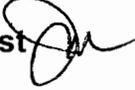


**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Jennifer Mellon, Senior Management Analyst 

**DATE:** May 18, 2010 (CC Meeting of June 2, 2010)

**SUBJECT:** Consider Adoption of Resolution to Participate in 2010–2012 Local Government Utility Partnership Program with Southern California Edison, Southern California Gas Company and Ventura County Regional Energy Alliance

**SUMMARY**

Staff is requesting Council adopt a Resolution approving participation in the local Government Utility Partnership Program between the Ventura County Regional Energy Alliance, Southern California Edison, and Southern California Gas Company. In order to initiate the 2010-2012 program and for Moorpark to access the financial incentives available for the City and the Community the City Council is required to adopt the resolution for City participation, lend support to the program with the appointment of key City representatives, and mandate the City to enter into the demand management program known as the California Flex Alert program.

**BACKGROUND**

The Ventura County Regional Energy Alliance (VCREA) is a Joint Powers Agency (JPA) working to address the availability, reliability, conservation and innovative use of energy resources in the Ventura County region. Since 2003, VCREA has worked with numerous public agencies and cities to advance its mission to establish Ventura County, its communities and neighboring regions, as a leader in developing and implementing durable, sustainable energy initiatives that support sensible growth, healthy environment and economy, enhanced quality of life and greater self-reliance for the region by (1) reducing energy demand and increasing energy efficiency and (2) advancing the use of clean, efficient, and renewable local resources.

One of the benefits of this effort is the opportunity for cities and the county to participate in the local government partnership program which has been adopted by the California Public Utilities Commission (CPUC), funded by California utility ratepayers and administered by the Southern California Gas Company (SCG) and Southern California Edison (SCE).

Since 2004, VCREA has participated in the utility partnership program to support an energy efficiency information clearinghouse, website, technical and community training seminars, public agency project support and implementation, and strategic energy planning. The program also provides residential and small business utility customers with a direct link to utility rebates, training programs and customer education programs.

Under the terms of the CPUC approved 2010-2012 Local Government Program, SCE has requested that the City of Moorpark approve a resolution for participation in the program and authorize VCREA to act on its behalf as necessary to further the Partnership's goals. In addition to affirming the City's interest to achieve greater energy efficiency, and endorse the program, the resolution will designate an "energy champion" from the City, to act as the primary contact for both VCREA and the Utilities in carrying out the program.

## **DISCUSSION**

### **2010-2012 Program Description**

The local government utility partnership program is based on the CPUC Decision (D.09-09-047) that authorized certain energy efficiency programs and budgets to be delivered to California utility customers for the years 2010 through 2012 and specifically included the Ventura County Energy Efficiency Partnership Program. The Partnership Program is intended to serve the County of Ventura and all cities in the county except Simi Valley, which has developed its own partnership with SCE.

The program is designed to provide integrated technical and financial assistance from the utilities to help local cities and the county effectively lead their communities to increase energy efficiency, reduce greenhouse gas emissions, increase renewable energy usage, protect air quality and ensure that their communities are more livable and sustainable.

The program will provide marketing, outreach, education, training and community sweeps to connect the community with opportunities to save energy, save money, and help the environment. The partners will leverage the strengths of each other and the cities/county to help efficiently deliver energy and demand savings as well as support for elements of the CPUC's California Long Term Energy Strategic Plan.

The program provides a performance-based opportunity from SCE and access to all SCG core programs and incentives for cities/counties to increase energy efficiency in their own government facilities and their communities through energy saving actions, including retrofitting municipal facilities as well as providing opportunities for constituents to take action in their homes and businesses.

Under terms of the program, SCG will provide incentives for all public agencies up to \$1.00 per therm for the calculated measures. Other incentives for deemed measures are in accordance with the prescribed incentives for SCG core programs.

The SCE portion of the program offers the City a tiered incentive structure through achievement of four separate levels of participation as described in the attached Energy Leader Partnership Program Description. The City will enter the program at a specific level indicated on Exhibit A-3 for Energy Leader Partnership Program Level which has been determined by SCE and is based on past participation in SCE energy efficiency and demand response programs both at the City local government level and community level. SCE will track the City's performance against the goals and objectives set forth in the program and will notify VCREA when the City has achieved the next incentive level.

The City is required to adopt a resolution supporting and endorsing its participation in the 2010-2012 Program as described in Exhibit B, and authorizing VCREA to act on its behalf as necessary to further the Partnership's goals and objectives, particularly with respect to leveraging community programs to the utility. The resolution includes the designation of an "Energy Champion" who will be the City's primary contact for both VCREA and the Utilities, and who will be authorized to act on behalf of the City in carrying out the program. It may be that the duties of "energy champion" are spread between several individuals, or among one or more departments, and in such case, we would still request a single key contact for continuity, but certainly look forward to working with the identified "team" established in the City in order to be effective. Adoption of the resolution and participation in the program will help return a portion of ratepayer funds to this region that can be leveraged with other City budgets.

VCREA will manage the day-to-day activities of the Partnership, including monthly/quarterly/annual reporting, technical activities and comprehensive implementation of the program on behalf of the City and in accordance with the CPUC adopted local government program including the SCE Energy Leader Partnership model. VCREA shall be responsible for achieving its own goals and objectives set forth in the primary contract, which is available upon request, and for the support to the individual cities in the achievement of their specific goals as set forth in the City of Moorpark Energy Leader Partnership Program Level contract addendum, Exhibit A-3.

### **FISCAL IMPACT**

There is no Fiscal Impact; however, the designated "Energy Champion" and potentially other identified City staff will spend time working with VCREA staff on this program.

### **STAFF RECOMMENDATION**

Adopt Resolution 2010-\_\_\_\_\_

Attachments:

Resolution 2010-\_\_\_\_\_  
Exhibit A-3 – City of Moorpark Energy Leader Partnership Program Level (pdf)  
Exhibit B – Energy Leader Partnership Program Chart Description (pdf)

RESOLUTION NO. 2010-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AUTHORIZING PARTICIPATION IN A LOCAL GOVERNMENT ENERGY EFFICIENCY PARTNERSHIP PROGRAM BETWEEN VENTURA COUNTY REGIONAL ENERGY ALLIANCE (VCREA), SOUTHERN CALIFORNIA EDISON (SCE), AND SOUTHERN CALIFORNIA GAS COMPANY (SCG).

WHEREAS, the City Council of the City of Moorpark wishes to participate in a growing movement within California cities and business communities to improve everyday practices for greater efficiencies, resource conservation, and long term sustainability; and,

WHEREAS, the City Council supports the collaborative efforts undertaken by the Ventura County Regional Energy Alliance toward energy efficiency initiatives, and authorizes the agency to act on behalf of the City to promote the utility ratepayer funded partnership programs and objectives; and,

WHEREAS, the City Council working with and through VCREA will utilize the local government partnership programs of the SCE Energy Leader Program and complimentary SCG programs to meet the energy reduction, demand response and sustainability goals set forth in the Ventura Partnership Program; and,

WHEREAS, the City Council will designate an "Energy Champion" for the City of Moorpark to be empowered to work directly with VCREA and the Utility Partners to advance the 2010-2012 program and lend essential coordination.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council does hereby find and determine to participate and support sustainable practices through energy efficiency and will work with the VCREA to provide leadership and guidance in promoting, facilitating and instituting such practices in its own community and the greater Ventura County region.

SECTION 2. The City Council does hereby appoint the City Manager to designate an "Energy Champion" for the City of Moorpark on behalf of the City Council.

SECTION 3. The City Clerk shall certify to the adoption of the resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 2nd day of June, 2010.

\_\_\_\_\_  
Janice S. Parvin, Mayor

ATTEST:

\_\_\_\_\_  
Maureen Benson, Assistant City Clerk

**EXHIBIT A-3 (revised April 2, 2010)**

**ENERGY LEADER PARTNERSHIP - PROGRAM LEVEL**

**CITY OF MOORPARK**

**CURRENT LEVEL: Valued**

	2004 Baseline Consumption* (kWh)	2004-2009 Energy Savings (kWh)	Participation/Savings Percentage	Savings Required for next Level (kWh)
Municipal Facilities	823,131	0	0.00%	41,157
Community	195,226,184	12,503,848	6.40%	7,018,770

*\* Baseline numbers are mutually agreed upon for purposes of this Agreement only.*

**Energy Leaders Partnership levels are:**

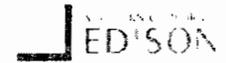
**Valued Partner Level** – This level is the entry level for the partner to develop knowledge and establish goals towards the Silver Level. A budget is available for energy savings projects, for marketing, education, and outreach to the community, as well as for technical assistance toward upgrading or retrofitting partners’ facilities. SCE’s core program incentives will be offered directly to the partner. The partner will be expected to use the marketing and outreach funds to generate verifiable energy savings in their own facilities and in the community and will participate in demand response at a basic level. Valued Level provides the Partner with 3 cents per kWh paid in addition to what is paid to the Partner under SCE’s core program. Partner will need to meet the following DR requirement: Enroll in California’s Statewide Flex Alert and implement an internal educational campaign.

**Silver Level** – To qualify for this level, the partner demonstrates past participation in SCE energy efficiency programs, develops an energy action plan, sets community and *VCREA* energy reduction goals, targets 25 percent of its facilities to complete energy efficiency upgrades, and participates in demand response. An enhanced incentive is paid at the Silver Level. Silver Level provides the Partner with 6 cents per kWh paid in addition to what is paid to the Partner under SCE’s core program. Partner will need to meet the following DR requirements: 1-At least one (1) eligible facility to participate in one (1) SCE Demand Response program 2-At least one (1) eligible facility to develop a Demand Reduction Action Plan to be followed during a Flex Alert event 3-Distribute Energy Solutions brochure to partner employees 4-Complete an integrated Demand Side Management (iDSM) audit at all eligible facilities.

**Gold Level** – To qualify for this level, the partner demonstrates higher past participation in SCE energy efficiency programs, establishes higher *VCREA* and community program participation and energy savings goals and makes a higher commitment to participate in demand response. Incentive factors are higher for partner facilities’ energy efficiency projects. Gold Level provides the Partner with 9 cents per kWh paid in addition to what is paid to the Partner under SCE’s core program. Partner will need to meet the following DR requirements: 1-Have at least 25% of eligible facilities participate in an SCE Demand Response program 2-Conduct co-branded marketing and outreach to residential customers on SCE’s Demand Response programs 3-At least one (1) eligible facility implement a DR measure recommended from the iDSM audit.

**Platinum Level** – To qualify for this level, the partner demonstrates even higher past participation in energy efficiency programs, is innovative and integrates Energy Action Plan policies, ordinances and procedures. All facilities are targeted for energy efficiency upgrades and the partner makes a higher commitment to participate in Demand Response. Incentive factors are highest for Partner facilities’ energy efficiency projects and additional incentives are made available for customized community energy efficiency projects. Platinum Level provides the Partner with 12 cents per kWh paid in addition to what is paid to the Partner under SCE’s core program. Partner will need to meet the following DR requirements- 1-At least one (1) eligible facility must participate in SCE’s Auto Demand Response program 2-Have at least 50% of eligible facilities participate in an SCE Demand Response program and develop a Demand Reduction Action Plan for the participating facilities 3-Organize a local outreach event during the Spring/Summer season to promote Demand Response/iDSM.

# Energy Leader Partnership Program



Achieving threshold criteria in city facilities and community-wide triggers advancement to next tier

Stepped Levels of Support	Platinum Level			
	Valued Partner	Silver Level 5% kWh Savings	Gold Level 10% kWh Savings	20% kWh Savings
Offerings	<ul style="list-style-type: none"> <li>Valued Partner Level enhanced incentives</li> <li>Technical Support</li> <li>Strategic Plan Support</li> <li>Co-Branded Marketing &amp; Outreach Support</li> </ul>	<ul style="list-style-type: none"> <li>Silver Level enhanced incentives</li> <li>Technical Support</li> <li>Strategic Plan Support</li> <li>Co-Branded Marketing &amp; Outreach Support</li> </ul>	<ul style="list-style-type: none"> <li>Gold Level enhanced incentives</li> <li>Technical Support</li> <li>Strategic Plan Support</li> <li>Co-Branded Marketing &amp; Outreach Support</li> </ul>	<ul style="list-style-type: none"> <li>Platinum Level enhanced incentives</li> <li>Technical Support</li> <li>Strategic Plan Support</li> <li>Co-Branded Marketing &amp; Outreach Support</li> <li>Incentives for customized city/community offering</li> </ul>
Energy Efficiency Criteria	<p><b>Basic EE Criteria:</b></p> <ul style="list-style-type: none"> <li>Commitment to Long Term Energy Efficiency Leadership</li> <li>Commitment to Partnership goals including energy savings in municipal facilities</li> </ul>	<p><b>Basic EE Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>City initiates Energy Action Plan</li> <li>Target at least 25% of city facilities to complete specified EE upgrades</li> <li>Target 5% kWh reduction for city facilities</li> <li>Co-sponsor marketing &amp; outreach to the community on EE programs</li> </ul>	<p><b>Basic EE Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>City completes Energy Action Plan</li> <li>Target at least 50% of city facilities to complete specified EE upgrades</li> <li>Target 10% kWh reduction for city facilities</li> <li>Co-sponsor marketing &amp; outreach to the community on EE programs</li> </ul>	<p><b>Basic EE Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>City implements Energy Action Plan (policies, ordinances and procedures)</li> <li>Target 100% of city facilities to complete specified EE upgrades</li> <li>Target 20% kWh reduction for city facilities</li> <li>Co-sponsor marketing &amp; outreach to the community on EE programs</li> </ul>
Demand Response Criteria	<p><b>Basic DR Criteria:</b></p> <ul style="list-style-type: none"> <li>Enroll in California's Statewide Flex Alert and implement an internal educational campaign</li> </ul>	<p><b>Basic DR Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>At least one (1) eligible facility to participate in one (1) SCE Demand Response program</li> <li>At least one (1) eligible facility to develop a Demand Reduction Action Plan to be followed during a Flex Alert event</li> <li>Distribute Energy Solutions brochure to partner employees</li> <li>Complete an integrated Demand Side Management (DSM) audit at all eligible facilities</li> </ul>	<p><b>Basic DR Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>Have at least 25% of eligible facilities participate in an SCE Demand Response program</li> <li>Conduct co-branded marketing and outreach to residential customers on SCE's Demand Response programs</li> <li>At least one (1) eligible facility implement a DR measure recommended from the iDSM audit</li> </ul>	<p><b>Basic DR Criteria Plus:</b></p> <ul style="list-style-type: none"> <li>At least one (1) eligible facility must participate in SCE's Auto Demand Response program</li> <li>Have at least 50% of eligible facilities participate in an SCE Demand Response program and develop a Demand Reduction Action Plan for the participating facilities</li> <li>Organize a local outreach event during the Spring/Summer season to promote Demand Response/DSM</li> </ul>

\* Percentage based on cumulative kWh savings from 2004 (Percentage of total city-wide energy use)