



City of NORWALK

CITY COUNCIL AGENDA REPORT

Date: December 16, 2014

TO: Honorable City Council

FROM: Michael J. Egan, City Manager

BY: Gary DiCorpo, Deputy City Manager
Christine Roberto, Public Services Superintendent

**SUBJECT: AMENDMENT NO. 2 TO AGREEMENT WITH SOUTHERN CALIFORNIA
EDISON FOR GATEWAY CITIES ENERGY LEADER PARTNERSHIP
PROGRAM**

Background:

In September 2012, the City entered into an agreement with Southern California Edison Company (SCE) to participate in the Gateway Cities Energy Leader Partnership Program (GCELP). The purpose of the Partnership was for the City to receive additional benefits, such as having no cost third party audits at selected facilities, one-on-one technical support through the Partnership's technical assistance consultants, strategic planning support on energy efficiency and sustainability, and marketing/outreach materials for the Community. The City also receives incentive rebates for energy efficiency projects implemented at City facilities.

The initial agreement expired on June 30, 2013. Amendment No. 1 was approved by City Council on August 6, 2013 to continue in the Partnership through June 2015. On October 16, 2014, SCE received approval from the California Public Utilities Commission to extend the Program for an additional year.

The enclosed Amendment No. 2 modifies the agreement's term end date to June 30, 2016, with all other terms and conditions remaining the same.

Fiscal Impact:

The City will receive a portion of the GCELP funding for Marketing and Outreach, Administration and Direct Implementation of energy efficiency projects. SCE has a projected allocation pool for the GCELP of \$502,738 through the end of the program

cycle for all participants. The monies provided to the City through incentive outreach will be allocated in the Public Services budget for specific expenditures.

Citizens Advised: N/A

Strategic Action Plan Implementation: 3; 1 and 3

Recommended Action:

Staff recommends City Council approve Amendment No. 2 to the agreement with Southern California Edison and authorize the City Manager to execute the Amendment on behalf of the City, in a form approved by the City Attorney.

Attachments:

Amendment to SCE Agreement – Gateway Cities Energy Leader Partnership

AMENDMENT NO. 2

THIS SECOND AMENDMENT ("SECOND AMENDMENT") TO THE AGREEMENT TO JOINTLY DELIVER THE 2010-2012 GATEWAY CITIES ENERGY LEADER PARTNERSHIP PROGRAM dated September 4, 2012 (the "Agreement") is effective as of January 1, 2015 (the "Second Amendment Effective Date") by and between SOUTHERN CALIFORNIA EDISON COMPANY ("SCE"), and the City of Norwalk ("the City"). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCE may be referred to individually herein as the "Utility." The Utility and the City may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, the Parties previously executed the Agreement to jointly deliver the 2010-2012 Energy Leader Partnership Program, which included the Gateway Cities Energy Leader Partnership Program;

WHEREAS, the Parties subsequently amended the Agreement to extend its term through December 31, 2014 in accordance with the applicable decisions of the California Public Utilities Commission ("Commission");

WHEREAS, on March 26, 2014, the Utility submitted its application ("2015 Application") for the implementation of energy efficiency programs to be delivered to California utility customers for the years 2015, which included the a continuation of the Gateway Cities Energy Leader Partnership Program through 2015 ("2015 Program");

WHEREAS, on October 24, 2014, the Commission issued its Decision #14-10-046 approving the continuation of the Energy Efficiency Partnership Programs, which includes the 2015 Program, and the Parties desire to extend the Agreement through 2015 under the terms and conditions set forth in the Agreement, except as otherwise provided in this Second Amendment; and

WHEREAS, the Parties desire to further amend the Agreement as necessary to provide an authorized budget for the 2015 Program and to update the Agreement as required to reflect the extended 2015 Program cycle.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. To the extent applicable, any reference in the Agreement, as amended, to the "2010-2012 Program" shall also hereby include the 2015 Program.

2. Section 11 of the Agreement is hereby deleted in its entirety and replaced with the following:

11. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

Unless this Agreement is terminated pursuant to Section 25 below, or unless otherwise agreed to by the Parties or so ordered by the Commission, the Parties shall complete all Program Administrative activities (as defined in the PIP) and all reporting requirements by no later than March 31, 2016, and all Direct Implementation and Marketing & Outreach activities by no later than December 31, 2015.

3. Section 12 of the Agreement is hereby deleted in its entirety and replaced with the following:

12. FINAL INVOICES

The City must submit final invoices to the Utility no later than March 31, 2016.

4. Section 25.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

25.1 Term. This Agreement shall be effective as of the Effective Date. Subject to Section 37, the Agreement shall continue in effect until June 30, 2016 unless otherwise terminated in accordance with the provisions of Section 25.2 or 30 below.

5. Section 26 of the Agreement is hereby deleted in its entirety and replaced with the following:

26. WRITTEN NOTICES

Any written notice, demand or request required or authorized in connection with this Agreement, shall be deemed properly given if delivered in person or sent by facsimile, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party as follows:

City of Norwalk
Christine Roberto
Maintenance Superintendent
12650 E. Imperial Hwy.,
Norwalk, CA 90650

SCE:
Southern California Edison Company
Bernard Adebayo-Ige
Program Manager
1515 Walnut Grove Avenue
Rosemead, CA 91770

Notices shall be deemed received (a) if personally or hand-delivered, upon the date of delivery to the address of the person to receive such notice if delivered before 5:00 p.m. PST (or PDT, as applicable), or otherwise on the Business Day following personal delivery; (b) if mailed, three (3) Business Days after the date the notice is postmarked; (c) if by facsimile, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; or (d) if by overnight courier, on the Business Day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

6. Exhibit B (ENERGY LEADER PARTNERSHIP PROGRAM 2013-14 GOALS & PARTNER BUDGET FOR *Gateway Cities*) of the Agreement are hereby deleted in their entirety and replaced with the version of Exhibit B (ENERGY LEADER PARTNERSHIP PROGRAM 2015 GOALS & PARTNER BUDGET FOR Gateway Cities Partnership)_attached to this Second Amendment, which attached version is incorporated herein by reference and made a part of the Agreement.
7. General. From and after the Second Amendment Effective Date, any reference to the Agreement contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Agreement, as amended by the First Amendment and this Second Amendment to the Agreement. In the event of any conflict between the Agreement, as amended, and this Second Amendment, this Second Amendment shall prevail. All remaining provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. Each party is fully responsible for ensuring that the person signing this Second Amendment on that Party's behalf has the requisite legal authority to do so.
8. This Second Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be executed by their duly authorized representatives as of the Second Amendment Effective Date.

The City:

City of Norwalk

By: _____

Name Printed: Michael J. Egan

Title: City Manager

ATTEST:

By: _____

Name Printed: Theresa Devoy

Title: City Clerk

APPROVED AS TO FORM:

By: _____

Name Printed: Steven L. Dorsey

Title: City Attorney

SCE:

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____

Name Printed: Kevin Payne

Title: Senior Vice President, Customer Service

EXHIBIT B-1

ENERGY LEADER PARTNERSHIP PROGRAM 2015 GOALS & PARTNER BUDGET FOR GATEWAY CITIES

Program Cycle Partner Budget and Goals:

	Maximum Partner Budget 2013 ¹	Maximum Partner Budget 2014 ¹	Maximum Partner Budget 2015
Total :	\$397,641	\$397,642	\$520,219
Incentive:	\$200,891	\$200,892	\$330,519
Non-Incentive: (Marketing & Outreach, Technical Assistance, Direct Implementation and Strategic Plan)	\$196,750	\$196,750	\$189,700

2015 Energy Savings Goal	
kWh	kW
700,000	107

Budget Category	2015²
Administrative	\$33,100
Marketing & Outreach	\$35,000
Technical Assistance	\$46,000
Direct Implementation	\$75,600
Incentive	\$330,519
Strategic Plan	\$-
Total Partner Budget	\$520,219

¹ 2013 and 2014 Budget figures represent the total Authorized Budget, not the available remaining budget. The 2015 Budget was approved by the CPUC to be the third year of the 2013-2014 Program. Unspent funds from 2013-2014 may be carried over for use in 2015, in addition to the 2015 Budget.

² Budget category breakdowns are estimates of amounts that will be spent in each category. Actual Partner expenses may be different, to the extent permitted by program rules and applicable CPUC decisions