



DATE: July 25, 2018
TO: Energy Council
FROM: Wendy Sommer, Executive Director
BY: Karen Kho, Principal Program Manager
SUBJECT: BayREN Amendment #2

SUMMARY

Staff is requesting Energy Council approval to enter into a second 2018 contract amendment with ABAG for an additional \$916,000, in order to meet additional multifamily program demand and to expand the regional green labeling program.

DISCUSSION

On December 20, 2017 the Energy Council approved a resolution authorizing the Executive Director to enter into a contract of up to \$6,023,966 for 2018 BayREN services, and on January 24, 2018 approved an initial contract amendment adding \$45,000 for multifamily financing services. The Multifamily Program has since received a high level of project applications and fully reserved its annual goal of 5,000 units by May. As a result, BayREN is reallocating \$509,000 to serve an additional 450 multifamily units with technical assistance and incentives in 2018.

In addition, on June 5, 2018 the California Public Utilities Commission issued a Final Decision approving ten-year Energy Efficiency Business Plans, including an annualized budget for BayREN of \$22,739,000. BayREN's annualized budget has increased by over \$6 million. Energy Council is the lead for BayREN's green labeling program, which now has a designated budget. Previously, green labeling activities were funded from the Single-Family program. With additional funds available, BayREN seeks to expand its Home Energy Score program and offer continuing education for realtors, appraisers and lenders.

ABAG will be issuing a contract amendment to increase the budget for the multifamily program by \$509,000 and add green labeling budget of \$407,000.

RECOMMENDATION

Adopt the attached Resolution authorizing the Executive Director to enter into a 2018 contract amendment of \$916,000 for Bay Area Regional Energy Network (BayREN) and other related actions.

Attachment A: Revised 2018 Multifamily Budget and Green Labeling Scope of Work

**ENERGY COUNCIL
RESOLUTION #EC 2018 –**

**MOVED:
SECONDED:**

AT THE MEETING HELD JULY 25, 2018

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE 2018 CONTRACT FOR BAY AREA REGIONAL ENERGY NETWORK (BayREN) AND OTHER RELATED ACTIONS

WHEREAS, the Energy Council recognizes that it is in the interest of the local, regional, state, and federal agencies to reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency; and

WHEREAS, the Energy Council was formed to seek funding to develop and implement programs and policies that reduce energy demand, increase energy efficiency, advance the use of clean, efficient and renewable resources, and help create climate resilient communities; and

WHEREAS, the California Public Utilities Commission (CPUC) has recognized the need for expanded collaboration with and participation by local governments to achieve market transformation toward energy efficiency as part of its Long Term Energy Efficiency Strategic Plan; and

WHEREAS, the Energy Council partnered with the Association of Bay Area Governments (ABAG) and 8 other county representatives to implement the Bay Area Regional Energy Network (BayREN); and

WHEREAS, with ongoing input from the Energy Council Technical Advisory Group (TAG), the Energy Council represents Alameda County jurisdictions within BayREN; and

WHEREAS, in its Decision 18-05-041, the CPUC approved BayREN's ten-year Business Plan with an annualized budget of \$22,739,000; and

WHEREAS, Energy Council leads the regional multifamily and green labeling programs for BayREN; and

WHEREAS, ABAG intends to transfer \$509,000 to Energy Council for an additional 450 multifamily properties to complete upgrades in 2018; and

WHEREAS, ABAG intends to provide the Energy Council with an additional \$407,000 to provide green labeling services as described in Attachment A;

NOW THEREFORE, BE IT RESOLVED, that the Energy Council hereby authorizes the Executive Director to:

1. Enter into all necessary contracts and agreements with ABAG in order to accept additional funds in the amount of \$916,000 and make any necessary changes to the FY 2018/19 budget for Project 1347: BayREN.
2. Approve any required time extensions, modifications, or amendments thereto.
3. Allocate the necessary resources to implement and carry out the amended scope of work.

BE IT FURTHER RESOLVED that the Executive Director as the Board President's designee, is hereby authorized to execute on behalf of the Energy Council all contract-related documents, including, but not limited to, applications, payment requests, agreements (including the hiring of temporary staff), and amendments necessary to secure contract funds and to implement the approved contract projects;

ADOPTED this 25th day of July 2018, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAINED:

I certify that under the penalty of perjury that the foregoing is a full, true and correct copy of Resolution #EC 2018 –

WENDY SOMMER
Executive Director

Attachment A
2018 Multifamily Budget Revision and Green Labeling Scope of Work

Multifamily Budget Revision

The budget is increased to incentivize 450 more units. The table below includes both the Bay Area Multifamily Building Enhancements program and the Bay Area Multifamily Capital Advance Program.

Funding Category	Initial Budget	Amended Budget	Change
Administration	\$85,600	\$45,600	-\$40,000
Implementation	\$1,876,700	\$2,088,200	\$211,500
Marketing	\$105,500	\$105,500	0
Incentives	\$3,750,000	\$4,087,500	\$337,500
Total	5,817,800	\$6,326,800	\$509,000

Green Labeling Scope of Work

Green labeling is a critical component of a comprehensive approach to achieve greater energy efficiency in California’s homes, the objective of AB 758. Green labeling enables market recognition of the value of a green home during real estate transactions and complements other market transformation strategies such as incentives and financing. Energy Council’s role is to implement the Home Energy Score program, provide real estate sector education, and coordinate County level real estate engagement.

In the original 2018 contract Home Energy Score implementation was funded through the Single-Family program, but with the CPUC’s approval of BayREN’s ten-year Business Plan green labeling is now allocated a separate budget. The following activities are added to Energy Council’s scope of work:

- Mentoring and Quality Control of Home Energy Score Assessors in accordance with Department of Energy protocols
- Maintenance and update of the Home Energy Score database to improve reporting and user access functionalities
- Delivering real estate sector professional education, including NAR Green Designation, Green Appraisal training, Green Lender training and post-course mentoring sessions
- Coordination of BayREN member outreach at the County level to engage real estate stakeholders in BayREN programs

Funding Category	Initial Budget	Amended Budget	Change
Implementation	0	\$381,868	\$381,868
Marketing	0	\$25,132	\$25,132
Total	0	\$407,000	\$407,000