

MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

DT: June 25, 2008

TO: ABAG Executive Board

FM: Gerald Lahr, Energy Programs Manager

RE: **Request for Authorization for ABAG Staff to Negotiate and Enter into a Contract with PG&E for the ABAG Green Communities effort during 2009-11**

Background. In 2006 ABAG contracted with PG&E to implement the ABAG Energy Watch Partnership. This program provides energy efficiency assistance to local government agencies (cities, counties and special districts) in ABAG's territory through the end of 2008. Currently 68 agencies have enrolled in this program.

As an extension of the 2006-08 ABAG Energy Watch partnership, ABAG has entered into discussions with PG&E regarding how ABAG will continue to assist local governments with their energy management and climate action efforts after the end of the current program. This process is being undertaken as part of the California Public Utilities Commission's (CPUC) 2009-11 energy efficiency planning process. Initial discussions have centered on ABAG's participation in PG&E's proposed new "Green Communities" initiative. This initiative is intended to fund implementation of tools and technical assistance to reduce energy and greenhouse gases over the long term.

Authorization Request. Staff requests authorization to negotiate and enter into a contract with PG&E for the Green Communities initiative (or similar program). The contract amount is expected to be approximately \$750,000 - \$1,000,000 for the three year period beginning Jan. 1, 2009. No matching funds are required.

Item 6.D.