

Association of Bay Area Governments

Executive Board

September 17, 2020

Agenda Item 6.e.

Bay Area Regional Energy Network (BayREN)

Subject: Authorization to amend two Bay Area Regional Energy Network contracts with Frontier Energy, Inc. in amounts not to exceed \$108,000 for technical and regulatory services and \$48,000 for codes and standards consulting services, through December 31, 2021

Background: Since 2013, the Bay Area Regional Energy Network (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 BayREN's "pilot" designation, solidifying BayREN's status as a permanent Program Administrator. Subsequently, the CPUC also allowed PG&E and BayREN to begin negotiating contract terms independent of the CPUC. ABAG, on behalf of BayREN, and PG&E have entered into a funding agreement through 2022.

ABAG has contracts with BayREN third-party consultants which were selected through competitive processes to assist in the implementation of the programs. The BayREN Codes & Standards (C&S) program is a joint effort of the Bay Area cities and counties to increase compliance with the California Energy Code. Since 2013, Frontier Energy, Inc. (Frontier) has provided BayREN with consulting services for the C&S program and portfolio-wide technical assistance, consisting of overseeing regulatory reporting; evaluation, measurement and verification; and assistance with strategy.

During 2020, several of BayREN's programs developed "Clean Heating" and "Electrification" pathways which encourage the adoption of electric heat pumps, water heaters and appliances as a means of decarbonizing existing residential buildings while improving indoor air quality and occupant comfort. The budget

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

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augmentation for technical and regulatory reporting services provides additional funding of \$54,000 per year for 2020 and 2021 for support and coordination of residential fuel substitution workpapers which standardize energy savings calculations for participants switching from natural gas to electricity.

In 2019, BayREN issued a Request for Proposals seeking Codes and Standards (C&S) consultant services through 2021. Frontier Energy was selected, resulting in a separate contract for C&S implementation. A budget increase of \$48,000 for services through 2020 provides funding for Covid-19-related program modifications, including the conversion of training classes into online offerings and the accommodation of higher demand for trainings. Lastly, the amendment develops and provides customized reach code trainings for Bay Area jurisdictions.

Issues: None

Recommended Action: The 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 two contract amendments with Frontier Energy, Inc., with the first in an amount not to exceed \$108,000 for technical and regulatory reporting services, for a total contracted amount of \$6,338,987, and the second in an amount not to exceed \$48,000, for a total contracted amount of \$1,348,000 to provide Codes & Standards consultant services through December 31, 2021.

Attachments: A. Summary Approval Frontier Energy – Technical & Regulatory
B. Summary Approval Frontier Energy – C&S Implementation

Reviewed:


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