



**BOARD OF SUPERVISORS  
AGENDA LETTER**

**Agenda Number:**

**Clerk of the Board of Supervisors**  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Submitted on:**  
**(COB Stamp)**

**Department Name:** Community Services  
**Department No.:** 057  
**Agenda Date:** July 7, 2026  
**Placement:** Departmental Agenda  
**Estimated Time:** 30 min  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

**TO:** Board of Supervisors  
**FROM:** Department Director(s): Jesús Armas, Director, Community Services Department  
Contact: Lori La Riva, Energy Program Manager, Sustainability  
**SUBJECT:** Tri-County Regional Energy Network (3C-REN) 2025 Impact Report

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*ML*

**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence: Risk**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Receive and file the Tri-County Regional Energy Network (3C-REN) 2025 Annual Report (Attachment A); and
- b) Determine that the above recommended actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (b)(5), as the actions are organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

**Summary Text:**

Regional Energy Networks (RENs) are intended to fill gaps in energy efficiency programs and services where Investor-Owned Utilities (IOUs) cannot or will not serve customers. The Tri-County Regional Energy Network (3C-REN) is a partnership between the counties of San Luis Obispo, Santa Barbara and Ventura established to deliver energy-saving programs and industry trainings that help reduce energy use, strengthen local job markets, and support efforts to achieve climate goals. As with other Regional Energy Networks, 3C-REN uses funding from the California Public Utilities Commission, effectively bringing ratepayer dollars back to the community.

3C-REN offers the following programs:

- **Home Energy Savings** programs for single-family and multifamily properties to receive incentives for energy-saving upgrades, with higher incentives for “hard-to-reach” customers.
- **Commercial Energy Savings** for local businesses to receive incentives for energy-saving upgrades, with higher incentives paid for projects at “hard-to-reach” businesses.
- **Building Performance Training** program for industry professionals seeking to enhance their knowledge and skills to design and deliver energy efficient buildings and retrofits.
- **Energy Code Connect** program for building officials and contractors to navigate the State’s energy code and build more energy efficient buildings.
- **Energy Assurance Services** for critical facilities to receive tailored energy audits to meet the needs of their facility and the community during emergencies or power outages.
- **Agriculture Energy Solutions** for farmers with high energy consumption to receive free technical assistance to support energy efficiency improvements.

This Board Letter offers highlights from 3C-REN's 2025 Annual Report.

**Discussion:**

3C-REN launched shortly before 2019 and entered its seventh year in 2025, emerging from its early development phase and the pandemic’s aftermath to achieve strong growth. Presented here is 3C-REN’s 2025 Annual Report. 3C-REN supports the County’s 2030 Climate Action Plan by offering programs that reduce fossil fuel consumption from building energy use. Detailed information regarding programs and customer incentives is available at [www.3C-REN.org](http://www.3C-REN.org).

***2025 Incentive-Program Benefits in Santa Barbara County***

Program	Homes/Businesses Served	Incentives	First Year GHG Savings MTCO <sub>2e</sub>
<b>Hard-to-Reach Customers</b>			
Single Family Home Energy Savings	199	\$2,224,199	215
Multifamily Home Energy Savings	169	\$396,742	87
Commercial Energy Savings	34	\$ 654,337	153
<b>Market-Rate Customers</b>			
Single Family Home Energy Savings	25	\$90,643	20
Multifamily Home Energy Savings	0	N/A	N/A
Commercial Energy Savings	0	N/A	N/A
<b>Total</b>			

***3C-REN 2025 Program Highlights***

*Home Energy Savings (HES)—Single Family*

The Single Family HES Program serves to bring down the cost of energy efficiency and electrification upgrades for single-family homeowners. The program pays incentives for any energy upgrades that have measurable (metered) energy savings. Incentives are highest for “hard-to-reach” households,

which include households on discounted utility rates, mobile and manufactured homes, households that do not speak English as their primary language, and households with a member of a California Native American Tribe.

In 2025, a total of 342 energy efficiency projects were completed by a total of 26 active aggregators and contractors with 69% of projects serving hard-to-reach customers, as compared to 7% in 2024.

Of the 342 projects, 224 occurred in Santa Barbara County, with 204 or 91% of those projects occurring in North County. These Santa Barbara County projects reduced first-year natural gas use by 57,823 therms and emissions by 234 metric tons of CO<sub>2</sub>e<sup>1</sup>.

#### *Home Energy Savings (HES)—Multifamily*

The Multifamily HES Program offers no-cost site assessments, technical assistance, and rebates paid directly to property owners or property managers with increased incentives for underserved properties and high-performance measures, such as heat pumps. In 2025, the program completed 12 projects across the tri-county region, serving 605 dwelling units with energy upgrades. The program provided rebates worth \$1,411,299 and leveraged an additional \$1,991,334 of outside incentive funding to offset 84% of project costs. At the end of 2025 there were 42 projects in the pipeline.

In Santa Barbara County, projects at four multifamily properties with a cumulative 169 units reduced first-year natural gas use by 24,069 therms and emissions by 83 metric tons of CO<sub>2</sub>e.

#### *Commercial Energy Savings (CES)*

The CES program helps small businesses, nonprofits, and public agencies install energy efficient upgrades with an emphasis on hard-to-reach customers who may need additional support to achieve energy upgrades.

In its first full program year of 2025, the entire CES annual incentive budget was subscribed with 53 projects across the tri-county region, a 100% increase from 2024 when the program launched. Notably, 100% of these projects served hard-to-reach customers. Customers included small markets, delis, and restaurants with projects such as heat pump water heaters, lighting upgrades, and refrigeration upgrades.

34 projects occurred in Santa Barbara County, with 20 or 70% of those projects occurring in North County. These Santa Barbara County projects reduced first-year natural gas use by 28,894 therms and emissions by 153 metric tons of CO<sub>2</sub>e.

#### *Building Performance Training (BPT)*

BPT is a workforce development program for current and prospective building professionals in the construction trades, design, real estate, and beyond. It offers technical and soft skill training and certifications focused on energy efficiency, high-performance building, and electrification. In 2025 BPT hosted 128 training and outreach events, reaching 2,257 total attendees.

BPT has established itself as a key resource for industry professionals on the Central Coast looking to upskill through convenient classes and by obtaining certifications.

### *Energy Code Connect (ECC)*

The ECC program offers local governments and local building-professionals access to resources needed for enforcing and complying with the California Building Energy Efficiency Code, including best practice guides, checklists, policy support, on-site support, and targeted training. In 2025 ECC hosted 20 energy code events, fielded 158 Code Coach inquiries serving 57 organizations, and engaged staff at 36% of tri-county jurisdictions.

In Santa Barbara County, ECC hosted a Wildfire Resiliency Forum to provide insights on recent wildfire-driven code updates, wildfire-resilient design strategies at the intersection of resilience and energy efficiency, and how to rebuild compliant with the code amidst disaster and recovery. The forum was followed by a tour of the County of Santa Barbara Emergency Operations Center and Regional Fire Communications facility, showcasing wildfire safety features, net zero design elements, and advanced energy efficiency systems.

### *Energy Assurance Services (EAS)*

The EAS program offers tailored energy audits for critical facilities within the tri-county region. Critical facilities provide essential services to the community during emergencies or power outages and may include locations like community centers, libraries, or churches. These facilities may perform a variety of critical services, including evacuation shelters, heating, cooling, clean-air centers, food and supply distribution sites, or providing medical care.

In 2025, three critical facilities received deep-dive energy audits: the Unitarian Society of Santa Barbara, Allan Hancock College, and the Arroyo Grande police station. If the recommended energy efficiency measures are implemented across these three sites, the annual impact would include 191,121 kWh saved, 1,496 therms saved, utility cost savings of \$60,139, and a reduction of 37 metric tons of CO<sub>2</sub>.

### *Agriculture Energy Solutions (AES)*

The AES program offers specialized support to agricultural operators with high energy consumption by identifying opportunities for energy efficiency improvements and supporting their implementation. It offers free technical assistance in the form of utility bill analysis, facility assessment, and benchmarking, and largely targets small- to medium-sized farms in rural, socially disadvantaged, and “hard-to-reach” areas. Where available, farmers are also provided with connections to complementary incentive programs that can help cover the costs of implementing the energy projects identified through these offerings. In 2025, the first full program year, AES saw 22 leads and 5 growers participate in the program.

### **Local Control and Benefits**

A REN is a formally recognized construct under the California Public Utilities Commission (CPUC) to serve as a Program Administrator of energy efficiency programs funded through public purpose program fees<sup>1</sup>. This structure allows local governments to access utility ratepayer dollars to design

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<sup>1</sup> Public purpose programs fees are mandated by the California Public Utilities Commission to recover costs to administer programs such as California Alternate Rates for Energy (CARE) discount and energy efficiency programs.

and implement energy efficiency programs that will best meet the needs of the region and fill gaps where investor-owned utilities (IOUs) cannot or will not serve customers.

Through a public information request, staff found that Santa Barbara County customers of SCE (Gaviota through Carpinteria) paid \$31.8 million in public purpose program fees in 2025. In return, local customers received \$4 million in CARE benefits (discounted energy rates) and \$1.87 million in energy efficiency incentives for agricultural and commercial customers from SCE. However, both SCE and SoCal Gas report zero residential customer participation in their energy efficiency programs. PG&E reported 78 households receiving weatherization services, appliances and/or education compared to 3C-REN serving 393 households in PG&E territory (northern Santa Barbara County).

By offering locally designed and marketed programs, 3C-REN is able to direct funding that would otherwise leave the region and create local benefits.

**Background:**

On October 18, 2016, the Board of Supervisors approved pursuing participation in a REN to obtain funding from the CPUC to develop and implement energy efficiency programs.

On October 4, 2018, the CPUC officially approved the formation of the 3C-REN and its business plan requesting \$50 million to administer programs.

In 2021, based on the success of the initial programs, 3C-REN submitted a subsequent business plan to the CPUC requesting \$155 million to continue existing programs and launch three new programs for 2024 –2031. This new business plan was approved in 2023.

In March 2026, the Board authorized the County’s participation in 3C-REN’s submittal of a new business plan to continue its seven current programs for the 2028–2035 plan-year. Receipt of the CPUC’s decision is expected later in 2026.

**Performance Measure:**

Contribute to meeting Climate Action Plan objective of reducing community greenhouse gas emissions in unincorporated County by 50% below 2018 levels by 2030.

**Fiscal and Facilities Impacts:**

The primary funding source for this program is revenue received from the CPUC via County of Ventura. The revenue and expenses associated with 3C-REN activities are already budgeted. There is no impact on the General Fund.

**Fiscal Analysis:**

Funding Source	FY [25/26]	FY [26/27]	FY [27/28]	Total
General Fund				
State	\$1,370,000	\$1,411,100	\$1,453,433	<b>\$4,234,533</b>
Federal				
Fees				
<b>Total</b>	<b>\$1,370,000</b>	<b>\$1,411,100</b>	<b>\$1,453,433</b>	<b>\$4,234,533</b>

The County receives funding from County of Ventura for all staff time, supplies and expenses associated with 3C-REN. All 3C-REN budgets and expenses are reviewed, authorized and approved by the CPUC.

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**Attachments:**

**Attachment A** – 3C-REN 2025 Annual Report

**Contact Information:**

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