



Jody London Consulting ♦ P.O. Box 3629 ♦ Oakland, CA 94609 ♦  
jody\_london\_consulting@earthlink.net ♦ 510-459-0667

June 7, 2010

Julie Fitch, Director  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

Simon Baker, Supervisor  
Energy Efficiency Section, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

Honesto Gatchalian  
Maria Salinas  
CPUC Energy Division, DMS Branch  
Tariff Files, Room 4005  
505 Van Ness Avenue  
San Francisco, California 94102

Akbar Jazayeri  
Vice President of Regulatory Operations  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, California 91770

Bruce Foster  
Senior Vice President, Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2040  
San Francisco, California 94102

RE: Protest of the Local Government Sustainable Energy Coalition to Southern California Edison Advice Letter 2473 - 2010- 2012 Energy Efficiency Local Government Strategic Plan Strategies Solicitation and Pilot Program

Dear Director Fitch, Mr. Baker, Mr. Gatchalian, and Ms. Salinas:

The Local Government Sustainable Energy Coalition submits this protest to Southern California Edison's ("Edison") Advice Letter 2473: 2010-2012 Energy Efficiency Local Government Strategic Plan Strategies Solicitation and Pilot Program ("Solicitation"). The LGSEC supports the intent of the Solicitation and Pilot Program: to provide funding for local governments to undertake innovative programs that have long-term impacts that support the goals of the *California Energy Efficiency Strategic Plan* ("Strategic Plan"). The LGSEC protests Edison's denial of an innovative proposal from five local government partners to combine resources under this program to establish a regional energy management organization for local governments in Southern California, based on a shared hardware platform. This data-driven pilot program would build energy management capacity within local government – which is one of the goals of the *Strategic Plan* – and build that capacity more effectively than the status quo.

Additionally, the LGSEC continues its procedural protest against Edison requiring anyone who wants to look at the data in the proposals Edison received from local governments to

sign a non-disclosure agreement. As detailed in our May 20, 2010 letter, the California Public Utilities Commission (“Commission”) should compel Edison to remove the confidentiality requirement contained in Attachment B of the Advice Letter.

## **Background**

In Decision 09-09-047, the Commission directed SCE to add \$32 million to its 2010-2012 energy efficiency program for local government partnerships. The \$32 million is to be used to solicit “competitive proposals from local governments in its service territory” to “pilot innovative local government Strategic Plan strategies.”<sup>1</sup> PG&E was similarly directed. Initially the utilities were to submit Advice Letters implementing this provision within 120 days of D.09-09-047. PG&E met this requirement. SCE requested and was granted an extension to submit its advice letter now.

Several local governments that are “partners” with Edison for the 2010-2012 program cycle submitted in their proposals for this solicitation a joint proposal by which they would share energy management technology and expertise by creating a Regional Energy Management organization designed and led by local governments. Edison would deny this joint proposal, and does not in the Advice Letter request funding for it.

This technical organization, which does not currently exist, would draw on the joint knowledge, experience, and reach of the participating entities. Partners in this request included Los Angeles County, the South Bay Cities Council of Governments (“SBCCOG”), the San Gabriel Valley Energy Wise Partnership, a coalition of Orange County cities led by Huntington Beach, and Edison/Southern California Gas partners under the Community Energy Partnership (“CEP”) represented by the City of Santa Monica. The technical organization’s focus would be to help local governments throughout the region immediately plan and implement projects that reduce energy usage and greenhouse gas emissions by delivering needed tools and resources to increase technical skills. The new organization would work in parallel with statewide entities that are tasked with disseminating best practices, convening regional local government energy organizations, and recognizing achievements, such as the Local Government Commission, ICLEI, and the Institute for Local Government. In Northern California, PG&E is utilizing the Association of Bay Area Governments, the Great Valley Center, the Association of Monterey Bay Area Governments, and the Sierra Business Council to help disseminate information region-wide; this organization would provide a similar network in Southern California.

Under this task, the Regional Energy Management organization will identify other technical programs being developed or utilized by other local government energy management organizations (for example: developing, procuring and managing energy efficiency projects; providing ongoing measurement & verification of energy savings; developing, proposing and adopting innovative local government energy policies, procedures and programs such as climate action plans and reach Title 24 codes). While there are some local governments actively planning for and working towards achieving energy efficiency goals, most local governments have not initiated energy management programs. The Regional Energy Management organization would create an organization to assist local governments in implementing locally appropriate

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<sup>1</sup> D.09-09-047, p. 260.



opportunities to yield the most significant energy savings and help advance key energy efficiency goals.

The total amount requested by each participating local government partner is provided below:

<b>Jurisdiction</b>	<b>Amount</b>
Huntington Beach (Orange County Cities Coalition)	\$375,000
L.A. County	\$200,000
San Gabriel Valley Cities Energy Wise Partnership	\$200,000
Santa Monica (Community Energy Partnership)	\$100,000
South Bay Cities Council of Governments	\$50,000
<b>Total</b>	<b>\$925,000</b>

Each of these local governments is willing to forego funds that would otherwise go directly to programs in their jurisdiction to build its internal energy management capacity and pool resources. Especially during the current budget crisis in California, which is having devastating impacts on local government, forward-thinking local governments recognize that working collaboratively provides the best opportunity to support each other in attaining our individual goals. This program had the support of individuals and organizations working on statewide local government best practices; both ICLEI and the Statewide Local Government Energy Efficiency Best Practices Coordinator provided letters of support that were included with the local government proposals. Rather than restate the entire proposal, we include as Attachment A the proposal from the County of Los Angeles, which is representative of the proposals submitted by all five participating local government partners in the Regional Energy Network request. Because Edison required a specific format, the elements of the Regional Energy Network are embedded within the proposal as “Task 2.”

### **The Commission Should Direct Edison to Fully Fund the Regional Energy Network Proposal**

Edison’s Advice Letter makes brief mention of the programs that Edison did not fund.<sup>2</sup> The LGSEC can only assume that Edison viewed the Regional Energy Management proposal as one that would “replicate existing utility program offerings.” The LGSEC submits that this initiative is unique and should be supported by Edison in its 2010-2012 portfolio.

The Regional Energy Management organization would provide long-term benefits. The work to be conducted would bring together a consortium of leading local governments and would have a project implementation focus. Sharing the technical resources activity (budgeted at \$500,000) eliminates individual jurisdiction investments and realizes economies of scale benefits. Similar individual investments into these activities could easily double this amount.

<sup>2</sup> From Advice Letter 2473-E, p. 5: “Of the proposed tasks, there were 40 tasks that failed to meet the scope requirements as defined in the statewide strategic menu and repeated in the RFP. These tasks included proposals to fund incentives, infrastructure, short-term initiatives, residential outreach, and initiatives replicating existing utility program offerings. These out-of-scope tasks accounted for \$8,238,599 in proposed funding.”



The Regional Energy Management proposal would provide a network of action-oriented resources for local governments with a focus on implementing more energy efficiency projects in local government facilities. This supports *Strategic Plan* Goal 3 (local governments lead by example) as local governments undertake energy efficiency projects through their participation with the regional energy management network. It also supports *Strategic Plan* Goal 4 (local governments lead communities with innovative programs). In addition to this program of action-oriented regional collaboration being innovative, the actual projects undertaken could include cutting-edge technologies or strategies. This proposal also would contribute to Goal 5 (energy efficiency becomes widespread and typical among local governments), as local government participation in the energy management network increases.

Edison required in the solicitation that each bidders address the “long term sustainability” of its proposed project. The RFP states: “Long term sustainability will not be dependent on continued funding beyond the current funding cycle.” Edison may respond to this protest from the LGSEC by telling the Commission that the proposed Regional Energy Management organization is not self-sustaining. This is a red herring. Any local government activities that Edison is undertaking currently are funded only through the life of the current program, pursuant to Commission order. The ultimate source of the funds Edison uses for the staff it assigns to local government energy efficiency activities is the ratepayers. And the local governments who submitted this proposal are all Edison customers.

The local governments’ proposal stated that a clear goal for the Regional Energy Management organization would be identifying a long-term funding stream to support ongoing activities. Initial sources to leverage include, but are not limited to: the Property Assessed Clean Energy program that L.A. County will be launching in the second quarter of 2010 (with participation by many of the 88 cities within the County, as well as the unincorporated areas of the County, which population alone is one million); ongoing Federal block grants and other funds that may become available under follow-on legislation to the American Recovery and Reinvestment Act of 2009; a revolving loan fund that could be established as part of this program; continued contributions from public goods charge funds; on-bill financing; performance contracting.

If the Commission is serious about achieving the *Strategic Plan* goal that all local governments will have in-house energy management capability by 2020, it will direct Edison to invest directly in building local government capacity and institutionalizing energy management strategies, policies, and practices by funding the proposed Regional Energy Management organization. The impact of the State’s budget crisis on local government cannot be understated. In a time when the staff that provide essential services are being laid off, many local governments cannot justify energy management positions. A program that allows local governments to pool resources and share staff is one of the few mechanisms for building the in-house capacity that is a goal of the *Strategic Plan*. If the Commission and its counterparts at the California Energy Commission want local government energy efficiency expertise to be widespread, they must fund this program so that expertise is available cost effectively, without adding to long-term liabilities of the local governments. There is no other organization that is providing hand-on energy management services, and ultimately this is an activity that must be performed by local government, and embedded within the policies and operating procedures of



each local government. Additionally, this will lead to the identification on an ongoing basis of significant long-term energy savings that can form the basis for the long-term fiscal sustainability of the program.

The Commission also should consider the population that would be served by the local governments represented in the proposed Regional Energy Management organization, provided below:

<b>Jurisdiction</b>	<b>Population (rounded)</b>
County of Los Angeles (unincorporated areas)	1,100,000
South Bay Cities Council of Governments*	1,000,000
City of Huntington Beach (and other Orange County Cities: Costa Mesa, Fountain Valley, Huntington Beach, Costa Mesa, Irvine)	660,000
Santa Monica (representing CEP Cities)	90,000
San Gabriel Valley Energy Wise Partnership*	2,000,000
* Partnership populations are for the Council of Government cities	
<b>Total</b>	<b>4,850,000</b>

Being mindful that the total amount requested for this project is less than \$1 million, the Commission should contrast this with the request in Advice Letter 2473-E to award \$6,140,400 to the Coachella Valley Association of Governments, which has a total population of 501,000.<sup>3</sup> Because Edison has deemed the breakdown of task budgets confidential, we cannot evaluate how much might be directed to energy management activities. We are not advocating for or against the Coachella Valley program, just pointing out a potential discrepancy. Surely Edison can fund a program that has the potential to reach many millions more people at significantly less cost, in addition to the program in the Coachella Valley.

This joint proposal should not have been a surprise to Edison. In the Q&A provided as part of the RFP process, Edison explicitly allowed the type of proposal it subsequently denied:

Q21: Could these proposals form collaborations between cities in a joint proposal?

A21: Yes. SCE encourages cross-pollination and jurisdictions are welcome to propose with other jurisdictions within the SCE partnership portfolio for a regional proposal. The maximum cap would be a \$1 million dollars per jurisdiction.<sup>4</sup>

Another key factor in the Regional Energy Management program that Edison would deny is the ability to expand the use of data by local governments in energy management. The program would utilize data from the expansion of the enterprise energy management information system operated by the County of Los Angeles (installed through County sources, not the public goods charge). This data would be provided to participating local governments, using L.A. County's expanded system. Instead, nearly every proposal listed in Edison's Advice Letter lists a similar system to track municipal energy usage. Basically, Edison would have each local government partner in its service territory re-invent the wheel, at higher cost, rather than take advantage of the economies of scale offered by the Regional Energy Management network.

<sup>3</sup> Coachella Valley Association of Governments website, <http://www.cvag.org/CVAG%20Demographics/CVAGProfile.pdf>.

<sup>4</sup> Advice Letter 2473-E, Attachment A-22.



Edison has made a mistake in not funding the Regional Energy Management organization. The Commission should direct Edison to do so when it approves Advice Letter 2473-E.

### **Bidder Data Is Not Confidential Information and Should be Disclosed**

Immediately upon reviewing Advice Letter 2473-E, the LGSEC requested the Commission compel Edison to remove the confidentiality provisions Edison has placed on the proposals from the local governments.<sup>5</sup> The request was made to facilitate review of the Advice Letter. Edison responded to the LGSEC letter on May 25, 2010. Edison's response reveals its ongoing misunderstanding of the public access rules that apply to local governments.

Edison states: "While LGSEC is correct that the bid proposals from the public entities are publicly available, the detailed tasks, costs, budget information and the negotiation process are not public." The only thing LGSEC has asked to see are the full proposals that were submitted by the local government applicants. These proposals, by definition, **included** the detailed tasks and requested budgets. Edison cannot conveniently define some of it as public and some of it as confidential. This is ALL public information, as it is no different than any other grant application that the public entities would submit. There is no basis in the Public Records Act or the Brown Act to think otherwise. The proposals are just the starting point for the negotiations and in no way negatively influence the negotiations that have not yet commenced. On the contrary, they would positively influence the negotiations because all parties would have better information on good approaches and more accurate estimated costs. Furthermore, in a City Manager form of government, the only contracts that city councils can discuss in closed session are personnel contracts including labor union contracts with their employee unions, so the "closed session" analogy is irrelevant.

As a side note, the manner in which SCE filed Advice Letter 2473-E, and the attendant request for non-disclosure, would not necessarily be known to all the local governments that submitted proposals because not every city, and the appropriate staff members, are on the service list for this proceeding. Edison's protocols do not include sending the affected parties an informational copy of regulatory filings after they are submitted, let alone allow for review by the participating local government partner in advance of submittal. This is in contrast to SoCalGas, which routinely forwards copies of filings as a courtesy to its local government partners. As indicated above, most local governments do not have energy management staff, let alone staff who are tracking the day-to-day activities of the Commission.

### **Conclusion**

The Commission should direct Edison to include in its grant awards the Regional Energy Management organization jointly proposed by a number of Edison's local government partners. This program has great potential to build local government energy management capacity, realize savings, and leverage funds from other sources. The Commission also should be skeptical of Edison's request that information from bids submitted by local governments should be deemed confidential. Attachment B of the Advice Letter should be made publicly available.

<sup>5</sup> May 20, 2010 letter to Julie Fitch, Simon Baker, and Honesto Gatchalian of the CPUC Energy Division.



Please contact me with any questions or comments.

Sincerely,

A handwritten signature in blue ink that reads "Jody London". The signature is fluid and cursive, with the first name "Jody" being more prominent than the last name "London".

Jody London

cc: Service List, A.08-07-021 et. al.



**ATTACHMENT A**

**COUNTY OF LOS ANGELES PROPOSAL TO  
SOUTHERN CALIFORNIA EDISION**



**County of Los Angeles  
Proposal to Southern California Edison  
Strategic Plan Support Program**

**March 22, 2010**

***Introduction***

The County of Los Angeles (“L.A. County”) is pleased to submit to Southern California Edison (“SCE”) this proposal for strategies to achieve the goals of the *California Energy Efficiency Strategic Plan*. L.A. County’s Strategic Plan Support Program is focused on (1) using the County’s own energy management expertise and systems to assist other local governments in enhancing their energy management capabilities, and (2) working in combination with other SCE local government partners to expand regional energy management expertise and systems to benefit all other local governments in the region. L.A. County’s Strategic Plan Support Program will support, in particular, *Strategic Plan* goals 3, 4, and 5.

**Task 1** of the Strategic Plan Support Program will draw on the expertise and existing resources of L.A. County’s Energy Management Division (“EMD”). L.A. County’s EMD has long been recognized as a leading local government energy manager, and has been a solid partner for SCE in its energy efficiency programs. Under this proposal, L.A. County will expand its Enterprise Energy Management Information System (“EEMIS”) to accommodate other local government facilities within the SCE/Southern California Gas (“SCG”) service territory, with an initial focus within L.A. County (there are 88 cities within L.A. County, as well as numerous school districts and other special districts). EEMIS provides facility energy consumption and bill data archiving, tracking, reporting, and analysis via the internet. EEMIS provides tools for online, automated facility benchmarking, energy consumption management, and energy efficiency project support. L.A. County EMD will also assist local governments in adding their facilities to a regional EEMIS and train their staff to use EEMIS. Other SCE/SCG local governments are separately requesting funds for the necessary work within their own facilities to have them added to L.A. County’s EEMIS.

**Task 2** of the Strategic Plan Support Program brings together other leading local government and utility energy efficiency partners in Southern California in a joint request to pool funds to develop an action-oriented regional energy management organization. This technical organization, which does not currently exist, will draw on the joint knowledge, experience, and reach of the participating entities. Partners in this request for Task 2 include Los Angeles County, the South Bay Cities Council of Governments (“SBCCOG”), the San Gabriel Valley Energy Wise Partnership, a coalition of Orange County cities led by Huntington Beach, and SCE/SCG partners under the Community Energy Partnership (“CEP”) represented by the City of Santa Monica. The technical organization’s focus will be to help local governments throughout the region immediately plan and implement projects that reduce energy usage and greenhouse gas emissions by delivering needed tools and resources to increase technical skills. The new organization will work in parallel with statewide entities that are tasked with disseminating best practices, convening regional local government energy organizations, and recognizing

achievements, such as the Local Government Commission, ICLEI, and the Institute for Local Government. In Northern California, the utilities will utilize the Association of Bay Area Governments, the Great Valley Center, the Association of Monterey Bay Area Governments, and the Sierra Business Council to help disseminate information region-wide; this organization will provide a similar network in Southern California. Under this task, the organization will identify other technical programs being developed or utilized by other local government energy management organizations. While there are some local governments actively planning for and working towards achieving energy efficiency goals, most local governments have not initiated energy management programs. This Task will create an organization to assist local governments in implementing key opportunities to yield the most significant energy savings and help advance energy efficiency goals.

### Proposal Checklist

Section 3	Included? (Y/N)	Section/ Page Number
Item A – Bidder’s Information	Y	Item A, p.2-3
Item B – Scope of Work to be Performed	Y	Item B., p.3-7
Item C – Responding to Task Criteria	Y	Item C, p.12-20
• (Section 2.B Items 1 through 8)	Y	Item C, p.12-20
Item D – Long Term Sustainability	Y	Item D, p.20
Item E – Total Budget Cost	Y	Item B-3, p.7-10 Item E, p. 21

#### ***Item A. Bidder’s Information***

1. Primary local government: County of Los Angeles
2. Co-applicant local governments: The City of Santa Monica (representing CEP), City of Huntington Beach (representing a coalition of Orange County cities), the San Gabriel Valley Cities Energy Wise Partnership, the South Bay Cities Council of Governments (included separately in their applications)
3. Main contact information:

Howard Choy, Office of Sustainability  
 County of Los Angeles, Internal Services Department  
 1100 N. Eastern Avenue  
 Los Angeles, CA 90063  
 (323) 267-2006  
 (323) 260-5237 (fax)  
 (323) 204-6134 (cell)

4. Population of each jurisdiction (current census):

<b>Jurisdiction</b>	<b>Population (rounded)</b>
County of Los Angeles (unincorporated areas)	1,100,000
South Bay Cities Council of Governments*	1,000,000
City of Huntington Beach (and other Orange County Cities: Costa Mesa, Fountain Valley, Huntington Beach, Costa Mesa, Irvine)	660,000
Santa Monica (representing CEP Cities)	90,000
San Gabriel Valley Energy Wise Partnership*	2,000,000
* Partnership populations are for the Council of Government cities	

***Item B. Scope of Work to be Performed*****1. Scope Of Work To Be Performed**

The County of Los Angeles Energy Efficiency Strategic Initiative is comprised of two components:

**Task 1:** Provide a cost-effective means for cities and other public agencies in the region to monitor, analyze, and benchmark facility energy usage using a single, existing energy management software tool currently managed by L.A. County EMD. Using funding from this grant, EMD will upgrade its existing system to accommodate other local government facilities. EMD will develop a business model to demonstrate how other local governments may implement EEMIS and effectively utilize its features. Other local governments will request funding to prepare their facilities and staff to utilize EEMIS.

This task supports Strategic Plan Goal 3: Local governments lead by example with their own facilities and energy use practices. This task is in alignment with Goal 3, Task 3.1.1: Develop energy benchmarking policies and procedures to enable ongoing benchmarking of all local government facilities, and Goal 3, Task 3.1.2: Set up a utility manager computer program to track municipal usage; identify need for sub-metering to plan, budget and manage bills.

This task also supports Strategic Plan Goal 5: Local government energy efficiency expertise becomes widespread and typical.

**Task 2:** The participating local governments listed above, in conjunction with the regional energy management organization, will investigate and develop a suite of energy management services and resources for local governments. These resources include development and implementation of services such as: utility bill audits, government facility audits and benchmarking, energy efficiency project scoping, energy-balance calculations, standards for retro-commissioning and retrofitting government facilities, standard specification and contracting templates, software for tracking regional and jurisdictional project performance and benefits, improved energy code compliance activities, coordination of training and certification activities for agency staff, enhanced participation in utility core programs, coordination with

Property Assessed Clean Energy (“PACE”) financing programs, and pursuit of opportunities for joint evaluation and development of energy savings revolving loan programs in participating jurisdictions. This task seeks to identify additional, beneficial programs (like the County’s expansion of EEMIS) that may be developed in a cost effective manner for use by all local governments in the region.

Implementation of Task 2 program activities will occur in collaboration and coordination with the broader and very complementary program efforts that will be implemented by the Local Government Commission (“LGC”), Institute for Local Governments (“ILG”) and ICLEI , which are focused at a statewide level on coordinating and engaging local governments to share best practices and expertise, develop common knowledge bases, develop consistent community energy strategies and climate action plans, and recognize the achievements of regional entities. ICLEI and the Statewide Local Government Energy Efficiency Best Practices Coordinator have both provided letters of support for this complementary effort under Task 2.

This task supports Strategic Plan Goal 4: Local governments lead their communities with innovative programs for energy efficiency, sustainability and climate change and Strategic Plan Goal 5: Local government energy efficiency expertise becomes widespread and typical.

## **2. Approach To Scope Of Work**

**Task 1:** L.A. County will use funding from this grant to perform the following activities:

L.A. County will modify its EEMIS to accommodate other local government facilities; this includes outsourcing data and application hosting to the software developer (Itron); upgrading its in-house administration systems; and developing a regional, system administrative hierarchy that accommodates multiple local governments.

L.A. County will develop a business plan for a master enabling agreement that allows cities and other public agencies to add utility bills and facility energy information to its EEMIS for use by others. L.A. County will expand its EEMIS system to accommodate other city and public agency facility utility bills, meters, and other information, and to allow its users to access EEMIS reporting and analysis tools. The current EEMIS system accommodates about 200 County buildings, with over ten thousand bill and facility energy data points but has the potential for almost unlimited growth.

L.A. County will develop a technical resource team that will meet with local government energy management staff, building management staff, and other representatives to help them develop a scope of work that identifies the steps necessary to prepare their facilities to be added to EEMIS. These steps would include: acquiring meter data from utilities, identifying and implementing sub-metering, storing meter and sub-meter data, transferring data to the County’s EEMIS, acquiring bill data from utilities, and acquiring other building system information.

The L.A. County technical resource team also will train city and other public agency staff on how to establish an in-house energy management competence, using EEMIS to analyze data and generate reports that support: consumption monitoring, identifying savings opportunities,

implementing commissioning programs, benchmarking facility usage and operations, sustaining project savings.

L.A. County will provide to those local governments that participate in EEMIS regional, municipal facility energy usage information, building benchmarking information, and other reports that support region-wide, municipal building education and training.

LA County will provide regional workshops to promote EEMIS and describe its benefits, demonstrate its reporting and analysis capabilities, train local government staff on its use, and demonstrate specific functionality related to retrocommissioning (“RCx”) and monitoring based commissioning (“MBCx”). This has the ancillary benefit of supporting the *Strategic Plan* priority of RCx and MBCx becoming more widespread practices.

Other local governments will request funds separately to acquire facility energy information and data, and prepare their facilities to be added into EEMIS, and to access and utilize the EEMIS tools.

**Task 2:** This task will consist of the following activities:

L.A. County and other SCE/SCG local government partners will work together to develop and expand the technical resources, programs, and tools that will assist interested local governments in the region in becoming more energy efficient. They also will develop the new energy management technical organization, which will help local governments expand implementation of energy efficiency projects in their municipal buildings, build capacity for enhanced energy management policies and best practices, provide staff training and new systems and tools that will strengthen the capacity for effective Title 24 compliance, and create integrated and comprehensive approaches for better collection, tracking, and reporting of energy efficiency data. The technical organization will provide immediate assistance for existing local governments through the provision of resources to perform the following activities:

- Identifying and selecting shared technical resource(s) to provide a variety of energy efficiency services including: audits of municipal facilities, identification of existing and new retrofit opportunities, identification of RCx and MBCx opportunities, facility benchmarking analyses, use of building systems diagnostics tools, energy training for facility managers, and integration of measures that extend beyond investor-owned utility energy efficiency programs (e.g., demand response, renewables, water efficiency, other green building measures);
- Developing qualified contractor pools to perform project work;
- Developing consistent project technical specifications and procedures;
- Immediately inputting municipal building information into the regional EEMIS program to develop a broad facility benchmark database;
- Identifying other funding sources to support the organization after the grant period.

L.A. County and other SCE/SCG local government partners will identify other existing, innovative programs (like EEMIS), develop strategies for regionalizing the programs, and determine their cost effectiveness. An example of a candidate program being led by the City of Santa Monica is described below:

Development and implementation of a Community Energy Efficiency Project Management System (“CEEPMS”) being proposed in a separate application by the City of Santa Monica. CEEPMS will be an integrated online permitting system interface module that will assist local governments in measuring, evaluating and tracking energy efficiency data from building projects to assist in complying with statewide energy and greenhouse gas (GHG) emissions reduction targets as well as local Climate Action Plan goals and targets. CEEPMS will provide local governments with a new and innovative tool to track city-wide Energy Efficiency improvements, from all projects requiring a building permit, to support data collection, tracking, and forecasting related to actual Climate Action Plan and Energy Action Plan performance. As data is collected for CEEPMS, the automated module will aide in EE code compliance, promote more integrated and comprehensive energy efficiency elements in permitted projects, boost participation in eligible utility EE Core Programs, and provide key information and assistance for potential participation in and other available EE incentive and financing programs including PACE financing opportunities. CEEPMS will therefore be a key tool for providing the right information at the right time to strongly encourage energy efficiency upgrades that exceed Title 24 in non-residential projects and stimulating a movement toward more comprehensive “Whole House” retrofit approaches in residential projects. Task 2 activities will support expansion of this program as part of the overall regional energy management efforts.

L.A. County and the other SCE/SCG partners will also oversee development of these additional activities under Task 2:

- Perform a Gap Analysis by interviewing local public agency executives, local energy management staff, local utility staff, and other regional energy management network organizations to identify municipal energy management needs and priorities;<sup>6</sup>
- Utilize survey data such as the Local Government Sustainable Energy Coalition’s member survey, the Gap Analysis described above, and previous local government energy management needs assessments to develop a strategy for establishing regional administration of these centralized energy management resources;
- Develop a business plan, mission statement, organizational goals, budget, and implementation plan and schedule for the administration of these programs;

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<sup>6</sup> This could be an update of the 2005 *Public Agency Participation in Energy Efficiency Programs: Technology Transfer Feasibility Study* prepared as part of the County of Los Angeles – Southern California Edison – Southern California Gas energy efficiency partnership.

- Develop a plan for making the organization sustainable beyond the period of this grant program.

### 3. Intended Results Or Outcomes Per Task, And Resources Required To Meet The Work Requirements

#### Task 1 Results:

All local governments, or groups of local governments, with access to energy management resources will have key facilities integrated into a regional EEMIS; initial focus will be on facilities undergoing energy efficiency projects, larger facilities, facilities on time-of-use rates, and “high profile” facilities that can become showcase facilities for the local government.

L.A. County will present information about the regional EEMIS to all local governments served by both SCE and SCG. These presentations will take place with individual local government staff, in collaboration with regional partners and other organizations, and through workshops.

All energy management staff within other local governments will receive training on EEMIS utilization in activities such as facility benchmarking using Energy Star, a variety of other types of facility benchmarking, managing energy consumption, RCx and MBCx principles, and energy management program development.

Using technical support provided by L.A. County, other local governments will use their funding sources (including their own applications to this Grant solicitation) to prepare their facilities to be placed on the regional EEMIS.

More energy efficiency projects will be implemented in local government facilities in the SCE/SCG, joint service territory.

#### Task 1 Resources Required:

Activity	Required Resources
Transfer the hosting of the EEMIS software application and the facility data storage from the County to the software developer’s secured, remote infrastructure and location. Expand the software application and remote hardware to accommodate additional facility information.	\$75,000 Itron contracted services
Upgrade and configure the local (County maintained) hardware and software that acts as the bridge between the equipment located in the field and the County-run, centralized EEMIS application. The hardware will host software applications commonly referred to as ‘middleware’ or ‘gateways’ that convert field data to EEMIS formatting.	\$50,000 Itron and other technical consultant services
Provide County Information Technology (IT) Service programming and telecommunication labor to work with local government IT staff on data gathering, data configuration, and verification of data formats before	\$50,000 County ITS labor

Activity	Required Resources
processing within the EEMIS system.	
<p>Utilize the County technical resource team to meet with city and other public agency energy managers, building management staff, and other resources to help develop their facilities' scope of work for implementation onto EEMIS.</p> <p>Staff will also meet with all local government jurisdictions in L.A. County and those in SCE/SCG service territories that have energy management resources to investigate and develop EEMIS implementation.</p> <p>County staff to be assigned include:</p> <p>1 – Facility Project Manager II @ \$200,000 per year (fully burdened) – 2.5 years - 50% of time</p> <p>1 – Facility Project Manager I @ \$175,000 per year (fully burdened) – 2.5 years - 50% of time</p> <p>For budgeting purposes, 25% of these costs will be considered Marketing/Outreach and 75% Direct Implementation.</p>	<p>\$475,000</p> <p>County Facility Project Manager labor (fully burdened, part-time over the duration of the Grant)</p>
Host technical training workshops using County staff and consultants; develop workshop curriculum and promotional/educational materials.	<p>\$50,000</p> <p>Consultant costs, materials, and event costs</p>
Provide consulting support from the EEMIS software developer (Itron) to modify system hosting, system administration, and data implementation for other city and public agency facilities; prepare web-based screens and tools to facilitate development of regional hierarchy of local governments, and new regional data reporting (e.g., facility greenhouse gas reporting, Energy Star benchmarking, regional facility energy use benchmarking).	<p>\$100,000</p> <p>Itron contracted services</p>

## Task 2 Results:

Local governments in the SCE/SCG service territories will share technical programs that enhance existing energy management resources and promote the implementation of more energy efficiency projects in their facilities. More energy efficiency projects will be implemented in local government facilities.

Local governments will use the example of Task 1, development of a regional EEMIS, as a guide for identifying, developing, and leveraging additional regional programs in a cost effective manner.



Local governments with no previous energy management resources will be able to utilize resources developed through this task.

More energy efficiency projects are implemented in local government facilities, results are tracked, and facilities are benchmarked.

Working in concert with the statewide local government associations and with the Statewide Local Government Energy Efficiency Best Practices Coordinator, an organizational structure to administer the tasks under Task 2 will be developed and a plan for long-term sustainability of the program will be established.

### **Task 2 Resources Required**

As indicated above, several local government energy efficiency partners are joining together to request funds to develop and establish additional regional energy management resources that may be centrally managed. The budget provided below and throughout this document represents the pooled request from the entities listed above. The amount requested by L.A. County is \$200,000. The total amount requested by all of the other SCE/SCG local government partners for Task 2 is \$725,000.

<b>Activity</b>	<b>Required Resources</b>	<b>LA County's Request</b>	<b>Other Partners' Requests</b>
<p>Select consultant(s) to provide immediate technical support and administer the implementation of the short term measures:</p> <ul style="list-style-type: none"> <li>• Create and utilize model energy and climate policies to customize for local government adoption.</li> <li>• Identify and select shared technical resource(s) to provide a variety of energy efficiency services including: audits of municipal facilities, identification of retrofit opportunities, identification of retrocommissioning and monitoring-based commissioning opportunities, facility benchmarking analyses, new retrofit technology opportunities, use of building systems diagnostics tools, energy training for facility managers, and integration of measures that extend beyond investor-owned utility energy efficiency programs (e.g., demand response, renewables, water</li> </ul>	\$500,000	\$100,00	\$400,000

<b>Activity</b>	<b>Required Resources</b>	<b>LA County's Request</b>	<b>Other Partners' Requests</b>
efficiency, other green building measures); <ul style="list-style-type: none"> <li>• Develop qualified contractor pools to perform project work;</li> <li>• Develop centralized project technical specifications and procedures;</li> <li>• Immediate input of municipal building information into the regional EEMIS program to develop a broad facility benchmark database;</li> <li>• Resources to investigate and identify other project funding sources.</li> </ul>			
L.A. County and other SCE/SCG local government partners will identify other existing, innovative programs (like EEMIS) and develop the programs for regional implementation.	\$350,000	\$80,000	\$270,000
Consultant to perform GAP analysis and interviews and prepare report and recommendations	\$20,000	\$10,000	\$10,000
Consultant(s) to develop the business plan, mission statement, organizational goals, budget, and implementation plan and schedule, and plan for long-term sustainability.	\$55,000	\$10,000	\$45,000

Total SCE/SCG Partners Resource Requests for Task 2

<b>Jurisdiction</b>	<b>Amount</b>
Huntington Beach (Orange County Cities Coalition)	\$375,000
L.A. County	\$200,000
San Gabriel Valley Cities Energy Wise Partnership	\$200,000
Santa Monica (Community Energy Partnership)	\$100,000
South Bay Cities Council of Governments	\$50,000
<b>Total</b>	<b>\$925,000</b>

The total of L.A. County's request for this Grant is \$1,000,000; \$800,000 for Task 1 and \$200,000 for Task 2.

#### 4. Deliverables and Milestone Dates

##### Task 1:

<b>Deliverable/Milestone</b>	<b>Date</b>
Develop an outreach plan which will target other local government facilities to join L.A. County's EEMIS. Deploy resources to develop specific scopes of work for each local government facility candidate to join EEMIS.	1 month after contract execution
Develop a business model and implementation plan with published costs and rates for enrolling and implementing other local government facilities onto EEMIS	3 months after contract execution
L.A. County's EEMIS ready to implement other local government facilities	3-6 months after contract execution
Initiate technical workshops for other local governments	3-6 months after contract execution
Establish regional local government facility programs and reports (e.g. automated benchmarking tool, facility energy consumption benchmarking report, other facility benchmark reports)	6 months after contract execution
Determine the capacity of a regional EEMIS program – the current system accommodates 200 County buildings, with over ten thousand bill and facility energy data points. System capacity could quickly double to accommodate other municipal and public agency facilities. L.A. County will determine the total, potential benefits (total project potential, total energy savings, regional facility benchmark database, and other metrics) of a fully developed, long-term regional EEMIS.	6 months after contract execution

##### Task 2:

<b>Deliverable/Milestone</b>	<b>Date</b>
Select consultant(s) to provide immediate technical support and administer the implementation of the short term measures	3 months after contract execution
Identify other existing, innovative programs (like EEMIS) and develop for regional implementation	3 months after contract execution
Complete Gap Analysis and other needs assessment report	6 months after contract execution
Establish regional local government facility programs and reports (e.g., automated benchmarking tool, facility energy consumption benchmarking report, other facility benchmark reports)	6 months after contract execution
Create a business plan, mission statement, organizational goals, budget, and implementation plan and schedule for long-term sustainability of the organization	12 months after contract execution
Provide a report which describes the accomplishments and benefits of Task 2 and describes the progress of baseline metrics described in Item C – 6.	12 months, 24 months and 36 months after contract execution

Deliverable/Milestone	Date
Implement the new technical organization structure.	24 months after contract execution

### ***Item C. Task Criteria***

#### **1. Statement Of The Concern, Gap, Or Problem The Proposed Work Seeks To Address And The Likelihood That The Issue Can Be Addressed Cost-Effectively Through Utility Programs**

**Task 1** – Very few local governments have the resources to systematically manage energy usage. Particularly in the current budget crisis, it is difficult for local governments to staff and fund these programs. Task 1 will allow LA County to leverage an existing, state of the art energy management tool (EEMIS) for use by any other local government in SCE/SCG service territory.

Acquiring and utilizing data is critical to an effective energy management program; this includes bill data (consumption, demand, spend, period consumption, etc), utility meter pulse information, sub-meter information, building automation system information (equipment status and consumption information, load, speed, temperature, flow, etc.), other building information (size, building purpose, # of occupants, operating hours, etc). Many local governments are challenged with simply collecting all of their facilities’ utility bills. The ability to acquire and utilize all of this information exists, as evidenced by L.A. County’s EEMIS, but it is not individually cost effective for local governments. Nor do local governments have the resources to independently manage such a program even if this data were readily available.

Expanding the County’s EEMIS into a regional program will allow other local governments to manage consumption in their facilities more effectively, benchmark their facilities using Energy Star, benchmark their facilities against other local government facilities in the region, identify and implement more energy efficiency projects, and leverage the experience and resources of L.A. County EMD and other regional energy management resources. This increased expertise will facilitate local governments becoming more productive partners with the utilities.

**Task 2** – Numerous opportunities exist for local governments to advance energy management and planning within their own operations and in their communities. Some local governments are actively planning for and working towards achieving the State’s aggressive energy efficiency goals. However, most local governments are not currently implementing energy management and reduction programs as the cost and technical expertise needed for these programs can be prohibitive. Therefore, this Task will identify key opportunities that local governments can take to yield the most significant energy savings and help local governments advance energy efficiency goals.

A study of local government and public agency energy management needs was conducted by SCE, SCG, and L.A. County as part of their 2004-05 partnership. The study consisted of a regional questionnaire, interviews of individual localities, and an April, 2005 workshop. The key finding of the study was as follows: “The study results find that the key barriers to doing more energy efficiency projects are time and resources. Secondary barriers include lack of knowledge about energy issues and technologies, and understanding the various programs. Staff participating in the study usually work in Public Works or Facilities Management departments, and have many other issues for which they are responsible.”<sup>7</sup>

Implementation of Task 2 will help spread successful energy management programs throughout the Los Angeles metropolitan region by providing specialized, technical resources and the infrastructure to develop programs for wider use, allow local governments to work in a coordinated manner, and share centralized resources. This program will bring together existing pockets of energy management expertise, and reach local governments that are not currently engaged, thereby expanding the reach.

## **2. Whether And How The Work Will Address A CEESP Goal Or Strategy And Market Transformation**

**Task 1** supports *Strategic Plan* Goal 3: Local governments lead by example with their own facilities and energy use practices. Task 1 is in alignment with Goal 3, Task 3.1.1: Develop energy benchmarking policies and procedures to enable ongoing benchmarking of all local government facilities, and Goal 3, Task 3.1.2: Set up a utility manager computer program to track municipal usage; identify need for sub-metering to plan, budget and manage bills. This *Strategic Plan* Goal is achieved by implementing a regional EEMIS that other local governments can utilize. The County’s own energy management program will be enhanced through cooperative participation and sharing in a regional EEMIS by other local government energy management resources.

This Task also supports *Strategic Plan* Goal 5: Local government energy efficiency expertise becomes widespread and typical. A regional EEMIS achieves this goal by providing a specific resource for local governments to utilize in implementing energy efficiency projects in their facilities and helping to promote a consistent, cost effective, regional energy management program.

**Task 2** will provide a regional energy management network of action-oriented resources for local governments with a focus on implementing more energy efficiency projects in local government facilities. This supports *Strategic Plan* Goal 3 (local governments lead by example) as local governments undertake energy efficiency projects through their participation with the regional energy management network. It also supports *Strategic Plan* Goal 4 (local governments lead communities with innovative programs). In addition to this program of action-oriented regional collaboration being innovative, the actual projects undertaken could include cutting edge technologies or strategies. Task 2 also will contribute to Goal 5 (energy efficiency becomes

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<sup>7</sup> *Public Agency Participation in Energy Efficiency Programs: Technology Transfer Feasibility Study*, 2005.

widespread and typical among local governments), as local government participation in the energy management network increases.

### **3. Specific Goals, Objectives, And End Points For The Proposed Work Supporting The CEESP Strategies**

#### **Task 1 – Strategic Plan Goal 3 and 5 Goals, Objectives and End Points**

L.A. County will expand an effective energy management resource and make it available for other local governments, thus enabling a greater number of energy efficiency projects to be completed in the region.

Local governments in the Los Angeles region will be able to utilize a state of the art energy management tool to monitor and analyze facility data and develop much more thorough and cost effective energy management programs and policies for their facilities.

Local governments in the Los Angeles region will develop benchmarks for their own facilities (Energy Star benchmark and other facility energy benchmarks) and the facilities will be benchmarked against other regional, local government facilities.

#### **Task 2 – Strategic Plan Goal 3, 4 and 5 Goals, Objectives and End Points**

Local governments with limited energy management resources or no energy management resources will have access to expertise that is consistent, meets immediate needs for implementing energy efficiency projects, and is cost effective.

A greater number of energy efficiency projects will be identified and implemented in local government facilities in the region during the Program period. More energy efficiency projects in the region will be implemented beyond the Program period and over the long-term.

Other specific, existing local government energy programs will be expanded for use by other local governments.

A final organizational structure will be implemented to provide technical assistance for local governments in the region; the organization will identify budget needs and funds to be self-sustaining.

### **4. New And Innovative Design, Partnerships, Concepts, Or Measure Mixes That Have Not Yet Been Tested Or Employed**

**Task 1** leverages the resources of an existing, established entity with strong energy management expertise: L.A. County EMD. Sharing resources by working through an established organization is more cost-effective and realistic than expecting each local government to develop this expertise. During this period of unprecedented cuts to local government, many cannot

afford to develop the expertise needed to implement impactful energy management projects. This program offers an added benefit because the projects implemented can help reduce energy costs for local governments.

Expanding L.A. County's EEMIS provides tremendous value to other local governments because individually most could not afford to purchase and implement a dedicated system of this scale. L.A. County is able to expand its system because it has a software license that allows other local governments to join at no cost, also making the EEMIS expansion cost effective for other local governments. The software provider, Itron, envisioned the use of its product by large-scale customers and developed it to be utilized as a "campus-wide" tool for many internal organizations and facilities.

L.A. County is building on this approach to treat local governments as internal organizations and the SCE/SCG greater L.A. County region as the "campus." Itron has indicated its support for this concept and is eager to demonstrate this approach as one that could work throughout the state and the country. Using this approach, the State of Massachusetts is currently soliciting a regional energy management information system for all government facilities; Itron is currently a finalist for that award.

L.A. County will utilize this grant opportunity to expand its EEMIS system, make the necessary system modifications, and leverage its training and expertise to help other local governments join EEMIS. Local governments are responsible for preparing their own facilities for implementation. The County will operate the regional EEMIS as a business and charge local governments for their incremental share of EEMIS annual expenses (software license fee, required system maintenance) and for County time to integrate their facilities and provide training. All of these relationships will be formalized through individual agreements or a memorandum of understanding between L.A. County and each local government.

The regional EEMIS will provide a regional database for local government facilities. From this, more precise benchmarking between local government buildings will be accomplished. Additionally, other comparisons between local government buildings will be conducted such as: cost/consumption per square foot comparisons, analysis of building system operating characteristics, and cost effectiveness of projects and operating policies, etc. This information will be made available by individual building and at aggregated levels (local government, building type, region).

**Task 2** will coordinate existing local government resources to develop a regional, technical energy management structure that will facilitate energy projects in local government facilities. Harnessing the expertise and resources of the leading entities throughout the region to provide widespread, "how-to" leadership on project implementation will fill a gap that is not contemplated currently for the 2010-2012 program cycle. Currently there is no organization in the Los Angeles area that is comparable to the regional entities performing this type of work in Northern California, for example, the Association of Bay Area Governments. Additionally, this task will help extend the statewide outreach the utilities are launching with LGC, ICLEI, ILG and the Statewide Local Government Energy Efficiency Best Practices Coordinator.

## 5. A Clear Budget And Timeframe To Complete The Proposed Strategic Support And Obtain Results Before December 2012

### Task 1 Budget

Budget Item	Program Budget	
	\$	%
Administrative Costs*	\$0	0
Marketing/Outreach Costs**	\$120,000	15%
Direct Implementation Costs	\$680,000	85%
* L.A. County will not request Administrative funds for Task 1. Administration of Task 1 will be an “in-kind” contribution. Estimated contribution is 15% of Task 1 budget, or \$120,000. ** L.A. County technical resources to help local governments develop scope of work for implementing facilities onto EEMIS are split 25/75 into Marketing/Outreach and Direct Implementation.		

The Task 1 Budget is described in further detail in Item B, Section 3.

### Task 1 Timeframe

The Task 1 Timeframe was described was earlier described in Item B, Section 4; it is repeated here.

Deliverable/Milestone	Date
Develop an outreach plan which will target other local government facilities to join L.A. County’s EEMIS. Deploy resources to develop specific scopes of work for each local government facility candidate to join EEMIS.	1 month after contract execution
Develop a business model and implementation plan with published costs and rates for enrolling and implementing other local government facilities onto EEMIS	3 months after contract execution
L.A. County’s EEMIS ready to implement other local government facilities	3-6 months after contract execution
Initiate technical workshops for other local governments	3-6 months after contract execution
Establish regional local government facility programs and reports (e.g. automated benchmarking tool, facility energy consumption benchmarking report, other facility benchmark reports)	6 months after contract execution
Determine the capacity of a regional EEMIS program – the current system accommodates 200 County buildings, with over ten thousand bill and facility energy data points. System capacity could quickly double to accommodate other municipal and public agency facilities. L.A. County will determine the total, potential benefits (total project potential, total energy savings, regional facility benchmark database, and other metrics) of a fully developed, long-term regional EEMIS.	6 months after contract execution



### Task 2 Budget

Budget Item	Program Budget	
	\$	%
Administrative Costs*	\$0	0%
Marketing/Outreach Costs	\$0	0%
Direct Implementation Costs	\$925,000	100%
*Regional partners will not request Administrative funds for Task 2. Administration of Task 2 within each jurisdiction will be an “in-kind” contribution. Estimated contribution is 15% of Task 2 budget, or \$139,000.		

The Task 2 Budget is described in further detail in Item B, Section 3.

### Task 2 Timeframe

The Task 2 Timeframe was described earlier in Item B, Section 4; it is repeated here.

Deliverable/Milestone	Date
Select consultant(s) to provide immediate technical support and administer the implementation of the short term measures	3 months after contract execution
Identify other existing, innovative programs (like EEMIS) and develop for regional implementation	3 months after contract execution
Complete Gap Analysis and other needs assessment report	6 months after contract execution
Establish regional local government facility programs and reports (e.g., automated benchmarking tool, facility energy consumption benchmarking report, other facility benchmark reports)	6 months after contract execution
Create a business plan, mission statement, organizational goals, budget, and implementation plan and schedule for long-term sustainability of the organization	12 months after contract execution
Provide a report which describes the accomplishments and benefits of Task 2 and describes the progress of baseline metrics described in Item C – 6.	12 months, 24 months and 36 months after contract execution
Implement the new technical organization structure.	24 months after contract execution

## 6. Information On Relevant Baseline Metrics Or A Plan To Develop Baseline Information Against Which The Outcomes Of The Proposed Work Can Be Measured

## Task 1

Baseline Metrics that will be established prior to the implementation of the regional EEMIS would include:

- Number of County facilities on EEMIS,
- Number of facilities benchmarked on a regional EEMIS,
- Number of local governments that participated in the 2005 Local Government Energy Management Survey,
- Number of local government energy efficiency projects implemented as of the 2005 Local Government Energy Management Survey,
- Number of local government energy efficiency projects (and types of projects) implemented prior to development of regional EEMIS,
- Total dollars invested in local government energy efficiency projects,
- Total dollars (and energy) saved through those investments,
- Average (typical) Energy Star benchmark score for local government facilities,
- Average (typical) energy use index or other benchmark metric in local government facilities.

Goals and accomplishments for the implementation of the regional EEMIS will be established under the L.A. County business model development. Outcomes from Task 1 using these Baseline Metrics will be measured at 6 month intervals during this Grant period and regularly thereafter.

## Task 2

The same metrics used to measure the outcomes of Task 1 are relevant for Task 2. “Energy efficiency becoming typical and widespread throughout local governments in the region” is measured from the same metrics. Expansion of L.A. County’s EEMIS represents an advanced example of how local governments can come together to share resources and jointly invest in mutually beneficial programs. Task 2 will seek to identify and develop other, similar programs. Local governments understanding their facilities, implementing greater energy efficiency, and having the tools to sustain those energy savings are all measured under the metrics proposed.

### **7. Rationale For The Value And Benefits The Proposed Work Will Result In And An Approach For Qualitatively And/Or Quantitatively Assessing Whether Or Not That Value/Benefit Was Realized**

Task 1 provides immediate, direct benefits to local governments in the region. It provides a tool for benchmarking facilities including Energy Star benchmarking (which is automated within the EEMIS program), and providing other energy related benchmarks (Energy Use Index, energy cost per square foot).

Paying only for an incremental piece of L.A. County’s EEMIS is far more cost effective than purchasing a new system. The County invested nearly \$500,000 to purchase the Itron product

which is the core of its EEMIS and pays approximately \$125,000 per year in software license fees (which covers upgrades and enhancements). Additionally, the County pays for information technology service support internally and from consultants. These investments are nearly impossible for most cities, or even a group of cities to make, especially in today's economy. Immediate regional savings are realized by jurisdictions not having to make this investment for individual systems.

Also, local governments may take advantage of the implementation and administration experience gained by County staff. The County organization tasked with utilizing EEMIS to manage energy consumption and support energy efficiency projects consists of 10 staff and a high level manager. That expertise represents thousands and thousands of hours invested in understanding how to utilize EEMIS; local governments will have immediate access to that expertise. Local governments typically do not have this type of expertise on staff, this also prohibits the investment into a similar system for an individual local government.

The Huntington Beach proposal (representing the Orange County Cities) identifies an immediate \$200,000 savings (software and hardware costs only) by using the regional EEMIS versus purchasing another system. Significant additional savings would be realized by leveraging the L.A. County EMD staff experience.

Task 2 provides both immediate, direct benefits to local governments in the region as well as long term benefits. As mentioned above, the regional energy management work to be conducted will bring together a consortium of leading local governments and will have a project implementation focus. Sharing the technical resources activity (budgeted at \$500,000) eliminates individual jurisdiction investments and realizes economies of scale benefits. Similar individual investments into these activities could easily double this amount.

Identifying other systems in use by local governments and developing them for shared use creates savings. The Task 1 example provides clear indication of immediate savings and increased benefits. An investment of \$350,000 to identify and develop other regional EEMIS-type examples would be significant. Santa Monica's "CEEPMS" appears to be an ideal, regional-type application.

As stated earlier, Task 2 will complement the statewide efforts that will look at best practices. The results of this effort can be measured through the number of entities that take advantage of systems that the organization will establish such as model contracts, pre-approved vendors, and "how to" workshops on topics such as performance contracting, retro-commissioning, *etc.* The attached letters of support for Task 2 from the Statewide Local Government Energy Efficiency Best Practices Coordinator and ICLEI indicate their interest in collaborating on Task 2.

## **8. Use Of The Proposed Work With Other Local Governments, A Concrete Strategy To Identify And Disseminate Best Practices And Lessons Learned From The Proposed Work To SCE And A Recommended Approach For Sharing The Best Practices With Other Local Governments.**

Tasks 1 and 2 will establish a network for local governments in the region to utilize L.A. County's EEMIS, to potentially explore other beneficial programs to develop on a broader scale, to collaborate on immediate resources that may be provided for mutual benefit, to compare information about their buildings, and to share information about energy management best practices. As described elsewhere in this proposal, the new regional energy management network organization will be designed to be a resource for implementing energy projects. It will leverage the expertise of leading local government energy managers. Workshops, forums and other events will be provided to discuss the issues described above and to share best practices.

Tasks 1 and 2 will be implemented in coordination with the work of the Local Government Commission, the Institute of Local Governments, and ICLEI. These entities are tasked with implementing Strategic Plan Goal 5 for the investor owned utilities. These Tasks will focus on identifying and developing technical resources (such as EEMIS and the list of short term measures) for mutual use by local governments. This scope fits well with the intent of the three Strategy 5 implementers, which is to bring local governments together to develop and manage higher level energy and climate change policies around energy efficiency which will *utilize* the programs and technical resources implemented by these Tasks.

### ***Item D. Long Term Sustainability***

Task 1 will demonstrate to local governments the value of a strong energy management program and provide them with the tools to perform energy management in-house, if desired. This Grant provides for the upfront, one-time costs for L.A. County's EEMIS to be leveraged by local governments in the region and to add a large number of additional facilities onto EEMIS. After the Grant period, there will be ongoing EEMIS system expenses but they will be minimal. Local governments will pay for their incremental share of L.A. County's annual software license fees and other operating expenses. Local governments will pay to implement additional facilities onto EEMIS and for any additional training they request after the grant period. However, local governments will have a tool which will allow additional, deeper energy efficiency savings to be found in their facilities through RCx and MCx projects and enhanced operation and maintenance practices. It is L.A. County's expectation (through experience) that the initial implementation of a regional EEMIS will exhibit savings and benefits to other local governments that far exceed any ongoing, incremental costs to local governments to utilize EEMIS. L.A. County's EMD has provided preliminary estimates to local governments that indicate the annual, incremental costs to a local government to utilize EEMIS is in the range of several hundreds of dollars to several thousand dollars per jurisdiction per year.

The network organization that will be established under Task 2 will be a regional resource. A clear goal for Task 2 will be identifying a long-term funding stream to support regional energy management activities. Initial sources to leverage include, but are not limited to: the AB 811 program that L.A. County will be launching in the second quarter of 2010; ongoing Federal block grants and other funds that may become available under follow-on legislation to the American Recovery and Reinvestment Act of 2009; a revolving loan fund that could be established as part of this program; continued contributions from public goods charge funds; on-bill financing; performance contracting.

### ***Item E. Budget***

#### **Budget Cost by Task - Task 1 Budget**

<b>Budget Item</b>	<b>Program Budget</b>	
	<b>\$</b>	<b>%</b>
Administrative Costs*	\$0	0
Marketing/Outreach Costs**	\$120,000	15%
Direct Implementation Costs	\$680,000	85%
* L.A. County will not request Administrative funds for Task 1. Administration of the Task 1. This activity will be an “in-kind” contribution. Estimated contribution is 15% of Task 1 budget, or \$120,000.		
** L.A. County technical resources to help local governments develop scope of work for implementing facilities onto EEMIS are split 25/75 into Marketing/Outreach and Direct Implementation.		

The Task 1 Budget is described in further detail in Item B, Section 3.

#### **Budget Cost by Task - Task 2 Budget**

<b>Budget Item</b>	<b>Program Budget</b>	
	<b>\$</b>	<b>%</b>
Administrative Costs*	\$0	0%
Marketing/Outreach Costs	\$0	0%
Direct Implementation Costs	\$925,000	100%
*Regional partners will not request Administrative funds for Task 2. This activity will be an “in-kind” contribution. Estimated contribution is 15% of Task 2 budget, or \$139,000.		

The Task 2 Budget is described in further detail in Item B, Section 3.

Jesse Langley Energy Efficiency  
Program Manager Attn: Local  
Government Partnerships Southern  
California Edison Company 6042-A  
North Irwindale Avenue  
Irwindale, CA 91702

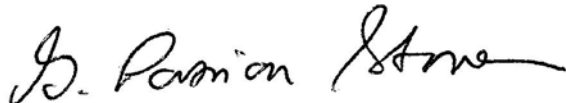
Re: Regional Energy Management Resource Proposals, Local Government Strategic Plan  
Strategies Solicitation/PEPMA# 09-300 -Flight # 5.6

Dear Jesse,

I have read the proposal for developing an “action-oriented” regional energy management resource in Southern California that provides direct assistance to local governments in implementing energy efficiency through cost sharing and leveraged technical resources.

This work differs from that offered by the Statewide Energy Efficiency Collaborative (SEEC), the joint ICLEI, ILG and LGC statewide partnership with the utilities, because it offers direct assistance as opposed to inspiration, education and training for local governments. This is true for the Statewide Coordinator position as well.

I believe the work of this Regional Energy Management Resource can coordinate with and complement the work of SEEC and the Statewide Coordinator, increasing the likelihood that the local governments served will reach the energy efficiency strategic plan goals they have chosen.

A handwritten signature in black ink, reading "G. Patrick Stoner". The signature is written in a cursive style with a long, sweeping underline.

G. Patrick Stoner Statewide Local Government Energy Efficiency Best  
Practices Coordinator

Mr. Jesse Langley  
Energy Efficiency Program Manager  
Attn: Local Government Partnerships  
Southern California Edison Company  
6042-A North Irwindale Avenue  
Irwindale, CA 91702

Re: Regional Energy Management Resource Proposals,  
**Local Government Strategic Plan Strategies  
Solicitation/PEPMA# 09-300 - Flight # 5.6**

Dear Mr. Langley,

We have reviewed the County of Los Angeles' proposal for developing an "action-oriented" regional energy management resource in Southern California. This is an important and innovative idea that fills a key gap. This proposal is also clearly distinguishable from - and complementary to - the work being delivered by the Statewide Energy Efficiency Collaborative (SEEC), of which ICLEI is a joint partner along with LGC and ILG.

ICLEI and the SEEC collaborative will offer critical training and networking that will take local governments to the point where they will require more in-depth and direct assistance. LA County's proposal to SCE promises to take that next step in the region, providing direct assistance to local governments in implementing energy efficiency through cost sharing and leveraged technical resources.

The tools and templates that ICLEI will be offering are similarly complementary to the specific tools that would be developed under this proposal. ICLEI's tools and templates allow local governments to take systematic steps down the path towards energy efficiency and reducing their carbon footprints. The additional tools and services that this proposal offers would allow local governments in the region to continue on the path towards implementing their climate action planning and energy use reduction efforts. These tools and direct services are specifically tailored to the LA region and do not overlap with the tools and templates that ICLEI will be delivering.

LA County offers to develop the kind of very specific, next-step tools and services that ICLEI's scope of work will be encouraging, including:

- Utility bill and facility audits and benchmarking;
- Energy-balance calculations;
- Standard specification and contracting templates;
- Standards for retro-fitting and retro-commissioning government facilities; and
- Coordination of PACE financing programs, among others.

As a result, Los Angeles County's proposal - with SCE's support - could provide a model for further action at the regional level throughout the state.

ICLEI-Local Governments  
for Sustainability USA

ICLEI USA Headquarters  
180 Canal Street, Suite 401  
Boston, MA 02114  
USA

Phone: (617) 960-3420  
Fax: (617) 248-3974  
E-mail: [iclei-usa@iclei.org](mailto:iclei-usa@iclei.org)  
Website: [www.icleiusa.org](http://www.icleiusa.org)

Washington, D.C. Office  
1331 F Street, Suite 975  
Washington, DC 20004  
USA

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The complementary nature of such a proposal is reflected in initiatives being undertaken in Northern California between utilities and the Association of Bay Area Governments, The Great Valley Center, The Association of Monterey Bay Area Governments, and the Sierra Business Council where the statewide work of the SEEC will provide a baseline to develop further, locally-relevant actions specific to those regions.

This work differs from that offered by the Statewide Energy Efficiency Collaborative (SEEC) - the joint ICLEI, ILG and LGC statewide partnership with the utilities - because it takes the platform of trainings and networking that ICLEI and its partners offers as a starting point and continues and deepens the local ongoing technical assistance to the LA region.

ICLEI supports this proposal because it will ultimately help local governments be better prepared to achieve the energy efficiency strategic plan goals they have set for their communities.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'MS', is positioned above the typed name.

Michael Schmitz, Esq.  
California Director  
ICLEI – Local Governments For Sustainability