

**AGREEMENT TO JOINTLY DELIVER THE 2010-2012
ORANGE COUNTY ENERGY LEADER PARTNERSHIP PROGRAM**

BETWEEN

THE CITY OF COSTA MESA

and

SOUTHERN CALIFORNIA EDISON COMPANY

Dated: _____, 200_

This program is funded by California utility ratepayers and administered by Southern California Edison under the auspices of the California Public Utilities Commission.

THIS AGREEMENT TO JOINTLY DELIVER THE 2010-2012 ORANGE COUNTY ENERGY LEADER PARTNERSHIP PROGRAM (the "Agreement") by and between SOUTHERN CALIFORNIA EDISON COMPANY ("SCE") and the City of Costa Mesa (the "City"), which Agreement shall be effective as of January 1, 2010 ("Effective Date"). SCE and the City may be referred to herein individually as a "Party" and collectively as the "Parties." The Orange County Energy Leader Partnership may be referred to herein as the "Partnership."

WHEREAS, on July 21, 2008 (and as amended on March 2, 2009), SCE submitted its 2009-2011 Application for Approval of its Proposed Energy Efficiency Program Plans and Public Goods Charge and Procurement Funding Requests to the California Public Utilities Commission (the "Commission"), which application included the Energy Leader Partnership Program in which SCE will partner with cities, counties, and other local government organizations that have a vision for energy efficiency sustainability and a desire to provide energy efficiency leadership to their communities;

WHEREAS, on July 2, 2009, SCE amended its aforementioned application to the Commission, requesting approval of an extended 2010-2012 Program cycle for its proposed plans and funding requests, including the Energy Leader Partnership Program;

WHEREAS, on September 24, 2009, the Commission authorized certain energy efficiency programs, including the Partnership's Energy Leader Partnership Program for the 2010-12 program cycle (the "Program");

WHEREAS the City has expressed a commitment, and has qualified, to participate in the Program through the Partnership, allowing the City to demonstrate energy efficiency leadership in its community while helping residents and businesses achieve sustainable reductions in energy use within SCE's service territory;

WHEREAS, the Partnership's Program is designed to encompass several local government jurisdictions in Orange County, including Westminster, Fountain Valley, Costa Mesa, and Huntington Beach ("Program Participants"), provided however that each Program Participant shall execute individual agreements for the performance of their respective obligations in connection with the Program;

WHEREAS, the City, on _____, 200_, passed, approved and adopted a Resolution supporting and endorsing the Program, approving the City as a Program Participant, and authorizing execution of a Partnership Agreement, in substantially similar form as this Agreement; and

WHEREAS, the Parties desire to enter into an agreement that supersedes any and all previous agreements, and sets forth the terms and conditions under which the Program shall be implemented with respect to the Parties.

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

1. DEFINITIONS

All terms used in the singular will be deemed to include the plural, and vice versa. The words “herein,” “hereto,” and “hereunder” and words of similar import refer to this Agreement as a whole, including all exhibits or other attachments to this Agreement, as the same may from time to time be amended or supplemented, and not to any particular subdivision contained in this Agreement, except as the context clearly requires otherwise. “Includes” or “including” when used herein is not intended to be exclusive, or to limit the generality of the preceding words, and means “including without limitation.” The word “or” is not exclusive.

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

1.2. Authorized Partnership Budget: The Commission approved maximum budget for funding the Partnership and performance by all of the Program Participants’ performance of the Authorized Work, which total amount shall be apportioned among the Program Participants, including the City, by SCE in its sole and absolute discretion (see “Partner Budget”).

1.3. Authorized Work: The work authorized by the Commission for the Program as set forth in this Agreement and as more fully described in the Program Implementation Plans attached hereto as Exhibit C, and as agreed to be performed by the Parties.

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

1.5. 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.

1.6. Contractor: An entity contracting directly or indirectly with a Party, or any subcontractor thereof subcontracting with such Contractor, to furnish services or materials as part of or directly related to such Party’s Authorized Work obligations.

1.7. Customers or Eligible Customers: Those customers eligible for Program services, which are SCE customers located in the City.

1.8. Energy Efficiency Measure (or Measure): As used in the Commission’s Energy Efficiency Policy Manual, Version 4, August 2008 .

1.9. EM&V: Evaluation, Measurement and Verification of the Program pursuant to Commission requirements.

1.10. Incentive: As used in the Commission’s Energy Efficiency Policy Manual, Version 4, August 2008.

1.11. Partner Budget: That portion of the Authorized Partnership Budget, which represents the maximum budget and maximum allocation by period, for funding the performance of the Program by the City and as set forth in Exhibit B, subject to amendment by SCE consistent with the terms of this Agreement.

1.12. Program Expenditures: Actual (i.e., no mark-up for profit, administrative or other indirect costs), reasonable expenditures of the City that are pre-approved, directly identifiable to and required for the Authorized Work in accordance with Section 10.3.

1.13. PIP or Program Implementation Plan: The implementation plan specific to this Partnership, together with the Energy Leader Partnership Master PIP, which include the anticipated scope of the Program in SCE's service territory, approved by the Commission and attached hereto as Exhibit C.

1.14. Public Goods Charge (PGC): The funds which make up the Partner Budget and which are 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.

2. PURPOSE

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

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

3.1. Overview. The Energy Leader Partnership Program is designed to provide integrated technical and financial assistance to help local governments effectively lead their communities to increase energy efficiency, reduce greenhouse gas emissions, protect air quality and ensure that their communities are more livable and sustainable. The Program provides a performance-based opportunity for the City to demonstrate energy efficiency leadership in its community through energy saving actions, including retrofitting its municipal facilities as well as providing opportunities for constituents to take action in their homes and businesses. By implementing measures in its own facilities, the City will lead by example as the City and SCE work together to increase community awareness of energy efficiency and position the City as a leader in energy management practices. The Program will provide marketing, outreach, education, training and community sweeps to connect the community with opportunities to save energy, money and help the environment. The Program Participants will leverage the strengths of each other to efficiently deliver energy and demand savings. Delivering sustainable energy savings, promoting energy efficiency lifestyles, and achieving an enduring leadership role for the City through this Program design is rooted in an effective relationship between the City, other Program Participants, their constituents, and SCE.

3.2. Energy Leader Partnership Level. The Program offers a tiered Incentive structure through achievement of four separate levels of participation: "Valued Partner," "Silver," "Gold" and "Platinum." The City will enter the Program at the level indicated on Exhibit A hereto, which has been determined by the City's past participation in SCE energy efficiency and demand response programs both at the city level and at the community level. Exhibit A further explains each level and the energy savings requirements for moving to the next Energy Leader Partnership level. SCE will track the City's

performance under this Agreement against the goals and objectives set forth herein, and will notify the City when it has achieved the next incentive level.

4. AUTHORIZED WORK

4.1. Scope. The work authorized by the Commission is set forth broadly in the PIP (Exhibit C) and shall be performed pursuant to the terms of this Agreement. The Parties shall collaborate and mutually agree upon specific Program implementation consistent with the PIP, and the Parties shall document such details in a “Planning Document” which is intended to evolve throughout the term of the Program.

4.2. Objectives. The Program is designed to meet the specific goals and milestones set forth in Exhibit B of this Agreement, while implementing the Program strategies and meeting the general objectives and goals set forth in the PIP, attached hereto as Exhibit C.

5. LIMITATION ON SERVICE TERRITORY – The Parties agree that Authorized Work shall only be performed in SCE’s service territory, with energy savings and demand reduction claims applicable solely to SCE’s utility system. No Authorized Work shall be performed for any customers that receive electricity from a municipal utility corporation or other electricity service provider or that do not directly receive electricity service from SCE.

6. OBLIGATIONS OF THE PARTIES

6.1. Obligations of SCE and the City

6.1.1. Each Party will be responsible for the overall progress of its Authorized Work, to ensure that the Program remains on target (including but not limited to achieving the Program’s specific energy savings and demand reduction goals as set forth in Exhibit B).

6.1.2. The Parties shall jointly coordinate and prepare all Program-related documents, including all required reporting pursuant to Section 9, and any such other reporting as may be reasonably requested by SCE.

6.1.3. To the extent practicable and with coordination by SCE, the Parties shall use the Program as a portal for other existing or selected programs that SCE offers, including programs targeting low-income customers, demand response, self-generation, solar, and other programs as described in the PIP, with a goal to enhance consistency in rebates and other Program details, minimize duplicative administrative costs, and enhance the possibility that programs can be marketed together to avoid duplicative marketing expenditures.

6.1.4. Consistent with those contained in the PIP, SCE and the City will work together to develop and accomplish additional mutually agreeable goals.

6.2. Obligations of the City.

- 6.2.1. The City will appoint an “Energy Champion” who will be the primary contact between the City, other Program Participants, and the SCE Energy Efficiency Representative (defined in Section 6.3.1), and who will be authorized to act on behalf of the City in carrying out the City’s obligations under this Agreement. Such appointment shall be communicated in writing to SCE within 10 Business Days following execution of this Agreement. The City shall communicate regularly with the SCE Energy Efficiency Representative in accordance with Section 7.2 and 7.3 hereof, and shall advise SCE immediately of any problems or delays associated with its Authorized Work obligations.
- 6.2.2. The City shall perform its Authorized Work obligations within the Partner Budget and in conformance with the schedule and goals associated with such Authorized Work as set forth in this Agreement, and shall furnish the required labor, equipment and material with the degree of skill, care and professionalism that is required by current professional standards.
- 6.2.3. The City will be actively involved in all aspects of the Program. The City will use its best efforts to (a) dedicate human resources necessary to implement the Program successfully, (b) providing support for the Program’s marketing and outreach activities, and (c) working to enhance communications with SCE to address consumer needs.
- 6.2.4. The City shall obtain the approval of SCE when developing Program marketing materials and prior to their distribution, publication, circulation, or dissemination in any way to the public. In addition, all advertising, marketing or otherwise printed or reproduced material used to implement, refer to, or that is in any way related to the Program must contain the respective name and logo of SCE and, at a minimum, the following language: *“This Program is funded by California utility ratepayers and administered by Southern California Edison under the auspices of the California Public Utilities Commission.”*
- 6.2.5. The City shall obtain the approval of SCE prior to conducting any Program public outreach activities (exhibits, displays, public presentations, canvassing, etc.) and any marketing materials used in connection with such outreach activity shall comply with the requirements of Section 6.2.4.
- 6.2.6. The City shall submit to SCE, upon its request, all contracts, agreements or other requested documents with the City’s Contractors (including subcontractors) performing Authorized Work in connection with the Program.
- 6.2.7. The City acknowledges and agrees that the Program has other Program Participants, and that no one Program Participant is entitled to the entire Authorized Partnership Budget, and that the City shall work with SCE and each other Program Participants to achieve the goals and accomplish the Authorized Work of the Program.

6.3. Obligations of SCE.

- 6.3.1. SCE will appoint a Partnership representative (“SCE Energy Efficiency Representative”) who will be the primary contact between SCE, other Program Participants, and the City, and who will be authorized to act on behalf of SCE in carrying out SCE’s obligations under this Agreement. Such appointment shall be communicated in writing to the City within 10 Business Days following execution of this Agreement.
- 6.3.2. SCE will oversee the activities and implementation of the Program, in accordance with this Agreement.
- 6.3.3. SCE will be actively involved in all aspects of the Program. SCE will use its best efforts to add value to the Program by (a) dedicating human resources necessary to assist the City in implementing the Program successfully and providing and maintaining an SCE presence in the City, (b) providing support for the Program’s marketing and outreach activities, and (c) working to enhance communications with the City to address consumer needs and provide SCE information and services.
- 6.3.4. SCE shall provide, at no cost to the City, informational and educational materials on SCE’s statewide and local energy efficiency core programs.
- 6.3.5. SCE shall work with the City as requested to help identify cost-effective energy efficient projects in the City’s qualifying municipal facilities within SCE’s service territory.
- 6.3.6. SCE shall administer the PGC funds authorized by the Commission for the Program in accordance with this Agreement, and SCE shall reimburse the City for Program Expenditures in accordance with Section 10 below.
- 6.3.7. SCE shall be responsible for coordinating and ensuring compliance with all reporting and other filing requirements.
- 6.3.8. SCE shall be responsible for tracking performance of the City in accordance with Section 10.1.2, and for verifying all energy savings and demand reduction claims of the City, and for monitoring and verifying achievement of the Partner Levels as described in Exhibit A.

6.4. EM&V. Once the Commission has approved and issued an evaluation, measurement and verification (“EM&V”) plan for the Program, such EM&V plan shall be attached to this Agreement as Exhibit D and shall be incorporated herein by this reference. Any subsequent changes or modifications to such EM&V plan by the Commission shall be automatically incorporated into Exhibit D. The City shall provide and comply with all Commission/SCE requests regarding activities related to EM&V. The City and its Contractors shall cooperate fully with the SCE Energy Efficiency Representative and will provide all requested information, if any, to assure the timely completion of all EM&V Plan tasks requiring the City’s involvement or cooperation.

7. ADMINISTRATION OF PROGRAM

7.1. Decision-making and Approval.

7.1.1. Except as specifically provided in this Agreement, the following actions and tasks require consent of both Parties:

- a. Any material modification to the Authorized Work in connection with the Program.
- b. Any action that materially impacts the agreed-upon schedule for implementing the Program.
- c. Selection of any Contractor not previously approved by SCE.

7.1.2. Unless otherwise specified in this Agreement, the Parties shall document all material Program decisions, including, without limitation, all actions specified in Section 7.1.1 above, in meeting minutes or if taken outside a meeting, through written communication, which shall be maintained in hard copy form on file by the Parties for a period of no less than five (5) years after the expiration or termination of this Agreement.

7.2. Regular Meetings. During the term of this Agreement, the Program Participant representatives of the Partnership identified in writing pursuant to Section 6.2.1 and 6.3.1 respectively, along with such members of the Partnership team as the Parties deem necessary or appropriate, shall meet monthly at a location reasonably agreed upon by the Parties. In addition to any other agenda items requested by either Party, the agenda shall include a review the status of the City's performance against Partner Budget, toward achievement of the goals set forth in Exhibit B, and the Partnership's progress towards meeting overall Partnership goals set forth in Exhibit C. Any decision-making shall be reached and documented in accordance with the requirements of Section 7.1 above.

7.3. Regular Communication. Regular communication among Partnership representatives is critical for the long-term success of the Partnership and achievement of Partnership goals and objectives. Notwithstanding Section 7.2, above, the Partnership representatives identified in writing by each Partner pursuant to Sections 6.2.1 and 6.3.1, respectively, including other Program Participants, shall communicate regularly with each other to review the status of the Program's goals, deliverables, schedules and budgets, and plan for upcoming Program implementation activities, and to advise the other Party of any problems associated with successful implementation of the Program. Any decision-making during this communication process shall be reached and documented in accordance with the requirements of Section 7.1 above.

7.4. Non-Responsibility for Other Party. Notwithstanding anything contained in this Agreement in the contrary, a Party shall not be responsible for the performance or non-performance hereunder of the other Party, nor be obligated to remedy any other Party's defaults or defective performance.

8. DOUBLE DIPPING PROHIBITED

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

8.1. Prior to providing incentives or services to an Eligible Customer, the City and its Contractors shall obtain a signed form from such Eligible Customer stating that:

8.1.1. Such Eligible 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

8.1.2. Such Eligible Customer agrees not to apply for or receive Incentives or services for the same measure from any other SCE program or from another utility, state, or local program.

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

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

8.3. The City represents and warrants that it or its Contractors has not received, and will not apply for or accept Incentives or services for any measure provided for herein or offered pursuant to this Agreement or the Program from any other SCE program or from any other utility, state or local program.

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

9. REPORTING

9.1. Reporting Requirements. The Parties shall implement those reporting requirements set forth in Exhibit E attached hereto, as the same may be amended from time to time, or until the Commission otherwise requires or issues different or updated reporting requirements for the Program, in which case and at which time such Commission-approved reporting requirements shall replace the requirements set forth in Exhibit E in their entirety.

10. PAYMENTS

10.1. Partner Budget

10.1.1. Maximum Budget: The Partner Budget is set forth in Exhibit B to this Agreement and represents the City's maximum share of the Program's three-year Authorized Partnership Budget. Additionally, Exhibit B sets forth the maximum non-Incentive budget on a periodic basis during the Program. The City shall not be entitled to compensation in excess of the Partner Budget (either on a periodic basis or in total),

without written authorization by SCE and receipt of a revised Exhibit B. Consistent with Commission directives to maximize cost-effectiveness and energy savings, the Partner Budget set forth in Exhibit B may be reallocated or adjusted at any time by SCE in its sole discretion, based upon SCE's evaluation of the City's commitment to, and progress toward the City's energy savings goals set forth herein.

10.1.2. Tracking: SCE will track the City's performance against the objectives set forth in Section 4.2 hereof, including tracking (or estimating) achievement towards the specific energy savings and demand reduction goals set forth in Exhibit B, and will provide such tracking information to the City on a regular basis, but in no event less than quarterly. The tracking will enable SCE, to (i) properly allocate the Authorized Partnership Budget among all the Energy Leader Partnerships according to their individual performance and achievement of respective goals and objectives, (ii) confirm or amend the Partner Budget, set forth in Exhibit B hereto, based on the City's performance of the goals and objectives set forth in this Agreement; and (iii) determine/verify the City's eligibility to move to a new Energy Leader Level as described in Section 3.2 hereof.

10.1.3. Partner Budget Adjustment: The Parties acknowledge that this Program is offered in furtherance of the Commission's strategic energy efficiency goals for California and is based on the City's commitment to attain such goals and its desire to provide leadership to its community. To this end, in the event that SCE determines, in its sole discretion and through the tracking mechanism set forth in 10.1.2 above, that the City is not performing in accordance with the goals and objectives set forth in Section 4.2 hereof, then SCE shall have the unilateral right to reduce, eliminate, or otherwise adjust the Partner Budget for the remaining Program year or years (other than for Program Expenditures previously approved by SCE) by amending Exhibit B and providing the amended Exhibit to the City. Pursuant to this Section, any such amended Exhibit B shall automatically be incorporated into this Agreement and take effect immediately upon delivery from SCE to the City.

10.1.4. Partner Budget Categories

a. Non-Incentive Budget: The Partner Budget is comprised of a non-incentive portion which includes separate categories for Marketing, Education & Outreach, Technical Assistance [and Direct Implementation], all of which are more fully described in the Program Implementation Plan (Exhibit C).

b. Incentive Budget: As part of the Partner Budget, the City shall be eligible to receive certain enhanced Incentives through partnership participation in SCE core programs, as well as additional incentives consistent with the City's tier level of program participation, including completion of municipal retrofit projects further described in this Agreement and in the Program Implementation Plan. The additional Incentives will be made

available as the City reaches higher Energy Leadership Partnership Levels in accordance with Exhibit A.

10.2. Program Expenditures of City. The City, with SCE's prior approval, shall be entitled to spend PGC funds, within the limits of the Partner Budget, on Program Expenditures. The City shall not be entitled to reimbursement of Program Expenditures for any item (i) not specifically identifiable to the Program, (ii) not previously approved by SCE, (iii) not expended within the term of this Agreement, or (iv) not otherwise reimbursable under this Agreement.

10.3. Payment to the City. In order for the City to be entitled to PGC funds for Program Expenditures:

10.3.1. The City shall submit monthly activity reports to SCE in a format acceptable to SCE and containing such information as may be required for the reporting requirements set forth in Section 9 above ("Monthly City Reports"), by the tenth (10th) Calendar Day of the calendar month following performance, setting forth all Program Expenditures.

10.3.2. The City shall submit to SCE, together with any Monthly City Report (if required), a monthly invoice for reimbursement of reported Program Expenditures, in a format acceptable to SCE, attaching all documentation reasonably necessary to substantiate the Program Expenditures, including, without limitation, the following:

- a. Contractor Costs: Copies of all Contractor invoices. If only a portion of Contractor costs applies to the Program, the City shall clearly indicate the line items or percentage of the invoice amount that should be applied to the Program as provided in Exhibit E.
- b. Marketing, Education & Outreach: A copy of each distinct marketing material produced, with quantity of a given marketing material produced and the method of distribution.
- c. Other expenditures: As pre-approved by SCE, with sufficient documentation to support the expenditure.
- d. Allowable Costs: Only those costs as listed in the Allowable Cost Table contained in the Reporting Requirements attached as Exhibit E can be submitted for payment. All invoices submitted to SCE must report all costs using the allowable cost elements shown on the Allowable Cost Table.

The City understands and acknowledges that all of the City's invoices for the Program and the Monthly City Report shall be submitted to SCE.

10.3.3. SCE reserves the right to reject any City invoiced amount for any of the following reasons:

- a. The invoiced amount, when aggregated with previous Program Expenditures, exceeds the amount budgeted therefore in the

Partner Budget for such Authorized Work (as set forth in Exhibit B).

- b. There is a reasonable basis for concluding that such invoiced amount is unreasonable or is not directly identifiable to or required for the Authorized Work, and/or the Program.
- c. The invoiced amount, 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.

10.3.4. The City shall maintain for a period of not less than five (5) years all documentation reasonably necessary to substantiate the Program Expenditures, including, without limitation, the documentation set forth in Section 10.3.2 above. The City shall promptly provide, upon the reasonable request by SCE, any documentation, records or information in connection with the Program or its Authorized Work.

SCE shall review and either approve, dispute or reject for payment reported Program Expenditures within twenty (20) Calendar Days of receipt of the Monthly City Report and corresponding invoice. SCE shall pay all undisputed amounts after the ten (10) Calendar Day period described in Section 10.3.1, but within thirty (30) Calendar Days of receiving the Monthly City Report and corresponding invoice.

10.3 Payment of Incentives. Payment of Incentives to the City shall be made in accordance with the applicable SCE program requirements, including terms and conditions, and only after appropriate program documents have been submitted and approved, and the appropriate inspections of each Project have been completed to SCE's satisfaction.

10.4. Shifting Funds. SCE may shift funds within the Authorized Partnership Budget among Program Participants, and/or may shift funds within the Partner Budget among budget categories (Marketing, Education & Outreach, Technical Assistance, [Direct Implementation] and Incentives), which categories and budget amounts are set forth in Exhibit B. Such shifting may be made by SCE to the maximum extent permitted under, and in accordance with, Commission decisions and rulings to which the Program relates.

10.5. Reasonableness of Expenditures. The City shall bear the burden of ensuring that its Program Expenditures are objectively reasonable. The Commission has the authority to review all Program Expenditures for reasonableness. Should the Commission, at any time, issue a finding of unreasonableness as to any Program Expenditure and require a refund or return of the PGC funds paid in the reimbursement of such Program Expenditure, the City shall be solely liable for such refund or return.

11. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

Unless this Agreement is terminated pursuant to Section 25 below, or unless otherwise agreed to by the Parties or so ordered by the Commission, the Parties shall complete all Program Administrative activities (as defined in the PIP) and all reporting requirements by no

later than March 31, 2013, and all Direct Implementation and Marketing & Outreach activities by no later than December 31, 2012.

12. FINAL INVOICES

The City must submit final invoices to SCE no later than March 31, 2013.

13. INDEMNITY

13.1. Indemnity by the City. The City shall indemnify, defend and hold harmless SCE, and its respective successors, assigns, affiliates, subsidiaries, current and future 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) to the extent arising from (a) the City's negligence or willful misconduct in the City's activities under the Program or performance of its obligations hereunder, or (b) the City's breach of this Agreement or of any representation or warranty of the City contained in this Agreement.

13.2. Indemnity by SCE. SCE shall indemnify, defend and hold harmless the City, and its respective successors, assigns, affiliates, subsidiaries, current and future 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) to the extent arising from (a) SCE's negligence or willful misconduct in SCE's activities under the Program or performance of its obligations hereunder or (b) SCE's breach of this Agreement or any representation or warranty of SCE contained in this Agreement.

13.3. LIMITATION OF LIABILITY. NO PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY 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.

14. OWNERSHIP OF DEVELOPMENTS

The Parties acknowledge and agree that SCE, on behalf of its Customers, 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 City shall retain no ownership, interest, or title in the Developments except as may otherwise be provided in this Agreement, it will have a permanent, royalty free, non-exclusive license to use such Developments.

15. DISPUTE RESOLUTION

15.1. 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 15.

15.2. 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 Party written notice of any dispute. Within twenty (20) Calendar 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) Calendar 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 both Parties and shall conclude within sixty (60) Calendar 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 rata 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.

15.3. Confidentiality. All negotiations and any mediation conducted pursuant to Section 15.2 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.

15.4. 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.

15.5. 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.

15.6. Failure of Mediation. If, after good faith efforts to mediate a dispute under the terms of this Agreement as provided in Section 15.2 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 15.2.

16. REPRESENTATIONS AND WARRANTIES

16.1. Representation of both Parties. Each Party represents and warrants, as of the Effective Date and thereafter during the term of this Agreement, that:

16.1.1. The Authorized Work performed by a Party and/or its Contractors 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.

- 16.1.2. The Authorized Work performed by a Party and/or its Contractors 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.
- 16.1.3. 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.
- 16.1.4. Each Party shall contractually require each Contractor 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.
- 16.1.5. Each Party shall retain, and shall cause its Contractors to retain, all records and documents pertaining to its Authorized Work obligations for a period of not less than five (5) years beyond the termination or expiration of this Agreement.
- 16.1.6. Each Party shall contractually require all of its Contractors to provide the other Parties reasonable access to relevant records and staff of Contractors concerning the Authorized Work.
- 16.1.7. Each Party will maintain, and may require its Contractors to maintain, the following insurance coverage or self insurance coverage, at all times during the term of this Agreement, with companies having an A.M. Best rating of "A-, VII" or better, or equivalent:
- (i) Workers' Compensation/Employer's Liability or Equivalent: statutory minimum.
 - (ii) Commercial General Liability: \$2 million minimum per occurrence/\$4 million minimum aggregate.
 - (iii) Commercial or Business Auto (if applicable): \$1 million minimum.
 - (iv) Professional Liability (if applicable): \$1 million minimum.
- 16.1.8 Each Party shall take all reasonable measures, and shall require its Contractors 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.

17. PROOF OF INSURANCE

17.1. Evidence of Insurance. Upon request at any time during the term of this Agreement, a Party shall provide evidence that its insurance policies (and the insurance policies of any Contractor, as provided in Section 16.8) are in full force and effect, and provide the coverage and limits of insurance that the Party has represented and warranted herein to maintain at all times during the term of this Agreement.

17.2. Self-Insurance. If a Party is self-insured, such Party shall upon request forward documentation to the other Party that demonstrates to the 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.

17.3. Notice of Claims. Each Party shall immediately report to the other Party, and promptly thereafter confirm in writing, the occurrence of any injury, loss or damage incurred by such Party or its Contractors or such Party's receipt of notice or knowledge of any claim by a third party of any occurrence that might give rise to such a claim over \$100,000.

18. CUSTOMER CONFIDENTIALITY REQUIREMENTS

18.1. Non-Disclosure. Subject to any disclosures required pursuant to the Public Records Act, the City, 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 the City having obtained the prior written consent of SCE, except as provided by law, lawful court order or subpoena and provided the City gives SCE advance written notice of such order or subpoena.

18.2. Confidential Customer Information. "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 the City is uncertain whether any information should be considered Confidential Customer Information, the City shall contact SCE prior to disclosing the customer information.

18.3. Non-Disclosure Agreement. Prior to any approved disclosure of Confidential Customer Information, SCE may require the City to enter into a nondisclosure agreement.

18.4. Commission Proceedings. This provision does not prohibit the City 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.

18.5. Return of Confidential Information. Confidential Customer Information (including all copies, backups and abstracts thereof) provided to the City by SCE, and any and all documents and materials containing such Confidential Customer Information or produced by the City based on such Confidential Customer Information (including all copies, backups and abstracts thereof), during the performance of this Agreement shall be returned upon written request by SCE.

18.6. Remedies. The Parties acknowledge that Confidential Customer Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section 18 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 18 by the City, SCE 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.

19. TIME IS OF THE ESSENCE

The Parties hereby acknowledge that time is of the essence in performing their obligations under this Agreement. Failure to comply with milestones and goals stated in this Agreement, including but not limited to those set forth in Exhibit B of this Agreement, may constitute a material breach of this Agreement, resulting in its termination, payments being withheld, Partner Budgets being reduced or adjusted, funding redirected by SCE to other programs or partners, or other Program modifications as determined by SCE or as directed by the Commission.

20. 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) directing any Customer complaint that is not resolved within five (5) Calendar Days of receipt by the City to SCE.

21. RESTRICTIONS ON MARKETING

21.1. Use of Commission's Name. No Party may use the name of the Commission on marketing materials for the Program without prior written approval from the Commission staff. In order to obtain this written approval, SCE must send a copy of the planned materials to the Commission requesting approval to use the Commission name and/or logo. Notwithstanding the foregoing, the Parties shall disclose their source of funding for the Program by stating prominently on marketing materials that the Program is "funded by California ratepayers under the auspices of the California Public Utilities Commission."

21.2. Use of SCE Name. The City must receive prior review and written approval from SCE for the use of SCE's name or logo on any marketing or other Program materials. The City shall allow five (5) Business Days for SCE review and approval. If the City has not received a response from SCE within the five (5) Business Day period, then it shall be deemed that SCE has disapproved such use.

21.3. Use of the City's Name. SCE must receive prior review and written approval from the City for the use of the City's name or logo on any marketing or other Program materials. SCE shall allow five (5) Business Days for the City's review and approval. If SCE has not received a response from the City within the five (5) Business Day period, then it shall be deemed that the City has disapproved such use.

22. RIGHT TO AUDIT

The Parties agrees that the other Party, 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 the their performance of this Agreement or the Authorized Work, during normal business hours, and to allow reasonable access in order to interview any staff of the City or SCE who might reasonably have information related to such records. Further, the Parties agrees to include a similar right of the other Party and/or the Commission to audit records and interview staff in any subcontract related to performance of the Authorized Work or this Agreement.

23. STOP WORK PROCEDURES

SCE may suspend the Authorized Work being performed in their service territory for good cause, including, without limitation, concerns relating to program funding, implementation or management of the Program, safety concerns, fraud or excessive customer complaints, by notifying the City in writing to suspend any Authorized Work being performed in SCE' service territory. Any performance of Authorized Work by the City in SCE's service territory shall stop

immediately, and the City may resume its Authorized Work only upon receiving written notice from SCE that it may resume its Authorized Work.

24. MODIFICATIONS

Except as otherwise provided in this Agreement, changes to this Agreement shall be only be valid through a written amendment to this Agreement signed by both Parties.

25. TERM AND TERMINATION

25.1. Term. This Agreement shall be effective as of the Effective Date. Subject to Section 37, the Agreement shall continue in effect until June 30, 2013 unless otherwise terminated in accordance with the provisions of Section 25.2 or 30 below.

25.2. Termination

25.2.1. Any Party may 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 written notice to the breaching Party thereof from the non-breaching Party or otherwise resolved pursuant to the dispute resolution provisions set forth in Section 15 herein.

25.2.2. Any Party may terminate this Agreement without cause by providing at least (60) days written notice to the other Party.

25.3. Effect of Termination. Any termination by the City or by SCE shall constitute a termination of this Agreement in its entirety (subject, however, to the survival provisions of Section 36).

25.3.1. Subject to the provisions of this Agreement, the City shall be entitled to PGC Funds for all Program Expenditures 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 City Reports or other reports, invoices, documents or information required under this Agreement or by the Commission are submitted in accordance with the terms and conditions of this Agreement. The provisions of this Section 25.3.1 shall be the City's sole compensation resulting from any termination of this Agreement.

25.3.2. In the event of termination of this Agreement in its entirety, the City shall stop any Authorized Work in progress and take action as directed by SCE to bring the Authorized Work to an orderly conclusion, and the Parties shall work cooperatively to facilitate the termination of operations and of any applicable contracts for Authorized Work.

26. 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:
City of Costa Mesa
Dan Baker
77 Fair Drive
Costa Mesa, CA 92626

SCE:
Southern California Edison Company
Jim Hodge
6042-A N. Irwindale Ave.
Irwindale, CA 91702

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.

27. CONTRACTS

Each Party shall, at all times, be responsible for its Authorized Work obligations, and acts and omissions of Contractors, subcontractors and persons directly or indirectly employed by such Party for services in connection with the Authorized Work. Each Party shall require its Contractors to be bound by terms and conditions which are the same or similar to those contained in this Agreement, as the same may be applicable to Contractors.

28. 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.

29. 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.

30. COMMISSION/SCE AUTHORITY TO MODIFY OR TERMINATE

This Agreement and the Program 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. In addition, in the event that any ruling, decision or other action by the Commission adversely impacts the Program, SCE shall have the right to terminate this Agreement in accordance with the provisions of Section 25 above by providing at least ten (10) days' prior written notice to the City setting forth the effective date of such termination. Notwithstanding the right to terminate, as partners in the Program, the Parties agree to share in the responsibility and to abide by Commission energy policy supporting this Program. The Parties agree to use all reasonable efforts to minimize the adverse impact to a Party resulting from such Commission actions, including but not limited to modification of the required energy savings goals set forth in Section 4.2 which are fundamental to this Agreement.

31. NON-WAIVER

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

32. ASSIGNMENT

No Party shall assign this Agreement or any part or interest thereof, without the prior written consent of the other Party, 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 the City'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.

33. 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.

34. 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.

35. 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.

36. SECTION HEADINGS

Section headings appearing in this Agreement are for convenience only and shall not be construed as interpretations of text.

37. SURVIVAL

Notwithstanding completion or termination of this Agreement, the Parties shall continue to be bound by the provisions of this Agreement which by their nature survive such completion or termination. Such provisions shall include, but are not limited to, Sections 9, 10, 13, 14, 15, 18, 22, 35 and 38 of this Agreement.

38. 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.

39. COOPERATION

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

40. ENTIRE AGREEMENT

This Agreement (including all of the Exhibits and Attachments hereto which are incorporated into this Agreement by this reference) 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.

41. 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.

[INTENTIONALLY LEFT BLANK]

SIGNATURE PAGE

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

The City:

COSTA MESA

Name:
Title:

SCE:

SOUTHERN CALIFORNIA EDISON COMPANY

By: Lynda Ziegler
Title: Senior Vice President,
Customer Service

EXHIBIT A

ENERGY LEADER PARTNERSHIP - PROGRAM LEVEL

	City 2003 Baseline Consumption *	City 2003- 2008 Energy Savings	Participatio n/ Savings Percentage	City's Energy Leader Program Level:	Retrofit Energy Savings Required for next Level	Communit y Energy Saving Required for next Level
Municipal Facilities	6,092,447 kWh	184,435 kWh net	3 %	Valued Partner	120,187 kWh net	0 kWh
Community	866,720,114 kWh	50,524,116 kWh net	5.8%	N/A	N/A	0 kWh
2010 – 2012	-----	-----	-----	Valued Partner	120,187 kWh net	0 kWh

* Baseline numbers are mutually agreed upon for purposes of this Agreement only.

Energy Leaders Partnership levels are:

Valued Partner Level – This level is the entry level for the partner to develop knowledge and establish goals towards the Silver Level. A budget is available for energy savings projects, for marketing, education, and outreach to the community, as well as for technical assistance toward upgrading or retrofitting partners' facilities. SCE's core program incentives will be offered directly to the partner. The partner will be expected to use the marketing and outreach funds to generate verifiable energy savings in their own facilities and in the community and will participate in demand response at a basic level. Valued Level provides the Partner with 3 cents per kWh paid in addition to what is paid to the Partner under SCE's core program.

Silver Level – To qualify for this level, the partner demonstrates past participation in SCE energy efficiency programs, develops an energy action plan, sets community and city energy reduction goals, targets 25 percent of its facilities to complete energy efficiency upgrades, and participates in demand response. An enhanced incentive is paid at the Silver Level. Silver Level provides the Partner with 6 cents per kWh paid in addition to what is paid to the Partner under SCE's core program.

Gold Level – To qualify for this level, the partner demonstrates higher past participation in SCE energy efficiency programs, establishes higher city and community program participation and energy savings goals and makes a higher commitment to participate in demand response. Incentive factors are higher for partner facilities' energy efficiency projects. Gold Level provides the Partner with 9 cents per kWh paid in addition to what is paid to the Partner under SCE's core program.

Platinum Level – To qualify for this level, the partner demonstrates even higher past participation in energy efficiency programs, is innovative and integrates Energy Action Plan policies, ordinances and procedures. All facilities are targeted for energy efficiency upgrades and the partner makes a higher commitment to participate in Demand Response. Incentive factors are highest for Partner facilities' energy efficiency projects and additional

incentives are made available for customized community energy efficiency projects. Platinum Level provides the Partner with 12 cents per kWh paid in addition to what is paid to the Partner under SCE's core program.

EXHIBIT "B"

**ENERGY LEADER PARTNERSHIP PROGRAM
2010-2012 GOALS & PARTNER BUDGET**

Program Cycle Partner Budget and Goals:

	Maximum Partner Budget	KWh Energy Savings Goal	kW Peak Demand Reduction Goal
2010-2012:	\$400,292	1,118,389 KWh Gross	241 kW Gross
Incentive:	\$190,126		
Non-Incentive: (Marketing, Education & Outreach, Technical Assistance [and Direct Implementation])	\$210,166		

Minimum Performance % vs. Expenditures of Non-Incentive Partner Budget:

Performance Category	12 months into Program	24 Months into Program	30 Months into Program	36 Months into Program
Non-Incentive Budget Expended (ME&O)	NTE 40%	NTE 65%	NTE 90%	NTE 100%
Minimum kWh Achieved	15%	50%	70%	
Minimum kW Achieved	15%	50%	70%	

* NTE = Not To Exceed

Explanation of non-Incentive Partner Budget allocation against goals:

Maximum Percent of total non-incentive Partner Budget expended by the end of year 1: 40%
Minimum kWh achieved by the end of year 1: 15% of 3-year goal

Maximum Percent of total non-incentive Partner Budget expended by end of year 2: 65%
Minimum kWh achieved by end of year 2: 50% of 3-year goal

Maximum Percent of total non-incentive Partner Budget expended by end of the 2nd quarter of year 3: 90%
Minimum kWh achieved by the end of 2nd quarter of year 3: 70% of 3-year goal

In accordance with Section 10 of this Agreement, SCE reserves the right to assess the progress made by the City at any time with respect to the above goals, and may in its sole discretion elect to shift funds among categories or redistribute all or part of the funding budgeted herein to other energy efficiency programs or partnerships in accordance with the Agreement..

Application No.: A.08-07-021
Exhibit No.: SCE-4 (Amended)
Witnesses: G. Rodrigues



SOUTHERN CALIFORNIA
EDISON

An *EDISON INTERNATIONAL* Company

(U 338-E)

***SCE's 2009-2011 Energy Efficiency Program Plan
Implementation Plans***

Before the
Public Utilities Commission of the State of California

Rosemead, California
March 2009

Energy Leader Partnership Program

1. Program Name: Energy Leader Partnership Program
Program ID: SCE-L-004

2. Projected Program Budget Table

Table 1¹

Program #	Main Program Name / Sub-Programs	Total Administrative Cost (Actual)	Total Government Facilities Cost (Actual)	Total Strategic Plan Support (Actual)	Total Core Program Coordination (Actual)	Total Budget by Program (Actual)
SCE-L-004	Local Government Partnerships					
	Energy Leader Partnership Program	\$998,715	\$2,961,846	\$216,900	\$1,431,539	\$5,609,000
	City of Beaumont Energy Leader Partnership	\$158,559	\$266,503	\$19,466	\$128,473	\$573,000
	Community Energy Leader Partnership	\$686,859	\$2,057,823	\$150,831	\$995,486	\$3,891,000
	Desert Cities Energy Leader Partnership	\$324,061	\$746,301	\$54,689	\$360,950	\$1,486,001
	Eastern Sierra Energy Leader Partnership	\$235,212	\$462,937	\$33,928	\$223,924	\$956,000
	Energy Leader Partnership Strategic Support	\$173,000	\$243,000	\$578,000		\$994,000
	Kern County Energy Leader Partnership	\$481,635	\$1,389,387	\$101,839	\$672,139	\$2,645,000
	City of Long Beach Energy Leader Partnership	\$378,597	\$945,809	\$69,289	\$457,305	\$1,851,000
	Orange County Cities Energy Leader Partnership	\$417,918	\$1,156,133	\$84,730	\$559,219	\$2,218,000
	Palm Desert Demonstration Partnership	\$2,418,003	\$12,356,548	\$794,796	\$5,245,653	\$20,815,000
	City of Redlands Energy Leader Partnership	\$197,973	\$385,378	\$28,243	\$186,406	\$798,000
	City of Ridgecrest Energy Leader Partnership	\$191,352	\$381,922	\$27,990	\$184,737	\$786,001
	San Gabriel Valley Energy Leader Partnership	\$395,928	\$1,025,635	\$75,584	\$498,853	\$1,996,000
	San Joaquin Valley Energy Leader Partnership	\$423,025	\$1,155,412	\$85,074	\$561,488	\$2,224,999
	City of Santa Ana Energy Leader Partnership	\$337,932	\$976,289	\$71,550	\$472,229	\$1,858,000
	South Santa Barbara County Energy Leader Partnership	\$557,894	\$1,541,014	\$113,038	\$746,054	\$2,958,000
	City of Simi Valley Energy Leader Partnership	\$190,990	\$128,460	\$9,414	\$62,136	\$391,000
	South Bay Energy Leader Partnership	\$560,402	\$1,546,825	\$113,391	\$748,382	\$2,969,000
	City of South Gate Energy Leader Partnership	\$197,973	\$385,378	\$28,243	\$186,406	\$798,000
	Ventura County Energy Leader Partnership	\$765,944	\$2,568,486	\$188,233	\$1,242,337	\$4,765,000
	TOTAL	\$10,091,972	\$32,681,085	\$2,845,229	\$14,963,714	\$60,582,000

* Estimated budget allocation provided in this manner, per ED request. SCE does not budget or track program costs as indicated on this table.

¹ Definition of Table 1 Column Headings:

Total Administrative Cost includes all Managerial and Clerical Labor, Human Resource Support and Development, Travel and Conference Fees, and General and Administrative Overhead (labor and materials).

Total Direct Implementation – includes all financial incentives used to promote participation in a program and the cost of all direct labor, installation and service labor, hardware and materials, and rebate processing and inspection used to promote participation in a program.

Total Marketing & Outreach includes all media buy costs and labor associated with marketing production.

Integrated Budget Allocated to Other Programs includes budget utilized to coordinate with other EE, DR, or DG programs.

Total Budget is the sum of all other columns presented here

Sub-Program: A “sub-program” of a program has a specific title; targets; budget; uses a unique delivery or marketing approach not used across the entire program; and for resource programs, has specific estimated savings and demand impacts.

3. Projected Program Gross Impacts Table

Table 2

SCE-L-004	Energy Leader Partnership Program	2009-11 EE Program Gross kWh Savings	2009-11 EE Program Gross kW Savings	2009-11 EE Program Gross Therm Savings
	Energy Leader Partnership Program	14,395,899	2,884	-
	City of Beaumont Energy Leader Partnership	1,250,000	251	-
	City of Long Beach Energy Leader Partnership	4,619,795	907	-
	City of Redlands Energy Leader Partnership	1,875,000	376	-
	City of Ridgecrest Energy Leader Partnership	1,856,250	376	-
	City of Santa Ana Energy Leader Partnership	4,750,000	943	-
	City of Simi Valley Energy Leader Partnership	625,000	126	-
	City of South Gate Energy Leader Partnership	1,875,000	372	-
	Community Energy Leader Partnership	10,000,000	1,986	-
	Desert Cities Energy Leader Partnership	3,750,000	728	-
	Eastern Sierra Energy Leader Partnership	2,250,000	487	-
	Energy Leader Partnership Strategic Support	-	-	-
	Kern County Energy Leader Partnership	6,743,750	1,354	-
	Orange County Cities Energy Leader Partnership	5,625,000	1,104	-
	Palm Desert Demonstration Partnership	62,130,677	18,214	-
	San Gabriel Valley Energy Leader Partnership	5,000,000	1,011	-
	San Joaquin Valley Energy Leader Partnership	5,625,000	1,129	-
	South Bay Energy Leader Partnership	7,500,000	1,490	-
	South Santa Barbara County Energy Leader Partnership	7,500,000	1,472	-
	Ventura County Energy Leader Partnership	12,500,000	2,454	-
	TOTAL	159,871,371	37,665	-

4. Program Element Description and Implementation Plan

Through its Energy Leadership Partnership Program (ELPP), and the partnership agreements SCE has with its individual partners, SCE has developed strong yet dynamic local government partnerships (LGPs). These relationships continually evolve, as economic conditions change, and achieve as challenges arise and are met.

The complex, inter-relationships occurring in SCE's LGPs dictate that the ELPP be designed around three elements: Government Facilities, Strategic Support and Core Program Coordination. Following the general description and Sections 2 and 3 of the Local Government template, each of these core program elements will be treated separately in their own sub-sections of this Master PIP. To see how the ELPP has been designed to negotiate this complexity, please refer to the "Logic Model of the Energy Leader Program" in Appendix A attached to the end of this PIP.

Local governments (LGs) have a significant role in achieving California's aggressive clean energy and greenhouse gas (GHG) reduction goals. In its California Long-Term Energy Efficiency Strategic Plan (Strategic Plan), the CPUC identified three primary strategies for local governments:

- **Strategy 1 - Tap Local Government Authority** to assure Title 24 code compliance and to implement "reach" policies, plans, codes and standards;
- **Strategy 2 - Lead by Example** by making municipal facilities and operations as energy-efficient as possible; and

- **Strategy 3 – Community Leadership** by encouraging stakeholders and constituents to help achieve their local government’s vision for a long-term cleaner energy and sustainable future.

While these strategies point the way to success, local governments face many challenges in achieving success. The most significant barrier faced by local governments is a lack of resources both funds and well-trained available staff. A detailed description of the ways in which SCE and the local governments address and overcome this and other barriers is discussed further in Section 5.b (Barriers) below.

a) List of Program Elements

SCE’s ELPP has been designed to help local governments overcome their lack of funds and time-availability by providing integrated technical and financial assistance. In this way local governments can effectively lead their communities to: increase energy efficiency and the use of renewable energy; reduce GHG emissions; protect air quality; create green jobs; and, ensure that their communities are more livable and sustainable.

As stated above, SCE’s ELPP comprises three core program elements:

- **Element A – Government Facilities:** helps local governments lead by example by identifying and implementing "clean energy" projects — using energy efficiency (EE), demand response (DR), and renewable energy (RE) — in municipal-owned facilities and operations. The Government Facilities element is accomplished through the ELPP by:
 - Identifying potential projects;
 - Conducting technical audits and assessments;
 - Implementing retrofits and retro-commissioning for existing facilities;
 - Integrating cleaner energy design and technologies into new facilities;
 - Identifying equipment and service providers; and
 - Providing enhanced incentives, on-bill financing, and information about financing strategies being deployed by other local governments.

Element A is designed to help local governments “Lead by Example” (Strategic Plan Strategy 2) by assisting them to understand energy use in their communities, so that they can deliver information about cleaner energy options and programs to their constituents. In this way, Element A also supports the third strategy of the Strategic Plan (“Lead Communities”).”

- **Element B – Strategic Support:** focuses on helping local governments “Tap Local Government Authority” over local development, planning and permitting to assure that communities adopt cleaner energy design, technologies and practices. Local governments will be provided access to extensive peer networks and databases of best practices, tools and techniques, as well as best “reach” policies, goals, codes, standards, plans, and practices — "reach" meaning those that exceed statutory requirements approved by the California Energy Commission (CEC). Element B will also:
 - Support local governments in their efforts to comply with Titles 20 and 24 and other codes and standards;

- Help compute carbon footprints;
- Help establish cleaner energy and GHG reduction goals;
- Integrate GHG perspectives into local governments' energy portfolios and other energy initiatives;
- Help evaluate the impact of potential GHG reduction strategies;
- Identify mitigation and adaptation strategies for reducing both municipal and community GHG;
- Recognize local governments that achieve their energy and climate goals; and
- Encourage adoption of reach codes.

Element B also supports the third Strategic Plan strategy (Community Leadership) by using local authority both directly and indirectly to influence the energy-related actions of local governments' residents, businesses, and other stakeholders.

- **Element C – Core Program Coordination** supports the third strategy of the Strategic Plan (Lead Communities), by integrating technical and financial assistance from multiple energy programs to help communities learn about and implement clean energy and GHG reduction options. Similar to Element A (Government Facilities), the Core Program Coordination element provides comprehensive support, including leveraging outreach and education, technical audits and assessments, residential and small business direct install programs, and improved access to Savings by Design and other SCE programs.

Participants in Local Government Partnerships are the primary audience for this program, but local governments in general will benefit from the peer networks and comprehensive databases, tools, outreach, education, and training that will be available to all local governments.

This ELPP Master PIP describes each of the program elements listed below in Figure 1. While each of the three Core Program Elements is described separately, they are delivered through a single, integrated program (see Figure 2 – The Energy Leader Partnership Program).

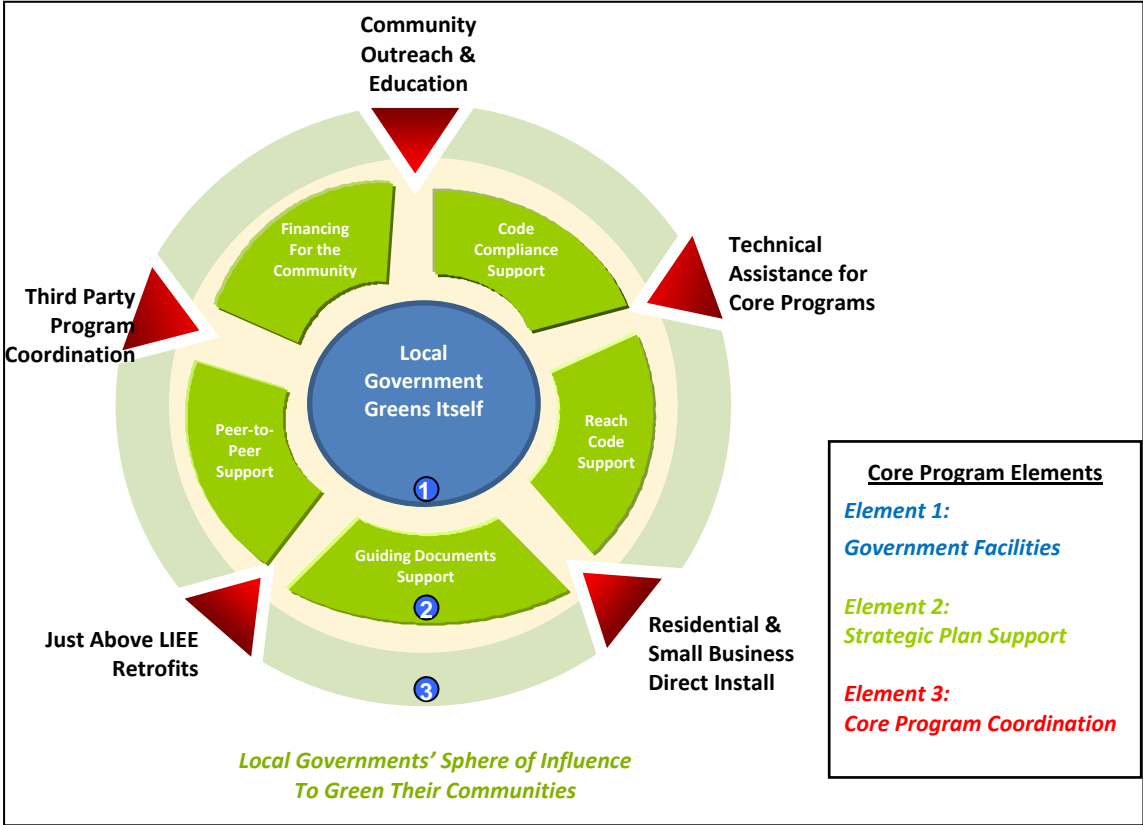
Figure 1: Structure of the ELPP's Core Elements and Program Types

Core Program Elements	Sub-Programs		Type of Program
A - Government Facilities	A1	Government Facilities Retrofits	Resource
	A2	Government Facilities Retro-commissioning	Resource
	A3	Integrated Demand Response	Demand Response
	A4	Technical Assistance	Non-Resource (technical assistance for project management, training, audits, etc.)
	A5	On-Bill Financing	Non-Resource

Core Program Elements	Sub-Programs		Type of Program
B – Strategic Support	B1	Code Compliance Support	Non-Resource
	B2	Reach Code Support	Non-Resource
	B3	Guiding Document(s) Support	Non-Resource
	B4	Financing for the Community	Non-Resource
	B5	Peer-to-Peer Support	Non-Resource
C – Core Program Coordination	C1	Community Outreach & Education	Non-Resource
	C2	Residential & Small Business Direct Install	Resource
	C3	Third Party Program Coordination	Non-Resource
	C4	Retrofits for just-above LIEE-qualified customers	Resource
	C5	Technical assistance for program management, training, audits, etc.	Non-Resource

SCE's ELPP is a comprehensive program designed to leverage the power and influence of California's local governments by first helping them quickly increase and accelerate the adoption of as much energy efficiency (EE), demand response (DR) and renewable energy (RE) within their own facilities as feasible. Local governments are then helped to encourage their constituents — residents, businesses, and other key stakeholders such as local developers — to do the same. ELPP was designed to support the Strategic Plan goals through enhanced levels of financial incentives, technical assistance, and education and outreach support. The ELPP model encourages higher levels of local government commitment and performance.

Figure 2: The Energy Leader Partnership Program Design



The ELPP process begins by establishing a local Government Partnership (LGP) through an executed agreement, setting its goals, then its planning and implementation. This includes establishing multiple forums for peer-to-peer sharing which create a support network in which local governments can challenge themselves and each other to increase clean energy adoption and reduce GHG emissions. The ELPP will encourage participants to publicize Reach goals and accomplishments widely and to recognize partners as they progress.

There are three types of distinct partnerships under SCE’s ELPP, as summarized in Figure 3:

Figure 3: Partnership Types and Characteristics

Type of Partnership	Partnership Characteristics	Structure of Commitments
Single City or County	A single city or county can directly participate as a partner	A single city or county establishes a commitment to reduce municipal energy & demand, adopt Reach goals, and assist SCE in delivering information about clean energy and GHG reduction options and programs to targeted

Type of Partnership	Partnership Characteristics	Structure of Commitments
		customer groups, encouraging them to enroll in SCE, AB 32 and other programs.
Multiple Cities, Counties &/or other jurisdictional entities	Groups of cities counties, &/or other jurisdictional entities can participate as a single Partner	Same as “Single City or County,” except that a single Education and Outreach plan is developed and adopted for all cities, counties &/or other jurisdictional entities participating in the group.
Bundled Groups of Cities, Counties, &/or other jurisdictional entities	Groups of cities &/or counties whose participation is managed through an implementing organization, which partners with SCE.	The commitments and participation of individual local governments are coordinated through a designated Lead Implementer who partners with SCE and works directly with the participants to help them achieve clean energy and GHG reduction commitments. The Lead Implementer also helps its members develop Reach goals and supports the Education and Outreach Plan and the ELPP Model.

Figure 4 describes the general responsibilities and commitments of SCE and its local government partners and participants.

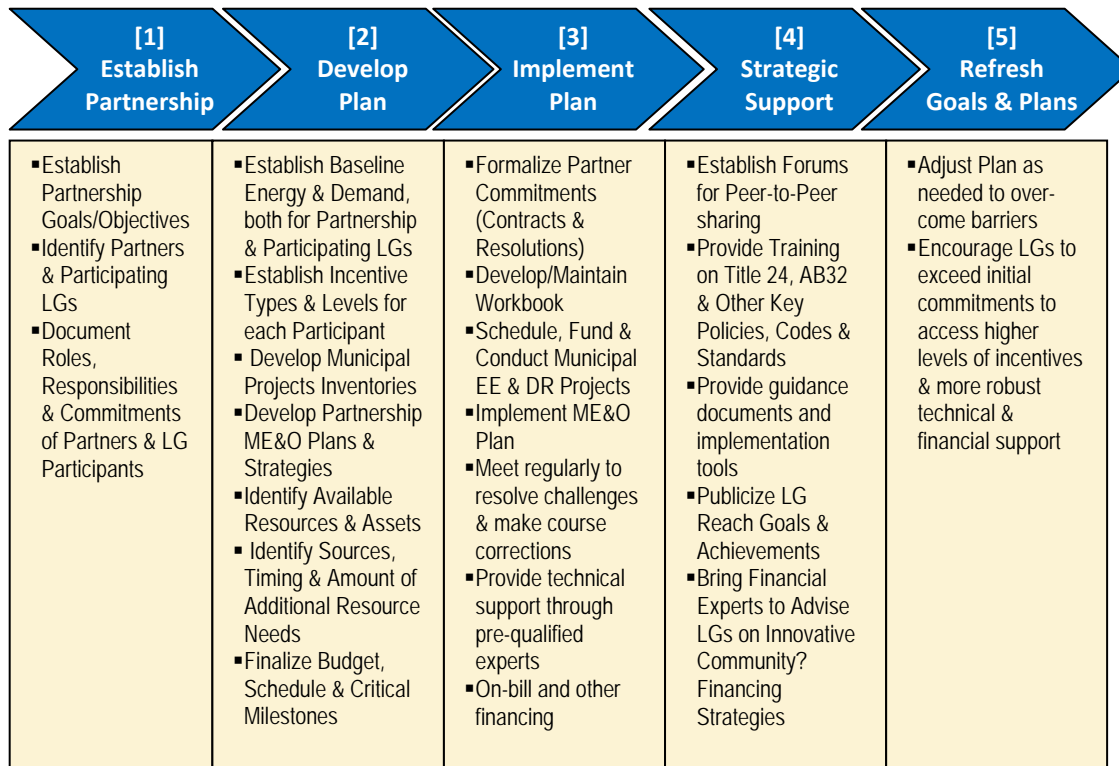
Figure 4: SCE and Partner Responsibilities and Commitments

SCE Provides	Partner Provides
<p><u>Technical assistance:</u></p> <ul style="list-style-type: none"> • Project identification & qualification through technical audits and reviews • Primary output is a prioritized list of municipal cleaner energy projects. 	<p><u>Municipal Projects Inventory:</u></p> <ul style="list-style-type: none"> • List of municipal facilities (both existing and planned) that provide opportunities for cleaner energy.
<p><u>Incentives:</u></p> <ul style="list-style-type: none"> • Ascending EE incentives are paid at progressively higher levels of achieved energy savings (5%, 10% and 20%). • DR incentives are provided at regular tariff rates for participating entities. <p><i>Note: The level of achieved energy savings by individual participating cities or counties determines the incentive amount.</i></p>	<p><u>Energy Savings & Demand Response Commitment:</u></p> <p>Each local government commits to:</p> <ul style="list-style-type: none"> • Reducing its energy consumption by a targeted percentage and • Participating in SCE’s DR programs during the 2009-2011 program cycle. <p>The energy savings of each local government rolls-up into the energy savings commitment by the partnership (LGP).</p>

SCE Provides	Partner Provides
<p><u>Financial Assistance:</u> Information on financing options for EE and DR projects, including:</p> <ul style="list-style-type: none"> • Zero-to-low interest loans through the California Energy Commission (CEC) • SCE's Financial Solutions' On-Bill Financing (OBF) program, and • Local government revolving funds. 	<p><u>Financial Planning.</u></p> <ul style="list-style-type: none"> • Local governments work with SCE and others to identify and obtain approval to access viable financing options.
<p><u>Strategic Planning Assistance:</u> Assistance formulating & adopting upstream energy & GHG reduction policies, goals, objectives, codes, standards, ordinances, and plans [<i>see Core Program Element B: Strategic Support</i>].</p>	<p><u>Willingness to Consider Establishing Upstream Policies, Goals, Plans, etc.:</u> Local governments agree to establish "reach" goals and work to establish, adopt and implement aggressive energy and climate goals and plans.</p>
<p><u>Community Outreach & Education Assistance:</u></p> <ul style="list-style-type: none"> • Information about energy use by customer groups in local governments' communities • Assistance developing educational materials & venues • Information about EE, DR, RE, & GHG reduction options for local governments' constituents and stakeholders; and • Information about available technical and financial assistance programs for local governments' constituents [<i>see Core Program Element C: Core Program Coordination</i>] 	<p><u>Targeted Marketing, Education & Outreach:</u></p> <ul style="list-style-type: none"> • Access to local government communications channels to reach high potential customer groups • Develop community partnerships, communications strategies, and diverse marketing media and collateral; and • Deliver integrated energy and GHG reduction information to constituents and stakeholders.

The following diagram illustrates key steps in the ELPP process.

Figure 5: ELPP Process



Notes to Figure 5:

[1] A Local Government Partnership (LGP) involves SCE and one or more participating local governments. Some LGPs also have a separate Lead Implementer. In addition, some LGPs include other partners, such as other utilities.

[2] Plan development starts with baseline information about the LGP’s energy and demand profile, both for the participating local governments and for energy users in their communities, in order to:

- (a) Create awareness for the partner of their current energy use and savings potential;
- (b) Motivate higher levels of energy efficiency by increasing incentives as partners achieve savings thresholds; and
- (c) Help target Education & Outreach. SCE will teach local governments about how and where energy is used in their jurisdictions so as to identify better communications channels and strategies for targeting energy users.

The Plan will identify municipal and community EE, DR, RE (renewable energy) and GHG reduction opportunities, and describe:

- The work that needs to be completed to achieve the goals;
- The timing and types of budgetary and other approvals needed;
- Resource and technical needs;

- Types of support that can be found outside of the ELPP; and
- The ELPP budget for each LGP, schedule, and critical milestones.

[3] Implementation begins by formalizing the commitments of the parties. Each participating local government will be required to adopt a resolution, ordinance, or other formal document confirming their participation in the ELPP and acknowledging the objectives they have committed to. SCE's commitment will be documented by agreements with each LGP.

During implementation, SCE will provide technical and strategic advisory services, either directly or by a pool of pre-qualified technical experts SCE selects through competitive solicitations and then manages. The expert pool will:

- Facilitate effective and timely feedback;
- Enable consistent deployment of strategies;
- Control the quality of technical assistance;
- Accelerate planning & implementation, enabling local governments to quickly access qualified technical assistance when needed; and
- Increase program effectiveness and cost-effectiveness by matching technical skills with specific needs.

As recommended by the Peer Review Group (PRG), SCE will conform to its supplier diversity policy in selecting technical experts.

[4] As noted previously, the ELPP supports and encourages local governments to establish and enforce "Reach" policies, goals, codes, standards, plans, and practices, through:

- Multiple forums for information sharing and training; and
- A tiered structure of significantly enhanced incentives that encourage local government to work toward increasingly higher levels of EE, DR and RE achievement.

SCE will supplement these incentives with an awards and recognition program to be conducted by the Institute for Local Government (see ELP Strategic Support sub-program PIP) that publicizes the efforts of participating local governments and disseminates information about successful strategies and accomplishments. The ELPP will collaborate with other organizations throughout the U.S. that have similar peer networks and awards/recognition programs to minimize duplication of effort while still assuring that ELPP participants feel that their efforts are appreciated.

[5] To assure maximum program success and cost-effectiveness, the ELPP is designed for flexibility, and provides multiple opportunities for feedback and course corrections. This allows local governments to determine the level of EE and DR they can reasonably achieve, but provides significant incentives to exceed committed goals in order to access higher levels of incentives and benefits. Importantly, these enhanced levels of incentives will also increase the number of measures that pass the cost-effectiveness screen.

The ELPP determines the level of benefits and services initially available to local governments as follows:

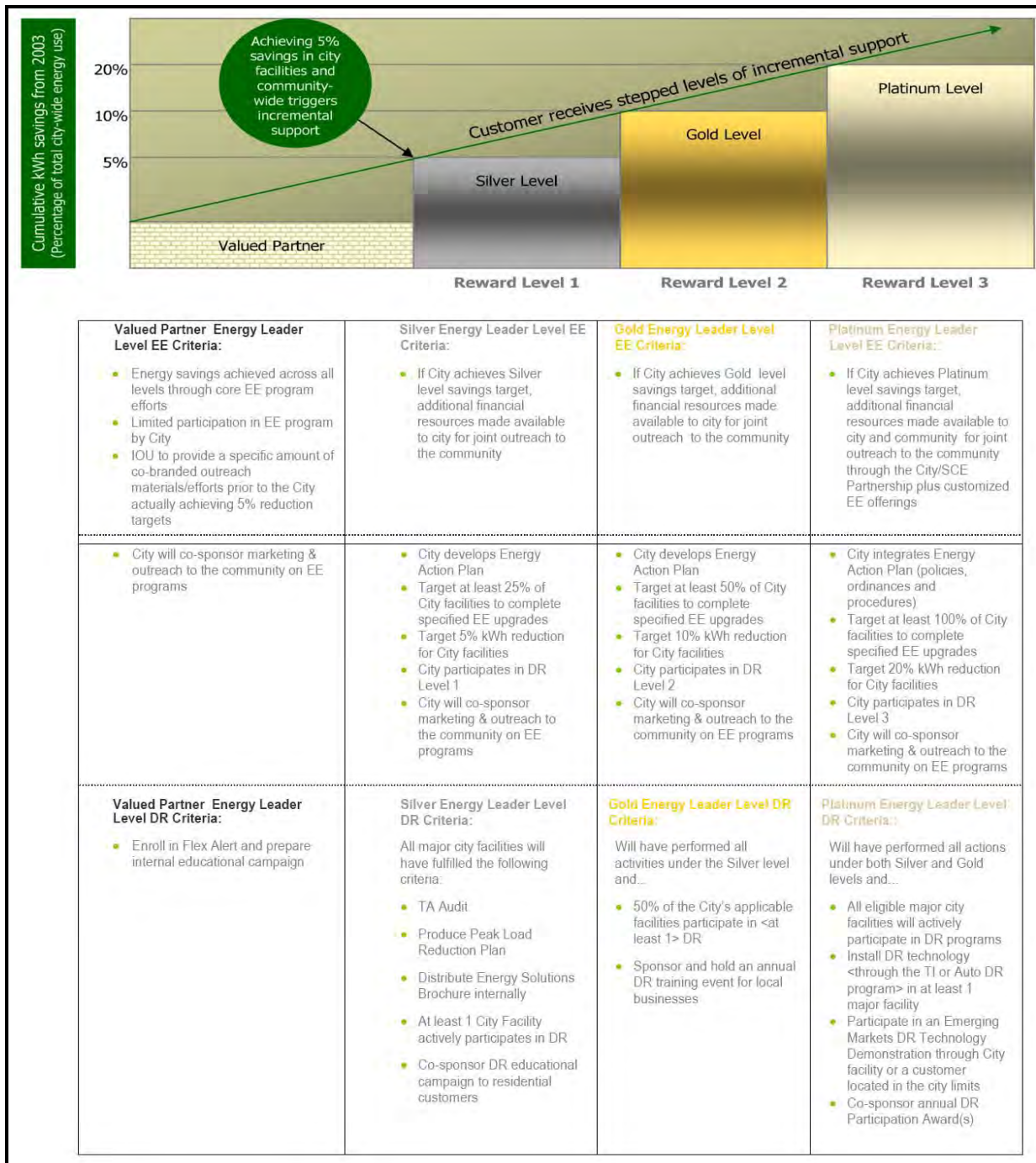
- Determine 2003 energy consumption for (a) municipal facilities and (b) the community as a whole to establish a baseline;
- Determine the local government's participation in EE programs during 2003-2007;
- Calculate the percentage of participation by taking the aggregate of 2003-2007 participation over the 2003 energy consumption baseline; and
- Identify the level at which the local government is eligible to enter the ELPP.

Importantly, these enhanced levels of incentives will also increase the number of measures that pass the cost-effectiveness screen.

Note: The level of entry and participation commitments made by the respective LGPs and their local government members are provided in the Partner-level PIPs. See Figure 17.

The following diagram illustrates the levels of commitment and performance, and the requirements for each level.

Figure 6: ELPP Performance-Based Incentive Structure



Note: The individual core program elements: A - Government Facilities, B – Strategic Planning Support, and C – Community Energy are described separately below.

Element A – Government Facilities

Note: See following sections for Element B – Strategic Planning Support and Element C – Core Program Coordination

4.A Program Element Description and Implementation Plan

a) List of Program Elements:

A. Government Facilities	
A1	Government Facilities Retrofits
A2	Government Facilities Retro-commissioning
A3	Integrated Demand Response
A4	Technical Assistance
A5	On-Bill Financing

b) Overview

The Government Facilities element will be implemented by each participating LGP during the 2009 – 2011 program cycle. This section provides an overview of the program element, expected outcomes and barriers that will be common for all of the LGPs. LGP-specific characteristics and strategies will be provided in the respective individual local government PIPs.

The single largest challenge to increasing clean energy and reducing GHG in municipal facilities is a lack of resources — both of knowledgeable staff with sufficient time for these activities, and lack of funds to implement projects. The ELPP will help overcome these barriers by providing hands-on assistance to LGPs during all project stages, including help to identify financing and optimizing EE, DR & RE solutions on an integrated, whole-system basis. This will:

- Directly link energy savings and fossil fuel reduction to GHG reduction and AB 32 compliance;
- Achieve short- and long-term savings;
- Demonstrate the local government’s commitment to energy efficiency to its constituents and stakeholders; and
- Enable local governments to become champions for EE, DR, and RE and promote further reductions in energy usage and associated GHG impacts throughout their communities.

Element A includes five sub-elements, described below: Government Facilities Retrofits, Government Facilities Retro-commissioning, Integrated Demand Response, Technical Assistance, and SCE Financial Solutions’ On-Bill Financing (OBF).

Incentive Services

Sub-Element A1 - Government Facilities Retrofits

The ELPP will provide technical, financial, managerial, and administrative support to the local government representative, usually a facilities manager,

responsible for energy projects. The degree of support will be tailored to each local government's need, taking into account energy savings and GHG reduction potential, cost-effectiveness, level of commitment, available funds, and in-house technical expertise. This program sub-element will be leveraged by and integrated with other programs such as retro-commissioning (RCx), DR, and self-generation to achieve maximum impact while minimizing lost opportunities.

Energy savings will be based on measures installed or replaced. Anticipated measures include, but are not limited to:

- Comprehensive lighting (approximately 60%);
- HVAC (approximately 20%); and
- Other measures (motors, water heating, pumps and miscellaneous, approximately 20%).

Unless otherwise stated in the local government sub-program PIPs, the Government Facilities' measure mix will be 60% lighting, 20% HVAC and 20% other.

The specific EE measures for each local government will depend on technical audits and assessments that will identify all retrofit opportunities. However, since lighting is often a local government's first entry into EE, lighting retrofits will comprise a significant portion of projects for local governments that do not yet have a strong portfolio of EE projects. For local governments that have already implemented many EE projects, the mix will tend to include a higher ratio of HVAC and other types of measures.

The ELPP will help local governments document the energy and GHG savings benefits from retrofitting municipal facilities, which will help encourage residents, businesses, and other local governments to match their efforts.

Sub-Element A2 - Government Facilities Retro-commissioning (RCx) &/or Monitoring-Based Commissioning (MBx)

RCx and MBx are systematic processes for optimizing performance of an existing building's equipment, lighting, and control systems. Where retrofitting involves replacing outdated equipment, RCx and MBx focus on improving efficiencies of what is already in place. The ELPP will help local governments identify RCx and MBx opportunities, and bundle them with EE retrofits and other comprehensive energy options will to optimize local government investments and project cost-effectiveness.

The specific EE measures for each local government will depend on technical audits and assessments. Anticipated measures include but are not limited to:

- Comprehensive lighting (30%);
- HVAC controls and tune-ups (30%);
- Variable-frequency drives (VFDs, 20%); and
- Other types of energy savings measures (water heating, etc., 20%).

For Government Facilities retro-commissioning and unless otherwise stated in the individual local government sub-program PIPs, the measure-mix will consist of 30% lighting, 30% HVAC, 20% VFDs, and 20% other measure mix.

RCx and MBCx projects will demonstrate cost-effective approaches to optimizing facility operations, including saving electricity and gas, reducing operating costs while improving occupancy comfort, improving environmental quality, and reducing GHG emissions. Successful outcome of the projects will encourage other departments within each local government, other local governments, and private sector entities to retro-commission their facilities.

Sub-Element A3 - Integrated Demand Response

Participation in Demand Response (DR) is a requirement for becoming a participant in SCE's ELPP. Opportunities for municipal facilities to participate in SCE's DR programs will be identified by technical audits and assessments. SCE will work with the LGPs to make comprehensive packages of DR options available to the local governments within each partnership. Municipal participation in DR programs will prompt local governments to publicize their economic and societal benefits, encouraging their constituents to participate in DR. SCE will also provide standard tariff options, the California Solar Initiative (CSI), the Self-Generation Incentive Program (SCIP) and other programs. Integrated Demand Response audits will be provided, if applicable.

Sub-Element A4 - Technical Assistance

The ELPP will provide technical audits and assessments to help participating local governments identify, prioritize and schedule municipal EE, DR and RE projects including EE retrofits, renovations, energy-efficient new construction, MBCx, and/or RCx. Specialized assistance will also be available through DR programs, including Technical Assistance & Technical Incentive (TA&TI) audits, and through the Savings By Design (SBD) Program.

Technical assistance will be coordinated with Core Program Sub-Element B-5 (Peer-to-Peer Support) to collect information about projects, technologies, tools, cost-benefit experiences, implementation challenges, successful strategies for overcoming barriers, and how to effectively package and promote energy projects to financial managers, elected officials, and other key decision-makers. Linking GHG benefits to energy project proposals, financing strategies, etc. leverages the support the program provides to each local government into documented case studies that can be shared with other local governments.

Sub-Element A5 - On-Bill Financing (OBF)

The ELPP provides access to On-Bill Financing (OBF), which will offer zero-percent interest financing for qualifying installations of lighting, refrigeration and HVAC measures. This is a key strategy for overcoming the "first cost" barrier local governments face when making EE and other capital investment decisions. Many LGPs have communicated to SCE that they intend to apply for OBF loans

to support their EE projects, which are eligible for when an EE project has reached the stage where its technical merits and cost-effectiveness can be determined. An application for OBF will be submitted along with the application for financial incentives.

SCE's Financial Solutions' OBF option applies only to EE retrofit measures, which means that to qualify for OBF, measures must also qualify for financial incentives through SCE's EE prescriptive measure programs. New construction and other DSM measures such as solar or DR will not qualify. Qualifying measures can be bundled to shorten the payback period, but each service account will be subject to a loan limit at any one time.

Note: For further details on the OBF program, please refer to SCE's Financial Solutions PIP.

In addition to OBF, LGPs may suggest that local governments consider other financing options such as CEC loans, municipal bonds, and other state and federal grant programs. The 2009 American Reinvestment and Recovery Act (ARRA) that is currently being considered by Congress is expected to provide significant funds to local governments in the form of Energy Efficiency Block Grants that may help fund municipal projects. The ELPP will assist local governments in developing plans for integrating these funds, if they become available, into their project portfolios.

The Government Facilities program element is the heart of the ELPP, in which participating LGPs commit to achieve specified levels of EE and DR in the facilities they own and control.

Note: The ELPP will also encourage local governments to consider distributed Renewable Energy (such as rooftop solar photovoltaics) in their projects to help achieve the Strategic Plan goal of "net zero energy," but purchase and installation of solar energy is not required.

The types of EE measures will vary widely depending on the specific municipal facilities that are selected by each participating local government to meet its energy and demand reduction targets. Following are some examples of types of EE projects that have been identified by LGPs.

Figure 7: Sample List of LGP EE Measure Types – Government Facilities

Types of Municipal Facilities	Types of EE Measure Projects
Municipal Office Buildings	Primarily lighting, HVAC, and office equipment
Information Technology Centers	Primarily HVAC, lighting, and computer networks with uninterruptible back-up power supplies

Types of Municipal Facilities	Types of EE Measure Projects
Water & Wastewater Facilities	Primarily pumps and motors
Groundwater Wells	Pumps and motors
Corporation Yards	Depending on the function, may be any combination of measures, but typically will include lighting, HVAC, and office equipment May also include secure communications systems (e.g., for emergency response)
Laboratories	Lighting, HVAC, refrigeration, electronic equipment
Parks & Recreation	Combination of lighting & HVAC in community centers, and irrigation pumping & outdoor lighting for parks
Police & Fire	Primarily lighting, HVAC, office equipment, and secure emergency communications systems (typically served by two or three independent power sources)

All participating local governments will be encouraged (but not required) to consider clean distributed Renewable Energy (such as rooftop solar photovoltaics (PV)) in their projects to help achieve the Strategic Plan goal of “net zero energy.” Other types of distributed energy — such as solar thermal and fuel cells — may also be recommended for certain types of facilities.

c) Non-incentive services

See individual local government sub-program PIPs, as applicable, for specific non-incentive services provided through the ELPP.

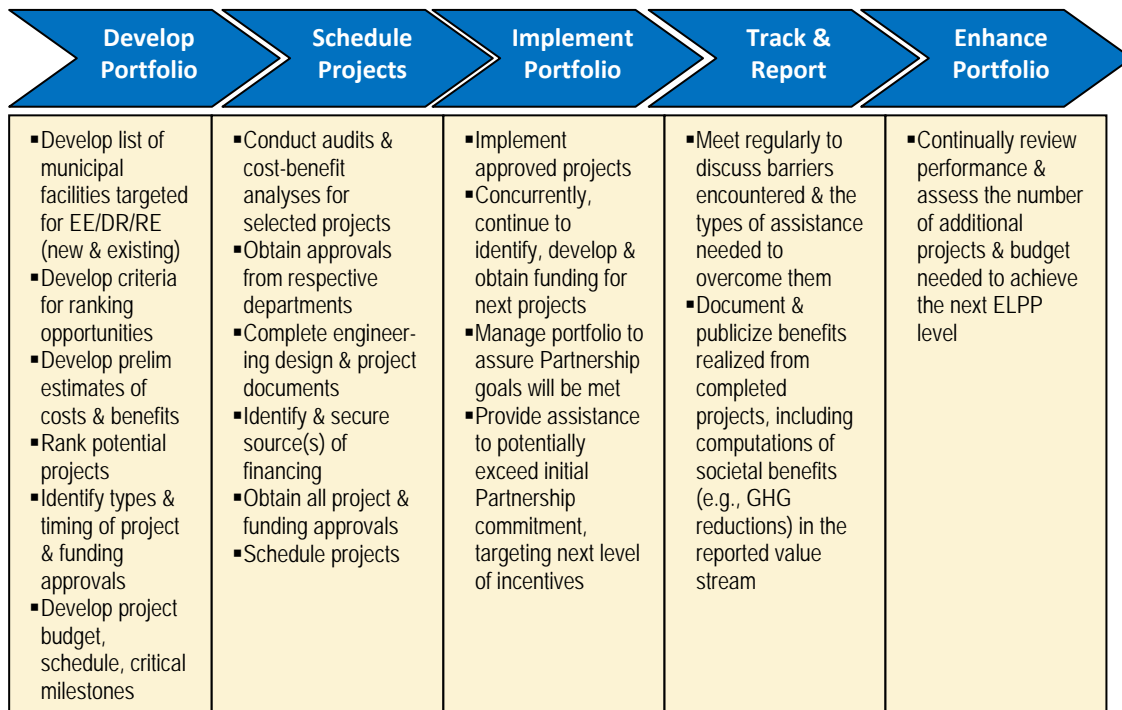
d) **Target audience****Figure 8: Target Audience - Government Facilities Sub-Element**

Sub-Element	Target Audience
<ul style="list-style-type: none"> • 1 Retrofits • A2 RCx &/or MBx, and • A3 Integrated Demand Response 	<ul style="list-style-type: none"> • Primarily NAICS 3 Municipal Administration Buildings: • City Libraries • Fire Stations • County Medical Hospitals • County Correctional Facilities • Police Stations • Teen Centers • Recreation Centers- • City or County Museums • Animal Shelters • Public Works Department Facilities • Bridges and Highways • Water and Wastewater Agencies • Transit Agencies • Streetlights • Schools (if under the jurisdiction of a city or county)
<ul style="list-style-type: none"> • A4 Technical Assistance 	<ul style="list-style-type: none"> • Primarily City or County Staff or Department Managers, especially Energy Managers & Facility Managers, but also: • Other City officials (City Manager, Council, Controller, etc.) that are involved in approving energy projects • Other local governments through Sub-Element B-5 Peer-to-Peer Support, particularly to share information about successful strategies to overcome barriers
<ul style="list-style-type: none"> • A5 On-Bill Financing 	<ul style="list-style-type: none"> • Once the OBF program is approved, any qualifying local government can apply

e) **Implementation**

- Figure 9 below illustrates the Government Facilities program element process from inception of comprehensive municipal clean energy portfolios through implementation. This process helps assure LGP success by: tracking, monitoring, and making course corrections needed to clear obstacles;
- Constantly focusing LGs on the rewards of successful participation: increased incentives and program services; recognition as local government leaders; and energy and cost savings; and
- Constantly focusing participants on the rewards of successful participation increased incentives and program services; recognition as local government leaders; and energy and cost savings.

Figure 9. Government Facilities Process



During spring/summer 2008, SCE conducted marketing and outreach, encouraging local governments in its service area to participate in the ELPP. Through a competitive solicitation process, 18 Local Government Partnerships were proposed and selected. SCE then commenced discussions with the 18 partnerships, providing them with a template for a Detailed Program Plan to be maintained by each Partner.

Each Detailed Program Plan contains the following key elements:

- **Partnership Overview:** Identifies the partners (and Lead Implementer where applicable) and their respective roles and responsibilities; identifies approvals that have been or need to be obtained to formalize the commitments by each participating local government and the LGP overall.
- **Partner Profile:** Describes the unique characteristics of the LGP and its members, providing insights on specific partner needs and the program delivery and messaging strategies needed to engage the LGP’s targeted constituents most effectively. Includes a profile of the participating local jurisdiction: leadership, priorities, municipal services, energy, climate and sustainability policies, goals, and plans, and decision-making, communications, and budgetary processes.
- **Energy Profile:** Includes historical demand and energy data from SCE to help each local government understand how and where energy is used in its jurisdiction, help identify and target high-potential energy customers, and help the local government conduct informed dialogues with its constituents and stakeholders for more successful education and outreach.

- ***Municipal Facilities Plan:*** Lists municipal facilities targeted for participation in EE and DR programs. Prior audits, if any, will be documented here, along with project schedules, levels of investment needed for each project, financing options, and key milestones, especially the critical time for project reviews and budgetary approvals.
- ***Program Evaluation and Reporting:*** Documents the program's tiered incentive structure and the level of energy and demand savings needed to access each level of incentives and benefits. This section also provides a basis for tracking and monitoring each participant's progress towards meeting its commitments and achieving the next incentive level.
- ***Marketing, Education & Outreach (ME&O) Plan:*** Contains detailed documentation of planned events, activities, and strategies that will be deployed to engage high-potential targeted customer groups. The ME&O Plan anticipates leveraging common priority issues and associated stakeholder and communications channels with other partners, both nearby and in other areas. Local priorities will establish unique marketing, education and outreach plan elements.

In addition to providing an effective vehicle for communicating information among the partners, the Plan will also provide important information to key stakeholders and the CPUC, as well as provide a launch point for long-term strategic Energy Action Plans (EAPs) by local government participants. Ideally, the EAPs will build upon the LGPs to develop a roadmap for achieving the highest partnership level - Platinum.

The following paragraphs explain the ELPP implementation approach at the sub-element level.

Sub-Element A1 – Government Facilities Retrofits

Each local government participating in the ELPP as a partner with SCE will undertake to develop and implement municipal clean energy projects within its respective jurisdiction. When multiple local governments participate in an LGP in which a partner or third party is designated as a “Lead Implementer” (“Bundled” partnerships), the Lead Implementer is responsible for coordinating the local government participants' efforts and assuring that their collective efforts result in achieving the overall partnership's EE & DR goals.

The Lead Implementer will also provide a single point of contact with SCE for identifying and bringing in the technical assistance needed by each local government participant. As noted previously, Sub-Element A1 will be coordinated with Sub-Element B5 (Peer-to-Peer Support) to share technical, operations, financing, and other types of energy strategies, tools and techniques with other local governments in California (and, potentially, nationally).

Implementation: Sub-Element A2 – Retro-commissioning (RCx) &/or Monitoring-Based Commissioning (MBx)

Candidate facilities for RCx and/or MBx will be identified through the development process that will be conducted with ELPP technical assistance (see Sub-Element A4 – Technical Assistance). This process consists of performing field-based functional tests at the building system and/or subsystem level, including on-site equipment testing, monitoring and/or verifying proper operation, and calibration of a sample of the systems, and assessing potential projects for technical feasibility and cost-effectiveness. Sub-Element A1, Sub-Element A2 will be coordinated with Sub-Element B5 – Peer-to-Peer Support.

Implementation: Sub-Element A3 – Integrated Demand Response

The Integrated DR development process will also identify eligible non-emergency municipal facilities and functions — such as office buildings where lighting and/or HVAC could be interrupted or reduced without risk to public health and safety — that could participate in SCE DR programs. LGPs will also be encouraged to identify self-generation opportunities, especially for cleaner technologies such as solar PV, advanced micro-turbines, and fuel cells.

See Core Program Element C (Core Program Coordination) for more information about how the ELPP will coordinate with the utilities' Self Generation Incentive Program (SGIP), and Core Program Element B (Strategic Planning Support) for information about coordination with other types of RE and SG programs.

Implementation: Sub-Element A4 – Technical Assistance

Technical assistance starts with obtaining a list of all of the municipal facilities of each participating local government with their account name (e.g., city/county department), address, type of municipal function being performed at that location, age of the building (known or estimated), size in square feet, and any other readily compiled, relevant information . The list is then matched with energy use to identify the energy use of the facility and prioritize high-potential opportunities.

SCE Business Customer Division (BCD) Representatives have met with all LGPs to help compile lists of potential retrofits and request information about each facility's situation. Some preliminary energy assessments have been conducted to identify highest-priority projects for implementation upon CPUC approval of the ELPP.

Element A-4 will be coordinated with Sub-Element B-5 Peer-to-Peer Support to share information with other local governments.

Implementation: Sub-Element A5 – On-Bill Financing

See discussion above in Section 4.b.(Overview, Incentives, Sub-Element A5) for a description of how the ELPP will approach On-Bill Financing.

5.A Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

Market Transformation (MT) metrics proposed in Tables 3 and 4 are preliminary. The proposed metrics are meant to initiate a collaborative effort to elaborate meaningful metrics that will provide overall indicators of how markets as a whole are evolving. MT metrics should neither be used for short-term analyses nor for specific program analyses; rather, should focus on broad market segments.

Market transformation is embraced as an ideal end state resulting from the collective efforts of the energy efficiency field, but differing understandings of both the MT process and the successful end state have not yet converged. The CPUC defines the end state of MT as “Long-lasting sustainable changes in the structure or functioning of a market achieved by reducing barriers to the adoption of energy efficiency measures to the point where further publicly-funded intervention is no longer appropriate in that specific market.”² The Strategic Plan recognizes that process of transformation is harder to define than its end state, and that new programs are needed to support the continuous transformation of markets around successive generations of new technologies³.

Market transformation programs differ from resource acquisition programs on 1) objectives, 2) geographical and 3) temporal dimensions, 4) baselines, 5) performance metrics, 6) program delivery mechanisms, 7) target populations, 8) attribution of causal relationships, and 9) market structures⁴. Markets are social institutions⁵, and transformation requires the coordinated effort of many stakeholders at the national level, directed to not immediate energy savings but rather to intermediary steps such as changing behavior, attitudes, and market supply chains⁶ as well as changes to codes and standards. Resource acquisition programs rely upon the use of financial incentives, but concerns have been raised that these incentives distort true market price signals and may directly counter market transformation progress⁷. According to York⁸, “Market transformation is not likely to be achieved without significant,

² California Public Utilities Commission Decision, D.98-04-063, Appendix A.

³ California Public Utilities Commission (2008) *California Long Term Energy Efficiency Strategic Plan*, p. 5. Available at <http://www.californiaenergyefficiency.com/docs/EEStrategicPlan.pdf>

⁴ Peloza, J., and York, D. (1999). “Market Transformation: A Guide for Program Developers.” Energy Center of Wisconsin. Available at: <http://www.ecw.org/ecwresults/189-1.pdf>

⁵ Blumstein, C., Goldstone, S., & Lutzenhiser, L. (2001) “From technology transfer to market transformation”. Proceedings of the European Council for an Energy Efficient Economy Summer Study. Available at http://www.eceee.org/conference_proceedings/eceee/2001/Panel_2/p2_7/Paper/

⁶ Sebold, F. D., Fields, A., Skumatz, L., Feldman, S., Goldberg, M., Keating, K., Peters, J. (2001) *A Framework for Planning and Assessing Publicly Funded Energy Efficiency*. p. 6-4. Available at www.calmac.org.

⁷ Gibbs, M., and Townsend, J. (2000). The Role of Rebates in Market Transformation: Friend or Foe. In *Proceedings from 2000 Summer Study on Energy Efficiency in Buildings*.

⁸ York, D., (1999). “A Discussion and Critique of Market Transformation”, Energy Center of Wisconsin. Available at <http://www.ecw.org/ecwresults/186-1.pdf>.

permanent increases in energy prices. From an economic perspective, there are 3 ways to achieve market transformation: (1) fundamental changes in behavior, (2) provide proper price signals, and (3) permanent subsidy.”

The question of what constitutes successful transformation is controversial because of a Catch-22: Market transformation is deemed successful when the changed market is self-sustaining, but that determination cannot be made until after program interventions are ended. Often, however, the need for immediate energy and demand savings or immediate carbon-emissions reductions will mean that program interventions may need to continue, which would interfere with the evaluation of whether MT is self-sustaining. Market transformation success has also been defined in terms of higher sales of efficient measures than would have otherwise occurred against a baseline absent of program interventions. The real world, however, provides no such control condition. Evaluators must estimate these baselines from quantitative factors such as past market sales that may be sparse and/or inaccurate - particularly for new products. Evaluations must also defer to expert judgments on what these baselines may have been as well as on the degree of successful market transformation⁹. Due to the subjective nature of these judgments, it is imperative that baselines as well as milestone MT targets be determined and agreed upon through collaborative discussion by all stakeholders, and these targets may need periodic revision as deemed necessary by changing context.

Market transformation draws heavily upon diffusion of innovation theory¹⁰, with the state of a market usually characterized by adoption rate plotted against time on the well-known S-shaped diffusion curve. In practice, however, the diffusion curve of products may span decades¹¹. Market share tracking studies conducted 3, 5 or even 10 years after the start of an MT program may reveal only small market transformation effects¹². The ability to make causal connections between these market transformation effects and any particular program’s activities fades with time, as markets continually change and other influences come into play.

These challenges mentioned above are in reference to programs that were specifically designed to achieve market transformation; and these challenges are only compounded for programs that were primarily designed to achieve energy and demand savings. However, since the inception of market transformation programs almost two decades ago, many lessons have been learned about what the characteristics of successful MT programs are. First and foremost, they need to be designed specifically to address market transformation. “The main reason that (most) programs do not accomplish lasting market effects is because they are not designed specifically to address this goal (often because of regulatory policy directions given to

⁹ Nadel, S., Thorne, J., Sachs, H., Prindle, B., and Elliot, R.N. (2003). “Market Transformation: Substantial Progress from a Decade of Work.” American Council for an Energy-Efficient Economy, Report Number A036. Available at: <http://www.aceee.org/pubs/a036full.pdf>

¹⁰ Rogers (1995) Diffusion of Innovations, 5th Ed.

¹¹ Example in bottom chart of this graphic from NYTimes:

<http://www.nytimes.com/imagepages/2008/02/10/opinion/10op.graphic.ready.html>

¹² Sebold et al (2001) p. 6-5,

program designers.)¹³” The Strategic Plan recognizes that regulatory policies are not yet in place to support the success of market transformation efforts¹⁴, but also reflects the CPUC’s directive to design energy efficiency programs that can lay the groundwork for either market transformation success or for codes and standards changes.

Above all else, the hallmark of a successful market transformation program is in the coordination of efforts across many stakeholders. The most successful MT programs have involved multiple organizations, providing overlapping market interventions¹⁵. The Strategic Plan calls for coordination and collaboration throughout, and in that spirit the utilities look forward to working with the CPUC and all stakeholders to help achieve market transformation while meeting all the immediate energy, demand, and environmental needs. Drawing upon lessons learned from past MT efforts, the Energy Center of Wisconsin’s guide for MT program developers¹⁶ suggests that the first step is not to set end-point definitions, progress metrics or goals. Rather, the first steps include forming a collaborative of key participants. As the Strategic Plan suggests, these may include municipal utilities, local governments, industry and business leaders, and consumers. Then, with the collective expertise of the collaborative, we can define markets, characterize markets, measure baselines with better access to historical data, and define objectives, design strategies and tactics, implement and then evaluate programs. The collaborative will also provide insights that will set our collective expectations for the size of market effects we can expect, relative to the amount of resources we can devote to MT. No one organization in the collaborative will have all the requisite information and expertise for this huge effort. This truly needs to be a collaborative approach from the start.

The metrics and baselines described below in Tables 3 and 4 are presented for the purposes of starting the much-needed discussion between all key participants. These are suggestions, intended to allow key participants to pilot-test processes for establishing baseline metrics, tracking market transformation progress, and for refining evaluation tools. Early trial of these evaluation metrics will reveal any gaps in data tracking so that we may refine our processes before full-scale market transformation evaluations take place.

The set of metrics we selected is intentionally a small set, for several reasons. First, as mentioned, the full set of metrics and baselines need to be selected by key participants. Second, we anticipate that market share data for many mid- and low-impact measures will be too sparse to show MT effects and not cost-effective to analyze. Third, we selected core measures and metrics that would both be indicative of overall portfolio efforts. These measures are also likely to be offered on a broad level by other utilities, providing a greater base of sales and customer data that could be analyzed for far-reaching MT effects.

¹³ Peters, J.S., Mast, B., Ignelzi, P., Megdal, L.M. (1998). *Market Effects Summary Study Final Report: Volume 1.* Available at <http://calmac.org/publications/19981215CAD0001ME.PDF>.

¹⁴ CPUC (2008) Strategic Plan, p. 5.

¹⁵ Nadel, Thorne, Saches, Prindle & Elliot (2003).

¹⁶ Pelozo & York, (1999).

Therefore, for the Energy Leader Partnership Program the following approach to quantitative baseline and market transformation information is presented as follows. The utilities recommend development of a baseline, and tracking the number of cities, counties and government institutions that have plans for written energy efficiency provisions. Such a metric relates directly to the Strategic Plan (Goal 12.3.4) in terms of measuring progress towards 50% plans for sustainability.

In addition, we propose tracking community adoptions of new construction model reach codes, both residential and nonresidential. This metric aligns with the Strategic Plan (Goal 12.3.1). In addition to being a direct indicator of support by local government partnerships, community adoptions of model reach codes are of strategic interest to the CPUC. A proliferation of dissimilar reach codes would confuse the market relative to building codes and incentive programs. Model reach codes to be developed by Codes and Standards would allow energy efficiency efforts across partners to be aligned with a clear target for each climate zone. As discussed in the Local Government PIPs, the IOUs intend to work closely with partners in establishing baseline code compliance levels and pushing for model reach codes.

With this discussion in mind, IOUs propose the following metrics for this sector:

Table 3.A

	Baseline Metric		
	Metric A	Metric B	Metric C
Energy Efficiency Action Plans	Baseline inventory of cities, counties and government institutions within the IOU territory with that have adopted such energy planning documents as Energy Action Plans, Climate Action Plans and Sustainability Plans, and General Plans with energy or climate elements.		
Model Reach Codes		In coordination with Codes and Standards, develop a baseline inventory of cities and counties within the IOU territory with adopted model reach codes	
Baseline Compliance			In coordination

Levels			with Codes and Standards, develop baseline compliance levels for a collection of indicator measures. An example list of measures may include: residential hardwired lighting, residential duct improvement, ducts in existing commercial buildings, pool pumps, general service incandescent lamps, external power supplies, and other measures as appropriate
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b) Market Transformation Information

As stated above, market transformation draws heavily upon diffusion of innovation theory, with the state of a market characterized by adoption rate plotted against time on the well-known S-shaped diffusion curve. In practice, however, the diffusion curve of products may span decades. Market share tracking studies conducted 3, 5 or even 10 years after the start of an MT program may reveal only small market transformation effects. Therefore it is problematic, if not impractical, to offer internal annual milestones towards market transformation sectors and specific program activities.

As a consequence, it is not appropriate to offer more than broad and general projections. Any targets provided in the following table are nothing more than best guesstimates, and are subject to the effects of many factors and market forces outside the control of program implementers.

Table 4.A

	Internal Market Transformation Planning Estimates		
	2009	2010	2011
Baseline inventory of cities, counties and government	Improvement over baseline, over time	Improvement over baseline, over time	Improvement over baseline, over time

<p>institutions within the IOU territory with that have adopted Energy Efficiency Action Plans</p>			
<p>In coordination with Codes and Standards, develop a baseline inventory of cities and counties within the IOU territory with adopted model reach codes</p>	<p>Improvement over baseline, over time</p>	<p>Improvement over baseline, over time</p>	<p>Improvement over baseline, over time</p>
<p>In coordination with Codes and Standards, develop baseline compliance levels for a collection of indicator measures. An example list of measures may include: residential hardwired lighting, residential duct improvement, ducts in existing commercial buildings, pool pumps, general service incandescent lamps, external power supplies, and other measures as appropriate</p>	<p>Improvement over baseline, over time</p>	<p>Improvement over baseline, over time</p>	<p>Improvement over baseline, over time</p>

c) Program Design to Overcome Barriers

The primary barriers to local government EE programs and the strategies the ELPP will employ to overcome these barriers include:

Primary Barrier: Many local governments do not have adequate staff resources to develop and manage a municipal energy program, especially in the current economic climate. In addition, existing staff may not be knowledgeable about energy issues and options.

Strategies: The ELPP will provide a comprehensive municipal clean energy program that includes technical assistance for program and project development and management, training in EE and DR opportunities, as well as information on

broader energy programs and offerings. ELPP will help identify, qualify and schedule EE, DR and RE projects.

The ELPP will overcome these barriers by providing hands-on assistance to local governments for all project stages, including obtaining financing, and optimizing EE, DR & RE solutions on an integrated, whole-system basis. This will:

- Directly link energy savings and fossil fuel reduction to GHG reduction and AB 32 compliance;
- Achieve short- and long-term energy savings;
- Demonstrate the local government’s commitment to efficiency to its constituents and stakeholders; and
- Enable local governments to become champions for EE, DR, and RE, so as to further reduce energy usage and associated GHG impacts within their communities.

Primary Barrier: Access to financing is a significant barrier, particularly when operating in the present credit crisis. Even under “ordinary” circumstances, funding for these types of energy projects (deemed “discretionary” when they are not absolutely needed to protect public health & safety) is difficult to obtain, since they must compete for limited funds with mission-critical activities.

Strategies: The ELPP will provide financing planning assistance including, but not limited to, cost/project estimating and budgeting, identification of financing options, help with scheduling and preparing for reviews and approvals of proposed energy projects and budgets, and on-bill financing.

Primary Barrier: With significant staffing and financial challenges, the local government sector experience lost opportunities which can occur when viable efficiency opportunities are not identified or are value-engineered out of a project due to lack of funds, lack of information, and/or lack of management support.

Strategies: The ELPP’s comprehensive approach minimizes lost opportunities in municipal facilities by directly tackling major barriers. The barriers the Government Facilities Element of the ELPP helps overcome are summarized in Figure 10 below:

Figure 10: Summary of Barriers and Strategies - Government Facilities Element

Primary Barriers	SCE ELPP Strategies
Budgetary Constraints Lack of staff resources or technical expertise to develop or manage projects	Provide comprehensive energy (EE/DR/RE) assistance, from project inception through project implementation, including financing. Services include: Overcome initial first cost barrier by providing direct technical engineering audits and assessments to identify cost-effective projects: <ul style="list-style-type: none"> • Assist in project planning & development, including

<p>Long and costly procurement processes</p> <p>Municipal funding cycles</p> <p>Difficult and time consuming approval processes</p>	<p>cleaner energy options and project identification (EE/DR/RE, whole building/facility basis), EE audits, equipment testing & analysis, equipment specifications, preliminary engineering design & cost estimating.</p> <ul style="list-style-type: none"> • Assist in computing life cycle costs and benefits (installed cost of equipment & systems, financing costs, energy savings, expected changes to operations & maintenance (O&M) and repair & replacement (R&R) costs over the life of the equipment or system, etc.) for input to capital budgets. <p>Provide financing assistance: access to SCE’s Financial Solutions’ OBF option, information about CEC & other low interest loans, and information about successful municipal EE revolving fund approaches.</p> <p>Assist local governments in computing and providing information about GHG reductions in their project proposals (see Element B – Strategic Planning Support).</p> <p>Provide access to technical experts selected by SCE through competitive solicitation processes.</p> <p>Provide on-going project management assistance including project scheduling and field inspections.</p> <p>Provide training and access to benchmarking tools such as USEPA’s ENERGY STAR Portfolio Manager (see Element B – Strategic Planning Support).</p>
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d) Quantitative Program Targets

Table 5.A – See individual Partnerships

6.A Other Program Element Attributes

a) Best Practices

The ELPP employs the following best practices in energy programs design, as summarized in Figure 11 below:

Figure 11: Best Practices - Government Facilities Element

Type of Best Practice	Best Practice	ELPP Application(s)
Goals & Objectives	<p>Develop and use clearly articulated objectives that are internally consistent, actionable and measurable.</p> <p>Develop tools to track the portfolio's performance on a continuous basis and report progress.</p>	<p>The ELPP's steps to higher incentives & program benefits are well structured & understandable.</p> <p>The LGP-specific Detailed Program Plan is a living document that will facilitate continuous tracking and reporting.</p>
Planning	<p>Design programs within the portfolio based on sound program plans; where appropriate, use clearly but concisely articulated program theories.</p> <p>Conduct baseline research.</p> <p>Build feedback loops into program design and logic.</p> <p>Maintain the flexibility to rebalance portfolio initiatives as needed to achieve the portfolio's goals & objectives.</p>	<p>The ELPP plan & program structure are based on sound program plans & theories.</p> <p>Baseline research was conducted for each partnership and on individual participating local governments.</p> <p>The Detailed Program Plan provides a mechanism for closely monitoring progress and making adjustments as needed to meet partnership goals and objectives.</p>
Staffing	<p>Select highly qualified in-house staff &/or outside contractors to manage, design, implement and evaluate programs.</p> <p>Clearly define portfolio implementation responsibilities and clarify roles to minimize confusion.</p>	<p>Qualified SCE Project Managers have been assigned to each LGP to promote open communications and implementation success. The roles and responsibilities of the LGP's partners are defined in the governing partnership agreements. More detailed roles and responsibilities of all participants are further defined the individual LGPs' Detailed Program Plans. SCE's resources will be supplemented with pre-qualified technical support contractors selected by SCE through competitive solicitations to cost-effectively provide the portfolio of technical assistance needed to support its LGP.</p>
Integration	Leverage relationships from	The ELPP is structured to leverage all

Type of Best Practice	Best Practice	ELPP Application(s)
	complementary organizations such as utilities, trade allies, and industry specialists.	resources, assets and relationships of SCE, its partners, and their participants, constituents, stakeholders, and other related individuals & organizations.
Reporting & Tracking	Clearly articulate the data requirements for measuring portfolio and program success. Design tracking systems to support the requirements of all major users: program administrators, managers, contractors and evaluators.	The LGPs' Detailed Program Plans, coupled with frequent meetings between/among SCE, its partners and their members/ constituents is designed to track and report partnership progress and successes.

In addition, the ELPP incorporates the lessons learned from past program cycles. SCE has determined that as local governments become champions for EE in their communities, they are more intent on reducing energy use in municipal facilities to “Lead by Example” [Strategic Plan Goal 2].

The ELPP will help overcome the barriers inherent to governmental entities, which will help pave the path for achieving the Strategic Plan goals of a 20% reduction below 2003 levels by 2015, and 20% below 1990 levels by 2020. The LGPs will supplement best practices learned from SCE’s 2006-2008 local government partnerships with input from other organizations conducting comparable programs, including but not limited to:

- National organizations such as the American Council for an Energy-Efficient Environment (ACEEE) and the International Council for Local Environmental Initiatives (ICLEI) USA;
- California organizations dedicated to local governments such as the Institute for Local Governments (ILG) and the Local Government Commission (LGC);
- Past, present and future government partnerships involving the other utilities
- The third-party program “California Sustainability Alliance” and its partner, the Department of Conservation’s “Emerald Cities Pilot Program”; and
- A wide variety of other complementary programs and initiatives.

See Core Program Element B (Strategic Planning Support) for more information about best practices, and Section 6.g, EM&V, below, for additional information about documenting best practices.

b) Innovation

The Government Facilities program element incorporates innovative aspects of program design, as discussed above, including benchmarking, finance, and framing energy savings by municipal facilities within a climate action framework.

The ELPP itself is innovative in the comprehensiveness of the services it will provide to local governments. The ELPP will help local governments adopt and implement higher Reach Goals through a diverse portfolio of upstream policies and programs. Further, the ELPP will help local governments take a proactive role in reducing their energy use and carbon footprint by:

- Helping them understand where and how energy is used in their jurisdictions; and
- Engaging local government assistance in developing and implementing diverse portfolios of marketing, education, and outreach programs targeting high energy users in their jurisdictions.

Services provided help overcome primary barriers local governments face in adopting and implementing cleaner energy, including:

- Initial costs of technical audits and assessments for project identification and qualification;
- Prioritizing and ranking projects in accordance with their cost-effectiveness; and
- Helping local governments obtain financing from a variety of sources.

Additionally, each LGP will collaborate with other ELPP participants and broader networks of local governments to address potential barriers by sharing solutions and best practices (see Element B – Strategic Plan Support). This is the first such fully comprehensive program for California local governments structured specifically to implement the three aforementioned strategies set forth in the Strategic Plan.

The ELPP will enable California’s local governments to assume their role as leaders in their communities on energy, climate action, and environmental issues through the unique combination of:

- A comprehensive portfolio of technical and financial assistance designed to overcome the most significant barriers to local government energy programs;
- A flexible and agile program design that provides continuous feedback and opportunities for course corrections as needed to achieve the LGP’s goals and objectives;
- Significant benefits for local governments that are willing and able to deliver the highest level of energy savings and demand reductions, both by themselves and by their constituents; and
- A true partnership with local governments, in which the local governments themselves take a proactive leadership role in encouraging energy users in their respective jurisdictions to demonstrate energy, climate, and environmental responsibility by enrolling in utility EE and DR programs, as well as other complementary sustainability initiatives.

c) Interagency coordination

The ELPP will foster coordination among LGPs by encouraging them to make use of other resources, including:

- Participating in the CEC loan program for governments;
- Participating in CEC's Public Interest Energy Research (PIER) program;
- Participating in the "EPA ENERGYSTAR Low Carbon IT Campaign Ally" with their power management savings program; and
- Working with the California Air Resources Board (CARB) as well as other agencies to co-market materials, co-brand programs, etc.

Note: Additional interagency coordination with CARB, CEC/PIER, Codes & Standards, and other related opportunities for leverage are addressed below under Core Program Element B (Strategic Plan Support) and Core Program Element C (Core Program Coordination).

d) Integrated/coordinated Demand Side Management

SCE's ELPP model offers a greater concentration of DR offerings and resources to LGPs. Different levels of DR offerings have been defined and LG partners will be encouraged to establish goals for DR that will help them progress to higher levels of participation. In addition, the LGPs will use an integrated approach, encouraging participation in DR, CSI, and SGIP programs in order to achieve coordinated delivery of DSM options. Although the funding for integration will come from the dedicated funding source for each integrated measure, SCE will make this transparent to the local government and its constituents.

Some LGPs will achieve integration of all elements, while others may only integrate a few. The integrated elements include:

- Integrated energy audits will be offered to government facilities that show savings potential and a willingness to commit the additional time and financial investments, while standard EE audits will be offered to all other program participants;
- Emerging Technologies and CEC-PIER collaboration is expected to include pilot projects and market acceleration assistance for market-ready products in the general categories of day lighting, lighting, HVAC, controls, and building envelope improvements;
- Commissioning and retro-commissioning services will continue being offered to segment customers; and
- DR opportunities will be targeted in larger facilities, particularly as part of monitoring-based retro-commissioning efforts where controls to facilitate DR efforts would be installed.

e) Integration across resource types (energy, water, air quality, etc.)

The ELPP encourages LGPs to coordinate with other resource agencies including air quality management districts, schools, local and regional water and wastewater agencies, transportation authorities, and other interested stakeholders to comprehensively address EE, DR and RE opportunities in conjunction with GHG

reduction, and to co-deliver the partnership’s message of saving energy, money and the environment.

f) Pilots

No pilot projects are planned for the ELPP at this time; however, local government partners will be encouraged to identify technologies and/or processes that they would like to pilot. Codes and Standards and PIER coordination may provide piloting opportunities. Most LG partners have indicated a willingness to provide sites for piloting new technologies and initiatives and to participate in the Codes and Standards pilot program.

Opportunities may arise to test technologies that could, if successful, be extended across California. Codes and Standards gives partnership programs high priority in selecting test sites, and also provides links to CEC’s Public Interest Energy Research (PIER) program. The Codes and Standards and Workforce Education and Training programs support local government Title 24 compliance activities with energy code training for plan checkers, inspectors, and the trades.

g) EM&V

The utilities are proposing to work with the Energy Division to develop and submit a comprehensive EM&V Plan for 2009-2011 after the program implementation plans are filed. This will include process evaluations and other program-specific studies within the context of broader utility and Energy Division studies. More detailed plans for process evaluation and other program-specific evaluation efforts cannot be developed until after the final program design is approved by the CPUC and in many cases after program implementation has begun, since plans need to be based on identified program design and implementation issues.

Element B – Strategic Plan Support

4.B Program Element Description and Implementation Plan

a) List of Program Elements

B. Strategic Plan Support	
B1	Code Compliance Support
B2	Reach Code Support
B3	Guiding Document Support
B4	Financing for the Community
B5	Peer to Peer Support

b) Overview

Element B - Strategic Plan Support and the “ELP Strategic Support” sub-program PIP are designed to collectively facilitate the vision set forth in the Strategic Plan. California’s local governments are leading their communities to a cleaner energy and low carbon future. This section describes the standard overview, rationale, outcomes, and barriers associated with this program element. The specific services to be

accessed by the individual LGPs are described in the individual LGP sub-program PIPs.

The support offered through Element B to any LGP and/or its participating local governments depends on a variety of factors, including availability of staff and financial resources, competition with other local priorities, and how the local government's leadership views its role with respect to energy and climate issues. Some local governments have very limited staff and budgets and may be engaging in energy and climate issues for the first time, while other local governments have been working on these issues for several years and are recognized both in California and nationally as sustainability leaders. Therefore, Strategic Plan Support will need to be tailored to the individual needs and capabilities of each participating local government.

Through the ELPP, SCE is offering assistance to help local governments reduce their carbon footprint through increased energy efficiency. This offering will be delivered with expertise and strong relations with local government. This collaborative effort is structured to leverage the unique resources, assets, relationships, communications channels, programs, training, models and tools brought by each stakeholder in support of the Strategic Plan. This is a statewide local government strategic element support effort among the four investor-owned utilities.

ELP Strategic Support will help local government participants understand the linkages between energy efficiency and greenhouse gas (GHG) reduction, i.e., AB 32 compliance. ELP Strategic Support will deliver in-person and on-line trainings to facilitate local government understanding of requirements under AB 32, learn about principles and methodologies for conducting GHG inventories and setting GHG reduction targets and developing and implementing climate action plans (CAPs). ELP Strategic Support will also provide access to templates and tools that detail the components of GHG inventories and CAPs and provide training on mitigation strategies for reducing GHG emissions in both local government and community-scale activities and facilities.

ELP Strategic Support will conduct conferences, workshops and webinars, building upon ELP Strategic Support's offerings and linking energy actions with GHG reduction to provide information about energy efficiency, demand response and renewable energy (EE/DR/RE), AB 32 implementation, Strategic Plan, and other timely and important energy and climate policies, rules, regulations and legislation. These venues will increase opportunities for local governments to network and share information and experiences about best practices and lessons learned.

To encourage local governments to implement the best practices, ELP Strategic Support will conduct a statewide local government recognition program for local governments that achieve their energy and climate goals. Within SCE's service area, Silver, Gold and Platinum awards levels will be linked to the incentive and achievement levels established in SCE's ELPP program. ELP Strategic Support will

collaborate and coordinate their efforts in order to leverage each other's efforts, resources and funding. Within SCE's service area, Silver, Gold and Platinum awards levels will be linked to the incentive and achievement levels established in SCE's ELPP program (see individual LGP PIPs).

The ELP Strategic Support program element thus provides an integrated portfolio of services that will complement SCE's ELPP and help local governments achieve the Strategic Plan's strategies and goals while accelerating their jurisdiction's path to a cleaner energy and low carbon future.

Below is a description of types of support that will be provided through the 5 sub-elements.

Sub-Element B1 - Code Compliance Support

The Code Compliance sub-element will be implemented primarily through the Codes and Standards program, as described in the Codes and Standards PIP. Some individual LGPs will take action related to code compliance by engaging in a range of activities that will be coordinated with the Codes and Standards program.

LGPs that participate in the Codes and Standards program may take advantage of the Title 24 and measure-specific training. They may also be able to participate in pilots designed to evaluate and improve the process used by local governments to conduct code compliance. LGPs may also obtain support in developing local codes or ordinances. However, development of local codes should be done at a county or regional level to avoid the development of a patchwork of inconsistent codes that complicate realization of energy savings.

The Code Compliance sub-element will be implemented primarily through the Codes and Standards program (see Codes and Standards PIP). In addition to providing training for local government staff that has responsibility for code compliance, LGP's may also want to develop and implement certification programs for local inspectors and contractors. Some LGPs may assist SCE with outreach in coordination with SCE and statewide marketing activities (see Core Program Element C – Core Program Coordination). Local governments may assist in announcing training opportunities designed to raise awareness about current codes and encouraging compliance. Local governments often have access to constituents through existing relationships and can use those routes to enhance or complement other EE marketing activities.

SCE will:

- Provide training on Title 24 compliance for local government permit-granting & building inspection staff; and
- Help local governments conduct education & outreach to builders, developers, architects, engineers, and other key stakeholders that have a significant role in Title 24 implementation & compliance.

See the Codes and Standards PIP for further information.

Sub-Element B2 - Reach Code Support

The Reach Code Support sub-element will be implemented primarily through the Codes and Standards program, with additional support from the Energy Leader Program Strategic Support sub-program (see Codes and Standards PIP and Energy Leader Strategic Support sub-program PIP). Some LGPs may include Reach Code activities to promote local codes that exceed Title 24 requirements. These activities might include training local government staff about adoption and implementation of model reach codes, establishing expedited permitting and title approval processes, and establishing fee structures and other incentives for green buildings and other above-code developments (such as green building standards for new construction and retrofits/retro-commissioning or carbon offset reduction programs that exceed Title 24).

One of the goals of the Codes and Standards program is to develop a model ordinance that exceeds the 2008 Title 24 Building Energy Standard and receive pre-approval from the CEC. This would avoid the current problem of each city developing its own unique ordinance for approval by the CEC. The Codes and Standards program will also investigate a model ordinance that would include a package of standards that would be applicable at time-of-sale or major remodels. The program will encourage all local governments to first optimize compliance with existing codes. In addition to the biggest savings opportunity, sub-optimal compliance with the existing code will erode potential savings from a new code. Reach code support is designed to facilitate mutual support from the utilities and local governments to realize the full savings potential from codes, both statewide, and at a local level. SCE will request that prior to adopting any new codes, building department staff attend role-based training as well as relevant measure-specific training (HVAC replacements, controls under skylights, etc.), and to identify, implement and document two actions designed to increase compliance.

Governmental, quasi-governmental and supporting organizations dedicated to clean energy, GHG reduction, and environmental sustainability (may include but not limited to ICLEI, Institute for Local Government (ILG), the Local Government Commission (LGC), SCE will request that prior to adopting any new codes, building department staff attend role-based training as well as relevant measure-specific training (HVAC replacements, controls under skylights, etc.), and to identify, implement and document two actions designed to increase compliance.

The stakeholders will help build a library of best policies, practices, tools, and techniques. These and other organizations will also help disseminate this information to LGPs and other California local governments through conferences, workshops, webinars, and other types of training.

The ELPP will encourage adoption of reach policies, codes and standards through the following strategies:

- Encourage participating local governments to adopt aggressive goals for cleaner energy and GHG reduction that are structured to achieve the Strategic Plan's zero net energy vision;
- Encourage participating local governments to adopt policies, plans, codes, and standards for other sustainability initiatives (such as water efficiency, waste management, transportation management, and smart planning & growth) that exceed statutory requirements and will affect cleaner energy availability and GHG reduction;
- Provide information and assistance directly, through peer networks, and through a broad growing network of statewide and national environmental sustainability initiatives, about strategies such as cleaner energy, climate action & green/sustainability plans; green buildings; solar cities, and zero carbon communities; and
- In collaboration with SCE's Codes and Standards program, coordinate two-way sharing of information with CEC PIER about challenges to implementation of Reach Codes.

Please refer to the Codes and Standards PIP and the Energy Leader Partnership Strategic Support sub-program for further information.

Sub-Element B3 - Guiding Document(s) Support

The Guiding Document Support sub-element will be implemented with additional support from industry experts identified by SCE. Most individual LGPs will include this activity in their scope of work. Guiding documents may include Energy and/or Climate Action / GHG emissions reduction plans and other documents (such as General Plans, Building Permits, and Green Building Ordinances) that assist local governments in integrating clean energy and GHG reduction goals and principles into their local and regional plans and permit and approval processes.

With the assistance of external stakeholders engaged in sustainability activities, this Guiding Document sub-element and the ELPP Strategic Plan Support element will:

- Compile a collection of existing guiding documents — references, guidebooks, checklists, models, and tools about cleaner energy and GHG reduction options — for local governments;
- Help develop new documents that guide local governments and their constituents to reduce community energy consumption and GHG emissions effectively. These might include, for example, estimating the energy and GHG impacts of various policy goals and objectives and embedding these into the General Plan; and
- Provide technical assistance to help local governments conduct GHG emissions inventories, compute their carbon footprint, and prepare Climate Action Plans, in accordance with protocols jointly developed and adopted by

the California Air Resources Board (CARB), the California Climate Action Registry (CCAR), and ICLEI (the “Local Government Operations Protocol” for computing municipal emissions and the “Community Operations Protocol” for computing emissions by residents and businesses that is scheduled for implementation in Summer 2009).

The ELPP will disseminate cleaner energy and climate action information to local governments and their communities through:

- Conducting workshops and webcasts about important new developments in energy and climate action policies, rules, legislation and regulations;
- Providing checklists of existing and emerging best practices;
- Providing information and training about new protocols for computing carbon footprints;
- Providing links to websites with information about best policies and practices, energy and GHG data, models, tools, and techniques; and
- Providing information about organizations that conduct training on cleaner energy and GHG reduction policies, legislation, & regulations.

Sub-Element B4 - Financing for the Community

The Financing for the Community sub-element will be implemented with the assistance of the ELP Strategic Support sub-program and technical resources to be identified by SCE through competitive solicitations and partnerships with complementary initiatives. In support of Strategic Plan strategies, the ELPP will help local governments identify, evaluate, and implement opportunities for financing community energy projects, such as:

- Low-interest loans through the California Energy Commission (CEC);
- The CEC's Energy Efficiency Financing Program (EEFP), which provides financing for schools, hospitals, and local governments through low-interest loans for feasibility studies and the installation of energy-saving measures; and
- The 2009 American Reinvestment and Recovery Act (ARRA) currently being considered by Congress, which is expected to provide significant funds to local governments in the form of Energy Efficiency Block Grants that could be used to help fund community projects. The ELPP will assist local governments in developing plans for integrating these funds, if they become available, into their community energy plans so as to optimize energy and GHG reduction benefits.

The ELPP will help local governments evaluate the cost-effectiveness of various options and effectively communicate those results to policymakers and community leaders. This assistance may include:

- Performing life cycle cost analyses and illustrating how financing strategies leverage a local government or community’s limited capital, allowing them to do more projects with less upfront cash; and
- Showing how initiating a cleaner energy project portfolio with low-interest financing can help build a perpetual fund for financing future projects (e.g., by

reinvesting reduced operating costs from energy savings after the loans have been repaid).

The ELPP will provide technical financing assistance through:

- Conducting workshops and webcasts about innovative financing strategies tested and deployed by local governments, such as special assessment districts and applications of AB 811, to accelerate adoption of cleaner energy by mitigating the initial cost of EE retrofits;
- Helping local governments identify potential financial partners for cleaner energy projects;
- Providing links to websites with information about zero-to-low interest loans, grants, and subsidies for cleaner energy projects;
- Conducting webinars about how to evaluate financing options; and
- Providing guidance about low-cost ways to create high value for stakeholders and constituents that also meet aggressive local green goals (e.g., builders' entitlements for developers).

Finally, the ELPP will assist local governments in linking the energy savings for community energy projects to climate action strategies, AB 32 compliance, and long-term clean energy security and environmental sustainability, and help local governments communicate these options to community and business leaders whose support will be needed to implement them.

Please refer to the ELP Strategic Support sub-program PIP for further information.

Sub-Element B5 - Peer to Peer Support

The Guiding Document Support sub-element will be implemented primarily through the ELP Strategic Support sub-program. Information sharing can occur within a single LGP among local government participants, among local government staff, LGPs, and/or LGPs, their participating local governments, and other local governments throughout California and the U.S.

The program will provide LGPs and their local government members multiple venues for participating in activities, including conferences, workshops, webinars, and smaller special-purpose working groups (for example, when local governments implementing retro-commissioning projects want to share information).

Peer-to-peer exchange is an important way to build local government EE knowledge and capabilities, and has the added benefit of providing insights into the challenges inherent in local government organizational structures and decision-making processes. This will provide important data about increasing the effectiveness of cleaner energy and GHG reduction programs.

LGPs have told SCE that they want to meet other LGPs and share information about everything associated with implementing their Detailed Program Plans.

This underscores the importance of peer support: when entering uncharted territory, it is comforting to share that journey with others. Facilitating sharing of information helps participants avoid costly mistakes and "re-inventing the wheel," improves the effectiveness of projects and programs, and increases the likelihood of success.

The expected outcomes are the exchange of information within, across, and from partnerships to broader local government staff. The range of expected impacts is consistent with the Strategic Plan and includes:

- Increased knowledge and awareness of EE;
- Changes in local government behaviors related to EE;
- Increased ability to implement EE within local governments;
- Streamlined access to information needed to develop goals and implement strategies around cleaner energy and GHG reduction; and
- Benefits to local governments within California and in other states.

The ELPP will access the combined member networks and communications channels of governmental, quasi-governmental and implementing organizations to facilitate peer networking. In addition, the ELPP is working to develop and implement a local government recognition program that will enable all California local governments to benchmark their energy, carbon, and other sustainability performance against their peers, and recognize local governments that achieve or exceed their goals. Plans include.

- Conducting quarterly and annual meetings among LGPs and local governments to share lessons learned and successful strategies for overcoming implementation challenges;
- Creating working groups of ELPP participants that meet regularly to collaborate on development of certain Reach goals (for example, a Green Building Initiative Working Group) and that support each other throughout implementation;
- Encouraging ELPP participants to share their plans and achievements with peers both within and outside of the ELPP (for example, at ACEEE's annual conference);
- Inviting sustainability organizations and thought leaders to participate in discussions with partners about various types of Reach goals;
- Presenting certificates of achievement and awards to partners that meet or exceed their goals; and
- Leveraging the Governor's Environmental and Economic Leadership Awards, the California Sustainability Alliance Sustainability Showcase Awards, and other awards and recognition programs to honor significant Partner achievements.

Please refer to the ELP Strategic Support PIP for further information.

Strategic Plan Support focuses on meeting Strategic Plan goals by leveraging the considerable power and influence of local governments on their stakeholders and

constituents through upstream strategies, including but not limited to policies, goals, codes, ordinances, plans, and initiatives. Local governments are also encouraged to continually "set the bar higher" by committing to and achieving progressively more EE and DR, and by establishing a portfolio of Reach codes, standards, policies, goals, and ordinances. The ELPP provides technical and financial assistance to LGs to help them implement the Strategic Plan goals, including access to reference libraries and to peer-to-peer networks for sharing information. To provide further encouragement, the ELPP will conduct an awards and recognition program that recognizes LGPs that achieve their goals, encourages them to advance to the next level of enhanced incentives and program services, and compliments LGs for adopting aggressive Reach goals and policies and/or demonstrating innovative approaches to clean energy and GHG reduction.

c) Non-incentive services

All of the services provided under Core Program Element B – Strategic Plan Support are non-incentive services.

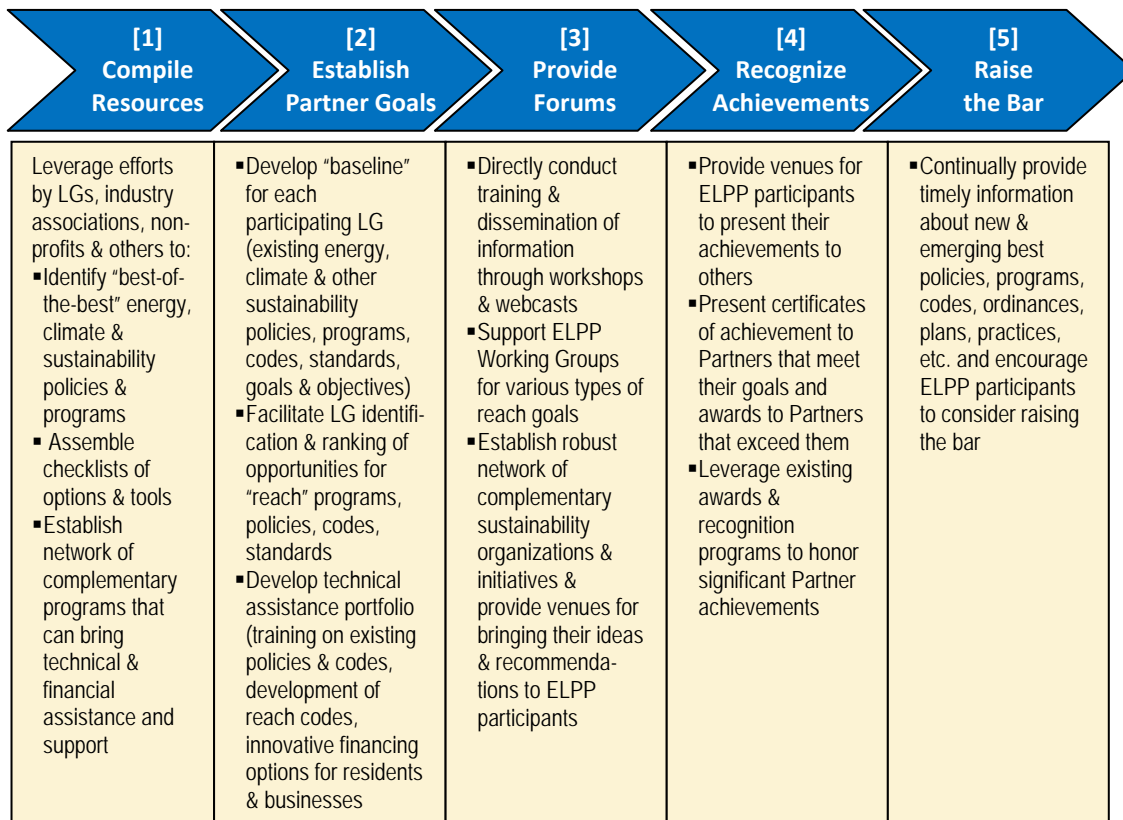
d) Target audience

The target audience for this core program element is the partnership itself and its local government participants. All levels of staff and management in the local government who are involved in the development and implementation of policies, goals, codes, standards, plans, initiatives, etc. — elected officials, city managers, and operating and planning staff — will have access to the extensive libraries and networks created for information-sharing . The ELPP will assist local governments, quasi-governmental entities, nonprofits focused on the public sector, and others in achieving Strategic Plan objectives. Each Partner's actions in this arena will benefit their respective constituents, including but not limited to residents, inspectors, contractors, small businesses, and other local governments.

e) Implementation

The diagram below summarizes the key components in the Strategic Plan component of program implementation.

Figure 12. Strategic Plan Support Process



5.B Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3.B – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information:

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4.B – Refer to the overarching program for market transformation metrics

c) Program Design to Overcome Barriers:

Following is a list of the primary barriers to implementation of Core Program Element B - Strategic Plan Support and the strategies that will be deployed by the ELPP to overcome these barriers.

Figure 13: Barriers and Strategies – Strategic Planning Element

Primary Barriers	Strategies to Overcome Barriers
<p>Most local governments do not have adequate staff resources to stay abreast of current energy and climate issues and options.</p>	<p>In addition to providing direct technical assistance, the ELPP builds upon existing programs and resources funded by SCE, other IOUs, state agencies, and a wide variety of other organizations to compile and facilitate access to the extensive body of best practices, tools and techniques needed by local governments to:</p> <ul style="list-style-type: none"> • Assure compliance with existing policies, codes and standards • Be informed about new and emerging policies, codes, standards, programs, practices, tools, and techniques, and • Develop and implement Reach goals.
<p>Most local governments are both risk-averse and resource-constrained resulting in a predisposition towards caution about launching aggressive initiatives that may incur significant incremental costs and risks, and may thus potentially appearing irresponsible to local governments' stakeholders and constituents.</p>	<p>The ELPP will assist participants in documenting and communicating the resource and societal benefits achieved by successfully implemented initiatives. This understanding is essential to mitigating political and perception risks.</p> <p>The ELPP will bring lessons learned and recommendations from leading organizations and individuals directly involved in testing and deploying sustainability initiatives and strategies.</p>

d) **Quantitative Program Targets**

Table 5.B

Program/Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
Target #1 Education and training- Number of workshops *	18	25	29
Target #2 Strategic Planning Activities- Number of Ordinances, policies, etc. *	3	5	7

* Figures provided are estimated targets.

6.B Other Program Element Attributes

a) Best Practices

SCE's Strategic Plan Support program design incorporates the following best practices.

Figure 14: Best Practices - Strategic Planning Element

Type of Best Practice	Best Practice	ELPP Application(s)
Goals & Objectives	Develop tools to track the portfolio's performance on a continuous basis and report progress.	Monthly partner meetings provide timely opportunities to identify & remedy barriers.
Planning	Conduct baseline research	Baseline research about participants' existing energy, climate & other sustainability policies, programs, codes, standards, goals, and objectives has been conducted for each LGP and its individual participating cities & counties. Quarterly and annual ELPP-wide meetings will be held to facilitate sharing of lessons learned and successful strategies. External peers will also be recruited to provide insights and observations about ELPP efforts. These activities will provide opportunities to modify plans as needed to accomplish goals.
	Build feedback loops into program design and logic	
	Maintain the flexibility to rebalance portfolio initiatives, as needed, to achieve the portfolio's goals and objectives.	
Staffing	Select highly qualified in-house staff and/or outside contractors to manage, design, implement and evaluate programs.	SCE resources will be supplemented with technical support contractors (selected by SCE through competitive solicitations) to cost-effectively provide the technical assistance needed to support partners. In addition, technical expertise will be brought in by external organizations and individuals who are implementing complementary sustainability initiatives.
Integration	Leverage relationships with complementary organizations such as utilities, trade allies, and industry specialists.	The ELPP will leverage SCE and other IOUs' Sustainable Communities Programs, and an extensive network of California and U.S. governmental and industry associations, community action groups, non-profit organizations, and related sustainability initiatives.

b) Innovation

The Strategic Plan Support element is unique in its network comprehensiveness of complementary sustainability initiatives. These will be leveraged to encourage ELPP participants to assume a leadership role in adopting and implementing aggressive reach policies, goals, codes, standards, ordinances, plans, and initiatives. No other program has yet accomplished this level of collaboration at this scale.

See Section 6.c, Interagency Coordination, below for more information.

c) Interagency coordination

The Strategic Plan Support element will provide many opportunities for coordination with the CEC, CARB and PIER, especially as communities look towards AB 32 implementation, Title 24 compliance, and development of Climate Action Plans. LGPs that commit to achieving Strategic Plan goals will need to align their strategies with local goals, priorities, and resources. The process of establishing and adopting Reach goals may be long and arduous, requiring extensive education and outreach campaigns, both within the local government itself (among staff, department managers, elected officials, etc.) and among community and business leaders. The ELPP's peer network and technical assistance will help local governments develop and implement their plans and strategies.

d) Integrated/coordinated Demand Side Management

The IOUs have identified Integrated Demand Side Management (IDSM) as an important priority. As a result they have proposed the establishment of a Statewide Integration Task Force (Task Force). SCE's local government partnerships will monitor the progress of the statewide IDSM efforts and work closely with the Task Force to identify comprehensive integration approaches and to implement best practices.

The Strategic Plan Support program element will achieve integrated DSM by providing comprehensive information about cleaner energy and GHG reduction programs and strategies to local governments.

For example, a Green Building Policy may specify minimum EE, DR and RE standards for new and/or existing buildings. To assure compliance, the minimum green building criteria should be integrated into local permit and approval processes for new construction and retrofits. In addition, these criteria should be included in the General Plan so that it is clear that all new development will need to meet these criteria, whether the facilities are constructed by the local government itself, its residents or businesses, or other stakeholders such as private developers. The local government should memorialize its commitment through a Green Building Ordinance and/or Policy Resolution.

Optimally, the local government will also conduct public workshops and meetings, engaging its community leaders and key stakeholders in discussions about its Green Building requirements, and providing information to builders, engineers, architects, planning staff, building inspectors and others about technical and financial resources

(including but not limited to utility programs, solar rebates, CEC loans, state and federal subsidies and assistance, etc.) that are available to assist them in implementing their projects. The ELPP's local government recognition program will reward local governments that adopt these types of reach policies by publicizing their achievements to their peers.

e) Integration across resource types (energy, water, air quality, etc.)

Consistent with the Strategic Plan, this program will include cleaner energy in combination with GHG reduction. Although not a direct goal of the ELPP, the process of computing carbon footprints and developing CAPs will also benefit other sustainability initiatives such as water efficiency, waste management, transportation management, smart planning, and growth.

In addition, Sub-Elements B2 – Reach Code Support, B3 – Guiding Documents Support, B4 – Financing for the Community, and B5 – Peer-to-Peer Support rely upon resources, assets and relationships brought by a wide range of complementary initiatives, including broader sustainability initiatives. While non-energy and non-air initiatives are not the primary focus of the ELPP, many of these also have energy and GHG impacts. The ELPP will bring these resources and information to LGPs and their participating local governments so that they can decide the best mix of actions to achieve their goals.

f) Pilots

Unless included in the individual sub-Program PIPs, no pilots are planned at this point, although it is possible that explorations of reach policies and goals could be developed into pilot programs. Individual LGPs may choose to implement pilots related to this element.

g) EM&V

Evaluations will focus on examining the success of the ELPP's efforts at enhancing and disseminating knowledge to target audiences. For example:

- Short surveys will be done at all training sessions;
- Process and impact evaluations from 2006-08, as well as other trade data, will be used to focus initial efforts;
- New program elements will be evaluated within three months of initiation; and
- Process evaluations will survey both existing and potential participants and implementers.

Evaluation efforts will review program elements and participation tracking data, and survey key decision makers, to verify enhanced practices in LGPs at least on a yearly basis. The statewide process evaluations will be driven by researchable issues based on activities and expected outcomes described in the ELPP theory and logic model. The process evaluation will also provide early feedback as to how well the 2009-2011 ELPP is progressing toward meeting the goals and objectives stated earlier in this PIP.

The specific researchable issues chosen for the process evaluation will be determined with consultation from the ELPP's stakeholders, and will include assessing how effectively the ELPP receives adoption information from the EE program's deployment efforts, as requested by the CPUC. Process evaluation tasks will include an update (if needed) of the program theory and logic model. The process evaluation will use commonly-used methods such as stakeholder interviews, but may also use less-common techniques, such as communication/social network analysis.

Element C - Core Program Coordination

4.C Program Element Description and Implementation Plan

a) List of Program Elements

C. Core Program Coordination	
C1	Community Outreach & Education
C2	Residential and Small Business Direct Install
C3	Third Party Program Coordination
C4	Retrofits for Just Above LIEE
C5	Technical Assistance

b) Overview

The Core Program Coordination element will be implemented by all of the Local Government Partners (LGPs) in SCE's ELPP. This section describes the standard overview, rationale, outcomes, and barriers associated with the Core Program Coordination element. Unique aspects of each LGP's Detailed Program Plan will be described in the individual LGP PIPs.

c) Non-incentive services

All ELPP services provided under Core Program Element C –Coordination are non-incentive services. The comprehensive and diverse portfolio of IOU and non IOU technical, financial and marketing assistance that will be assembled and administered through the ELPP encompasses energy audits, cost-benefit analyses, energy project structuring & financing, and incentives. In addition, statewide non-resource technical information and Marketing, Education and Outreach (ME&O) programs, such as FlexYourPower, will be used to support the partners' education and outreach activities. Further, support and assistance will be requested from other local, regional and statewide energy, water, GHG reduction and other relevant complementary programs.

d) Target audience

Community level data will be analyzed to determine the areas with the largest potential based on market potential studies and consideration of previously served customers. A strategic market planning approach will be used to identify customers best suited for comprehensive yet cost-effective retrofits.

The target audience is slightly different for each sub-element.

Figure 15: Target Audience – Core Program Coordination

Element C – Core Program Coordination	Target Audience
C1 – Community Outreach & Education	LGPs and participating local governments, community based organizations, contractors, SCE customers (residential, business, institutional), building engineers
C2 – Residential & Small Business Direct Install	All residential & small business customers, but with a special emphasis on hard-to-reach sectors including low income, very small businesses, non-English speaking customers, etc.
C3 – Third Party Program Coordination	Third party program service providers, especially those that provide support for residential & small business direct installs, low income & multi-lingual services, etc.
C4 – Retrofits for just-above LIEE-qualified customers	Low income customers whose income falls just above LIEE income guidelines.
C5 – Technical Assistance	Local governments, SCE customers, contractors

e) Implementation

Through the Core Program Coordination element, LGPs coordinate with each other, with their participating local governments, with SCE, and with other implementers to support EE programs across the SCE portfolio with respect to outreach, education, direct installations for residential and small business customers, third party programs, and technical assistance. Local governments have multiple superior points of access and communications channels with their stakeholders and constituents. All of SCE's LGPs have committed to help SCE identify and enroll local participants in residential and small business direct install programs. Through the ELPP, LGPs will also have the opportunity to help bring EE to moderate-income customers slightly above the LIEE guidelines or to customers who are unable to produce the necessary LIEE documentation.

In addition, the ELPP will help LGPs coordinate with and leverage other sources of funding to increase the impact of SCE offerings by including access to programs provided by other agencies such as the CEC, CARB, and other state and federal agencies. In particular, the 2009 American Reinvestment and Recovery Act (ARRA) that is currently being considered by Congress is expected to provide significant

funds to local governments in the form of Energy Efficiency Block Grants that could be used to help fund community projects. Through Sub-Element B4 – Financing for the Community, the ELPP will assist local governments in developing plans for integrating these funds, if they occur, into their community energy plans in a manner that optimizes cost-effective energy and GHG reduction benefits.

Sub-Element C1 – Community Outreach & Education

Under the ELPP, local governments play a lead role in developing and implementing a diverse portfolio of customized education and outreach collateral, media and events designed to engage energy users within their respective communities. In addition to providing important and timely information about energy and climate policies, goals and opportunities, the education and outreach activities target increased enrollment by residential and business customers in SCE re and third-party EE and DR core programs. LGPs collaborate to develop strategic energy and climate messages to key groups of high potential and hard-to-reach energy users. LGs then take leadership in developing and securing strategic venues for delivering the messages.

Importantly, local governments participating in SCE’s ELPP publicly commit to help increase community energy efficiency within their jurisdictions and formalize that commitment through an adopted resolution.

Under the ELPP, there are three primary types of education and outreach channels:

- **Internal (within the local government):** Key municipal points of interface with the public (for example, planning, permits and approvals, water and sewer bills and connections, building inspections, etc.) that provide opportunities to effectively deliver EE and DR messages to targeted customer groups;
- **External (within local government’s jurisdiction):** Communication channels provided by community and other constituents (for example, community leaders including faith-based organizations, local chambers of commerce, business and industry associations, developers, etc.) that have unique and superior access and influence on targeted groups of energy users; and
- **External (within the state or region):** Channels provided by the local government's participation in a broader community (such as regional planning organizations that provide opportunities to share communications program costs and infrastructure to deliver common messages). Notably, a local government’s sphere of influence often exceeds its jurisdictional boundaries.

The LGPs’ education and outreach portfolios include the following types of activities:

- General awareness, i.e., "big splash" partnership launches by local elected officials and community leaders, and reinforcement of broad messages at

community events such as chamber and Rotary meetings, Earth Day and other festivals, etc.;

- Training workshops to provide information to LG businesses about current and future policies, rules, legislation, and regulations that may impact their operations, and to identify opportunities for reducing their energy use and carbon footprint;
- Business energy audits and analyses, including benchmarking;
- Information on business EE programs and residential energy savings programs; and
- Neighborhood sweeps to install residential lighting, HVAC, low-flow showerheads, CFLs, and torchieres, to provide refrigerator rebates and recycle refrigerators, freezers and other appliances.

Sub-Element C2 - Residential and Small Business Direct Install

The ELPP empowers and enables local governments to encourage their residents and businesses to participate in SCE and other IOU core programs. Through local business and industry associations and community leaders, LGs will invite residents and businesses to participate in training workshops and to sign up for EE audits and assessments. Through the ELPP, SCE will coordinate direct install activities with core and third-party programs on behalf of LGPs.

Residential and small business measures offered contractors will be coordinated in a manner so that geographic overlap of contractor services is limited and incentive levels and customer co-payments are more consistent. The measures will include but are not limited to lighting, refrigeration, HVAC, attic insulation, water heating, and other types of EE measures.

Sub-Element C3 - Third-Party Program Coordination

Through the ELPP, SCE will identify opportunities for residents and businesses to access technical and/or financial assistance from third-party programs, and will coordinate with the third-party program managers to enroll qualified LG constituents in appropriate programs. SCE will also identify opportunities to leverage non-resource programs to supplement the ELPP's budget for marketing, education, outreach and training, wherever appropriate.

Sub-Element C3 is also related to Core Program Element A – Government Facilities, in that LGs may participate in third-party programs that bring technical and financial resources to their municipal clean-energy project portfolios. Coordination between third-party programs and Government Facilities Retrofits and retro-commissioning (RCx) will occur through this sub-element. An example of a likely third-party program for local government facilities could be HVAC tune-ups and replacements.

Sub-Element C4 - Retrofits for Just-Above LIEE-Qualified Customers

Local governments have unique access to low-income residents through a variety of public assistance programs. The ELPP will provide information about SCE's

Low Income Energy Efficiency (LIEE) program and other low-income programs to the LGs and request their assistance in identifying qualified participants for low-income building retrofit programs. SCE will provide support in reaching low-income customers through coordination with LIEE. The ELPP will coordinate with the multi-family and affordable housing programs to encourage customers just above income-qualified levels to participate.

LIEE program providers will complete a home audit for qualifying customers brought in through the ELPP.

The following list of free measures can be installed in the customer's home including comprehensive lighting, duct sealing, attic insulation, AC tune-up, low flow showerheads and faucet aerators.

Sub-Element C5 - Technical assistance for program management, training, audits, etc.

The ELPP provides technical assistance to LGPs to help increase participation in SCE and other utility and third party programs. Services may include but are not limited to energy audits, engineering calculations, reports and inspections. SCE will work with its LGPs and their LG participants to match existing core utility programs to LG constituencies and to develop marketing strategies designed to effectively engage targeted groups of high potential and hard-to-reach energy customers. The scope of assistance provided under any program will be determined by its structure. Typical assistance includes energy audits, cost-benefit analyses, energy project structuring, financing and incentives. One of the roles of the ELPP is to overcome barriers to adoption of EE and DR by both local governments and their constituents. Consequently, as barriers to viable projects are encountered, the ELPP may directly provide technical assistance needed to bridge gaps in Core and Third Party residential and business assistance programs.

The Core Program Coordination element brings resource and technical support from core IOU and third-party Programs to help local governments achieve their LGP goals for accelerating adoption of EE and RE by local government stakeholders and constituents. With information provided by SCE about how and where energy is used within their jurisdictions, local governments are able to participate in developing and/or delivering targeted messages about EE, DR and RE opportunities to their energy users.

Through Core Program Coordination element, the ELPP encourages and provides support to local governments through pre-approved Education & Outreach plans, in which local governments play a significant role in encouraging their residents and businesses to enroll in SCE and other clean-energy programs. The level of funding and other types of support provided to each LGP depend on the level of commitment and demonstrated ability to successfully implement their municipal facility and education and outreach plans.

It became clear during the partnership formation phase that local governments are very excited about this aspect of the ELPP. For the first time, local governments will have enough information about their constituents' energy use to engage targeted groups of residents and businesses in meaningful dialogues about their roles in reducing the local governments' energy use and carbon footprint, and the types of IOU and other programs available to assist them in achieving these reductions.

In fact, it is Core Program Coordination that creates a true partnership among SCE and LGs and connects LGs and their constituents to rebates, incentives, education, and other services not directly funded by partnership PGC funds. It is through this element that DR is integrated into the program and the California Solar Initiative (CSI), Self Generation Incentive Program (SGIP), Codes and Standards support and Sustainable Communities offerings are coordinated. The ELPP empowers local governments to play a visible role in influencing the behavior of their constituents through a comprehensive and diverse portfolio of education and outreach collateral, media, and events that will help local governments to deliver important information about energy, climate, and environmental responsibility directly to their constituents. This is an important role for government leaders. For SCE, having the local governments themselves co-brand and deliver information about energy offerings and incentive programs significantly increases the effectiveness and cost-effectiveness of the entire portfolio. In short, through Core Program Coordination element, the local governments themselves will help to identify and engage targeted energy customers residing in their jurisdictions, increasing participation in IOU Core and third-party Programs.

The ELPP will fund LGP education and outreach plans and strategies, including the costs of approved collateral, media and events. All other costs relating to EE, DR, and RE technical support (for example, audits and reviews, financial incentives, on-bill financing, etc.) provided to residents, businesses, and other stakeholders such as developers who enroll in core and third-party Programs through the ELPP, will be funded by the respective programs. Energy savings resulting from Core Program Coordination element will be recorded and reported by the appropriate programs.

This discussion is below followed by a diagram that illustrates the Core Program Coordination Process (Figure 16).

Sub-Element C1 - Outreach and Education

Local governments know their constituents and understand the needs of their communities. They are thus perfectly positioned and well-qualified to conduct effective outreach and education about cleaner energy and GHG reduction for their residents and businesses. The ELPP will help LGPs and their participating local governments develop a portfolio of educational activities and schedule energy audits and training for their communities. Existing curricula and SCE's

training centers will be used, but may be supplemented or tailored as needed to meet the unique needs of a particular local government's residents and/or businesses.

Sub-Element C2 - Residential and Small Business Direct Install

The ELPP's role is to leverage participating local governments' unique relationships and access to their residents and businesses to provide targeted information about SCE's residential and small business direct install programs, and to increase enrollment, especially among hard-to-reach sectors. The local governments will accomplish this through the approved education and outreach plans that include a variety of media and events through which targeted energy customers will be engaged. The local governments will also obtain the assistance of community organizations and leaders, including local chambers of commerce, Rotary and other clubs, and community-based organizations in engaging targeted customers.

Sub-Element C3 - Third Party Program Coordination

The ELPP will serve as a point of coordination among LGPs, local governments, and third-party programs that will be supporting community energy projects. As noted previously, Sub-Element C3 will also coordinate between local governments and third-party programs as needed to support Government Facilities energy programs.

Third-party program contractors providing resident and small business direct installations will be coordinated through the ELPP in a manner that assures efficient, cost-effective geographic coverage.

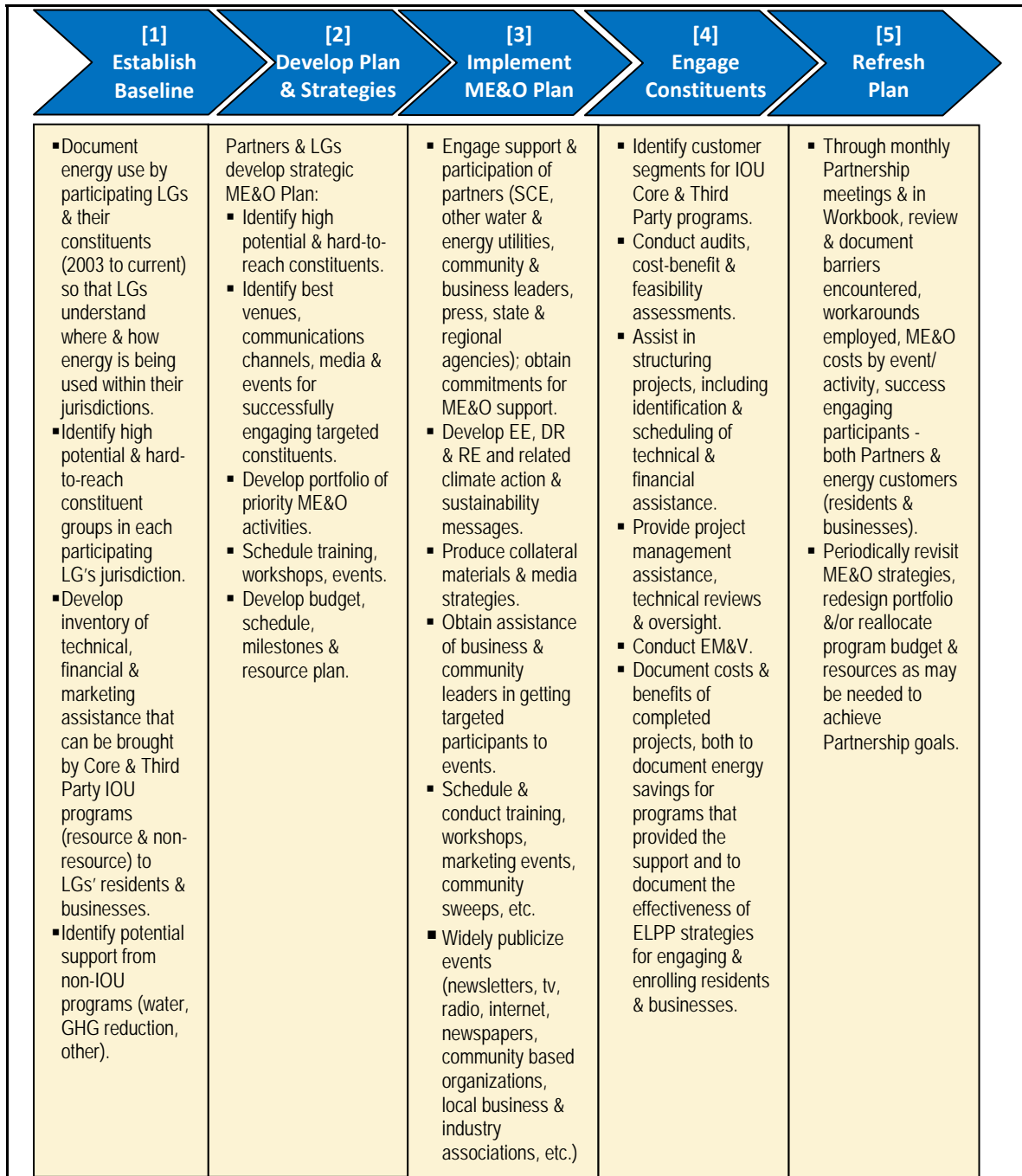
Sub-Element C4 - Retrofits for Just-Above LIEE-Qualified Customers

Once identified by the participating local governments, qualified customers will be served through a collaborative effort that uses existing LIEE program implementers for customer site evaluation and retrofit services. LIEE contractors will visit the homes of customers who failed to qualify for LIEE services, either because their income level was above the LIEE income guidelines. Under this sub-element, LIEE contractors will be able to serve these customers.

Sub-Element C5 – Technical Assistance

The ELPP will provide technical assistance to LGPs to conduct audits, create engineering calculations and reports, and perform inspections for community energy projects. The technical services are described more fully in previous sections of this PIP. The following diagram, Figure 16, illustrates the key components in program implementation.

Figure 16. Core Program Coordination Process



5.C Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3.C – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4.C – Refer to the overarching program for market transformation metrics

c) Program Design to Overcome Barriers

Following is a list of the primary barriers to implementation of Core Program Element C – Core Program Coordination and the strategies that the ELPP will use to overcome these barriers.

Figure 17: Barriers and Strategies – Core Program Coordination

Primary Barriers	Strategies to Overcome Barriers
<p>Most local governments do not have sufficient information about how and where energy is used in their communities, and have been unable to play a meaningful role in developing and implementing strategies to increase their constituents’ adoption of EE, DR, & RE. Consequently, local governments have not been fully vested in energy programs targeting their communities.</p>	<p>SCE’s ELPP provides current and historical energy information for the local governments themselves and for their communities, empowering local governments for the first time to play a significant direct role in identifying high energy users within their jurisdictions and encouraging these constituents to help reduce the local governments’ energy consumption & carbon footprints.</p>
<p>In addition, while their constituents may have fully supported the local governments’ energy, climate action and sustainability goals, they may not have understood the importance of their own role in helping achieve these local governments’ goals.</p>	<p>Through the ELPP, local governments also assume a major role in communicating the economic, environmental, and societal benefits of their constituents’ participation to their constituents, and providing information about IOU and other sources of technical and financial assistance.</p>
<p>Most small- to mid-sized energy customers do not have the expertise and resources needed to implement energy projects.</p>	<p>The ELPP will bring comprehensive technical and financial assistance to local governments’ residents and businesses through a “one-stop shopping” approach that significantly simplifies the decision to enroll in an energy program and streamlines the implementation process.</p>

Primary Barriers	Strategies to Overcome Barriers
Furthermore, the current economic climate has increased concerns by both local governments and their constituents about economic costs and risks.	The ELPP's comprehensive package of technical assistance, incentives, and on-bill financing is expected to be effective in overcoming many implementation barriers in the residential and business sectors.

d) Quantitative Program Targets

Table 5.C

Program/Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
Target #1 Community Outreach- : Estimated number of events (including sweeps) *	72	144	216

6.C Other Program Element Attributes

a) Best Practices

This program element incorporates lessons learned from multiple sources. For example, KEMA's 2007 Process Evaluation recommendations of Government partnerships concluded that several models are effective in delivering energy savings. Regional approaches can be successful in addressing larger markets. Community-based direct install campaigns can be effective in delivering services to small business communities while leveraging local government resources such as local Chambers of Commerce. Close coordination with Core and third-party programs is integral for success.

b) Innovation

This program is unique in that this is the element that creates a true partnership among SCE, its partners and local government participants.

Element C puts the local governments squarely into the energy and climate action leadership role for their respective jurisdictions in a very highly visible way. The local governments appreciate being supported in this role, and with modest assistance, ascend naturally into the lead role. Having the local governments themselves assume the leadership role, delivering information about Core and third-party energy programs to their constituents, significantly increases the strength and credibility of the ELPP's energy messages, thereby increasing both the effectiveness and cost-effectiveness of the entire SCE portfolio.

With input from SCE about how and where energy in their jurisdictions, LGPs and their participating local governments develop their own strategic communications plans. The ELPP helps them identify high-potential opportunities for cost-effective

energy savings, address barriers, share best practices, and allocate resources efficiently. LGPs will use their unique education and outreach channels to inform their customers about energy savings opportunities and share best practices among their participating local governments. The ELPP will support the LGPs through technical assistance, including energy audits, project management, and strategic resource management approaches at the community level.

Through the ELPP, local governments are empowered to assumed leadership in energy and GHG reduction, not just for their own facilities, but for energy users throughout their entire jurisdiction.

c) Interagency coordination

This sub-element requires strong coordination among LGPs, local governments, utility programs, third parties and their subcontractors, and other involved service providers. In addition, the local governments' education and outreach plans rely heavily on effectively engaging the assistance and participation of multiple key constituent groups, such as residents, small business, chambers of commerce, Rotary clubs, non-profits, and other community-based organizations. Since local governments intend to leverage local community events as strategic venues for delivering their cleaner energy and GHG reduction messages, other types of initiatives (for example, Earth Day) will also be engaged.

d) Integrated/coordinated Demand Side Management

Through Element C, fully integrated and comprehensive cleaner energy services will be brought to local government constituents. While EE and DR are the primary objectives of the ELPP, consistent with the Strategic Plan goal of a zero-net-energy and low-carbon future, the ELPP will also provide information to local governments and their constituents about RE. The IOU's have identified integrated Demand Side Management (IDSM) as an important priority. As a result they have proposed the establishment of a Statewide Integration Task Force (Task Force). SCE's local government partnerships will monitor the progress of the statewide IDSM efforts and work closely with the Task Force to identify comprehensive integration approaches and to implement best practices.

e) Integration across resource types (energy, water, air quality, etc.)

By preparing Climate Action Plans (see Element B – Strategic Support and Sub-Element B2 – Reach Code Support), local governments will be encouraged to adopt aggressive cleaner energy and climate action goals for themselves and for their communities. While the primary focus of the ELPP is on cleaner energy and its substantial role in AB 32 compliance, other complementary sustainability initiatives (water efficiency, waste reduction, “smart” transportation, planning and land use, etc.) may be included in the participating local governments' Detailed Program Plans. ELPP will provide technical assistance to help local governments secure funding and technical assistance for elements not eligible for partnership funding.

f) Pilots

The ELPP does not currently plan to conduct any pilot projects, although the process of coordinating with core programs may present opportunities for local governments to participate in pilots, such as demonstrations of the benefits of advanced lighting, controls and other promising emerging technologies.

g) EM&V

Short surveys of LGP, third-party, and core program implementers and participants will be conducted to identify any coordination issues among the various portfolio program offerings and to decrease overlap. The incorporation of any recommendations stemming from these limited process evaluations will be examined in future process evaluations to ensure verify whether they are implemented and/or no longer valid. As part of the quality assurance activities, the ELPP managers will provide support for future impact evaluations by increasing documentation activities and creating an evaluation database. This database will be accessible to the CPUC and the IOUs, but not the public.

7. Partnership Program Advancement of Strategic Plan Goals and Objectives:

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
1-1: Develop, adopt and implement model building energy codes (and/or other green codes) more stringent than Title 24's requirements, on both a mandatory and voluntary basis; adopt one or two additional tiers of increasing stringency.	Core Program Element 2, Strategic Plan Support
1-2: Establish expedited permitting and entitlement approval processes, fee structures and other incentives for green buildings and other above-code developments.	Core Program Element 2, Strategic Plan Support
1-3: Develop, adopt and implement model point-of-sale and other point-of transactions relying on building ratings.	Core Program Element 2, Strategic Plan Support
1-4: Create assessment districts or other mechanisms so property owners can fund EE through city bonds and pay off on property taxes; develop other EE financing tools.	Core Program Element 2, Strategic Plan Support
1-5: Develop broad education program and peer-to-peer support to local gov't's to adopt and implement model Reac codes	Core Program Element 2, Strategic Plan Support
1-6: Link emission reductions from "reach" codes and programs to CARB's AB 32 program	Core Program Element 2, Strategic Plan Support

2-2: Dramatically improve compliance with and enforcement of Title 24 building code, and of HVAC permitting and inspection requirements (including focus on peak load reductions in inland areas).	Core Program Element 2, Strategic Plan Support
2-3: Local inspectors and contractors hired by local governments shall meet the requirements of the energy component of their professional licensing (as such energy components are adopted).	Core Program Element 2, Strategic Plan Support
3-1: Adopt specific goals for efficiency of local government buildings, including:	Core Program Element 1, Government Facilities
3-2: Require commissioning for new buildings, and re-commissioning and retro-commissioning of existing buildings.	Core Program Element 2, Strategic Plan Support
3-4: Explore creation of line item in local government budgets or other options that allow EE cost savings to be returned to the department and/or projects that provided the savings to fund additional efficiency.	Core Program Element 1, Government Facilities
3-5: Develop innovation Incubator that competitively selects initiatives for inclusion in local government pilot projects.	
4-1: Local governments commit to clean energy/climate change leadership.	Core Program Element 2, Strategic Plan Support
4-2: Use local governments' general plan energy and other elements to promote energy efficiency, sustainability and climate change.	Core Program Element 2, Strategic Plan Support
4-4: Develop local projects that integrate EE/DSM/water/wastewater end use	Core Program Element 1, Government Facilities
4-5: Develop EE-related "carrots" and "sticks" using local zoning and development authority*	Core Program Element 2, Strategic Plan Support

* Strategy is 1-7 in the September 2008 (final) version of the Strategic Plan.

Also see Individual Local Government PIPs.

Energy Leader Partnership Program

Figure 17: List of SCE's Local Government Partnerships Energy Leader Levels

Partnership	City/County Name	Energy Leader Level
Market Sector Programs		
Local Government Partnerships	City/County	
City of Beaumont Energy Leader Partnership		
	Beaumont	Value
Community Energy Leader Partnership		
	Brea	Value
	Cathedral City	Value
	Corona	Value
	Hermosa Beach	Value
	Irvine	Value
	Moreno Valley	Gold
	San Bernardino	Value
	Santa Clarita	Silver
	Santa Monica	Value
Desert Cities Energy Leader Partnership		
	Desert Hot Springs	Value
	Indian Wells	Value
	Palm Springs	Silver
	Rancho Mirage	Value
Eastern Sierra Energy Leader Partnership		
	Bishop	Value
	Inyo County	Value
	Mammoth Lakes	Value
	Mono County	Value
Kern County Energy Leader Partnership		
	California City	Value
	Delano	Value
	McFarland	Value
	Tehachapi	Value
	Kern County	Value
City of Long Beach Energy Leader Partnership		

Partnership	City/County Name	Energy Leader Level
Market Sector Programs		
Local Government Partnerships	City/County	
	Long Beach	Value
Orange County Cities Energy Leader Partnership		
	Costa Mesa	Value
	Huntington Beach	Value
	Fountain Valley	Value
	Westminster	Value
City of Redlands Energy Leader Partnership		
	Redlands	Value
City of Ridgecrest Energy Leader Partnership		
	Ridgecrest	Value
San Gabriel Valley Energy Leader Partnership		
	Alhambra	Value
	Azusa	Value
	Arcadia	Value
	Baldwin Park	Value
	Bradbury	Value
	Claremont	Value
	Covina	Value
	Diamond Bar	Value
	Duarte	Value
	El Monte	Value
	Glendora	Value
	Industry	Value
	Irwindale	Value
	La Canada-Flintridge	Value
	La Puente	Value
	La Verne	Value
	Monrovia	Value
	Montebello	Value
	Monterey Park	Value
	Pomona	Value

Partnership	City/County Name	Energy Leader Level
Market Sector Programs		
Local Government Partnerships	City/County	
	Rosemead	Value
	San Dimas	Value
	San Gabriel	Platinum
	San Marino	Value
	Sierra Madre	Value
	South El Monte	Value
	South Pasadena	Value
	Temple City	Value
	Walnut	Value
	West Covina	Gold
San Joaquin Valley Energy Leader Partnership		
	Exeter	Value
	Farmersville	Value
	Hanford	Value
	Lindsay	Value
	Porterville	Value
	Tulare	Value
	Tulare County	Value
	Visalia	Value
	Woodlake	Value
City of Santa Ana Energy Leader Partnership		
	Santa Ana	Silver
South Santa Barbara County Energy Leader Partnership		
	Carpenteria	Value
	Goleta	Silver
	Santa Barbara	Value
	Santa Barbara County	Value
City of Simi Valley Energy Leader Partnership		
	Simi Valley	Value
South Bay Energy Leader Partnership		
	Carson	Value
	El Segundo	Value
	Gardena	Value

Partnership	City/County Name	Energy Leader Level
Market Sector Programs		
Local Government Partnerships	City/County	
	Hawthorne	Gold
	Hermosa Beach	Value
	Inglewood	Value
	Lawndale	Valued
	Lomita	Silver
	Manhattan Beach	Valued
	Palos Verdes Estates	Valued
	Rancho Palos Verdes	Valued
	Redondo Beach	Valued
	Rolling Hills	Valued
	Rolling Hills Estates	Valued
	Torrance	Valued
City of South Gate Energy Leader Partnership		
	South Gate	Valued
Ventura County Energy Leader Partnership		
	Camarillo	Valued
	Fillmore	Valued
	Moorpark	Valued
	Ojai	Valued
	Oxnard	Valued
	Port Hueneme	Valued
	Santa Paula	Valued
	Thousand Oaks	Valued
	Ventura	Valued
	Ventura County	Valued

Appendix A: Logic Model

The ELPP program is aligned with the Strategic Plan through activities that align with three Core Elements: Element A – Government Facilities, Element B – Strategic Plan Support, and Element C – Core Program Coordination. See the Master Logic Diagram.

Activities and Outputs

- **Government Facilities**

Activities under this Core Element include establishing partnerships with local governments and providing project management support and incentives. Establishing partnerships will result in formalized commitments, identification of energy use baselines, and establishment of corresponding incentive levels, and the development of a Detailed Program Plan to document activities associated with the partnership. Project support will result in the development and ranking of project inventories, the identification of available resources and gaps in required resources, and the timing of potential projects. Incentives will provide an opportunity for the ELPP to support projects financially.

- **Strategic Plan Support**

Activities under this Core Element include efforts designed to help local governments meet the Strategic Plan goals and strategies by providing workshops, webcasts, other training opportunities focused on improving code compliance, and opportunities for peer-to-peer collaboration, and encouraging dissemination of information. These opportunities are expected to inform partners of best practices, new developments, protocols, and training opportunities likely to improve local government energy and sustainability efforts, particularly in development and implementation of new policies, goals, codes, ordinances, plans and initiatives. These activities will result in peer-to-peer networking meetings, focused training opportunities, and improved collaboration.

- **Core Program Coordination**

Activities under this Core Element include integrating resources and technical support from other Core Programs and assisting local governments in marketing, education, and outreach efforts. Program coordination activities will result in partners and their constituents becoming more aware of other (non ELPP-funded) program opportunities, including: CSI, SGIP, Workforce Education and Training, Codes and Standards, and Sustainable Communities. Jurisdiction-specific energy use information will inform relevant and targeted marketing, education, and outreach, causing plans to be tailored to reach specific segments of Partner constituencies, and will result in community events, co-branded collateral, and targeted marketing and outreach plans.

- **Short-Term Outcomes (1-2 Years)**

The activities and outputs associated with establishment of partnerships and provision of technical and financial resources are expected to result in a variety of EE and DR projects that are scheduled, funded, and completed within the first 12-18 months of the program. As initial projects are completed, Partners are expected to identify subsequent projects and begin efforts to schedule and install these projects as possible.

The training, information and support activities and outputs designed to help local governments meet the goals and strategies identified in the Strategic Plan will

result in local governments equipped to adopt and implement specific policies, such as expedited permitting, transaction ratings, financing options, emissions reductions, “reach” codes, and improved code compliance.

The outputs associated with program coordination and marketing, education, and outreach assistance activities will influence constituents to participate in Core Programs in greater numbers and make EE investments or improvements at increasingly higher rates. Partner staff will become better informed and better able to advocate for EE within their jurisdictions.

- **Medium Term Outcomes (2-4 Years)**

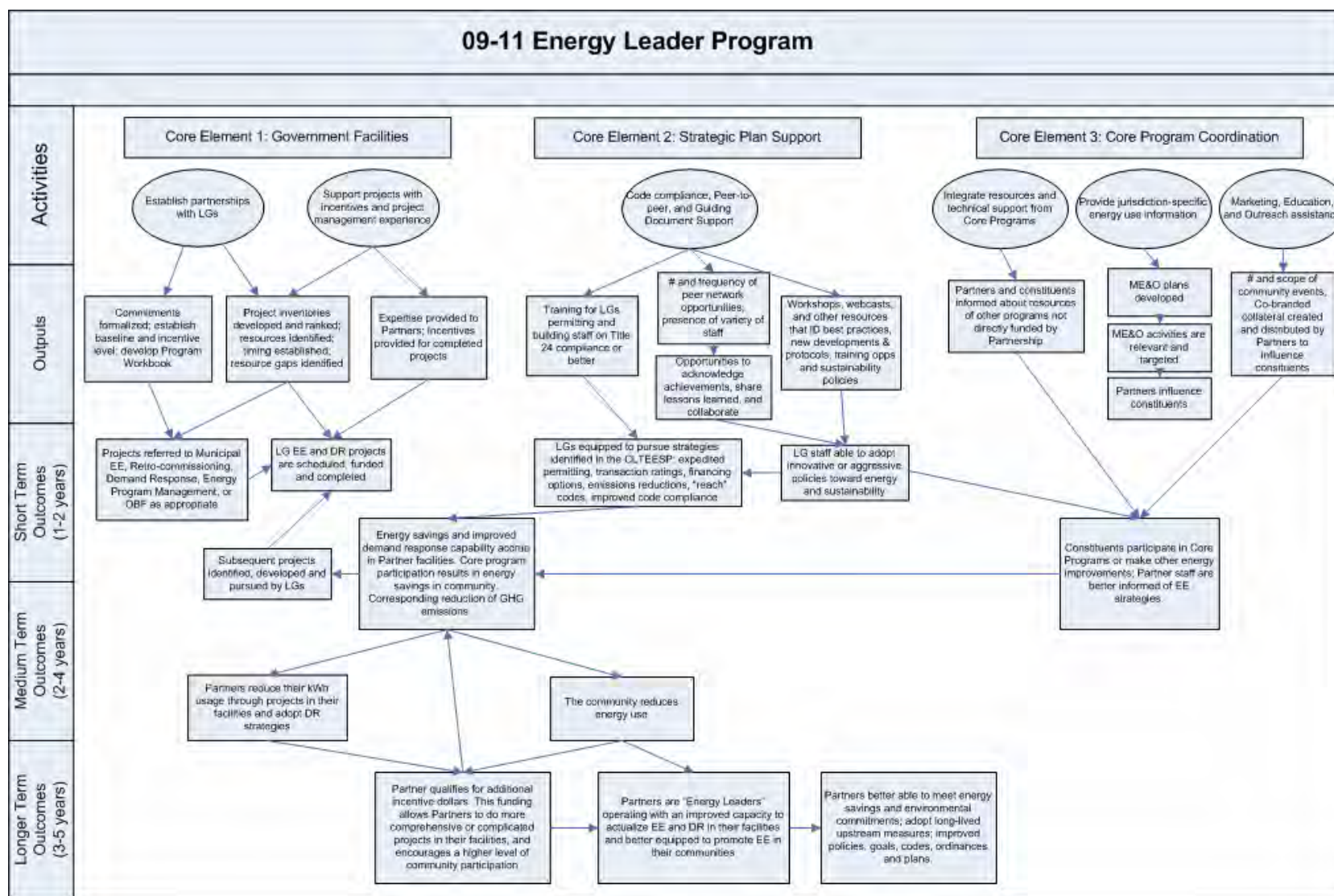
ELPP-sponsored projects are expected to result in documented energy savings and DR capability in Partner facilities. Improved awareness of EE programs and opportunities on the part of constituents, combined with motivation resulting from effective marketing, education, and outreach activities, will increase Core Program participation and result in energy savings throughout the community. Greenhouse gas reductions and other environmental benefits should also accrue to partners as the effects of more aggressive policies, “reach” codes, and sustainability-related ordinances take effect.

- **Long Term Outcomes (3-5 Years)**

ELPP-sponsored projects and outreach activities will result in levels of energy savings, DR capability, and community participation in Core Programs sufficient to qualify partners for additional incentive dollars, which are expected to facilitate more comprehensive or complicated projects in Partner facilities and to encourage even higher levels of community participation.

Ultimately, partners will become “Energy Leaders” and operate with an improved capacity to actualize EE and DR projects in their facilities and promote EE and sustainability within their communities. Partners will adopt long-lived upstream measures and become better able to meet energy savings and environmental commitments.

Energy Leader Partnership Program



1. Program Name: City of Long Beach Energy Leader Partnership

2. Projected Program Budget Table

Table 1 – Refer to Table 1 in ELPP Master PIP.

3. Projected Program Gross Impacts Table

Table 2 – Refer to Table 2 in ELPP Master PIP.

4. Program Element Description and Implementation Plan

a) List of Program Elements

The three core program elements are similar to those identified in the Energy Leader Partnership Program (ELPP) Master Program Implementation Plan (PIP): Element A - Government Facilities, Element B - Strategic Plan Activities and Element C - Core Program.

b) Overview

For more than a decade, the City of Long Beach (City) has placed a priority on efforts to achieve energy savings in its 132 facilities comprising approximately 1.9 million square feet. The City will continue to achieve increased energy efficiency in municipal facilities through a series of well defined efforts, including through the 2009-2011 City of Long Beach Energy Leader Partnership between the City and Southern California Edison (SCE).

Core Program Element A - Government Facilities

A.1) Retrofit of municipal facilities

The City has identified specific municipal facilities for retrofit under this partnership and will execute them during the 2009-2011 program cycle. The partnership will continue to audit municipal facilities and explore opportunities for retrofitting. In addition to energy efficiency retrofits, the city is considering greater participation in SCE's Solar Photovoltaic Program, radiant barriers and other passive cooling devices. The partnership will facilitate access to additional energy services and funding not provided for in the partnership budget (for example, by SCE core programs).

A.2) Retro-commissioning (of buildings or clusters of buildings)

The City will partner with SCE to conduct retro-commissioning audits of eligible municipal facilities.

A.3) Integrating Demand Response into the audits

The Long Beach City Hall and the Convention Center are currently participants in Demand Response programs offered by SCE, including the Summer Discount Plan and Time-of-Use Base Interruptible Program. The City will pursue participation in

these programs at additional City facilities, as Demand Response participation is required by the Energy Leader Model. The partnership will provide integrated audits that will yield recommendations for energy efficiency, as well as demand response actions in eligible buildings.

A.4) Technical assistance for project management, training, audits, etc.

See the ELPP Master Program Implementation Plan (PIP) for an explanation of how SCE provides technical assistance to overcome technical and information barriers faced by the city in implementing energy efficiency programs. Appropriate support will be provided to accomplish energy efficiency savings goals.

A.5) On-bill financing

See the ELPP Master PIP. The City will participate in SCE's on-bill financing offering.

Core Program Element B - Strategic Plan Support

B.1) Code Compliance Support

The partnership will conduct energy code training and other energy training targeted to meet the needs of the region. Workshops will target plan checkers, inspectors and building trade professions in the City of Long Beach.

B.2) Reach Code Support

The partnership will explore meaningful CEC-approved Reach codes as part of its effort to add value to energy efficiency in alignment with the strategies stated in the Master PIP. This activity will follow the proposed path described in the Codes & Standards PIP.

In addition, the following applies to this partnership:

- Environmentally Preferable Procurement Policy & Program: In 2003, the City adopted an Environmentally Preferable Procurement Policy, which encouraged purchasing of energy efficient products in order to conserve natural resources, materials and energy. The City will partner with SCE to continue to strengthen and expand this program to capture additional energy efficiencies.
- Green Building Policy for Municipal Buildings: In 2003, the City adopted a Green Building Policy for Municipal Buildings, which states that all new construction of municipally owned and operated buildings, will meet the Leadership in Energy and Environmental Design (LEED) standard. The partnership will support the City's plans as follows:
 - (1) Facilitate support from the Sustainable Communities, Codes and Standards and New Construction Programs, as appropriate.
 - (2) Provide guiding templates and other support need for the City to implement a Green Building selection criteria for Requests for Proposal (RFPs).

- Savings-by-Design in Public Buildings: The City’s Green Building Policy for Municipal Buildings calls for all future planned facilities to be constructed to LEED standards. The partnership will support implementation of this policy with technical assistance incentives and a requirement that all new buildings participate in the ‘Savings By Design program.
- Savings-by-Design in Private Development: The partnership will support the City in the implementation of a similar policy for private development.

B.3) Guiding Document(s)

The City of Long Beach is engaging greenhouse gas emissions inventory and reduction strategies. The City has joined the Climate Registry and the California Climate Action Registry in order to be better equipped to respond and adapt to climate change. Long Beach’s participation in the Climate Registry as a Founding Report will provide an established framework and a clear and consistent reporting mechanism to track greenhouse gas emissions. The partnership will support the City’s creation of an Energy Action Plan in accordance with the Sustainable City Plan that will demonstrate the City’s commitment to sustainability and greenhouse gas emissions. Through the ELPP model, Partnership activities will reach into communities to provide information and opportunities for energy actions, reducing the City’s environmental footprint and furthering the goals of AB 32 and the Strategic Plan.

B.4) Financing for the community

The partnership also recognizes the financial barrier that communities face in the attempt to implement energy actions, and will investigate AB 811 as a way to overcome this barrier. The partnership will provide information on AB 32, as well as best practices and templates from the City of Palm Desert Pilot Demonstration Partnership. See the ELPP Master PIP.

B.5) Peer-to-Peer Support

This partnership will participate in SCE’s service territory-wide conferences and conference calls designed to help each partnership learn best practices from one another. In addition, the partnership will share best practices and successes as a result of its own activities with other local governments.

Core Program Element – Core Program Coordination

C.1) Outreach & Education

In addition to the Outreach and Education strategies featured in the ELPP model and to support the City’s intent to lead the community by example, this partnership will pursue the following additional activities. Also see the ELPP Master PIP for additional information.

- Employee Energy Efficiency Campaign: The City of Long Beach previously launched an Employee Energy Efficiency Campaign to City employees in order to optimize energy usage in City buildings, as well as to create messages and incentives that will bring about a culture of change and conservation citywide. The partnership will support

information and outreach materials that address employee use of lighting, heating/air conditioning, computers, equipment, and paper products in the office and at home.

Educational materials such as brochures, posters and new-employee training video will be distributed to City employees. Employees will be encouraged to disseminate program information to family, relatives and friends to promote participation in the program. It is expected that City leadership, department heads and City employees will proactively contribute to the implementation of energy efficiency, demonstrating the City's commitment and desire to lead by example as described in the Strategic Plan.

- Energy Efficiency Website: The partnership will create a custom energy efficiency website that showcases the SCE programs and offerings to the community and provides links to SCE's website and other websites (Flex Your Power, CEC, LEED, ENERGYSTAR, etc.).
- Green Workforce Development: The partnership will work with the City's Economic Development Division and Pacific Gateway Workforce Investment network division to explore opportunities for green workforce development, such as offering training in energy audits and retrofits. In addition, the partnership will coordinate with SCE's Workforce Education and Training Program.

C.2) Residential and Small Business Direct Install

The partnership will focus on SCE's existing direct install programs within the City of Long Beach. SCE's non-residential direct install program installs lighting and other measures to small business customers. If the area has not yet been served or if large pockets of un-served customers exist, the partnership will co-brand marketing and outreach and assist in the deployment of the program to those customers.

C.3) Third-party program coordination

The partnership will coordinate with SCE core and third-party programs as needed, based on the City's energy use profile outlined in the ELPP Master PIP. The partnership will promote Operation Lamp Exchange, an energy efficiency program that allows residential customers of SCE to exchange inefficient halogen and incandescent light fixtures for new, ENERGY STAR labeled lamps.

C.4) Retrofits for just-above LIEE-qualified customers

See the ELPP Master PIP.

C-5) Technical assistance for program management, training, audits, etc.

- Citizen Education Activities: The partnership will work with appropriate City staff to plan and implement community outreach events. The City will invite SCE to place booths at all appropriate City and community events and will promote available incentives, 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.

- **Green Building, Solar Installation & Energy Efficiency Training:** Training will be provided to city staff on energy efficient building procedures, materials and design strategies, solar installation techniques and energy efficiency installation techniques.

c) Non-incentive services

The partnership will build a ME&O portfolio of activities to increase community enrollment in energy core programs. The portfolio will include other SCE services, resources, and assets brought to support the ME&O Plan, including:

- Mobile Energy Unit;
- SCE's Account Manager/Executive support;
- SCE's Customer Technology Application Center (CTAC) training;
- SCE's Speakers Bureau;
- Providing limited giveaways (*for example*, opportunity drawings and free CFLs); and
- Providing marketing, design, and printing of brochures and other collateral materials.

d) Target audience

See the ELPP Master PIP. Target audiences include Long Beach's municipal facilities, especially older buildings such as libraries and public safety stations. The City currently has a \$570M infrastructure upgrade need. Business and residential communities will be targeted with information, outreach, including community sweeps, and education.

e) Implementation

See the ELPP Master PIP for implementation for each core program element.

5. Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3 – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4 – Refer to the overarching program for market transformation metrics.

c) Program Design to Overcome Barriers

See the ELPP Master PIP. This partnership faces the traditional barriers of available expertise to identify projects, technical assistance to support implementation, and funding. The Energy Leader Partnership Program addresses these barriers and supports the city's role as identified in Strategic Plan.

d) Quantitative Program Targets

The City of Long Beach hopes to achieve Energy Leader Silver Level status during the 2009-2011 program cycle, achieving 5% savings in Partner facilities and community-wide, which will trigger premium incentives. The City already has at least one facility that has participated in a DR program.

Table 5

Program Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
kWh	TBD	TBD	TBD
Number of Workshops	2	6	10
Number of Ordinances, Codes, etc.	0	0	0
# of ME&O Events conducted that target Residential customers	2	4	6

6. Other Program Element Attributes**a) Best Practices**

See the ELPP Master PIP.

b) Innovation

- **Sustainable City Action Plan**: The City has created an 11-member Sustainable City Commission, responsible for developing and overseeing the implementation of a Sustainable City Action Plan. (This plan is still in its draft form and is targeted to go before the Long Beach City Council in July/August 2009). The Sustainable City Action Plan has seven sections: Energy, Buildings & Neighborhoods, Waste Reduction, Transportation, Urban Nature, Water and Eco Products & Services. Each section includes goals and actions related to this partnership and more broadly to energy efficiency, alternative energy and other elements of sustainability. Some examples of proposed goals include: Reduce greenhouse gas emissions from City facilities and operations by 15% by 2020; reduce electricity use in City operations by 25% by 2020; and reduce community electricity use by 15% by 2020. The partnership will support the City's goals in furtherance of the Strategic Plan, AB 32, the Governor's Green Building initiative and other mandates. The partnership will also support the establishing of baselines and tracking efforts.
- **Green Business Designation**: A Green Business Designation/Program will be a multi-faceted program to reward "green" businesses based on a variety of criteria including energy efficiency, solar energy, retrofits and energy efficiency products.

Providing incentives rather than regulations for businesses to voluntarily participate in green practices material is intended to stimulate Long Beach's "green" economy and advance the Strategic Plan. The partnership will be instrumental in facilitating the support of this and other applicable SCE programs and offerings for activities not eligible for partnership funding.

c) Interagency coordination

- **Green Workforce Development**: The partnership will work with the City's Economic Development Division and Pacific Gateway Workforce Investment network division to explore opportunities for green workforce development, such as offering training in energy audits and retrofits or actively recruiting green companies to participate in its existing training and employment programs.
- **Green Business Designation**: As described previously in Item 6b (Innovation), a Green Business Designation/Program will be supported by the partnership. Partners in the Green Business Program will include the Long Beach Convention & Visitor's Bureau, the local Chamber of Commerce and others.

d) Integrated/coordinated Demand Side Management

See the ELPP Master Program PIP.

e) Integration across resource types (energy, water, air quality, etc.)

This partnership has not identified many resource integration opportunities. However, energy efficiency in water operations will be pursued, as stated in the ELPP Master PIP.

f) Pilots

The Solar Demonstration Program is a pilot program. The partnership will support the city's exploration of vacant city-owned lots to implement interim green uses such as developing solar, wind or landscaping pilot projects or planting trees to reduce the urban heat island effect. Partnership will facilitate coordination with the California Solar Initiative and other applicable programs to provide funding and technical support not provided for in the partnership budget.

g) EM&V

This partnership will use tracking tools and processes provided by the Energy Leader Partnership to ensure program effectiveness. See the ELPP PIP for more information.

7. Partnership Program Advancement of Strategic Plan Goals and Objectives

Table 6

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
1-1: Develop, adopt and implement model building energy codes (and/or other green codes) more stringent than Title 24's requirements, on both a mandatory and voluntary basis; adopt one or two additional tiers of increasing stringency.	All future planned municipal facilities will be constructed to LEED standards and participate in Savings By Design. The City is in the process of completing Green Building Requirements for Private Development and will implement a permanent green building policy for private development.
1-2: Establish expedited permitting and entitlement approval processes, fee structures and other incentives for green buildings and other above-code developments.	
1-3: Develop, adopt and implement model point-of-sale and other point-of transactions relying on building ratings.	
1-4: Create assessment districts or other mechanisms so property owners can fund EE through city bonds and pay off on property taxes; develop other EE financing tools.	
1-5: Develop broad education program and peer-to-peer support to local governments to adopt and implement model reach codes	
1-6: Link emission reductions from "reach" codes and programs to CARB's AB 32 program	
2-1: Statewide assessment of local government code enforcement and recommendations for change	

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
2-2: Dramatically improve compliance with and enforcement of Title 24 building code, and of HVAC permitting and inspection requirements (including focus on peak load reductions in inland areas).	Energy Code Training: The partnership will conduct energy code training and other energy training targeted to meet the needs of the region. Workshops will target city personnel, and the trades. .
2-3: Local inspectors and contractors hired by local governments shall meet the requirements of the energy component of their professional licensing (as such energy components are adopted).	
3-1: Adopt specific goals for efficiency of local government buildings, including: See Paragraph 1a.	
3-2: Require commissioning for new buildings, and re-commissioning and retro-commissioning of existing buildings.	The partnership will conduct retro-commissioning audits of applicable municipal facilities.
3-3: Improve access to favorable financing terms that create positive cash flow from energy efficiency/DSM savings	
3-4: Explore creation of line item in local government budgets or other options that allow EE cost savings to be returned to the department and/or projects that provided the savings to fund additional efficiency.	
3-5: Develop innovation Incubator that competitively selects initiatives for inclusion in local government pilot projects.	
4-1: Local governments commit to clean energy/climate change leadership.	Sustainable City Plan and Commission; Energy Action Plan. Energy Leader Partnership
4-2: Use local governments' general plan energy and other elements to promote energy efficiency, sustainability and climate change.	

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
4-3: Statewide liaison to assist local governments in energy efficiency, sustainability and climate change	
4-4: Develop local projects that integrate EE/DSM/water/wastewater end use	
4-5: Develop EE-related “carrots” and “sticks” using local zoning and development authority	<p>The City will provide lower-cost expedited plan check for buildings that are LEED-compliant and zoning incentives, such as a FAR bonus or reduced parking requirements, for projects that incorporate sustainable design and energy efficiencies.</p> <p>Mayor’s Award for Green Building Design Excellence to encourage the private and public sector to build efficiently and sustainability.</p>

1. Program Name: City of Santa Ana Energy Leader Partnership

2. Projected Program Budget Table

Table 1 – Refer to Table 1 in ELPP Master PIP.

3. Projected Program Gross Impacts Table

Table 2 – Refer to Table 2 in ELPP Master PIP

4. Program Element Description and Implementation Plan

The City of Santa Ana Energy Leader Partnership began in 2008 as a pilot to model SCE's new Energy Leader model. This PIP represents a three year continuation of an effort whose first year's activity proved very successful.

Santa Ana is the most populous city in Orange County, California, and serves as its county seat. In addition to being part of the second largest metropolitan area in the United States – with neighboring cities Los Angeles and Long Beach - , the City of Santa Ana has shown great initiative in conservation of natural resources and energy. The City of Santa Ana encourages its residents to live sustainably and has already partnered with multiple local and national organizations to bring about change in the way residents consume resources. With influence over almost thirteen million people in the Los Angeles–Long Beach–Santa Ana area, the City of Santa Ana stands out as a leader in sustainable living.

The City of Santa Ana Energy Leader Partnership is one of 18 partnerships in SCE's Energy Leader Partnership Program (ELPP). The ELPP provides a fully integrated portfolio of comprehensive technical and financial assistance to local governments that is specifically structured to overcome the primary barriers to energy efficiency adoption by local governments so that they can help implement the goals and strategies identified in the Strategic Plan. The ELPP is described in detail in the Master PIP. The purpose of this sub-program PIP is to describe elements that this individual Local Government partnership has committed to as well as any unique features of this partnership; thus, several of the items below may be marked “n/a” or “See the ELPP Master PIP.”

a) List of Program Elements

The three core program elements are similar to those identified in the ELPP Master PIP: Element A - Government Facilities, Element B - Strategic Plan Activities and Element C - Core Program Coordination.

b) Overview

The Santa Ana Energy Leader Partnership (SAELP) Program is an existing local government partnership and will be transitioning into SCE's Energy Leader

partnership portfolio. Santa Ana piloted this model at the Silver level throughout 2008.

The partnership will further SCE's goals for local governments in keeping with the goals and objectives of the Strategic Plan and will demonstrate leadership in its community by retrofitting municipal buildings and adopting supporting policies consistent with the commission's sustainability goals. The partnership will assist and facilitate residents, businesses and city officials in understanding, managing, and reducing energy use and costs. It will position the partners as energy leaders, connecting the community with best practices and opportunities to take action to save energy, money and the environment.

Core Program Element A – Government Facilities

A.1) Retrofit of municipal facilities

The City of Santa Ana Energy Leader Partnership will help coordinate retrofits of municipal facilities, including HVAC, both indoor and outdoor lighting, and a planned solar element project in support of the California Solar Initiative (CSI).

A.2) Retro-commissioning (of buildings or clusters of buildings)

Eligible municipal buildings will be considered for retro-commissioning and monitoring-based commissioning as they are identified.

A.3) Integrating Demand Response into the audits

The City of Santa Ana is currently implementing a Demand Response component in the current retrofit projects. A DR/EE audit will be conducted for eligible facilities and recommendations implemented as feasible. See the ELPP Master PIP for more on this section.

A.4) Technical assistance for project management, training, audits

The partnership will provide technical assistance to overcome barriers to the implementation of energy efficiency retrofits as identified in the ELPP Master PIP.

A.5) On-bill financing

On-bill financing will not be available at the beginning of the program cycle. However, it may be added in the future, as each city and county in the partnership has indicated an interest in using on-bill financing. In alignment with the Strategic Plan's emphasis on leveraging financial tools to encourage action on efficiency, as well as guidance from the CPUC on financing, SCE will continue on-bill financing pilots and will assess expanding these services to both residential and non-residential markets in the future.

Core Program Element B - Strategic Plan Support

The Santa Ana Energy Leader Partnership will support a citywide strategic plan addressing energy efficiency, DSM, alternative energy and climate preservation and identify additional program opportunities in furtherance of the AB 32 and the goals and objectives of the Strategic Plan.

B.1) Code Compliance Support

The City of Santa Ana will consider shoring up Title 24 compliance and/or other code efficiency/compliance to the extent the City can remain business-friendly and competitive. The partnership will provide training for plan checkers, inspectors and personnel employed in the trades.

B.2) Reach Code Support

Although no Reach codes are planned at this time, the partnership will explore meaningful CEC-approved Reach codes as part of its effort to add value to energy efficiency in alignment with the strategies stated in the Master PIP. This activity will follow the proposed path described in the Codes & Standards PIP.

B.3) Guiding Document(s) Support

The partnership will provide support for development of a Sustainability Plan in line with the goals and objectives found in the Strategic Plan.

B.4) Financing for the community

The City of Santa Ana will explore implementing an AB 811 Funding Mechanism to encourage 200 residents and 50 businesses to invest in solar retrofits. The program, if implemented, will enable residents and businesses to repay loans via property tax bills. The partnership will provide technical assistance and facilitate peer-to-peer support.

B.5) Peer-to-Peer Support

The partnership is interested in providing and sharing best practices with other partnerships. SCE will arrange to have a representative from the City of Palm Desert provide guidance on how to set up an AB 811 funding program. The partnership and the city will determine how and to what extent such a program is applicable to its citizenry.

Core Program Element C – Core Program Coordination

The partnership will provide residents and business owners with comprehensive marketing and outreach, education and training opportunities take action to save energy, money and the environment. In addition, the program will act as a portal for all energy offerings, delivering information on demand response, self-generation, the California Solar Initiative (CSI), and low income programs, including California Alternative Rate for Energy (CARE). Please see description in the ELPP Master PIP.

C.1) Outreach & Education

The partnership will work with core programs to make a variety of public education materials for use in community outreach efforts, to be delivered at community events, through local schools municipal services bills, direct mail, and the partnership's webpage. The partnership plans to co-brand and promote core and third party programs as needed, based on analysis of the city's energy use profile. Higher energy-using or underserved segments will be provided with program information and opportunities to take action; for example, a Community sweep for the Appliance

Recycling program, Operation Lamp exchange and others. See other educational marketing and outreach strategies in the Master ELPP PIP.

C.2) Residential and Small Business Direct Install

The partnership will continue to include these programs in the 2009-2011 cycle as it did in the 2006-08 cycle.

C.3) Third-party program coordination

The City of Santa Ana Energy Leader Partnership has used third parties in the past and expects to continue to rely on them to support, and to every extent possible, achieve the community's greenhouse gas (GHG) reduction strategies and the goals and objectives of the Strategic Plan.

C.4) Retrofits for just-above LIEE-qualified customers.

There is no plan to consider this in the 2009 - 2011 program cycle.

C.5) Technical assistance for program management, training, audits

The partnership will provide training and information to the city and its community and will coordinate technical assistance, from other program as described in the ELPP Master PIP.

c) Non-incentive services

The partnership will build a ME&O portfolio of activities to increase community enrollment in energy core programs. The portfolio will include other SCE services, resources, and assets brought to support the ME&O Plan, including:

- Mobile Energy Unit;
- SCE's Account Manager/Executive support;
- SCE's Customer Technology Application Center (CTAC) training;
- SCE's Speakers Bureau;
- Providing limited giveaways (*for example*, opportunity drawings and free CFLs); and
- Providing marketing, design, and printing of brochures and other collateral materials.

d) Target audience

The partnership's principal target audiences are the City's municipal facilities. Facilities to be improved include city hall, its police facility, the Corporate Yard, the South West Senior Center, the Bowers Museum, the Transportation Center, Fire Stations 1 – 10, and a variety of city parks. The city has a history of investing in municipal facility energy efficiency upgrades that presently position the city at the Silver incentive level.

e) Implementation

See the ELPP Master PIP for details on how the three core elements will be implemented.

5. Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3 – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4 – Refer to the overarching program for market transformation metrics

c) Program Design to Overcome Barriers

Santa Ana has large Hispanic and Asian populations many of whom do not speak English. In addition, many of the city's residents are economically disadvantaged with 18% of the population living below the poverty line. These demographic characteristics are a significant barrier to energy efficiency. To address this barrier, the City is developing a strategy for the Partnership Program that utilizes an expansive multi-lingual approach to implement a variety of public education programs in both English and Spanish languages (and Vietnamese in targeted events).

This strategy will increase energy savings from customers who traditionally may not participate in energy efficiency programs to help combat the effects of climate change. Public education will be delivered at community events, through local schools and municipal services bills, via direct mail, and through the partnership's webpage. Training will be provided through business organizations such as the Greater Santa Ana Business Alliance, the Orange County Hispanic Chamber and/or the South Santa Ana Merchants Association.

e) Quantitative Program Targets

Table 5

Program Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
kWh	TBD	TBD	TBD
Number of Workshops	2	6	10
Number of Ordinances, Codes, etc.	0	0	0
# of ME&O Events conducted that target customers	2	4	6

6. Other Program Element Attributes

a) **Best Practices**

See the ELPP Master PIP.

b) **Innovation**

See the ELPP Master PIP.

c) **Interagency coordination**

See the ELPP Master PIP.

d) **Integrated/coordinated Demand Side Management**

See the ELPP Master PIP.

e) **Integration across resource types (energy, water, air quality, etc.)**

Santa Ana's integration activities include the rehabilitation of all of the City's groundwater wells and pump stations that were built before 1970 to bring their overall plant efficiencies to the industry standard of 65% or better. The partnership continues to look for further energy and water efficiencies in the delivery infrastructure of the city.

Opportunities for enhanced integration and including climate protection across resource types will be identified in the development of the city's Strategic Energy and Resource Protection Plan. The partnership will provide technical assistance and other support, especially as it relates to utility energy elements.

f) **Pilots**

Street Lighting & Full Implementation on Citywide Inventory: The partnership will implement a pilot program to evaluate the replacement of city-owned LS2 and LS3 street lights with LED street lights, if funding is available. The pilot will be targeted in distinct circuits in order to accurately evaluate energy efficiency and cost savings. Based on the energy savings achieved in this pilot, the partnership intends to expand the program to replace 1,000 city-owned LS2 and 270 LS3 street lights.

AB 811 Funding Mechanism and Energy Efficiency Enhancement: The purpose of this program is to encourage 200 residents and 50 businesses to invest in solar retrofits. The program will enable residents and businesses to repay loans via property tax bills. The partnership will provide technical assistance and facilitate peer-to-peer support.

g) **EM&V**

See the ELPP Master PIP

7. Partnership Program Advancement of Strategic Plan Goals and Objectives:

Table 6

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
1-1: Develop, adopt and implement model building energy codes (and/or other green codes) more stringent than Title 24's requirements, on both a mandatory and voluntary basis; adopt one or two additional tiers of increasing stringency.	This will be considered in the City's Strategic Energy and Resource Protection Plan. It will consider adopting codes at a level that will allow the city to remain business friendly and competitive.
1-2: Establish expedited permitting and entitlement approval processes, fee structures and other incentives for green buildings and other above-code developments.	This will be considered in the city's Strategic Energy and Resource Protection Plan.
1-3: Develop, adopt and implement model point-of-sale and other point-of transactions relying on building ratings.	
1-4: Create assessment districts or other mechanisms so property owners can fund EE through city bonds and pay off on property taxes; develop other EE financing tools.	Explore the applicability of an AB 811 Funding Mechanism and Energy Efficiency Enhancement pilot program,
1-5: Develop broad education program and peer-to-peer support to local governments to adopt and implement model reach codes	This will be considered in the city's Strategic Energy and Resource Protection Plan.
1-6: Link emission reductions from "reach" codes and programs to CARB's AB 32 program	This will be considered in the city's Strategic Energy and Resource Protection Plan.
2-2: Dramatically improve compliance with and enforcement of Title 24 building code, and of HVAC permitting and inspection requirements (including focus on peak load reductions in inland areas).	This item will be considered in the city's Strategic Energy and Resource Protection Plan.
2-3: Local inspectors and contractors hired by local governments shall meet the requirements of the energy component of their professional licensing (as such energy components are adopted).	This will be considered in the city's Strategic Energy and Resource Protection Plan.
3-1: Adopt specific goals for efficiency of local government buildings, including:	This will be considered in the city's Strategic Energy and Resource Protection Plan.

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
3-2: Require commissioning for new buildings, and re-commissioning and retro-commissioning of existing buildings.	This will be considered in the city's Strategic Energy and Resource Protection Plan. The city currently has no requirements but will provide assistance through the partnership.
3-4: Explore creation of line item in local government budgets or other options that allow EE cost savings to be returned to the department and/or projects that provided the savings to fund additional efficiency.	This will be considered in the city's Strategic Energy and Resource Protection Plan. The item will be considered but, due to the limitations of revenue and the budget crisis that the City is facing, this is a low priority.
3-5: Develop innovation Incubator that competitively selects initiatives for inclusion in local government pilot projects.	See ELPP Master Program Implementation Plan (PIP)
4-1: Local governments commit to clean energy/climate change leadership.	Development and implementation of a citywide Strategic Energy and Resource Protection Plan will reinforce the city's long standing position as an energy leader.
4-2: Use local governments' general plan energy and other elements to promote energy efficiency, sustainability and climate change.	This will be considered in the city's Strategic Energy and Resource Protection Plan.
4-4: Develop local projects that integrate EE/DSM/water/wastewater end use	This will be considered in the city's Strategic Energy and Resource Protection Plan.

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
<p>4-5: Develop EE-related “carrots” and “sticks” using local zoning and development authority</p>	<p>The city currently offers a program for Solar that waives a plan check, permit and inspection fees for systems that either produce energy or save natural resources.</p> <p>The Strategic Energy and Resource Protection Plan will identify additional opportunities or “carrots” using local zoning and development authority.</p> <p>“Carrots” outside of local zoning and development authority:</p> <p>Enhanced rebates to multi-family property owners to install efficient products such as lighting, refrigeration, and water heaters in common areas and dwelling units.</p> <p>Energy efficiency enhancement in conjunction with AB 811 solar project financing that will allow residents and businesses to repay loans through property tax liens.</p>

1. Program Name: City of South Gate Energy Leader Partnership

2. Projected Program Budget Table

Table 1 – Refer to Table 1 in ELPP Master PIP.

3. Projected Program Gross Impacts Table – By Calendar Year

Table 2 – Refer to Table 2 in ELPP Master PIP.

4. Program Element Description and Implementation Plan¹

The South Gate Partnership consists of one city in the central Los Angeles County area.

a) List of Program Elements

The three core program elements are those identified in the Energy Leader Partnership (Master) Program Implementation Plan (PIP): Element A – Government Facilities, Element B – Strategic Plan Activities, and Element C – Core Program Coordination.

b) Overview

The South Gate Energy Leader Partnership (SGELP) Program is a new local government partnership in SCE's Energy Leader Partnership portfolio. This program will further SCE's goals for local governments in keeping with the city's plan to demonstrate leadership in its community by retrofitting municipal buildings and supporting policies that will support the CPUC's sustainability goals. The partnership will assist and facilitate residents, businesses, and city government officials in understanding, managing, and reducing their energy use and costs. We will also position the city as leaders in the region in energy management practices.

Core Program Element A - Government Facilities

A.1) Retrofit of county and municipal facilities

In 2009, the City of South Gate will complete comprehensive energy efficiency retrofit in all municipal facilities. Potential opportunities for energy savings include but are not limited to: lighting, air conditioning, vending machines, and computer networks.

A.2) Retro-commissioning (of buildings and clusters of buildings)

The partnership intends to conduct retro-commissioning of municipal buildings, focusing on the identification of HVAC retrofit opportunities. Retro-commissioning

¹ Complete for each direct savings and non-resource program element. General text stating big picture principals is discouraged as is text that repeats from PIP to PIP. If the same approach is used in multiple partnerships, refer to the original text in a master PIP. Include in each subsequent PIP only information on how that element might vary due to climate zone, local dynamics, etc.

provides a whole-system approach to energy efficiency, resolving many chronic building problems and their associated energy wastes through low-cost or no-cost adjustments in existing systems.

A.3) Integrating Demand Response into the audits

The Energy Leader model for all SCE partnerships includes a requirement for participation in demand response programs. South Gate will be doing so, and to progress from the "Valued Partner" to the "Silver" level in the Energy Leader model, they will include a plan to increase its participation in demand response accordingly.

A.4) Technical Assistance for project management, training, audits

South Gate has a specific budget item for each of these elements.

A.5) On-bill financing (OBF)

On-bill financing will not be available at the beginning of the program cycle. However, it may be added in the future, as each city and county in the partnership has indicated an interest in using on-bill financing. In alignment with the Strategic Plan's emphasis on leveraging financial tools to encourage action on efficiency, as well as guidance from the Commission on financing, SCE will continue on-bill financing pilots and will assess expanding these services to both residential and non-residential markets in the future.

Core Program Element B - Strategic Plan Support

B.1) Code Compliance Support

The partnership is examining ways to increase compliance with existing codes. South Gate is aware that this is an area where increased enforcement can result in substantial energy savings.

B.2) Reach Code

The partnership will explore establishing meaningful CEC-approved Reach codes as part of its effort to add value to energy efficiency in alignment with the strategies stated in the ELPP Master PIP. This activity will follow the proposed path described in the Codes & Standards PIP.

B.3) Guiding Document(s) Support

The City of South Gate will, through the partnership, develop a Strategic Energy Plan that includes long- and short-term energy and sustainability objectives in line with the adopted Strategic Plan. For sharing with other cities, South Gate will make available to SCE any documents it develops that support the execution of its partnership activities. Likewise, SCE intends to make documents and best practices available to help South Gate and other cities develop and improve their energy efficiency practices.

B.4) Financing for the community

The city will not be in a position to offer such financing. However, it is aware of the opportunities for financing provided by AB 811 and will explore the possibilities it represents to the partnership.

B.5) Peer to Peer Support

South Gate will participate in SCE sponsored Peer-to-Peer events.

Core Program Element C - Core Program Coordination**C.1) Outreach and Education**

The partnership has specifically allocated a portion of its budget to outreach and education. The city already has a monthly newsletter which goes out to every resident, so the city will integrate energy efficiency messaging into this well-received communications piece to influence residents to become more energy-wise and to participate in energy efficiency programs. The city also has a website, and will integrate energy efficiency messaging into this outreach tool as well. Each year the city sponsors or participates in a number of community events. Plans are in development to include energy efficiency messaging into each one.

C.2) Residential and Small Business Direct Install

Not a part of this partnership activity.

C.3) Third-party program coordination

The partnership will make every effort to schedule SCE's existing third party programs, such as Direct Install and Lamp Exchange, into the community through the website and general communications. Such programs are recognized as adding a great deal of value to the community, and they serve as rallying points for energy efficiency.

C.4) Retrofits for just-above LIEE qualified customers

Not a part of this partnership activity.

C.5) Technical Assistance for program management, training, audit

A portion of the partnership budget is allocated specifically for this activity, and South Gate is examining how best to apply these funds.

c) Non-incentive services

The City of South Gate intends to conduct public, business and residential energy efficiency training workshops within its community. Other non-incentive services will include:

- Focusing SCE's portfolio of partnership activities to increase community enrollment in energy programs and other SCE services
- Providing training at SCE's Customer Technology Application Center (CTAC)
- Establishing a speakers bureau, and
- Conducting limited giveaways such as opportunity drawings and free informational brochures.

d) Target audience

- City facilities, city and county staff and management, and policymakers (elected officials);
- Other regional governmental agencies that are not direct participants in the partnership; and
- Residential and business customers.

e) Implementation

The partnership has developed a comprehensive portfolio of activities and is proceeding to schedule such activities and events. These include advertising in regional and local newspapers, newspaper interviews about energy efficiency opportunities, and energy-efficient community exhibits, expected to have an attendance of from 200 to 1,000 people.

5. Program Element Rationale and Expected Outcome**a) Quantitative Baseline and Market Transformation Information**

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3 – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4 – Refer to the overarching program for market transformation metrics

c) Program Design to Overcome Barriers

See the ELPP Master PIP.

d) Quantitative Program Targets**Table 5**

Target	Program Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
1	kWh	TBD	TBD	TBD
2	Number of Workshops	2	6	10
3	Number of Ordinances, Codes, etc.	0	0	0

Target	Program Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
4	# of ME&O Events conducted that target customers	2	4	6

6. Other Program Element Attributes

a) Best Practices

See the ELPP Master PIP.

b) Innovation

The partnership will collaborate with its municipal participants, including school districts and special districts, to develop renewable energy strategies for reducing energy costs and improving energy efficiency. The partnership plan calls for a heavy emphasis on community events in order to:

- Exhibit energy efficiency programs and practices;
- Conduct energy code training;
- Promote whole-building performance to get better space conditioning;
- Coordinate emerging “green” or sustainability standards; and
- Encourage the community to take full advantage of SCE’s core programs.

c) Interagency coordination

An objective for 2009-2011 is to leverage the strength of SCE’s relationships with the other partnership cities. South Gate will also coordinate extensively with its Central Basin Municipal Water District and Waste Management to provide integrated education programs.

d) Integrated/coordinated Demand Side Management

See the ELPP Master PIP.

e) Integration across resource types (energy, water, air quality, etc.)

The Partnership promotes comprehensive sustainability, including water conservation and solid waste management.

f) Pilots

No pilots are planned.

g) EM&V

See the ELPP Master PIP.

7. Partnership Program Advancement of Strategic Plan Goals and Objectives:

Table 6²

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
1-1: Develop, adopt and implement model building energy codes (and/or other green codes) more stringent than Title 24's requirements, on both a mandatory and voluntary basis; adopt one or two additional tiers of increasing stringency.	Not applicable.
1-2: Establish expedited permitting and entitlement approval processes, fee structures and other incentives for green buildings and other above-code developments.	Through the partnership, the City of South Gate will evaluate establishing expedited permitting and entitlement approval processes, fee structure, and other incentives for green buildings and other above-code developments.
1-3: Develop, adopt and implement model point-of-sale and other point-of transactions relying on building ratings.	Not applicable.
1-4: Create assessment districts or other mechanisms so property owners can fund EE through city bonds and pay off on property taxes; develop other EE financing tools.	The City of South Gate will contemplate pursuing the adoption of an AB811 financing mechanism for its jurisdiction.
1-5: Develop broad education program and peer-to-peer support to local gov't's to adopt and implement model reach codes	With the assistance of the partnership, the City of South Gate would offer a comprehensive educational and outreach program that emphasizes specific actions their constituents can take to help achieve the City's Reach goals.
1-6: Link emission reductions from "reach" codes and programs to ARB's AB 32 program	The energy DSM programs and the larger AB 32 / SB 375 compliance requirements will be integrated.
2-2: Dramatically improve compliance with and enforcement of Title 24 building code, and of HVAC permitting and inspection requirements (including focus on peak load reductions in inland areas).	Training and Education of plan checkers.

² This table includes a subset of Strategic Plan local government chapter strategies that pertain especially to local government decision makers. Statewide coordination-related strategies should be discussed in the Strategic Plan portion of the Testimony. This table should be addressed in the master PIP by IOU territory but need not be repeated in local partner PIPs.

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
2-3: Local inspectors and contractors hired by local governments shall meet the requirements of the energy component of their professional licensing (as such energy components are adopted).	The City of South Gate has already pre-qualified two energy service companies.
3-1: Adopt specific goals for efficiency of local government buildings, including:	The City of South Gate, with the assistance of the partnership, will adopt and implement a list of mandatory energy efficiency and conservation measures for all City facilities.
3-2: Require commissioning for new buildings, and re-commissioning and retro-commissioning of existing buildings.	The City of South Gate, with the assistance of the partnership, would evaluate the adoption of commissioning, performance measurement, and verification as a core part of an energy action plan.
3-4: Explore creation of line item in local government budgets or other options that allow EE cost savings to be returned to the department and/or projects that provided the savings to fund additional efficiency.	South Gate will evaluate the creation of a line item in its budget (or other options) that allows energy efficiency cost savings to be returned to the department and/or projects that provided the savings
3-5: Develop innovation Incubator that competitively selects initiatives for inclusion in LG pilot projects.	Not applicable.
4-1: Local governments commit to clean energy/climate change leadership.	Not applicable.
4-2: Use local governments' general plan energy and other elements to promote energy efficiency, sustainability and climate change.	<p>The City of South Gate would take these steps through the partnership, developing and adopting aggressive sustainability goals into its General Plan Update that include:</p> <ul style="list-style-type: none"> Emphasizing sustainability through green building design and technologies Reduction of GHG emissions Increased use of renewable energy, and Conservation of existing sources of energy.
4-4: Develop local projects that integrate EE/DSM/water/wastewater end use	By including the Central Basin Water District and the Los Angeles County Sanitation District in the partnership, water efficiency projects, including low flow aerators, shower heads, and toilets, will be added.

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
4-5: Develop EE-related “carrots” and “sticks” using local zoning and development authority	Not applicable.

1. Program Name: Orange County Cities Energy Leader Partnership

2. Projected Program Budget Table

Table 1 – Refer to Table 1 in ELPP Master PIP.

3. Projected Program Gross Impacts Table

Table 2 – Refer to Table 2 in ELPP Master PIP.

4. Program Element Description and Implementation Plan

a) List of program elements:

The three core program elements are those identified in the Energy Leader Partnership Program Master PIP: Element A – Government Facilities, Element B – Strategic Plan Activities, and Element C – Core Program Coordination.

Core Program Element A - Government Facilities

A.1) Retrofit of county and municipal facilities

The four cities participating in the Orange County Cities Energy Leader Partnership (Partnership) with Southern California Edison (SCE) are developing detailed lists of facilities that will be retrofitted during the 2009-2011 program cycle of the partnership. Many of these facilities and their respective energy savings have been identified and quantified. Other buildings have been audited by the California Energy Commission (CEC) and the partnership is awaiting the CEC's reports.

Municipal facilities' energy efficiency is a key component of Huntington Beach's local government participation plans. It will consist of numerous projects in two phases: Phase 1 consists of monitoring-based commissioning of the two largest municipal facilities in Huntington Beach and IT energy saving retrofits such as server virtualization, network energy management software and HVAC retrofits of server rooms; Phase 2 will consist of lighting system redesign & retrofits, HVAC retrofits, pumping retrofits and building envelope improvements.

A.2) Retro-commissioning (of buildings and clusters of buildings)

The partnering cities are including this means of achieving significant energy savings in their plans. See A.1 above.

A.3) Integrating Demand Response into the audits

The ELPP model for all SCE partnerships includes a requirement for participation in demand response programs. Each partner city plans to increase its participation in demand response accordingly. Integrated EE/DR audits will be conducted in eligible facilities.

A.4) Technical Assistance for project management, training, audits, etc. -

Each partner city has a specific budget for each of these activities.

A.5) On-Bill Financing

On-bill financing will not be available at the beginning of the 2009-2011 program cycle; however, it may be added in the future, as each partner city has indicated an interest in using on-bill financing.

Core Program Element B - Strategic Plan Support**B.1) Code Compliance Support**

The Partnership will support the individual partner cities as they examine ways of increasing compliance with existing codes. Increased enforcement can result in substantial energy savings and greenhouse gas (GHG) emissions. The Partnership will provide training, technical assistance, and additional support from SCE's Codes and Standards Program to build local government capacity to address code compliance issues.

B.2) Reach Code

The partnership will seek to establish meaningful CEC-approved Reach codes as part of its effort to add value to energy efficiency in alignment with the strategies stated in the Master PIP. This activity will follow the proposed path described in the Codes & Standards PIP.

B.3) Guiding Document(s) Support

At least one of the partner cities offers information at its building permit office on best practices and energy efficiency opportunities through SCE's programs. SCE plans significant enhancements to this practice for the 2009 - 2011 program cycle. The partnership intends to make training, documents, and templates available to help cities develop their own climate and energy action plans, especially relating to utility energy elements.

B.4) Financing for the community

The partners are aware of the opportunities for financing provided by AB 811 and will be examining its possibilities. The partnership will arrange for an AB 811 presentation for the cities, and technical assistance through the Peer-to-Peer support network.

B.5) Peer-to-Peer Support

The partnership plans to develop an effective approach for sharing information among SCE and partner cities. The program will conduct conference calls among all partners on a routine basis.

Core Program Element C - Core Program Coordination

C.1) Outreach and Education

The partnership has budgeted outreach and education efforts to demonstrate local government leadership and to provide the community with opportunities to provide energy actions and reduce the community's environmental footprint.

Marketing, education, and outreach (ME&O) activities will consist of:

- Staff training;
- Huntington Beach Green Corp Citizen and Environmental Board training;
- SCE's Mobile Energy Unit at the Annual Green Expo;
- Stipends for HB Green Corp home and business energy, green audits, and onsite retrofits;
- Support for Huntington Beach's annual environmental awards;
- Publishing of Huntington Beach's case studies, strategic sustainability, and energy plans; and
- Exploring an AB 811 financing mechanism for the Partnership cities' citizens.

See the ELPP Master PIP for a further description of these activities.

C.2) Residential and Small Business Direct Install

Currently, there are no plans for promoting direct installations in homes and business; however, market outreach will create awareness of energy services and programs.

C.3) Third-party program coordination

The Partnership will conduct community events appropriate for execution by a third-party contractor (*for example*, light exchange events).

C.4) Retrofits for just-above LIEE qualified customers

The Partnership will conduct coordination activities as identified in the ELPP Master PIP.

C.5) Technical Assistance for program management, training, audits, etc.

The Partnership has budgeted for technical assistance. *See* Table 6 for more details.

b) Overview

The Orange County Cities Energy Leader Partnership consists of four central Orange County cities: Huntington Beach, Costa Mesa, Fountain Valley, and Westminster. They began working together in early 2008 to form this partnership.

c) Non-incentive services

- Train the Huntington Beach Green Corps of citizen volunteers to provide energy efficiency audits for residential, small commercial, and low-income citizens. The program will pay stipends to offset background checks and expenses;
- Study and consider voluntary "reach" green codes, similar to the pilot project HB Goes Green Residential Scorecard;

- SCE's Mobile Energy Unit attendance at the annual HB Green Expo conference;
- Support for the annual Environmental Award;
- Publishing case studies, sustainability, and energy/climate plans with support from available programs and funding sources; and
- Strategic plan support to the city of Costa Mesa for extending its existing green building permit waiver program.

d) Target audience

- All Municipal Facilities: City Halls, Civic Center, Police Departments, Libraries, Social Services, Community Centers, Sports Fields, Parks, and water infrastructure; and
- Citizens, businesses, and city staff are the target audience for partner cities. See ELPP Master PIP for more information.

e) Implementation

The partnership's cost-effective implementation will include customized incentives to retrofit and retro-commission municipal facilities. The partnership bases its incentives on SCE's tiered incentive structure. See the ELPP Master PIP for each core element of the program for further information on the program implementation process.

5. Program Element Rationale and Expected Outcome

a) Quantitative Baseline and Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 3 – Refer to the overarching program for quantitative baseline metrics

b) Market Transformation Information

By its nature, market transformation occurs as a result of numerous factors and programs, not single sub-programs. Therefore, all metrics and goals are proposed at the highest program level. Please refer to the quantitative baseline and market transformation discussion, presented in the overall program PIP.

Table 4 – Refer to the overarching program for market transformation metrics

c) Program Design to Overcome Barriers

Program barriers, and the strategies to overcome them, are the traditional resource barriers of expertise and funding, as outlined in the ELPP Master PIP.

c) Quantitative Program Targets:

Table 5

Target	Program Element	Program Target by 2009	Program Target by 2010	Program Target by 2011
1	kWh	TBD	TBD	TBD
2	Number of Workshops	2	6	10
3	Number of Ordinances, Codes, Etc.	0	0	0
4	# of MEO Events conducted that target Residential customers	2	4	6

6. Other Program Element Attributes

a) Best Practices

See the ELPP Master PIP for the Energy Leader Model.

b) Innovation

The partnership demonstrates environmental stewardship and community leadership supporting the California Long-Term Energy Efficiency Strategic Plan (Strategic Plan). It will develop a municipal sustainability template to simplify sustainability reporting for energy efficiency and renewable energy. This template, alternately called a dashboard, will be displayed.

c) Interagency coordination

Huntington Beach, a PIER program partner, plans to install Bi-level area lights and Enforma diagnostic software. The city has a materials recovery facility in its jurisdiction, and plans to write a Renewable-based Energy Secure Community (RESCO) grant proposal for the CEC. The proposal envisions utilizing indigenous renewable energy resources in Huntington Beach. The partnership will provide technical assistance and other support through the Codes and Standards Program, its relationship with PIER, and support from other programs and organizations through its network of consultants.

d) Integrated/coordinated Demand Side Management

The IOUs have identified integrated Demand Side Management (IDSM) as an important priority. As a result they have proposed the establishment of a Statewide Integration Task Force (Task Force). SCE's local government partnerships will monitor the progress of the statewide IDSM efforts and work closely with the Task Force to identify comprehensive integration approaches and to implement best practices.

The Orange County partner cities will pursue necessary and cost-effective DSM as identified in the ELPP Master PIP. The Partnership has identified accounts eligible for participation in Demand Response programs. It will facilitate technical support for planned renewable energy-related activities by the City of Huntington Beach and other partner cities wishing to pursue similar opportunities.

Huntington Beach will apply for a RESCO grant from the CEC and federal government to utilize indigenous renewable energies.

e) Integration across resource types (energy, water, air quality, etc)

Phase Two energy projects identified above include smart irrigation controllers for use by irrigation accounts that use significant amounts of water.

f) Pilots

- PIER program Bi-level LED area lighting and Enforma diagnostic software in the City of Huntington Beach, as described above.
- New city buildings in Costa Mesa will be Leadership in Energy and Environmental Design (LEED) certified, including the Chamber of Commerce and police buildings.

g) EM&V

Not applicable.

7. Partnership Program Advancement of Strategic Plan Goals and Objectives

Table 6

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
1-1: Develop, adopt and implement model building energy codes (and/or other green codes) more stringent than Title 24's requirements, on both a mandatory and voluntary basis; adopt one or two additional tiers of increasing stringency.	The partnership will evaluate adopting more stringent model codes on a voluntary but rewarded basis, including excess Title 24 performance in the fee-waiver program, or adopting the new California "Green Building Code" on a voluntary basis through 2010, making it mandatory in 2011, if a sustained funding level is provided by the CPUC to support these activities. Costa Mesa is in the process of adopting new codes.
-2: Establish expedited permitting and entitlement approval processes, fee structures and other incentives for green buildings and other above-code developments.	Through the partnership, Costa Mesa will consider expedited permitting based upon reduced valuation in 2009.
1-3: Develop, adopt and implement model point-of-sale and other point-of transactions relying on building ratings.	
1-4: Create assessment districts or other mechanisms so property owners can fund EE through city bonds and pay off on property taxes; develop other EE financing tools.	Through the partnership, Huntington Beach will investigate the adoption of an AB 811 financing mechanism for its jurisdiction.
1-5: Develop broad education program and peer-to-peer support to local governments to adopt and implement model reach codes.	
1-6: Link emission reductions from "reach" codes and programs to CARB's AB 32 program.	
2-2: Dramatically improve compliance with and enforcement of Title 24 building code, and of HVAC permitting and inspection requirements (including focus on peak load reductions in inland areas).	

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
2-3: Local inspectors and contractors hired by local governments shall meet the requirements of the energy component of their professional licensing (as such energy components are adopted).	Through the partnership, Huntington Beach already has two energy service companies pre-qualified and they are energy literate and conscious firms. Costa Mesa has a service agreement with a certified energy company that is also energy literate.
3-1: Adopt specific goals for efficiency of local government buildings, including:	Due to the efforts of the partnership, Huntington Beach will be publishing an environmentally preferred purchasing policy and publishing energy/climate plans as part of the 2009-2011 Partnership with SCE. Costa Mesa is also interested in publishing an energy action plan in partnership.
3-2: Require commissioning for new buildings, and re-commissioning and retro-commissioning of existing buildings.	The partnership's Phase One energy projects include retro-commissioning the two largest municipal facilities with significant near term energy savings. The City of Costa Mesa has a high interest in retro-commissioning its municipal facilities to maximize both energy savings and performance.
3-4: Explore creation of line item in local government budgets or other options that allow EE cost savings to be returned to the department and/or projects that provided the savings to fund additional efficiency.	Due to the partnership, Huntington Beach has devoted a portion of its annual capital improvement plan to energy efficiency and the savings accrue to the general fund. However, part of the energy/climate action plan will track the fiscal impacts (savings) created by the plan.
3-5: Develop innovation Incubator that competitively selects initiatives for inclusion in local government pilot projects.	
4-1: Local governments commit to clean energy/climate change leadership.	Both the City of Costa Mesa and Huntington Beach have located appropriate sites for large-scale solar installations and both cities are exploring current funding mechanisms. Huntington Beach is also applying for grants to study ocean and urban wind power to meet 2020 AB 32 goals before 2015. HB has signed the US Mayors Climate Protection Agreement. For further information, see http://www.usmayors.org/climateprotection/

California Long Term Energy Efficiency Strategic Plan (Strategic Plan) Strategy	Program Approach to Achieving Strategic Plan Goal
4-2: Use local governments' general plan energy and other elements to promote energy efficiency, sustainability and climate change.	Huntington Beach has deferred investment in general plan updates to include energy/climate concerns.
4-4: Develop local projects that integrate EE/DSM/water/wastewater end use.	The partnership's Phase-Two energy projects will include water efficiency projects, including aerators and ET irrigation controllers. Wastewater, storm water runoff, and potable water capital projects are also being pursued. SCE will ensure that they are as energy efficient as possible.
4-5: Develop EE-related "carrots" and "sticks" using local zoning and development authority.	Huntington Beach is studying zoning and development authority changes to comply with AB 32 and SB 375. Specifically, the Beach/Edinger Corridor plans and the Downtown Specific plan will be updated to create accessible and walkable neighborhoods that enhance Huntington Beach.

EXHIBIT D

EM&V PLAN

[TO BE ATTACHED WHEN ISSUED BY THE COMMISSION]

EXHIBIT E

REPORTING REQUIREMENTS

1. Reporting

1.1 Cities shall provide each respective Utility with the requisite information, in accordance with the Agreement, on the prior month's activities, accomplishments and expenditures related to its respective Authorized Work or Approved Project obligations, for purposes of preparing the Monthly, Quarterly and Annual Reports.

1.2 Each Utility shall provide Cities in accordance with the provisions of the Agreement, a copy of its filed Monthly Report within five (5) Business Days after filing.

2. Quarterly Report

2.1 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)

2.2 **Measure List** –A spreadsheet table for each program or program element¹ containing each measure installed, service rendered, or measure/service committed during the report month for which the Program intends to claim savings. Cities should include any new measures as part of the quarterly report. The list should display each measure as it is tracked and recorded by Cities, and should include the following parameters at a minimum:

- a. Name of Measure or Service Rendered
- b. Measure or Service Description
- c. Customer name and applicable Utility account number
- d. Installation site address
- e. Affected square footage
- f. Applicable NAICS code
- g. DEER Measure ID (where applicable)
- h. DEER Run ID (where applicable)
- i. Unit Definition
- j. Unit gross kWh savings
- k. Unit gross Therms savings
- l. Unit gross kW demand reduction
- m. Incremental Measure Cost
- n. Net to Gross Ratio
- o. Effective Useful Life

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

- p. Detailed end use classification (using classification scheme in section 6)
- q. Quantity Installed during report period
- r. Quantity Committed during report period
- s. Rebate amount paid
- t. Market Sector classification (using classification scheme in section 6)
- u. Market Segment classification (using classification scheme in section 6)

2.3 Expenditures for the program per cost reporting format below (Section 7 below 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

2.4 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)

2.5 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.

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

3. Annual Reports

The format and content of the annual report is expected to be developed by the CPUC in 2010. CITIES will be required to fulfill these reporting obligations for their program.

4. 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 2010, but prepared and delivered later than July 2010, would be July 2010.

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.)

5. 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

Aggregated End Use

Appliances
 Appliances
 Consumer Electronics
 Cooking Appliances
 Appliances

Other Appliance	Appliances
Building Shell	HVAC
Space Cooling	HVAC
Space Heating	HVAC
Interior Lighting	Lighting
Exterior Lighting	Lighting
Pool Pump	Pool Pump
Freezers	Refrigeration
Refrigeration	Refrigeration
Water Heating	Water Heating
Other (User Entered Text String Description)	Other

Nonresidential End Uses

<i>Detailed End Use</i>	<i>Aggregated End Use</i>
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.

<i>Market Sector</i>	<i>Market Segment</i>
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

6. Allowable Costs

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

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 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

- 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

Overhead (General and Administrative) - Labor and Materials

- 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

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 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
- 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

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 - 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
 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

Rebate Processing and Inspection - Labor and Materials

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 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