

FIRST AMENDMENT TO THE CALIFORNIA ENERGY EFFICIENCY STRATEGIC PLAN PHASE
3 IMPLEMENTATION CONTRACT BETWEEN COUNTY OF SANTA BARBARA AND
SOUTHERN CALIFORNIA EDISON COMPANY

This FIRST AMENDMENT ("First Amendment") to the California Energy Efficiency Strategic Plan Phase 3 Implementation Contract ("Contract"), by and between Southern California Edison Company ("SCE") and County of Santa Barbara ("Implementer"), shall be effective as of January 1, 2015 ("Amendment Date"). SCE and Implementer may be referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, the Parties executed the Contract to implement the 2013-2014 Strategic Plan Phase 3 Program (referred to hereinafter as the "Program"), promoting long-term energy efficiency and climate action activities;

WHEREAS, on October 24, 2014, the California Public Utilities Commission ("CPUC") issued Decision (D).14-10-046 approving the continuation of the Energy Efficiency Partnership Programs.

WHEREAS, D.14-10-046 was modified by CPUC D.15-01-002, issued on January 9, 2015, which authorized continuation of the Strategic Plan Phase 3 Program;

WHEREAS, the Parties desire to, among other things, extend the time to perform the Work through 2016 and update the Statement of Work, as set forth herein; and

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

1. Section 22 of the Contract is hereby deleted and replaced with the following:

22 Term. This Contract shall be effective as of the Effective Date. Unless otherwise terminated in accordance with the provisions of Section 23 below, this Contract shall terminate as midnight on March 31, 2017; provided however, that all Work shall be completed by midnight on December 31, 2016.

2. Exhibit A (Statement of Work) of the Contract is hereby deleted in its entirety and replaced with the version of Exhibit A (Revised Statement of Work_{Rev2}) attached to this First Amendment.

3. This First Amendment may be executed in one of more counterparts and delivered by electronic means, each of which will be deemed to be an original, but all of which will together constitute on and the same agreement.

4. General. From and after the Amendment Date, any reference to the Contract contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Contract, as amended by this First Amendment. In the event of any conflict between the Contract and this First Amendment, this First Amendment shall prevail. Each party is fully responsible for ensuring that the person signing this First Amendment on that party's behalf has the requisite legal authority to do so.

5. The Parties agree that the Contract is hereby deemed to have been in force uninterrupted since the Effective Date. Except as amended by this First Amendment, all provisions of the Contract shall remain in full force and effect and shall govern the actions of the Parties under this First Amendment.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

COUNTY

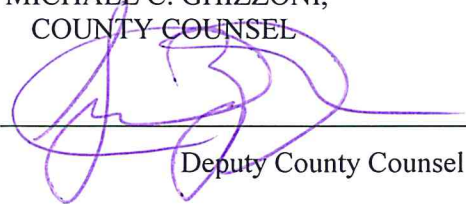
By: _____
PETER ADAM, CHAIR
BOARD OF SUPERVISORS

Dated: _____

ATTEST:
MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By:  _____
Deputy County Counsel

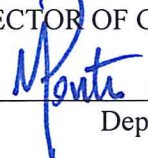
APPROVED AS TO ACCOUNTING FORM:
THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By:  _____
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO, ARM, AIC
RISK MANAGER

By:  _____
Risk Manager

RECOMMENDED FOR APPROVAL:
MATTHEW P. PONTES
DIRECTOR OF GENERAL SERVICES

By:  _____
Department Head

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

SCE:

SOUTHERN CALIFORNIA EDISON COMPANY

By: Marc Ulrich

Name Printed: Marc Ulrich

Its: Vice President
Customer Program & Services

Date: 8/15/16

COUNTY

By: _____

PETER ADAM, CHAIR
BOARD OF SUPERVISORS

Dated: _____

ATTEST:

MONA MIYASATO,
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____

Deputy

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI,
COUNTY COUNSEL

By: _____

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

THEODORE A. FALLATI, CPA
AUDITOR-CONTROLLER

By: _____

Deputy

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
RISK MANAGER

By: _____

Risk Manager

RECOMMENDED FOR APPROVAL:

MATTHEW P. PONTES
DIRECTOR OF GENERAL SERVICES

By: _____

Department Head

EXHIBIT A

REVISED STATEMENT OF WORK (WITH Appendices A-C)

PEPMA Proposal Number: 23411

Energy Efficiency Division

Statement of Work

Revision Summary Page

Program Name: Santa Barbara County Strategic Plan Strategies Phase 3

Implementer: County of Santa Barbara

Revision 1, dated 2/6/2015, referenced throughout with Rev1

Summary:

- Extend the effective end date from 12/31/2014 to 3/31/2016 pursuant to California Public Utilities Commission (CPUC) final decision D. 14-10-046 issued on October 24, 2014 which was modified by CPUC D. 15-01-002 issued on January 9, 2015. The Decisions authorized continuation of the Program.

Revision 2, dated 11/13/2015, referenced throughout with Rev2

Summary:

- Extend the effective end date from 3/31/2016 to 12/31/2016 pursuant to California Public Utilities Commission (CPUC) final decision D. 14-10-046 issued on October 24, 2014 which was modified by CPUC D. 15-01-002 issued on January 9, 2015. The Decisions authorized continuation of the Program.

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PEPMA Proposal Number: 23411

ATTACHMENT 2– STATEMENT OF WORK

Program Name: Santa Barbara County Strategic Plan Strategies Phase 3

Implementer: County of Santa Barbara (“County”)

Program Budget: \$84,616.00

SECTION 1 – DESCRIPTION

Pursuant to Decision (D).09-09-047, the California Public Utilities Commission (CPUC or Commission) authorized Southern California Edison Company (SCE) to conduct strategic plan activities (the Strategic Plan Program) centered on Energy Efficiency (sometimes referred to as EE) and addressing the "Big, Bold" strategies and related local government goals found in the CPUC's California's Long-Term Energy Efficiency Strategic Plan (CEESP).¹ Based on this authorization, SCE conducted a solicitation seeking activities to fund that would lead to long-term, sustainable changes as opposed to supporting staffing resources or short-term initiatives that would cease to exist once the funding had ended.

A. Defined Terms

Capitalized terms not otherwise defined in the text of this Statement of Work (SOW) are defined in Appendix B, “Defined Terms,” attached hereto and incorporated by reference. Capitalized terms not otherwise defined in the text of this SOW or in Appendix B hereto shall have the meaning ascribed to them in the Contract.

B. Background

SCE initiated both Phases 1 and 2 of the local government EE strategic plan support solicitation during 2010, and these two phases are currently being implemented. Funding for Phase 3 solicitation for 2013-2014 was approved in CPUC D.12-11-015, issued on November 15, 2012. On October 24, 2014, D. 14-10-046 was issued then was modified by D. 15-01-002 issued on January 9, 2015 to authorize continuation of the Program Rev1

The ultimate goal for each participating city or county government, or a regional government, representing one or more local jurisdictions that are currently participating in SCE’s Local Government or Institutional Partnerships (Implementer) in relationship to CEESP support, is to embed and institutionalize EE in its policies, programs, and processes and to establish a culture of EE within the Implementer’s jurisdiction.

¹ Visit www.californiaenergyefficiency.com for a copy of the CEESP.

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C. Objective

Through the Program, the Implementer will deliver items listed in Table 4 of Appendix C (Strategic Plan “Support Menu”) of this SOW, to develop and implement local government strategic plan support strategies during the years 2013-2014, 2015^{Rev1} and 2016^{Rev2} timeframe.

SECTION 2 – GENERAL REQUIREMENTS

A. Notice to Proceed (NTP)

Implementer may start Work only upon the occurrence of each of the following:

1. Implementer receives a Contract, including “this SOW” from Contract Program Manager (CPM);
2. Implementer provides to the CPM a signed Contract; and
3. CPM provides to Implementer written notice to proceed with the Work (NTP).

B. License

Within 10 Business Days of the CPM issuing the NTP, the Implementer and each of its sub-contractors will submit copies of any and all licenses and/or registrations required for the performance of the proposed Work to the CPM.

C. Goals

Implementer must achieve delivery of project milestones and dates as outlined and agreed to by the CPM. The CPM will review the number of projects, tasks, and deliverables completed to assess Work progress.

D. Coordination with the CPM

Implementer must achieve delivery of Work milestones and dates. The CPM will review the SOW requirements, including tasks and deliverables completed, to assess Work progress.

SECTION 3 – SCOPE OF WORK

The Work will consist of the following tasks supporting the CEESP goals specifically set forth by SCE and accepted by Implementer:

TASK 1: PROGRAM RAMP-UP

A. Attend Program Kick-off Meeting

Implementer's representative(s) will attend a Program kick-off meeting with the CPM to discuss Program logistics, evaluation, monitoring and verification coordination, invoicing requirements, SOW, and any remaining Contract issues at a time and location designated by SCE.

To avoid duplication and unnecessary expenditures, the CPM will provide information and guidance regarding currently available resources (e.g., available training programs, templates, etc.) that will be used by the Implementer in assessing pre-existing resources. This will enable the Implementer to focus efforts on the areas in each task where gaps exist.

B. Program Data, Invoicing, and Reporting Tool Training

The Implementer will attend the kick-off meeting to be trained on the use of SCE's invoicing and reporting tool (IR Tool). Thereafter, the Implementer will use the IR Tool to provide the CPM invoices and Monthly Reports each Month.

Deliverables:

| Task 1 – Deliverable(s) | Due Date(s) |
|--|--|
| 1. Attend a Program Kick-off meeting that includes IR Tool training. | Determined by SCE after the issuance of the NTP. |
| 2. Delivery of updated IR Tool to CPM for review and approval. | IR Tool training plus five (5) Business Days. |

TASK 2: ENERGY EFFICIENCY (EE) STANDARD FOR COUNTY OWNED FACILITIES (SP TASK 1.1.2)

The County will develop an EE standard ("EE Standard") for County owned facilities that will increase the participation of County owned facilities in EE in reducing energy use across the County. The EE Standard will be structured as a resolution that will make the standard mandatory for the qualified construction projects.

A. Task Goals and Objectives

Implementer will provide all materials developed under this task to CPM for review and comment:

1. Report on Status of Implementer or Subcontractor to Support the Task:

Implementer will submit monthly reports on the status of hiring expertise to develop

and adopt the EE Standard. The standard will be structured as a resolution that will make the standard mandatory for the qualified construction projects.

2. **Assessment and Planning Report for the EE Standard:** As an initial step in the development of the EE Standard, the Implementer will review and assess the EE Standards from the California Green Building Code and the resources of peer municipalities. Implementer may also include an analysis of building trends and market research. This may be in the format of a memo report or full report. In addition, the Implementer will evaluate other county building standards, policies, resolutions and ordinances that focus on increasing energy efficiency. This will assist in establishing the percentage increase above Title 24 that will serve as the basis of the EE Standard.

Using findings from this review and assessment, the Implementer will develop an outline for an EE Standard. The plan will also include a list of all funding sources and amounts funded by each source for all activities in this task and a contingency plan if there are delays or shortfalls in receiving the funding from any non-SCE funding source. The Implementer will provide the CPM the assessment of the EE Standard outline.

3. **Report on Stakeholder Input:** Implementer will incorporate input from the County staff on the draft and final EE Standard. Implementer will form working groups, as necessary, and hold as many meetings as needed to finalize the EE Standard. Implementer will describe how County staff input was used to refine the EE Standard. For each meeting, Implementer will also provide the CPM meeting date, location and contact information of meeting attendees with the monthly report.
4. **Draft EE Standard for County Owned Facilities:** The Implementer will provide the CPM the first draft of the EE Standard. Implementer will seek input from experts in EE Standard development, building officials, and other community stakeholders during the development of the draft policy.

In order to establish a baseline for the EE Standard, the Implementer will conduct an inventory of existing County programs and policies and an analysis of the current and projected building trends. This research will be used to refine the program to target sectors where development will most likely occur.

The Implementer will also seek assistance from relevant utilities for supporting data on energy usage relative to the identified sectors and against which to measure improvements over time.

Implementer will conduct research on EE Standards and partner with non-profit organizations, local universities, trade associations and/or other internal and external stakeholders in order to leverage expertise and other resources throughout the program development process. For each step in the process, actions will lead to development of information that enables stakeholders to make decisions regarding the purpose, structure and implementation of the Program.

The EE Standard will focus on Implementer's promotion of energy-efficiency installations through changes in Implementer's policies and procedures and the provision of educational workshops. The EE Standard for County owned facilities will include a description of all changes to Implementer's policies and procedures for permitting, plan checking, building inspections, and any other procedures. The EE Standard will also include a description of all activities to train Implementer's staff on the policy and all activities to promote energy efficiency with County Staff.

As part of the first draft EE Standard, the Implementer will develop the first draft of the Implementation Guide. This guide will be a more detailed document since the purpose will be to educate and inform County staff about what the EE Standard is, what buildings and types of projects apply and guidance on the resources needed for implementation.

5. **Final EE Standard for County Owned Facilities:** Implementer will provide the CPM the final EE Standard and Implementation Guide including the recommendations that were presented for adoption by the County's Board of Supervisors. The Implementer will document the adoption of the recommendations and also provide reasons why recommendations have not been adopted.
6. **EE Standard Implementation Guide:** This guide will be used to educate and inform County Staff on the EE Standard, what buildings and types of projects fall under the EE Standard and to provide guidance for implementation of the EE Standard. The EE Standard Implementation Guide will outline the entire process, from planning to post-construction stages. The Guide will be the basis for staff training.
7. **Staff Training on the EE Standard for County Owned Facilities:** Implementer will launch a series of trainings about the EE Standard as soon as practicable upon approval of the resolution by the Board of Supervisors. The training will serve as an incentive to County Departments by providing them with information on the new resolution, its benefits, the process, and examples of short- and long-term benefits ranging from utility cost management to occupant comfort.
8. **EE Standard Best Practices Report (Draft and Final):** The Implementer will prepare a report on the feedback, challenges, successes, best practices and lessons

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learned in developing the EE Standard. The Implementer will disseminate feedback, challenges, successes, best practices and lessons learned, as requested and appropriate.

9. **Monthly Status Report:** Implementer will provide a monthly report of all on-going activities including a list of monthly achievements and outstanding issues.

B. Task Performance Indicators

The Implementer will quantitatively assess the value and benefits of the Program.

Deliverables:

| Task 2 – Deliverable(s) | Due Date(s) |
|---|-------------------------------------|
| 1. Report on status of Implementer or Subcontractor to help support the Task | NTP plus 1 Month |
| 2. EE Standards Assessment and Planning Report | NTP plus 1.5 Months |
| 3. Draft EE Standard for County Owned Facilities | NTP plus 2 Months |
| 4. Draft EE Implementation Guide | NTP plus 3 Months |
| 5. Report on EE Standards Stakeholder Input | NTP plus 2 Months |
| 6. Final EE Standard for County Owned Facilities and Implementation Guide | NTP plus 7 Months |
| 7. Submit Resolution to Board of Supervisors for Adoption: Provide documentation of why the EE Standard was not adopted and related alternate plans (for each Participating Municipality) | NTP plus 8 Months |
| 8. Train County Staff on EE Standard and Implementation Guide | NTP plus 9 Months |
| 9. Best Practices EE Standard | NTP plus 9 Months |
| 10. Monthly reports of tracked Performance Indicators | Monthly with Invoicing Requirements |

TASK 3: INVOICING AND REPORTING

A. Invoicing

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The Implementer will submit to the CPM an Invoice which includes supporting documentation in accordance with the requirements delineated Appendix A, "Invoicing Requirements", Section 10 of the Contract, and Exhibit A of the Contract.

SCE may amend the invoicing requirements from time to time, at which time SCE will notify Implementer of the changes and issue a Change Order. Implementer will implement these modifications in a timely manner and reflected in future invoice documentation.

B. Reporting

The Implementer will submit to the CPM all required reports initially as a draft for review and approval by the CPM. Implementer will be responsible for implementing, adhering to, and the submission of, the items as described in Appendix D, "Regulatory Reporting Requirements", the Contract, and Exhibit A of the Contract.

SCE may amend the reporting requirements from time to time, at which time SCE will notify Implementer of the changes and issue a Change Order. Implementer will implement these modifications in a timely manner and reflected in future invoice documentation.

| Task 3 – Deliverable(s) | Due Date(s) |
|--|--|
| 1. Prepare and submit invoices and supporting documentation to SCE | 15th Calendar Day of the Month per Appendix A, "Invoicing Requirements" |
| 2. Submit final invoice to SCE | December 31, 2016 Rev2 |
| 3. Prepare and submit Monthly Report to SCE | 15th Calendar Day of the Month per Appendix D, "Regulatory Reporting Requirements" |
| 4. Submit Commission reports | Semi-annually and annually |

TASK 4: RAMP-DOWN AND SHUT-DOWN PROGRAM

A. Program Shut-Down

All Program operations will be completely shut down after the last day of the effective period of the Contract, and no later than December 31, 2015 Rev1, with the exception of preparation and submittal of the Final Report, as defined in Task 5.

| Task 4 – Deliverable(s) | Due Date(s) |
|--------------------------|--|
| 1. Complete all services | No later than September 30, 2016 Rev2. |

TASK 5: SUBMIT FINAL PROGRAM REPORT

After Program completion, the Implementer will submit a final report that reviews the Program's progress and accomplishment (the "Final Report"). The Final Report will include the information referenced in Appendix E, "Final Program Report Template"

| Task 5 – Deliverable(s) | Due Date(s) |
|--|--|
| 1. Submit draft Final Report for SCE review and approval | No later than November 30, 2016 Rev2 |
| 2. Submit revised Final Report for SCE review and approval | The earlier of December 31, 2016 Rev2 or within two weeks of receipt of SCE comments |

SECTION 4 – PAYMENT

A. Payment Terms

The Program will utilize a 100% time and material based payment (T&M Payment) structure based on the fully burdened billing rates contained in Section 4, Table 1. All payments will be subject to Appendix A, "Invoicing Requirements", Section 10 of the Contract, and Exhibit A of the Contract.

Table 1: Fully Burdened Hourly Rates by Title²

| Staffing Direct Labor | Responsibility | Hourly Rate (U.S. Dollars) | Estimated % of Time |
|----------------------------------|---|---|------------------------------------|
| | | | |
| Senior Consultant | | \$260 | N/A |
| Program Manager | Main point of contact overseeing County program | \$125 | 45% |

² Fully burdened rates are defined as "Labor Related Costs Under Time and Materials Basis" in Section 10.2.2 of the Contract.

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| | | | |
|----------------|---|-------|-------------|
| Finance | Monthly invoicing/Revolving Loan coordination | \$100 | 45% |
| County Counsel | Revolving Loan Fund review and approval | \$300 | 10% |
| Total | | | 100% |

B. Implementer's Budget Breakdown

The Work budget is divided into three cost categories described as:

- **Administrative Costs:** Typically, program overhead costs, such as staff labor/benefits, employee expenses, and miscellaneous general expenses that are not marketing and outreach (Marketing and Outreach), direct implementation, or incentive/rebate costs. These costs will usually be for labor incurred in preparing invoices and reporting (monthly, semi-annual and ad hoc).
- **Marketing and Outreach Costs:** Typically, marketing costs such as collateral material, outreach costs such as promotional events, and staff labor associated with incurring marketing costs and activities.
- **Direct Implementation Costs:** Costs related to activities directly tied to, and associated with, the development and the implementation of the proposed Work, including subcontractor costs.
- **Total Two-Year Budget:** Sum of the components listed above.

Table 2: Implementer's Budget (Task 2)

| Task 2 Budget Breakdown | | |
|--|---------------|-----------------|
| Allowable Cost | % | \$ |
| (1) Administration | 5.5% | \$4,692 |
| (2) Marketing and Outreach | 0.0% | \$0 |
| (3) Direct Program Implementation | 94.5% | \$79,924 |
| Total Implementer Budget: (1)+(2)+(3) | 100.0% | \$84,616 |

C. Program Budget Limit

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In no event will the Implementer exceed the total amount budgeted by SCE for the Contract related to this SOW of **\$84,616.00.**

D. Performance Indicators

SCE will, at a minimum, monitor the Work based on the following Program Performance Indicators:

- Progress made against the goals, deliverables, and due dates above; and
- Actual performance versus predicted performance as outlined herein.

APPENDIX A: INVOICING REQUIREMENTS

A. Invoicing Instructions

1. Advance Copy to CPM

An advance electronic copy of Implementer's invoice (Advance Copy) must be submitted to the CPM by the 15th Calendar of each month, and include the following attachments:

- a. Invoice Summary Page section of this Appendix A (see Item B.1 below); and
- b. All information outlined in the Time and Materials Invoicing Requirement section of this Appendix A (see Item B.2 below).

2. Final Invoice to Accounts Payable

Upon CPM approval of the Advance Copy, the Implementer will submit a hard copy invoice (Final Invoice) to Accounts Payable within two (2) Business Days thereafter. The hard copy invoice must include the following attachments:

- c. Invoice Summary Page (see Item B.1 below);
- d. All information outlined in the Time and Materials Invoice Requirement section of this Appendix A (see Item B.2 below); and
- e. Any additional substantiating documentation, as requested at the sole discretion of the CPM or procurement agent.

Mail an original and one copy of the Final Invoice to the following address:

Southern California Edison Company
Accounts Payable Division
P.O. Box 700
Rosemead, CA 91770

Send an electronic copy of the Final Invoice to the CPM.

If rates, rate format or rate components are different from that stated in the Contract, payment may be delayed due to necessary validation of the invoice.

Failure to comply with invoice instructions or any other terms and conditions of the Contract may result in adjustment or rejection of the invoice.

B. Invoicing Requirements

1. Invoice Summary Page: All invoices must contain an invoice summary page with, at a minimum, the following information:

- f. SCE's Contract number;
- g. Task description;
- h. Total amount authorized;
- i. Current monthly amount invoiced (including the task(s));
- j. Cumulative amount invoiced to date (including the task(s)); and
- k. Statement of deliverables for the period.

2. Time and Materials Invoicing Requirements

In addition to the invoice instructions contained herein, the Implementer will also refer to Section 10 of the Contract for additional invoicing instructions.

Each invoice will provide sufficient detail to identify the following elements:

- l. Personnel work dates;
- m. Personnel work hours by name and classification;
- n. Personnel work rates: fixed hourly billing rates;
- o. Description of work performed - by person, by day, broken down no less than by the hour by task in sufficient detail to identify work performed;
- p. Itemized receipts for material and subcontract costs;
- q. Itemized receipts for "Out-of-Pocket" expenses authorized by the Contract;
and
- r. Itemized receipts for authorized travel costs or detail of trips for which authorized mileage is charged.

APPENDIX B: DEFINED TERMS

1. **Baseline Data:** The initial base metric for comparing the net result of programmatic changes versus what would have happened in the absence of the Program or activity.
2. **Business Day:** The period from one midnight to the following midnight, excluding Saturdays, Sundays, and holidays.
3. **Calendar Day:** The period from one midnight to the following midnight, including Saturdays, Sundays, and holidays.
4. **California Public Utilities Commission (“CPUC” or “Commission”):** Public agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies.
5. **Contract(s):** Agreement entered into between SCE and the Implementer which authorizes the Work, states the commercial terms, incorporates by reference SCE’s Ts&Cs (or a different set of terms and conditions mutually agreed upon between SCE and the Implementer), a Statement of Work, and other referenced documents, all of which form the contract between SCE and the Implementer to perform the Work described herein. The term “Contract(s)” will have the same definition and meaning ascribed to as the term “Agreement(s)” under SCE’s Ts&Cs.
6. **Contract Program Manager (CPM):** The SCE Representative who will manage the Program.
7. **Customers:** For purposes of this SOW, Customer shall mean any customer of SCE that is within the Implementer’s jurisdiction.
8. **Demand Response Measures:** Specific Customer actions combined with equipment and technology which reduce or otherwise modify energy end-use patterns in response to pricing and other utility signals during peak periods (see On-Peak Demand, below).
9. **Demand Response or DR:** Sometimes referred to as load curtailment or reduction. Mechanisms (such as interruptible rates, bill credits) are used to encourage consumers to use energy at different (lower cost) times of day or to interrupt energy use for certain equipment temporarily, usually in direct response to an event or price signal.
10. **Energy Efficiency or EE:** An action, appliance or device that reduces the total electric consumption of a Customer, while maintaining a level of service that is the same or better than before.
11. **Local Government or Institutional Partnership Programs:** A program that

coordinates efforts of a utility and a local government or other entity to use the strengths of both parties to achieve energy savings goals.

12. **Marketing and Outreach:** Communications activities designed to identify, reach, and motivate potential Customers to take actions to either learn more about or invest in EE opportunities.

13. **Measures**

- Specific Customer actions which reduce or otherwise modify energy end-use patterns.
- A service or a product whose installation and operation at a Customer's premises results in a reduction in the Customer's on-site energy use, compared to what would have happened without the service or product installation.

14. **Month or Monthly:** A term ending on the last Calendar Day of each month.

15. **Performance Indicators:** Specific, measureable, actionable, realistic and time-specific requirements that will directly and measurably contribute to SCE's business

16. **SCE Invoice and Reporting Tool (IR Tool):** SCE's invoicing and reporting tool that uses either a Web-based interface or a database format as determined by the CPM to collect program information. See Appendix A, "Invoicing Requirements," and Appendix D, "Regulatory Reporting Requirements" for more information.

17. **Title 24:** California Code of Regulations (CCR), Title 24, also known as the California Building Standards Code (composed of 12 parts). Title 24, Part 6 sets forth California's energy efficiency standards for residential and nonresidential buildings and was established in 1978 in response to a legislative mandate to reduce California's energy consumption. The standards are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods. Title 24, Part 6 is the focus of the Work under this Agreement.

18. **Work:** Any and all obligations of Implementer to be performed for SCE and Customers pursuant to and during the term of the Contract resulting from this SOW, any revision to such Contract, or a subsequent amendment or Change Order. The Work will include, without limitation the Work described in Section 3 of this SOW.

APPENDIX C: STRATEGIC PLAN SUPPORT MENU

Table 3: Strategic Plan “Support Menu”

| Strategic Plan Goal 1: Local governments lead adoption and implementation of “reach” codes stronger than Title 24 on both mandatory and voluntary bases | | |
|--|-------|---|
| STRATEGY | 1.1 | Adopt codes, ordinances, standards, guidelines or programs that encourage or require building performance exceeding state requirements. The focus should be on using existing models, or if there is something new and unique, that it be replicable. |
| | | |
| TASKS | 1.1.1 | Adopt building energy codes more stringent than Title 24’s requirements, using cost-effectiveness studies by Climate Zone done by the utilities; adopt one or two additional tiers of increasing stringency. |
| | 1.1.2 | Adopt a Green Building policy for municipal development, commercial development and/or residential development. |
| | 1.1.3 | Develop/adopt point of sale programs such as a Residential or Commercial Energy Conservation Ordinance. Focus on whole building performance. |
| | 1.1.4 | Change local codes to allow and encourage integration of EE, demand response, and on-site generation. |
| | 1.1.5 | Develop and adopt programs to encourage energy efficiency such as one-stop permitting, on-line permitting, separate Zero Net Energy (ZNE) permit processes, density bonuses, or a recognition program. |
| | 1.1.6 | Develop educational programs for local elected officials, building officials, commissioners, and stakeholders to improve adoption of EE codes, ordinances, standards, guidelines and programs. |
| | | |
| STRATEGY | 1.2 | Implement codes, ordinances, standards, guidelines or programs that encourage building performance exceeding state standards. |
| TASKS | 1.2.1 | Implement any of the Tasks under Strategy 1.1 above, through a process involving internal and external stakeholders, etc. |
| Strategic Plan Goal 2: Strong support from local governments for energy code compliance enforcement. | | |
| STRATEGY | 2.1 | Improve processes resulting in increased code compliance through education, training, and enforcement practices. |
| | | |
| TASKS | 2.1.1 | Local government staff and contract staff attend code compliance workshops offered by the California Energy Commission (“CEC”), utility codes & standards staff, or other local governments with strong compliance records. |
| | 2.1.2 | Redesign enforcement, compliance, plan review processes; introduce new forms and templates. |

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| Strategic Plan Goal 3: Local governments lead by example with their own facilities and energy usage practices. | | |
|---|-------|--|
| STRATEGY | 3.1 | Develop a program to track municipal energy usage, such as through energy management software and benchmarking of municipal facilities. |
| TASKS | 3.1.1 | Develop energy benchmarking policies and procedures to enable ongoing benchmarking of all local government facilities. |
| | 3.1.2 | Set up a 'utility manager' computer program to track municipal usage. Identify need for sub-metering to plan, budget and manage bills. |
| Strategic Plan Goal 4: Local governments lead their communities with innovative programs for EE, sustainability and climate change. | | |
| STRATEGY | 3.2 | Adopt a Climate Action Plan (CAP), Energy Action Plan (EAP) for municipal operations. The plan could include setting energy efficiency standards for new and existing facilities, developing a revolving loan fund for EE projects, and so on. |
| TASKS | 3.2.1 | Develop/adopt an energy chapter for City/County climate or energy action plan. |
| | 3.2.2 | Adopt a policy to require Leadership in Energy and Environmental Design (LEED), Energy Star Ratings, or other program standard for municipal facilities. |
| | 3.2.3 | Develop policy for a revolving EE fund for City/County facilities. |
| | 3.2.4 | Develop commissioning/retro-commissioning policies for municipal facilities. |
| Strategic Plan Goal 5: Local government EE expertise becomes widespread and typical. | | |
| STRATEGY | 4.1 | Adopt a CAP, EAP, or adopt EE language into another policy document, such as a General Plan, to reduce community greenhouse gas emissions with a focus on EE. |
| TASKS | 4.1.1 | Develop a regional template for CAP or EAP. |
| | 4.1.2 | Customize CAP with EE language and data. |
| | 4.1.3 | Update General Plan/Conservation Element with Climate policies. Provide EE framework and data for other people doing planning. |
| | 4.1.4 | Conduct the EE savings analysis for an annual Greenhouse Gas inventory for the City/ County. |

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Local governments participating in activities under Goals 1 – 4 will be increasing their expertise.

The activities under Goal 5 are more directly related to the programs operated by the statewide local government associations (ICLEI, ILG and LGC), by regional local government agencies such as the Association of Bay Area Governments and Great Valley Center, and by the Statewide Local Government EE Best Practices Coordinator.

APPENDIX D: REGULATORY REPORTING REQUIREMENTS

In addition to any reporting requirements outlined in the Contract and Attachment No.1 of the Contract, the Implementer will follow the following reporting requirements when submitting documents to SCE:

A. **Monthly Report:** The Monthly Report due on the 15th Calendar Day of each Month for work completed the preceding Month using the IR Tool. The Monthly Report will include a discussion on the following Program activities occurring during that Month:

1. Administrative activities;
2. Marketing activities;
3. Direct Implementation activities;
4. Implementer's assessment of Program performance and Program status. For example, is the Program on target, exceeding expectations, or falling short of expectations, etc.;
5. Discussion of changes in Program emphasis. For example, new Program elements, less or more emphasis on a particular delivery strategy, Program elements discontinued, Measure discontinued, etc.;
6. 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);
7. Changes to staffing and staff responsibilities, if any;
8. Changes to contacts, if any;
9. Changes to Subcontractor and Subcontractor responsibilities, if any;
10. Number of Customer complaints received; and
11. Program Theory and Logic Model, if not already provided in the PIP, or if Implementer makes any revisions.

B. **Commission Reporting Requirements:** The Implementer will provide SCE with the requisite information on the prior Month's activities, accomplishments, and expenditures related to its respective Work obligations, for purposes of preparing any reports required of SCE by the Commission including Quarterly, Semi-annual and Annual Reports.

The Commission may amend reporting requirements from time to time. SCE will notify Implementer of any reporting changes and issue a Change Order. Implementer will implement these modifications in a timely manner and reflected in future invoice documentation.

Requirements for these reports may change per the direction of the Commission or the Commission's Energy Division. The current reporting requirements are as follows:

1. **Semi-annual Report:** Implementer will provide SCE with the requisite

information to be compiled for the portfolio reporting in Program Semi-annual Reports using the Semi-annual Report template set forth in Section 1.a herein. Semi-annual reports are due March 1st and September 1st of each year.

a. Semi-annual Report Template

i. A template will be provided by CPM prior to the reporting period.

2. Implementer will provide additional data or information as required by the Commission.

C. 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 (i.e., SCE, in this case) does not have a cost listed on the cost reporting sheet, then no cost may be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the CPM. If there is a desire to include additional Allowable Cost elements, the CPM should be contacted in order to seek approval from the Commission. | |
| | 3/30/2006 |
| Cost Categories | Allowable Costs |
| Administrative Cost Category <u>Note: *These allowable costs are to be allocated towards the direct implementation category.</u> | Managerial and Clerical Labor |
| | Implementer Labor - Clerical |
| | *Implementer Labor - Program Design |
| | *Implementer Labor - Program Development |
| | *Implementer Labor - Program Planning |
| | *Implementer Labor - Program/Project Management |
| | Implementer Labor - Staff Management |
| | Implementer Labor - Staff Supervision |
| | Human Resource Support and Development |
| | Implementer Labor- Human Resources |
| | Implementer Labor - Staff Development and Training |
| | Implementer Benefits - Administrative Labor |
| | Implementer Benefits - Direct Implementation Labor |
| | Implementer Benefits - Marketing/Advertising/Outreach Labor |
| Implementer Payroll Tax - Administrative Labor | |

| Allowable Costs Table | |
|---|--|
| <p>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 (i.e., SCE, in this case) does not have a cost listed on the cost reporting sheet, then no cost may be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the CPM. If there is a desire to include additional Allowable Cost elements, the CPM should be contacted in order to seek approval from the Commission.</p> | |
| | 3/30/2006 |
| Cost Categories | Allowable Costs |
| <p>Note: **Travel and Conference Fees associated with Implementer Labor (e.g., Program Design, Program Development, Program Planning, and Program/Project Management) are to be allocated towards the direct implementation category.</p> | Implementer Payroll Tax - Direct Implementation Labor |
| | Implementer Payroll Tax - Marketing/Advertising/Outreach Labor |
| | Implementer Pension - Administrative Labor |
| | Implementer Pension - Direct Implementation Labor |
| | Implementer Pension - Marketing/Advertising/Outreach Labor |
| | **Travel and Conference Fees |
| | Implementer - Conference Fees |
| | Implementer Labor - Conference Attendance |
| | Implementer - Travel - Airfare |
| | Implementer - Travel - Lodging |
| | Implementer - Travel - Meals |
| | Implementer - Travel - Mileage |
| | Implementer - Travel - Parking |
| | Implementer - Travel - Per Diem for Misc. Expenses |
| | Overhead (General and Administrative) - Labor and Materials |
| | Implementer Equipment Communications |
| | Implementer Equipment Computing |
| | Implementer Equipment Document Reproduction |
| | Implementer Equipment General Office |
| | Implementer Equipment Transportation |
| | Implementer Food Service |
| | Implementer Office Supplies |
| | Implementer Postage |
| | Implementer Labor - Accounting Support |
| | Implementer Labor - Accounts Payable |

| Allowable Costs Table | |
|---|--|
| <p>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 (i.e., SCE, in this case) does not have a cost listed on the cost reporting sheet, then no cost may be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the CPM. If there is a desire to include additional Allowable Cost elements, the CPM should be contacted in order to seek approval from the Commission.</p> | |
| | 3/30/2006 |
| Cost Categories | Allowable Costs |
| | Implementer Labor - Accounts Receivable |
| | Implementer Labor - Facilities Maintenance |
| | Implementer Labor - Materials Management |
| | Implementer Labor - Procurement |
| | Implementer Labor - Shop Services |
| | Implementer Labor - Administrative |
| | Implementer Labor - Transportation Services |
| | Implementer Labor - Automated Systems |
| | Implementer Labor - Communications |
| | Implementer Labor - Information Technology |
| | Implementer Labor - Telecommunications |
| Marketing/Advertising/Outreach Cost Category | |
| | Implementer - Bill Inserts |
| | Implementer - Brochures |
| | Implementer - Door Hangers |
| | Implementer - Print Advertisements |
| | Implementer - Radio Spots |
| | Implementer - Television Spots |
| | Implementer - Website Development |
| | Implementer Labor - Marketing |
| | Implementer Labor - Media Production |
| | Implementer Labor - Business Outreach |
| | Implementer Labor - Customer Outreach |
| | Implementer Labor - Customer Relations |
| Direct Implementation Cost Category | |
| | Financial Incentives to Customers Activity - Direct Labor |
| | Implementer Labor - Facilities Audits |

| 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 (i.e., SCE, in this case) does not have a cost listed on the cost reporting sheet, then no cost may be reported for that item. These Allowable Cost elements are to be used whenever costs are invoiced or reported to the CPM. If there is a desire to include additional Allowable Cost elements, the CPM should be contacted in order to seek approval from the Commission. | |
| | 3/30/2006 |
| Cost Categories | Allowable Costs |
| | Implementer Labor - Curriculum Development |
| | Implementer Labor - Customer Education and Training |
| | Implementer Labor - Customer Equipment Testing and Diagnostics |
| | Installation and Service - Labor |
| | Implementer Labor - Customer Equipment Repair and Servicing |
| | Direct Implementation Hardware and Materials |
| | Implementer - Direct Implementation Literature |
| | Implementer - Education Materials |
| | Implementer - Energy Measurement Tools |
| | Implementer - Installation Hardware |
| | Implementer - Audit Applications and Forms |
| | Rebate Processing and Inspection - Labor and Materials |
| | Implementer Labor - Field Verification |
| | Implementer Labor - Rebate Processing |
| | Implementer - Rebate Applications |

D. Ad Hoc Reporting: Implementer acknowledges that SCE may, in its sole discretion, require Implementer to provide such other reports or documentation that SCE deems appropriate or necessary (the "Ad Hoc Reports"). Implementer will comply with any request for such Ad Hoc Report(s) within a reasonable time or, if applicable, within the time requested by SCE.