



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** APRIL 9, 2018

**ITEM NO:** 9

**SUBJECT:** ANNUAL TASK ORDER APPROVAL WITH SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY FOR: (NEW) BUSINESS OUTDOOR LIGHTING DIRECT INSTALLATION PROGRAM WITH RICHARD HEATH AND ASSOCIATES INC., IN THE AMOUNT OF \$965,000; UPSTREAM HEATING, VENTILATION, AND AIR CONDITIONING PROGRAM WITH COHEN VENTURES, DBA ENERGY SOLUTIONS, IN THE AMOUNT OF \$250,000; MULTIFAMILY DIRECT INSTALLATION PROGRAM WITH SYNERGY COMPANIES, IN THE AMOUNT OF \$150,000; RETAIL LED BUYDOWN PROGRAM WITH GREENLITE LIGHTING CORPORATION USA, IN THE AMOUNT OF \$300,000; SMALL BUSINESS DIRECT INSTALLATION PROGRAM WITH LIME ENERGY SERVICES COMPANY, IN THE AMOUNT OF \$965,000; KEEP YOUR COOL PROGRAM WITH EFFICIENCY SERVICES GROUP LLC, IN THE AMOUNT OF \$100,000; KEY ACCOUNT ENERGY EFFICIENCY PROGRAM WITH MUNI-FED PARTNER ENERGY, LLC, IN THE AMOUNT OF \$150,000; CUSTOMER ENGAGEMENT PROGRAM WITH ORACLE AMERICA, INC., IN THE AMOUNT OF \$275,000; ANNUAL PROGRAM TASK ORDERS FOR THE ADMINISTRATION OF EIGHT ENERGY EFFICIENCY PROGRAMS FOR FISCAL YEAR 2018/19 IN THE TOTAL AMOUNT OF \$3,155,000

**ISSUES:**

Approve the annual Task Orders with Southern California Public Power Authority for: (New) Business Outdoor Lighting Direct Installation Program with Richard Heath and Associates Inc., in the amount of \$965,000; Upstream Heating, Ventilation, and Air Conditioning Program with Cohen Ventures DBA Energy Solutions, in the amount of \$250,000; Multifamily Direct Installation Program with Synergy Companies, in the amount of \$150,000; Retail LED Buydown Program with GreenLite Lighting Corporation USA, in the amount of \$300,000; Small Business Direct Installation Program with Lime Energy Services Company, in the amount of \$965,000; Keep Your Cool Program with Efficiency Services Group LLC, in the amount of \$100,000; Key Account Energy Efficiency Program with Muni-Fed Partner Energy, LLC, in the amount of \$150,000; Customer Engagement Program with Oracle America, Inc, in the amount of \$275,000; for the administration of eight energy efficiency programs for fiscal year 2018/19 in the total amount of \$3,155,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities recommend that the City Council:

1. Approve the creation of the Business Outdoor Lighting Direct Installation Program;
2. Approve the annual Task Order with Richard Heath and Associates Inc., Southern California Public Power Authority Resolution No. 2017-113 for the Business Outdoor Lighting Direct Installation Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19, in the amount of \$965,000;

3. Approve the annual Task Order with Cohen Ventures DBA Energy Solutions, Southern California Public Power Authority Resolution No.2013-019 for the Upstream Heating, Ventilation, and Air Conditioning Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19 in the amount of \$250,000;
4. Approve the annual Task Order with Synergy Companies, Southern California Public Power Authority Resolution No.2014-082 for the Multifamily Direct Installation Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19, in the amount \$150,000;
5. Approve the annual Task Order with GreenLite Lighting Corporation USA, Southern California Public Power Authority Resolution No.2014-119 for the Retail Light Emitting Diode Buydown Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19 in the amount of \$300,000;
6. Approve the annual Task Order with Lime Energy Services Company, Southern California Public Power Authority Resolution No.2016-008 for the Small Business Direct Installation Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19, in the amount of \$965,000;
7. Approve the annual Task Order with Efficiency Services Group, LLC, Southern California Public Power Authority Resolution No.2015-023 for the Keep Your Cool Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19, in the amount of \$100,000;
8. Approve the annual Task Order with Muni-Fed Partner Energy, LLC, Southern California Public Power Authority Resolution No.2017-070 for the Key Accounts Energy Efficiency Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19 in the amount of \$150,000;
9. Approve the annual Task Order with Oracle America, Inc. Southern California Public Power Authority Resolution No.2017-059 for the Customer Engagement Program through Southern California Public Power Authority for Energy Efficiency Programs for fiscal year 2018/19 in the amount of \$275,000; and
10. Authorize the City Manager, or his designee, to sign the Task Orders between Riverside Public Utilities and Southern California Public Power Authority for services by: Richard Heath and Associates, Inc. Cohen Ventures DBA Energy Solutions, Synergy Companies, GreenLite Lighting Corporation USA, Lime Energy Services Company, Efficiency Services Group LLC, Muni-Fed Partner Energy LLC, and Oracle America, Inc., that are agreed upon under the Southern California Public Power Authority Master Professional Services Agreement; including the ability to make any minor nonsubstantive changes to the Task Orders between Riverside Public Utilities and Southern California Public Power Authority without exceeding the previously approved program budget.

### **LEGISLATIVE HISTORY:**

Assembly Bill (AB) 1890 (1996) requires that 2.85 percent of electric revenue be utilized to fund public benefits programming and must be used in at least one of four areas: 1) demand-side management (energy efficiency), 2) renewable energy, 3) low-income assistance, or 4) research, development, and demonstration.

Senate Bill (SB) 1037 (2005) requires publicly owned utilities (POUs), when procuring energy to serve their customer load, to “first acquire all available energy efficiency and demand reduction resources that

are cost-effective, reliable, and feasible” and to report kilowatt-hour (kWh) savings to the California Energy Commission annually.

AB 2021 (2006) requires POUs to identify all potentially achievable cost-effective electricity efficiency savings and to establish annual targets for energy efficiency savings and demand reduction over 10 years. Riverside Public Utilities (RPU) has set a 10-year energy efficiency savings and demand reduction goal of one-percent of annual retail energy sales.

SB 350 (2015) establishes annual targets for statewide energy efficiency savings and demand reduction that will achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas by January 1, 2030. The bill requires local POUs to establish annual targets for energy efficiency savings and demand reduction consistent with this goal.

## **BACKGROUND:**

### **What is SCPPA?**

Southern California Public Power Authority (SCPPA) is a joint powers agency comprised of 11 municipal utilities and one irrigation district. SCPPA's members consist of the municipal utilities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, Vernon, and the Imperial Irrigation District. Together, SCPPA members deliver electricity to over two million customers in the Southern California region, spanning an area of 7,000 square miles, and with a total population that exceeds five million.

Formed in 1980, SCPPA was created for the purpose of providing joint financing, construction, and operation of transmission and generation projects. Today, SCPPA fulfills a broad range of services for its members by providing effective forums of collaboration through committees such as: Customer Service, Finance, Public Benefits, Resource Planning, Electrification, Transmission and Distribution, Engineering and Operations, Natural Gas, and Renewable Energy Resources. SCPPA members enjoy economies of scale pricing due to the aggregated buying power of the joint powers agency.

On August 14, 2007, the City Council unanimously approved the use of SCPPA for the procurement of energy efficiency and conservation programs and services.

The City Council approved various new energy efficiency programs and campaigns geared to our residential and non-residential customers to achieve energy efficiency goals and targets set forth by state legislation. The below table provides an overview of the RPU energy efficiency programs administered by SCPPA contractors:

Energy Efficiency Programs through SCPPA			
Program	Vendor	Service	Annual Resource Cost
New- Business Outdoor Lighting Direct Installation Program	Richard Heath & Associates (RHA)	Outdoor lighting improvements for medium and large businesses	\$ 0.41
Upstream High Efficiency Commercial HVAC Program	Energy Solutions	Commercial HVAC rebates at the distributor level	\$ 0.13
Multifamily & Mobile Home Direct Installation Program	Synergy Companies	Direct installation of energy efficiency measures	\$ 0.11
LED Buydown Program	GreenLite	LED customer incentives offered at participating retailers	\$ 0.16
Small Business Direct Installation Program	Lime Energy	Lighting and HVAC improvements to small businesses	\$ 0.55
Keep Your Cool Program	Efficiency Services Group (ESG)	Lighting and refrigeration improvements to customers with large refrigeration load	\$ 0.25
Key Account Energy Efficiency Program	Munified/ Partner Energy	Commercial and Industrial in Depth Efficiency Audits	\$ 0.20
Customer Engagement Program	Oracle/Opower	Residential Home Energy Reports	\$ 0.78

On February 21, 2017, the City Council directed staff to provide detailed proposed expenditures included within each object code of RPU's annual budget to the Board of Public Utilities, to deliver a bi-annual report to the Board and City Council on expenditures, and to obtain City Council approval of task orders over \$50,000.

*RPU Procurement Process through SCPPA – Energy Efficiency Programs:*

SCPPA enters into contracts with vendors to provide services to its member agencies. The SCPPA Board of Directors authorizes these services via resolution. SCPPA will post a competitive Request for Proposal (RFP) related to an energy efficiency program as desired by one or more member agencies. Once a vendor(s) is selected through a procurement process, SCPPA will enter into a Master Professional Services Agreement (MPSA) for work related under the RFP. The SCPPA MPSA serves as an umbrella agreement with general terms and conditions between SCPPA and the vendor and allows member agencies to participate in these programs through a Task Order. This process offers a flexible, voluntary “cafeteria-style” program to its members so that members only participate in and pay for those programs or services of their choice. Many of the services are optional, such that members pay only for the services they use. Should RPU decide to participate, a Task Order between RPU and SCPPA is created to accept these services from the selected vendor. The Task Order is an individual, detailed program agreement governed by the umbrella MPSA between SCPPA and the vendor. The standard term of the MPSA between SCPPA and the vendor is three years with a possible extension for an additional three years. The MPSA does not expire while services pursuant to an open Task Order with a member agency remain to be completed. SCPPA staff administers Task Orders and fully discloses the selected vendor's scope of work and pricing. RPU anticipates that each vendor contained in this report either will have their SCPPA MPSA extended prior to expiration or will be granted a new MPSA upon completion of any open Task Order during fiscal year (FY) 2018/19.

*Ratepayer Benefit:*

Services are procured using economies-of-scale pricing from the collective buying power of all SCPPA members, resulting in significant ratepayer savings. Annual savings utilizing SCPPA for these energy efficiency programs range between 4-35 percent depending on the specific program. This amounts to an average savings of nearly 18 percent per year for all RPU energy efficiency programs administered through SCPPA. Collaborating with SCPPA to provide energy efficiency programs has proven to be a

cost-effective and efficient approach to administering these programs and has significantly enhanced RPU's ability to achieve kWh savings goals.

## **DISCUSSION:**

RPU administers the energy efficiency programs outlined below on an annual basis from July 1 through June 30 via a third-party vendor procured through SCPPA to obtain economies of scale pricing. SCPPA procured each vendor by issuing an RFP and conducting a competitive bidding process. In addition, RPU conducted its own due diligence process with each vendor before electing to utilize them for any energy efficiency program.

The reported savings values in the tables below reflect FY 2016/17 data. The final FY 2017/18 savings numbers have yet to be determined, as RPU does not report the energy savings from each program until the savings have cleared payment. SCPPA billing process typically lags by two months so the energy savings realized in June will not be reported until August.

### **New Program:**

In an effort to provide RPU electric customers with a robust portfolio of energy efficiency programs, staff researches and develops recommendations for new efficiency programs that will both assist electric customers with energy efficiency as well as help RPU meet its annual energy efficiency goals. As part of this ongoing programmatic review process, staff identified an underserved customer segment – medium to large business customers on Demand or Time of Use (TOU) rates – that could benefit from a direct installation program. These local employers typically have larger electric consumption than the customers who currently participate in RPU's Small Business Direct Installation Program, creating an opportunity for greater potential energy savings.

During FY 2017/18, RPU staff directed its existing vendor, Richard Heath & Associates, to evaluate and install selected outdoor lighting measures during their normal operation of the Small Business Direct Installation Program, to determine the market potential, and to conduct a cost-benefit analysis based on actual market conditions. Historically, the cost of RPU's commercial direct installation programs ranges from \$0.25 per kWh saved to \$0.55 per kWh. The cost-benefit analysis yielded an initial cost of approximately \$0.40 per kWh, but that cost was slightly inflated due to the cost of the scissor-lifts, which are required during installation due to the height of the parking lot lights, not being spread over a larger volume of installations. As a result, staff expects the cost per kWh saved to be slightly lower once the full program has been implemented.

It was also determined through the initial program evaluation that most parking lots had 20 or fewer parking lot fixtures. The installed cost to RPU for replacing the most common existing outdoor lighting fixture (400-watt metal halide) with a 150-watt light emitting diode (LED) fixture is \$610, which will yield a 60 percent reduction in electric consumption for that fixture. Based on a cost of \$610 per fixture and an average fixture count of 20 fixtures per lot, staff recommends a \$12,000 budget allocation per program participant. In cases where the proposed scope of work exceeds the \$12,000 allocation, the customer will be responsible for the balance; however, the customer will be encouraged to apply for a lighting rebate through RPU's existing commercial lighting rebate program to help offset their financial contribution to the efficiency project.

### **Business Outdoor Lighting Direct Installation Program – Richard Heath & Associates:**

This new proposed program will provide medium and large businesses with outdoor lighting energy audits and direct installation of energy efficient lighting measures. All qualified businesses will receive up to \$12,000 worth of direct installation of energy efficient lighting measures when participating in the program. Richard Heath & Associates will offer this program to any Demand or TOU customer within the RPU service territory with outdoor lighting.

Business Outdoor Lighting Direct Installation Program through SCPPA					ANITICPATED FY 2018 - 2019				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Business Outdoor Lighting Direct Installation Program	Richard Heath & Associates	Outdoor lighting improvements for medium to large business customers	Expected 6/11/2018	Expected \$965,000	95	2,350	\$965,000	\$ 0.41	\$ 0.08

The Task Order between RPU and Richard Heath & Associates is for FY 2018/19 in the amount of \$965,000. The Business Outdoor Lighting Direct Installation Program is expected to achieve an estimated energy savings target of 2,350 MWh for FY 2018/19. RPU receives a 20 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Existing Programs:

#### Upstream High-Efficiency Heating, Ventilation, and Air Conditioning (HVAC) Program – Energy Solutions:

The Upstream High-Efficiency HVAC Program offers a rebate incentive for commercial high-efficiency HVAC equipment purchases that exceed Title 24 requirements. The incentive is provided upstream at the wholesale distribution channel level, thereby encouraging commercial HVAC equipment distributors to stock and sell more efficient commercial HVAC equipment.

Upstream High Efficiency Commercial HVAC Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Upstream High Efficiency Commercial HVAC Program	Energy Solutions	Commercial HVAC rebates at the distributor level	3/4/2014	\$300,000	15	840	\$110,105	\$ 0.13	\$ 0.01

The Task Order between RPU and Energy Solutions is for FY 2018/19 in the amount of \$250,000. The Upstream HVAC program is expected to achieve an estimated energy savings target of 840 MWh for FY 2018/19. RPU receives a 12.5 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Multi-family & Mobile Home Direct Installation Program - Synergy Companies:

This program offers multi-family and mobile home residents the direct installation of a specific list of measures including HVAC tune-ups, lighting efficiency upgrades, weatherization, and advanced Tier 2 power strips. The program also addresses energy efficiency in multi-family and mobile home park common areas.

Multifamily & Mobile Home Direct Installation Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Multifamily & Mobile Home Direct Installation Program	Synergy Companies	Direct installation of energy efficiency measures	3/4/2014	\$100,000	665	1,296	\$141,331	\$ 0.11	\$ 0.01

The Task Order between RPU and Synergy Companies is for FY 2018/19 in the amount of \$150,000. The Multi-family & Mobile Home Direct Installation Program is expected to achieve an estimated energy savings target of 1,200 MWh for FY 2018/19. RPU receives a 12 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### LED Buydown Program – GreenLite:

The LED Buydown Program incentivizes RPU customers to purchase and install certain LED light bulbs at a reduced price due to RPU buying-down the retail cost at participating local stores.

LED Buydown Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
LED Buydown Program	GreenLite	LED customer incentives offered at participating retailers	3/17/2015	\$300,000	57,132 (light bulbs)	1,891	\$299,997	\$ 0.16	\$ 0.01

The Task Order between RPU and GreenLite Lighting Corporation USA is for FY 2018/19 in the amount of \$300,000. The LED Buydown Program is expected to achieve an estimated energy savings target of 1,800 MWh for FY 2018/19. RPU receives a four percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Small Business Direct Installation Program – Lime Energy:

This program provides small and medium-sized businesses with energy audits, and direct installation of energy efficiency measures such as lighting upgrades and controls, HVAC tune-ups, exit and open/closed signs, advanced power strips, and weatherization measures. Historically this program utilized the services of two SCPPA vendors who each service different zip codes in the City. Due to the new proposed Business Outdoor Lighting Direct Installation Program, the Small Business Direct Installation Program will now be the sole responsibility of Lime Energy covering all zip codes within the RPU service territory.

Small Business Direct Installation Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Small Business Direct Installation Program	Lime Energy and Richard Heath & Associates	Lighting and HVAC improvements to small businesses	2/7/2012	\$350,000	1,108	2,533	\$1,399,576	\$ 0.55	\$ 0.18

The Task Order between RPU and Lime Energy is for FY 2018/19 in the amount of \$965,000. The Small Business Direct Installation Program budget of \$965,000 is expected to achieve an estimated energy savings target of 2,500 MWh for FY 2018/19. RPU receives a 20 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Keep Your Cool Program – Efficiency Services Group:

The Keep Your Cool program is targeted to specific small businesses such as mini-marts, delis, convenience stores, and restaurants that have a significant amount of refrigerated food and beverages storage. The program offers the direct installation of energy efficiency measures such as air curtains, cooler gaskets, automatic door closures, LED case lighting retrofits, and high-efficiency motor upgrades.



Keep Your Cool Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Keep Your Cool Program	Efficiency Services Group	Lighting and refrigeration improvements to customers with large refrigeration load	2/7/2012	\$350,000	29	390	\$99,490	\$ 0.25	\$ 0.04

The Task Order between RPU and Efficiency Services Group is for FY 2018/19 in the amount of \$100,000. This Small Business Direct Installation Program seeks to achieve an estimated energy savings target of 375 MWh for FY 2018/19. RPU receives a 25 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Key Account Energy Efficiency Program (KEEP) – Muni-Fed Partner Energy:

This program targets RPU's largest TOU customers. This segment includes the top 300 RPU customers in regards to consumption. KEEP is intended to provide these "Key Account" customers with a comprehensive energy efficiency plan, including a priority list of recommended energy efficiency measures along with an estimated return on investment and applicable utility incentives. RPU is also working with Southern California Gas Company on this program. Customers are offered additional technical and contracting assistance to bring large energy efficiency projects from concept to completion.

Key Account Energy Efficiency Program through SCPPA					FY 2016 - 2017				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Key Account Energy Efficiency Program	Munifed/ Partner Energy	Commercial and Industrial in Depth Efficiency Audits	3/4/2014	\$100,000	23	26	\$102,950	\$ 0.20	> \$ 0.01

The Task Order between RPU and Muni-Fed Partner Energy is for FY 2018/19 in the amount of \$150,000. KEEP seeks to achieve an estimated energy savings target of 1,500 MWh for FY 2018/19 once customers complete the projects identified during the comprehensive energy efficiency plan. RPU receives 33 percent discount by procuring services through SCPPA using the economies of scale pricing.

#### Customer Engagement Program – Oracle/Opower:

The purpose of the Customer Engagement Program is to enhance the interaction between the utility and its customers by providing them with resources that help manage their energy use, ensuring energy savings and increased customer satisfaction. The current program scope of work under the present Task Order is engaging up to 12,000 RPU residential electric customers through the following services:

- *Home Energy Reports:* Colorful reports are mailed to demonstrate how each resident is doing with energy usage compared to a like grouping of similar homes on an average of four times per year.
- *Online Web Portal:* Access to an online tool to view energy usage, set efficiency goals, track progress, and conduct self-evaluations 24 hours a day in English and Spanish.
- *Energy Savings Tips Library:* Access to a selection of tips targeted to household characteristics, including those of low-income customers.



Due to the acquisition of Opower by Oracle and the required new Master Professional Services Agreement between Oracle and SCPPA, this program's launch was originally scheduled at the beginning of FY 2017/18 but was delayed by several months. As a result, the reported savings in the table below are estimated savings based on typical results received by other utilities who have implemented a similar Customer Engagement Program. Actual saving calculations will be collected in August and September of 2018 upon completion of programmatic year one. The anticipated resource cost in the table below is artificially high, as the majority of the year one budget includes the one-time set-up fees associated with program implementation. The anticipated resource cost for year two is projected to be approximately \$0.10 - \$0.15 per kWh saved. This dramatic reduction is also attributed to the change in the customer's electric consumption as a result of the educational component of the program.

Customer Engagement Program through SCPPA					ANTICIPATED FY 2017 - 2018				
Program	Vendor	Service	City Council Program Approval Date	Original Amount Approved by CC	Participation	Energy Savings (MWh)	\$ Spent	Annual Resource Cost	Lifetime Resource Cost
Customer Engagement Program	Oracle/Opower	Residential Electric Use Comparison Tool	12/6/2016	\$250,000	12,000	320	\$250,000	\$ 0.78	\$ 0.78

The Task Order between RPU and Oracle America, Inc. is for FY 2018/19 in the amount of \$275,000, which will allow 24,000 RPU electric customers to participate in the program, a 200 percent increase in participation over the original agreement. The Customer Engagement Program seeks to achieve an estimated energy savings target of 2,720 MWh for FY 2018/19. RPU receives a five percent discount by procuring services through SCPPA using the economies of scale pricing.

#### PROGRAM EVALUATION:

The RPU Public Benefits & Customer Engagement Division will be reviewing the existing RPU SCPPA program portfolio and evaluating the other approved SCPPA vendors for potential program enhancements in FY 2019/20. This effort will be a part of an overall energy and water efficiency program review during FY 2018/19. The primary objective of this review is to examine the entire portfolio for potential realignment based on a community needs assessment. The program portfolio will be benchmarked against California and national energy efficiency standards for both program effectiveness and for cost benefit. The Public Benefits & Customer Engagement Division will present its findings and make recommendations to the Board of Public Utilities in the first quarter of 2019.

#### FISCAL IMPACT:

The total fiscal impact of the energy efficiency programs through SCPPA will be \$3,155,000 for FY 2018/19:

Program	SCPPA Contractor	SCPPA Resolution Number	Fiscal Year 2018-19 Budget	Account Number	Sufficient Funds Available
Business Outdoor Lighting Direct Installation Program	Richard Heath & Associates	2017-113	\$ 965,000.00	6020100-456006	Yes
Upstream HVAC Program	Energy Solutions	2013-019	\$ 250,000.00	6020100-456091	Yes
Multifamily Direct Installation Program	Synergy Companies	2014-082	\$ 150,000.00	6020100-456092	Yes
LED Buydown Program	GreenLite	2014-119	\$ 300,000.00	6020100-456096	Yes
Small Business Direct Installation Program	Lime Energy	2016-008	\$ 965,000.00	6020100-456080	Yes
Keep Your Cool	Efficiency Services Group	2015-023	\$ 100,000.00	6020100-456080	Yes
Key Account Energy Efficiency Program	Muni-Fed Partner Energy	2017-070	\$ 150,000.00	6020100-456094	Yes
Customer Engagement Program	Oracle America Inc.	2017-059	\$ 275,000.00	6020100-456097	Yes
<b>Total</b>			<b>\$ 3,155,000.00</b>		

Amounts above are included in the proposed Public Benefits FY 2018/19 budget to be reviewed and approved by the Board of Public Utilities and the City Council in April and June, respectively.

Prepared by: Daniel E. Garcia, Utilities Assistant General Manager/Resources  
Approved by: Todd L. Jorgenson, Interim Utilities General Manager  
Approved by: John A. Russo, City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability  
of funds: Laura M. Nomura, Utilities Assistant General Manager/Finance & Administration

Attachments:

1. Presentation
2. Business Outdoor Lighting Direct Installation Program – Richard Heath and Associates Task Order No. RPU-01
3. Upstream HVAC Program – Energy Solutions Task Order No. RPU-04
4. Multifamily DI Program – Synergy Companies Task Order No. RPU-04
5. LED Buy Down Program – GreenLite Lighting Corporation USA Task Order No. RPU-03
6. Small Business Direct Installation Program – Lime Energy Task Order No. RPU-03
7. Keep Your Cool Program – Efficiency Services Group Task Order No. RPU-03
8. Key Account Energy Efficiency Program – Muni-Fed Partner Energy Task Order No. RPU-04
9. Customer Engagement Program – Oracle Task Order No. RPU-02