

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG



Date: May 1, 2014
To: ABAG Executive Board
From: Gerald Lahr, Energy Programs Manager
Jennifer Berg, BayREN Program Manager
Subject: **Bay Area Regional Energy Network**

Action

Ratify the submittal of the proposal to the California Public Utilities Commission (“CPUC”) for continued funding of the San Francisco Bay Area Regional Energy Network (“BayREN”) in 2015 in the amount of \$13,756,510, and authorize the ABAG Executive Director to enter negotiations and execute the necessary agreements for acceptance of the approved funding and implementation of the BayREN program.

Background

On November 8, 2012 the CPUC approved ABAG’s application to form the BayREN, a collaboration of the 9 Bay Area counties to implement effective energy saving programs on a regional level. The BayREN draws on the expertise, experience, and proven track record of Bay Area local governments to develop and administer successful climate, resource, and sustainability programs. The BayREN uniquely addresses key sector regionally-scaled programs, and is able to offer and market them to residential and commercial customers across a large geographic area.

ABAG is the lead administrator of the BayREN and has convened a Coordinating Committee of local government agency staff representing the nine Bay Area counties, as follows:

- Alameda County (Energy Council)
- City and County of San Francisco
- City of Suisun City (Representing Solano County)
- County of Contra Costa
- County of Marin
- County of Napa
- County of San Mateo
- County of Santa Clara
- Sonoma County Regional Climate Protection Authority

Bay Area Regional Energy Network

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With an approved budget of \$22.7 million for 2013-14, the BayREN's main program elements include:

- Energy Efficiency Retrofits for Single Family Residential
- Energy Efficiency Retrofits for Multi-family Residential
- Promotion of Energy Efficiency Codes and Standards
- Commercial Property Assessed Clean Energy (PACE) financing facilitation
- Multifamily Project Financing (Capital Advance)
- Pay-As-You-Save (PAYS™)

Program successes to date include:

- ✓ Over 295 completed single family energy efficiency upgrades across the ABAG region
- ✓ Over 24,000 multifamily units completing technical assistance and 4,292 implementing energy efficiency measures (completed and in the pipeline)
- ✓ On-site assessments of energy code compliance rates in ten jurisdictions
- ✓ Convening of forums addressing Local Government Climate Action Planning, Commercial Benchmarking Ordinances and other energy/government related topics
- ✓ Completion of judicial validation for PACE for two jurisdictions
- ✓ Development of commercial building inventory tool for each ABAG county
- ✓ Partnership with three water utilities for development of on-bill repayment program for financing of water/energy efficiency measures

A new rulemaking (R 13-11-005) at the CPUC commenced in 2013 and will address a proposal to change the energy efficiency program cycle from two years to ten years. The first phase of the proceeding relates solely to requests for 2015 extension funding.¹ ABAG has requested 50% of the BayREN 2013-14 budget to continue implementation of the same program elements currently offered, plus an additional \$2.4 million for our multifamily program, due to the tremendous uptake of this offering.

Recommendation

ABAG requests that the ABAG Executive Board ratify the proposal submitted to the CPUC for 2015 funding for the BayREN in the amount of \$13,756,510, and authorize the ABAG Executive Director to enter negotiations and execute the necessary agreements for acceptance of the approved funding and implementation of the BayREN program.

¹ Phase II of the proceeding will address new program proposals.