



Agenda Report

19-568

Agenda Date: 6/25/2019

REPORT TO COUNCIL

SUBJECT

Action on Call No. 19-1 Agreement for Professional Services with Energy & Resource Solutions, Inc. to Provide Business Energy Efficiency Program Management Services

BACKGROUND

In accordance with Public Utilities Code (PUC) Section 385 covering Public Benefits Charge (PBC), with the City's Public Benefits Program Policy Statement adopted by Council on May 12, 1998, staff developed energy efficiency programs to benefit Silicon Valley Power's (SVP) commercial and industrial customers. There has been a significant increase in pressure in the past several years from the legislature, California Energy Commission, and environmental agencies to boost the level of energy efficiency programs in the municipal utilities, with recent legislation looking to double the amount of energy efficiency achieved in California. Based on the load profile in the City, nearly all of the energy efficiency potential comes from the business customer class. In addition, the City is required by state law to expend all PBC funds collected on appropriate energy efficiency, renewable energy, low-income, or new electric technology. For these reasons, SVP seeks to continue to enhance the business efficiency programs.

In November 2016, staff issued a Request for Proposal (RFP) and selected Energy & Resource Solutions, Inc. to provide services as administrator of the business energy efficiency programs, as well as assist in the development of new programs and increase customer outreach. City Council approved a Call Agreement with Energy & Resource Solutions, Inc. in December, 2017 and this Call is subject to the terms and conditions of that Call Agreement. Call 19-1 allows Energy & Resource Solutions, Inc. to provide Business Energy Efficiency Program Management Services for 17 months. The services to be performed will be completed within the time period beginning on July 1, 2019 and ending on November 30, 2020. These services include, providing free energy audits of commercial and industrial customers' facilities, assistance with energy efficiency program planning and program implementation, pre- and post- inspection of energy efficiency projects, rebate application processing and Trade Ally Network management for contractors participating in utility rebate programs.

DISCUSSION

Silicon Valley Power energy efficiency and conservation programs provide commercial and industrial customers located within the City of Santa Clara with incentives and assistance in purchasing and installing energy efficient equipment. These programs help the City implement energy efficiency measures and assist business customers in reducing electric bills and peak energy requirements. This increase in energy efficiency provides benefits for the utility and entire community, and contributes toward meeting the City's Climate Action Plan goals. It also assists in achieving state-mandated energy efficiency goals for the electric utility.

Energy & Resource Solutions, Inc. provides management of the business energy efficiency programs by performing free energy audits for business customers, assisting customers in identifying appropriate equipment for upgrades, verifying the eligibility of equipment for incentives, performing pre- and post-inspections of energy efficiency upgrades, assisting with completion of rebate applications, and administering the Trade Ally Network for contractors participating in the utility's rebate programs. The cost to provide these services is not to exceed \$1,604,589.

ENVIRONMENTAL REVIEW

The action being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

FISCAL IMPACT

The total cost of the Call 19-1 with Energy & Resource Solutions, Inc. will not exceed \$1,604,589. The funding has been included in the FY 2019/20 Electric Department Public Benefits program's operating budget.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve and authorize the City Manager to execute Call No. 19-1 Agreement for Professional Services with Energy & Resource Solutions, Inc. to provide Business Energy Efficiency Program Management Services for a not to exceed amount of \$1,604,589.

Reviewed by: Manuel Pineda, Interim Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Call No. 19-1
2. Call 19-1 ERS statement of work for SVP 2019 EE Programs_4 30 19