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"To enrich lives through effective and caring service"

February 7, 2012

To: Each Supervisor

From: Tom Tindall
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Tom Tindall

Subject: **ENERGY & ENVIRONMENTAL POLICY REPORT #11**

This memo provides an update on the accomplishments and activities under the Countywide Energy and Environmental Policy (Policy) that your Board approved on January 16, 2007. This report also discusses the County Office of Sustainability (COS) within the Internal Services Department (ISD) and its work to support the Policy.

In September 2009, your Board approved the creation of the County Office of Sustainability within ISD to respond to legislation, regulation, and policy related to climate change, and to coordinate energy efficiency, conservation, and sustainability programs within the County and the region. ISD is also administering American Recovery and Reinvestment Act (ARRA) grants related to countywide energy efficiency programs, including:

- $15.4 million from the formula-allocated Energy Efficiency and Conservation Block Grant (EECBG);
- $9.2 million from the California Energy Commission's (CEC) Energy Efficiency and Conservation Block Grant funds;
- $14 million from the $30 million Competitive Energy Efficiency and Conservation Block Grant, termed Better Buildings Program (BBP), awarded to the County and three other California regional entities.

RECENT ACCOMPLISHMENTS

The last report was issued on August 11, 2011. The following is a summary of significant activities and accomplishments since that report.

- A portion of the formula-allocated EECBG funds have been designated to develop, implement, and administer Energy Upgrade California in Los Angeles County (EUC-LAC), a public-facing incentive program that provides homeowners with rebates to offset the cost of energy efficiency upgrades to their homes. The County is working with the local investor-owned utilities (Southern California Edison and Southern California Gas Company), the municipally owned utilities, cities within the County, and other stakeholder groups to ensure the success of EUC-LAC. ISD oversees marketing, public outreach, participant recruitment, workforce development, and incentive administration

efforts associated with EUC-LAC. Since the official launch of EUC-LAC in March 2011, ongoing marketing and community engagement efforts have succeeded in driving participation. In Los Angeles County, more than 400 upgrade projects have been initiated and monthly participation continues to increase. More information about the program can be found at www.energyupgradeca.org.

- In late July 2011, the County launched the EUC-LAC financing program to offer property owners a favorable interest rate on loans for eligible residential energy efficiency and solar projects. The County is partnering with a private lender and providing a loan-loss reserve to help secure an interest rate for homeowners that is often lower than other loan options. For a limited time, the County has provided additional funds to buy down the interest rate to 2% for qualifying loans with the same private lender. More information about EUC-LAC financing can be found at https://energyupgradeca.org/county/los_angeles/financing_overview.

- On June 15, 2010, your Board authorized the acceptance of $8 million in an intergovernmental contract with the California Energy Commission (CEC) and authorized the Director of ISD to approve any modifications or amendments to the contract. In July 2011, CEC amended the contract to provide an additional $1.2 million for EUC-LAC marketing and workforce development efforts. ISD is expanding comprehensive marketing efforts into cities throughout the County by working with the Councils of Governments and directly with local governments. The CEC funds also support various workforce development efforts, including an existing scholarship program and a proposed effort to further offset the cost of training and equipment purchases through the establishment of the revolving loan fund for contractors supporting EUC-LAC.

- ISD and the Treasurer & Tax Collector (TTC) are working with the City of Los Angeles (City) to administer a countywide Property Assessed Clean Energy (PACE) program for non-residential (commercial) properties. This commercial PACE program was launched in October 2011, and ISD and TTC are implementing the program under the County's adopted PACE documentation. In addition, the City provides its residents additional benefits in the form of a loan loss reserve and free energy audits using a CEC grant. Similar to the City, the County has been notified it will receive an augmentation to the existing grant agreement with the CEC to institute a countywide loan loss reserve available to non-LA City property owners.

- ISD is using the County's $14 million share of Better Building Program grant funds to develop and implement various public-facing energy efficiency pilot programs. The overarching goals of these programs are to drive participation in EUC-LAC and achieve measurable energy savings in existing buildings. The County serves as the prime recipient of this award, on behalf of itself and the three other regional entities, and is responsible for overall grant administration.

- The formula-allocated EECBG includes funds to establish Environmental Service Centers around the County to provide information, materials, and resources to constituents about a range of County-sponsored and non-County sustainability and environmental programs. There are currently five fixed Environmental Information Centers where on-site County staff has been given an overview of the programs, and contract staff maintains literature racks with resources for the public. There are also two fixed, staffed Environmental Service Centers that accept walk-in traffic and appointments to for the public to learn more about available programs. Ten portable kiosks have been installed to provide literature and a direct interface to http://green.lacounty.gov. The locations of these resources include:

    - Five fixed Environmental Information Centers
        - Calabasas One-Stop Center, Calabasas
        - Lancaster One-Stop Center, Lancaster
        - Southwest Building & Safety Office, Los Angeles
        - East LA Civic Center, East Los Angeles
        - Whittier Community Resource Center, Whittier

    - Two staffed Environmental Service Centers
        - South Bay Environmental Services Center, Lawndale
        - Exposition Park Environmental Service Center, Los Angeles

    - Ten portable Environmental Information Kiosks
        - Palmdale City Hall
        - Long Beach City Hall
        - Covina City Hall
        - Alhambra Public library
        - Culver City library
        - La Mirada library
        - Lawndale library
        - Westside Community Adult School (Fairfax High), Los Angeles
        - Los Angeles County Hall of Administration, Los Angeles

- A portion of the formula-allocated EECBG funds have been allocated to support the County's Green Building Program. These funds are to provide industry stakeholder and constituent outreach, as well as offer training for County staff related to Program requirements and implementation. ISD competitively solicited and contracted with two consultant teams to develop and implement an industry stakeholder outreach and staff training program. The industry stakeholder outreach is underway and the first public-facing Green Building Program Training was held in November 2011. Additional industry stakeholder training sessions are being planned for March-May 2012 and will be held in various locations across the County. Staff training began in August 2011 with the provision of five introductory training sessions to staff from the Departments of

Regional Planning and Public Works. A more targeted, in-depth training for Building and Safety staff is currently under development and will commence next quarter.

- The Los Angeles Regional Collaborative (LARC) for Climate Action and Sustainability has partnered with the County in utilizing a portion of the County's formula-allocated EECBG to oversee the creation of a countywide Greenhouse Gas (GHG) Emissions Inventory. The Inventory will serve as the foundation for a Regional Climate Action Plan (RCAP) that will summarize and coordinate greenhouse gas reduction efforts countywide. ISD has contracted with a consultant to develop the Inventory and is working with a Technical Advisory Committee of LARC members to oversee the project. Data collection for the inventory is almost complete and analysis has begun. Preliminary inventory results are expected during the next quarter. More information about the LARC and the RCAP can be found at http://www.laregionalcollaborative.org.

- To comply with Assembly Bill (AB) 32, ISD has prepared a Municipal GHG Emissions Inventory to support the development of an Emissions Reduction Plan for all County operations. ISD is developing a Municipal Climate Action Plan (MCAP), which will help guide how the County can reduce internal operations GHG emissions by 15% by 2020. Proposed measures will also be included that create the potential to exceed the 15% GHG emissions through additional activities. The Inventory has been completed and the MCAP, including proposed reduction measures is in the final stages of development. A draft version of the MCAP should be released in the first quarter of 2012.

- Both ISD and DPW received Quality and Productivity Commission Investment Fund grants and loans to certify their headquarters buildings under LEED Existing Buildings – Operations and Maintenance (EBOM) guidelines. ISD achieved LEED silver certification in June 2011. DPW achieved LEED certification in September 2011. As part of a continued effort to support improvements to existing County buildings, ISD is developing a County Green Building Program which will offer other departments LEED certification feasibility assessments, technical support, LEED certification or other green building measures implementation support, to complement ISD's energy management services.

- As part of the LEED EBOM certification process for the ISD and DPW headquarter buildings, staff training sessions were held to promote the value of sustainable construction and building operations. Over 100 County staff were trained in LEED and the value of sustainable maintenance and operations. Trainings were organized into three levels: Basic (two classes), Advanced (two classes), and LEED exam preparation (one class). Those who took Advanced classes and the LEED exam preparation are ready to apply for testing and accreditation as a LEED Accredited Professional.

- ISD launched the redesigned and enhanced Regional Energy and Environmental website: http://green.lacounty.gov on June 30, 2011. This website is a major outreach

component for County programs, as well as a forum for interdepartmental communication and collaboration. An interactive online interface was also developed for the Environmental Service Centers to guide residents to the site and direct them to other online resources. New content and features will be added to both the website and Environmental Service Centers on a continuing basis. One of the primary new features in development is a redesigned and easier to use Energy and Environmental Dashboard. The Dashboard will be targeted for facility proprietors and managers to see how their facility is performing in various areas of energy and resource efficiency. Development is currently in the design phase with completion and launch scheduled for June 2012.

- ISD and the CIO have enhanced the County's online Solar Map http://solarmap.lacounty.gov, which provides building owners in the County with information about solar power installations. The Solar Map utilizes data from the CIO's latest aerial imagery mapping project and solar power estimation software to provide preliminary savings information from a solar power project, information about project costs, installation details, and resources for information about solar technology and installations. Using formula EECBG funds, staff has significantly enhanced the Solar Map and translated it into Spanish. The enhanced map now allows users to pinpoint specific areas of the rooftop that are most suitable for solar installations and create printable reports summarizing the information the Solar Map provides. Staff has also created high-resolution 3D models for County-owned properties to aid in better understanding the solar potential of these buildings.

- ISD will represent the County as a partnering agency under a $700,000 DOE SunShot Grant to the California Center for Sustainable Energy (CCSE) in San Diego. The CCSE regional team will develop model rules for permitting and interconnection processes, identify regional issues and develop Best Practices for solar adoption. This grant was awarded in December 2011, and CCSE will begin work in early 2012, assisted by partnering agencies from Los Angeles, Riverside, and Orange counties.

- Through the County's membership in the Local Government Sustainable Energy Coalition (LGSEC), the County and other member local governments are able to pool resources to more efficiently track, report on, and participate in key energy and environmental activities, including regulatory proceedings. Currently, LGSEC is actively participating in the development of the California Public Utilities Commission (CPUC) Energy Efficiency (EE) Program development for 2013-14. This proceeding will determine how approximately $3 billion in ratepayer funding will be spent on EE programs. Through LGSEC, ISD also has been actively involved in a CPUC proceeding related to the expenditure of revenues generated from the cap-and-trade program resulting from Assembly Bill (AB) 32. Potentially, revenues generated from cap-and-trade could be used to support various local government programs, including programs similar to those currently overseen by ISD. On January 23, 2012, ISD submitted a

report to your Board detailing the status of the proceeding, actions to date, and potential outcomes.

- On October 4, 2011, your Board accepted $1 million under Southern California Edison's (SCE) Long-Term Energy Efficiency Strategic Planning grant program. Under this program, ISD is using funding, in combination with approximately $3 million received by other cities in SCE service territory, to expand the Enterprise Energy Management Information System (EEMIS – ISD's internet-based, real-time energy management program) for use by other local governments. Expanding EEMIS to other cities will spread energy management expertise across the region, reduce ISD's annual EEMIS operating costs, and generate revenues for ISD technical support and consulting services. ISD has executed memoranda-of-understanding with the South Bay Cities Council of Governments, the San Gabriel Valley Council of Governments, and individual cities (including the City of Los Angeles), and has begun technical work to implement EEMIS for their use. ISD is also providing training sessions for these cities. In addition, ISD is working with these organizations to develop and implement a regional centralized source for technical resources related to energy efficiency projects development, solicitation, implementation and financing. The objective of these activities is to utilize one-time funding from SCE (through the CPUC), leverage ISD's energy management expertise and resources (like EEMIS), and develop a business model that will provide ongoing revenue streams to ISD through sharing these resources while helping other local jurisdictions enhance their energy management capabilities.

- ISD continues to implement energy savings projects, funded by grants and other sources, to reduce the County's energy cost. Current projects and efforts include:

    - Continued retro-commissioning of the downtown Men's Central Jail, Barry J. Nidorf Juvenile Hall and several other facilities. These retro-commissioning projects are essentially a "tune-up" of the heating, ventilating and air conditioning systems to ensure optimal performance, which in turn produces energy efficiency and savings.

    - Implementation of a program to replace the current T-8 type fluorescent lamps with lower wattage, higher efficiency lamps throughout the County.

    - Coordination with various departments, including the DPW, Parks and Recreation and the Sheriff's Department to assure that utility rebates are being captured for several energy efficiency projects, including lighting upgrades, computer server virtualization upgrades, and efficient pump replacement projects.

    - Working with the Department of Health Services (DHS), using Board-authorized Capital Project funds, to replace old, inefficient boilers and to retrofit existing boilers to meet current South Coast Air Quality Management

District requirements at the Olive View/UCLA Medical Center, Rancho Los Amigos National Rehabilitation Center, Harbor/UCLA Medical Center, and the LAC+USC Medical Center.

- Completion of the conversion of an existing system at the Civic Center Power Plant used to control emissions for the gas turbine generators, to use urea instead of hazardous anhydrous ammonia to improve safety. The main advantage of urea injection over ammonia injection is that urea is a nontoxic liquid that can be safely stored and handled. The same emissions control conversion is planned for the Pitchess Cogeneration Plant during Fiscal Year 2012/13.

- Completion of upgrades to the heat recovery steam generator at the Civic Center Power Plant to reduce emissions. Improvements reduced nitrogen oxides (NOx) by 72.7%, from 8.8 parts per million (ppm) to 2.4 ppm, and carbon monoxide (CO) emissions by 85%, from 8.0 ppm to 1.2 ppm.

- Completion of water control measures at the Civic Center Power Plant, including the installation of electronic monitoring on the existing cooling towers, which has resulted in a water savings of about 8 million gallons a year.

- ISD continues to assist other departments with various efforts in the areas of fleet and transportation, funded by grants and other sources, to reduce the County's GHG emissions. Current projects and efforts include:

  - ISD assisted the Sheriff Department in the writing and negotiating a successful $4.4 million Carl Moyer Program grant and award from the South Coast Air Quality Management District to replace 24 of its 82 Prisoner Transportation Buses. ISD will be assisting the Sheriff Department with project management, and in fulfilling the technical and reporting terms and conditions of this award.

  - ISD played a significant role in the successful statewide collaborative application for the Department of Energy's Clean Cities Community Readiness and Planning for Plug-In Electric Vehicles and Charging Infrastructure Grant. The statewide application received the maximum award of $1 million. ISD is part of the Statewide Planning and Implementation team.

  - ISD also played a significant role in the Southern California Association of Governments' successful Regional Plans to Support Plug-in Electric Vehicle Readiness Grant application from the California Energy Commission. ISD is part of SCAG's EV Planning and implementation leadership council.

- ISD developed the specifications for Electric Vehicle charging infrastructure which will be used to create a Master Purchasing Agreement. This Master Agreement will be available to public agencies throughout the region.

- ISD has been working with the South Coast Air Quality Management District, the Department of Energy, Odyne, and the City of Los Angeles' Department of Water and Power, and the Fifth Supervisorial District as part of a $2.6 project for two advance- technology plug-in hybrid aerial trucks. The County's Parks and Recreation Department is contributing $95,000 to the project and will receive one of two preproduction trucks for use throughout the County. ISD will be assisting the Parks and Recreation Department with project management, implementation, and reporting requirements.

- The County Office of Sustainability continues to support a variety of County programs that are led by other organizations. These include:

  - Assist with the implementation of recommendations recently approved by your Board to limit or ban the use of polystyrene food containers and plastic bags (led by Department of Public Works);

  - Implementing the County Capital Project Program to certify new County buildings (>10,000 square feet) at the United States Green Building Council's LEED Silver level (led by the CEO and Department Public Works);

  - Assist with the identification, review, and assessment of projects and programs submitted to the Green Leadership Awards Committee each year (led by the CEO);

Further details on many of the activities described above may be found on the website http://green.lacounty.gov.

If you have any questions, please contact me at (323) 267-2101 or Howard Choy at (323) 267-2006.

TT:JJ:LR

c: ISD Board Deputies
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Each Department Head