

**Association of Bay Area Governments
ABAG Administrative Committee**

July 11, 2025

Agenda Item 7c

Co-Funding Agreement - Bay Area Regional Energy Network (BayREN) Statewide Home Energy Score Program: Pacific Gas and Electric (PG&E), Southern California Edison (SCE), Southern California Gas (SoCalGas), and San Diego Gas and Electric (SDG&E) (\$9,900,000)

Subject:

Authorization to Enter into a Co-Funding Agreement with the four Investor Owned Utilities (IOUs), Pacific Gas and Electric (PG&E), Southern California Edison (SCE), Southern California Gas (SoCalGas) and San Diego Gas and Electric (SDG&E), in an Amount Not to Exceed \$9,900,000 to fund the new Bay Area Regional Energy Network's (BayREN) Statewide Home Energy Score Program (Home Energy Score California) through December 31, 2027.

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. The California Public Utilities Commission (CPUC), in Decision (D.) 12-11-015, first authorized funding for BayREN. On July 3, 2023, the CPUC issued D.23-06-055, which, among other things, approved BayREN's strategic business plan for eight years (2024-2031) and four-year program portfolio for 2024-2027, with an accompanying budget of approximately \$157 million.

In addition, the CPUC authorized BayREN in D. 23-06-055, as the lead program administrator, to administer the first non-IOU statewide program. They granted an additional budget of \$9,900,000 to administer this program through the same period of January 1, 2024 through December 31, 2027, pending approval of BayREN's statewide Home Energy Score advice letter submitted to the CPUC requesting authorization to develop and implement the Home Energy Score California program. BayREN's advice letter was accepted by the CPUC on November 4, 2024. The four IOUs – as directed by the CPUC – will disburse the funds, collected through the

residential electric ratepayer utility bill public purpose program charges, to BayREN. The CPUC has allowed the IOUs and BayREN to negotiate contract terms independent of the CPUC.

Part of BayREN's purpose is to test programs to determine if they can be scaled to serve larger areas. The Home Energy Score California program is an expansion of the successful Home Energy Score program implemented in the nine Bay Area Counties. By expanding statewide, the Home Energy Score California program will provide a far greater number of homeowners with the knowledge and motivation needed to make energy efficiency investments in the residential sector, therefore driving demand, innovation, and workforce growth in the energy efficiency market across the state.

The primary value-add of the program is making available a standard home energy label throughout the state utilizing the Department of Energy (DOE) Home Energy Score tool as a baseline. Scores will be able to be conducted on any single-family home within the territory of California's IOUs.

The Investor-Owned Utilities are neither small businesses nor disadvantaged business enterprises and do not provide work for this agreement.

Issues:

None identified.

Recommendations:

Requests ABAG Administrative Committee approval to authorize the Executive Director of the Metropolitan Transportation Commission, or designee, to enter into a co-funding agreement with four IOUs to fund the new Home Energy Score California program through December 31, 2027, in an amount not to exceed \$9,900,000.

Attachments:

- Attachment A: Request for ABAG Administrative Committee Approval



Andrew B. Fremier

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.:	1721 (NFSN's TBD), pending a fully executed agreement
Consultant:	Investor-Owned Utilities (IOUs): Pacific Gas and Electric (PG&E) Oakland, CA Southern California Edison (SCE) Rosemead, CA Southern California Gas (SoCalGas) Monterey Park, CA San Diego Gas and Electric (SDG&E) San Diego, CA
Work Project Title:	BayREN Statewide Home Energy Score Program (Home Energy Score California)
Purpose of Project:	Fund the new Home Energy Score California program through December 31, 2027.
Brief Scope of Work:	BayREN implements a portfolio of energy efficiency programs across the region and state. ABAG serves as the program administrator and lead agency regionally and for the new statewide Home Energy Score California program.
Project Cost Not to Exceed:	\$9,900,000
Funding Source:	Investor-Owned Utilities (IOU) (ratepayer funds) as directed by the California Public Utilities Commission (CPUC)

Fiscal Impact: Funds programmed in Fiscal Years 2025-2026; 2026-2027; 2027-2028 Budgets

Motion by Committee: Requests ABAG Administrative Committee approval to authorize the Executive Director of the Metropolitan Transportation Commission, or designee, to enter into a co-funding agreement with four IOUs to fund the new Home Energy Score California program through December 31, 2027, in an amount not to exceed \$9,900,000 described above and in the ABAG Administrative Committee Summary Sheet dated July 11, 2025 and that the Chief Financial Officer is authorized to set aside \$9,900,000 for such a co-funding agreement.

ABAG Administrative Committee:

Belia Ramos, President

Approved: July 11, 2025