



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 1/10/2023

To: Sonoma County Board of Supervisors

Department or Agency Name(s): County Administrator's Office

Staff Name and Phone Number: Elliott Whitehurst - 707-565-6480

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

2020-2023 Pacific Gas and Electric Company (PG&E) Local Government Partnership Contract Extension

Recommended Action:

- A) Authorize County Administrator to execute the Contract Addendum with Pacific Gas and Electric, Co., to extend the existing Local Government Partnership contract for an additional 2.5 years through December 31, 2025, and to increase the reimbursement amount an additional \$1.24 million.
- B) Delegate authority to the County Administrator, or designee, to execute amendments with Pacific Gas and Electric, Co., in form approved by County Counsel, to extend the term and/or to receive additional funds that may become available during the course of the Local Government Partnership program, on condition that adequate County staffing and operational capacity exists and that County obtain full cost recovery for services rendered.

Executive Summary:

The current PG&E Local Government Partnership agreement totaling \$855,000.00, administered by the County of Sonoma's Climate Action and Resiliency CAO Division (formerly Energy & Sustainability under General Services), expires June 30, 2023. The proposed amendment will extend the Sonoma Public Energy local government partnership agreement through December 31, 2025, for a total of \$2,095,000.00.

Under the agreement, Climate Action and Resiliency Division staff will continue to provide energy services, subject to full reimbursement by PG&E. These funds are used to facilitate energy efficiency projects by offering services such as energy audits, technical assistance, streamlined access to PG&E rebates, and energy efficiency project financing. During the current term of the agreement (2020-2023), the scope of these services is focused on local municipalities, special districts, and K-12 schools sectors throughout Sonoma County. With the contract extension, services will be expanded to include small to medium businesses within Sonoma County.

Discussion:

The California Public Utilities Commission directs investor-owned utilities, like PG&E, to establish partnerships with local governments for the purpose of implementing energy efficiency initiatives at the local level. The County of Sonoma, through the General Services Department, established the Sonoma County Energy Watch program in 2009, and the Local Government Partnership continues to provide valuable energy efficiency services across Sonoma County. The program originally started by offering services to local government agencies, then expanded to the commercial and small-to-medium-business markets. Over time, the name of

the partnership has changed from Sonoma County Energy Watch to Sonoma Public Energy. One of the recommended actions also recognizes the transfer of agreement oversight from the former General Services Department to the County Administrator's Office, given that staff managing the Partnership are now part of the Climate Action and Resiliency Division.

Division staff is responsible for managing the partnership internally, with funding allocated to administer the services to the approved customer sectors. Additionally, county-owned facilities remain a leading focus of the work performed by Public Infrastructure's Facilities Operations staff.

To date, the Local Government Partnership has provided approximately \$1.8 million in incentives for energy efficiency projects that serve more than 325 customers at municipalities, special districts, nonprofit organizations, and small-to-medium businesses throughout Sonoma County. The projects have saved roughly 12 million kilowatt-hours (kWh) of electricity, 25,500 therms of natural gas, and more than 2,450 metric tons of CO2 emissions, equivalent to the removal of roughly 500 cars from the road for a year.

The Local Government Partnership aligns with and supports the County of Sonoma Strategic Plan's Climate Action and Resiliency pillar: Goal 3, Objective 1. By promoting and implementing energy efficiency projects and raising awareness of the environmental and economic benefits of such activities, the County will continue to demonstrate commitment and leadership in its efforts to reduce greenhouse gas emissions for County operations and the community.

Objectives of the Program Extension

The proposed agreement amendment will extend the Partnership for 2.5 additional years and increase the total reimbursable amount to \$1,240,000. The agreement will extend the term of the existing agreement with PG&E and amend certain other terms and conditions in that agreement. During the 30-month program cycle, the Local Government Partnership will continue to provide energy audits along with its "Energy Efficiency Roadmap" service, technical assistance, support to identify potential rebates and incentives, program marketing support, and project financing. Under the existing contract, the County was directed to focus services on local municipalities, special districts, and K-12 schools. This contract extension will broaden the customer base to also include small to medium businesses throughout Sonoma County. In order to most efficiently maximize additional revenue and energy efficiency opportunities, staff is requesting delegated authority to further extend the agreement and to add additional reimbursable scope should any arise under the Local Government Partnership program.

Climate Action and Resiliency staff will also continue to work closely with and leverage resources available through the Sonoma County Regional Climate Protection Authority, the Sonoma County Energy Independence Program, the Sonoma County Green Business Certification Program, Sonoma Clean Power, and the Bay Area Regional Energy Network amongst others. The goal is to continue offering a one-stop-shop where customers of any type (public, residential, commercial, etc.) can obtain information about energy efficiency rebates, renewable generation options, and long-term project financing.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Climate Action and Resiliency

Goal: Goal 3: Make all County facilities carbon free, zero waste and resilient

Objective: Objective 1: Design or retrofit County facilities to be carbon neutral, zero waste and incorporate resilient construction techniques and materials.

Prior Board Actions:

6/9/2020 - Local Government Partnership Agreement with PG&E Authorized for 2020-2023.

1/8/2019 - Local Government Partnership Agreement with PG&E Authorized for 2018-2019. (6 mo extension executed 9/2019)

3/1/2016 - Local Government Partnership Agreement with PG&E Authorized for 2016-2018.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses	\$293,500	\$496,000	\$496,000
Additional Appropriation Requested			
Total Expenditures	\$293,500	\$496,000	\$496,000
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$293,500	\$496,000	\$496,000
Use of Fund Balance			
Contingencies			
Total Sources	\$293,500	\$496,000	\$496,000

Narrative Explanation of Fiscal Impacts:

The County has contracted with PG&E for these and similar services since 2009. For the totality of the agreement to be executed \$1,240,000 will be paid over 2.5 years based on time and materials. Dollar allocations per year shall be as such:

- FY 23/24 = \$496,000
- FY 24/25 = \$496,000
- FY 25/26 (for 6 months) = \$248,000

Staffing Impacts: N/A			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

Agenda Date: 1/10/2023

N/A

Attachments:

Att 1 Pacific Gas and Electric Current Contract

Att 2 Pacific Gas and Electric Contract Addendum

Related Items "On File" with the Clerk of the Board:

Att 1 Pacific Gas and Electric Current Contract Executed