

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 6/5/2012	(3) CONTACT/PHONE Trevor Keith, Energy Program Coordinator 805-781-1431	
(4) SUBJECT Submittal of the PG&E Innovator Pilot grant contract, a contract with Abraxas Energy Consultant for special subcontract services, and request to approve an associated budget adjustment in the amount of \$418,773.			
(5) RECOMMENDED ACTION It is recommended that the Board of Supervisors: <ol style="list-style-type: none"> 1. Approve, and direct that the Chairperson sign the Contract with Abraxas Energy Consultant for special subcontract services. See Attachment A. 2. Approve, and direct that the Chairman sign the PG&E Innovator Pilot Grant Contract. See Attachment B (Exhibit 2 of the Contract with Abraxas Energy). 3. Approve a Budget Adjustment, by a 4/5ths vote, in the amount of \$418,773 to provide funding from the PG&E Innovator Pilot Grant. 			
(6) FUNDING SOURCE(S) Grant Funding	(7) CURRENT YEAR FINANCIAL IMPACT \$418,773	(8) ANNUAL FINANCIAL IMPACT \$418,773	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1112142 <input checked="" type="checkbox"/> 4/5th's Vote Required <input type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001116		(14) W-9 <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	
(15) LOCATION MAP N/A	(16) BUSINESS IMPACT STATEMENT? Yes	(17) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(18) ADMINISTRATIVE OFFICE REVIEW			
(19) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Trevor Keith, Energy Program Coordinator

VIA: Chuck Stevenson, AICP, Division Manager, Long Range Planning

DATE: 6/5/2012

SUBJECT: Submittal of the PG&E Innovator Pilot grant contract, a contract with Abraxas Energy Consultant for special subcontract services, and request to approve an associated budget adjustment in the amount of \$418,773.

RECOMMENDATION

It is recommended that the Board of Supervisors:

1. Approve, and direct that the Chairperson sign the Contract with Abraxas Energy Consultant for special subcontract services. See Attachment A.
2. Approve, and direct that the Chairman sign the PG&E Innovator Pilot Grant Contract. See Attachment B (Exhibit 2 of the Contract with Abraxas Energy).
3. Approve a Budget Adjustment, by a 4/5ths vote, in the amount of \$418,773 to provide funding from the PG&E Innovator Pilot Grant.

DISCUSSION

San Luis Obispo County Planning and Building Department submitted a proposal for the Pacific Gas and Electric Company (PG&E) Innovator Pilot Grant and was awarded \$625,996. The purpose of the grant program is to make utility-provided energy efficiency programs more accessible and beneficial to local businesses. The following provides a summary of the tasks to be completed with the grant. For more information, please refer to the grant agreement with PG&E (Attachment B).

The program will investigate the concept of "group purchasing of energy efficiency" for small and medium businesses. This could include aggregating businesses to allow for group equipment retrofits and bundling work or equipment purchases. Currently, dozens of energy efficiency programs and rebates are available to local businesses; however, due to San Luis Obispo County's geographic location, rural character and relatively low energy use, some programs are not able to be used. Additionally, most programs in use provide only prescriptive measures which offer the greatest opportunities at the least cost, which doesn't take into account additional opportunities for further energy savings.

Through the Innovator Pilot Program, County Staff in consultation with PG&E will identify the top three types of small to medium businesses that will be included in the program. County staff will then recruit up to 120 businesses in these three sectors to participate. All businesses will have their building analyzed for energy usage by energy analysis software. The top 40 businesses with the greatest energy usage will have their buildings examined for potential energy savings through an energy scoping audit. Staff will develop an energy reduction plan per sector that will include low, medium, and high cost energy saving opportunities and show the available rebates and funding.

The County will share “best practices” and “success stories” from an estimated 20 local businesses that have implemented recommended energy efficiency projects. These will be made available on an interactive map on the County website to help build support for energy efficiency programs.

Once County staff has the different sector information, the County will hold a “Commercial Energy Outreach Competition” with Cal Poly and Cuesta College students to develop innovative outreach strategies, campaigns, and tools to facilitate the adoption of energy efficiency in businesses in San Luis Obispo County. The grant will fund implementation of the winning strategy.

The County Planning and Building Department is proposing to subcontract services with Abraxas Energy Consulting, a local energy auditing company, for technical support. The contract is included in Attachment A.

OTHER AGENCY INVOLVEMENT/IMPACT

Planning and Building Department collaborated with Abraxas Energy to submit a grant application for the Innovator Pilot Program. County Counsel has reviewed and approved the contract as to legal form and content.

BUSINESS IMPACT STATEMENT

Accepting the PG&E Innovator Pilot Grant and implementing this program will help support the Building Design and Construction Cluster, the Green Energy Team Cluster, the Uniquely SLO Cluster, and the Knowledge & Innovation Services Cluster. The program will provide opportunities for businesses that provide energy efficiency products and services, such as engineers and contractors, as well as businesses that could benefit from energy efficiency products and services. The Green Energy Team Cluster will be supported through the development, packaging, and publicizing of energy efficiency upgrades to underserved businesses in the county and other rural communities. The Knowledge & Innovation Services Cluster will also benefit, as Cal Poly and Cuesta College students will gain professional and technical skills through the outreach competition.

FINANCIAL CONSIDERATIONS

There are no fees or matching funds associated with the acceptance of the PG&E Innovator Pilot Grant. The total grant award for the two year period is \$625,996. \$418,773 is allocated to Abraxas to conduct the energy audit assessments; the balance is for administration of the program. A budget adjustment for the consultant is required at this time. The administrative costs will be appropriated in the Department’s budget for FY12-13.

RESULTS

By accepting the PG&E Innovator Pilot Grant Contract and implementing this program, the County will demonstrate the use of local government engagement for the purposes of an energy efficiency program for small and medium businesses that are underserved in the county. This program will offer economic benefits by helping small and medium businesses reduce energy expenses, resulting in job creation and additional economic benefits for the County of San Luis Obispo.

ATTACHMENTS

Attachment A - Abraxas Energy Consultants Contract
Attachment B - PG&E Innovator Pilot Grant Contract (Exhibit 2)