

**First Amendment to
the 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 "First Amendment" to the 2019-2025 Tri-County Regional Energy Network Memorandum of Agreement ("MOA"), which became effective February 26, 2019, is made and entered by the County of Ventura, the County of Santa Barbara, and the 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, on June 29, 2023, CPUC Decision 23-06-055, Conclusion of Law 13, was issued and directed Southern California Gas Company ("SoCalGas") to serve as the fiscal agent on behalf of the three investor-owned utilities with territory in the MEMBER COUNTIES' jurisdictions, SoCalGas, Pacific Gas & Electric and Southern California Edison with a role limited to collecting and disbursing funds under the direction of the Commission and should not include a compliance and monitoring function; and

Whereas, on June 29, 2023, CPUC Decision 23-06-055, adopted 3C-REN's energy efficiency portfolio for 2024-2027 and Business Plan for 2024-2031; and

NOW, THEREFORE, the MEMBER COUNTIES hereby agree that the MOA is amended as follows:

1. All references in the MOA to the defined term, "Program Administrator" shall, from and after the Effective Date, be changed to "Portfolio Administrator."
2. Exhibit A is deleted and replaced with Attachment 1, attached hereto.
3. Section 2(c) is amended and restated in its entirety to read as follows:

3C-REN program activities includes: the Single-Family Home Energy Savings Program, the Multifamily Home Energy Savings Program, Codes & Standards Program, Workforce Education & Training Program; Agriculture Technical Assistance; Energy Assurance Services and the Commercial Marketplace Program.

4. Table 3.0 in Section 3 is deleted and replaced with Attachment 2, attached hereto.
5. Exhibit B is deleted and replaced with Attachment 3, attached hereto.
6. Section 13 is amended and restated in its entirety to read as follows:


The term of this MOA commences on February 26, 2019, and expires on December 31, 2027, unless sooner terminated pursuant to section 6.

7. Except for the amendments and modifications described herein, all other terms and conditions of the MOA shall remain in effect.
8. The MEMBER COUNTIES agree that this First Amendment may be transmitted and signed by electronic or digital means by either/any or all parties and that such signatures shall have the same force and effect as original signatures, in accordance with California Government Code Section 16.5 and California Civil Code Section 1633.7

IN WITNESS WHEREOF, the MEMBER COUNTIES have executed this First Amendment through their duly authorized representatives on the dates written below.


[SIGNATURES ON FOLLOWING PAGES]

COUNTY OF VENTURA:

By: 
Sevet Johnson, PsyD, County Executive Officer

DATED: 11/08/2023

COUNTY OF SAN LUIS OBISPO:

BY: 

Trevor Keith
Director, Department of Planning and Building

DATED: 11/14/2023

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

BY: 
Deputy County Counsel

DATED: 11.14.23

COUNTY OF SANTA BARBARA:

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

By: _____
Das Williams
Chair, Board of Supervisors

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

By:  _____
Deputy Auditor- Controller

By:  _____
Department Head

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

By:  _____
Deputy County Counsel

APPROVE AS TO FORM:
GREG MILLIGAN , ARM AIC
RISK MANAGEMENT

By:  _____
Risk Manager

Attachment 1

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

Attachment 2

Exhibit B

Table 3.0:

| Member Counties | 2024 | 2025 | 2026 | 2027 |
|---|---------------------|---------------------|---------------------|---------------------|
| Santa Barbara | | | | |
| Labor | \$867,180 | \$910,564 | \$956,058 | \$1,003,867 |
| Implementation | \$561,500 | \$565,000 | \$673,000 | \$676,000 |
| Total REN SB Expenses | \$1,428,680 | \$1,475,564 | \$1,629,058 | \$1,679,867 |
| San Luis Obispo | | | | |
| Labor | \$718,978 | \$740,544 | \$762,766 | \$785,649 |
| Implementation | \$562,000 | \$587,000 | \$612,000 | \$637,000 |
| Total REN SLO Expenses | \$1,280,978 | \$1,327,544 | \$1,374,766 | \$1,422,649 |
| Ventura | | | | |
| Labor | \$964,420 | \$993,690 | \$1,033,438 | \$1,074,775 |
| Implementation | \$682,567 | \$746,499 | \$823,641 | \$874,500 |
| Total REN VC Expenses | \$1,646,987 | \$1,740,189 | \$1,857,078 | \$1,949,275 |
| REN Wide Admin | \$686,679 | \$706,817 | \$745,700 | \$770,511 |
| REN Wide Marketing | \$377,331 | \$380,003 | \$382,768 | \$385,630 |
| REN Wide Implementation | \$3,999,775 | \$4,298,515 | \$4,485,132 | \$4,912,511 |
| REN Wide Incentives | \$6,492,014 | \$6,732,640 | \$6,979,576 | \$7,364,552 |
| REN Wide EM&V* | \$663,018 | \$694,220 | \$727,253 | \$770,208 |
| Total REN Wide Expenses | \$12,218,817 | \$12,812,195 | \$13,320,429 | \$14,203,412 |
| Grand Total | \$16,575,462 | \$17,355,492 | \$18,181,332 | \$19,255,203 |
| *Evaluation, Measurement, and Verification | | | | |

Exhibit B

Attachment 3

Allowable Cost Categories

CPUC Allowable Costs Table¹

| Cost Categories | |
|---|--|
| Administrative Cost Categories | |
| Allowable Costs | |
| Managerial and Clerical Labor | |
| IOU Labor - Clerical | Subcontractor Labor - Clerical |
| IOU Labor - Program Design | Subcontractor Labor - Program Design |
| IOU Labor - Program Development | Subcontractor Labor - Program Development |
| IOU Labor - Program Planning | Subcontractor Labor - Program Planning |
| IOU Labor - Program/Project Management | Subcontractor Labor - Program/Project Management |
| IOU Labor - Staff Management | Subcontractor Labor - Staff Management |
| IOU Labor - Staff Supervision | Subcontractor Labor - Staff Supervision |
| | |
| Human Resource Support and Development | |
| IOU Labor - Human Resources | Subcontractor Labor- Human Resources |
| IOU Labor - Staff Development and Training | Subcontractor Labor - Staff Development and Training |
| IOU Benefits - Administrative Labor | Subcontractor Benefits - Administrative Labor |
| IOU Payroll Tax - Direct Implementation Labor ² | Subcontractor Benefits - Direct Implementation Labor |
| IOU Payroll Tax - Marketing/Advertising/Outreach Labor ³ | Subcontractor Benefits - Marketing/Advertising/Outreach Labor |
| IOU Payroll Tax - Administrative Labor | Subcontractor Payroll Tax - Administrative Labor |
| IOU Payroll Tax - Administrative Labor | Subcontractor Payroll Tax - Direct Implementation Labor |
| IOU Payroll Tax - Administrative Labor | Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor |
| IOU Pension - Administrative Labor | Subcontractor Pension - Administrative Labor |
| IOU Pension - Direct Implementation Labor | Subcontractor Pension - Direct Implementation Labor |
| IOU Pension - Marketing/Advertising/Outreach Labor | Subcontractor Pension - Marketing/Advertising/Outreach Labor |
| | |
| Travel⁴ and Conference Fees | |
| IOU Conference Fees ⁶ | Subcontractor - Conference Fees |
| IOU Labor - Conference Attendance | Subcontractor Labor - Conference Attendance |
| IOU Travel - Airfare | Subcontractor - Travel - Airfare |
| IOU Travel - Lodging | Subcontractor - Travel - Lodging |
| IOU Travel - Meals | Subcontractor - Travel - Meals |
| IOU Travel - Mileage | Subcontractor - Travel - Mileage |
| IOU Travel - Parking | Subcontractor - Travel - Parking |
| IOU Travel - Per Diem for Misc. Expenses | Subcontractor - Travel - Per Diem for Misc. Expenses |
| | |
| Overhead (General and Administrative) - Labor and Materials | |
| IOU Equipment Communications | IOU Labor - Accounts Receivable |
| IOU Equipment Computing | IOU Labor - Administrative |
| IOU Equipment Document Reproduction | IOU Labor - Facilities Maintenance |
| IOU Equipment General Office | IOU Labor - Materials Management |
| IOU Equipment Transportation | IOU Labor - Procurement |
| IOU Food Service | IOU Labor - Shop Services |
| IOU Office Supplies | IOU Labor - Transportation Services |
| IOU Postage | IOU Labor - Automated Systems |
| IOU Labor - Accounting Support | IOU Labor - Communications |
| IOU Labor - Accounts Payable | IOU Labor - Information Technology |

| Overhead (General and Administrative) - Labor and Materials (continued) | |
|--|--|
| IOU Labor - Telecommunications | Subcontractor Labor - Accounts Receivable |
| Subcontractor Equipment Communications | Subcontractor Labor - Facilities Maintenance |
| Subcontractor Equipment Computing | Subcontractor Labor - Materials Management |
| Subcontractor Equipment Document Reproduction | Subcontractor Labor - Procurement |
| Subcontractor Equipment General Office | Subcontractor Labor - Shop Services |
| Subcontractor Equipment Transportation | Subcontractor Labor - Administrative |
| Subcontractor Food Service | Subcontractor Labor - Transportation Services |
| Subcontractor Office Supplies | Subcontractor Labor - Automated Systems |
| Subcontractor Postage | Subcontractor Labor - Communications |
| Subcontractor Labor - Accounting Support | Subcontractor Labor - Information Technology |
| Subcontractor Labor - Accounts Payable | Subcontractor Labor - Telecommunications |
| | |
| Marketing/Advertising/Outreach Cost | |
| Allowable Costs | |
| IOU - Advertisements / Media Promotions | Subcontractor - Bill Inserts |
| IOU - Bill Inserts | Subcontractor - Brochures |
| IOU - Brochures | Subcontractor - Door Hangers |
| IOU - Door Hangers | Subcontractor - Print Advertisements |
| IOU - Print Advertisements | Subcontractor - Radio Spots |
| IOU - Radio Spots | Subcontractor - Television Spots |
| IOU - Television Spots | Subcontractor - Website Development |
| IOU - Website Development | Subcontractor Labor - Marketing |
| IOU Labor - Marketing | Subcontractor Labor - Media Production |
| IOU Labor - Media Production | Subcontractor Labor - Business Outreach |
| IOU Labor - Business Outreach | Subcontractor Labor - Customer Outreach |
| IOU Labor - Customer Outreach | Subcontractor Labor - Customer Relations |
| IOU Labor - Customer Relations | |
| | |
| Direct Implementation | |
| Allowable Costs | |
| Financial Incentives to Customers Activity - Direct Labor | |
| IOU Labor - Curriculum Development | Subcontractor Labor - Facilities Audits |
| IOU Labor - Customer Education and Training | Subcontractor Labor - Curriculum Development |
| IOU Labor - Customer Equipment Testing and Diagnostics | Subcontractor Labor - Customer Education and Training |
| IOU Labor - Facilities Audits | Subcontractor Labor - Customer Equipment Testing and Diagnostics |
| | |
| Installation and Service - Labor | |
| IOU Labor - Customer Equipment Repair and Servicing | Subcontractor Labor - Customer Equipment Repair and Servicing |
| IOU Labor - Measure Installation | Subcontractor Labor - Measure Installation ⁷ |
| | |
| Direct Implementation Hardware and Materials | |
| IOU Audit Applications and Forms | Subcontractor - Direct Implementation Literature |
| IOU Direct Implementation Literature | Subcontractor - Education Materials |
| IOU Education Materials | Subcontractor - Energy Measurement Tools |
| IOU Energy Measurement Tools | Subcontractor - Installation Hardware |
| IOU Installation Hardware | Subcontractor -Audit Applications and Forms |
| | |
| | |

| Rebate Processing and Inspection - Labor and Materials | |
|--|--|
| IOU Labor - Field Verification | Subcontractor Labor - Field Verification |
| IOU Labor - Site Inspections | Subcontractor Labor - Rebate Processing |
| IOU Labor - Rebate Processing | Subcontractor - Rebate Applications |
| IOU Rebate Applications | |
| Evaluation, Measurement and Verification | |
| Allowable Costs | |
| IOU Labor - EM&V | Subcontractor Labor - EM&V |
| IOU Materials - EM&V | Subcontractor Materials - EM&V |
| IOU Benefits - EM&V Labor | Subcontractor Benefits - EM&V Labor |
| IOU Overhead - EM&V | Subcontractor Overhead - EM&V |
| IOU Payroll Tax - EM&V Labor | Subcontractor Payroll Tax - EM&V Labor |
| IOU Pension - EM&V Labor | Subcontractor Pension - EM&V Labor |
| IOU Travel - EM&V | Subcontractor Travel - EM&V |
| 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 | |

¹ The 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."