



Increasing Conservation in Disadvantaged Communities

Conservation and Local Resources Committee

Item 4c

August 21, 2018

Today's Discussion

- Review of activities
- Outreach in Disadvantaged Communities (DACs)
- Potential approaches for increasing conservation in DACs

Background and Effort to Date



Feedback from Board Committee

Partnerships

- Important opportunities for funding and implementation
- Examples include energy utilities, community-based organizations, First-5 LA

Scope and Scale

- Both low-income individuals and DACs important
- Best opportunities exist at local scale
- Direct install programs effective

Grant Funding

- MWD well positioned to facilitate grants
- Water-energy nexus provides opportunity

Data Analysis

- Examine housing stock to determine potential
- Balance effort between further data analysis and pursuing programs which are helping people today
- Consider equity metrics used by Los Angeles

Discussion on Key Questions

Key Questions

- What is the desired outcome?
- What is the conservation potential in DACs?
- What are the main issues or barriers under the current conservation approach?
- What member agency or local agency approaches already exist and how best to integrate with a regional approach?
- What elements should be considered in a MWD regional approach?

What is the Desired Outcome?

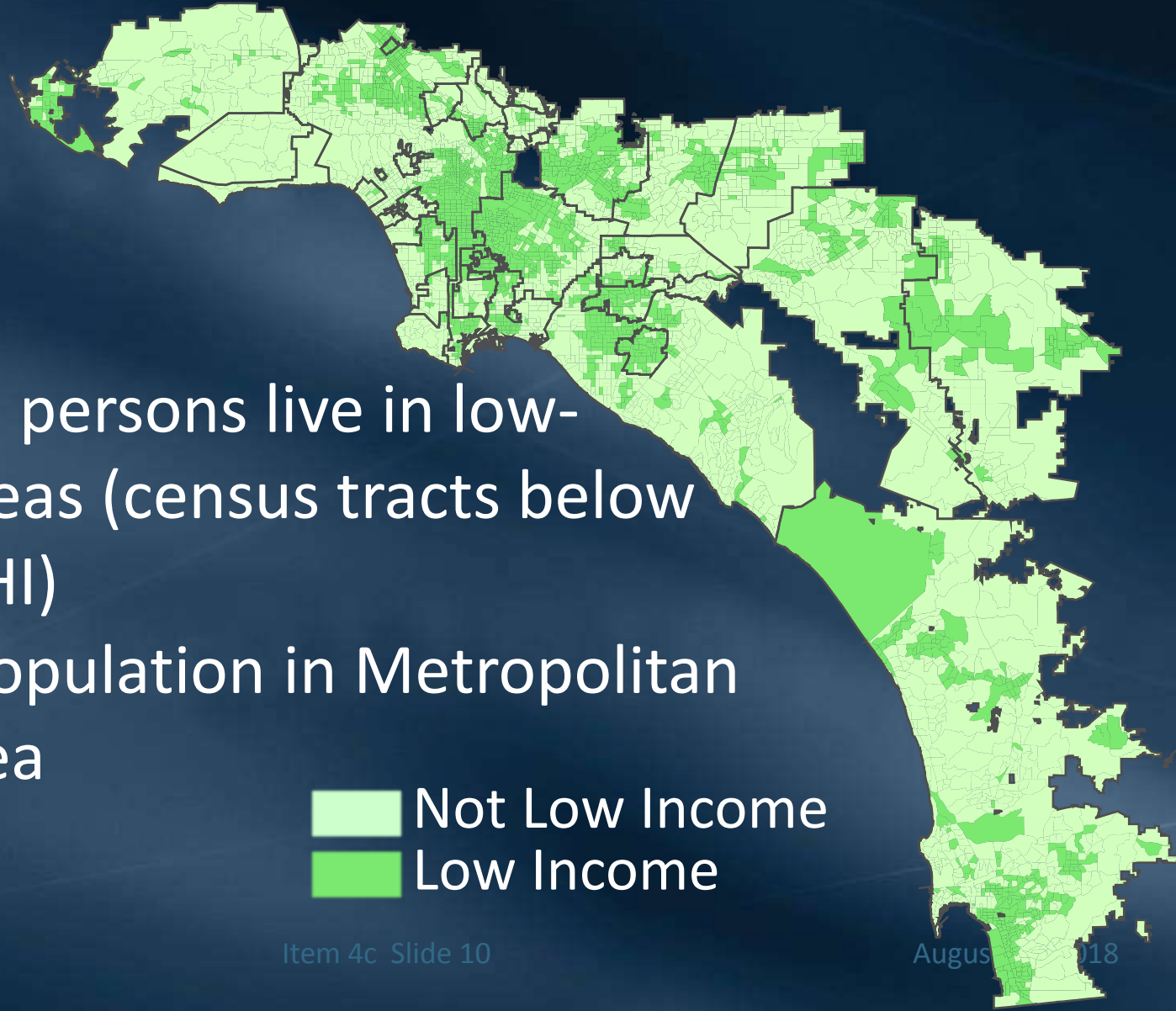
Increase water savings within disadvantaged communities

What is the Conservation Potential?

- How do we measure conservation device penetration/saturation?
- Is there a difference between indoor and outdoor conservation potential?
- How much of the disadvantaged community population resides in multi-family vs. single family housing?

Data for Discussion

Low-Income Census Tracts in Service Area

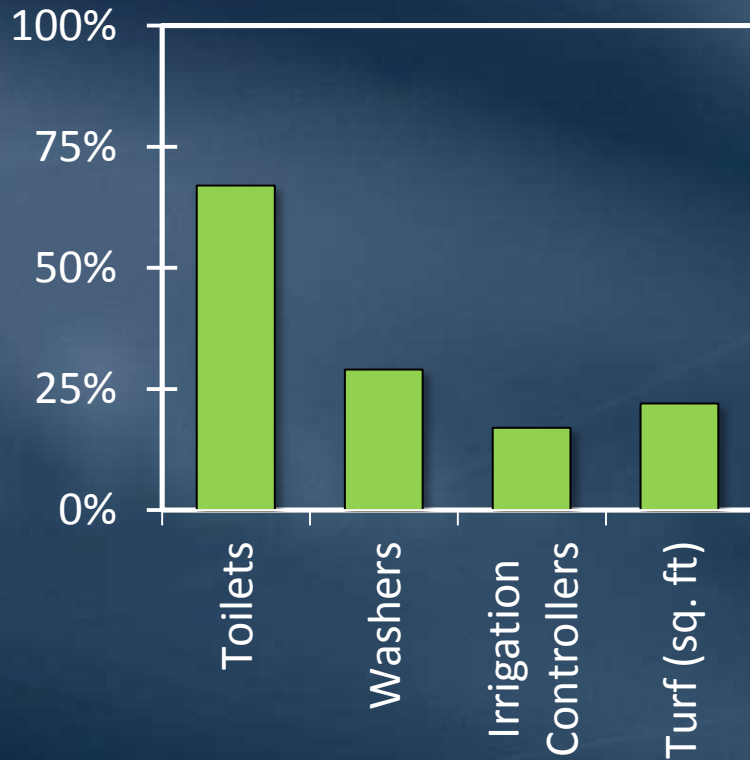
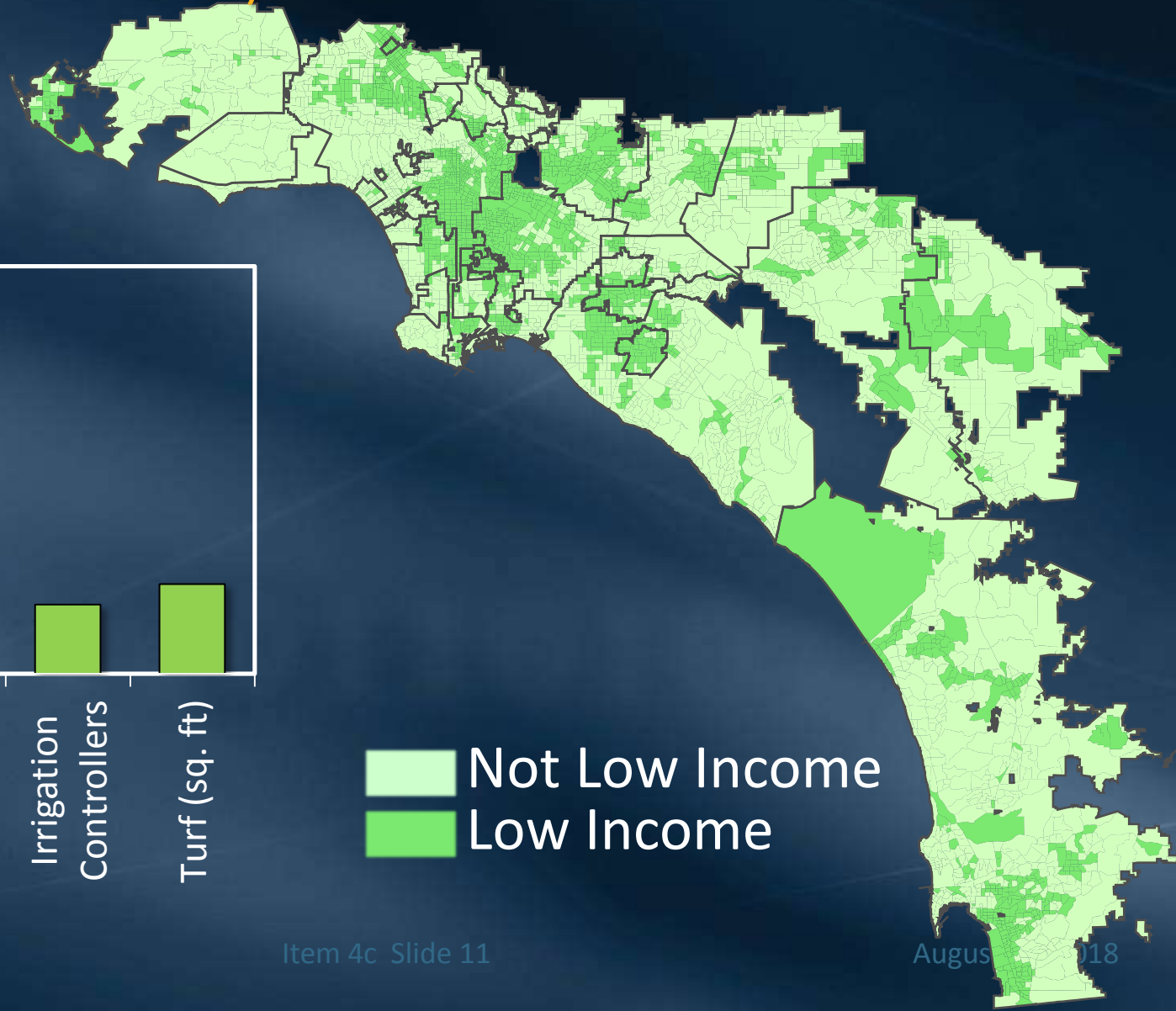


- 9.5 million persons live in low-income areas (census tracts below 80% of MHI)
- ~50% of population in Metropolitan service area

■ Not Low Income
■ Low Income

Rebates in Low-Income Census Tracts

(March 2013 – March 2018)



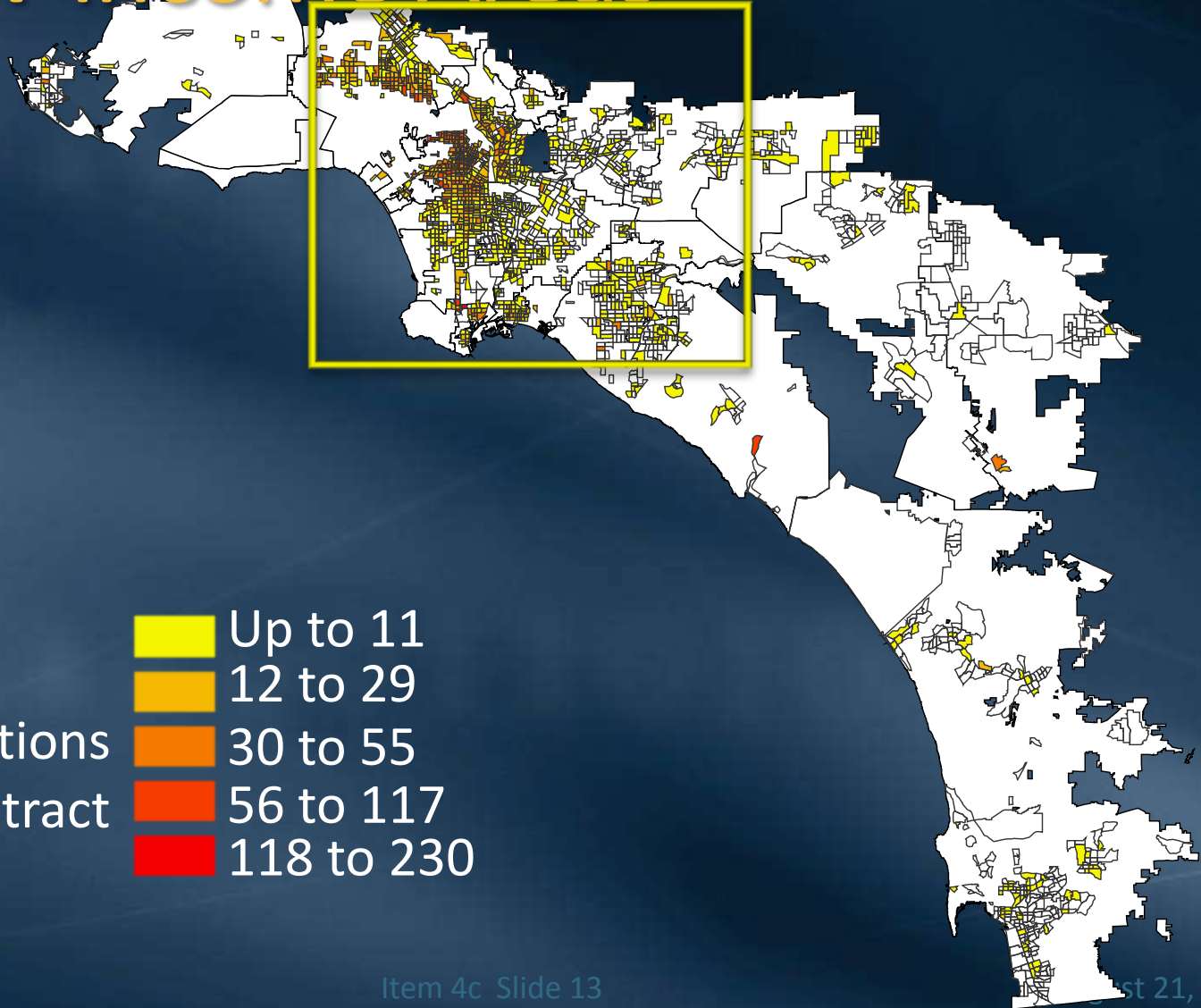
Not Low Income
Low Income

Toilet Rebates Concentrated in a Few Low-Income Areas (March 2013 – March 2018)

- 63% (or 253,000 units) of rebates went to consumers living in low-income areas



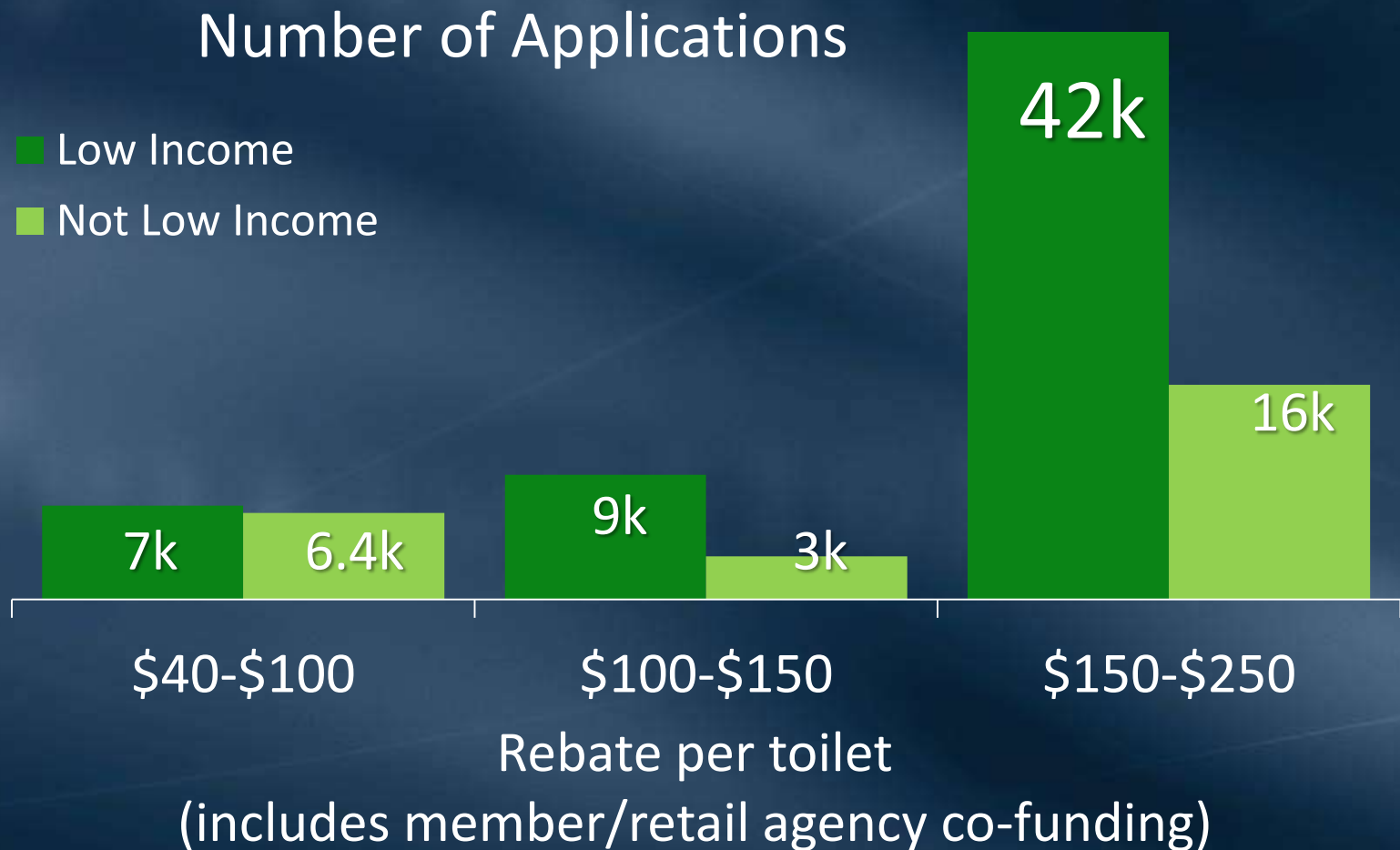
Toilet Rebates are Concentrated in a Few Low-Income Areas



Toilet Applications
per census tract

- Up to 11
- 12 to 29
- 30 to 55
- 56 to 117
- 118 to 230

Most Toilet Rebate Applications in Low Income Areas have Higher Co-Funding

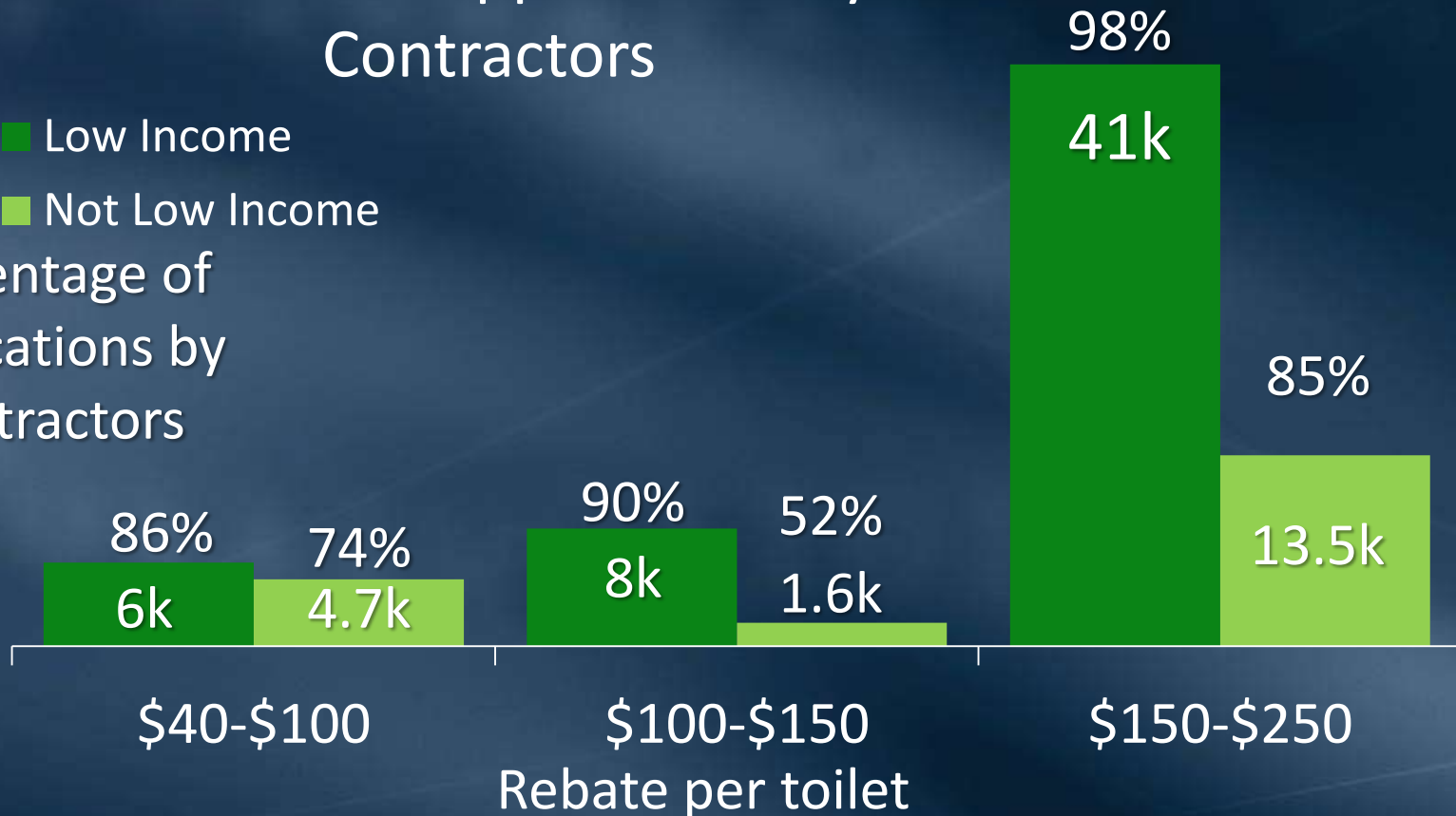


Contractors are Majority of Rebates on Low Income Areas

Number of Applications by Contractors

- Low Income
- Not Low Income

Percentage of applications by Contractors



(includes member/retail agency co-funding)

Contractors Target Multi-Family

Number of Applications by
Contractors for multi-family

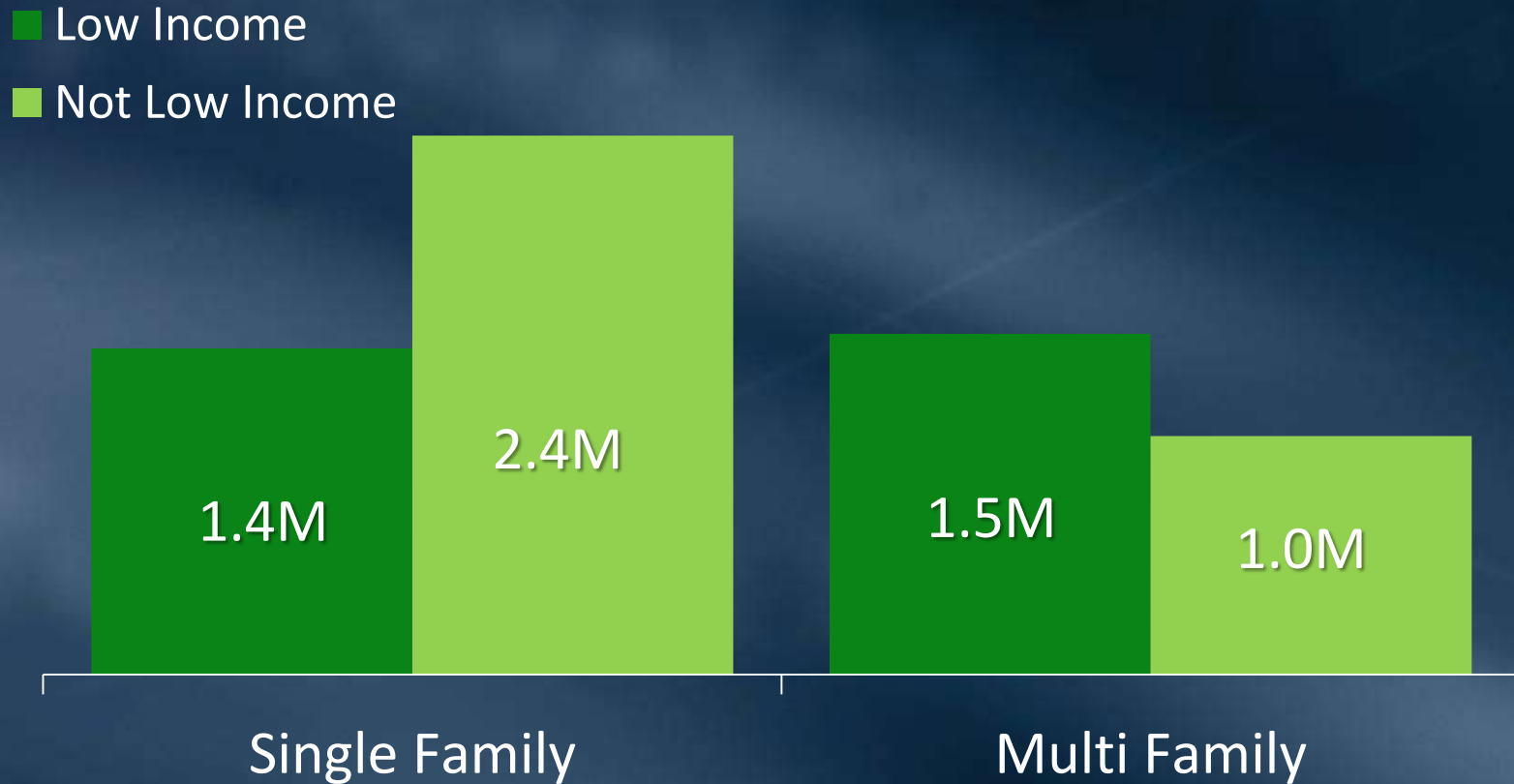
■ Low Income

■ Not Low Income

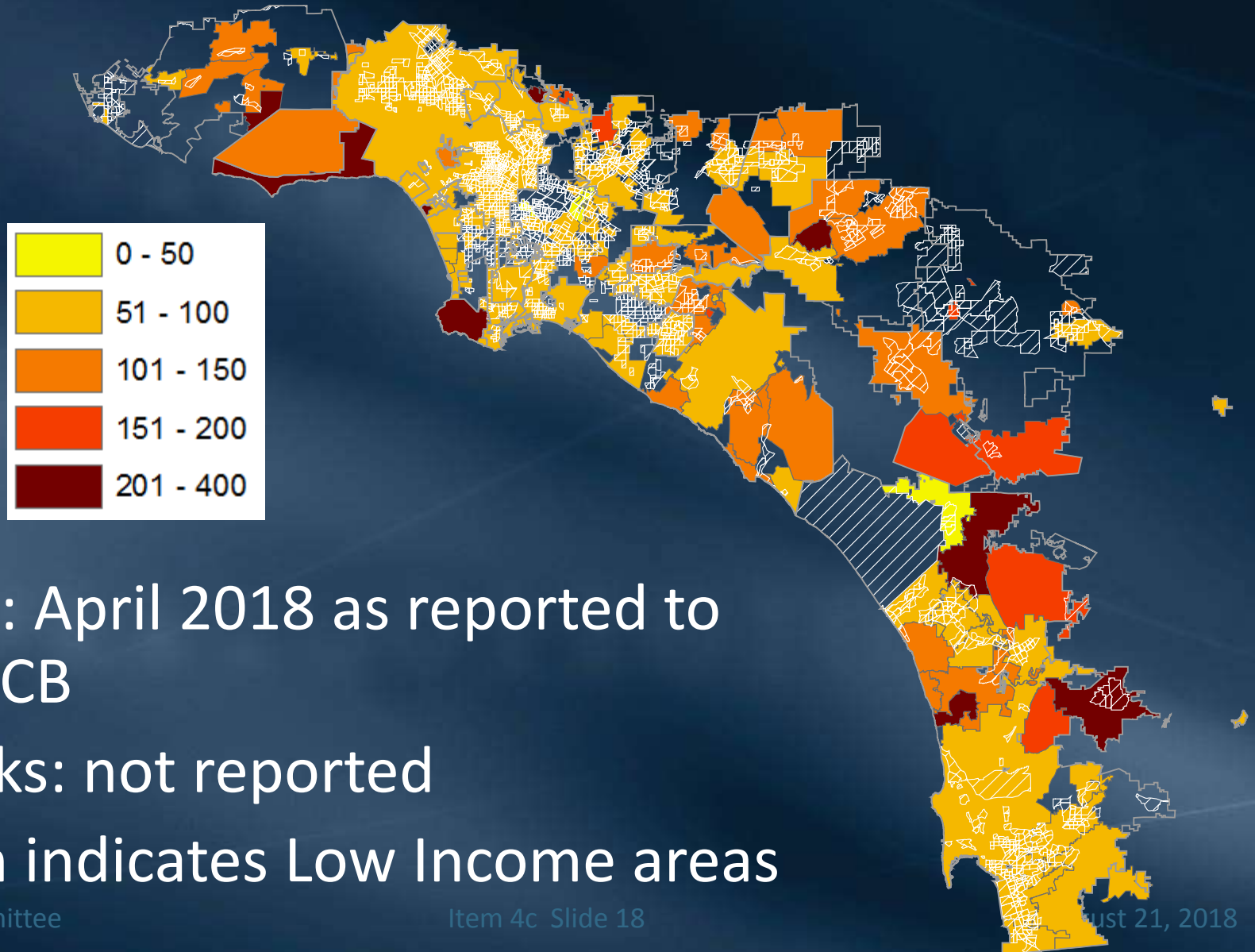


(includes member/retail agency co-funding)

Housing Stock in Service Area



R-GPCD



- Data: April 2018 as reported to SWRCB
- Blanks: not reported
- Hash indicates Low Income areas

What are the Main Issues or Barriers to Conservation in DACs

- Public awareness/marketing
- Small rebate compared to device and installation cost
- High proportion of multi-family, residential rental properties
- Capacity of local agency

Member and Local Agency Programs and Approaches

- How much of MWD's service area is already covered by programs targeted at DACs?
 - Direct install?
 - Contractor direct install (CDRO)?
- What are key lessons learned?
- How would a regional program best work with existing member and local agency approaches?

Potential Elements of Regional Approach

Seek to enhance & replicate—rather than replace—successful existing local programs

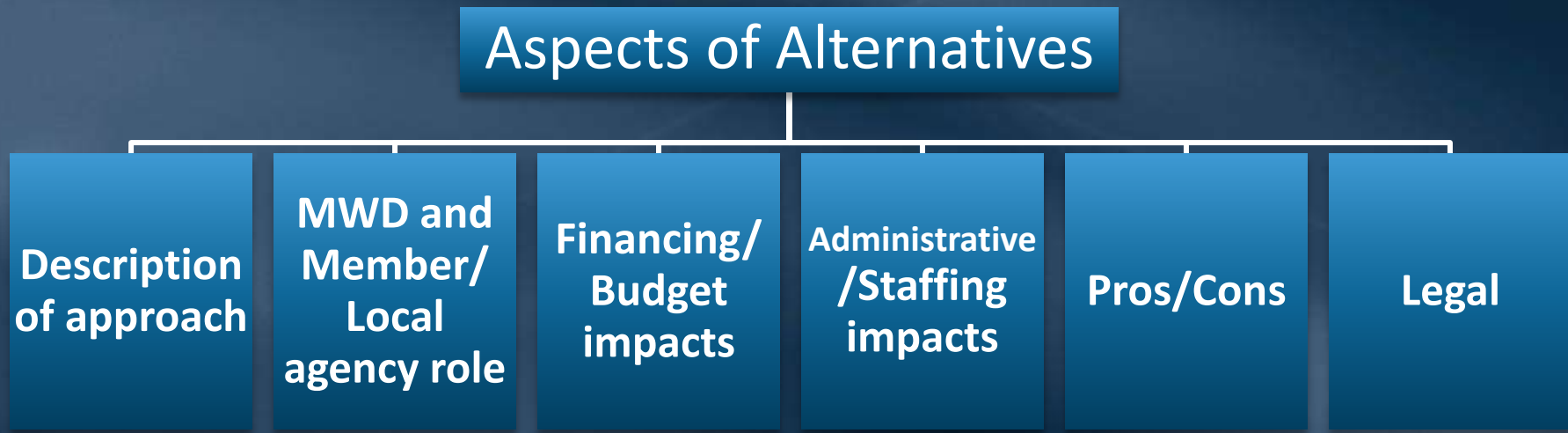
Apply for and distribute grant funding to these programs

Adjust member-agency administered funding requirements to improve local flexibility

Discussion on Potential Approaches

Development of Approaches

- Following continued input from Member Agency Managers, staff is developing potential approaches
- Intent is to evaluate and refine an effective regional role in increasing conservation in DACs



Draft Approaches

Regionally-administered
Direct Install

Locally-administered
Targeted Program

Increased Regional
Program Incentives

All approaches could include targeted MWD Outreach and regional efforts/support for procuring grant and bond funding for DACs

Regionally-Administered Direct Install

- Metropolitan would develop and administer Direct Install program available to qualified consumers throughout the service area
- Metropolitan would directly contract with 3rd Parties and fund program directly
- Metropolitan would facilitate outreach and partnerships with NGOs and local community groups

Regionally-Administered Direct Install

Pros

- Certainty that devices are installed properly
- Available to all of Metropolitan's service area
- Control over devices selected
- Easy for customer participation

Cons

- Potential high cost
- Increased inspections
- Significant staff time
- Limited number of vendors able to reach entire service area

Locally-Administered Targeted Program

- Member/local agency would develop and administer conservation program specifically targeted to qualified consumers in their service area
- Metropolitan would provide conservation funding similar to current Member Agency Administered Funding program

Locally-Administered Targeted Program

Pros

- Supports existing local programs and helps develop new programs
- Encourages agency flexibility and innovation
- Less Metropolitan staff time

Cons

- Limited control over program design/effectiveness
- Not all agencies have staff to run local programs
- Agency funding match may be a challenge (up front)
- May require additional funds, potentially from other programs (i.e. research)

Increased Regional Program Incentives

- Metropolitan would increase the incentive rate for specified devices and programs
 - Intention is to provide a sufficient financial incentive to induce 3rd Party activity
- Metropolitan would fund the incentives through the existing Regional program
- Metropolitan would facilitate outreach and partnerships with NGOs and local community groups

Increased Regional Program Incentives

Pros

- Easier customer participation
- Minimal Metropolitan staff time for implementation
- Available to all of Metropolitan's service area
- Increased activity in both DACs and non-DACs

Cons

- Limited control over quality of device or installation
- Increased inspections
- Not specific to DACs
- Larger budget needed

Outreach Activities

Conservation Events and Education

- Metropolitan sponsored 50 conservation outreach events last year through its Community Partnering Program. More than 40,000 participants attended events that were held in a DAC census tract.
- Nearly 45,000 participants attended a Metropolitan-sponsored education outreach event in a DAC, and 67% of education curriculum was distributed to teachers and students in a DAC.



Water Conservation Campaign Advertising (July 2018 -November 2018)

- 71% of billboards, posters and transit shelter signs are in DAC census tracts (265 out of 372 units)
- 45% of zip codes targeted through social media boosting of water conservation messaging in 2018 (to date) are listed as DAC*
- Multilingual and multicultural with specialized messaging at request of member agencies to reflect unique community demographics

*SB 535 DAC designation



Next Steps

- Consider input from today's discussion
- Continue to develop and discuss potential approaches with Member Agency Managers working group
- Return to Conservation & Local Resources Committee for further development

