

File No. 150031

Committee Item No. 9

Board Item No. 19

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date January 28, 2015

Board of Supervisors Meeting

Date February 3, 2015

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

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Completed by: <u>Linda Wong</u>	Date <u>January 23, 2015</u>
Completed by: <u>L.W.</u>	Date <u>January 29, 2015</u>

1 [Accept and Expend Grant - Energy Efficiency Program - \$6,659,949]

2  
3 **Resolution retroactively authorizing the Department of the Environment to accept and**  
4 **expend a grant in the amount of \$6,659,949 from the California Public Utilities**  
5 **Commission, through Pacific Gas and Electric Company, to continue an Energy Use**  
6 **and Demand Reduction through Energy Efficiency Program in the City and County of**  
7 **San Francisco for the term of January 1, 2015, through December 31, 2015.**

8  
9 WHEREAS, California Public Resources Code, Section 381 requires electrical  
10 companies to collect a surcharge on all retail sales, called "the Public Goods Charge," and  
11 turn that money over to the California Public Utilities Commission ("the CPUC"); and

12 WHEREAS, Section 381 authorizes the CPUC to allocate that money to fund programs  
13 that enhance system reliability and provide in-state benefits, including cost-effective energy  
14 efficiency, renewable energy technologies, and public interest research; and

15 WHEREAS, The City, through the Department of the Environment, and the Pacific Gas  
16 and Electric Company ("PG&E") have, since 2003, entered into a series of contracts and  
17 contract modifications to conduct energy efficiency programs in the City using Public Goods  
18 Charge funds allocated for this purpose by the CPUC through PG&E; and

19 WHEREAS, The CPUC, at its meeting of October 16, 2014, made an award of  
20 \$300,000,000 of Public Goods Charge revenues to PG&E to fund energy efficiency programs;  
21 and

22 WHEREAS, PG&E has declared its intention to fund program activities for the  
23 calendar year 2015 in the amount of \$6,659,949; and

24 WHEREAS, The Department of the Environment has negotiated a new revenue  
25 contract with PG&E ("the Contract"); and

1           WHEREAS, In Resolution No. 481-09, the Board of Supervisors authorized the Director  
2 of the Department of the Environment pursuant to Charter Section 9.118 to enter into the  
3 Contract; and

4           WHEREAS, The grant does not require an Annual Salary Ordinance (ASO)  
5 amendment and partially reimburses the Department of the Environment for 12 existing  
6 positions; and

7           WHEREAS, The term of this grant is from January 1, 2015 to December 31, 2015; and

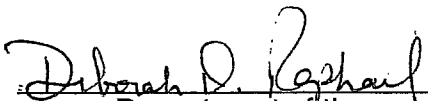
8           WHEREAS, A request for retroactive approval is being sought because the Department  
9 of the Environment needed time to determine the budgetary allocations for the grant; and


10          WHEREAS, The budget includes indirect costs of \$689,476; now, therefore, be it

11          RESOLVED, That pursuant to Administrative Code section 10.170-1, the Board of  
12 Supervisors authorizes the Department of the Environment to retroactively accept and expend  
13 a grant in the amount of up to \$6,659,949 from California Public Utilities Commission, through  
14 the Pacific Gas and Electric Company, to effectuate the Contract and implement an Energy  
15 Use and Demand Reduction Through Energy Efficiency Program in the City and County of  
16 San Francisco.

17  
18 RECOMMENDED:

APPROVED:

19  
20  
21   
22 Department of the  
23 Environment

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25   
for Office of the Mayor

*Joseph A. ...*  
Office of the Controller

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**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** The Department of the Environment  
**DATE:** December 17, 2014  
**SUBJECT:** Accept and Expend Resolution State Grant  
**GRANT TITLE:** PG&E Contract for Energy Use and Demand Reduction

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Attached please find the original and 4 copies of each of the following:

- Proposed grant resolution; original signed by Department, Mayor, Controller
- Grant information form, including disability checklist
- Grant budget
- Grant application
- Grant award letter from funding agency
- Other (Explain):

**Special Timeline Requirements:**

**Departmental representative to receive a copy of the adopted resolution:**

Name: Rachel Buerkle

Phone: 415-355-3704

Interoffice Mail Address:

Certified copy required Yes

No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).



File Number: \_\_\_\_\_

220322 / EVPGED-15

(Provided by Clerk of Board of Supervisors)

**Grant Resolution Information Form**  
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: Energy Efficiency Program

2. Department: Department of the Environment

3. Contact Person: Rachel Buerkle

Telephone: 415-355-3704

4. Grant Approval Status (check one):

Approved by funding agency

Not yet approved

5. Amount of Grant Funding Approved or Applied for: \$6,659,949

6a. Matching Funds Required: \$ No

b. Source(s) of matching funds (if applicable):

7a. Grant Source Agency: California Public Utilities Commission

b. Grant Pass-Through Agency (if applicable): Pacific Gas & Electric Co.

8. Proposed Grant Project Summary:

This grant provides implementation, support, and rebate reimbursements for energy-efficiency upgrades on small and medium business properties, multi-family homes and single family homes.

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Start-Date: January 1, 2015

End-Date: December 31, 2015

10a. Amount budgeted for contractual services: \$3,799,466

b. Will contractual services be put out to bid?

Contracts to consultants have been awarded previously based on the standard City contracting process of issuing an RFP and selecting contractors based on responses.

c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements? Yes

d. Is this likely to be a one-time or ongoing request for contracting out? Ongoing

11a. Does the budget include indirect costs?

Yes

No

b1. If yes, how much? \$689,476

b2. How was the amount calculated?

By dividing the Department indirect cost by the total number of FTE's (12).

c1. If no, why are indirect costs not included?

Not allowed by granting agency

To maximize use of grant funds on direct services

Other (please explain):

c2. If no indirect costs are included, what would have been the indirect costs? N/A

12. Any other significant grant requirements or comments:

**\*\*Disability Access Checklist\*\* (Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

Existing Site(s)

Existing Structure(s)

Existing Program(s) or Service(s)

Rehabilitated Site(s)

Rehabilitated Structure(s)

New Program(s) or Service(s)

New Site(s)

New Structure(s)

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:

Departmental ADA Coordinator or Mayor's Office of Disability Reviewer:

Claudia Molina, Departmental ADA Coordinator, Payroll Personnel Clerk

Date Reviewed: 12-17-2014

Claudia Molina  
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Deborah O. Raphael, Director, Department of the Environment

Date Reviewed: 12/15/14

Deborah O. Raphael  
(Signature Required)



**City and County of San Francisco - Department of the Environment**

**Energy Efficiency Program - PG&E Contract**

			PG&E
<b>Personnel</b>			
	5644 Environmental Unit Manager (1 FTE); 5642 Sr. Environmental Specialist (2.3 FTE); 5640 Environmental Specialists (7.7 FTE); 1630 Accounting Clerk (1 FTE);	Administration, Program Management, Strategic Planning, Legal, Training, Travel.	\$2,156,007
<b>Contracts</b>			
	ICF Resources, LLC.	Program Implementation, Incentives to participants	\$3,799,466
Other	Travel, Training, Misc.		\$12,000
	Materials & Supplies		\$1,000
	Legal		\$2,000
		<b>Sub-Total Contract/ Grant</b>	<b>\$3,814,466</b>
<b>Indirect</b>			<b>\$689,476</b>
<b>Grand Total</b>			<b>\$6,659,949</b>



**Pacific Gas and  
Electric Company**

October 22, 2014

City and County of San Francisco  
Department of Environment  
Deborah Rafael  
11 Grove Street  
San Francisco, CA 94102

RE: Funds for San Francisco Energy Watch for 2015

Dear Ms. Rafael,

Pacific Gas and Electric Company (PG&E) intends to provide the San Francisco Department of Environment (SFDoE) \$6,700,000 in program funding to implement the San Francisco Energy Watch (SFEW) Local Government Partnership Program for activities in 2015. However, such funding provided by PG&E for any energy efficiency programs, including but not limited to the SFEW, shall be conditioned upon and subject to the approval by the California Public Utilities Commission regarding PG&E's 2015 Energy Efficiency Application ("Application").

This funding will be used to support the following activities:

- Marketing & Implementing of SFEW Energy Efficiency Direct Install Programs, including incentives for Energy Efficiency Measures targeting businesses and multifamily customers
- Strategic Energy Resource work, including, but not limited to, Software Augmented Audits, Mini-Retrocommissioning, Refrigeration Replacement, and Climate Planning

PG&E will work with SFDoE to finalize the scope of work and terms and conditions and execute the final SFEW 2015 Program Contract, pending final CPUC approval of the Application.

Sincerely,

Karen Zelmar  
Director, Energy Efficiency Programs  
Pacific Gas and Electric Company

cc:

Allison Quaid, Program Manager, San Francisco Department of Environment  
Environmental Commission, San Francisco Department of Environment  
Office of the Mayor, City and County of San Francisco

**From:** Waggoner, Jessica [mailto:Jessica.Waggoner@pge.com]  
**Sent:** Friday, October 24, 2014 4:45 PM  
**To:** Quaid, Allison (ENV)  
**Subject:** RE: Energy Watch 2015 goals  
**Importance:** High

Hi Allison,

Thank you for your patience as we considered your proposal. We are happy to accept your proposal for 2015. Please see this table for details:

Partnership		SAN FRANCISCO		% Non-Incentive \$\$\$
Year		2013-14	2015	
Contract Budget	Admin	\$ 450,000	\$ 225,000	6%
	Marketing	\$ 650,000	\$ 325,000	9%
	Implementation	\$ 4,599,999	\$ 2,300,000	64%
	Strategic Energy Resources	\$ 1,499,899	\$ 749,950	21%
	In House Direct Install Incentives	\$ 6,000,000	\$ 3,000,000	
	<b>Total Contract Budget</b>	<b>\$ 13,199,898</b>	<b>\$ 6,599,949</b>	
	PG&E Rebates (Custom)	\$ 120,000	\$ 60,000	
	<b>Total Other Incentives</b>	<b>\$ 120,000</b>	<b>\$ 60,000</b>	
	<b>Total Budget</b>	<b>\$ 13,319,898</b>	<b>\$ 6,659,949</b>	
<b>Filed Savings Goals (Unadjusted)</b>				
Savings	<i>kW</i>	4,319	1,607	
	<i>kWh</i>	28,560,240	11,424,096	
	<i>Therms</i>	-	10,000	

At this point, we'll move into setting up a change order to amend your current CWA. We have a few people working on this at PG&E, you may hear from Anthony Abdullah or Elizabeth Santos who are assisting me.

Please let me know if you have questions and thank you!  
 Jessica

OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: *sol* Mayor Edwin M. Lee *NE*  
RE: Accept and Expend Grant – Energy Efficiency Program - \$6,659,949  
DATE: January 13, 2015

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Attached for introduction to the Board of Supervisors is a resolution authorizing the Department of the Environment to retroactively accept and expend a grant in the amount of \$6,659,949.00 from the California Public Utilities Commission, through Pacific Gas and Electric Company, to continue an Energy Use and Demand Reduction Through Energy Efficiency Program in the City and County of San Francisco for the term of January 1, 2015 through December 31, 2015.

Should you have any questions, please contact Nicole Wheaton (415) 554-7940.