

**AGREEMENT TO JOINTLY DELIVER  
THE 2006-2008 ENERGY EFFICIENCY  
PARTNERSHIP PROGRAM  
(as extended into 2009, pending Commission Decision on 2009-11  
Program)**

**BETWEEN**

**THE CITY OF COSTA MESA, CALIFORNIA**

**and**

**SOUTHERN CALIFORNIA EDISON COMPANY**

**Dated: \_\_\_\_\_, 200\_**

**This program is funded by California utility customers under the auspices  
of the  
California Public Utilities Commission.**

THIS AGREEMENT TO JOINTLY DELIVER THE 2006-2008 COSTA MESA PARTNERSHIP PROGRAM (the "Agreement") is effective as of \_\_\_\_\_, 200\_ ("Effective Date") by and between SOUTHERN CALIFORNIA EDISON COMPANY ("SCE" or the "Utility") and THE CITY OF COSTA MESA, CALIFORNIA ("City"). SCE and City may be referred to herein individually as a "Party" and collectively as the "Parties."

### RECITALS

WHEREAS, on September 22, 2005 the California Public Utilities Commission (the "Commission") in D.05-09-043 authorized certain energy efficiency programs to be delivered to California utility customers for the years 2006 through 2008 and the continuation of programs where local governmental entities partnered with utilities to deliver energy efficiency information and education to utility customers;

WHEREAS, SCE submitted Application 05-06-015 for the implementation of energy efficiency programs which included Energy Efficiency Partnership Programs (the "06-08 Program" or the "Program"), involving the joint delivery of energy efficiency information, training and materials to government entities , member agencies, business and residents located in SCE's service territory;

WHEREAS, on July 21, 2008, the Utilities submitted their respective applications ("2009-11 Applications") for the implementation of energy efficiency programs to be delivered to California utility customers for the years 2009 through 2011, which included the 2009-11 Energy Efficiency Partnership Program (the "2009-11 Program"), involving the joint delivery of energy efficiency information and training, marketing and outreach, and services to local governments, public agencies, businesses and residents located in SCE's service territories;

WHEREAS, on August 18, 2008, the Utilities filed a joint request for bridge funding in order to continue certain energy efficiency programs into 2009 in the event the Commission does not finalize a decision on 2009-11 Applications before the end of 2008;

WHEREAS, on October 16, 2008, the Commission issued the Decision Adopting Bridge Funding For 2009 Energy Efficiency Programs ("Bridge Funding Decision") allowing the Utilities to expend funds to continue certain 2008 energy efficiency programs during the period from January 1, 2009 to the earlier of: (i) three (3) months after the effective date of the Commission's final decision on the 2009-11 Applications, and (ii) December 31, 2009, (the "Bridge Funding Period");

WHEREAS, the Parties desire to enter into an agreement that sets forth the terms and conditions under which the 06-08 Program shall be implemented into 2009, in the event the Commission has not issued a final decision on the 2009-11 Applications on or prior to January 1, 2009;

WHEREAS, The City of Costa Mesa, California on \_\_\_\_\_, 200\_ passed, approved, and adopted a Resolution supporting and endorsing the City's support and participation in an energy efficiency partnership between SCE and the City of Costa Mesa, including authorization to enter into this Agreement for the Bridge-Funding Period.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

## 1. DEFINITIONS

1.1. Agreement: This document and all exhibits attached hereto and incorporated herein, and as amended from time to time.

1.2. ALJ: The Administrative Law Judge assigned to the Commission's Energy Efficiency Rulemaking (R.01-08-028) or its successor proceeding.

1.3. Amendment: A future document executed by the authorized representatives of all Parties which changes or modifies the terms of this Agreement.

1.4. Authorized Monthly Budget. The Commission-approved monthly budget for the City's performance of the Authorized Work after December 31, 2008 ("Monthly Bridge Funding Budget") and for the duration of this Agreement, not including SCE costs and rebates and incentives.

1.5. Authorized Work (or Bridge-Funded Authorized Work): The work authorized by the Commission for the Program after December 31, 2008, set forth in the Local Government Energy Action Reserves ("LGEAR") Program Implementation Plan for SCE's service territory which is attached hereto and incorporated herein as Exhibit A.

1.6. Business Day: The period from one midnight to the following midnight, excluding Saturdays, Sundays, and holidays.

1.7. Calendar Day: The period from one midnight to the following midnight, including Saturdays, Sundays, and holidays. Unless otherwise specified, all days in this Agreement are Calendar Days.

1.8. Contractor: An entity contracting directly or indirectly with a Party to furnish services or materials as part of or directly related to such Party's Authorized Work obligations.

1.9. Effective Date: The date on which both Parties have fully executed this Agreement, as set forth in the Preamble.

1.10. Eligible Customers or Customers: Customers eligible for Program services are SCE customers.

1.11. Energy Efficiency Measure (or Measure): As used in the Commission's Energy Efficiency Policy Manual, Version 3, August 2005.

1.12. Program Expenditures. Actual (i.e., no mark-up for profit, administrative or other indirect costs), reasonable expenditures that are directly identifiable to and required for the Authorized Work, up to the amounts budgeted in the Program Implementation Plans budget worksheets for such Authorized Work, but in no event in excess of the Authorized Monthly Budget.

1.13. Public Goods Charge (PGC). The funds collected from electric utility ratepayers pursuant to Section 381 of the California Public Utilities Code for public purposes programs, including energy efficiency programs approved by the Commission.

1.14. Subcontractor: An entity contracting directly or indirectly with a Party to furnish services or materials as part of or directly related to such Party's Authorized Work obligations, provided however, that any potential subcontractors shall be approved by SCE prior to performing any service or providing any materials. SCE may in its sole discretion deny approval of any subcontractor for any reason.

## 2. PURPOSE/INTERIM AGREEMENT

2.1. The Program is funded by California utility ratepayers, and is administered by SCE under the auspices of the Commission. The purpose of this Agreement is to set forth the terms and conditions under which the Parties will jointly implement the Program during the Bridge-Funding Period pending the Commission's decision on the 2009-11 Applications.

2.2. This Agreement shall only be effective if the Commission has not issued a final decision on the 2009-11 Applications prior to January 1, 2009. In the event such final decision is issued prior to January 1, 2009, then this Agreement shall automatically terminate and be of no further force and effect.

2.3. The work authorized pursuant to this Agreement is not to be performed for profit.

2.4. This Agreement is not intended to and does not form any "partnership" within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

## 3. PROGRAM DESCRIPTION

The Program is designed to optimize opportunities for the City of Costa Mesa and SCE to achieve both short- and long-term sustainable energy savings, reduce utility bills, and enhance the level of comfort in municipal and commercial buildings as well as homes. The Partnership will help promote an energy efficiency "ethic" by increasing community awareness and participation in energy efficiency, demand response and self-generation programs.

The overall program strategy is to partner with the City of Costa Mesa 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. Commissioning and other energy savings activities will be coordinated with the SCE teams providing those specific services through the SCE representative.

General strategies for the City may include:

Standard SCE Program Offerings: SCE programs including but not limited to rebates and incentives, appliance recycling, residential and commercial new construction, training, residential and commercial energy surveys, lighting programs, program brochures and other materials.

Customized Offerings: Specific programs will be designed to meet the individual needs of The City of Costa Mesa, taking into consideration the climate zone, customer needs, and the City's leadership and guidance in promoting, facilitating, and instituting energy efficiency practices in the community.

Marketing and Outreach: The City and SCE may work together to plan, design, and implement marketing and outreach materials and activities.

Program Objectives: The objectives of the City of Costa Mesa Energy Partnership are to:

1. Significantly increase the availability of information and education programs to all market segments in the City of Costa Mesa.
2. Increased participation in the installation of energy efficient equipment through various statewide and local programs that will deliver long-term savings and peak demand reduction.
3. Provide the City of Costa Mesa geographically hard-to-reach customers with high-quality information about energy use in their homes and facilities.
4. Enable and encourage customers to make informed decisions to change energy use and practices.
5. Leverage the City's institutional strengths and communication infrastructure to identify and respond to the specific needs of constituents.
6. Identify any government facilities that can be retrofitted or retro commissioned to reduce the City of Costa Mesa electric utility bills.

2009-11 Program: Approval of SCE's 2009-11 Application for energy efficiency programs, including the Costa Mesa Energy Leader Partnership, is currently pending with the Commission. . Participation in the 2009-11 Program will be subject to approval and execution by the Parties of a new partnership agreement based on the performance goals set forth in the 2009-11 Application, and containing terms and conditions which support those goals and objectives.

#### 4. AUTHORIZED WORK

The work authorized by the Commission for the Program after December 31, 2008 ("Authorized Work" or "Bridge-Funded Authorized Work") is set forth in the Local Government Energy Action Reserves ("LGEAR") for the service territory of SCE, attached hereto as Exhibit A, and shall be performed by the Parties pursuant to the terms of this Agreement. Pursuant to the Bridge Funding Decision by the Commission, no work shall be authorized to be performed prior to January 1, 2009 and the Parties shall not spend any of the Authorized Monthly Budget for work performed prior to such date.

#### 5. OBLIGATIONS OF THE PARTIES

SCE will work with the City or its representatives to accomplish the program goals which will be mutually developed by SCE and the City.

- 5.1. City of Costa Mesa
  - 5.1.1. The City and its representative shall perform its Authorized Work in conformance with the schedules and the budgets associated with such Authorized Work
  - 5.1.2. The City and its representative shall obtain the approval of the SCE when developing Program marketing materials. In addition, all advertising, marketing or otherwise printed or reproduced material used to implement the Program must contain SCE's logo and the following language: "This [program] is funded by California utility customers and administered by SCE, under the auspices of the California Public Utilities Commission."
  - 5.1.3. The City and its representative will communicate regularly with SCE's Program Representative
- 5.2. SCE.
  - 5.2.1. SCE will use its best efforts to add value to the Program, by, without limitation, dedicating the staff resources necessary to successfully implement the Program and to provide and maintain an SCE presence in The City of Costa Mesa providing support for the Program's marketing and outreach activities, and working to enhance communications with the residents to address consumer needs and provide utility services.
  - 5.2.2. SCE shall provide, at no cost to the Program, informational and educational materials on SCE's statewide and local energy efficiency programs to the City which will assist the City to implement the Program.
  - 5.2.3. SCE shall be responsible for all communications, reporting and all other mandated or requested information, filings or other material requested, required or otherwise ordered by the Commission.
  - 5.2.4. SCE will identify a Program Representative, who will be the single point of contact between the City and the SCE Program Managers.
- 5.3. The Parties
  - 5.3.1 The Parties or their designated representative shall complete the Authorized Work within the Authorized Monthly Budget.
  - 5.3.2 The Parties or their designated representative shall engage in routine weekly communication during the Term of this Agreement to review the status of the Program's deliverables, marketing approaches, schedules and the

budgets, and to collaboratively plan for upcoming Program activities.

## 6. ADMINISTRATION OF PROGRAM

The LGEAR program was filed as a separate Program Implementation Plan (PIP); the individual communities comprising the LGEAR program are not separately filed programs. There are no specific predetermined measures for this partnership.

6.1. The SCE Program Representative will define what will be done and how (s)he will interface with the City or its designated representative.

## 7. DOUBLE DIPPING PROHIBITED

In performing its respective Authorized Work obligations, a Party shall implement the following mechanism and shall take other practicable steps to minimize double-dipping:

7.1. Prior to providing incentives or services to an Eligible Customer, a Party shall obtain a signed form from such Customer stating the following:

7.1.1. Customer has not received incentives or services for the same measure from any other SCE program or from another utility, state, or local program; and

7.1.2. Customer agrees not to apply for or receive incentives or services for the same measure from another utility, state, or local program.

7.2. Each Party shall keep its Customer-signed forms for at least 5 years after the expiration or termination of this Agreement.

7.3. No Party shall knowingly provide an incentive to a Customer, or make payment to a Contractor or Subcontractor who is receiving compensation for the same product or service either through another ratepayer funded program, or through any other funding source.

7.4. The Parties shall take reasonable steps to minimize or avoid the provision of incentives or services for the same measures provided under this Program from another program or other funding source ("double-dipping").

## 8. REPORTING



8.1. SCE will require the City or its representative to submit reports monthly to reflect program activity (both completed and planned), and costs/expense incurred and projected.

8.2. Reporting Schedule:

8.2.1. The City or its representative shall submit monthly reports showing data for the month, year-to-date and a 3-month forward looking estimate.

8.2.2. All reports shall be submitted in accordance with Exhibit B (Reporting Requirements) and the requirements of the latest version of the Commission's Reporting Requirements Manual (currently Version 3, Revised April 2005) and any other reporting protocol established by Commission staff. The Parties shall use their best efforts to provide any additional information as requested by Commission staff.

## 9. PAYMENTS

9.1. Authorized Budget. The Commission-approved monthly budget for the City's performance of the Authorized Work hereunder ("Monthly Bridge Funding Budget"), not including SCE costs and rebates and incentives, shall not exceed \$1,000. The Parties acknowledge that any unspent funds in a single month may not be spent in future months, unless prior written authorization is provided by SCE. The Monthly Bridge Funding Budget may be supplemented on a case-by-case basis but only with prior written authorization from SCE in the event that there are large projects that exceed such Monthly Bridge Funding Budget or that the Parties can produce significant additional savings with additional funds.

9.2. Payment Terms And Invoicing Practices:

9.2.1. The City or its representative shall submit approved invoices to the SCE Program Representative.

9.3. Program Expenditures. The Parties with prior SCE approval shall be entitled to spend PGC Program Funds on actual (i.e., no mark-up for profit, administrative or other indirect costs), reasonable expenditures that are directly identifiable to and required for the Authorized Work ("Program Expenditures"), up to such amounts budgeted in the budget worksheets for such Authorized Work but in no event shall the monthly Program Expenditures exceed the Authorized Bridge Monthly Budget.

9.4. To be entitled to PGC funds for Program Expenditures, the City or its representative shall:

9.4.1. Obtain SCE approval for all expenditures before they are incurred

- 9.4.2. Report its Program Expenditures as specified in this Agreement, pursuant to Section 8 hereof; and
- 9.4.3. Submit an invoice when approved expenditures occur along with the required report to SCE for reimbursement of reported Program Expenditures, in a format acceptable to SCE, attaching all documentation reasonably necessary to substantiate the invoice, including, without limitation, the following:
  - a. Subcontractor Costs: Copies of all subcontractor invoices. If only a portion of the subcontractor costs applies to the program, clearly indicate the line items and/or percentage of the invoice amount that should be applied to the program.
  - b. Marketing: A copy of each distinct marketing material produced, with quantity of a given marketing material produced and the method of distribution.
  - c. Other Expenses: Supporting data and documentation for all expenses
- 9.4.4. Upon submission of all required and/or requested documentation substantiating the City's invoice to SCE, SCE will review all reported Program Expenditures. SCE reserves the right to:
  - a. Reject any invoiced amounts, in whole or in part, in excess of the amounts budgeted in the budget worksheets for such Authorized Work.
  - b. Reject any amounts for which there is a reasonable basis for concluding they are unreasonable or not directly identifiable to or required for the Authorized Work.
  - c. Reject any invoice, in whole or in part, which in SCE's sole discretion contains charges for any item not authorized under this Agreement or by the Commission, or is deemed untimely, unsubstantiated or lacking proper documentation.
  - d. Make payment directly to City's representative when SCE is provided notice from City directing payment be made to City's representative.
- 9.4.5. SCE shall review and either approve or reject for payment reported Program Expenditures within 30 days of receiving of the required report and corresponding invoice.

## 10. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

This program was established for the Program period 2006-2008 and is being extended through the Bridge-Funding Period, subject to the conditions set forth in Section 23 hereof. Unless this Agreement is terminated pursuant to Section 23.2 of this Agreement, the Parties shall complete all Direct Implementation and Marketing & Outreach activities (as defined in the Program Implementation Plan) related to Authorized Work by no later than the earlier of: (i) the date that is three months after the effective date of a final decision by the Commission on the 2009-11 Applications (ii) December 31, 2009, and (iii) the effective date of an Agreement for the 2009-11 Application activities, (such first date, the "Bridge-Funded Authorized Work Deadline"). Program administrative activities (as defined by the Program Implementation Plan, reporting workbooks and reporting requirements), including submission of the Final Report(s), for Bridge-Funded Authorized Work must be completed no later than three (3) months following the Bridge-Funded Authorized Work Deadline, unless otherwise agreed to by the Parties or so ordered by the Commission.

## 11. FINAL INVOICES

Final invoices for Authorized Work shall be submitted no later than three (3) months following the Bridge-Funded Authorized Work Deadline.

## 12. INDEMNITY

12.1. City shall indemnify, defend and hold harmless SCE and their respective successors, assigns, affiliates, subsidiaries, parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees) arising from City's negligence or willful misconduct in City's performance of its obligations hereunder or based on City's breach of this Agreement.

12.2. SCE shall indemnify, defend and hold harmless City, and their respective successors, assigns, affiliates, subsidiaries, parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees) arising from SCE's negligence or willful misconduct in SCE's performance of its obligations hereunder or based on SCE's breach of this Agreement.

12.3. NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR STRICT LIABILITY INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF OR UNDER-UTILIZATION OF LABOR OR FACILITIES, LOSS OF REVENUE OR ANTICIPATED PROFITS, COST OF REPLACEMENT POWER OR CLAIMS FROM CUSTOMERS,

RESULTING FROM A PARTY'S PERFORMANCE OR NONPERFORMANCE OF THE OBLIGATIONS HEREUNDER, OR IN THE EVENT OF SUSPENSION OF THE AUTHORIZED WORK OR TERMINATION OF THIS AGREEMENT.

### 13. OWNERSHIP OF DEVELOPMENTS

The Parties acknowledge and agree that the Commission, who is a third party beneficiary of this Section 13, shall own all data, reports, information, manuals, computer programs, works of authorship, designs or improvements of equipment, tools or processes (collectively "Developments") or other written, recorded, photographic or visual materials, or other deliverables produced in the performance of this Agreement; provided, however, that Developments do not include equipment or infrastructure purchased for research, development, education or demonstration related to energy efficiency. Although the Parties shall retain no ownership, interest or title in the Developments except as may otherwise be provided in the Program Implementation Plan, they will have a permanent, royalty free, non-exclusive license to use such Developments.

### 14. DISPUTE RESOLUTION

14.1. Dispute Resolution: Except as may otherwise be set forth expressly herein, all disputes arising under this Agreement shall be resolved as set forth in this Section 14.

14.2. Negotiation and Mediation: The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the Parties' authorized representatives. The disputing Party shall give the other Parties written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, any Party may initiate a mediation of the dispute. The mediation shall be facilitated by a mediator that is acceptable to all Parties and shall conclude within sixty (60) days of its commencement, unless the Parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the Parties shall enter into a written agreement for the mediation services with each Party paying a pro rate share of the mediator's fee, if any. The mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association; provided, however, that no consequential damages shall be awarded in any such proceeding and each Party shall bear its own legal fees and expenses.

14.3. Confidentiality: All negotiations and any mediation conducted pursuant to Section 14 hereof shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code shall apply, which Section is incorporated in this Agreement by reference.

14.4. Injunctive Relief: Notwithstanding the foregoing provisions, a Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.

14.5. Continuing Obligation: Each Party shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.

14.6. Failure of Mediation: If, after good faith efforts to mediate a dispute under the terms of this Agreement as provided in Section 14.2 above, the Parties cannot agree to a resolution of the dispute, any Party may pursue whatever legal remedies may be available to it at law or in equity, before a court of competent jurisdiction and with venue as provided in Section 33.

## 15. REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants, individually and not jointly, that:

15.1. The Authorized Work performed by such Party and its subcontractors shall comply with the applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of federal, state, local and foreign governments, and all agencies thereof.

15.2. The Authorized Work performed by such Party and its subcontractors shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any proprietary rights of any person.

15.3. Each Party shall conform to the applicable employment practices requirements of (Presidential) Executive Order 11246 of September 24, 1965, as amended, and applicable regulations promulgated thereunder.

15.4. Each Party shall contractually require each subcontractor it hires to perform the Authorized Work to indemnify each other Party to the same extent such Party has indemnified each other Party under the terms and conditions of this Agreement.

15.5. Each Party shall retain, and shall cause its subcontractors to retain, all records and documents pertaining to its Authorized Work obligations for a period of not less than three years beyond the termination or expiration of this Agreement.

15.6. Each Party shall contractually require all of its subcontractors to provide the other Parties reasonable access to relevant records and staff of subcontractors concerning the Authorized Work.

15.7. Each Party will take all reasonable measures, and shall require its subcontractors to take all reasonable measures, to ensure that the Program funds in its possession are used solely for Authorized Work, which measures shall include the highest degree of care that such Party uses to control its own funds, but in no event less than a reasonable degree of care.

15.8. Each Party will maintain, and may require its subcontractors to maintain, the following insurance coverage or self insurance coverage, at all times during the Term of this Agreement:

- a. Workers' Compensation and Employers' Liability: statutory minimum.
- b. Commercial General Liability: \$1 million minimum.
- c. Business Auto (if applicable): \$1 million minimum.
- d. Professional Liability Insurance (if applicable): \$1 million minimum.

## 16. PROOF OF INSURANCE

16.1. Upon request at any time during the term of this Agreement, a Party shall provide evidence that its insurance policies are in full force and effect, and provide the coverage and limits of insurance that such Party has represented and warranted herein to maintain at all times during the Term of this Agreement.

16.2. If a Party is self-insured, such Party shall upon request forward documentation to the other Parties that demonstrates to each other Party's satisfaction that such Party self-insures as a matter of normal business practice before commencing the Authorized Work. Each Party will accept reasonable proof of self-insurance comparable to the above requirements.

## 17. CUSTOMER CONFIDENTIALITY REQUIREMENTS

Each Party agrees, individually and not jointly, that

17.1. Each Party, its employees, agents and Contractors shall not disclose any Confidential Customer Information (defined below) to any third

party during the Term of this Agreement or after its completion, without such Party having obtained the prior written consent of SCE, except as provided by law, lawful court order or subpoena and provided such Party gives SCE advance written notice of such order or subpoena.

17.2. "Confidential Customer Information" includes, but is not limited to, an SCE customer's name, address, telephone number, account number and all billing and usage information, as well as any SCE customer's information that is marked confidential. If a Party is uncertain whether any information should be considered Confidential Customer Information, such Party shall contact SCE prior to disclosing the customer information.

17.3. Prior to any approved disclosure of Confidential Customer Information, SCE may require the disclosing Party to enter into a nondisclosure agreement.

17.4. This provision does not prohibit a Party from disclosing non-confidential information concerning the Authorized Work to the Commission in any Commission proceeding, or any Commission-sanctioned meeting or proceeding or other public forum.

17.5. Confidential Customer Information materials provided to a Party by another Party during the performance of this Agreement shall be returned upon written request to the original owner of the documents.

17.6. The Parties acknowledge that Confidential Customer Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section 17 and the obligations of the Parties are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Section 17 by any Party, the Party whose Confidential Customer Information is implicated in such breach shall be entitled to seek and obtain an injunction preventing such breach, without the necessity of proving damages or posting any bond. Any such relief shall be in addition to, and not in lieu of, money damages or any other available legal or equitable remedy.

## 18. TIME IS OF THE ESSENCE

The Parties hereby acknowledge that time is of the essence in performing their obligations under the Agreement. Failure to comply with deadlines stated in this Agreement may result in termination of this Agreement, payments being withheld or other Program modifications as directed by the Commission.

## 19. CUSTOMER COMPLAINT RESOLUTION PROCESS

The Parties shall develop and implement a process for the management and resolution of Customer complaints in an expedited manner including, but not limited to: (a) ensuring adequate levels of professional Customer service staff; (b) direct access of Customer complaints to supervisory and/or management personnel; (c) documenting each Customer complaint upon receipt; and (d) elevating any complaint that is not resolved within five (5) days of receipt to SCE.

## 20. RESTRICTIONS ON MARKETING

Unless otherwise requested by a Party, all Parties' names or logos in their appropriate trade and service mark identifications shall be included on any and all Program T&E materials. For all other materials, a Party must receive prior written approval from a Party for the use of such Party's name or logo. However, nothing in this section is intended to permit the omission of any Party's name and/or logo from materials discussing the Program, the Program implementation, and/or the Parties' delivery thereof.

## 21. RIGHT TO AUDIT

The Parties agree that the Parties, and/or the Commission, or their respective designated representatives, shall have the right to review and to copy any records or supporting documentation pertaining to their performance of this Agreement or the Authorized Work, during normal business hours, and to allow reasonable access in order to interview any employees of the Party who might reasonably have information related to such records. Further, the Parties agree to include a similar right of the Parties and/or the Commission to audit records and interview staff in any subcontract related to performance of the Authorized Work or this Agreement.

## 22. STOP WORK PROCEDURES

SCE may suspend the Authorized Work being performed in its service territory for good cause, such as safety concerns, fraud, or excessive Customer complaints, by orally notifying each other Party to suspend the Authorized Work being performed in its service territory. Each Party performing Authorized Work in SCE's service territory shall stop work immediately, and may resume Authorized Work only upon receiving written notice from SCE that it may resume the Authorized Work.

## 23. TERM AND TERMINATION

23.1. Term. This Agreement shall be effective as of the Effective Date and shall continue in effect until the date which is three (3) months following the Bridge-Funded Authorized Work Deadline (the "Term"),



unless otherwise terminated in accordance with the provisions of Section 2.2 or Section 23.2 hereof.

23.2. Termination. Any Party may, upon approval of the non-breaching Party, terminate this Agreement in the event of a material breach by the other Party of any of the material terms or conditions of this Agreement, provided such breach is not remedied within sixty (60) days notice to a breaching Party thereof from a non-breaching Party or otherwise resolved pursuant to the dispute resolution provisions set forth in Section 14 herein.

23.2.1. In the event of termination, the Parties shall be entitled to PGC Funds for all Program Expenditures properly incurred or accrued pursuant to contractual or other legal obligations for Authorized Work up to the effective date of termination of this Agreement, provided that any Monthly or other Reports required by the Commission are submitted in accordance with the terms and conditions of this Agreement.

23.2.2. In the event of termination, the Parties shall work cooperatively to facilitate the termination of operations and any applicable contracts for Authorized Work.

#### 24. WRITTEN NOTICES

Any written notice, demand or request required or authorized in connection with this Agreement, shall be deemed properly given if delivered in person or sent by facsimile, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party as follows:

The City:	SCE: _____ Project Manager Southern California Edison _____ _____
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Notices shall be deemed received (a) if personally or hand-delivered, upon the date of delivery to the address of the person to receive such notice if delivered before 5:00 p.m., or otherwise on the Business Day following personal delivery; (b) if mailed, three (3) Business Days after the date the notice is postmarked; (c) if by facsimile, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; or (d) if by overnight courier: on the Business Day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

#### 25. CONTRACTS

Each Party shall, at all times, be responsible for its Authorized Work obligations, and acts and omissions of Contractors and persons directly or indirectly employed by such Party for services in connection with the Authorized Work.

## 26. RELATIONSHIP OF THE PARTIES

The Parties shall act in an independent capacity and not as officers or employees or agents of each other. This Agreement is not intended to and does not form any “partnership” within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

## 27. NON-DISCRIMINATION CLAUSE

No Party shall unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Each Party shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

Each Party represents and warrants that it shall include the substance of the nondiscrimination and compliance provisions of this clause in all subcontracts for its Authorized Work obligations.

## 28. COMMISSION AUTHORITY TO MODIFY/CONFLICT WITH BRIDGE FUNDING DECISION

28.1. This Agreement shall at all times be subject to the discretion of the Commission, including but not limited to, review and modifications, excusing a Party’s performance hereunder, or termination as the Commission may direct from time to time in the reasonable exercise of its jurisdiction.

28.2. The Authorized Work shall be subject to the terms of the Bridge Funding Decision. In the event of any inconsistency between this

Agreement and the Bridge Funding Decision, the terms of the Bridge Funding Decision shall control.

#### 29. NON-WAIVER

None of the provisions of this Agreement shall be considered waived by any Party unless such waiver is specifically stated in writing.

#### 30. ASSIGNMENT

No Party shall assign this Agreement or any part or interest thereof, without the prior written consent of the other Parties, and any assignment without such consent shall be void and of no effect. Notwithstanding the foregoing, if SCE is requested or required by the Commission to assign its rights and/or delegate its duties hereunder, in whole or in part, such assignment or delegation shall not require any Party's consent, and SCE shall be released from all obligations hereunder arising after the effective date of such assignment, both as principal and as surety.

#### 31. FORCE MAJEURE

Failure of a Party to perform its obligations under this Agreement by reason of any of the following shall not constitute an event of default or breach of this Agreement: strikes, picket lines, boycott efforts, earthquakes, fires, floods, war (whether or not declared), revolution, riots, insurrections, acts of God, acts of government (including, without limitation, any agency or department of the United States of America), acts of terrorism, acts of the public enemy, scarcity or rationing of gasoline or other fuel or vital products, inability to obtain materials or labor, or other causes which are reasonably beyond the control of such Party.

#### 32. SEVERABILITY

In the event that any of the terms, covenants or conditions of this Agreement, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants, or conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect, unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Agreement.

#### 33. GOVERNING LAW; VENUE

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the

State of California. Any action brought to enforce or interpret this Agreement shall be filed in Los Angeles County, California.

34. ATTORNEYS' FEES

Except as otherwise provided herein, in the event of any legal action or other proceeding between the Parties arising out of this Agreement or the transactions contemplated herein, each Party in such legal action or proceeding shall bear its own costs and expenses incurred therein, including reasonable attorneys' fees.

35. COOPERATION

Each Party agrees to cooperate with the other Parties in whatever manner is reasonably required to facilitate the successful completion of this Agreement.

36. ENTIRE AGREEMENT

This Agreement (including the Exhibits hereto) contains the entire agreement and understanding between the Parties and merges and supersedes all prior agreements, representations and discussions pertaining to the subject matter of this Agreement.

37. COUNTERPARTS.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

CITY OF COSTA MESA:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

SOUTHERN CALIFORNIA EDISON COMPANY:

By: \_\_\_\_\_  
Name:  
Title:  
Dat

## EXHIBIT A

### LGEAR Program Implementation Plan

## Local Government Energy Action Resources – Costa Mesa

1. Projected Program Budget	\$1,000 per month
2. Projected Program Impacts	TBD
MWh	
MW (Summer Peak)	
3. Program Cost Effectiveness	TBD
TRC	
PAC	

#### 4. Program Descriptors

Market Sector: Cross-cutting  
Program Classification: Local  
Program Status: New

#### 5. Program Statement

Local Governments, especially cities, counties and special districts (collectively referred to as Jurisdictions) have access to residential, commercial and institutional constituents that are also SCE customers. Also, local government economic redevelopment and similar designated areas are specifically designed to increase community prosperity and represent a vital source of energy savings across a diverse residential and business market sector that has had lower participation in traditional energy efficiency programs.

Our past experience with the SCE Local Government Initiative (LGI) program indicates that jurisdictions are not being sufficiently utilized to aid the energy efficiency effort through educating their communities and distributing information on energy efficiency, demand response, self-generation and low income programs. SCE's 2002 and 2003 LGI Evaluation prepared by Wirtshafter Associates suggested that SCE was missing opportunities to partner with local jurisdictions to address energy efficiency in municipal buildings. The studies recommended that SCE increase its efforts to "...achieve its true potential in partnering with local Jurisdictions to deliver energy savings." In addition, local jurisdictions are now more than ever interested in energy efficiency as they develop strategies to implement the Governor's Executive Order S-20-04, The Green Building Action Plan. Further, the Program Advisory Group (PAG) is also desirous of a vehicle to disseminate comprehensive energy information to cities and to help communities transition to the new energy codes.

## **6. Program Rationale**

Local Government Energy Action Resources program (LGEAR) will optimize the opportunities for jurisdictions and their communities to work toward the common goal of achieving short and long-term energy savings, reduced utility bills, and an enhanced level of comfort in municipal and commercial buildings as well as homes. LGEAR will help promote an energy efficiency 'ethic' by increasing awareness and participation in energy efficiency, demand response, self generation and energy management assistance (low income energy efficiency and CARE) programs. Energy code training will feature strongly in LGEAR. As recommended by the PAG, LGEAR will deliver energy code training to all cities in SCE's service territory.

This new program involves the creation of energy partnerships with cities and local governments to set energy efficiency goals and generate measurable, verifiable energy savings through identification of specific energy efficiency projects and community outreach activities. Municipal building retrofits will further jurisdictions' objective to comply with the Governor's 'Green Building Action Plan.'

LGEAR supports the policy set forth in Decision (D.) 05-01-055 which notes that "current or future partnerships between IOUs and local governments can take advantage of the unique strengths that both parties bring to the table to deliver cost-effective energy efficiency services." Local government economic redevelopment and similar designated area are specifically designed to increase community prosperity and represent a vital source of energy savings across a diverse residential and business market sector that has had lower participation in traditional energy efficiency programs. These customers represent significant energy savings and demand reduction potential, as well as potential lost opportunities if not given targeted consideration.

## **7. Program Outcomes**

The desired outcomes of this program are:

- Short and long-term energy savings and demand reduction for Local Government organizations and the communities they serve as well as reduction of greenhouse gas and emissions. Jurisdictions will leverage their local infrastructure to "spread the word" about energy efficiency and deepen the reach of SCE's statewide and local EE programs and services.
- An energy efficiency 'ethic' resulting from delivery of energy information to the communities, training and education for local government facility managers, energy managers and other staff in the use of 'best practices' methodology for identifying and implementing energy efficiency opportunities in their facilities; and possibly HVAC and other training targeted at the refrigeration/HVAC technicians.

- The implementation of demand side management (DSM) strategies in government organizations and progress towards the goal of 10% reduction of grid based purchases by the year 2010 and 20% by 2015.

## **8. Program Strategy**

The level of involvement for each LGEAR participant will vary as individual Jurisdictions will require a different approach depending on climate zone, customer mix, market characteristics and individual need. Each participant will have the opportunity to funnel, i.e. increase participation in, existing programs and will contribute to SCE's 2006-2008 energy savings and demand reduction goals through the identification of energy savings projects.

Standard Program offerings are as follows:

### Energy Efficiency Rebates/Incentives:

Opportunities to revitalize communities and create awareness of energy efficiency and participation in energy efficiency rebate programs. They will utilize their existing infrastructure, for example water bills, and outreach activities to funnel residential energy efficiency programs as follows:

Multi-family Rebates: Conduct sweeps of City/County Housing and multi-family dwellings to include, CLF change-outs, torchiere turn-ins and refrigerator rebates.

Appliance Recycling: Neighborhood Sweeps in which neighborhoods are mobilized to turn in refrigerators, freezers or air conditioners or make reservations for pick-up by the SCE vendor.

Residential Energy Efficiency Incentives: Promote available incentives at Community Events.

California New Homes: Conduct outreach to builders through conferences and training events.

Small Business Direct Install: Work with cities to identify areas of need and conduct Neighborhood Sweeps to install lighting, HVAC and other measures.

Upstream Lighting: CFL giveaways in public facilities.

Residential In-Home Energy Surveys – Coordinate with local agencies to distribute Welcome Home Kits to new home owners and conduct In-home energy surveys.

Mobile Educational Unit – Utilize the Mobile Education Unit for residential community events and distribute energy information and two CFLs per visitor.

Mobile Home Direct Install Program: Identify mobile home parks that can benefit from the mobile home direct install program.

Energy Information: Provide government, businesses and residents with information on energy efficiency programs and services, demand response, self-generation, low income, CEC, DOE and other energy assistance programs such as gas and water efficiency resources. In addition, state-wide and national energy marketing campaigns will feature in the program.

Energy Efficiency Training: Conduct energy code training and other energy efficiency training targeted to meet the needs of the region. Training may be targeted to building professionals, energy managers and local government facility managers in all cities in SCE's service territory. This will help communities transition to the new energy codes.

#### Customized Offerings

Individual jurisdictions will require a different approach depending on climate zone, customer mix, market characteristics and individual need. Cities that have shown a stronger interest in energy efficiency and/or a proactive approach to implementing the Governor's Executive Order S-20-04, The Green Building Action Plan, will probably require a greater level of support. In such cases, LGEAR will provide more support as follows:

Energy Audits and Technical Assistance: These services will be provided free of charge to support local government investments in energy efficiency retrofits, renovation, new construction and retro commissioning of municipal buildings. Technical assistance will be provided by the relevant energy efficiency programs, for example Savings by Design, where applicable. In addition, LGEAR will provide planning and project management support to help with coordination and implementation of energy efficiency projects.

Bench-marking and Performance Tracking: Assist Local Governments in benchmarking their energy use by providing energy use data for municipal buildings.

Marketing and Outreach Materials: A menu of marketing and outreach materials and activities will be prepared by SCE to be utilized by partners in their community outreach efforts, for example flyers to be placed in water bills.

The full range of SCE energy efficiency programs will be available to partners including Check Point, Savings By Design, Standard Performance Contract, Express Efficiency. Funding from special projects will be secured from the budget available for future partnerships.

## **9. Program Objectives**



There is tremendous residential and commercial growth and/or opportunity in the Inland Empire, Riverside County, Los Angeles County, Orange County and Kern County. For those cities that have a pro-active interest in being recognized as a community that practices mindful growth with such environmentally friendly programs as Green Building and ENERGY STAR® rated homes, the LGEAR is a perfect venue for SCE to develop partnerships that will assist Jurisdictions to further establish themselves as an energy resource. LGEAR participants may want to address energy efficiency in municipal buildings and help implement the Governor's Energy Action Plan.

#### **10. Program Implementation**

LGEAR will identify cities designated by SCE cities and encourage them to participate in the program. Cities are provided with energy code training and a menu of energy efficiency programs and activities from which to select a program which they believe would best meet their needs and DSM planning support. Energy savings activities may include but not be limited to such events as torchiere exchanges, refrigerator and freezer recycling sweeps, small business hard-to-reach retro-fit sweeps, mobile home direct installations and re-lamping programs, as well as city municipal retrofit projects.

Jurisdictions identifying municipal building retrofit opportunities will enter into agreement with SCE to deliver the energy savings. Goals will be met by utilizing the statewide and local energy efficiency rebate/incentive programs but will be funded from the partnership fund. LGEAR will also facilitate policies, tools and incentives that will assist Jurisdictions to meet the Governor's goal of 10% reduction of grid based purchases by the year 2010 and 20% by 2015 by providing information on available energy resources including self-generation, demand response and CEC and DOE programs and services.

The plan is for LGEAR participants to generate measurable, verifiable energy savings through identification of specific energy efficiency projects as well as promote new construction, small business and residential and non-residential energy efficiency programs. **Each LGEAR participant will prepare and submit for approval a Planning Tool which provides the layout of activities for the project until such time as the 2009 – 2011 program is in effect.**

#### **11. Customer Description**

LGEAR will target cities, counties and local government organizations. All SCE customer segments, residential and non-residential, that can be positively influenced by local governments to harvest greater energy efficiency than would otherwise be possible through traditional marketing and outreach efforts, will benefit from the program.

#### **12. Customer Interface**

SCE representatives will meet in person with building officials, community development personnel and other decision makers within Jurisdictions to present

the program and solicit participation. Jurisdictions advancing to energy savings partnership arrangements will negotiate a contract that will identify the roles of each partner. Customers benefiting from the program through the funneling efforts of the LGEAR will be subject to the customer interface feature of the respective program. Registration for training will be done through their SCE contact.

Jurisdictions will have a single SCE contact that will coordinate all their services, including community events and enrollment in applicable training program.

### **13. Energy Measures and Program Activities**

Measure installations/upgrades are provided through the wide array of energy efficiency programs offered via LGEAR information and marketing materials. The LGEAR program will coordinate efforts with the other energy efficiency programs that already have the infrastructure to pay incentives/rebates.

#### **13.1. Measures Information**

Measure information has not been identified at this time. Measure selection will depend on the menu of standard and customized offerings selected by the Jurisdictions. The Planning tool submitted by each LGEAR participant will include specific projects and their measures.

#### **13.2. Energy Savings and Demand Reduction Level Data**

Savings for the LGEAR program will come from statewide and local programs and the Planning Tool prepared by each participant.

#### **13.3. Non-energy Activities**

Presentations, attendance at conferences, meetings, community fairs, outreach events, marketing materials such as brochures and information packets, on-site visits and Title 24 and other energy efficiency training classes are all non-energy related activities associated with LGEAR. In addition, LGEAR will facilitate energy audits and basic energy efficiency planning.

#### **13.4. Subcontractor Activities**

LGEAR will coordinate with various organizations and competitively select subcontractors help deliver the training element.

#### **13.5. Quality Assurance and Evaluation Activities**

LGEAR staff will verify that work invoiced by subcontractors have actually being performed through appropriate documentation of all activities for which the vendor requests payment as well as regular on-site visits to ensure that training events and outreach activities are executed as planned. Back-up documentation will include marketing and outreach materials, attendance register, evaluation forms and expense reports as appropriate.

##### **13.5.1. Expected Number/Percent of Inspections**

LGEAR will utilize existing energy efficiency programs, and the existing program inspection criteria will apply as appropriate.

### **13.6. Marketing Activities**

Jurisdictions to be targeted will be selected from SCE's list of cities and local government organizations. Marketing is addressed through direct mail, program literature, fact sheets, face to face meetings, customer education and outreach events, web links and selected media advertising. Jurisdictions will be encouraged to participate in community events, including neighborhood sweeps that target the hard to reach to create excitement and generate interest in energy efficiency. The LGEAR will develop a menu of support materials and tools to be used by cities, for example bill inserts and newspaper advertisements, as well as energy efficiency recognition programs. In addition, there will be presentations at city council meetings, builder conferences and other outreach events as requested by the jurisdictions and/or customers.

### **14. Program Changes**

None.

## EXHIBIT B

### REPORTING REQUIREMENTS

#### 1. Reporting

1.1 THE CITY OF COSTA MESA (CITY) shall provide SOUTHERN CALIFORNIA EDISON (SCE) with the requisite information, in accordance with the Agreement, on the prior month's activities, accomplishments and expenditures related to its respective Authorized Work obligations, for purposes of preparing the Monthly, Quarterly and Annual Reports.

1.2 SCE shall provide the CITY in accordance with the provisions of the Agreement, or otherwise make available to CITY on SCE's website, a copy of the filed Monthly Report within five (5) Business Days after filing.

#### 2. Monthly Report

**2.1 Program Data** – A spreadsheet table or tables listing which includes the following information:

*Program Costs (cost reported cumulative-to-date (also referred to as inception-to-date))*

- a. Program identification number as provided by the Program Administrator
- b. Program name
- c. Total cumulative program authorized budget as adopted by the Commission
- d. Total cumulative program operating budget which includes any mid-course budget modifications (e.g., fund shifts)
- e. Total cumulative program expenditures
- f. Total program expenditures for the report month
- g. Total cumulative commitments (limited to incentive commitments)

*Program Impacts (cost reported cumulative-to-date (also referred to as inception-to-date))*

- h. Total cumulative net kW, kWh, and Therm savings projections
- i. Total cumulative achieved net kW, kWh and Therm savings
- j. Total achieved net kW, kWh and Therm savings for the report month
- k. Total committed (limited to incentive commitments) net kW, kWh and Therm savings

#### **2.2 Program Changes/New Program Information**

*If applicable, the following information should be reported in the Monthly report*

- a. Identification of program with operating budgets reduced during the report month
- b. Identification of program with operating budgets increased during the report month
- c. Identification of program terminated during the report month

**3. Quarterly Report- To be Completed by SCE with support from the City as requested by SCE**

**3.1 Portfolio Benefit/Cost Metrics (Cumulative to Date)**

- a. Total cost to billpayers (TRC, administrative cost and incremental cost per the Standard Practice Manual)
- b. Total savings to billpayers (TRC)
- c. Net benefits to billpayers (TRC)
- d. TRC Ratio
- e. PAC Ratio
- f. Cost per kWh saved (cents/kWh) (PAC)
- g. Cost per therm savings (\$/therm) (PAC)

**3.2 Measure List** –A spreadsheet table for each program or program element<sup>1</sup> containing each measure installed, service rendered, or measure/service committed during the report month for which the Program Implementer intends to claim savings. The Program Implementer should include any new measures as part of the quarterly report. The list should display each measure as it is tracked and recorded by the implementer and should include the following parameters at a minimum:

- a. Name of Measure or Service Rendered
- b. Measure or Service Description
- c. DEER Measure ID (where applicable)
- d. DEER Run ID (where applicable)
- e. Unit Definition
- f. Unit gross kWh savings
- g. Unit gross Therms savings
- h. Unit gross kW demand reduction
- i. Incremental Measure Cost
- j. Net to Gross Ratio
- k. Effective Useful Life
- l. Detailed end use classification (using classification scheme in section 6)
- m. Quantity Installed during report period
- n. Quantity Committed during report period
- o. Rebate amount paid
- p. Market Sector classification (using classification scheme in section 6)
- q. Market Segment classification (using classification scheme in section 6)

**3.3 Expenditures** for the program per cost reporting format below (Appendix to Attachment contains list of allowable costs)

- h. Commission Authorized Budget
- i. Operating Budget
- j. Total Expenditures
  - i. Administrative Cost
  - ii. Marketing/Advertising/Outreach Costs
  - iii. Direct Implementation

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<sup>1</sup> Identification of distinct programs and program elements may be determined by CPUC staff at a later time.

**3.4 GBI Report** – Progress towards achieving goals of the Green Building Initiative, if applicable (Cumulative results)

- a. Estimate of expenditures on program activities that contribute towards GBI goals (including both public and non-public commercial participants)
- b. Net cumulative achieved kW, kWh and Therm savings contributing towards GBI goals.
- c. Net achieved kW, kWh and Therm savings contributing towards GBI goals for the quarter.
- d. A description of non-resource program activities that support the Green Building Initiative, including marketing and outreach activities.
- e. Estimate of square footage affected by program activities supporting the Green Building Initiative
- f. Items b, c and e above disaggregated by:
  - i. 2-digit NAICS code
  - ii. Aggregated end use classification (using classification scheme in section 5)

**3.5 Program Narratives** – For the program, a description of the program activities occurring during the quarter.

- k. Administrative activities
- l. Marketing activities
- m. Direct Implementation activities
- n. Implementer's assessment of program performance and program status (is the program on target, exceeding expectations, or falling short of expectations, etc.)
- o. For non-resource programs and program elements (programs or program elements that are not claiming direct energy impacts), a discussion of the status of program achievements.
- p. Discussion of changes in program emphasis (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measure discontinued, etc.)
- q. Discussion of near term plans for program over the coming months (e.g., marketing and outreach efforts that are expected to significantly increase program participation, etc.)
- r. Changes to staffing and staff responsibilities, if any
- s. Changes to contacts, if any
- t. Changes to subcontractors and subcontractor responsibilities, if any
- u. Number of customer complaints received
- v. Program Theory and Logic Model if not already provided in the program's implementation plan, or if revisions have been made.

**3.6 Utility Quarterly Reports** – Each Utility shall provide EC a copy of the filed Quarterly Report within five (5) Business Days after filing with the Commission in accordance with the Agreement.

**4. Annual Reports – To be completed by SCE with support from the City as requested by SCE**

The format and content of the annual report is expected to be developed by the CPUC in fall 2006. EC will be required to fulfill these reporting obligations for their program.

## 5. Reporting Terminology Definitions

**Adopted Program Budget** – The program budget as it is adopted by the Commission. Inclusive of costs (+/-) recovered from other sources.

**Operating Program Budget** – The program budget as it is defined by the program administrators for internal program budgeting and management purposes. Inclusive of costs (+/-) recovered from other sources.

**Direct Implementation Expenditures** – Costs associated with activities that are a direct interface with the customer or program participant or recipient (e.g., contractor receiving training). *(Note: This is still an open issue, the items included in this definition may be changed by the CPUC pending discussion on the application of the State’s Standard Practice Manual.)*

**Report Month** – The month for which a particular monthly report is providing data and information. For example, the report month for a report covering the month of July 2006, but prepared and delivered later than July 2006, would be July 2006.

**Program Strategy** – The method deployed by a program in order to obtain program participation.

**Program Element** – A subsection of a program, or body of program activities within which a single program strategy is employed. (Example: A body of program activities employing both an upstream rebate approach and a direct install approach is not a single program element.)

## 6. Measure Classification

### Measure End-Use Classification

Each energy efficiency measure reported should be classified into one of the following end-use categories

#### **Residential End Uses**

##### **Detailed End Use**

Clothes Dryer  
Clothes Washer  
Consumer Electronics  
Cooking  
Dishwasher  
Other Appliance  
Building Shell  
Space Cooling  
Space Heating  
Interior Lighting  
Exterior Lighting  
Pool Pump  
Freezers  
Refrigeration  
Water Heating  
Other (User Entered Text String)

##### **Aggregated End Use**

Appliances  
Appliances  
Consumer Electronics  
Cooking Appliances  
Appliances  
Appliances  
HVAC  
HVAC  
HVAC  
Lighting  
Lighting  
Pool Pump  
Refrigeration  
Refrigeration  
Water Heating  
Other

Description)

**Nonresidential End Uses**

<b>Detailed End Use</b>	<b>Aggregated End Use</b>
Building Shell	HVAC
Space Cooling	HVAC
Space Heating	HVAC
Ventilation	HVAC
Daylighting	Lighting
Interior Lighting	Lighting
Exterior Lighting	Lighting
Office Equipment	Office
Compressed Air	Process
Cooking	Process
Food Processing	Process
Motors	Process
Process Cooling	Process
Process Heat	Process
Process Steam	Process
Pumps	Process
Refrigeration	Refrigeration
Other (User Entered Text String Description)	Other

**Measure Market Sector/Market Segment Classification**

Where reports require market sector or market segment classification, the following classification scheme should be used.

<b>Market Sector</b>	<b>Market Segment</b>
Residential	NA
Single Family	NA
Multi Family	NA
Mobile Homes	NA
Nonresidential	NAICS CODE (greater than 2 digit not required)
Commercial	NAICS CODE (greater than 2 digit not required)
Industrial	NAICS CODE (greater than 2 digit not required)
Agricultural	NAICS CODE (greater than 2 digit not required)
Unknown	NA

**7. Allowable Costs**

<b>Allowable Costs Table</b>	
<p>The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.</p>	
	<b>3/30/2006</b>
<b>Cost Categories</b>	<b>Allowable Costs</b>



**Allowable Costs Table**

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

3/30/2006

**Cost Categories**

**Allowable Costs**

**Administrative Cost Category**

**Managerial and Clerical Labor**

- IOU Labor - Clerical
- IOU Labor - Program Design
- IOU Labor - Program Development
- IOU Labor - Program Planning
- IOU Labor - Program/Project Management
- IOU Labor - Staff Management
- IOU Labor - Staff Supervision
- Subcontractor Labor - Clerical
- Subcontractor Labor - Program Design
- Subcontractor Labor - Program Development
- Subcontractor Labor - Program Planning
- Subcontractor Labor - Program/Project Management
- Subcontractor Labor - Staff Management
- Subcontractor Labor - Staff Supervision

**Human Resource Support and Development**

- IOU Labor - Human Resources
- IOU Labor - Staff Development and Training
- IOU Benefits - Administrative Labor
- IOU Benefits - Direct Implementation Labor
- IOU Benefits - Marketing/Advertising/Outreach Labor
- IOU Payroll Tax - Administrative Labor
- IOU Payroll Tax - Administrative Labor
- IOU Payroll Tax - Administrative Labor
- IOU Pension - Administrative Labor
- IOU Pension - Direct Implementation Labor
- IOU Pension - Marketing/Advertising/Outreach Labor
- Subcontractor Labor- Human Resources
- Subcontractor Labor - Staff Development and Training
- Subcontractor Benefits - Administrative Labor
- Subcontractor Benefits - Direct Implementation Labor
- Subcontractor Benefits - Marketing/Advertising/Outreach Labor
- Subcontractor Payroll Tax - Administrative Labor
- Subcontractor Payroll Tax - Direct Implementation Labor
- Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor
- Subcontractor Pension - Administrative Labor
- Subcontractor Pension - Direct Implementation Labor
- Subcontractor Pension - Marketing/Advertising/Outreach Labor

**Travel and Conference Fees**

- IOU Conference Fees
- IOU Labor - Conference Attendance
- IOU Travel - Airfare
- IOU Travel - Lodging
- IOU Travel - Meals
- IOU Travel - Mileage
- IOU Travel - Parking
- IOU Travel - Per Diem for Misc. Expenses

**Allowable Costs Table**

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

3/30/2006

**Cost Categories**

**Allowable Costs**

Subcontractor - Conference Fees
Subcontractor Labor - Conference Attendance
Subcontractor - Travel - Airfare
Subcontractor - Travel - Lodging
Subcontractor - Travel - Meals
Subcontractor - Travel - Mileage
Subcontractor - Travel - Parking
Subcontractor - Travel - Per Diem for Misc. Expenses
<b>Overhead (General and Administrative) - Labor and Materials</b>
IOU Equipment Communications
IOU Equipment Computing
IOU Equipment Document Reproduction
IOU Equipment General Office
IOU Equipment Transportation
IOU Food Service
IOU Office Supplies
IOU Postage
IOU Labor - Accounting Support
IOU Labor - Accounts Payable
IOU Labor - Accounts Receivable
IOU Labor - Administrative
IOU Labor - Facilities Maintenance
IOU Labor - Materials Management
IOU Labor - Procurement
IOU Labor - Shop Services
IOU Labor - Transportation Services
IOU Labor - Automated Systems
IOU Labor - Communications
IOU Labor - Information Technology
IOU Labor - Telecommunications
Subcontractor Equipment Communications
Subcontractor Equipment Computing
Subcontractor Equipment Document Reproduction
Subcontractor Equipment General Office
Subcontractor Equipment Transportation
Subcontractor Food Service
Subcontractor Office Supplies
Subcontractor Postage
Subcontractor Labor - Accounting Support
Subcontractor Labor - Accounts Payable
Subcontractor Labor - Accounts Receivable
Subcontractor Labor - Facilities Maintenance
Subcontractor Labor - Materials Management
Subcontractor Labor - Procurement
Subcontractor Labor - Shop Services
Subcontractor Labor - Administrative
Subcontractor Labor - Transportation Services
Subcontractor Labor - Automated Systems

**Allowable Costs Table**

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

3/30/2006

Cost Categories	Allowable Costs
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- Subcontractor Labor - Communications
- Subcontractor Labor - Information Technology
- Subcontractor Labor - Telecommunications

**Marketing/Advertising/Outreach Cost Category**

- IOU - Advertisements / Media Promotions
- IOU - Bill Inserts
- IOU - Brochures
- IOU - Door Hangers
- IOU - Print Advertisements
- IOU - Radio Spots
- IOU - Television Spots
- IOU - Website Development
- IOU Labor - Marketing
- IOU Labor - Media Production
- IOU Labor - Business Outreach
- IOU Labor - Customer Outreach
- IOU Labor - Customer Relations
- Subcontractor - Bill Inserts
- Subcontractor - Brochures
- Subcontractor - Door Hangers
- Subcontractor - Print Advertisements
- Subcontractor - Radio Spots
- Subcontractor - Television Spots
- Subcontractor - Website Development
- Subcontractor Labor - Marketing
- Subcontractor Labor - Media Production
- Subcontractor Labor - Business Outreach
- Subcontractor Labor - Customer Outreach
- Subcontractor Labor - Customer Relations

**Direct Implementation Cost Category**

- Financial Incentives to Customers**
- Activity - Direct Labor**
- IOU Labor - Curriculum Development
- IOU Labor - Customer Education and Training
- IOU Labor - Customer Equipment Testing and Diagnostics
- IOU Labor - Facilities Audits
- Subcontractor Labor - Facilities Audits
- Subcontractor Labor - Curriculum Development
- Subcontractor Labor - Customer Education and Training
- Subcontractor Labor - Customer Equipment Testing and Diagnostics
- Installation and Service - Labor**
- IOU Labor - Customer Equipment Repair and Servicing
- IOU Labor - Measure Installation
- Subcontractor Labor - Customer Equipment Repair and Servicing
- Subcontractor Labor - Customer Equipment Repair and Servicing
- Direct Implementation Hardware and Materials**
- IOU Audit Applications and Forms
- IOU Direct Implementation Literature

**Allowable Costs Table**

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

3/30/2006

**Cost Categories****Allowable Costs**

IOU Education Materials
IOU Energy Measurement Tools
IOU Installation Hardware
Subcontractor - Direct Implementation Literature
Subcontractor - Education Materials
Subcontractor - Energy Measurement Tools
Subcontractor - Installation Hardware
Subcontractor -Audit Applications and Forms
<b>Rebate Processing and Inspection - Labor and Materials</b>
IOU Labor - Field Verification
IOU Labor - Site Inspections
IOU Labor - Rebate Processing
IOU Rebate Applications
Subcontractor Labor - Field Verification
Subcontractor Labor - Rebate Processing
Subcontractor - Rebate Applications