

Hi Jessica,

The conference call today was very helpful. I have a suggestion regarding the method for establishing conservation standards for agencies. Based on the meeting feedback and concerns I've heard from local agencies in San Luis Obispo County, there are concerns that the conservation standards:

- must achieve at least a 25% Statewide reduction
- must "award" agencies that are already conserving a lot or do not have much ability to conserve further
- unfairly place a burden to conserve on agencies with a high gpcd due to a host of reasons (industrial service area, tourist/vacation communities, microclimates, inland vs coastal, etc.)

Based on these issues, I thought a hybrid approach for establishing tiers may be helpful. The attached spreadsheet shows a revised process, which is explained below.

1. Establish preliminary tiers based on "Percent Saved (Jun-14 - Feb-15, compared to 2013, gallons)" as follows: 1(>25% savings); 2(20-25%); 3(15-20%); 4(<15%). (These percentages could be changed if other percentages are more prudent). This awards people that have made recent savings efforts.
2. Override preliminary tiers for agencies that are: Tier 1(<55 r-gpcd); Tier 2(55-110 r-gpcd); tiers 3 and 4 stay the same as established in step 1. (Results shown in "Tiers adjusted for low gpcd and % saved" column). This awards agencies that have already achieved a low r-gpcd or don't have "low-hanging fruit" to target, while still awarding conservation "new comers" established in step 1.

Thanks for your considerations and please let me know if you have any questions.

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