

**AGREEMENT TO JOINTLY DELIVER THE 2010-2012 CITY OF CHULA VISTA
ENERGY EFFICIENCY AND CONSERVATION PARTNERSHIP PROGRAM**

BETWEEN

CITY OF CHULA VISTA

and

SAN DIEGO GAS & ELECTRIC COMPANY

Dated: December 15, 2009

**This program is funded by California utility customers under the auspices of the California
Public Utilities Commission.**

THIS AGREEMENT TO JOINTLY DELIVER THE 2010-2012 CITY OF CHULA VISTA ENERGY EFFICIENCY AND CONSERVATION PARTNERSHIP PROGRAM (the "Agreement") is effective as of January 1, 2010 ("Effective Date") by and among SAN DIEGO GAS & ELECTRIC COMPANY ("SDG&E"), and THE CITY OF CHULA VISTA ("City"). SDG&E and City may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on October 1, 2009 the California Public Utilities Commission (the "Commission") in 09-09-047 in A.08-07-021 et al authorized certain energy efficiency programs to be delivered to California utility customers for the years 2010 through 2012 and the continuation of programs where local governmental entities partnered with utilities to deliver energy efficiency information and education to utility customers;

WHEREAS, SDG&E submitted applications for the implementation of energy efficiency programs which included the 2010-2012 City of Chula Vista Energy Efficiency and Conservation Partnership Program (hereinafter referred to as the "Program"), involving the delivery of energy efficiency funding, incentives, information, training and materials to City, its residents, developers, and South Bay cities in SDG&E's service territory;

WHEREAS, the Parties desire to enter into an agreement that supersedes all previous agreements, if any, and sets forth the terms and conditions under which the Program for the 2010 through 2012 program years shall be implemented;

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

1. DEFINITIONS

- 1.1. Agreement: This document and all exhibits attached hereto and incorporated herein, and as amended from time to time.
- 1.2. ALJ: The Administrative Law Judge assigned to the Commission's Energy Efficiency Rulemaking (R.01-08-028) or its successor proceeding.
- 1.3. Amendment: A future document executed by the authorized representatives of all Parties which changes or modifies the terms of this Agreement.
- 1.4. Authorized Budget: The Commission-approved total for performance of the Authorized Work is \$4,088,991 as set forth in the Scope of Work.
- 1.5. Business Day: The period from one midnight to the following midnight, excluding Saturdays, Sundays, and holidays.

1.6. **Calendar Day:** The period from one midnight to the following midnight, including Saturdays, Sundays, and holidays. Unless otherwise specified, all days in this Agreement are Calendar Days.

1.7. **Scope of Work:** The Parties' Scope of Work for implementing the Program in SDG&E's service territory is attached hereto and incorporated herein as Exhibit A.

1.8. **Contractor:** An entity contracting directly or indirectly with a Party, or any subcontractor thereof subcontracting with such Contractor, to furnish services or materials as part of or directly related to such Party's Authorized Work obligations. City's Contractors shall be selected from SDG&E's approved list, where applicable, and shall not include City's contract staff labor for the Program.

1.9. **Cost Categories:** Items defined by the Commission's Reporting Requirements Manual. The cost categories relevant to this Program are noted in the Scope of Work.

1.10. **Eligible Customers or Customers:** Customers eligible for Program services are SDG&E customers.

1.11. **Energy Efficiency Measure (or Measure):** As used in the Commission's Energy Efficiency Policy Manual, Version 3, August 2005.

1.12. **EM&V:** Evaluation, Measurement and Verification of the Program pursuant to Commission requirements.

1.13. **Gas Surcharge:** The funds collected from gas utility ratepayers pursuant to Section 890 et al. of the California Public Utilities Code for public purposes programs, including energy efficiency programs approved by the Commission.

1.14. **Program Expenditures:** Actual (i.e., no mark-up for profit, administrative or other indirect costs), reasonable expenditures that are directly identifiable to and required for the Authorized Work, up to the amounts budgeted in the Concept Paper's budget worksheets for such Authorized Work.

1.15. **Public Goods Charge (PGC):** The funds collected from electric utility ratepayers pursuant to Section 381 of the California Public Utilities Code for public purposes programs, including energy efficiency programs approved by the Commission.

In addition, all terms used in the singular will be deemed to include the plural, and vice versa. The words "herein," "hereto," and "hereunder" and words of similar import refer to this Agreement as a whole, including all exhibits or other attachments to this Agreement, as the same may from time to time be amended or supplemented, and not to any particular subdivision contained in this Agreement, except as the context clearly requires otherwise. "Includes" or

“including” when used herein is not intended to be exclusive, or to limit the generality of the preceding words, and means “including without limitation.” The word “or” is not exclusive.

2. PURPOSE

The Program is funded by California utility ratepayers and is administered by SDG&E under the auspices of the Commission. The purpose of this Agreement is to set forth the terms and conditions under which the Parties will jointly implement the Program. The work authorized pursuant to this Agreement is not to be performed for profit.

This Agreement is not intended to and does not form any “partnership” within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

3. PROGRAM DESCRIPTION

The 2010-2012 SDG&E/Chula Vista Energy Efficiency Partnership’s goal is to create innovative approaches to improving community and municipal energy efficiency and achieving both direct and indirect energy savings. The Partnership will combine and leverage the resources of four City departments to deliver cost-effective, holistic opportunities for promoting energy efficiency within the community.

The program components include municipal facility efficiency improvements, strengthened building energy codes and inspections, energy-saving redevelopment planning and design and community-based energy conservation education and facility assessments. The program will mainly serve City of Chula Vista residents and businesses estimated at 225,000 and 13,000, respectively. It is also anticipated that the SDG&E/Chula Vista Partnership may partially serve neighboring communities and further act as a program model for other South Bay cities’ future involvement in SDG&E Energy Efficiency Partnerships.

4. AUTHORIZED WORK

4.1. Scope. The work authorized by the Commission for the Program (“Authorized Work”) is set forth in this Agreement and in the Scope of Work for the service territory of SDG&E and shall be performed by the Parties pursuant to the terms of this Agreement.

4.2. Objectives. Major objectives for the Program are as follows:

Community Energy Efficiency

The Conservation & Environmental Services Department will continue to promote energy efficiency and conservation in the community through its business/residential energy evaluation program and participation in community outreach events. Staff will use the on-site evaluations and events to distribute energy-saving devices such as Compact Fluorescent Lamps, LED holiday lights, indoor water savings kits, and “smart” power strips to help the community reduce their energy use and utility costs. Staff will also integrate the new *Home*

Upgrade, Carbon Downgrade program, which provides streamlined permitting, contracting, and financing for energy efficiency retrofits, into Partnership activities. Finally, the Conservation & Environmental Services Department will assist neighboring South Bay communities in developing their own energy and climate-related programs helping to reduce regional energy demand and improve local air quality.

Sustainable Communities

The Sustainable Communities Program, which is administered by the Development Services Department, will work to further integrate energy efficiency into the planning, permitting, and inspection process. Program staff will provide technical support to permit applicants, contractors, and developers on energy efficiency measures and will train permit counter technicians, plans examiners, and building inspectors on advanced energy technologies. Finally, the program will verify compliance with Chula Vista's new green building standards (including enhanced energy efficiency requirements) and may develop a voluntary, incentivized option for project proponents interested in efficiency levels beyond the new State codes and related City ordinances.

Energy-Efficient Economic Development Initiative

The City's Economic Development Division will demonstrate how energy-efficient and renewable energy technologies and energy conservation can be cost-effectively integrated into large-scale development projects to reduce energy consumption and greenhouse gas emissions. The initiative will expand upon and leverage current work by the National Energy Center for Sustainable Communities through additional research, demonstration, and technical assistance projects that will enable developers and builders to design and construct high-efficiency and zero-net-energy projects at "Greenfield" and "Brownfield" sites throughout the City.

Municipal Energy Efficiency Improvements

The program, which is administered by Public Works with assistance from the Conservation & Environmental Services Department, will support staff time to expand the City's energy management efforts by identifying and implementing energy efficiency and demand response strategies which lower municipal energy consumption and produce cost savings.

5. OBLIGATIONS OF THE PARTIES

5.1. Generally. Each Party shall perform its Authorized Work obligations within the Authorized Budget in conformance with the deliverables, schedules (including the Milestone Schedule) and the budgets associated with such Authorized Work as set forth in this Agreement and the Concept Paper, and shall furnish the required labor, equipment

and material with the degree of skill and care that is required by current professional standards.

5.2. Additional Obligations of City.

5.2.1. City shall obtain the approval of SDG&E when developing Program marketing materials prior to any distribution, publication, circulation or dissemination in any way to the public. In addition, all advertising, marketing or otherwise printed or reproduced material used to implement, refer to or is in any way related to the Program must contain the following language: "This program is funded by California utility ratepayers and administered by San Diego Gas & Electric Company, under the auspices of the California Public Utilities Commission."

5.2.2. City will communicate regularly with the program representative of SDG&E, and shall advise SDG&E of any problems or delay associated with City's Authorized Work obligations.

5.3. Additional Obligations of SDG&E.

5.3.1. SDG&E will be actively involved in all aspects of Program delivery. SDG&E will use its best efforts to add value to the Program by dedicating the human resources necessary to implement the Program successfully and providing in-kind services support for the Program's marketing and outreach activities.

5.3.2. SDG&E shall provide, at no cost to the Program, informational and educational materials on SDG&E's statewide and local energy efficiency programs to City to enable City to implement the Program.

5.3.3. SDG&E shall provide a program representative on a part-time basis, who will be the point of contact between City and SDG&E for the Program.

5.4. EM&V. Once the Commission has approved and issued an evaluation, measurement and verification ("EM&V") plan for the Program, such EM&V plan shall be attached to this Agreement as Exhibit B and shall be incorporated herein by this reference. Any subsequent changes or modifications to such EM&V plan by the Commission shall be automatically incorporated into Exhibit B.

6. ADMINISTRATION OF PROGRAM

6.1. Decision-making and Approval.

6.1.1. The following actions and tasks require unanimous consent of the Parties:

- a. Any action that materially deviates from the Scope of Work.
- b. Any action that materially impacts the Scope of Work's schedule or the Program.
- c. Any action that materially impacts the Program's budget set forth in the Scope of Work.
- d. Selection of any Contractor not previously approved by SDG&E.

6.1.2. Unless otherwise specified in this Agreement, the Parties shall document all material Program decisions, including, without limitation, all actions specified in Section 6.1.1 above, in meeting minutes or if taken outside a meeting, through written communication, which shall be maintained in hard copy form on file by the Parties for a period of no less than ten (10) years after the expiration or termination of this Agreement.

6.2. Regular Meetings. During the Term of this Agreement, the Parties shall meet on a regular basis, which shall occur no less than quarterly, at a location reasonably agreed upon by the Parties, and shall engage in routine weekly communication to review the status of the Program's deliverables, schedules and the budgets, and plan for upcoming Program implementation activities. Any decision-making shall be reached and documented in accordance with the requirements of Section 6.1.2 above.

6.3. Coordinating the Program Activities. Each Party shall be responsible for (i) coordinating the implementation of its Authorized Work obligations with the other Party, and (ii) monitoring the overall progress of the Authorized Work, to ensure that the Program remains on target, (including achieving the Program's energy savings and demand reduction goals), on schedule (including pursuant to the milestone schedule set forth in Exhibit D ("Milestone Schedule")), and meets all reporting and other filing requirements.

6.4. Regular Communication. The Parties agree to communicate regularly with the other Parties and to advise the other Parties of any problems associated with successful implementation of the Program.

6.5. Coordinating with Other Energy Efficiency Programs. As applicable, SDG&E shall coordinate with other existing or selected programs (including programs targeting low-income customers) to enhance consistency in incentives and other Program details, minimize duplicative administrative costs and enhance the possibility that programs can be marketed together to avoid duplicative marketing expenditures. All Parties will coordinate with other energy programs to maximize customer satisfaction and energy savings.

6.6. Non-Responsibility for Other Parties. Notwithstanding anything contained in this Agreement in the contrary, a Party shall not be responsible for the performance or non-

performance hereunder of any other Party, nor be obligated to remedy any other Party's defaults or defective performance.

7. DOUBLE DIPPING PROHIBITED.

In performing its respective Authorized Work obligations, a Party shall implement the following mechanism and shall take other practicable steps to minimize double-dipping:

7.1. Prior to providing incentives or services to an Eligible Customer, City shall obtain a signed form from such Eligible Customer stating that:

7.1.1. Such Eligible Customer has not received incentives or services for the same measure from any other SDG&E program or from another utility, state, or local program; and

7.1.2. Such Eligible Customer agrees not to apply for or receive incentives or services for the same measure from another utility, state, or local program.

City shall keep its Eligible Customer-signed forms for at least 5 years after the expiration or termination of this Agreement.

7.2. City shall not knowingly provide an incentive to an Eligible Customer, or make payment to a Contractor, who is receiving compensation for the same product or service either through another ratepayer funded program, or through any other funding source.

7.3. City represents and warrants that it has not received, and will not apply for or accept incentives or services for any measure provided for herein or offered pursuant to this Agreement or the Program from any other utility, state or local program.

7.4. The Parties shall take reasonable steps to minimize or avoid the provision of incentives or services for the same measures provided under this Program from another program or other funding source ("double-dipping").

8. REPORTING

8.1. Reporting Requirements. The Parties shall implement those reporting requirements set forth in Exhibit C attached hereto and incorporated herein by this reference, as approved by the Commission and as the same may be amended from time to time, or until the Commission otherwise requires or issues different or updated reporting requirements for the Program, in which case and at which time such Commission-approved reporting requirements shall replace the requirements set forth in Exhibit C in their entirety.

8.2. Commission Reporting Requirements Manual. All reports shall be submitted in accordance with the requirements of the latest version of the Commission's Reporting Requirements Manual (currently Version 3, Revised April 2005) and any other reporting protocol established by Commission staff. The Parties shall use their best efforts to provide any additional information as requested by SDG&E or by Commission staff.

9. PAYMENTS

9.1. Authorized Budget. The total Authorized Budget for performance of the Authorized Work is **\$4,088,991**. No Party shall be entitled to compensation in excess of the Authorized Budget for such Party's Authorized Work obligations. However, if SDG&E executes any fund shift in accordance with Section 9.4 below, then each Party shall be entitled to compensation up to, but not exceeding, the Authorized Budget, as revised to reflect such fund shift, for such Party's Authorized Work obligations.

9.2. Program Expenditures. Each Party shall be entitled to spend PGC or Gas Surcharge Program Funds on Program Expenditures incurred by such Party.

9.3. Payment to City. In order for City to be entitled to PGC or Gas Surcharge funds for Program Expenditures:

9.3.1. City shall submit quarterly reports to SDG&E, in a format reasonably acceptable to SDG&E and containing such information as may be required for the reporting requirements set forth in Section 8 above ("Quarterly City Reports"), by the tenth (10th) Calendar Day of the calendar month following performance, setting forth all Program Expenditures.

9.3.2. City shall submit to SDG&E, together with its Quarterly City Report, a quarterly invoice for reimbursement of reported Program Expenditures, in a format acceptable to SDG&E, attaching all documentation reasonably necessary to substantiate the Program Expenditures, including, without limitation, the following:

- a. Incentives: Subject to the provisions of Section 7, for each incentive paid to Eligible Customers or Contractors (other than point of purchase programs):
 - (i) Eligible Customer or Contractor name, address and telephone number;
 - (ii) the type and quantity of each measure installed or received;
 - (iii) the amount of each incentive paid, and
 - (iv) the date each payment was provided or each measure was installed or received.

- b. Labor: For each of the Program's budget categories applicable to City (e.g. Direct Implementation), a list of individuals and total hours worked and labor rate(s) for each person during the month in each budget category.
- c. Overhead items other than travel/training/conferences: Supporting documentation for overhead items such as rent, computer equipment, facility charges, is required and shall be provided in accordance with the provisions of Exhibit C. However, such information must be provided upon request by either SDG&E or the Commission.
- d. Travel/Training/Conference: Supporting documentation for all travel-related expenditures. While original receipts need not be submitted, a detailed expense report for all travel expenses should be provided, which includes airfare, mileage, meals, lodging, parking, etc, in the format approved by SDG&E. A detailed travel expense report should include the following information: name of person incurring expense, reason for expense, date(s) incurred and type of expense (e.g. Airfare, Airport Parking, Rental Car, Other Parking, Mileage, Meals, Hotel, Other costs, if any).
- e. Contractor Costs: Copies of all Contractor invoices. If only a portion of the Contractor costs applies to the Program, City shall clearly indicate the line items or percentage of the invoice amount that should be applied to the Program, as provided in Exhibit C.
- f. Marketing: A copy of each distinct marketing material produced, with quantity of a given marketing material produced and the method of distribution.

9.3.3. SDG&E reserves the right to reject any City invoiced amount for any of the following reasons:

- a. The invoiced amount, when aggregated with previous Program Expenditures, exceeds the amount budgeted therefore in the Authorized Budget for such Authorized Work.
- b. There is a reasonable basis for concluding that such invoiced amount is unreasonable or is not directly identifiable to or required for the Authorized Work, the Scope of Work or the Program.
- c. Such invoiced amount, in SDG&E's sole discretion, contains charges for any item not authorized under this Agreement or by the

Commission, or is deemed untimely, unsubstantiated or lacking proper documentation.

9.3.4. Should SDG&E disapprove of any Program Expenditure of City, City invoice or Quarterly City Report, SDG&E may request such additional performance required from City, modification required to City's invoice or such other action as may be required of City, and any continuing dispute there from shall be resolved in accordance with the procedures set forth in Section 14.

9.3.5. City shall maintain for a period of not less than five (5) years all documentation reasonably necessary to substantiate the Program Expenditures, including, without limitation, the documentation set forth in Section 9.3.2(a) through (g) above. City shall promptly provide, upon the reasonable request by SDG&E, any documentation, records or information in connection with the Program or its Authorized Work.

9.4. Shifting Funds Across Budget Categories. SDG&E may shift Program funds among budget categories (e.g. Administrative and Direct Implementation) as set forth in the Scope of Work to the maximum extent permitted under, and in accordance with, Commission decisions and rulings to which this Program relates.

9.5. Reasonableness of Expenditures. Each Party shall bear the burden of ensuring that its Program Expenditures are objectively reasonable. The Commission has the authority to review all Program Expenditures for reasonableness. Should the Commission, at any time, issue a finding of unreasonableness as to any Program Expenditure, and require a refund or return of the PGC or Gas Surcharge funds paid in the reimbursement of such Program Expenditure, the Party who incurred such Program Expenditure and received reimbursement under this Agreement shall be solely and severally liable for such refund or return.

9.6. Refund of PGC or Gas Surcharge Funds. With respect to any amount subject to refund to the Commission pursuant to any subsequent Commission decision or ruling, should the Commission determine that a refund is due and seeks to recover such refund, the amount due shall be returned as directed by the Commission, within 30 days of receipt of written notice that payment is owed, as follows: (1) if the refund is attributable to an overpayment of Program funds to a Party, then that Party shall be solely liable for such refund; (2) if the refund is attributable to an unreasonable expenditure, then the Party who (i) incurred such Program Expenditure and received reimbursement under this Agreement, or (ii) was otherwise entitled to receive reimbursement under this Agreement but did not actually receive reimbursement due to receipt of an equivalent offset, shall be solely liable for such refund; (3) for any other refund, each Party shall be solely liable for its pro-rata share, determined by calculating the percentage of the total overall Program Expenditures represented by each Party's reimbursements of Program Expenditures (both

actual reimbursements and those to which the Party was otherwise entitled but did not receive due to receipt of an equivalent offset). Nothing in this provision is intended to limit a Party's right to pursue administrative or other remedies available with respect to a Commission decision or ruling. A Party's approval of any action which is the responsibility of another Party under this Agreement shall not shift the corresponding responsibility with respect to any overpayment or unreasonable Program Expenditure. Notwithstanding the foregoing, any overpayment of Program funds to a Party (the "Receiving Party") shall be immediately due and payable by the Receiving Party, upon demand therefore, to the Party who made the overpayment, and the Party who made the overpayment shall have the right to set the overpayment off from any other Program funds payable to the Receiving Party, if possible, or otherwise pursue any available remedies for the recovery of the overpayment.

10. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES.

Unless this Agreement is terminated pursuant to Section 24 below, or otherwise by the mutual agreement of the Parties or so ordered by the Commission, the Parties shall complete all Program Administrative activities (as defined by the Scope of Work) and reporting requirements by no later than March 31, 2013.

11. FINAL INVOICES

All Parties must submit final invoices no later than March 31, 2013.

12. INDEMNITY

12.1. Indemnity by City. City shall indemnify, defend and hold harmless SDG&E, and its successors, assigns, affiliates, subsidiaries, current and future parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees) to the extent arising from (a) City's negligence or willful misconduct in City's activities under the Program or performance of its obligations hereunder, or (b) City's breach of this Agreement or of any representation or warranty of City contained in this Agreement.

12.2. Indemnity by SDG&E. SDG&E shall indemnify, defend and hold harmless City and its successors, assigns, affiliates, subsidiaries, current and future parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees) to the extent arising from (a) SDG&E's negligence or willful misconduct in SDG&E's activities under the Program or performance of its obligations hereunder or (b) SDG&E's breach of this Agreement or any representation or warranty of SDG&E contained in this Agreement.

12.3. LIMITATION OF LIABILITY. NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR STRICT LIABILITY INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF OR UNDER-UTILIZATION OF LABOR OR FACILITIES, LOSS OF REVENUE OR ANTICIPATED PROFITS, COST OF REPLACEMENT POWER OR CLAIMS FROM CUSTOMERS, RESULTING FROM A PARTY'S PERFORMANCE OR NONPERFORMANCE OF THE OBLIGATIONS HEREUNDER, OR IN THE EVENT OF SUSPENSION OF THE AUTHORIZED WORK OR TERMINATION OF THIS AGREEMENT.

13. OWNERSHIP OF DEVELOPMENTS

The Parties acknowledge and agree that SDG&E, on behalf of its ratepayers, shall own all data, reports, information, manuals, computer programs, works of authorship, designs or improvements of equipment, tools or processes (collectively "Developments") or other written, recorded, photographic or visual materials, or other deliverables produced in the performance of this Agreement; provided, however, that Developments do not include equipment or infrastructure purchased for research, development, education or demonstration related to energy efficiency. Although City shall retain no ownership, interest or title in the Developments except as may otherwise be provided in the Scope of Work, it will have a permanent, royalty free, non-exclusive license to use such Developments.

14. DISPUTE RESOLUTION

14.1. Dispute Resolution. Except as may otherwise be set forth expressly herein, all disputes arising under this Agreement shall be resolved as set forth in this Section 14.

14.2. Negotiation and Mediation. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the Parties' authorized representatives. The disputing Party shall give the other Parties written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, any Party may initiate a mediation of the dispute. The mediation shall be facilitated by a mediator that is acceptable to all Parties and shall conclude within sixty (60) days of its commencement, unless the Parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the Parties shall enter into a written agreement for the mediation services with each Party paying a pro rate share of the mediator's fee, if any. The mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association; provided, however, that no consequential damages shall be awarded in any such proceeding and each Party shall bear its own legal fees and expenses.

14.3. Confidentiality. All negotiations and any mediation conducted pursuant to Section 14.2 shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code shall apply, which Section is incorporated in this Agreement by reference.

14.4. Injunctive Relief. Notwithstanding the foregoing provisions, a Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.

14.5. Continuing Obligation. Each Party shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.

14.6. Failure of Mediation. If, after good faith efforts to mediate a dispute under the terms of this Agreement as provided in Section 14.2 above, the Parties cannot agree to a resolution of the dispute, any Party may pursue whatever legal remedies may be available to it at law or in equity, before a court of competent jurisdiction and with venue as provided in Section 14.2.

15. REPRESENTATIONS AND WARRANTIES

City represents and warrants, as of the Effective Date and thereafter during the Term of this Agreement that:

15.1. The Authorized Work performed by City and its Contractors shall comply with the applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of federal, state, local and foreign governments, and all agencies thereof.

15.2. The Authorized Work performed by City and its Contractors shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any proprietary rights of any person.

15.3. City shall conform to the applicable employment practices requirements of (Presidential) Executive Order 11246 of September 24, 1965, as amended, and applicable regulations promulgated thereunder.

15.4. City shall contractually require each Contractor it hires to perform the Authorized Work to indemnify SDG&E to the same extent City has indemnified SDG&E under the terms and conditions of this Agreement.

15.5. City shall retain, and shall cause its Contractors to retain, all records and documents pertaining to its Authorized Work obligations for a period of not less than five (5) years beyond the termination or expiration of this Agreement.

15.6. City shall contractually require all of its Contractors to provide the other Parties reasonable access to relevant records and staff of Contractors concerning the Authorized Work.

15.7. City will take all reasonable measures, and shall require its Contractors to take all reasonable measures, to ensure that the Program funds in its possession are used solely for Authorized Work, which measures shall include the highest degree of care that City uses to control its own funds, but in no event less than a reasonable degree of care.

15.8. City will maintain, and may require its Contractors to maintain, the following insurance coverage or self insurance coverage, at all times during the Term of this Agreement:

- a. Workers' Compensation and Employers' Liability: statutory minimum.
- b. Commercial General Liability: \$1 million minimum.
- c. Commercial or Business Auto (if applicable): \$1 million minimum.
- d. Professional Liability (if applicable): \$1 million minimum.

16. PROOF OF INSURANCE

16.1. Evidence of Insurance. Upon request at any time during the Term of this Agreement, City shall provide evidence that its insurance policies (and the insurance policies of any Contractor, as provided in Section 15.8) are in full force and effect, and provide the coverage and limits of insurance that City has represented and warranted herein to maintain at all times during the Term of this Agreement.

16.2. Self-Insurance. If City is self-insured, City shall upon request forward documentation to SDG&E that demonstrates to SDG&E's satisfaction that City self-insures as a matter of normal business practice before commencing the Authorized Work. SDG&E will accept reasonable proof of self-insurance comparable to the above requirements.

17. CUSTOMER CONFIDENTIALITY REQUIREMENTS

17.1. Non-Disclosure. City, its employees, agents and Contractors shall not disclose any Confidential Customer Information (defined below) to any third party during the Term of this Agreement or after its completion, without City having obtained the prior written consent of SDG&E, except as provided by law, lawful court order or subpoena and provided City gives SDG&E advance written notice of such order or subpoena.

17.2. Confidential Customer Information. "Confidential Customer Information" includes, but is not limited to, a SDG&E customer's name, address, telephone number, account number and all billing and usage information, as well as any SDG&E customer's information that is marked confidential. If City is uncertain whether any information

should be considered Confidential Customer Information, City shall contact SDG&E prior to disclosing the customer information.

17.3. Non-Disclosure Agreement. Prior to any approved disclosure of Confidential Customer Information, SDG&E may require City to enter into a nondisclosure agreement.

17.4. Commission Proceedings. This provision does not prohibit City from disclosing non-confidential information concerning the Authorized Work to the Commission in any Commission proceeding, or any Commission-sanctioned meeting or proceeding or other public forum.

17.5. Return of Confidential Information. Confidential Customer Information (including all copies, backups and abstracts thereof) provided to City by SDG&E, and any and all documents and materials containing such Confidential Customer Information or produced by City based on such Confidential Customer Information (including all copies, backups and abstracts thereof), during the performance of this Agreement shall be returned upon written request by SDG&E.

17.6. Remedies. The Parties acknowledge that Confidential Customer Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section 17 and the obligations of City are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Section 17 by City, SDG&E shall be entitled to seek and obtain an injunction preventing such breach, without the necessity of proving damages or posting any bond. Any such relief shall be in addition to, and not in lieu of, money damages or any other available legal or equitable remedy.

17.7 Public Records Act. Notwithstanding the foregoing, SDG&E understands that all information provided to the City may be subject to public review pursuant to the California Public Records Act (California Government Code Section 6250 et seq.), which provides that records in the custody of a public entity might be disclosed unless the information being sought falls into one or more of the exemptions to disclosure set out in Government Code Sections 6254 through 6255. As a result, City may be obligated to disclose any information provided to the City to any party that requests it to the extent permitted under the California Public Records Act.

18. TIME IS OF THE ESSENCE

The Parties hereby acknowledge that time is of the essence in performing their obligations under the Agreement. Failure to comply with deadlines stated in this Agreement may result in termination of this Agreement, payments being withheld or other Program modifications as directed by the Commission.

19. CUSTOMER COMPLAINT RESOLUTION PROCESS

City shall develop and implement a process for the management and resolution of Customer complaints in an expedited manner including, but not limited to: (a) ensuring adequate levels of professional Customer service staff; (b) direct access of Customer complaints to supervisory and/or management personnel; (c) documenting each Customer complaint upon receipt; and (d) elevating any complaint that is not resolved within five (5) days of receipt by City.

20. RESTRICTIONS ON MARKETING

20.1. Use of Commission's Name. No Party may use the name of the Commission on marketing materials for the Program without prior written approval from the Commission staff. In order to obtain this written approval, SDG&E must send a copy of the planned materials to the Commission requesting approval to use the Commission name and/or logo. Notwithstanding the foregoing, the Parties shall disclose their source of funding for the Program by stating prominently on marketing materials that the Program is "funded by California ratepayers under the auspices of the California Public Utilities Commission."

20.2. Use of SDG&E's Names. City must receive prior review and written approval from SDG&E for the use of SDG&E's name or logo on any marketing or other Program materials. City shall allow twenty (20) days for SDG&E review and approval.

20.3. Use of City Name. SDG&E must receive prior written approval from City for use of City's name or logo on any marketing or other Program materials. SDG&E shall allow twenty (20) days for such City review and approval.

21. RIGHT TO AUDIT

City agrees that SDG&E and/or the Commission, or their respective designated representatives, shall have the right to review and to copy any records or supporting documentation pertaining to City's performance of this Agreement or the Authorized Work, during normal business hours, and to allow reasonable access in order to interview any employees of City who might reasonably have information related to such records. Further, City agrees to include a similar right of SDG&E and/or the Commission to audit records and interview staff in any subcontract related to performance of City's Authorized Work or this Agreement.

22. STOP WORK PROCEDURES

SDG&E may suspend City's Authorized Work being for good cause, such as safety concerns, fraud, or excessive Customer complaints, by notifying City in writing to suspend its Authorized Work being performed in its service territory. City shall stop work immediately, and may resume its Authorized Work only upon receiving written notice from SDG&E that it may resume its Authorized Work.

23. MODIFICATIONS

Changes to this Agreement shall only be made by mutual agreement of all Parties through a written amendment to this Agreement signed by all Parties.

24. TERM AND TERMINATION

24.1. Term. This Agreement shall be effective as of January 1, 2010. The Agreement shall continue in effect until December 31, 2012 (“Term”) unless otherwise terminated in accordance with the provisions of Section 24.2 below.

24.2. Termination for Breach. Any Party may terminate this Agreement in the event of a material breach by the other Party of any of the material terms or conditions of this Agreement, provided such breach is not remedied within sixty (60) days notice to the breaching Party thereof from the non-breaching Party or otherwise cured pursuant to the dispute resolution provisions set forth in Section 14 herein.

24.3. Termination for Convenience. SDG&E and/or the City of Chula Vista shall have the right to terminate this Agreement, at their sole convenience and without first obtaining the other Party’s prior consent, by providing at least thirty (30) days’ prior written notice to the other Party setting forth the effective date of such termination.

24.4. Effect of Termination.

24.4.1. In the event of termination of this Agreement, the Parties shall be entitled to PGC and/or Gas Surcharge Funds for all Program Expenditures incurred or accrued pursuant to contractual or other legal obligations for Authorized Work up to the effective date of termination of this Agreement, provided that any Quarterly City Reports or other reports, invoices, documents or information required under this Agreement or by the Commission are submitted in accordance with the terms and conditions of this Agreement. The provisions of this Section 24.4.1 shall be a Party’s sole compensation resulting from any termination of this Agreement.

24.4.2. In the event of termination of this Agreement, City shall stop any Authorized Work in progress and take action as directed by SDG&E to bring the Authorized Work to an orderly conclusion, and the Parties shall work cooperatively to facilitate the termination of operations and any applicable contracts for Authorized Work.

25. 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: The City of Chula Vista <u>Michael Meacham</u> <u>276 Fourth Avenue</u> <u>Chula Vista, CA 91910</u> <u>619-409-5870</u> telephone <u>619-476-5310</u> facsimile _____	SDG&E: San Diego Gas & Electric Company <u>Julie Ricks</u> <u>8326 Century Park Court, CP62E</u> <u>San Diego, CA 92123-1530</u> <u>858-654-8302</u> telephone <u>858-654-0311</u> facsimile _____
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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., 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.

26. CONTRACTS

Each Party shall, at all times, be responsible for its Authorized Work obligations, and acts and omissions of Contractors and persons directly or indirectly employed by such Party for services in connection with the Authorized Work.

27. RELATIONSHIP OF THE PARTIES

The Parties shall act in an independent capacity and not as officers or employees or agents of each other. This Agreement is not intended to and does not form any "partnership" within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

28. NON-DISCRIMINATION CLAUSE

No Party shall unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Each Party shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such

discrimination and harassment, and shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a)-(f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a)-(f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

Each Party represents and warrants that it shall include the substance of the nondiscrimination and compliance provisions of this clause in all subcontracts for its Authorized Work obligations.

29. COMMISSION AUTHORITY TO MODIFY

This Agreement shall at all times be subject to the discretion of the Commission, including, but not limited to, review and modifications, excusing a Party's performance hereunder, or termination as the Commission may direct from time to time in the reasonable exercise of its jurisdiction.

30. NON-WAIVER

None of the provisions of this Agreement shall be considered waived by any Party unless such waiver is specifically stated in writing.

31. ASSIGNMENT

No Party shall assign this Agreement or any part or interest thereof, without the prior written consent of the other Party, and any assignment without such consent shall be void and of no effect. Notwithstanding the foregoing, if SDG&E is requested or required by the Commission to assign its rights and/or delegate its duties hereunder, in whole or in part, such assignment or delegation shall not require City's consent, and SDG&E shall be released from all obligations hereunder arising after the effective date of such assignment, both as principal and as surety.

32. FORCE MAJEURE

Failure of a Party to perform its obligations under this Agreement by reason of any of the following shall not constitute an event of default or breach of this Agreement: strikes, picket lines, boycott efforts, earthquakes, fires, floods, war (whether or not declared), revolution, riots, insurrections, acts of God, acts of government (including, without limitation, any agency or department of the United States of America), acts of terrorism, acts of the public enemy, scarcity or rationing of gasoline or other fuel or vital products, inability to obtain materials or labor, or other causes which are reasonably beyond the control of such Party.

33. SEVERABILITY

In the event that any of the terms, covenants or conditions of this Agreement, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants, or conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect, unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Agreement.

34. GOVERNING LAW; VENUE

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California. Any action brought to enforce or interpret this Agreement shall be filed in San Diego County, California.

35. SECTION HEADINGS

Section headings appearing in this Agreement are for convenience only and shall not be construed as interpretations of text.

36. SURVIVAL

Notwithstanding completion or of this Agreement, the Parties shall continue to be bound by the provisions of this Agreement which by their nature or terms survive such completion or termination. Such provisions shall include, but are not limited to, Sections 8, 9, 12, 13, 14, 17, 21, 24, 34 and 37 of this Agreement.

37. ATTORNEYS' FEES

Except as otherwise provided herein, in the event of any legal action or other proceeding between the Parties arising out of this Agreement or the transactions contemplated herein, each Party in such legal action or proceeding shall bear its own costs and expenses incurred therein, including reasonable attorneys' fees.

38. COOPERATION

Each Party agrees to cooperate with the other Parties in whatever manner is reasonably required to facilitate the successful completion of this Agreement.

39. ENTIRE AGREEMENT

This Agreement (including the Exhibits hereto) contains the entire agreement and understanding between the Parties and merges and supersedes all prior agreements, representations and discussions pertaining to the subject matter of this Agreement.

40. COUNTERPARTS

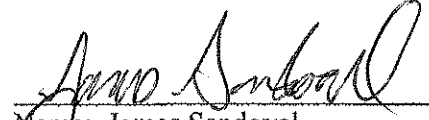
This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.


CITY:

THE CITY OF CHULA VISTA


Name: James Sandoval
Title: City Manager

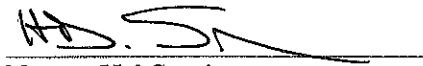
CITY:

**APPROVED AS TO FORM
THE CITY OF CHULA VISTA**


Name: Bart C. Miesfeld
Title: City Attorney

SDG&E:

SAN DIEGO GAS & ELECTRIC COMPANY


Name: Hal Snyder
Title: Vice President, Customer Solutions

APPROVED AS TO FORM



EXHIBIT A

2010-2012 SCOPE OF WORK

(See following attached pages)



2010-2012 SDG&E LOCAL GOVERNMENT PARTNERSHIP SCOPE OF WORK

PROGRAM OVERVIEW

a) Program Title:

City of Chula Vista/SDG&E Local Government Partnership

b) Program Budget (3-Year):

\$4,088,991

c) Program Term:

January 1, 2010 through December 31, 2012

d) Main Contact Information:

Brendan Reed, Environmental Resource Manager
Department of Conservation & Environmental Services
276 Fourth Avenue
Chula Vista, CA 91910
619-409-5889 Office
619-476-5310 Fax

PROGRAM COMPONENT

Municipal Facilities Efficiency Improvements

DESCRIPTION

The SDG&E/Chula Vista Energy Efficiency Partnership will expand the City's efforts to reduce municipal energy use through facility retrofits and upgrades. Chula Vista owns, leases, and/or operates over 90 buildings and structures totaling approximately 1.4 million square feet. Annually, the City's buildings consume an estimated 12 million kWh and 1 million therms. In addition, the program will help train municipal facility managers on better energy management practices and will complement Chula Vista's ongoing investments in renewable energy generation.

GOALS, OBJECTIVES & DELIVERABLES

- 1. Develop integrated energy management strategies for major City buildings and facilities**

- a. Objective – Coordinate with SDG&E and other third-party entities to complete **integrated energy facility audits** to identify energy efficiency, demand response, and distributed generation opportunities.
 - i. Deliverables – Complete integrated facility audits for major municipal sites.
 - b. Objective – Use the EPA Portfolio Manager to **track and benchmark** all major municipal buildings and facilities’ energy consumption over time.
 - i. Deliverables – Uploading of energy consumption data for major municipal facilities to the EPA Portfolio Manager.
- 2. Reduce energy consumption at City buildings, facilities, and related infrastructure**
- a. Objective – Coordinate the installation of **energy efficient retrofit projects** (such as HVAC, lighting, and VFDs) at City buildings, facilities, and related infrastructure.
 - i. Deliverables – Reduce the City’s building energy use by approximately 1,000,000 kWh and 20,000 therms.
 - b. Objective – Complete an **energy-efficient street lighting demonstration** project to test the applicability of various lighting technologies for different roadway types.
 - i. Deliverables – Produce a summary report which compares and contrasts the feasibility of using energy-saving lighting fixtures in municipal street lighting operations.
 - c. Objective – Identify and pursue **energy efficiency financing options** to provide installation capital costs which are not covered under existing incentive programs.
 - i. Deliverables – Secure retrofit project financing through California Energy Commission loan or SDG&E “On-Bill Financing” programs (exact value dependent on identified retrofit project list).

TARGET AUDIENCE

To include: City facility managers and support staff

SCHEDULE

- Jan – April ‘10: Begin integrated energy audits
 Identify retrofit projects at municipal facilities
 Obtain energy efficiency financing for retrofit projects
- May ’10 –Dec ’12 Install energy efficiency retrofits and verify energy savings

BUDGET

Program Name: Municipal Facilities Efficiency Improvements		
Item	Program Budget	
	(\$)	(%)
Administrative Costs	-	-
Marketing/Outreach Costs	-	-
Incentive/Rebate Costs	-	-
Direct Implementation Costs	\$432,000	100%
Total	\$432,000	100%

PROGRAM COMPONENT

EmPower Chula Vista Outreach Program

DESCRIPTION

The EmPower Chula Vista program is designed to complement San Diego Gas & Electric's residential and commercial energy efficiency programs by providing trained City staff to engage and educate Chula Vista businesses, residents, and contractors about energy-saving opportunities. City staff are able to play a unique role in delivering energy efficiency programs to their community, both because their more proximate relationship with citizens, and because they are able to leverage other municipal services/processes to maximize outreach effectiveness. For the 2010-2012 Energy Efficiency Partnership, the City of Chula Vista will build upon its successful EmPower Chula Vista program - which distributed over 50,000 CFLs, 2,600 water-saving devices, and performed over 2,000 energy evaluations in the community since 2006 - by broadening its targeted audience and its focus on whole-building energy performance retrofits, "plug-loads", and energy consumption behavior.

GOALS, OBJECTIVES, & DELIVERABLES

1. **Increase the community's awareness and access to energy-saving technologies & promote CPUC/SDG&E's involvement in delivering energy-saving opportunities**
 - a. **Objective** – Trained City staff will perform free **on-site energy evaluations** for Chula Vista businesses and residents. The evaluations will include a review of past consumption data (using SDG&E's Energy Waves software) and an analysis of energy-saving opportunities (both technological and behavioral). City staff will provide participants with an overview of applicable SDG&E incentive programs and assistance completing incentive and/or On-Bill Financing applications. All referral information generated through the evaluations will be electronically sent to SDG&E program managers.

- i. Deliverables – Energy evaluations of local businesses and residences will be completed generating SDG&E program referrals.
- b. Objective – As part of the residential and business evaluations, City staff will demonstrate to participants the amount of electricity being drawn by various **plug-load devices** in their facility by using a Kill A Watt™ device. Participants may also receive a power strip with timer to reduce wasteful “vampire” energy.
 - i. Deliverables – Energy-saving power strips will be distributed (limit one per household/business during three year cycle). Vampire energy can account for more than 8% of a typical home’s electricity usage.
- c. Objective – Program participants will have an option of monitoring their home or business’s energy consumption over a two-week period using a **real-time energy monitor** (PowerCost Monitor™ or other similar device). At the conclusion of the two week period, City staff will review with the participants their energy use and applicable behavioral and operational changes to reduce their consumption.
 - i. Deliverables – Residents and/or businesses will participate in the energy monitoring program. Studies have shown that increased energy awareness and simple consumption changes can deliver a 10% reduction in energy use.
- d. Objective – As part of the City’s *Home Upgrade, Carbon Downgrade* program, residents and businesses interested in installing more energy-efficient or renewable energy technologies will be able to take advantage of **streamlined contracting, permitting, and/or financing** to facilitate retrofits. Special focus will be given to promoting cost-effective, whole-building performance upgrades (instead of single measures).
 - i. Deliverables – Residents and/or businesses will enroll in the *Home Upgrade, Carbon Downgrade* program resulting in installed energy-efficiency and demand reduction equipment.

2. Promote the use and proper disposal of energy-efficient lighting

- a. Objective – As an incentive for energy assessment program participation, residents and businesses will be offered energy-efficient **Compact Fluorescent Lights (CFL) in exchange for traditional models**.
 - i. Deliverables – CFLs will be exchanged for incandescent or other traditional bulb types.
- b. Objective – Due to the recent market transformation from older incandescent lighting to energy-efficient Compact Fluorescent Lights (CFL), there is a growing community demand for opportunities to properly dispose of CFLs. City staff will work to establish and promote convenient **CFL disposal** opportunities for the South Bay community.
 - i. Deliverables – Disposal events will be organized in the South Bay area, while permanent disposal sites will be promoted.

- c. Objective – As part of the annual Starlight Parade, residents will be able to exchange up to three incandescent holiday light strands for energy-efficient **LED holiday lights**.
 - i. Deliverables – LED holiday lights will be distributed annually during the three-year program cycle. LED lights can save up to 90% in holiday lighting costs and last 100 times longer than incandescent lights.
3. **Expand energy-efficiency opportunities in underserved community sectors in which there is a high demand for energy efficiency services and considerable potential for energy savings**
- a. Objective – Chula Vista is an ethnically diverse city with a large percentage of residents, business owners, and contractors who speak a **foreign language** as their primary language. To assist the program in successfully engaging these typically underserved sectors, the City will recruit staff members who are fluent in Spanish, Tagalog, Vietnamese, or another locally-spoken language.
 - i. Deliverables – Outreach team will include foreign-speaking staff members who are fluent in the aforementioned languages. All outreach materials will be translated into at least 1 foreign language and used to engage with non-English speaking ratepayers.
 - b. Objective – In conjunction with the City’s Redevelopment Agency and the Office of Economic Development, the program will place a large emphasis on penetrating **new community sectors** to deliver energy efficiency education, assessments, and SDG&E program referrals.
 - i. Deliverables – Creation and distribution of customized promotional materials, sector workshops, and multi-department outreach efforts to new sectors which may include mobile homes, corporations, box/department stores, dry cleaners, auto repair, supermarkets, and healthcare offices.
 - c. Objective – The outreach program’s “**Peer-to-Peer**” efforts will focus on providing technical and policy support to enable smaller South Bay municipalities to pursue energy efficiency regulations, facility retrofit projects and community outreach campaigns by organizing a series of workshops and meetings. The workshops will educate South Bay government employees and officials about all aspects of energy management and provide valuable “lessons learned” from Chula Vista’s past experience implementing municipal and community energy efficiency programs.
 - i. Deliverables – Organize workshops and meetings for South Bay municipal staff and officials. Workshop topics may include energy ordinances/codes, energy efficiency technology, retrofit financing, renewable energy integration, and greenhouse gas emission inventories.

TARGET AUDIENCE

To include: South Bay elected officials, city employees, non-English speaking ratepayers, residents and businesses (including mobile homes, corporations, box/department stores, dry cleaners, auto repair, supermarkets, and healthcare offices). In order to successfully implement the outreach program, the City will leverage an array of public marketing and media tools which are unique to local governments:

MARKETING TOOL	IMPACT
City Calendar/Website	4.5 million monthly 'hits'
City Newsletter	1,100 subscribers
Direct Mailers	200,000 individuals
Business License Renewal Process	8,000 licensed businesses
Solid Waste/Recycling Billing	85,000 households
Multi-Departmental Outreach	300,000 individuals (incl. National City & Imperial Beach)
South Bay Community Events	500,000 attendees
Chula Vista Civic Organizations	100 community leaders

SCHEDULE

- Jan '10: Recruit & train staff
Prepare marketing plans & materials
Create tracking database & forms
- Feb '10: Begin community energy assessments & *Home Upgrade, Carbon Downgrade* program
- April '09: Begin Peer-To-Peer workshop series
- Dec '09: Host an LED holiday lighting exchange
- Jan '10 – Dec '11: Continue program implementation

BUDGET

Below is the program's 3-year Partnership budget. In addition to Partnership funds, the program will leverage the City's Energy Efficiency & Conservation Block Grant funds (\$900,000), private financing (up to \$10 million), and in-kind community and volunteer support.

Program Name: EmPower Chula Vista Outreach Program		
Item	Program Budget	
	(\$)	(%)
Administrative Costs	\$295,701	20%
Marketing/Outreach Costs	\$45,000	4%
Incentive/Rebate Costs	-	-
Direct Implementation Costs	\$1,101,718	76%
Total	\$1,442,419	100%

PROGRAM COMPONENT

Sustainable Communities Program

DESCRIPTION

Building upon the current program, the Chula Vista “Sustainable Communities Program” (SCP) will further City staff’s expertise in energy conservation and green building principles, with the goal of infusing sustainable practices into every level of the planning and building process. Staff will promote these principles to customers engaged in the municipal permit and construction approval process through the City’s Internet, on the phone, or in person at the Public Services Building. Under the SCP, the Development Services Department will also investigate and update their existing programs, guidelines, and regulations to reflect the advances that have been made in both the green building and energy conservation aspects of community and project-level site planning and to coordinate these activities with new energy-related programs.

GOALS, OBJECTIVES & DELIVERABLES

1. **Development, adoption, implementation, and modification of programs, policies, and ordinances to increase energy efficiency and sustainability levels over established baseline values.**
 - a. Objective – Dedicate selected staff members to fulfill Local Government Partnership and program goals. Provide funds for a Building Inspector II (full time) and Associate Planner (half time) to develop and maintain expertise in energy efficiency and to **initiate energy-saving building and land use measures**, respectively.
 - i. Deliverables - New and updated energy conservation and sustainability policies, guidelines, procedures, and ordinances for large-scale new developments, site plans, and new building construction as well as for remodels and additions to existing buildings.

- ii. Deliverables - Encourage Plan Examiners (3) and the dedicated Building Inspector II (1) to obtain “Certified Energy Plans Examiner” credentials and other relevant certifications.
 - b. **Objective** – Investigate a **voluntary and incentivized program to encourage development to be more energy efficient** than new mandatory enhanced standards.
 - i. Deliverables - Research and present a program feasibility summary that would offer an expedited entitlement approval and permitting process for new development that meets an advanced tiered standard of energy efficiency above the new enhanced mandatory values (15-20% over Title-24) and would be established by code and local ordinance.
 - ii. Deliverables - Research and present a program feasibility summary that would offer an expedited permit process to small additions, remodels, and tenant improvements that are more energy efficient than the 2008 Energy Code. These projects are currently exempt from the new “Above Title-24 Energy Efficiency Ordinance”, expected to be in place in 2010.
- 2. Outreach, support, and education of City staff, the public, the development community, and peer groups on new energy efficiency and sustainability measures.**
- a. **Objective** – Update and maintain **print and website media content** to guide staff and the public on the changes to SCP programs and policies.
 - i. Deliverables – Produce revised hardcopy and digital forms, handouts, brochures, process guides, and information links.
 - ii. Deliverables - Update “Sustainability Center” website with new program materials and energy-focused information regularly.
 - iii. Deliverables – Develop articles about SCP activities to be distributed through news and City information outlets.
 - iv. Deliverables - Regular E-Mail distribution list notifications to the development community on topics relating to the program.
 - b. **Objective** – Provide **technical support and education** on the changes to the SCP programs and policies.
 - i. Deliverables - Attend and participate in events for sharing “lessons learned”, successes, and progress information at venues such as SDG&E Partnership Mixers, City staff meetings, and community events. Distribution of SCP and SDG&E materials at these events.
 - ii. Deliverables - Provide regular in-house trainings to Development Services staff on the SCP program, Title 24, Energy Efficiency and Green Building ordinances.
 - iii. Deliverables - Participate in pre-construction meetings on jobsites to explain and aid compliance with the new Green Building

Standards, Energy Code, and Energy Efficiency ordinances developed. Number of meetings and follow-ups will be dependent on a development project's scope of work and the needs of the applicant or contractor.

- iv. Deliverables - Staffing of "Sustainability Desk" with a Building Inspector II who will be on-call during public counter hours to answer questions, calls, and emails relating to the SCP and Title 24. Inspector will also provide research, guidance, and assistance with plan check of energy efficiency and green building practices at the Development Services counter.
- v. Deliverables - Maintain current informational materials, brochures, and handouts at the "Sustainability Desk".

3. Increase compliance and enforcement of new "reach" energy efficiency and sustainability codes which were recently adopted by the Chula Vista City Council.

- a. Objective – Building Inspector II to provide **verification that all mandatory enhanced energy efficiency and green building requirements** are being properly met.
 - i. Deliverables - Perform field audits on all types of construction projects to confirm compliance with the enhanced energy efficiency requirements and to ensure proper installation and inspection procedures were performed.
 - ii. Deliverables - Regularly review plans and documentation with the developers, contractors, owner builders, and Development Services staff.

TARGET AUDIENCE

To include: Building and Planning Department staff, Builders, Developers, Residents, businesses

SCHEDULE

- Jan – Mar 2010 Adoption of new enhanced energy efficiency codes
 Enforcement of new Title 24 2008 code
- April 2010 – Dec 2012 Implementation of SCP goals and deliverables

BUDGET

Program Name: Sustainable Communities Program		
Item	Program Budget	
	(\$)	(%)
Administrative Costs	\$ 156,440	15%
Marketing/Outreach Costs	\$73,631	7%
Incentive/Rebate Costs	-	-
Direct Implementation Costs	\$777,930	78%
Total	\$1,008,000	100%

PROGRAM COMPONENT

Energy-Efficient Economic Development Initiative

DESCRIPTION

Through the current partnership with SDG&E, the City has begun to demonstrate how energy-efficient and renewable energy technologies and energy conservation (EERE & EC) can be cost-effectively integrated into large-scale development projects to reduce energy consumption and greenhouse gas emissions. The proposed program will expand upon and leverage this work through additional research, demonstration, and technical assistance initiatives that will enable developers and builders to design and construct high-efficiency and zero-net-energy projects at greenfield, grayfield, and brownfield sites throughout the City. Further, the program will support a full-time Subject Matter Expert (SME) to generate and manage these initiatives and to assist the Economic Development Division and Planning Division attract businesses and development projects that will enhance the City's energy-efficiency and emission reduction goals.

GOALS, OBJECTIVES & DELIVERABLES

1. Generate New Knowledge & Methods & Strengthen Utility Efficiency Programs

- a. Objective – SME will plan, resource, and manage **feasibility studies/projects to determine the cost-effective combinations of EERE&EC technologies and urban design features** that deliver maximum energy efficiency and emission reduction gains in representative residential, commercial, industrial, institutional, and mixed-use projects in Chula Vista. The City and the SME will work closely with SDG&E to ensure that these initiatives enhance the Savings by Design, Sustainable Communities, Emerging Technologies, and the Express Efficiency programs to produce greater energy savings and emission reductions.
 - i. Deliverables – Translation of the research into practical resource guides for the development trades including recommended program enhancements for some of the SDG&E programs mentioned above or other general enhancement recommendations.

2. Demonstrate Value of EERE&EC Development Projects

- a. Objective – SME will collaborate with development and building industry partners to **demonstrate model EERE&EC technology applications** in representative development projects across the City. SME will seek additional State agency (California Energy Commission) support to conduct performance verification projects to demonstrate actual performance benefits of selected technology applications.
 - i. Deliverables – Technology demonstration projects and case studies of successful EERE&EC development projects including a compelling business case for the development industry. Note: Demonstration projects dependent on SDG&E participation.

3. Retain & Expand Allied Businesses, Institutions & Development Projects

- a. Objective – SME will assist the Economic Development Office in communicating to existing businesses, and to those relocating to the City, the “business case” for EERE&EC technologies and their value in lowering operating costs. SME will participate in the planning and design of the City’s **new Eco-Industrial/Business Park** and will assist the Economic Development Office in recruiting new businesses specializing in clean energy technologies, products and services. SME will assist in recruiting clean energy technology research and development organizations to the University Park and Research Center. SME will assist the Planning Division in incorporating related resources into their programs. The City and the SME will work with the aforementioned SDG&E programs to ensure that new business recruitment/development projects produce energy savings and emissions reductions.
 - i. Deliverables – Targeted business/development project recruitment initiatives. These initiatives will assist SDG&E in meeting their obligations under the Global Warming Solutions Act of 2006 (AB 32) and the requirements of SB 1368.

TARGET AUDIENCES

To include: clean technology companies, universities and related research institutes, the hospitality industry, and the real estate development community.

SCHEDULE

- Jan – May ‘10: Define the role of the SME & recruit the individual
- June –Dec ‘10: Refine the SME role & develop detailed program plans
- Jan ‘11 – Dec ‘12: Implement the program

BUDGET

Program Name: Energy-Efficient Community Development Initiative		
Item	Program Budget	
	(\$)	(%)
Administrative Costs	\$15,000	2%
Marketing/Outreach Costs	\$60,000	7%
Incentive/Rebate Costs	-	-
Direct Implementation Costs	\$729,000	91%
Total	\$804,000	100%

PROGRAM COMPONENT

Partnership Management & Administration

DESCRIPTION

The citywide Partnership program is coordinated and administered by a central staff member to improve efficiency, effectiveness, and communication between all parties. The staff member also serves as a direct contact for SDG&E program managers.

BUDGET

Program Name: Partnership Management & Administration		
Item	Program Budget	
	(\$)	(%)
Administrative Costs	\$402,572	100%
Marketing/Outreach Costs	-	-
Incentive/Rebate Costs	-	-
Direct Implementation Costs	-	-
Total	\$402,572	100%

EXHIBIT B

EM&V PLAN

EM&V Plan will be issued at a later date in 2010 by the California Public Utilities Commission and will be attached at that time.]

EXHIBIT C
REPORTING REQUIREMENTS (As Applicable)

1. Reporting

- 1.1 Chula Vista shall provide SDG&E with the requisite information, in accordance with Section 9.4 of the Agreement, on the prior month's activities, accomplishments and expenditures incurred in Unified Chula Vista accounting periods related to its respective Authorized Work obligations, for purposes of preparing the Monthly, Quarterly and Annual Reporting.
- 1.2 SDG&E shall provide Chula Vista in accordance with the provisions of Section 25 of the Agreement, or otherwise make available to Chula Vista on SDG&E's website, a copy of the filed Monthly Reporting within five (5) Business Days after filing.

2. Monthly Reporting

- 2.1 **Program Data** – A spreadsheet table or tables listing which includes the following information:

Program Costs (cost reported cumulative-to-date (also referred to as inception-to-date))

- a. Program identification number as provided by the Program Administrator
- b. Program name
- c. Total cumulative program authorized budget as adopted by the Commission
- d. Total cumulative program operating budget which includes any midcourse budget modifications (e.g., fund shifts)
- e. Total cumulative program expenditures
- f. Total program expenditures for the report month
- g. Total cumulative commitments (limited to incentive commitments)

Program Impacts (cost reported cumulative-to-date (also referred to as inception-to-date))

- a. Total cumulative net kW, kWh, and Therm savings projections
- b. Total cumulative achieved net kW, kWh and Therm savings
- c. Total achieved net kW, kWh and Therm savings for the report month
- d. Total committed (limited to incentive commitments) net kW, kWh and Therm savings

- 2.2 **Program Changes/New Program Information**

If applicable, the following information should be reported in the Monthly report:

- a. Identification of program with operating budgets reduced during the report month
- b. Identification of program with operating budgets increased during the report month
- c. Identification of program terminated during the report month

3. Quarterly Report

- 3.1 **Portfolio Benefit/Cost Metrics (Cumulative to Date)**

- a. Total cost to billpayers (TRC, administrative cost and incremental cost per the Standard Practice Manual)
- b. Total savings to billpayers (TRC)
- c. Net benefits to billpayers (TRC)
- d. TRC Ratio
- e. PAC Ratio
- f. Cost per kWh saved (cents/kWh) (PAC)
- g. Cost per therm savings (\$/therm) (PAC)

- 3.2 Measure List** –A spreadsheet table for each program or program element containing each measure installed, service rendered, or measure/service committed during the report month for which the Program Implementer intends to claim savings. The Program Implementer should include any new measures as part of the quarterly report. The list should display each measure as it is tracked and recorded by the implementer and should include the following parameters at a minimum:
- a. Name of Measure or Service Rendered
 - b. Measure or Service Description
 - c. DEER Measure ID (where applicable)
 - d. DEER Run ID (where applicable)
 - e. Unit Definition
 - f. Unit gross kWh savings
 - g. Unit gross Therms savings
 - h. Unit gross kW demand reduction
 - i. Incremental Measure Cost
 - j. Net to Gross Ratio
 - k. Effective Useful Life
 - l. Detailed end use classification (using classification scheme in section 6)
 - m. Quantity Installed during report period
 - n. Quantity Committed during report period
 - o. Rebate amount paid
 - p. Market Sector classification (using classification scheme in section 6)
 - q. Market Segment classification (using classification scheme in section 6)
- 3.3 Expenditures** for the program per cost reporting format below (Appendix to Attachment contains list of allowable costs) :
- a. Commission Authorized Budget
 - b. Operating Budget
 - c. Total Expenditures
 - i. Administrative Cost
 - ii. Marketing/Advertising/Outreach Costs
 - iii. Direct Implementation
- 3.4 GBI Report**– Progress towards achieving goals of the Green Building Initiative, if applicable (Cumulative results)
- a. Estimate of expenditures on program activities that contribute towards GBI goals (including both public and non-public commercial participants)
 - b. Net cumulative achieved kW, kWh and Therm savings contributing towards GBI goals.
 - c. Net achieved kW, kWh and Therm savings contributing towards GBI goals for the quarter.
 - d. A description of non-resource program activities that support the Green Building Initiative, including marketing and outreach activities.
 - e. Estimate of square footage affected by program activities supporting the Green Building Initiative
 - f. Items b, c and e above disaggregated by:
 - i. 2-digit NAICS code
 - ii. Aggregated end use classification (using classification scheme in section 5)
- 3.5 Program Narratives** – For the program, a description of the program activities occurring during the quarter.
- a. Administrative activities
 - b. Marketing activities
 - c. Direct Implementation activities
 - d. Chula Vista’s assessment of program performance and program status (is the program on target, exceeding expectations, or falling short of expectations, etc.)

- e. For non-resource programs and program elements (programs or program elements that are not claiming direct energy impacts), a discussion of the status of program achievements.
- f. Discussion of changes in program emphasis (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measure discontinued, etc.)
- g. Discussion of near term plans for program over the coming months (e.g., marketing and outreach efforts that are expected to significantly increase program participation, etc.)
- h. Changes to staffing and staff responsibilities, if any
- i. Changes to contacts, if any
- j. Changes to subcontractors and subcontractor responsibilities, if any
- k. Number of customer complaints received
- l. Program Theory and Logic Model if not already provided in the program's implementation plan, or if revisions have been made.

3.6 Utility Quarterly Reports – SDG&E shall provide Chula Vista a copy of the filed Quarterly Report within two (2) Business Days after filing with the Commission in accordance with the provisions of the Agreement.

4. Annual Reports

The format and content of the annual report is expected to be developed by the CPUC in fall. (to be verified) The Program Implementer will be required to fulfill these reporting obligations for their program.

5. Reporting Terminology Definitions

Adopted Program Budget – The program budget as it is adopted by the Commission. Inclusive of costs (+/-) recovered from other sources.

Operating Program Budget – The program budget as it is defined by the program administrators for internal program budgeting and management purposes. Inclusive of costs (+/-) recovered from other sources.

Direct Implementation Expenditures – Costs associated with activities that are a direct interface with the customer or program participant or recipient (e.g., contractor receiving training). *(Note: This is still an open issue, the items included in this definition may be changed by the CPUC pending discussion on the application of the State's Standard Practice Manual.)*

Invoice Month – Invoicing months shall be defined as the calendar month represented in largest part in the Unified Chula Vista's official accounting period schedule (Exhibit F). Data is available 15 days following the end date of the accounting period. Invoices shall be prepared within 10 working days of the availability of Auditor expense reports.

Report Month – The month for which a particular monthly report is providing data and information. For example, the report month for a report covering the month of July 2010, but prepared and delivered later than July 2010, would be July 2010.

Program Strategy – The method deployed by a program in order to obtain program participation.

Program Element – A subsection of a program, or body of program activities within which a single program strategy is employed. (Example: A body of program activities employing both an upstream rebate approach and a direct install approach is not a single program element.)

6. Measure Classification

Measure End-Use Classification

Each energy efficiency measure reported should be classified into one of the following end-use categories

Residential End Uses

Detailed End Use

Clothes Dryer
Clothes Washer
Consumer Electronics
Cooking
Dishwasher
Other Appliance
Building Shell
Space Cooling
Space Heating
Interior Lighting
Exterior Lighting
Pool Pump
Freezers
Refrigeration
Water Heating
Other (User Entered Text String Description)

Aggregated End Use

Appliances
Appliances
Consumer Electronics
Cooking Appliances
Appliances
Appliances
HVAC
HVAC
HVAC
Lighting
Lighting
Pool Pump
Refrigeration
Refrigeration
Water Heating
Other

Nonresidential End Uses

Detailed End Use

Building Shell
Space Cooling
Space Heating
Ventilation
Day lighting
Interior Lighting
Exterior Lighting
Office Equipment
Compressed Air
Cooking
Food Processing
Motors
Process Cooling
Process Heat
Process Steam
Pumps
Refrigeration
Other (User Entered Text String Description)

Aggregated End Use

HVAC
HVAC
HVAC
HVAC
Lighting
Lighting
Lighting
Office
Process
Process
Process
Process
Process
Process
Process
Process
Process
Refrigeration
Other

Measure Market Sector/Market Segment Classification

Where reports require market sector or market segment classification, the following classification scheme should be used.

Market Sector

Residential
Single Family
Multi Family
Mobile Homes

Market Segment

NA
NA
NA
NA

Nonresidential	NAICS CODE (greater than 2 digit not required)
Commercial	NAICS CODE (greater than 2 digit not required)
Industrial	NAICS CODE (greater than 2 digit not required)
Agricultural	NAICS CODE (greater than 2 digit not required)
Unknown	NA

7. Allowable Costs

Allowable Costs Table	
The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.	
Cost Categories	Allowable Costs
Administrative Cost Category	Managerial and Clerical Labor
	IOU Labor - Clerical
	IOU Labor - Program Design
	IOU Labor - Program Development
	IOU Labor - Program Planning
	IOU Labor - Program/Project Management
	IOU Labor - Staff Management
	IOU Labor - Staff Supervision
	Subcontractor Labor - Clerical
	Subcontractor Labor - Program Design
	Subcontractor Labor - Program Development
	Subcontractor Labor - Program Planning
	Subcontractor Labor - Program/Project Management
	Subcontractor Labor - Staff Management
	Subcontractor Labor - Staff Supervision
	Human Resource Support and Development
	IOU Labor - Human Resources
	IOU Labor - Staff Development and Training
	IOU Benefits - Administrative Labor
	IOU Benefits - Direct Implementation Labor
	IOU Benefits - Marketing/Advertising/Outreach Labor
	IOU Payroll Tax - Administrative Labor
	IOU Payroll Tax - Administrative Labor
	IOU Payroll Tax - Administrative Labor
	IOU Pension - Administrative Labor
	IOU Pension - Direct Implementation Labor
	IOU Pension - Marketing/Advertising/Outreach Labor
	Subcontractor Labor- Human Resources
	Subcontractor Labor - Staff Development and Training
	Subcontractor Benefits - Administrative Labor
	Subcontractor Benefits - Direct Implementation Labor
	Subcontractor Benefits - Marketing/Advertising/Outreach Labor
	Subcontractor Payroll Tax - Administrative Labor
	Subcontractor Payroll Tax - Direct Implementation Labor

Allowable Costs Table

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

Cost Categories	Allowable Costs
	Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor
	Subcontractor Pension - Administrative Labor
	Subcontractor Pension - Direct Implementation Labor
	Subcontractor Pension - Marketing/Advertising/Outreach Labor
	Travel and Conference Fees
	IOU Conference Fees
	IOU Labor - Conference Attendance
	IOU Travel - Airfare
	IOU Travel - Lodging
	IOU Travel - Meals
	IOU Travel - Mileage
	IOU Travel - Parking
	IOU Travel - Per Diem for Misc. Expenses
	Subcontractor - Conference Fees
	Subcontractor Labor - Conference Attendance
	Subcontractor - Travel - Airfare
	Subcontractor - Travel - Lodging
	Subcontractor - Travel - Meals
	Subcontractor - Travel - Mileage
	Subcontractor - Travel - Parking
	Subcontractor - Travel - Per Diem for Misc. Expenses
	Overhead (General and Administrative) - Labor and Materials
	IOU Equipment Communications
	IOU Equipment Computing
	IOU Equipment Document Reproduction
	IOU Equipment General Office
	IOU Equipment Transportation
	IOU Food Service
	IOU Office Supplies
	IOU Postage
	IOU Labor - Accounting Support
	IOU Labor - Accounts Payable
	IOU Labor - Accounts Receivable
	IOU Labor - Administrative
	IOU Labor - Facilities Maintenance
	IOU Labor - Materials Management
	IOU Labor - Procurement
	IOU Labor - Shop Services
	IOU Labor - Transportation Services
	IOU Labor - Automated Systems
	IOU Labor - Communications
	IOU Labor - Information Technology
	IOU Labor - Telecommunications

Allowable Costs Table

The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.

Cost Categories	Allowable Costs
	Subcontractor Equipment Communications Subcontractor Equipment Computing Subcontractor Equipment Document Reproduction Subcontractor Equipment General Office Subcontractor Equipment Transportation Subcontractor Food Service Subcontractor Office Supplies Subcontractor Postage Subcontractor Labor - Accounting Support Subcontractor Labor - Accounts Payable Subcontractor Labor - Accounts Receivable Subcontractor Labor - Facilities Maintenance
	Subcontractor Labor - Materials Management Subcontractor Labor - Procurement Subcontractor Labor - Shop Services Subcontractor Labor - Administrative Subcontractor Labor - Transportation Services Subcontractor Labor - Automated Systems Subcontractor Labor - Communications Subcontractor Labor - Information Technology Subcontractor Labor - Telecommunications
Marketing/Advertising/Outreach Cost Category	
	IOU - Advertisements / Media Promotions IOU - Bill Inserts IOU - Brochures IOU - Door Hangers IOU - Print Advertisements IOU - Radio Spots IOU - Television Spots IOU - Website Development IOU Labor - Marketing IOU Labor - Media Production IOU Labor - Business Outreach IOU Labor - Customer Outreach IOU Labor - Customer Relations Subcontractor - Bill Inserts Subcontractor - Brochures Subcontractor - Door Hangers Subcontractor - Print Advertisements Subcontractor - Radio Spots Subcontractor - Television Spots Subcontractor - Website Development Subcontractor Labor - Marketing

Allowable Costs Table	
The cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer-funded energy efficiency work. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the program administrator. If there is a desire to include additional Allowable Cost elements, the program administrator should be contacted in order for the administrator to seek approval from the CPUC.	
Cost Categories	Allowable Costs
	Subcontractor Labor - Media Production
	Subcontractor Labor - Business Outreach
	Subcontractor Labor - Customer Outreach
	Subcontractor Labor - Customer Relations
Direct Implementation Cost Category	
	Financial Incentives to Customers
	Activity - Direct Labor
	IOU Labor - Curriculum Development
	IOU Labor - Customer Education and Training
	IOU Labor - Customer Equipment Testing and Diagnostics
	IOU Labor - Facilities Audits
	Subcontractor Labor - Facilities Audits
	Subcontractor Labor - Curriculum Development
	Subcontractor Labor - Customer Education and Training
	Subcontractor Labor - Customer Equipment Testing and Diagnostics
	Installation and Service - Labor
	IOU Labor - Customer Equipment Repair and Servicing
	IOU Labor - Measure Installation
	Subcontractor Labor - Customer Equipment Repair and Servicing
	Subcontractor Labor - Customer Equipment Repair and Servicing
	Direct Implementation Hardware and Materials
	IOU Audit Applications and Forms
	IOU Direct Implementation Literature
	IOU Education Materials
	IOU Energy Measurement Tools
	IOU Installation Hardware
	Subcontractor - Direct Implementation Literature
	Subcontractor - Education Materials
	Subcontractor - Energy Measurement Tools
	Subcontractor - Installation Hardware
	Subcontractor - Audit Applications and Forms
	Rebate Processing and Inspection - Labor and Materials
	IOU Labor - Field Verification
	IOU Labor - Site Inspections
	IOU Labor - Rebate Processing
	IOU Rebate Applications
	Subcontractor Labor - Field Verification
	Subcontractor Labor - Rebate Processing
	Subcontractor - Rebate Applications