

Association of Bay Area Governments

Executive Board

November 19, 2020

Agenda Item 6.d.

Bay Area Regional Energy Network (BayREN)

Subject: Authorization to amend a Bay Area Regional Energy Network (BayREN) contract with the City and County of San Francisco in an amount not to exceed \$320,390 to provide services for services for BayREN implementation through December 31, 2022

Background: Since 2013, BayREN has implemented a portfolio of energy efficiency programs across the region. The Association of Bay Area Governments (ABAG) serves as the program administrator and lead agency for a 10-member unincorporated association of local government entities.

On May 31, 2018 the California Public Utilities Commission (CPUC) issued Decision 18-05-041¹ which among other things, authorized funding for BayREN through 2025, allowed for modifications to the existing portfolio, and increased the portfolio's total and annualized budget.

In October 2019, the CPUC removed the pilot designation and made BayREN a permanent Program Administrator. The CPUC has also allowed PG&E and BayREN to negotiate contract terms independent of the CPUC. Accordingly, PG&E has agreed to enter into a contract amendment for three years (through 2022).

ABAG has contracts with BayREN member agencies² and with third party consultants that were selected through a competitive process to assist in the implementation of the programs. The overall BayREN budget is developed each calendar year and the contracts have historically been amended on an annual basis or as needed.

The City and County of San Francisco, Department of the Environment (SFE), is the lead agency for BayREN's commercial program. which provides rebates, financing, and one-stop-shop technical assistance to ensure small and medium businesses can leverage all available energy saving programs. Notably, the program offers energy-efficient lighting, heating, ventilation and air conditioning (HVAC) and refrigeration equipment at no out-of-pocket cost.

¹ <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M215/K706/215706139.PDF>

² The budgets for each member agency are determined by the amount of activities the agencies select and if an agency is the lead for a particular program.

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The funding associated with this amendment will increase the available incentive funding during 2021 to small and medium businesses. During this unprecedented time, COVID-19 has caused irreparable harm to the small business community within the Bay Area. Accordingly, BayREN is transitioning resources within its portfolio to support these businesses.

The proposed three-year budget for SFE is as follows:

	2020	2021	2022
Time & Materials	\$2,208,235	\$2,215,435	\$2,208,235
Incentives	\$1,387,121	\$1,700,311	\$1,387,121
Contract Total	\$3,595,356	\$3,915,746	\$3,595,356

Issues: None

Recommended Action: The ABAG Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, on behalf of the Association of Bay Area Governments and the Bay Area Regional Energy Network, to enter into a contract amendment with the City and County of San Francisco in an amount not to exceed \$320,390 for a total contracted amount of \$11,106,458 to provide services for BayREN implementation through December 31, 2022.

Attachments: Summary Approval – City and County of San Francisco

Reviewed: 
Therese W. McMillan