



CITY COUNCIL AGENDA REPORT

MEETING DATE: April 21,2009

ITEM NUMBER:

SUBJECT: ENERGY LEADERSHIP PARTNERSHIP BETWEEN SOUTHERN CALIFORNIA EDISON AND THE CITY OF COSTA MESA

DATE: APRIL 7, 2009

FROM: CITY MANAGER'S DEPARTMENT/ADMINISTRATION

PRESENTATION BY: THOMAS R. HATCH, ASSISTANT CITY MANAGER
DANIEL BAKER, MANAGEMENT ANALYST

FOR FURTHER INFORMATION CONTACT: DANIEL BAKER, MANAGEMENT ANALYST –
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RECOMMENDATION:

Staff recommends that the Mayor and the City Council:

1. Adopt Resolution No. _____ entitled, "A Resolution of City Council of the City of Costa Mesa, Declaring Support for an Energy Partnership between Southern California Edison and the City of Costa Mesa." (See Attachment 1)
2. Authorize the City Manager to execute an agreement between the City of Costa Mesa and Southern California Edison as an interim agreement for Bridge-Funding until the Utilities Commission program for 2009-2011 is ready for adoption by the Orange County Cities Energy Efficiency Partnership. (See Attachment 2)

BACKGROUND:

In 2008, the City of Costa Mesa partnered with the cities of Huntington Beach, Westminster and Fountain Valley to form the Orange County Local Government Partnership and together filed an application with the California Public Utilities Commission for the 2009-2011 energy savings incentives program. While this program is being delayed, Southern California Edison (SCE) has offered an interim program to partner with the City of Costa Mesa and three other cities to implement the Orange County Cities Energy Efficiency Partnership. This partnership framework provides enhanced incentives for energy savings projects of the city facilities and funding for outreach, educational and marketing of "green" construction in the city.

These funds are Public Goods Charge funds that SCE is required to collect by the Public Utilities Commission (PUC). SCE administers these funds with PUC oversight in projects that reduce energy needed to provide services. This contract will provide additional funds to the City when investing in energy savings projects for city facilities. Additionally this contract will extend the effectiveness of existing and planned Capital

Improvement Plan (CIP) funding that makes city facilities and infrastructure more energy efficient.

This agreement requires that the City Council adopt a resolution supporting the City's participation in the program and approving the City as a program participant, including authorization to enter into the Agreement for the Bridge-Funding Period.

ANALYSIS:

The Agreement will assist the City by providing better information about how to prioritize energy efficiency upgrades, reduce annual maintenance costs, increase cost savings, conserves resources and reduces green house gas emissions. Additionally, it allows the City to become eligible for future funding provided by the California energy Commission.

The overall program strategy for SCE is to partner with the local cities to provide energy information, and to identify and implement sustainable energy efficiency activities. The City and SCE will leverage the strengths of each of the partners to cost effectively deliver energy and demand savings. SCE will provide a comprehensive list of energy efficiency activities from outreach to implementation, and the City and SCE will jointly select programs and activities, and develop a course of action for delivering them. Energy savings activities will be coordinated with the SCE teams providing those specific services through the SCE representative. If approved, this agreement will allow the City to be reimbursed up to \$1,000 per month for allowable expenses related to the program.

The City will review various program options before determining the best expenditure of funds. Some initial example projects include, but are not limited to, expanding the Community News publication to include energy efficiency and green building information as well as designing and purchasing marketing materials for a new energy grant program for the housing rehabilitation program, etc.

ALTERNATIVES CONSIDERED:

To defer authorization to a later date.

FISCAL REVIEW:

There is no direct fiscal impact associated with the agreement. However, staff time will be required to administer the program.

LEGAL REVIEW:

The City Attorney has reviewed the documents and approved them as to form.

THOMAS R. HATCH
Assistant City Manager

DANIEL BAKER
Management Analyst

ATTACHMENTS: 1 [Energy Partnership Resolution](#)
2 [Southern California Edison Interim Agreement](#)