



DATE: July 28, 2021

TO: Energy Council

FROM: Karen Kho, Principal Program Manager

SUBJECT: BayREN 2020-22 Contract Amendment #3 for Heat Pump Water Heater Program and Other Services

SUMMARY

Staff is requesting Energy Council approval to enter into a contract amendment with the Association of Bay Area Governments (ABAG) for an additional \$79,500 for continued administration of the Heat Pump Water Heater program, to increase green labeling incentives, and provide additional regulatory support to the Bay Area Regional Energy Network (BayREN).

DISCUSSION

On December 18, 2019 the Energy Council approved a resolution authorizing the Executive Director to enter into a three-year contract of up to \$20,342,976 for BayREN services. This contract has been periodically revised to reflect new program priorities and needs, and the most recent amendment was approved on January 27, 2021.

The Energy Council leads the BayREN Heat Pump Water Heater program, which was launched with a Bay Area Air Quality Management District (BAAQMD) grant and leverages funding from Community Choice Aggregators (CCAs) and municipal utilities, including East Bay Community Energy. The BAAQMD grant ends in September 2021, but Heat Pump Water Heater matching incentives will continue to be offered by local electricity suppliers. The BayREN Single-Family program will cover administrative expenses for the Energy Council to continue coordinating the Heat Pump Water Heater program on behalf of BayREN.

Energy Council also leads the BayREN Green Labeling program, which helps homeowners understand the energy efficiency of their existing home through the Department of Energy's Home Energy Score and offers a \$300 incentive for these assessments. This amendment will increase the incentive budget to meet higher than expected demand since the beginning of the calendar year.

In addition to its roles in program implementation and outreach, the Energy Council assists ABAG staff with reviewing regulatory decisions and drafting of comments based on its technical expertise in certain subject areas. There have been a number of unanticipated rulings by state agencies this

calendar year that require BayREN's participation, and the Energy Council will provide additional staffing support to monitor these developments and recommend positions.

RECOMMENDATION

Adopt the attached Resolution authorizing the Executive Director to enter into a contract amendment for Bay Area Regional Energy Network (BayREN) services and other related actions.

Attachments:

Attachment A: Resolution #EC 2021 –

Attachment B: Revised Budget Allocation for 2021

Attachment C: Amendments to 2021 Scope of Work

Attachment A

**ENERGY COUNCIL
RESOLUTION #EC 2021 –**

**MOVED:
SECONDED:**

AT THE MEETING HELD JULY 28, 2021

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE 2020-2022 CONTRACT FOR
BAY AREA REGIONAL ENERGY NETWORK (BayREN) SERVICES AND OTHER RELATED ACTIONS**

WHEREAS, the Energy Council recognizes that it is in the interest of local, regional, state, and federal agencies to stimulate the economy, create and retain jobs, 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, on December 5, 2019 the California Public Utilities Commission (CPUC) recognized the unique role of Regional Energy Networks in filling gaps in the Investor Owned Utility programs and helping the state to achieve its Long Term Energy Efficiency Strategic Plan; and

WHEREAS, in its Decision 17-01-013, the CPUC approved a ten-year Business Plan for the Bay Area Regional Energy Network including an annualized budget of \$22,739,000; and

WHEREAS, the Energy Council partnered with the Association of Bay Area Governments (ABAG) and eight 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, the Energy Council has been designated as the lead regional implementer for the multifamily and green labeling programs, and to conduct local outreach for other programs; and

WHEREAS, on May 20, 2021 the ABAG Executive Board authorized an additional scope of work for the Energy Council for services related to BayREN as described in Attachments A and B;

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 for an increase of \$79,500 and make any necessary changes to the FY 21/22 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 28th day of July 2021, 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 2021 –

ARLISS DUNN
Clerk of the Board

Attachment B
Revised Budget Allocation for 2021

Subprogram	Budget Category	Current Budget (Amendment #2 approved 1/27/21)	Change	Revised Budget (Amendment #3)
Single Family	Administration	14,000	0	14,000
	Implementation	0	0	0
	Marketing	215,492	17,500	232,992
	Incentives	0	0	0
	Total:	229,492	17,500	246,992
Green Labeling	Administration	1,000	0	1,000
	Implementation	540,000	30,000	570,000
	Marketing	20,000	0	20,000
	Incentives	0	0	0
	Total:	561,000	30,000	591,000
Multifamily	Administration	12,000	32,000	44,000
	Implementation	1,645,500	0	1,645,000
	Marketing	180,000	0	180,000
	Incentives	3,750,000	0	3,750,000
	Total:	5,587,000	32,000	5,619,000
Water Bill Savings	Administration	1,500	0	1,500
	Implementation	5,000	0	5,000
	Marketing	0	0	0
	Total:	6,500	0	6,500
Commercial	Administration	5,000	0	5,000
	Implementation	0	0	0
	Marketing	9,000	0	9,000
	Total:	14,000	0	14,000
Codes & Standards	Administration	2,500	0	2,500
	Implementation	75,000	0	75,000
	Marketing	0	0	0
	Total:	77,500	0	77,500
	Contract Total	\$6,475,492	\$79,500	\$6,554,992

Attachment C
Amendments to 2021 Scope of Work

Single Family Program - \$17,500

The following new role and accountabilities will be added to the Single-Family program scope of work:

Heat Pump Water Heater Program Lead

- Providing continued administrative oversight for the HPWH incentive program that was initiated with BAAQMD grant funding. Maintaining agreements with Participating Agencies and overseeing vendors supporting the program
- Liaising with supply chain actors and contractors and promoting training opportunities
- Coordinating regional training and outreach efforts in the region
- Coordinating with TECH program implementation and other HPWH incentive programs in the region.
- Reporting on progress to Single-Family Circle

Green Labeling Program - \$30,000

Energy Council's scope of work as the regional program lead remains unchanged, but the budget for Home Energy Score incentives will be increased.

As the program lead, Energy Council conducts the following activities:

- Promoting and screening Home Energy Score incentives
- Recruiting and mentoring Home Energy Score assessors
- Providing quality assurance in compliance with Department of Energy requirements
- Providing continuing education opportunities for realtors, appraisers and lenders to increase their ability to understand, market and evaluate energy efficient homes
- Coordinating with local governments for promotional activities
- Maintaining and developing relationships with local real estate stakeholders

Multifamily Program - \$32,000

Energy Council's existing role for regulatory engagement will be expanded. Although funding is budgeted under the Multifamily program, this is an administrative role that supports BayREN as a whole.

Regulatory Participation

- Representing BayREN in CPUC or other regulatory proceedings, as delegated by the Program Administrator
- Supporting all regulatory filings with comments and information related to the program
- Responding to information/data requests from the CPUC related to the program