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"To enrich lives through effective and caring service"

April 8, 2015

To: Each Supervisor

From: Dave Chittenden
Chief Deputy Director

Subject: **ENERGY & ENVIRONMENTAL POLICY REPORT #17**

This is the 17th semiannual report to your Board to discuss ongoing work by the County Office of Sustainability (COS) within the Internal Services Department (ISD) in support of the County's Energy and Environmental Policy.

Below are updates on various sustainability programs and initiatives that ISD oversees.

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DETAILED DESCRIPTION OF PROGRAMS FOR LOS ANGELES COUNTY, SOUTHERN CALIFORNIA, AND BEYOND

A. Programs for Internal County Operations

1. Energy Management

The Energy Management Division (EMD) within ISD provides project implementation and other energy related support services for County departments as detailed below.

a. Chiller Installations

ISD will begin implementation of a chiller replacement project at the Department of Public Works (DPW) Headquarters facility. This project is expected to save 642,340 kilowatt hours or $89,990 per year. In addition, the project will qualify for $100,000 in rebates through the County's Partnership program with Southern California Edison (SCE), which is funded by the California Public Utilities Commission (CPUC).

b. Emissions Reduction System Retrofits

ISD retrofitted the gas-fired turbine emission reduction systems at both the Civic Center and Pitchess Cogeneration Plants. These plants are now more efficient and safer (by eliminating the usage of the hazardous chemical, Anhydrous Ammonia).

ISD completed upgrades to the Civic Center Cogeneration Plant's steam turbine generator, which will increase its electrical generation, level of efficiency, and revenue generation.

ISD recently replaced an industrial refrigeration unit at the Los Padrinos Juvenile Hall facility and new cooling tower controls at Olive View Medical Center, thereby increasing the efficiency at each power plant.

c. HVAC Retrofits

ISD continues its highly successful building retro-commissioning program, which "tunes up" heating, ventilating, and air conditioning (HVAC) systems. When HVAC equipment and systems perform optimally, buildings use energy more efficiently, which ends up saving money. Retro-commissioning projects are underway at four Sheriff's stations, the Los Padrinos Juvenile Hall, and three health centers.

d. Hydro-powered Turbine Installation

ISD and DPW have contracted with a vendor to design a hydropower, pressure-reducing turbine-generator at one of DPW's water pumping stations. The vendor has provided 30 percent of design submittals, which ISD has approved. The project is scheduled to be completed by June 30, 2015. This unit will provide clean, sustainable power and will offset electrical consumption at the water pumping station by a minimum of 425,000 kilowatt hours per year (for a savings of over $50,000 per year).

e. Lighting Installations

ISD has contracted with a vendor to install high efficiency fluorescent lamps at various facilities within the Sheriff's Department, the Department of Public Health (DPH), and other administrative buildings. Projects have begun in the Twin Towers, the Men's Central Jail and the Lynwood Justice Facility. The Energy Investment Program, a "revolving loan fund," which your Board approved in 2012, funds these projects. Departments can implement energy efficiency projects by utilizing American Recovery and Reinvestment Act seed funds. They then replenish these funds through their utility savings until the projects are repaid.

f. Solar Installations

ISD has contracted with a vendor to install photovoltaic systems at two libraries - A.C. Bilbrew and Julian Dixon – including rooftop and parking lot (canopy) solar panels. The projects will be funded partially by the CPUC and partially by the Chief Executive Office (CEO).

ISD is currently coordinating with Department of Parks and Recreation (DPR), DPW, and the Sheriff's Department on additional, potential solar installations and efficient equipment retrofit projects.

ISD also has an active solicitation underway, through ISD's Energy Efficiency Project Master Agreement (EEPMA) and including options for County and third-party financing models, for several solar rooftop and parking lot canopy installations as directed in the Board's November 25, 2014 motion.

2. Fleet and Transportation

ISD continues to assist other departments in reducing the greenhouse gas (GHG) emissions generated by their fleet, transportation activities, and employee commutes, as detailed below.

ISD assisted the Sheriff's Department in obtaining two Carl Moyer grants from the South Coast Air Quality Management District, totaling $7 million dollars. These funds offset $7 million dollars of the $20 million dollar cost of replacing 45% of the Sheriff's prisoner transportation buses (i.e., 37 of 82 buses). When combined, the emissions from all 37 new buses will produce fewer emissions than just one of the old buses being retired. 24 buses are now in service. The remaining 13 buses will be in service by July 2016. ISD and the Sheriff's Department are currently managing this project and fulfilling the technical and reporting requirements of these grants.

As co-lead with the Los Angeles Department of Water and Power, ISD and 21 other agencies received an $840,000 award from the California Energy Commission (CEC) to install Electric Vehicle (EV) charging infrastructure across the County. Leveraging the CEC award, ISD obtained an additional $193,000 in matching funds from the Mobile Source Air Pollution Reduction Review Committee (MSRC) to install approximately 110 EV chargers at 30 sites controlled by eight departments throughout the County.

The MSRC recently awarded ISD $104,000 dollars to furnish and install 38 additional EV chargers at Department of Health Services (DHS) sites. ISD worked with CEO's Real Estate Division and the Department of Child and Family Services (DCFS) to obtain $96,000 in CEC funding to install 16 EV chargers at a DCFS facility.

ISD worked with the CEO, DHS, DPH, DPR, and DPW to obtain almost $3 million dollars in grant funding to install bicycle racks at various County sites, conduct bike path improvements, and install three Compressed Natural Gas stations to refuel DPW trucks.

ISD was part of the Governor's Interagency Working Group on Zero-Emission Vehicles (ZEV), which developed the "ZEV Action Plan, a Roadmap to 1.5 Million Zero Emissions Vehicles on California Roadways by 2025." ISD has also contributed to the "Zero-Emission Vehicles in California: Community Readiness Guidebook" from the Governor's Office of Planning and Research.

ISD collaborated with a consortium of Southern California-based organizations led by the Los Angeles Economic Development Corporation to receive a CEC grant to create a Southern California Center for Alternative Fuels and Advanced Vehicle Technology. The Center, which will be comprised of one "virtual hub" and two physical locations (in San Diego and Los Angeles), will serve as a "one-stop-shop" for those exploring alternative fuels as well as a resource for businesses and technologies seeking to locate or grow in the region. The Center will serve the following counties: Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura. ISD is a co-Chair of the Center.

3. Green Buildings

As part of continued efforts to support efficiency improvements to existing County buildings, ISD has developed a County Green Building Program that offers other departments: Leadership in Energy and Environmental Design (LEED) certification services; LEED feasibility assessments; technical support for departments seeking to perform their own LEED certification; and specific green building services such as xeriscaping and solar feasibility analyses. Your Board's direction on water conservation in response to California's severe drought has resulted in increasing activity on xeriscaping/drought tolerant landscaping. Please see "Water Conservation Program" for additional details.

ISD has developed a reporting tool – The Green Building Dashboard – to complement the Green Building Program. The Dashboard enables County building managers to monitor energy usage and other sustainability measures in selected facilities. ISD has linked the Dashboard to the Green L.A. County website (green.lacounty.gov) where building managers can easily access it.

ISD continues to maintain and update the Green L.A. County website with environmental and energy efficiency news and information, articles, links to other departmental sustainability programs, and other valuable related resources. Some recent additions to the website include content related to the severe state drought and water conservation programs and resources.

4. Green Leadership Awards

ISD participates annually in reviewing and scoring Green Leadership Awards submissions in a contest administered by the CEO's Quality and Productivity Commission. This program recognizes outstanding efforts by individuals and organizations in fulfilling innovative strategies to improve our environmental sustainability. ISD is currently evaluating submissions and conducting site visits. Winners will be announced in April.

5. Healthy Design Workgroup

ISD actively participates in the County's Healthy Design Workgroup (HDW) – a consortium of high-level representatives from several County departments, including the Arts Commission; Beaches and Harbors; CEO; the Community Development Commission; Fire; DPH (group lead); DPR; DPW; and the Department of Regional Planning (DRP). The HDW meets regularly to

develop and implement strategies for designing and building healthy environments within the County. The inter-departmental nature of this effort aligns with County strategic planning efforts and Supervisor Knabe's 2014 goals as Chair of the Board of Supervisors to encourage collaboration across County departments. On August 21, 2014, a Climate Change subcommittee convened and meets regularly.

6. Water Conservation Program

ISD's COS and Facilities Operation Service have developed a recommended Water Conservation Program to respond to the accelerating drought. First, suspecting that water savings potential existed throughout County facilities in outdated plumbing fixtures and cooling towers processes as well as drought-unfriendly turf landscaping, ISD devised a survey inquiring about these three water saving potential measures and disseminated it to several County facility managers. Upon receipt of the survey results, ISD began analyzing data and developing a methodology that would estimate water savings for all County facilities if these three measures were adopted.

Then, ISD developed a desegregation and analysis tool (tool), which analyzes a variety of metrics (paid water bills, current water providers, site occupancy, fixture types and their flow rates, number of existing cooling towers, and square footage of non-recreational turf grass) and calculations (including the integrated LEED indoor water usage calculators, water industry engineering standards, and California Department of Water Resources guidelines) to provide three key outputs: 1) water usage at each County facility; 2) potential water savings at each County facility; and 3) costs and savings associated with implementing water saving measures at each County facility.

This new tool and its capabilities would constitute the cornerstone of an ISD-lead Water Conservation Program. If adopted, this Program would not only achieve significant reductions in water consumption at County facilities (roughly 475.7 million gallons of water would be saved annually Countywide – a 13% reduction in total County water usage), it would also reduce County-generated GHG emissions (by roughly 2,648 metric tons annually) and the County's energy load, all of which align with the state's broad climate goals under A.B. 32. Under this Program, the County could save roughly $2,964,883 after the first year of project implementation on water bill costs alone.

If fully instituted, this program would be integrated with ISD's ongoing Energy Management and Green Building Services Programs. Those two services include the following components: outreach to departments; provision of technical support and services; assistance in identifying external funding and incentives; and reporting results through the County's sustainability website or other online reporting tools, which would easily be extended to the water Program.

B. Programs for Public Agencies

As discussed in detail in prior reports to your Board, "Energy Upgrade California" (EUC) is a State initiative to help Californians take action to save energy and conserve natural resources,

reduce demand on the electricity grid, and make informed energy management choices at home and at work. It is supported by an alliance of the CPUC, the CEC, utilities, regional energy networks, local governments, businesses, and nonprofits to help communities meet state and local energy and climate action goals. EUC Programs are described in further detail in this report beginning with programs for public agency buildings below.

Under the Southern California Regional Energy Network (SoCalREN), ISD has developed a program which provides centralized, technical services that support the implementation of energy efficiency projects in public agency buildings and facilities throughout Southern California. The SoCalREN is administered by ISD and its programs are funded primarily from the CPUC (over $65 million dollars from 2013 thru 2015) and American Recovery and Reinvestment Act grants awarded to the County. Those services and sub-programs are described below.

1. Clean Energy Workforce

One of the SoCalREN's objectives is to build a robust local workforce for the clean energy jobs of the future. A unique partnership between the County, Citibank Community Development, and Emerald Cities Collaborative trains low and moderate-income residents for future jobs in greening public buildings. This initiative also provides training to minority and women-owned energy businesses on how to qualify for ISD's EEPMA. As part of ISD's workforce development efforts, the County recently held a green economic summit to promote clean energy jobs.

In addition, on August 12, 2014 your Board approved the utilization of a Local Worker Hiring Program (LWHP) as part of ISD's EEPMA. This LWHP requires vendors to indicate the number of workers or sub-contractors hired for EEPMA projects from zip codes designated with high unemployment rates. The EEPMA LWHP has aspirational goals for hiring workers from these designated areas. The work ISD is doing mentioned earlier is intended to "supply" underrepresented workers and contractors to meet the "demand" of the EEPMA LWHP for these workers.

2. Community Energy Efficiency Project Management System

This program will provide a few pilot cities with software that is capable of matching building permits applications with eligible energy efficiency rebates and incentives through an online permit tracking system. The goal is to increase awareness and expand the installation of more energy efficient equipment and systems. A beta version of the software is nearing completion and a pilot city has been selected to field test the software during the first half of 2015.

3. Enterprise Energy Management Information Systems (EEMIS) Expansion

ISD developed EEMIS to provide a cost-effective means to monitor, analyze, and benchmark facility energy usage and costs utilizing a single energy management software tool for County buildings. EEMIS functions as a robust data warehouse, which offers several services, including:

energy consumption and financial bill archiving; online tracking, reporting and analysis; automated facility benchmarking tools; energy consumption and cost management tools; and energy efficiency project and identification support.

EEMIS has been made available to other local governments to provide energy management services. SoCalREN funds agencies to participate in EEMIS such that they can pay for an incremental portion of ISD's EEMIS operating costs (which is a fraction of the cost of purchasing their own system). ISD receives revenues through this funding for administration, implementation and technical support.

To date, 56 cities have submitted SCE Customer Information Release Authorizations for billing data and other requisite documents to join EEMIS. Southern California Gas is currently developing an electronic billing file that will ultimately be used to also populate EEMIS with each local government's gas bill data. Having both electric and gas utility data in EEMIS will result in a more complete energy usage profile for the local governments' facilities, enabling them to identify energy saving project opportunities.

4. Master Lease Financing

Master Lease Financing provides lease financing to all public agencies to implement energy projects. The program has pre-qualified a set of financial institutions to provide this financing and has also developed a simplified, standardized agreement which can be executed by the participating agency and financial institution. This financing helps public agencies implement a greater number of energy efficiency projects. The program also provides technical assistance, analytical tools and administrative support for other financing options that may be available. To date, the program has submitted over 60 financing applications totaling over $9 million dollars, and over $4 million dollars of financing has been approved. The program works in conjunction with The Energy Network project delivery program (detailed immediately below) for public agencies.

5. Public Agency Building Retrofits

This turnkey project provides public agencies with access to centralized, standardized, and streamlined energy retrofit services such as: financing (described above), project management, energy auditing, design and engineering, and contract procurement assistance, all delivered through competitively bid pools of pre-qualified energy project contractors. These services augment and complement what is provided by the utilities. Participating public agencies may opt to take advantage of the entire slate of services offered, or may select customize services.

This innovative project mitigates the need for public agencies to develop comprehensive, in-house resources to assess and implement projects. It also accomplishes several goals including: encouraging collaboration amongst all stakeholders; increasing energy savings; delivering improved quality products and services at a lower cost; and completing whole building, street lighting, and water/wastewater retrofits at an accelerated rate.

The program is on track to meet its energy savings goals. Launched in September 2013, the program has enrolled 52 public agencies and has already identified a pipeline of 130 viable energy efficiency retrofit projects in public agency facilities (including lighting, mechanical, water distribution and treatment, and street lighting) that will deliver over 50 million kilowatt hours of energy savings. These projects have a combined estimated construction cost of over $70 million dollars and will result in 760 construction jobs. Approximately 55% of enrolled agencies are utilizing all of the program's services, including expedited contractor procurement. The other 45% of enrolled agencies are receiving customized services uniquely designed for their particular project needs.

6. Water/Energy Nexus

The Water/Energy Nexus Pilot Project is in a collaboration amongst ISD, the Metropolitan Water District, and other public agencies to conserve water, quantify the embedded energy in conserved water, demonstrate how targeted marketing will increase residential customer participation in conservation programs, and engage water and wastewater agencies with The Energy Network public agency retrofit services discussed above. Because providing water services in Southern California is especially energy intensive, water system enhancements in supply, consumption, and recycling provides the dual societal benefit of conserving both water and energy. ISD plans to compile and disseminate its findings for broader acceptance and usage statewide.

The pilot consists of three distinct initiatives: analysis of the embedded energy savings from water agency rebate programs; combined water and energy audits for multiple public agency facilities; and a targeted marketing initiative to increase residential customer participation in water efficiency programs. To date, selected school districts have received combined water and energy audits and are pursuing both water and energy efficiency projects through the Public Agency Building Retrofits program. Other school campuses were evaluated for interior and exterior water efficiency and conservation opportunities. Each of these water audits is being evaluated to integrate embedded energy calculations and a financial analysis to determine the combined water and energy savings value from the projects. A report on the successful completion of all three pilot initiatives is scheduled for completion in May 2015.

C. Programs for Residents

1. Community Champions

Community Champions is a marketing and outreach program geared towards building community awareness of the EUC and SoCalREN program offerings. More specifically, SoCalREN partners with 'Community Champions' – supportive and engaged community organizations in targeted communities – to leverage their networks to increase awareness of and encourage participation in program offerings geared towards single-family residential homeowners.

2. Discount Coupons

This program provides discount coupons to homeowners interested in pursuing EUC Home upgrades. Coupons help homeowners pay for either a portion or the entire amount of the home energy assessment cost, which constitutes the first step of an EUC upgrade. As such, this program incentivizes single-family residential homeowners to participate in EUC upgrades.

3. Energy Champions

Energy Champions utilizes non-profit community organizations such as universities and alumni associations that have organized networking sources within their respective communities to promote EUC and generate project leads. When participating organizations secure leads that result in completed projects, they receive financial incentives.

4. Green Building Labeling

The Green Building Labeling (GBL) program trains and certifies National Association of Realtors about green designation training and the value of conducting green home upgrade projects, including energy efficiency upgrades. Through workshops and other modes of outreach and training, GBL impresses upon realtors and appraisers that green homes are more marketable – both for homeowners looking to sell and those looking to buy. To date, 516 realtors and 23 appraisers have undergone training.

5. Home Upgrade Incentives

Home Upgrade provides incentives for single-family home energy efficient retrofits by promoting interactive whole-home combinations of measures such as: insulation; HVAC equipment replacement; duct replacement/repairs; air sealing; radiant barriers; and hot water systems, etc.

6. Low-income Single Family Rehabilitation Program

This pilot program seeks to develop and implement a business process that connects Community Development Commission (CDC) program clients to EUC via outreach and coordination of the respective programs' requirements.

The CDC Home Improvement Program assists low income, owner-occupied single family homes with rehabilitation financing of up to $25,000 for Home Upgrade qualifying measures. The low-income program educates interested clients about EUC measures for which they are eligible and about how best to integrate those measures into the rehabilitation work.

Program administrators encourage CDC-qualified contractors to also train to become EUC Home Upgrade qualified contractors such that they can best inform their customers about available programs.

7. Multi-Family Home Upgrade

Similar to the Home Upgrade program for single-family homeowners, this program provides incentives to multi-family building owners to implement comprehensive, interactive energy efficiency measures.

8. Residential Property Assessed Clean Energy (PACE) Financing

On August 12, 2014, your Board approved the inter-departmental development of a residential PACE program (with ISD and the Treasurer & Tax Collector, along with coordination from the CEO and County Counsel). The residential PACE program will be a financing option available to Los Angeles County residential property owners to fund on-site energy efficiency, renewable energy, and water-saving improvements that will enhance home values, lower GHG emissions, and create jobs.

Your Board authorized ISD to release a new Request for Proposals (RFP) to acquire one or more residential PACE program administrators. To date, The RFP for Residential PACE Program Administration was released in August 2014, proposals were received September 30th, negotiations between the County and potential contractors concluded in January 2015, and ISD selected two vendors (Renovate America and Renewable Funding) to implement this program. On March 3, 2015, the Board of Supervisors approved a request by ISD and the Treasurer & Tax Collector to execute agreements with the two selected vendors. Program implementation details are currently being developed towards a formal program launch in early May 2015.

9. Single Family Home Financing

EUC has partnered with Matador's Credit Union to provide single family homeowners with financing for their EUC Home Upgrade projects. Matador's Credit Union provides three loan options to qualified buyers, including a 4.99%, 5-year term loan; a 5.99%, 10-year term loan; or a 6.99%, 15-year term unsecured loan of up to $50,000 to qualified borrowers. In order to generate initial program participation with competitive terms and conditions, the program uses a loan loss reserve credit enhancement, which helps protect lenders against losses stemming from defaulted loans.

10. Social Media

SoCalREN utilizes several social media outlets to promote EUC programs to targeted audiences across the Southern California region. Social media offers various ways to encourage program participation, disperse energy-saving tips and environmentally friendly news stories, and build a strong connection between EUC contractors and potential participants.

D. Programs for Contractors

1. Co-op Marketing

This program provides matching fund reimbursements to participating EUC contractors who conduct their own marketing and advertising, equipment purchases, equipment calibration, training and certification. The contractor marketing and advertising materials must satisfy EUC brand guidelines to receive these funds.

2. Cool Comfort Program

The Cool Comfort program provides low cost financing to single-family residential customers for HVAC-specific retrofits through Matador's Credit Union. Under this program, qualified single family homeowners may finance projects for up to $15,000 under either 5 or 10 year term loans at a 4.99% or 5.99% interest rate, respectively. Cool Comfort incentivizes residents to adopt higher levels of HVAC efficiency and also requires that a building permit be completed through the local building department. This program attempts to reduce the number of unpermitted HVAC projects throughout the region.

E. Programs for Businesses

1. Non-residential Property Assessed Clean Energy (PACE) Financing

ISD and the Treasurer & Tax Collector are administering a County-wide PACE financing program for non-residential properties. The program provides financing through County-issued bonds for private sector energy projects, which are then paid back through assessments placed on building owners' property tax statements. The program also provides marketing, education, recruitment, and technical support to property owners.

To date, PACE has financed five projects totaling over $14 million dollars. Los Angeles County issued its fourth PACE bond on October 31, 2014. This bond funded a $270,000 HVAC upgrade for the Huntington East Medical Building in Glendora. On November 25, 2014, Los Angeles County issued a $100,000 PACE bond for the Masonic Temple Association in Pomona for a solar system upgrade.

At present, over 30 projects are in the pipeline for PACE funding. The County PACE team is working with property owners and financers to move them forward.

F. Regional Sustainability Efforts and Programs

1. CivicSpark

CivicSpark is an AmeriCorps program administered by the Local Government Commission in partnership with the Governor's Office of Planning and Research. This program has placed 48 talented college graduates with a background in environmental sustainability into local governments throughout California to help them with projects pertaining to climate action planning, energy efficiency, and sustainable communities.

ISD is currently serving as the Civic Spark Regional Administrator for Southern California under a contract it executed with the Local Government Commission on November 1, 2014. ISD entered into Memorandums of Understanding in mid-November with COS, EMD, and DRP to carry out various Civic Spark projects. Civic Spark interns are currently working on: the aforementioned Water Conservation Program and Electric Vehicle projects; the Energy Benchmarking Pilot (discussed below); climate action planning trainings for Councils of Government; and helping to update the County's Municipal Climate Action Plan. Not only are the Civic Spark interns producing high-quality work for the County, they are also obtaining first-hand experience and training on cutting-edge local government sustainability initiatives.

2. Energy Atlas Project with UCLA

As discussed in the prior report to your Board, ISD finalized the Southern California Regional Energy Network-funded contract with UCLA's California Center for Sustainable Communities to develop an interactive "Energy Atlas." This tool will present countywide parcel-level energy usage data (sufficiently aggregated to protect customer privacy) in a visually pleasing and illuminating manner to facilitate informed policy-making around energy issues such as climate action planning and energy benchmarking.

ISD and UCLA hosted two external stakeholder meetings (with the assistance of The Energy Network) and two internal meetings to vet the structure and functionality of the Energy Atlas. UCLA has also presented information about the Energy Atlas to SCE as well as to the CPUC. UCLA is currently: improving mapping functionality on the website; reviewing the accuracy of the underlying geocoding and data findings; and writing a white paper summarizing the methodologies it has employed. UCLA has also collected and organized Energy Strategies 'best practices' throughout the state for inclusion on the website.

Lastly, ISD and UCLA have devised a communications plan, including launching the Energy Atlas at the Conference of Mayors in June.

3. Energy Benchmarking Pilot

The City of Los Angeles and ISD are currently running a building Energy Benchmarking Pilot aimed at identifying high-intensity energy users within the County and facilitating energy use reductions through policies targeting these high-intensity users. The City is in the process of passing an ordinance that will require building owners to benchmark their buildings' energy usage by entering relevant data into the Environmental Protection Agency's Energy Star Portfolio Manager ("Energy Star"). Energy Star will enable building owners to retrieve their

Energy Star scores and/or comparative performance rankings. While the City handles the policy side of the effort, ISD is building the hardware and software infrastructure to support the building benchmarking.
More specifically, ISD is focusing on collecting and storing data. In terms of collecting data, ISD is working on a variety of efforts to enable building owners to retrieve and report on their Energy Star scores. ISD and its GIS staff are developing a map viewer for users to determine their unique building identification numbers (i.e. a County GIS-supplied algorithm).

In terms of storing data, ISD is creating a Standard Energy Efficiency Data (SEED) Platform. SEED is a U.S. Department of Energy open-source software application that helps organizations easily manage data on the energy performance of large groups of buildings. Users can combine data from multiple sources, clean and validate it, and share the information with others.

ISD will continue to develop the County's capacity to collect and hold benchmarking data for cities such as Los Angeles and will eventually implement energy benchmarking throughout the County.

4. Los Angeles Regional Collaborative for Climate Action and Sustainability (LARC)

ISD serves as the County's representative to the LARC and sits on its Governing Board. LARC is an organization committed to supporting climate mitigation and adaptation initiatives by convening representatives from local government, non-profits, academia, and industry to define meaningful approaches to reaching collective climate and sustainability goals. Current representative LARC efforts include the following:

- Released Regional Greenhouse gas inventory data and hosted a webinar for local Councils of Government on the purpose of this release;

- Created training materials (three fact sheets, a PowerPoint presentation, and a video) for cities about what do after a GHG inventory is conducted and why to proceed beyond an inventory;

- Serving as the Southern California regional representative on ARCCA – the Alliance of Regional Collaboratives for Climate Adaptation (ARCCA). ARCCA is a Statewide consortium of climate adaptation organizations comprised of representatives from the Bay Area, Los Angeles, Sacramento, San Diego, of which ISD is an active member;

- Continuing to compile a Framework for Regional Climate Action and Sustainability, which will integrate countywide and jurisdiction-specific best practices and model ordinances for widespread use amongst local government decision-makers;

- Holding forums every third month; and

- Holding monthly membership meetings.

5. Community Choice Aggregation (CCA)

On March 17, 2015, the Board of Supervisors directed ISD to prepare a report back to the Board in 90 days on the feasibility of the County and cities within the County to develop a CCA program.

CCA allows cities and counties to aggregate their buying power to secure electrical energy supply contracts on a region-wide basis. In California, CCA was adopted into law in September 2002. Over the last five years, CCA has become an increasingly popular option among local governments interested not only in providing greater customer choice and competitive energy pricing, but also in obtaining power from cleaner and renewable sources. CCA programs typically offer consumers the choice to opt-in or to opt-out of partially and/or fully renewable energy programs.

ISD will report back on the costs, benefits and risks of CCA; potential CCA operational and financial models; the benefits of CCA scale (involving many cities and the County); potential partnering opportunities with other local utilities; and potential sources of funding for initial feasibility studies.

6. State and Federal Legislation

Pursuant to County legislative priorities, ISD works with analysts in Sacramento and Washington, D.C. to monitor and track pertinent legislative activities, especially those which support local government and regional GHG reduction programs and projects. Among the key legislation that ISD will continue to monitor is the implementation of AB 32 and Proposition 39 funds.

ISD has also been working with the California Air Resources Board (CARB) to understand the rollout of the State's Cap & Trade Emissions Market as mandated under AB 32. Under Cap & Trade, large emitters in various industry sectors must reduce their GHG emissions and/or procure allocations for the emissions they produce ("capped entities"). The County's cogeneration plants at Civic Center and Pitchess meet the threshold established by CARB. As capped entities, these plants must comply with emissions reductions targets through 2020. ISD has assessed the impacts to the plants as part of the Fiscal Year 2015-16 Utilities Budget.

ISD recently provided input on the state's legislative agenda.

7. The Local Government Sustainable Energy Coalition (LGSEC)

The Local Government Sustainable Energy Coalition unites California cities and counties to leverage resources and work together in energy policy action and innovation as well as climate action. More specifically, it shapes regulatory policy and utility programs by giving member governmental entities one strong voice before regulatory agencies (including the CPUC, the

CEC, and CARB); stays informed and effective on energy issues; learns and shares best practices from experts and member governmental entities; and develops long-term energy strategies.

LGSEC also continues to monitor and officially respond to several regulatory matters, including: statewide energy efficiency programs development/energy data usage issues; energy efficiency financing; and long-term utility resource procurement planning. ISD's Office of Sustainability is the current board chair of the LGSEC.

CONCLUSION

Additional information about the programs described in this report, and other energy and environmental programs that are administered by other departments within the County and throughout the region, can be found at the County's comprehensive energy and environmental website: http://green.lacounty.gov.

If you have any questions, please contact me at (323) 267-2103 or Howard Choy at (323) 267-2006.

DC:HC:JC

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