



ABAG

**BAY
AREA** Regional
Energy
Network

“Bay Area communities working together for a sustainable energy future.”

August 28, 2015

California Air Resources Board
Sacramento, California

**RE: ABAG - BayREN COMMENTS ON THE DRAFT CAP AND TRADE AUCTION
PROCEEDS TRIENNIAL INVESTMENT PLAN**

Dear Air Resources Board:

The Association of Bay Area Governments, on behalf of the San Francisco Bay Area Regional Energy Network, (“BayREN”) is pleased to submit this letter in support of the Draft Cap and Trade Auction Proceeds Triennial Investment Plan (“Draft Plan”). Regional Energy Networks are a successful new organizational structure that the California Public Utilities Commission authorized in 2013 to deliver regional-scale energy efficiency solutions to California. The BayREN is a collaboration of the nine cities and counties that make up the Bay Area. BayREN members are working already to make progress on the policies and programs described in the Draft Plan. We are ready to expand our efforts to achieve even greater reductions in emissions of greenhouse gases.

The Draft Plan should have as a goal the creation of stronger partnerships with local governments. Local governments are key partners for the State in achieving its climate and related goals. We encourage the State to work to strengthen the capacity of local governments to do this work, recognizing the critical role local governments have in many areas, including policy, zoning, codes, permitting, financing, program development and implementation.

The BayREN implements effective energy saving programs on a regional level and draws on the expertise, experience, and proven track record of Bay Area local governments to develop and administer successful climate, resource, and sustainability programs. Since its inception, the BayREN has been addressing the three areas indicated by CPUC Decision 12.11.015 in the formation and implementation of programs: filling gaps that the Investor Owned Utilities are not serving; developing programs for hard to reach markets; and piloting new approaches to programs that may have the ability to scale and offer innovative avenues to energy savings. To date, the result of the BayREN residential programs alone is savings of 3,846,643 kWh and 379,792 therms, \$9.9 million dollars paid to residents in incentives for making energy efficient improvements, and the generation of over \$3.5 million in contractor wages.

Preliminary Evaluation, Measurement, and Verification findings show that the BayREN is an overwhelming success. Customer satisfaction for our main programs evaluated were rated 9

out 10 for satisfaction, with 10 being very satisfied. Over the last two years, we have successfully ramped up programs and have met or exceeded our targets. We are administering and managing a broad variety of programs to build capacity and confirming local governments as viable and successful delivery channels for energy efficiency.

As the BayREN and our members think about what would most assist local governments in increasing progress on climate goals, it is streamlining access to resources. As local governments, we implement programs that cut across multiple State agencies, including the several that were on the dais at the public symposium in Oakland. This requires us to submit multiple applications and reports, and to observe related but slightly different requirements on a range of topics. All this administrative detail detracts from the time and resources we would otherwise devote to program delivery. Moreover, most jurisdictions – particularly the smaller ones – lack the resources to participate in the different regulatory proceedings and associated processes. Local governments have numerous climate-related mandates, yet are often unable to comply given limited resources.

Related, we have found that regional collaborative approaches such as the BayREN are an effective tool for reaching multiple local governments. Consolidating and leveraging resources through counties and other regional organizations, including purchasing power, knowledge, marketing and outreach, and implementation, is showing great results, as described above. As local governments, we are trusted agents in the community and have close ties with to the community, business and residents. Further, we are mission- driven, not profit-based. Having diversified funding will allow local governments to better integrate climate action planning and to consider and develop services beyond energy efficiency that can address water, transportation, solar, resiliency and other areas. Delivering services on a regional level allows for efficiencies and greater impacts.

With these two goals in mind – to streamline access to resources and build on regional collaboration – the BayREN supports the proposal that is being submitted by the Local Government Commission for a Climate Funding Joint Powers Authority. A JPA that consolidates access to resources across State government, streamlining application processes, would be very attractive to local governments.

The BayREN looks forward to working with CARB and the other State agencies.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald Lahr". The signature is fluid and cursive, with the first name "Gerald" being more prominent than the last name "Lahr".

Gerald Lahr
Energy Program Manager
Association of Bay Area Governments