



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: September 18, 2018

Subject: Participation in State Regulatory Proceedings in Response to Expected Elimination of Energy Efficiency Partnership Funding

RECOMMENDATION(S):

AUTHORIZE the Chair of the Board to send a letter to members of the California Public Utilities Commission opposing action by the investor-owned utilities to reduce or eliminate local government energy efficiency partnership funding.

FISCAL IMPACT:

There will be no impact to the General Fund. However, the Department of Conservation and Development currently receives approximately \$180,000 from programs authorized by the California Public Utilities Commission (CPUC) each year to implement energy efficiency programs that support the County's Climate Action Plan (CAP).

BACKGROUND:

The CPUC currently allocates approximately \$1 billion a year collected on utility bills through a public goods charge for investor-owned utilities (IOUs) to implement and administer energy efficiency programs throughout the state. Pacific Gas and Electric (PG&E) receives approximately \$600 million for this purpose.

In 2006, PG&E established Local Government Partnerships (LGPs), or "Energy Watch"

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **09/18/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor

ABSENT: Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 18, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Demian Hardman (925)
674-7826

cc:

programs to implement energy efficiency programs in coordination with local governments

BACKGROUND: (CONT'D)

throughout the PG&E service territory. Other IOUs throughout the state also created partnership programs. East Bay Energy Watch (EBEW) was one of the first Energy Watch programs established in the State consisting of city and county staff members of both Alameda and Contra Costa Counties. The EBEW jurisdictions work together to support energy efficiency programs that meet the needs of local customers and communities. EBEW is a collaboration between PG&E, local governments, non-profit, and for-profit service providers in the East Bay. EBEW is now one of twenty-two (22) Energy Watch LGPs administered by PG&E and funded by California utility ratepayers under the auspices of the CPUC.

The County has been receiving funding to support EBEW activities since 2010 ranging from \$12,000 to \$45,000 per year to support marketing and outreach efforts. Starting in 2016, DCD staff has acted as Co-Administrator (at the request of city staff within the County) in partnership with the Energy Council (joint powers agency formed by Alameda County and its cities) to support EBEW administrative functions on behalf of EBEW programs within Contra Costa County.

Recently, PG&E advised EBEW that its LGP budget would be reduced by 29%. Other LGPs throughout the PG&E service territory are seeing cuts as large as 65%, with some being eliminated altogether. Many of these budget reductions are predicated on a recent CPUC Decision that increased the cost-effectiveness metric threshold to a level that is unattainable without the IOUs substantially reducing their energy efficiency portfolio budgets. The County and other local governments rely on this funding to implement their energy efficiency programs to meet their climate action goals. Due to the proposed reductions in funding to LGPs, DCD staff recommends the Chair of the Board send a letter to the CPUC opposing this action by the IOUs to eliminate local government energy efficiency partnership funding.

CONSEQUENCE OF NEGATIVE ACTION:

The County would not have a position on CPUC actions that may affect the County's ability of meeting its CAP goals and the County may not receive funding to support those efforts.

ATTACHMENTS

County Ltr. to Commissioner Picker

County Ltr. to Commissioner Randolph

County Ltr. to Commissioner Rechtschaffen

County Ltr. to Commissioner Guzman

County Ltr. to Commissioner Peterman