 30
- includes three opt-ups to GreenPrime

# Commercial Sector Leadership and Key ‘Care Abouts’

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Locally, large commercial customers are typically sophisticated energy buyers, and have deployed a broad range of on-site energy technologies and solutions.

Examples of commercially–deployed energy technologies, and local leadership:

- numerous on-site solar installations
- utility-scale renewables procurement/investment
- EV charging – over 2,000 stations at local workplaces [e.g. Google]
- zero net energy (ZNE) buildings [e.g. Packard Foundation, Sharp Development]
- data center energy efficiency
- energy storage – electric and thermal [e.g. Stanford]

Historically - what’s less-commonly deployed:

- demand response

Top questions from major customers:

- continued access to energy efficiency incentive programs?
- where exactly is my renewable energy coming from?
- how do I account for SVCE-provided energy in meeting my RE and GHG goals?

# Corporate Social Responsibility (CSR) Reporting

Most large companies now publish CSR reports, and report to the Carbon Disclosure Project (CDP) regarding energy use, renewable energy and carbon emissions.

Examples:

## Applied Materials

- 100% of power demand for Santa Clara campuses from local wind & solar energy

## Equinix

- long-term goal of using 100% clean and renewable energy
- prefer local sources of energy  
(Source: Equinix website)

## Olam

- 10% GHG reduction by 2020  
(Source: Olam Climate Change CRS Report 2015)





# In Summary . . .

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- C&I customers are a major part of the SVCE landscape
- Local C&I customers are generally well-aligned with SVCE's goals for GHG reduction and energy systems transformation
  - public goals and reporting
  - actions, investment, leadership
- SVCE's value proposition is resonating, and many of the largest C&I customers have engaged
- Significant opportunity for strong working relationships going forward!
  - forums for education and best practice sharing
  - local policy for advancement of electrification, emerging energy technologies
  - public/private partnerships
  - community-scale leadership in clean energy transformation

# Thank you!



**@SVCleanEnergy**



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