



ABAG POWER Executive Committee Meeting No. 2015-02
April 15, 2015 (12 Noon - 2:00 p.m.)
Association of Bay Area Governments
101 Eighth Street, Conference Room B
Oakland, CA 94607

AGENDA*

1. **Welcome and Introductions**
2. **Public Comments**
3. **Approve Summary Minutes of Executive Committee Meeting**
Action:
ATTACHMENT 3A – SUMMARY MINUTES OF FEBRUARY 18, 2015
4. **Report on Natural Gas Program**
Information: Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; and other miscellaneous program items.
ATTACHMENT 4A – MONTHLY SUMMARY OF OPERATIONS FY 2014-15
ATTACHMENT 4B – GAS HEDGE CHART
ATTACHMENT 4C – MARKET PRICE CHART
ATTACHMENT 4D – HISTORIC STRANDED CAPACITY COSTS
5. **Contract Extension for Natural Gas Scheduling**
Action: Take action on staff recommendation to extend the gas scheduling services contract with DMJ Gas Marketing Consultants.
ATTACHMENT 5A – CONTRACT EXTENSION MEMO
6. **BayREN Update**
Information: Staff will update members on the status of the Bay Area Regional Energy Network (BayREN).
ATTACHMENT 6A – BAYREN UPDATE PRESENTATION
7. **Closed Session**
The following item will be discussed in closed session, pursuant to the requirements of the Ralph M. Brown Act. All reportable actions taken will be announced in open session prior to the adjournment of the meeting.
Conference With Legal Counsel—Existing Litigation, Govt. C. Sec. 54956.9(d):
 1. Application of Pacific Gas & Electric Company to Set New Core Interstate Pipeline Capacity Planning Range (A.13-06-011)
 2. Application of Pacific Gas & Electric Company Proposing Cost of Service and Rates for Gas Transmission and Storage Services for the Period 2015-2017 (A.13-12-012)
8. **Other Business**
9. **Adjournment**

*The Committee may take action on any item on this agenda



SUMMARY MINUTES

ABAG POWER Executive Committee

Regular Meeting 2015-01

February 18, 2015

MetroCenter, ABAG's Conference Room C171

101 8th Street, Oakland, CA 94607

WELCOME AND INTRODUCTIONS

Chairman Schroeder opened the meeting with introductions at 12:00 PM.

Committee Representatives

Chris Schroeder (Chair)

Tonya Gilmore

Angela Walton

Richard Sealana

Jurisdiction

City of Milpitas

City of Orinda

City of Richmond

City of Union City

Members Absent

Stephanie Hom

Julie Bueren

Alan Olds

Town of Moraga

County of Contra Costa

Housing Authority of the City of Alameda

Staff Present

Jerry Lahr

Ryan Jacoby

Ken Moy

Susan Hsieh

ABAG POWER

ABAG POWER

ABAG

ABAG

Guests Present

Brad Vance

County of Santa Clara

Members of the Public Present

Mary Mitchell

PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.



APPROVAL OF SUMMARY MINUTES OF DECEMBER 10, 2014.

Motion was made by Sealana/S/Walton/C/4:0:0 to approve the Summary Minutes of December 10, 2014 Executive Committee Meeting.

The aye votes were: Gilmore, Schroeder, Sealana, Walton.

The nay votes were: None.

Abstentions were: None.

Absentees were: Bueren, Hom, Olds.

FY 2013-14 AUDITED FINANCIAL STATEMENTS

ABAG Finance Authority for Nonprofit Corporations (FAN) Embezzlement

ABAG Assistant Finance Director, Susan Hsieh, and ABAG Legal Counsel, Ken Moy, discussed the recent embezzlement from FAN and how this may affect service programs managed by ABAG. Members were assured that service programs (including the ABAG POWER program) are in no way involved in the recent embezzlement from the FAN. ABAG POWER funds were not affected by this incident.

ABAG POWER Basic Financial Statement

Lahr reported that a clean audit opinion was received for the FY 2013-14 financial statements.

ABAG POWER Memorandum of Internal Control

Lahr reported that the independent auditors did not identify any deficiencies in internal control that were considered to be material weaknesses.

Approval of FY 2013-14 Audited Financial Statements

Motion was made by Sealana/S/Walton/C/4:0:0 to approve the FY 2013-14 audited financial statements:

The aye votes were: Gilmore, Schroeder, Sealana, Walton.

The nay votes were: None.

Abstentions were: None.

Absentees were: Bueren, Hom, Olds.

REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations FY 14-15

Lahr provided members with the Monthly Summary of Operations reports for FY14-15; members were updated on the percentage savings comparisons with PG&E. The cumulative savings through



December, 2014 is -0.3% including the CTA Unrecovered Pipelines Capacity costs. The program's 'Rate Comparisons excluding Pipeline Capacity Costs' calculation displayed a cumulative savings through December, 2014 of 2.3%.

Lahr noted the recharacterization of costs for July, 2014 affecting the Cost of Energy Used and the PG&E Pass-through Costs figures (as denoted).

Gas Hedge Chart

Lahr provided information on the various current long-term gas purchases (contracts which are greater than one month in length). Lahr corrected a label erroneously titled "Pkg 3 – PG&E CG: \$3.88"; correct label being "Pkg 3 – Malin: \$3.88".

Market Price Chart

Lahr provided information on gas prices.

Historic Stranded Capacity Costs

Lahr provided a list of invoices received from PG&E for the CTA Unrecovered Pipelines Capacity costs. To date the program has paid a total of \$354,559 for these costs starting from April, 2012 (costs for FY 2014-15: \$92,842).

Rate Stability Comparison

Lahr presented an updated rate stability comparison spanning 2003-2014. In addition to analyzing POWER's yearly budgeted rate the calculation included monthly and true-up rates. Members and staff agreed this comparison addressed and satisfied prior concerns the comparison raised during the 2014 Annual Board Meeting.

ABAG POWER OPERATIONS MANUAL

Lahr presented the revised Operations Manual for approval. A recommendation was made to amend section 5.1 by deleting the following statement (and associated footnote):

“Authorization for a fixed price six-month gas purchase contract beginning April 1, 2015 up to 500 Dth/day”

Motion was made by Sealana/S/Schroeder/C/4:0:0 to approve the ABAG POWER Operations Manual, as amended.

The aye votes were: Gilmore, Schroeder, Sealana, Walton.

The nay votes were: None.

Abstentions were: None.

Absentees were: Bueren, Hom, Olds.



In addition, Sealana suggested that staff ultimately expand the scope of the Operations Manual to include additional endeavors of ABAG POWER, such as the Bay Area Regional Energy Network (BayREN).

FY 2015-16 PRELIMINARY OPERATING BUDGET

Lahr presented members with a preliminary FY 2015-16 operating budget which indicates a total core rate decrease of approximately 4%. The budget will be updated and presented for approval at the Executive Committee meeting currently scheduled for June 17, 2015.

CLOSED SESSION

Conference with Legal Counsel—Existing Litigation, Govt. C. §54956.9(d):

1. Application of Pacific Gas & Electric Company to Set New Core Interstate Pipeline Capacity Planning Range (A.13-06-011)
2. Application of Pacific Gas & Electric Company Proposing Cost of Service and Rates for Gas Transmission and Storage Services for the Period 2015-2017 (A.13-12-012)

The Chairman announced that no reportable action was taken in closed session.

ADJOURNMENT

Chairman Schroeder adjourned the meeting at 1:50 PM.

/rj

*Example of a motion – *[Member No. 1/S/Member No. 2/roll call vote/C/8:0:0]* means Member No.1 motions, seconded by Member No.2, after roll call vote, motion carries, 8 = “yes” votes, 0 = “no” votes and 0 = abstention.

ABAG POWER Natural Gas Program
FY 2014-15 Monthly Summary of Operations

| | days/mo. | Jul 31 | Aug 31 | Sep 30 | Oct 31 | Nov 30 | Dec 31 | Jan 31 | Feb 28 | Mar 31 | Apr 30 | May 31 | Jun 30 | Total |
|--|----------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|--------------|
| Gas Purchases⁽¹⁾ | | | | | | | | | | | | | | |
| Purchase 1 | Qty | 15,493 | 15,446 | 14,883 | 15,500 | 15,000 | 15,500 | 15,500 | 14,000 | 15,500 | 15,000 | 15,500 | 15,000 | 182,322 |
| | Price | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.94 | \$3.88 | \$3.88 | \$3.88 | |
| Purchase 2 | Qty | 15,500 | 15,500 | 15,000 | 15,500 | 15,000 | 15,500 | 15,500 | 14,000 | 15,500 | | | | 137,000 |
| | Price | \$4.99 | \$4.99 | \$4.99 | \$4.99 | \$4.99 | \$4.99 | \$4.99 | \$4.99 | \$4.99 | | | | |
| Purchase 3 | Qty | 22,091 | 22,031 | 21,204 | 22,103 | 21,480 | 22,196 | 22,164 | 20,048 | 22,196 | | | | 195,513 |
| | Price | \$4.50 | \$3.84 | \$3.94 | \$3.88 | \$4.10 | \$3.43 | \$2.89 | \$2.55 | \$2.49 | | | | |
| Purchase 4 | Qty | 6,516 | 6,975 | 4,800 | 4,200 | 6,900 | 10,400 | 12,400 | 9,600 | 6,200 | | | | 67,991 |
| | Price | \$4.86 | \$4.50 | \$4.43 | \$4.42 | \$4.43 | \$3.90 | \$3.26 | \$2.96 | \$2.94 | | | | |
| Purchase 5 | Qty | | | | | -4,000 | | | | | | | | -4,000 |
| | Price | | | | | \$4.50 | | | | | | | | |
| Total Quantity Purchased | | 59,600 | 59,952 | 55,887 | 57,303 | 54,380 | 63,596 | 65,564 | 57,648 | 59,396 | 15,000 | 15,500 | 15,000 | 578,826 |
| Total Purchase Cost | | \$269,364 | \$254,127 | \$238,200 | \$242,672 | \$234,426 | \$254,912 | \$242,747 | \$204,488 | \$211,750 | \$58,200 | \$60,140 | \$58,200 | \$2,329,225 |
| Backbone Shrinkage (Dths) | | (405) | (408) | (401) | (403) | (420) | (434) | (434) | (392) | (434) | | | | |
| WACOG ⁽²⁾ | | \$4.55 | \$4.27 | \$4.29 | \$4.26 | \$4.34 | \$4.04 | \$3.73 | \$3.57 | \$3.59 | \$3.88 | \$3.88 | \$3.88 | \$4.02 |
| Storage/Inventory | | | | | | | | | | | | | | |
| Total Injections/ (Withdrawals) | | 10,463 | 4,500 | 15,400 | 8,040 | 1,270 | (12,093) | (22,744) | 6,173 | 10,225 | | | | 21,234 |
| Total Inventory Quantity (Dths) | | 51,614 | 56,114 | 71,514 | 79,554 | 80,824 | 68,731 | 45,987 | 52,160 | 62,385 | | | | |
| Total Inventory (\$) | | \$229,030 | \$249,550 | \$315,278 | \$349,592 | \$355,009 | \$301,895 | \$202,004 | \$229,115 | \$246,912 | | | | |
| Avg. Inventory Rate (\$/Dth) | | \$4.44 | \$4.45 | \$4.41 | \$4.39 | \$4.39 | \$4.39 | \$4.39 | \$4.39 | \$3.96 | | | | |
| Gas Program Monthly Expenses (from Financial Reports) | | | | | | | | | | | | | | |
| Cost of Energy Used ⁽³⁾ | | \$ 248,521 | \$ 263,343 | \$ 202,120 | \$ 238,935 | \$ 259,317 | \$ 342,063 | \$ 379,923 | \$ 214,069 | | | | | \$ 2,148,291 |
| Program Operating Expenses ⁽⁴⁾ | | 34,247 | 29,771 | 32,651 | 37,027 | 29,217 | 26,990 | 32,860 | 31,214 | | | | | 253,977 |
| Subtotal | | \$ 282,767 | \$ 293,114 | \$ 234,772 | \$ 275,962 | \$ 288,534 | \$ 369,053 | \$ 412,783 | \$ 245,283 | \$ - | \$ - | \$ - | \$ - | \$ 2,402,268 |
| Rate (\$/Dth) | | \$6.08 | \$6.50 | \$5.40 | \$5.52 | \$4.93 | \$4.74 | \$4.86 | \$3.99 | | | | | \$5.07 |
| PG&E Pass-through costs ⁽⁵⁾ | | 152,189 | 142,623 | 130,734 | 181,023 | 177,184 | 212,756 | 449,627 | 391,372 | | | | | 1,837,507 |
| Total ABAG POWER Cost | | \$ 434,957 | \$ 435,737 | \$ 365,505 | \$ 456,985 | \$ 465,718 | \$ 581,809 | \$ 862,410 | \$ 636,655 | | | | | \$ 4,239,775 |
| Actual (metered) Gas Usage | | | | | | | | | | | | | | |
| Core ⁽⁶⁾ | | 40,996 | 40,074 | 38,566 | 43,999 | 55,036 | 72,137 | 78,215 | 56,160 | | | | | 425,183 |
| Non Core | | 5,507 | 5,050 | 4,940 | 6,029 | 3,540 | 5,726 | 6,676 | 5,304 | 5,862 | | | | 48,632 |
| Total Program Usage | | 46,503 | 45,124 | 43,506 | 50,028 | 58,576 | 77,863 | 84,891 | 61,464 | 5,862 | 0 | 0 | 0 | 473,816 |
| ABAG POWER Total Core Rate | | \$ 9.79 | \$ 10.05 | \$ 8.79 | \$ 9.63 | \$ 8.15 | \$ 7.69 | \$ 10.61 | \$ 10.96 | | | | | |
| PG&E Rate⁽⁷⁾ | | | | | | | | | | | | | | |
| Procurement Charge ⁽⁸⁾ | | 6.00 | 5.63 | 6.05 | 5.21 | 4.65 | 5.36 | 4.89 | 4.64 | 3.80 | 3.34 | | | |
| Transportation/Other Charge ⁽⁹⁾ | | 3.71 | 3.56 | 3.39 | 4.11 | 3.22 | 2.95 | 5.75 | 6.97 | | | | | |
| Total PG&E Rate | | \$ 9.72 | \$ 9.19 | \$ 9.44 | \$ 9.32 | \$ 7.87 | \$ 8.31 | \$ 10.64 | \$ 11.61 | \$ 3.80 | \$ 3.34 | \$ - | \$ - | |

ABAG POWER Natural Gas Program

FY 2014-15 Monthly Summary of Operations

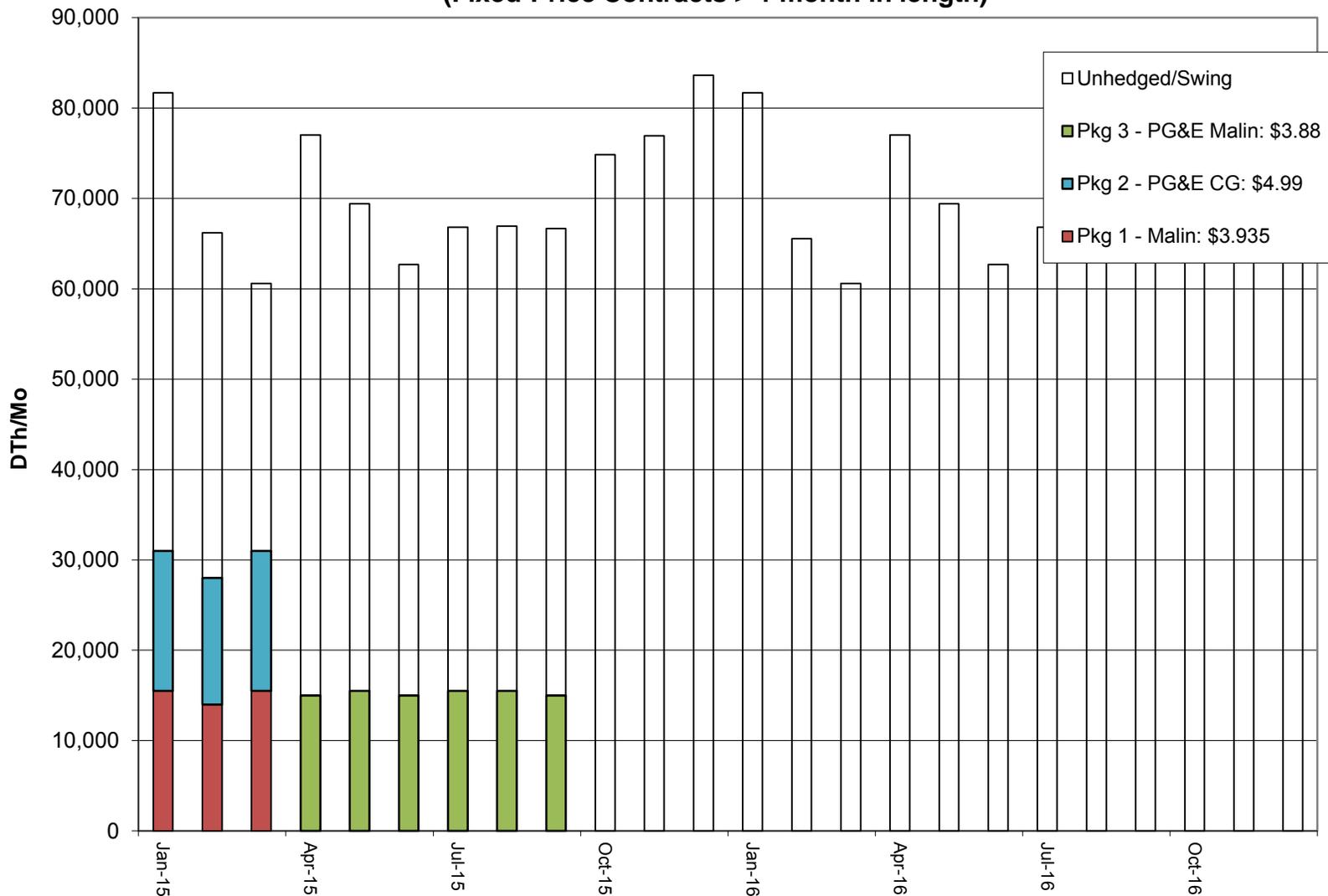
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Total |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------|-----|-----|-------|
| <u>Rate Comparison</u> | | | | | | | | | | | | | |
| Monthly Rate Difference (\$/Dth) | 0.08 | 0.87 | (0.65) | 0.31 | 0.28 | (0.62) | (0.03) | (0.65) | | | | | |
| Monthly Savings (\$) | (3,191) | (34,671) | 25,024 | (13,597) | (15,294) | 44,972 | 1,962 | 36,296 | | | | | |
| Cumulative 'Savings' (\$) | (3,191) | (37,862) | (12,838) | (26,435) | (41,730) | 3,242 | 5,204 | 41,500 | | | | | |
| Cumulative 'Savings' (%) | -0.8% | -4.9% | -1.1% | -1.7% | -2.1% | 0.1% | 0.2% | 1.0% | | | | | |
| <u>Rate Comparison excluding Stranded Pipeline Capacity Costs</u> | | | | | | | | | | | | | |
| Standed Pipeline Capacity Costs | \$ 11,827 | \$ 11,575 | \$ 11,522 | \$ 12,298 | \$ 12,094 | \$ 15,740 | \$ 17,788 | \$ 17,758 | \$ 14,049 | | | | |
| Monthly Savings | 7,235 | (24,392) | 35,238 | (2,782) | (3,931) | 59,554 | 18,351 | 52,522 | | | | | |
| Cumulative Savings (\$) | 7,235 | (17,157) | 18,081 | 15,299 | 11,368 | 70,922 | 89,273 | 141,795 | | | | | |
| Cumulative Savings (%) | 1.8% | -2.2% | 1.6% | 1.0% | 0.6% | 2.8% | 2.6% | 3.5% | | | | | |
| <u>Monthly Index Postings</u> | | | | | | | | | | | | | |
| NGI Bidweek for PG&E Citygate | \$5.12 | \$4.48 | \$4.55 | \$4.42 | \$4.17 | \$4.69 | \$3.48 | \$3.17 | \$3.17 | \$2.92 | | | |
| Gas Daily Avg. for PG&E Citygate | \$4.70 | \$4.49 | \$4.43 | \$4.29 | \$4.50 | \$4.34 | \$3.25 | \$2.95 | \$2.93 | | | | |
| NGI Bidweek for Malin | \$4.49 | \$3.83 | \$3.93 | \$3.87 | \$3.58 | \$4.45 | \$3.16 | \$2.67 | \$2.71 | | | | |

Notes:

- (1) All gas quantities in Dth and rates in \$/Dth. (Does not include imbalance purchases traded to storage.)
- (2) Weighted Average Cost of Gas (WACOG) at PG&E Citygate
- (3) Includes costs to transport gas to PG&E Citygate from alternate delivery points, as well as physical storage costs.
- (4) Includes scheduling fees, billing fees, administrative costs and misc. expenses; less interest income.
- (5) PG&E charges billed to ABAG POWER via EDI process and passed through to customers. These costs do not necessarily tie directly to the actual gas usage shown above due to timing difference in reporting.
- (6) From billing data
- (7) Based on PG&E's G-NR1 rate schedule.
- (8) Includes: Procurement Charge, Capacity Charge, Brokerage Fee, Shrinkage, and Storage.
- (9) PG&E Transportation Charge; Customer Charge, and surcharge for Public Purpose Programs. Does not include Franchise Fees and City Taxes.

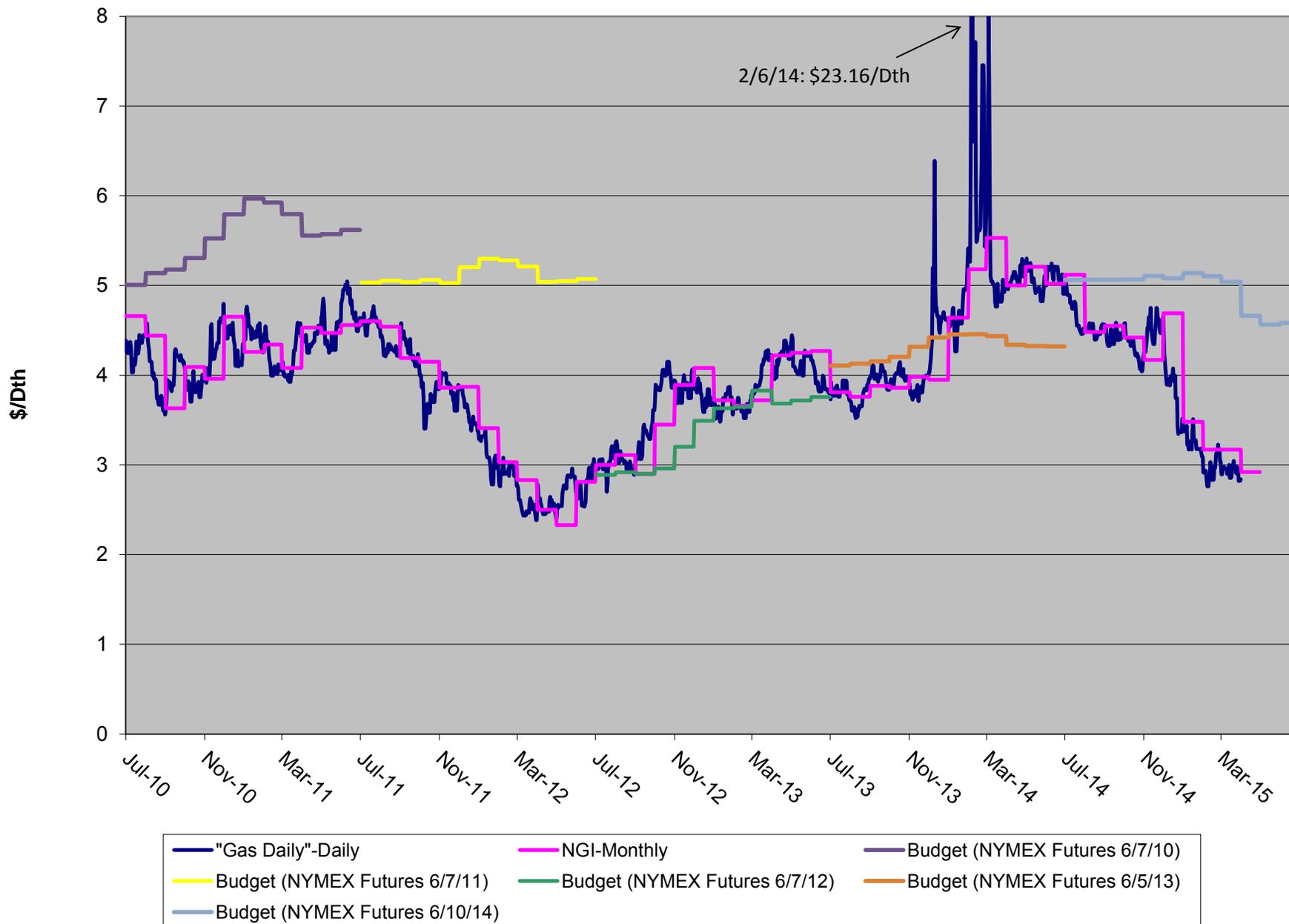
Gas Hedge Chart

**ABAG POWER Long Term Gas Purchases
(Fixed-Price Contracts > 1 month in length)**



Market Price Chart

5-Yr Historical/Future Market Price Indices @ PG&E Citygate



ABAG POWER

CTA Unrecovered Capacity - Invoices

| <u>Bill Period</u> | <u>Amount</u> | <u>Estimate</u> |
|---------------------------------|----------------------|--------------------------------|
| Apr-12 | \$ 616 | |
| May-12 | 614 | |
| Jun-12 | 663 | |
| <u>Total FY 2011-12:</u> | \$ 1,892 | |
| Jul-12 | \$ 3,358 | |
| Aug-12 | 3,366 | |
| Sep-12 | 3,387 | |
| Oct-12 | 3,692 | |
| Nov-12 | 2,704 | |
| Dec-12 | 3,408 | |
| Jan-13 | 3,771 | |
| Feb-13 | 4,022 | |
| Mar-13 | 4,687 | |
| Apr-13 | 11,446 | |
| May-13 | 11,683 | |
| Jun-13 | 12,065 | |
| <u>Total FY 2012-13:</u> | \$ 67,587 | |
| | | <u>Projected (8/13)</u> |
| Jul-13 | \$ 15,043 | \$ 15,042 |
| Aug-13 | 15,539 | 15,042 |
| Sep-13 | 15,163 | 15,042 |
| Oct-13 | 15,439 | 15,042 |
| Nov-13 | 14,152 | 14,857 |
| Dec-13 | 18,186 | 14,993 |
| Jan-14 | 18,991 | 14,993 |
| Feb-14 | 18,759 | 14,993 |
| Mar-14 | 14,275 | 13,732 |
| Apr-14 | 15,999 | 18,657 |
| May-14 | 15,319 | 18,657 |
| Jun-14 | 15,372 | 18,657 |
| <u>Total FY 2013-14:</u> | \$ 192,238 | \$ 189,707 |

| <u>Bill Period</u> | <u>Amount</u> | <u>Estimate</u> |
|--------------------------|--------------------------|-------------------|
| Jul-14 | \$ 11,827 | \$ 18,657 |
| Aug-14 | 11,575 | 18,657 |
| Sep-14 | 11,522 | 18,657 |
| Oct-14 | 12,298 | 18,657 |
| Nov-14 | 12,094 | 18,657 |
| Dec-14 | 15,740 | 20,451 |
| Jan-15 | 17,788 | 20,451 |
| Feb-15 | 17,758 | 20,451 |
| Mar-15 | 14,049 | 18,657 |
| Apr-15 | | 25,223 |
| May-15 | | 25,223 |
| Jun-15 | | 25,223 |
| Total FY 2014-15: | \$ 124,649 | \$ 248,961 |
| Jul-15 | | \$ 25,223 |
| Aug-15 | | 25,223 |
| Sep-15 | | 25,223 |
| Oct-15 | | 25,223 |
| Nov-15 | | 25,223 |
| Dec-15 | | 27,728 |
| Jan-16 | | 27,728 |
| Feb-16 | | 27,728 |
| Mar-16 | | 25,223 |
| Apr-16 | | 25,223 |
| May-16 | | 25,223 |
| Jun-16 | | 25,223 |
| Total FY 2015-16: | \$ - | \$ 310,189 |
| Total to date: | \$ <u>386,366</u> | |



DT: April 3, 2015

TO: ABAG POWER Executive Committee

FM: Gerald L. Lahr, ABAG POWER Program Manager

RE: **Extension of Natural Gas Scheduling Services Contract with DMJ Gas Marketing Consultants**

ABAG POWER's contract for natural gas scheduling services expires on June 30, 2015. Staff recommend extending the current contract with DMJ Gas Marketing Consultants, LLC for one year with minor modifications.

Background. In the Spring of 2013 DMJ Gas Marketing Consultants (DMJ) was selected through a competitive process to provide ABAG POWER a variety of services related to natural gas scheduling and balancing. The original contract was for a period two years, but also provided for the option of extending the contract for up to an additional two years.

Because DMJ has provided satisfactory scheduling services to ABAG POWER during the initial term of the contract, staff intends to extend the term for an additional one year. Staff will evaluate the contract at the end of this period to determine if the contract should be renewed for an additional year.

Additionally, ABAG POWER staff recommend modifying the Fee Schedule section of the contract to pay a flat monthly fee of \$1,400/month, as opposed to the current usage-based fee of \$0.02/Dth. The proposed flat monthly fee is commensurate with the usage-based fee but provides for simpler invoicing and tracking.

Recommendation. Approve contract modification and extension with DMJ Gas Marketing Consultants for the period July 1, 2015 to June 30, 2016.

Attachments: Letter to DMJ



April xx, 2015

Dave Jones
DMJ Gas Marketing Consultants, LLC
7027 Dublin Blvd., #100A
Dublin, CA 94568

Re: Scheduling Services – Contract Extension

Dear Mr. Jones:

The purpose of this letter is to extend the Scheduling Services Agreement between DMJ Gas Marketing Consultants, LLC (DMJ) and ABAG POWER by adding the period July 1, 2015 to June 30, 2016.

Additionally, Section 1(b) of Exhibit C to the agreement (Compensation) shall be replaced in its entirety with the following:

Beginning July 1, 2015 ABAG POWER shall compensate DMJ a monthly fee of \$1,400 for all services performed in accordance with the Scheduling Services Agreement.

All other terms and conditions shall remain unchanged.

Please sign below and return a copy to acknowledge your agreement to this extension as well as the modification of the Fee Schedule.

Sincerely,

Ezra Rapport
ABAG Executive Director
ABAG POWER President

I have read, understood and agree to the provisions set forth in this letter.

Date: _____ By: _____

Dave Jones
DMJ Gas Marketing Consultants, LLC

cc: Jerry Lahr, ABAG POWER Program Manager
Kenneth Moy, ABAG Legal Counsel

BayREN Update

ABAG POWER
April 15, 2015



BAY Regional
AREA Energy
Network

1

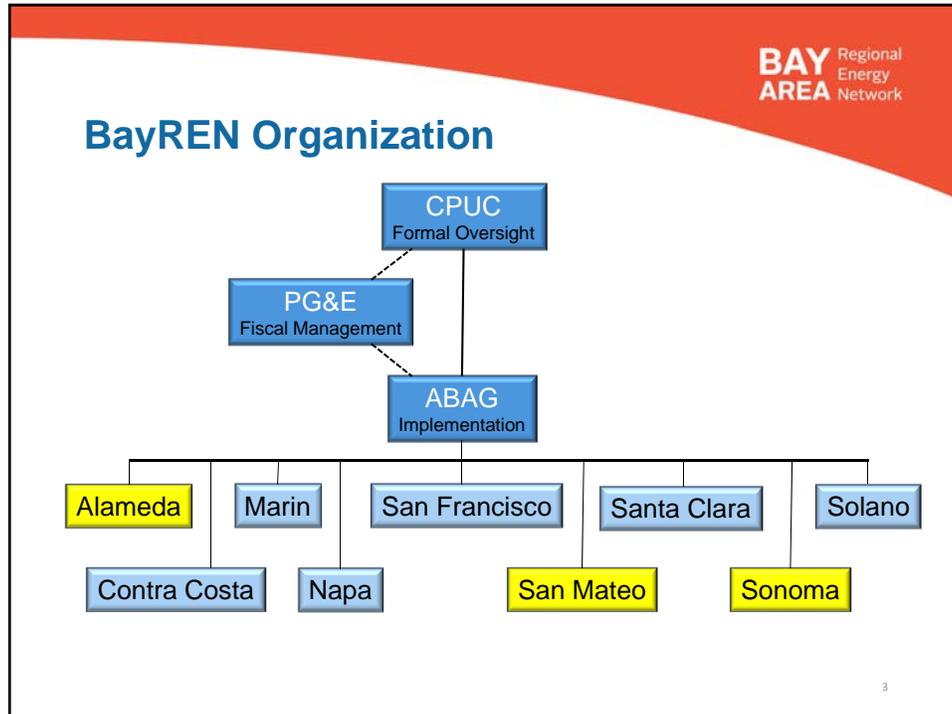
BayREN (Bay Area Regional Energy Network)

BAY Regional
AREA Energy
Network



- BayREN is made up of public agencies representing all nine counties in the Bay Area
- One of only two regional energy networks in California
- 20% of the state's population
- 50% population within Pacific Gas and Electric Company service territory
- Draws on the expertise, experience, and proven track record of local agencies and their staff

2



BAY AREA Regional Energy Network

BayREN Impacts

BayREN creates meaningful impact across the Bay Area:

- Energy Savings
- Economic Stimulus
- Job Creation
- Environmental Policy Advancement



- 2013-14 Funding: **\$22.7 million**
- 2015 Funding: **\$12.8 million**

4

Programs



- ❖ **Single Family Retrofit**
- ❖ **Multifamily Retrofit & Financing**
- ❖ **Energy Codes and Standards**
- ❖ **Pay-as-You-Save (PAYS)**
- ❖ **Commercial Pace Outreach**

Single Family Program Offering

BayREN's program:

- Provides homeowners who install energy-efficient home improvements **\$1,000–\$3,150** in rebates and incentives
- Recruits, trains and qualifies Specialty Contractors for program participation
- Provides regional and local marketing, education and outreach activities for customers and contractors
- Offers a Home Upgrade Advisor for free one-to-one assistance for homeowners and contractors



Economic Stimulus

Highlight – Single Family Program

 **\$9.5 million**
In total projects

\$2.2 million
Paid or reserved
incentives



7



Job Creation

Highlight – Single Family Program

 **\$1.1 million**
Estimated contractor wages generated

35,104
Total Home Upgrade
Project worker hours



 **51.3**
Average number of labor hours for each Home Upgrade Project required, equivalent to more than a week's worth of work for a contractor

8

Energy Savings

Highlight – Single Family Program

247,468 kWh (electricity)
65,105 therms (natural gas)



516
metric tons of CO2 conserved -
same emissions created by driving a passenger car
around the globe almost 50 times

Connecting to the Community

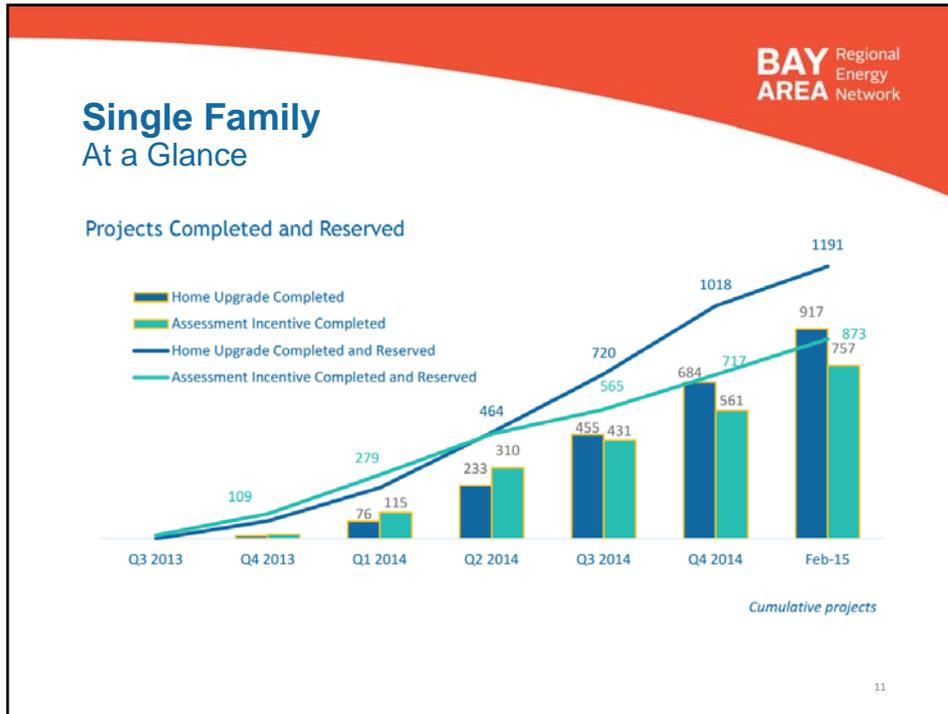
Training & Events

To leverage local relationships, BayREN members tailored custom, direct outreach to best communicate with their county.

Contractors were trained to participate in the program, while grassroots efforts drove community awareness:

- **301** Community events total
- **50** Homeowner workshops
- **140** Outreach tabling events
- **73** Canvassing events
- **38** Presentations to homeowners
- Ongoing Contractor Trainings





BAY AREA Regional Energy Network

Multifamily Program Offering

BayREN offers cash rebates and free energy consulting for multifamily properties with five or more attached dwelling units that make energy upgrades.

- Offers rebates of **\$750** per unit for multifamily building upgrades
- Offers comprehensive technical assistance to multifamily property owners to identify and prioritize energy upgrades and qualify for rebates

12



Multifamily Achievements

The program has been extremely successful, outperforming expectations and comparable programs statewide, by a factor of three to four.

- **8,340** Total Units Completed (exceeded program goals by more than 200%)
- **16%** Average Estimated Savings
- Average Estimated Savings Per Completed Unit: **406 kWh + 31 Therms**
- Total Rebates received by property owners = **\$6.2 million**

BayREN's multifamily program stands out as an exemplary environmental improvement program not just in the Bay Area, but across the state.

13



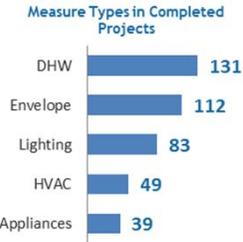
Multifamily At a Glance

Completed Upgrades



| Month | Cumulative Units |
|-------|------------------|
| Nov | 6 |
| Dec | 6 |
| Jan | 182 |
| Feb | 280 |
| Mar | 314 |
| Apr | 356 |
| May | 385 |
| Jun | 659 |
| Jul | 900 |
| Aug | 932 |
| Sep | 999 |
| Oct | 2,734 |
| Nov | 3,288 |
| Dec | 8,384 |

Measure Types in Completed Projects



| Measure Type | Count |
|--------------|-------|
| DHW | 131 |
| Envelope | 112 |
| Lighting | 83 |
| HVAC | 49 |
| Appliances | 39 |

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Energy Savings

Highlight – Multifamily Program

3,400,000 kWh (electricity)
260,000 therms (natural gas)



3,670
metric tons of CO2 conserved
same emissions created by 773 passenger cars or
3.9 million pounds of coal burned

Case Study

Reflections Condominiums - Contra Costa

Reflections, a community of nearly 300 condominiums in San Ramon, recently completed a BAMBE project. Energy efficient measures included replacing exterior lighting, installing energy efficient windows, installing an on-demand water heater and high efficiency insulated storage water heaters



Results:
16.6% overall energy savings
Water savings
In-unit noise reduction
Increased safety from improved lighting
Rebate amount of \$222,000

Codes and Standards

Purpose

- Provide support for cities and counties to better implement energy codes
- Maximize energy savings in new buildings
- Advocate for enhanced local energy codes
- Share best practices and develop resources



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Codes and Standards

Achievements

- Improvements to local government codes and processes
 - **15** Permit Resource Opportunity Program jurisdictions for enhanced energy code compliance processes in building departments
 - Report just released
(https://www.bayren.org/sites/default/files/BayREN_CS_PROP_Final_Report_2015_0401.pdf)
- Advocacy for new energy policy and legislation
 - **351** attendees across **7** regional forums
- Training for local governments and building professionals on code compliance and enforcement
 - Exceeded energy code training goal by **42%**

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PAYS Program Offering

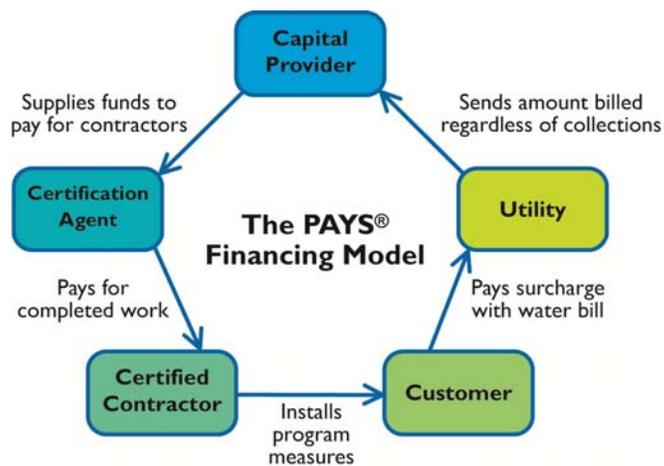
What is it?

A system of contracts between implementers of resource efficiency programs that:

- **Enables utility customers** to purchase and install money saving water- and energy-based technologies with no up-front cost through a surcharge on the customer's utility bill
- **Increases program effectiveness** to meet or exceed utility energy and climate goals
- **Allows a utility to shift rebate funds** to more strategic purposes

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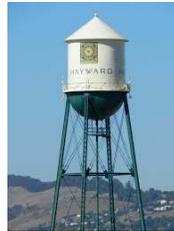
How PAYS is delivered



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BayREN Water Utility Partners

- Town of Windsor – Expansion of pilot to commercial landscaping
- City of Hayward – focus on multifamily properties, with goal of 2,000 units
- EBMUD – Project design for multifamily pilot
- SFPUC – potential partner



Commercial PACE Program Offering

- Court validations for Bay Area Counties
- Developing trainings for contractors
- Promotional activities and materials



Looking Beyond

- CPUC: BayREN is a “pilot”
- Diversity of funding
- Expansion of PAYS
- Coordination with other ABAG efforts, i.e. Resiliency Group
- New Program ideas

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Questions?

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