



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Amber Rockwell, CORE Manager  
Jim Steffens, Interim Electric Utility Director

**MEETING DATE:** January 9, 2024

**SUBJECT:** Consideration of Resolution 2024-03, Approval of the Synergy Professional Services Agreement for Energy Efficiency Programs through a Task Order with the Southern California Public Power Authority (SCPPA)

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### **RECOMMENDATION:**

Adopt Resolution 2024-03:

1. Approving the energy efficiency program professional service agreement with Synergy through Southern California Public Power Authority (SCPPA) for an amount not to exceed \$600,000 over three fiscal years and authorize the City Manager or his designee to execute all necessary agreements.
2. Authorizing the City Manager, or their designee to make necessary bucket adjustments, appropriations, and transfers related to this resolution.

### **BACKGROUND:**

SCPPA is a Joint Powers Authority, formed in 1980 under the Joint Exercise of Powers Act of the California Legislature. The City of Banning Electric Utility is one of eleven municipal utilities and one irrigation district that make up the members of SCPPA. Over the years, SCPPA's role has evolved from generation and transmission acquisition, to include legislative advocacy and cooperative efforts to reduce member costs and improve efficiency.

As a SCPPA member, the City of Banning Electric Utility has the benefit of participating in Professional Services Agreements that SCPPA executes at the request of, and on the behalf of, its members. The Electric Department participates in SCPPA's Public Benefit Committee where activities include the preparation of a State required annual report, which details the use of Public Benefit Funds, and the exchange of information regarding energy efficiency (EE), renewable energy, research, and development programs and low-income services.

In 2022, The Synergy Energy Audit Measures (S.E.A.M.) program replaced the Business Energy Efficiency Funds (B.E.E.F) Program. The BEEF Program limited energy audits and EE direct installs to only commercial businesses. Seeing the need to help a growing number of low-income customers, the S.E.A.M. Program was developed. This program assists an underserved segment of the community while still providing free energy audits and EE direct installs to City of Banning businesses. Under the S.E.A.M. Program, free energy audits and EE measures are now offered to manufactured homes and single-family residences as well.

On September 12, 2023, Resolution 2023-158 was passed ratifying all current SCPPA Task Orders and Master Service Agreements. Within this resolution was the adoption of Task Order BEU-01 and Master

Services Agreement for Synergy Companies. The expiration on this Task Order was October 15, 2023. At this time, direction was given by to only seek approval for existing Task Orders and Master Service Agreements and bring forth new Task Orders and Master Service Agreements through SCPPA for approval on a future date. Task Order BEU-01 expired before execution.

**JUSTIFICATION:**

California Assembly Bill 723 requires municipal electric utilities to collect revenues for the following Public Benefit Programs:

- (1) Cost-effective demand-side management services to promote energy efficiency and energy conservation.
- (2) New investments in renewable energy resources and technologies consistent with existing statutes and regulations which promote those resources and technologies.
- (3) Research, development and demonstration programs for the public interest to advance science or technology which is not adequately provided by competitive and regulated markets.
- (4) Services provided for low-income electricity customers, including but not limited to, targeted energy efficiency services and rate discounts

Synergy Companies currently administers energy savings programs for small business audits with direct installations, manufactured homes and residential audits with direct installation, and municipal department (EE) updates.

**FISCAL IMPACT:**

Funds for program expenditures shall be effective from January 9, 2024, to October 15, 2026, with a not to exceed amount of \$600,000 for the term of the Task Order. Funds will be budgeted in Public Benefits account 675-7020-473.42-58.

Year Estimated Amount  
2023/2024 \$200,000  
2024/2025 \$200,000  
2025/2026 \$200,000

**ALTERNATIVES:**

1. Adopt Resolution 2024-03 as recommended.
2. Do not approve Resolution 2024-03 and discontinue City of Banning Electric Utility S.E.A.M. program, abandoning all current projects and dismissing those customers on the current waitlist.

**ATTACHMENTS:**

1. [Resolution\\_2024-03\\_\\_Synergy.pdf](#)
2. [Exhibit A\\_SCPPA\\_Task\\_Order\\_BEU\\_02\\_-\\_Synergy\\_updated\\_\\_002\\_.pdf](#)
3. [2023\\_-\\_CC\\_Resolution\\_No.\\_2023-158\\_-\\_Ratifying\\_SCPPA\\_Task\\_Orders.pdf](#)
4. [2023 Synergy updated MSA valid until 10-15-26.pdf](#)
5. [BEU-01-A-01\\_Synergy - signed not executed.pdf](#)
6. [SEAM Program 1 Page Flier Business.pdf](#)
7. [SEAM Program 1 Page Flier MHP.pdf](#)
8. [SEAM Program 1 Page Flier SFR.pdf](#)