

**BOARD OF PUBLIC UTILITIES COMMISSIONERS**

1800 E. Wardlow Road, Long Beach, CA 90807
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June 26, 2025

Recommendation

Authorize the General Manager to execute a Non-Disclosure Agreement (NDA), and any subsequent necessary amendments, between Southern California Edison Company (SCE) and the Long Beach Public Utilities Department (LBPUD) to facilitate discussions relative to feasibility of implementing a Zonal Electrification Pilot.

Executive Summary

Southern California Edison (SCE) has proposed a collaborative Zonal Electrification Pilot Program for the purpose of exploring and understanding opportunities to transition from natural gas to full electrification in specific low-income residential neighborhoods. This initiative focuses on low-income residential neighborhoods, as these areas have been identified by the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) as the costliest to electrify as part of California's clean energy transition.

SCE and the LBPUD are interested in identifying low-income residential neighborhoods served by aging natural gas distribution infrastructure for the purposes of conducting a cost-benefit analysis on potential electrification efforts. This task requires confidential data sharing of critical gas infrastructure and other detailed information; and necessitates entering into the proposed Non-Disclosure Agreement (NDA).

Under the proposed pilot program, SCE and the LBPUD will identify up to 50 single-family, low-income households in Long Beach; 10 clusters, each containing approximately five households with:

- High gas usage (200%+ of baseline gas allocation);
- Near older gas distribution infrastructure; and
- Income-qualified households (250% Federal Poverty Level).

Funding for electrification, which may include replacement of natural gas appliances with heat pump water heaters, heat pump HVAC systems, induction ranges, electric clothes dryers, electrical panel upgrades, weatherization, and potential solar and storage installations will come from the CPUC. These include:

- Disadvantaged Communities–Single-Family Solar Homes (DAC-SASH) Program – This program provides incentives for low-income homeowners in California's disadvantaged communities to install rooftop solar systems.

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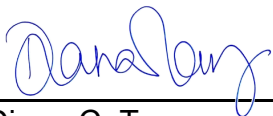
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- Self-Generation Incentive Program (SGIP) – This program provides incentives to support existing, new, and emerging distributed energy resources. Currently, SGIP is focused on rebates for new battery storage systems at both residential and non-residential facilities.
- TECH Clean California (TECH) – TECH Clean California is a statewide initiative to accelerate the adoption of clean space and water heating technology across California homes in order to help California meet its goal of being carbon-neutral by 2045 and install 6 million heat pumps by 2030. TECH offers incentives, pilot activities, technical assistance, and training to address barriers associated with clean space and water heating technologies across California homes.

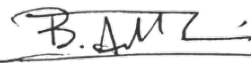
The collaboration between SCE and LBPUD supports the City's climate change adaption efforts by exploring opportunities for cost-effective electrification in low-income neighborhoods with aging natural gas pipeline. The NDA will protect sharing of sensitive operational, technical, and customer data and allow for meaningful assessment of feasibility, potential sites, and infrastructure requirements and costs. The NDA outlines confidentiality obligations and data handling protocols, ensuring secure and responsible collaboration between SCE and LBPUD.

Fiscal Impact

No fiscal impact.



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B. Anatole Falagán
General Manager