

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM  
3.7  
(ID # 3578)

**MEETING DATE:**

Tuesday, June 6, 2017

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Approval and Execute the Fourth Amendment to the 2010-2012 Energy Efficiency Partnership Program Agreement between Riverside County, Southern California Edison and the Southern California Gas Company, All Districts [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to execute the attached Fourth Amendment to the 2010-2012 Partnership Program Agreement for the period of 1/1/17 through 12/31/17 and;
2. Authorize the undersigned Assistant County Executive Officer/EDA, or designee, to administer all actions to participate in the partnership and utilize resources provided through the partnership.

**ACTION:**

Robert Field, Assistant County Executive Officer/EDA

5/8/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Washington, seconded by Supervisor Tavaglione and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Perez  
Nays: None  
Absent: Ashley  
Date: June 6, 2017  
xc: EDA

Kecia Harper-Ihem

Clerk of the Board

By: Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> N/A			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2016/17-17/18

**C.E.O. RECOMMENDATION:** [CEO use]

**BACKGROUND:**

**Summary**

In 1996, the passage of AB 1890 created funding for energy efficiency through the establishment of a "Public Goods" charge on the utility bills for customers of California's Investor-Owned Utilities or IOU's (Southern California Edison, Pacific Gas & Electric, San Diego Gas & Electric and the Southern California Gas Company). The California Public Utilities Commission (CPUC) oversees all Energy Efficiency Programs funded by the Public Goods charge, and allows the IOU's to administer the programs.

One type of program administered by the IOU's is local government partnerships for cities and counties. The goal of these partnerships is to help local government pursue energy efficiency projects by providing free engineering and consulting support, as well as enhanced rebates and incentives above what the general public receives. These partnerships provide resources and rebates for retrofits of existing facilities, as well as support and incentives for designing new facilities that are energy-efficient.

From 2006-2009, Riverside County participated in a local government partnership with Southern California Edison (SCE). The Southern California Gas Company (SCG) and SCE with Riverside County previously executed the agreement to jointly deliver the 2010-2012 County of Riverside/IOU Energy Efficiency Partnership Program effective January 1, 2010. This agreement was subsequently amended three times to, among other things, extend its term through December 31, 2017, in accordance with the applicable decisions of the CPUC. On October 24, 2014, the Commission issued a Decision D. 14-10-046 approving the continuation of the Energy Efficiency Partnership Programs, consistent with the terms and conditions set forth in the agreement.

It is the desire of SCG and SCE to further amend the agreement as necessary to provide an authorized budget for the 2017 Program and to update the agreement as required to reflect the extended 2017 Program cycle, with the term extended through December 31, 2017.

Project incentives and rebate rates will continue as follows:

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<b>Energy Measure</b>	<b>Incentive Per Unit Measure Saved</b>	<b>Incentive Per kW saved</b>	<b>Flat Rate Incentive</b>	<b>Incentive Cap</b>
Replacement with Exterior LED Wall Packs and Parking Lot Lamps, 24' high or greater	N/A	N/A	Range of \$75 to \$300/unit, depending type of replacement unit	N/A
Building Shell Improvements	\$0.14	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
Pump controls, Water Shutoff Controls	\$0.14	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
HVAC Controls--Ventilation thermostat controls, Variable air volume for fumehoods	\$0.14	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
HVAC Energy Management System	\$0.21	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
HVAC Compressor Controls	\$0.21	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
Carbon Dioxide (CO2) demand control ventilation	\$0.21	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
<b>Variable Speed Drives for:</b>	N/A	\$150	N/A	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
Chiller Compressor				
Cooling Tower Fan				
Hot Water Pump Motor				
Condenser Water Pump Motor				
Ventilation Fan	N/A	\$150	N/A	
Auto Demand Response Enabling Technology	N/A	Express/ Deemed Measure: \$300 Custom Measure: \$200	N/A	Express/Deemed Measure: 100% of project cost Custom Measure: 75% of project cost
Natural Gas Projects (therms)	\$1.50	N/A	N/A	The calculated program incentive level is \$1.00 per therm plus a \$0.50 kicker for calculated measures or 80% of the equipment cost, whichever is the lesser of the two.
New Construction--Whole Building (>24,999 SF) and Systems Approach				Per Current Savings By Design Policy

**Impact on Citizens and Businesses**

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The positive impacts to citizens from the partnership are:

- Reduced general fund expenditures via funding support from SCE and the SCG
- Reduced energy costs in County facilities through energy retrofit projects
- Reduced greenhouse gas emissions and better air quality from the implementation of energy efficiency projects

**Supplemental:**  
**Additional Fiscal Information**

There are no net County costs and no budget adjustment is required.

**Attachments:**

Agreement

RF:JV:HM:PR:JP:ac

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Approval and Execute the Fourth Amendment to the 2010-2012 Energy Efficiency Partnership Program Agreement between Riverside County, Southern California Edison and the Southern California Gas Company, All Districts [\$0]



Rahini Dasika, Principal Management Analyst

5/30/2017



Gregory E. Priamos, Director County Counsel

5/8/2017

#### FOURTH AMENDMENT

This FOURTH AMENDMENT ("Fourth Amendment") to the AGREEMENT TO JOINTLY DELIVER THE 2010-2012 COUNTY OF RIVERSIDE/IOU ENERGY EFFICIENCY PARTNERSHIP PROGRAMS dated January 1, 2010, as amended by the First Amendment, Second Amendment, and the Third Amendment (the "Agreement") is effective as of January 1, 2017 by and among SOUTHERN CALIFORNIA EDISON COMPANY ("SCE"), SOUTHERN CALIFORNIA GAS COMPANY ("SCG"), and RIVERSIDE COUNTY ("RIVERSIDE"). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCE and SCG may be referred to herein each as a "Utility" or collectively as the "Utilities." The Utilities and RIVERSIDE may be referred to herein individually as a "Party" or collectively as the "Parties."

#### RECITALS

WHEREAS, the Parties previously executed the Agreement to Jointly Deliver the 2010-2012 County of Riverside/IOU Energy Efficiency Partnership Program effective January 1, 2010 (hereinafter referred to as the "2010-2012 Program") and subsequently amended the Agreement thrice to, among other things, extend its term through March 31, 2018, in accordance with the applicable decisions of the California Public Utilities Commission ("Commission");

WHEREAS, on October 24, 2014, the Commission issued a Decision D. 14-10-046 approving the continuation of the Energy Efficiency Partnership Programs, consistent with the terms and conditions set forth in the Agreement, and

WHEREAS, the Parties desire to further amend the Agreement as necessary to provide an authorized budget for the 2017 Program and to update the Agreement as required to reflect the extended 2017 Program cycle.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Except as provided herein, and as applicable, any reference in the Agreement to the "2010-2012 Program" shall include the 2017 Program.
2. Add Section 1.7.4 Authorized 2017 Budget as follows:
  - 1.7.4 Authorized 2017 Budget: The Commission-approved total budget for performance of the Authorized Work performed after December 31, 2016 for the 2017 Program apportioned by each Utility and for Riverside County is as follows:
    - a. The incentive budget for Riverside facilities in SCG's service territory is \$60,000 With a 40,000 Therms savings goal, as set forth in Exhibit K hereto.
    - b. The incentive budget for Riverside facilities in SCE's service territory is \$11,828, with a kWh and kW savings goal, as set forth in Exhibit K hereto.
3. Section 1.8 of the Agreement is hereby deleted and replaced with the following:
  - 1.8 Authorized Project Budget: The maximum approved budget for each 2010-2012 Approved Project, or 2013-2014 Approved Project, or 2015 Approved Project, or 2016 Approved Project, or 2017 Approved Project as the case may be, which shall be funded by the Utility(ies) that service the Riverside facilities where such Approved Retrofit Project,

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Approved MBCx or RCx Project, or Approved New Construction Project is located.

4. Section 1.12 of the Agreement is hereby deleted and replaced with the following:

1.12 Riverside Project Package: For the 2017 Program cycle, the project application documents shall be submitted consistent with the requirements of the applicable SCE or SCG energy efficiency program.

5. Section 8 and all references to Exhibit E of the Agreement are hereby deleted.

6. Section 9.2.1 of the Agreement is hereby deleted and replaced with the following:

9.2.1 Incentive Payments for Approved Projects will be paid at the approved incentive rate once the project has been completed and approved in writing to the reasonable satisfaction of the applicable Utility.

7. Section 9.3 of the Agreement is hereby deleted and replaced with the following:

9.3 Payment of Approved Program Expenditures. On occasion, Riverside County may be entitled to reimbursement for the actual cost excluding any mark-up or reimbursement for other indirect costs, of certain reasonable and documented expenditures of Riverside County that are pre-approved in writing by the Utilities, and directly identifiable to and required for the Authorized Work under this Agreement (but excluding administrative, labor or overhead costs of the Agency). Program Expenditures may be included as part of an Authorized Project Budget for an Approved Project, or may be related to training, technical support or other Authorized Work as described in the PIP. The Utilities reserve the right to review all applicable charges and will approve or decline any charge at their sole discretion.

8. Section 9.4, inclusive of 9.4.1 -9.4.4, of the Agreement is hereby deleted and replaced with "Reserved".

9. Section 10 of the Agreement is hereby deleted and replaced with the following:

#### 10. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

10.1 Unless this Agreement is terminated pursuant to Section 23 below, the Parties shall complete all Program administrative activities (as defined by PIPs' workbooks and reporting requirements) including submission of the Final Report(s), unless otherwise agreed to by the Parties or so ordered by the Commission, all Direct Implementation and Marketing & Outreach activities (as defined in the PIPs) must be completed no later than March 31, 2018.

10. Section 11 of the Agreement is hereby deleted and replaced with the following:

#### 11. FINAL INVOICES

11.1 All Parties must submit final invoices no later than June 30, 2018.

11. In Section 18 of the Agreement, the following, "All Work must be performed and completed by

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December 31, 2016.” is hereby deleted.

12. Section 23.1 of the Agreement is hereby deleted and replaced with the following:

23.1 Term. This Agreement shall be effective as of January 1, 2010. Subject to Section 35, the Agreement shall continue in effect until August 31, 2018 (“Term”) unless otherwise terminated or extended in accordance with the provisions of Section 23.2 or 28 below.

13. In Section 24, the contact information for SCE shall be changed as follows:

**SCE:**

Pong Kunakorn  
Southern California Edison Company  
Program Manager  
1515 Walnut Grove Ave.  
Rosemead, CA 91770

14. Exhibit C is hereby deleted.

15. Exhibit D-1, which is attached to this Fourth Amendment, is incorporated herein by reference and made a part of the Agreement.

16. Exhibit E is hereby deleted and all references in the Agreement to Exhibit E are hereby deleted.

17. Exhibit J, which is attached to this Fourth Amendment, is incorporated herein by reference and made a part of the Agreement.

18. Exhibit K, which is attached to this Fourth Amendment, is incorporated herein by reference and made a part of the Agreement.

19. This Fourth Amendment may be executed in one or more counterparts and delivered by electronic means, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

20. General. From and after the Fourth Amendment Effective Date, any reference to the Agreement contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Agreement, as amended by the First Amendment, Second Amendment, Third Amendment, and this Fourth Amendment. In the event of any conflict between the Agreement, as previously amended, this Fourth Amendment shall prevail. All remaining provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. Each party is fully responsible for ensuring that the person signing this Fourth Amendment on that party's behalf has the requisite legal authority to do so.

21. All remaining provisions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Fourth Amendment to be executed by their duly authorized representatives.

**COUNTY OF RIVERSIDE:**

Approved as to Form:

**GREGORY P. PRIAMOS**

County Counsel

Date: 5/9/17

By: 

**MARSHA L. VICTOR**

Principal Deputy County Counsel

Date: \_\_\_\_\_

**COUNTY OF RIVERSIDE:**

By: 

**JOHN F. TAVAGLIONE,**

Chairman Board of

Supervisors ATTEST:

**KECIA HARPER-IHEM**

Clerk of the Board

By: 

Deputy

Date: JUN 06 2017

**SCG:**

**SOUTHERN CALIFORNIA GAS  
COMPANY**

By: 

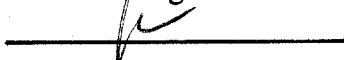
Name Printed: Lisa Alexander

Its: Vice President, Customer  
Solutions & Communications

Date: 4/13/17


Approved

SCE CONFIDENTIAL  
as to Legal Form



**SCE:**

**SOUTHERN CALIFORNIA EDISON  
COMPANY**

By: 

Name Printed: Marc Ulrich

Its: Vice President,  
Customer Program & Services

Date: 3/22/17

**EXHIBIT D-1**

**INCENTIVE RATES**

Approach	Incentive Level
Custom / RCx / MBCx	Core incentive plus a \$0.06/kWh adder
Deemed	Core incentive plus a \$0.06/kWh adder
New Construction – Whole Building and Systems Approach	Core incentive plus a \$0.06/kWh adder
Auto DR Enabling Technology	Deemed - \$300/kW; Custom - \$200/kW

**INCENTIVE CAPS**

Approach	Incentive Cap
Custom / RCx / MBCx	The lower of 80% of project cost or 100% of Incremental Measure Cost (IMC)
Deemed	Up to 100% of measure cost
New Construction – Whole Building and Systems Approach	Per Savings By Design Policy
Auto DR Enabling Technology	Deemed – 100% of project cost; Custom – 75% of project cost

**EXHIBIT J**

**PROGRAM IMPLEMENTATION PLAN**

**Please see the revised 2013-2014 Energy Efficiency Program Plan**

## **EXHIBIT K**

### **Program Cycle Partner Budget and Goals:**

#### **Southern California Edison**

<b>Budget Category</b>	<b>Maximum Partner Budget for 2017</b>
<b>Administrative</b>	<b>\$</b>
<b>Marketing &amp; Outreach</b>	<b>\$ 0</b>
<b>Direct Implementation (non-incentives)</b>	<b>\$ 0</b>
<b>Total</b>	<b>\$ 0</b>

In addition to the Partner Budget shown above, SCE will provide project incentives and technical assistance to achieve program goals up to the funding levels shown below in the 2017 SCE Funding table.

<b>Budget Category</b>	<b>Maximum SCE Budget for 2017</b>
<b>Incentive</b>	<b>\$ 11,828</b>

<b>Energy Savings (kWh)</b>	<b>Peak Demand Reduction Goal</b>
<b>60,000</b>	<b>2</b>

**EXHIBIT K (continued)**

**SOUTHERN CALIFORNIA GAS COMPANY  
2013-2017 GOALS & RIVERSIDE COUNTY BUDGET**

**Natural Gas Savings Target:**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>5-year Total</b>
SCG	40,000 Therms	40,000 Therms	40,000 Therms	40,000 Therms	40,000 Therms	200,000 Therms

Other non-resource goals are contained in the SCG PIP in Exhibit J.

**2013-2017 SCG Riverside County Partnership Budget**

2013-2017 Riverside County Total Non-Incentive Budget		\$719,145
SCG Incentive From SCG Core Programs <sup>1</sup>		\$220,000
<b>SCG Authorized Budget</b>		
SCG Administrative Other		\$262,422
SCG Administrative Overhead		\$36,773
Total Utility Authorized Budget		<b>\$299,195</b>
<b>Riverside County Authorized Budget</b>		<b>\$419,950</b>
<b>2013-2017 Total Non-incentive Program Budget</b>		<b>\$719,145</b>

**Projected Allocations for Riverside County Authorized Budget \$ 419,950**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Administration	-	-			
Marketing & Outreach	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Direct Implementation	\$76,490	\$76,490	\$76,490	\$76,490	\$76,490
Incentive <sup>(1)</sup>	\$40,000	\$40,000	\$40,000	\$40,000	\$60,000
Total <sup>(2)</sup>	\$83,990	\$83,990	\$83,990	\$83,990	\$83,990

<sup>1</sup> Incentives are paid through SCG's Core Program's Incentive Budget. The calculated program incentive level is \$1.00 per therm plus a \$0.50 kicker for calculated measures or 80% of the equipment cost, whichever is the lesser of the two. Eligible Incentives for deemed measures are in accordance with the rebate levels for the applicable SCG Core Programs plus a 50% kicker.

<sup>2</sup> Total does not include incentives.  
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