



October 11, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to allow the Long Beach Gas and Oil Department (LBGO) to partner with Southern California Edison Company (SCE) in offering energy rebates to their joint customers through the Energy Upgrade California Program. (Citywide)

DISCUSSION

Energy Upgrade California is a collaboration between the California Energy Commission, the California Public Utilities Commission, utilities, local governments, non-governmental organizations, and the private sector to promote energy efficiency and renewable energy projects for homes and businesses, and help train contractors and building professionals to provide such services. The Energy Upgrade California program is available for single-family detached homes. The program is anticipated to phase in multifamily properties (2+ units) and commercial properties in late 2011.

Program Upgrades are available in two rebate packages: Basic Upgrade Package and Advanced Upgrade Package. The Basic Upgrade Package consists of seven required elements designed to improve energy efficiency by approximately 10 percent, and includes a fixed rebate of \$1,000. The Advanced Upgrade Package is customized for the property owner, with rebates ranging from \$1,250 to \$4,000, based on the achieved energy savings of between 10-40 percent. Additionally, Los Angeles County currently offers matching rebate amounts on a first-come, first-served basis while funds are available. Details are available via the Energy Upgrade California website at <https://energyupgradeca.org>.

SCE has taken the lead in managing the program within its service territory and has developed the necessary contractor training and energy audit verification procedures. SCE has already partnered with Southern California Gas Company (SoCalGas) throughout their common service territories. SoCalGas is reimbursing SCE for 32 percent of the rebates awarded based on modeling of the projected fuel savings under the program upgrades. SCE is now seeking to partner with LBGO to provide our joint customers with the same level of rebates. The partnership with SCE would commit LBGO to issuing rebate checks directly to joint customers for 32 percent of Energy Upgrade California Program rebates, up to a total of \$100,000.

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This matter was reviewed by Deputy City Attorney Richard Anthony on August 2, 2011, and by Director of Financial Management on September 26, 2011.

TIMING CONSIDERATIONS

City Council action is requested on October 11, 2011, to maximize the rebates available to gas utility customers.

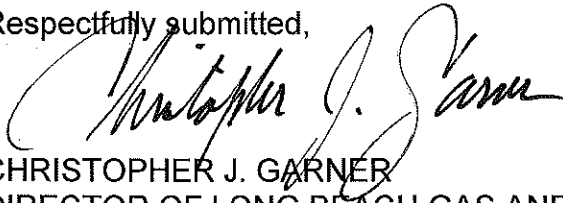
FISCAL IMPACT

A re-alignment to the Gas Fund (EF301) of a portion of the City's American Recovery and Reinvestment Act (ARRA) money designated for energy efficiency improvements will allow for the funding of the energy rebate program. Rebate funding will be limited to \$100,000 for the life of the partnership. The requested action should have a positive impact on local jobs by supporting construction-related jobs that lead to increased sales for local building suppliers and retailers.

SUGGESTED ACTION:

Approve recommendation.

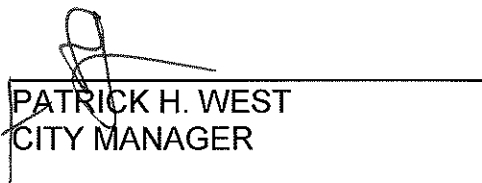
Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:CPH:dgs

APPROVED:



PATRICK H. WEST
CITY MANAGER