

2019-2025 Tri-County Regional Energy Network (3C-REN)
Memorandum of Agreement

**Among the County of Ventura,
the County of Santa Barbara
and the County of San Luis Obispo**

This 2019-2025 Tri-County Regional Energy Network Memorandum of Agreement (herein called "MOA") is made this 26th day of February 2019, by and among the County of Ventura (hereinafter called "COUNTY"), County of Santa Barbara and County of San Luis Obispo (the three counties are hereinafter called individually "MEMBER COUNTY" and collectively "MEMBER COUNTIES") with respect to the following recitals:

Whereas, representatives from the MEMBER COUNTIES have pursued and will continue to pursue regional sustainability and energy efficiency opportunities across all three counties; and

Whereas, the MEMBER COUNTIES' primary role is to develop and administer a comprehensive Tri-County Regional Energy Network ("3C-REN"), as defined in California Public Utilities Commission ("CPUC") Decision 18-05-041, and to prepare and submit any future grant applications on behalf of the three counties to fund other sustainability and energy efficiency activities; and

Whereas, COUNTY, on behalf of the MEMBER COUNTIES, will serve as the 3C-REN Program Administrator for purposes of coordinating planning activities locally, acting as the fiscal administrator, and executing agreements; and

Whereas, on May 31, 2018, CPUC Decision 18-05-041, Ordering Paragraph 38, was issued and directed Southern California Gas Company ("SoCalGas") to serve as the fiscal lead on behalf of the three investor-owned utilities with territory in the MEMBER COUNTIES' jurisdictions, SoCalGas, Pacific Gas & Electric and Southern California Edison (collectively the "IOUs"); and

Whereas, as a condition precedent to this MOA, COUNTY and the IOUs will enter into the Tri-County Regional Energy Network 2019-2025 Energy Efficiency Programs and Budgets Agreement ("Programs Agreement") establishing the rights and responsibilities of COUNTY, acting on behalf of 3C-REN, and the IOUs; and

Whereas, these efforts will lead to the coordination of regional energy resource planning; development of a long-term, sustainable energy strategy; and increase in awareness of and access to conservation, efficiency, and renewable opportunities within the Tri-County region; and

Whereas, the MEMBER COUNTIES commit to an effective delivery of 3C-REN energy efficiency programs to the residents and local workforce of their respective counties, the details of which are set forth in this MOA.

Whereas, upon receipt of funds from the CPUC (distributed by SoCalGas on behalf of the IOUs pursuant to the Programs Agreement) for 3C-REN program activities, COUNTY will reimburse each MEMBER COUNTY, in amounts not to exceed those stated in the table below, for allowable costs incurred for the express purpose of performing 3C-REN program activities and administration for the period commencing on the effective date and ending upon termination or expiration of this MOA;

Now, therefore, in consideration of the mutual duties set forth in this MOA, the MEMBER COUNTIES agree to the following:

1. Program Administrator. COUNTY is designated by the CPUC as the 3C-REN Program Administrator and, as such, shall serve as the 3C-REN Program Administrator on behalf of the MEMBER COUNTIES and shall be responsible for:
 - a) Monitoring progress on program objectives, deliverables and budget targets as set forth in this MOA.
 - b) Review of all program-related documents, including review of all reporting required in this MOA, and any other reporting duties as may be required.
 - c) Coordinating the 3C-REN programs described in section 2 to minimize duplicative administrative and marketing costs.
 - d) Coordinating with the IOUs.
2. Program Activities. COUNTY, acting as 3C-REN Program Administrator, shall reimburse each MEMBER COUNTY, from funds provided by the CPUC, for delivery of 3C-REN program activities as set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.
 - a) The MEMBER COUNTIES shall work cooperatively to implement 3C-REN programs and comply with CPUC requirements.
 - b) The MEMBER COUNTIES will perform all tasks and deliverables and shall comply with all applicable laws, policies, and regulations in carrying out 3C-REN program activities and other duties hereunder.
 - c) 3C-REN program activities are those set forth in Exhibits A, B and C of the Programs Agreement, which exhibits are incorporated herein by reference, and referred to as the 3C-REN Residential Direct Install (RES DI) Program, 3C-REN

Codes & Standards (C&S) Program and 3C-REN Workforce Education & Training (WE&T) Program.

3. Budget. Table 3.0 below sets forth for each MEMBER COUNTY, by year and by category (Labor Expenses, Implementation Expenses, ME&O Expenses, Admin, Direct Install and Incentives), the maximum amount the MEMBER COUNTY may be reimbursed under this MOA for 3C-REN program activities and administration. Any amendment to an amount set forth in Table 3.0 must be approved in writing by the MEMBER COUNTIES. All reimbursements are subject to receipt of sufficient funds from the CPUC (distributed by SoCalGas on behalf of the IOUs pursuant to the Programs Agreement). To the extent the amounts set forth in Table 3.0 for years 2020-2025 differ from the amounts set forth for those years in Exhibit I of the Programs Agreement, the amounts set forth in Exhibit I shall govern.

Table 3.0:

Member Counties	2019	2020	2021	2022	2023	2024	2025
Santa Barbara							
Labor Expenses	\$330,308	\$344,326	\$361,552	\$380,327	\$575,215	\$607,834	\$607,834
Implementation Expenses	\$98,000	\$98,000	\$98,000	\$98,000	\$98,000	\$98,000	\$98,000
ME&O Expenses	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Total REN SB Expenses	\$498,308	\$512,326	\$529,552	\$548,327	\$743,215	\$775,834	\$775,834
San Luis Obispo							
Labor Expenses	\$336,088	\$352,892	\$370,537	\$389,064	\$518,501	\$544,426	\$ 544,426
Implementation Expenses	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000
ME&O Expenses	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Total REN SLO Expenses	\$474,087	\$490,892	\$508,534	\$527,064	\$656,501	\$682,426	\$682,426
Ventura							
Labor Expenses	\$880,411	\$785,830	\$680,860	\$610,559	\$ 486,488	\$ 442,997	\$438,523
Admin	\$630,689	\$637,980	\$669,879	\$696,674	\$724,541	\$746,277	\$768,666
Implementation Expenses	\$2,211,796	\$2,235,67	\$2,063,475	\$1,488,033	\$543,444	\$516,758	\$426,848
Direct Install and Incentives	\$1,018,450	\$1,365,000	\$1,903,400	\$2,761,300	\$3,813,800	\$4,027,950	\$4,329,950
ME&O Expenses	\$329,687	\$317,897	\$307,179	\$ 297,436	\$238,578	\$ 230,526	\$223,205
Total REN VC Expenses	\$5,071,033	\$5,342,383	\$5,624,793	\$5,854,002	\$5,806,851	\$5,964,508	\$6,187,192
Grand Total	\$6,043,428	\$6,345,601	\$6,662,881	\$6,929,393	\$7,206,568	\$7,422,768	\$7,645,452

4. Claims and Payment.

- a) Upon receipt of funds from the CPUC (distributed by SoCalGas on behalf of the IOUs pursuant to the Programs Agreement) for 3C-REN program activities,

COUNTY will reimburse each MEMBER COUNTY, not to exceed the amounts set forth in Table 3.0, for Allowable Costs, as described in Exhibit B, which is attached hereto and incorporated herein by reference, incurred for the express purpose of performing 3C-REN program activities and administration, pursuant to the following procedure.

- b) To obtain reimbursement, a MEMBER COUNTY shall submit to COUNTY a claim for reimbursement containing the following: (i) an invoice showing, at a minimum, the applicable Cost Category and Allowable Cost as described in Exhibit B, the amount of such cost and the date(s) such cost was incurred; (ii) all receipts, evidence of deliverables and other documentation reasonably necessary to substantiate the invoiced cost; (iii) a narrative report describing the 3C-REN program activity for which the cost was incurred; and (iv) any reports or other information required pursuant to section 6 and Exhibit H of the Programs Agreement, which section and exhibit are incorporated herein by reference. A claim must be submitted no later than the 7th calendar day of the month after the month in which the cost was incurred. Allowable labor costs shall comply with 3C-REN staff and contractor rates listed in Exhibit G of the Programs Agreement, which exhibit is incorporated herein by reference, as such rates are modified from time to time pursuant to the terms of the Programs Agreement.
 - c) Upon receipt of a claim, COUNTY shall review the claim and determine whether the claim is complete and seeks reimbursement of Allowable Costs as described in Exhibit B. If the claim is incomplete, COUNTY shall return the claim to the MEMBER COUNTY with an explanation of the reason(s) for incompleteness. If the claim is complete, COUNTY shall approve the claim to the extent the claim seeks reimbursement of Allowable Costs as described in Exhibit B and deny the claim as to the rest.
 - d) When a claim is approved, COUNTY will reimburse the MEMBER COUNTY for the approved costs, to the extent that (i) COUNTY holds sufficient funds from the CPUC for reimbursement and (ii) the MEMBER COUNTY has not exhausted the amount set forth for the applicable category of costs for the applicable year in Table 3.0. COUNTY has no obligation to make a reimbursement under this MOA if for any reason there is no funding available. COUNTY assumes no liability to any person or entity, including, but not limited to, a MEMBER COUNTY, for any delay in the distribution of funds by CPUC (or SoCalGas on behalf of the IOUs pursuant to the Programs Agreement) to COUNTY.
5. Reporting. Each MEMBER COUNTY shall adhere to common reporting requirements for 3C-REN programs as required by the CPUC. For COUNTY to compile information to meet reporting deadlines, each MEMBER COUNTY shall provide COUNTY with all required reporting and costs incurred from the previous month, on or before the 7th calendar day of the month. If a MEMBER COUNTY fails to do so, COUNTY may

withhold reimbursement of claimed costs until the required reports are received and a reasonable review period has transpired.

6. Termination/Breach. Consistent with section 16.3 of the Programs Agreement, COUNTY shall not terminate this MOA for convenience, except as by an order, decision or resolution of the CPUC. Santa Barbara and/or San Luis Obispo Counties may terminate this MOA, as to the terminating MEMBER COUNTY only, without cause by providing 60 days' notice to COUNTY. MEMBER COUNTIES agree that monies for carrying out program activities for 3C-REN not fulfilled by a terminating MEMBER COUNTY may be used, by COUNTY, in its sole discretion, to carry out program activities for the Tri-Counties region. MEMBER COUNTIES agree that if a MEMBER COUNTY breaches its obligations in carrying out program activities for 3C-REN or fails to cure any breach of this MOA within 30 days of receipt of a notice of breach from COUNTY, then COUNTY may, in its sole discretion, serve written notice to the MEMBER COUNTY that COUNTY intends to terminate this MOA as to the breaching MEMBER COUNTY and thereafter, if the breach is not timely and reasonably cured, terminate this MOA with the breaching MEMBER COUNTY. Monies for activities not fulfilled by the breaching MEMBER COUNTY may be used by COUNTY, in its sole discretion, to carry out program activities for the Tri-Counties region.

7. Authority. Each MEMBER COUNTY represents and warrants that the person signing this MOA has legal authority to sign this MOA and bind that party.

8. Indemnification by each MEMBER COUNTY. Each MEMBER COUNTY shall indemnify, defend and hold harmless the other MEMBER COUNTIES and their respective officials, officers, directors, agents, and employees from and against any and all third-party liability (including damages, losses, claims, demands, actions, causes of action and costs, along with reasonable attorney fees and expenses) to the extent caused by the negligence and/or willful misconduct of that MEMBER COUNTY or its employees, subcontractors, or agents. The obligations of each MEMBER COUNTY under this section shall survive the termination of this MOA.

9. Insurance
 - a) Each MEMBER COUNTY will maintain the following insurance coverage or self-insurance coverage, at all times during the term of this MOA, with companies having an A.M. Best rating of "A-, VII" or better, or equivalent:
 - i. Workers' Compensation: statutory minimum.
 - ii. Employer's Liability coverage: \$1 million minimum.
 - iii. Commercial General Liability: \$2 million minimum per occurrence/\$4 million minimum aggregate. Such insurance shall acknowledge the IOUs and the other MEMBER COUNTIES and their officers, agents and employees as additional insureds, be primary for all purposes, contain

standard cross-liability or severability of interest provisions, and waive all rights of subrogation against the IOUs and the other MEMBER COUNTIES and their officers, agents, employees and other contractors or subcontractors.

- iv. Commercial or Business Auto: \$1 million minimum. Such insurance shall acknowledge the IOUs and the other MEMBER COUNTIES and their officers, agents and employees as additional insureds and be primary for all purposes.
 - v. Professional Liability (if applicable): \$1 million minimum.
- b) Evidence of Insurance. Upon request at any time during the term of this MOA, each MEMBER COUNTY shall provide evidence that its insurance policies and the insurance policies as provided in this section are in full force and effect, and provide the coverage and limits of insurance that each MEMBER COUNTY has represented and warranted herein to maintain at all times during the term of this MOA.
- c) Self-Insurance. If a MEMBER COUNTY is self-insured, the MEMBER COUNTY shall upon request forward documentation to the IOUs and/or to COUNTY that demonstrates to the IOUs' and COUNTY's satisfaction that the MEMBER COUNTY self-insures as a matter of normal business practice. COUNTY will accept reasonable proof of self-insurance comparable to the above requirements.
- d) Notice of Claims. Each MEMBER COUNTY shall immediately report to the IOUs and COUNTY, and promptly thereafter confirm in writing, the occurrence of any injury, loss or damage incurred by MEMBER COUNTY or any subcontractor or their receipt of notice or knowledge of any claim by a third party of any occurrence related to the 3C-REN programs, the Programs Agreement and/or this MOA that might give rise to such a claim.
- e) Insurance Indemnification. If a MEMBER COUNTY fails to comply with any of the provisions of this section, or to the extent each MEMBER COUNTY does not require its subcontractors to maintain the insurance coverage specified in this section, each MEMBER COUNTY shall, at its own cost, defend, indemnify, and hold harmless the IOUs and/or each MEMBER COUNTY and their affiliates and their officers, directors, agents, employees, assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, causes of action, costs, including attorney fees and expenses, or any of them, arising out of or in connection with the performance or non-performance of any 3C-REN program by each MEMBER COUNTY or any subcontractor or their officers, directors, employees or agents to the extent that the IOUs and/or each other MEMBER COUNTY would have been protected.
10. Limitation of Liability. The liability of COUNTY to the other MEMBER COUNTIES for COUNTY's acts or omissions as the 3C-REN Program Administrator is limited to no

more than the amount of the reimbursement to each MEMBER COUNTY pursuant to section 3 in the calendar year(s) in which the acts or omissions occurred.

11. Relationship of the Parties. The officers, employees and agents of each MEMBER COUNTY are not and shall not be deemed to be the officers, employees or agents of any other MEMBER COUNTY. Notwithstanding anything contained in this MOA to the contrary, a MEMBER COUNTY shall not be responsible for the performance or non-performance hereunder of any other MEMBER COUNTY or whether such performance meets applicable legal and regulatory requirements, nor be obligated to remedy any other MEMBER COUNTY's defaults or defective performance.

12. No Third Party Beneficiary. This MOA is only for the benefit of the MEMBER COUNTIES and not for the benefit of any third party.

13. Term. The term of this MOA commences February 26, 2019, and expires December 31, 2025, unless sooner terminated pursuant to section 6.

IN WITNESS WHEREOF, the MEMBER COUNTIES enter into this MOA.

COUNTY OF VENTURA:

By: _____
Michael Powers, County Executive Officer

COUNTY OF SAN LUIS OBISPO:

BY: _____

Trevor Keith
Director, Department of Planning and Building

DATED: _____

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

BY: _____

Deputy County Counsel

DATED: _____

COUNTY OF SANTA BARBARA:

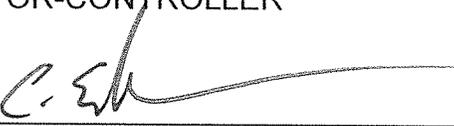
ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

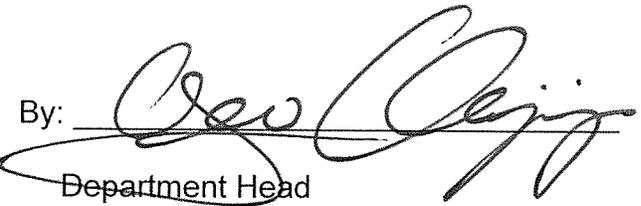
By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

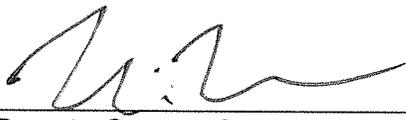
By: _____
Steve Lavagnino
Chair, Board of Supervisors

APPROVED AS TO ACCOUNTING FORM:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: 
Deputy Auditor- Controller

By: 
Department Head

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: 
Deputy County Counsel

APPROVE AS TO FORM:
RAY AROMATORIO, ARM AIC
RISK MANAGEMENT

By: 
Risk Manager

EXHIBIT A

Scope of Work

Task 1. Administration (Admin)

Admin activities include any actions necessary to support 3C-REN programs and ensure compliance with California Public Utilities Commission (CPUC) regulatory requirements. Admin activities include, but are not limited to, the following:

- Prepare, review, and submit reports and invoices
- Participate in CPUC regulatory activities (e.g., proceedings, rulemakings, workshops) either in person or via written comments

Task 2. Marketing, Education, and Outreach (ME&O)

ME&O activities include any communications activities designed to identify, reach and motivate potential program participants to participate in a 3C-REN program. ME&O activities include, but are not limited to, the following:

- Development and deployment of marketing and outreach campaigns
- Preparation and distribution of explanatory mailers or other promotional materials
- Conducting or participating in outreach events
- Advertising, media, newspaper, website, and related marketing activities

Task 3. Direct Implementation (DI)

DI activities include any actions taken in the course of implementing 3C-REN programs related to program theory, planned program processes and direct interface with a program participant. DI activities include, but are not limited to, the following:

- Program planning, development, design and implementation
- Development of program goals, budgets and milestones
- Education and training of program participants and others (e.g., contractors, local governments)
- Providing program participant support and responding to participant inquiries (e.g., calls, emails, letters)
- Compiling and maintaining information (e.g., data, customer records) for program participants and projects

EXHIBIT B

Allowable Cost Categories

CPUC Allowable Costs Table¹

Cost Categories	Allowable Costs
Administrative Cost Categories	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 Payroll Tax - Direct Implementation Labor ²
	IOU Payroll Tax - Marketing/Advertising/Outreach Labor ³
	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
	Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor
	Subcontractor Pension - Administrative Labor
	Subcontractor Pension - Direct Implementation Labor
	Subcontractor Pension - Marketing/Advertising/Outreach Labor

	Travel⁴ and Conference Fees⁵
	IOU Conference Fees ⁶
Administrative Cost Categories (Continued)	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
	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	

Administrative Cost Categories (Continued)	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 Costs	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
	Subcontractor Labor - Media Production
	Subcontractor Labor - Business Outreach
	Subcontractor Labor - Customer Outreach
Subcontractor Labor - Customer Relations	
Direct Implementation	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	

Direct Implementation (Continued)	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 - Measure Installation ⁷	
	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	
	Evaluation, Measurement and Verification	IOU Labor - EM&V
		IOU Materials - EM&V
		IOU Benefits - EM&V Labor
IOU Overhead - EM&V		
IOU Payroll Tax - EM&V Labor		
IOU Pension - EM&V Labor		
IOU Travel - EM&V		
Subcontractor Labor - EM&V		
Subcontractor Materials - EM&V		
Subcontractor Benefits - EM&V Labor		
Subcontractor Overhead - EM&V		
Subcontractor Payroll Tax - EM&V Labor		
Subcontractor Pension - EM&V Labor		
Subcontractor Travel - EM&V		
<p>The budget/cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer funded energy efficiency work. If a utility finds that they or one of their contractors/program implementers have additional costs, the utility will obtain approval for that cost from the CPUC's Energy Division. Energy Division will determine whether that cost fits an existing category or cost item and whether it is an acceptable cost item. Upon ED approval, new cost items will be added to the Allowable Costs sheet and included in an updated reporting workbook. 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.</p>		

¹The CPUC Allowable Costs Table, dated 1/12/2006, was issued by Administrative Law Judge (ALJ) Meg Gottstein on 2/21/2006 as an Appendix to R.01-08-028, her ALJ Ruling on Reporting Requirements [for utility EE programs]. The Table is applicable to Utilities, Local Government Partnerships, and Third-Party Implementers.

² Correction made to Allowable Costs Table line item. The original line item read, "IOU Payroll Tax – Administrative Labor," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "IOU Payroll Tax – Direct Implementation Labor."

³ Correction made to Allowable Costs Table line item. The original line item read, "IOU Payroll Tax – Administrative Labor," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "IOU Payroll Tax – Marketing/Advertising/Outreach Labor,"

⁴ Employees should refer to the Edison International Travel & Employee Expense Policy (link provided in §5.2 of this Policy) for general guidance on the appropriateness of and limitations on travel expenses.

⁵ For additional guidance and clarification on EE Travel and Conference Fees, see Item No. 2 on Page 2 of Attachment A and Item No. 4 on Page 2 of Attachment B.

⁶ Per Item No. 2 on Page 2 of Attachment A and Item No. 4 on Page 2 of Attachment B, "IOU sponsorships of EE conferences (i.e., "platinum" "gold" level donations) be [are] explicitly prohibited from inclusion in EE"

⁷ Correction made to Allowable Costs Table line item. The original line item read, "Subcontractor Labor – Customer Equipment Repair and Servicing," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "Subcontractor Labor – Measure Installation."