

MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

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TO:	Commissioners Simpson, Brown, Helgeson, Manning and Mital		
FROM:	Mark Freeman, Customer Service & EMS Manager and Kathy Grey, Energy Management Programs Supervisor		
DATE:	February 21, 2013		
SUBJECT:	Intergovernmental Agreement for Limited Income Whole House Efficiency Services		

Issue

The Board is being asked to review and approve a five-year intergovernmental agreement with the Housing and Community Services Agency (HACSA) of Lane County to provide whole house retrofit services for eligible limited-income households in Eugene Water & Electric Board's (EWEB) electric service territory.

Background

EWEB's Energy Management Services (EMS) department offers rebates, incentives and loans to all program participants. Since 1982, EMS has provided additional subsidies to limited income customers on top of the standard program amounts. When creating the 2013 budget, limited income assistance was reduced to its base amount of \$1.7 million. At the same time EMS was making budget adjustments which resulted in enough savings to allocate \$500,000 for a limited income whole house program. This program would pay 100% of the cost to install qualifying energy efficiency upgrades for eligible customers.

Discussion

EMS has identified that a partnership with HACSA provides an opportunity to share labor and funding resources; maximizes budgets for both organizations; and reaches those customers who have the greatest need for these services. HACSA is familiar with conducting whole house assessments, EWEB/BPA-compliant residential efficiency programs, and the administrative tracking and reporting obligations that EWEB/BPA expects. Their ability to make economy-of-scale purchases of energy-efficient materials and products and their access to other funding make it possible for HACSA to provide a more comprehensive whole house retrofit service to these households.

This program concept is being piloted in 2013, and will target EWEB owner-occupied customers whose income is defined as 60% below State of Oregon median income guidelines; and an impact and participant evaluation will be conducted to determine effectiveness of this program concept. Continued funding for the program will be dependent on the success of the pilot.

Recommendation

Management recommends the Board approve a five-year intergovernmental agreement (IGA) with HACSA to provide whole house retrofit services for eligible limited-income households in EWEB's service territory.

Requested Board Action

Approve five-year IGA with HACSA. Funds for this work are budgeted annually and are in the EMS 2013 budget.

EWEB BOARD AGENDA ITEM ACTION REQUEST

For Contract Awards, Renewals, and Increases generally over \$1 million

The Board is being asked to approve a new Intergovernmental Agreement (IGA) with Lane County Housing and Community Services Agency (HACSA) for participant identification and energy-efficiency services for eligible limited-income households in EWEB's service territory.

Backgrounder ("See backgrounder	Action	Requested:		
Board Meeting Date: March 5,	2013			Contract Award Contract Renewal
Project Name/Contract#: Limited-I	ncome Weatherizatio	on Services		Contract Increase
Primary Contact: Mark Fre	eman Ext. <u>7061</u>			Other
Secondary Contact: Debra Sr	nith, AGM	Ext. 7196		
Purchasing Contact: Quentin I	urrow	Ext. <u>7380</u>		
Contract Amount:			Fundir	ig Source:
Original Contract Amount:	\$ <u>2.5 million (over five years)</u> \$			Budget Reserves New Revenue Bonding Other
Additional \$ Previously Approved:				
Invoices over last approval:	\$			
Percentage over last approval:	%			Other
Amount this Request:	\$ <u>2.5 million</u>			
Resulting Cumulative Total:	\$ <u>2.5 million</u>		Form o	of Contract:
Contracting Method: Method of Solicitation:	<u>N/A</u>			Single Purchase Services Personal Services
If applicable, basis for exemption:	<u>N/A</u>		<u> </u>	Construction IGA
Term of Agreement:	March 2013 – December 2017			Price Agreement Other
Option to Renew?	No			

Approval for purchases "as needed" for the life of the contract No

The Board is being asked to approve a new Intergovernmental Agreement (IGA) with Lane County Housing and Community Services Agency (HACSA) for participant identification and energy-efficiency services for eligible limited-income households in EWEB's service territory.

HACSA has been the main provider of limited-income weatherization services throughout Lane County since 1983. The Bonneville Power Administration (BPA) under its Energy Conservation Agreement (ECA) programs allows for utilities to receive reimbursement for each dollar spent with limited-income service providers (such as HACSA) for qualified energy-savings, not to exceed 100% of the costs. This IGA is recognized by BPA for BPA's ECA programs. EWEB will provide funding to HACSA and in return EWEB claims all allowable ECA energy-savings and reimbursements. This allows HACSA the ability to provide a broader range of efficiency improvements to EWEB customers.

HACSA's work under this IGA includes; (1) the identification of qualified limited-income households; and (2) the whole-house energy-efficiency services, which includes conducting energy audits, arranging installation of energy-efficiency improvements, verification and inspection of completed work, and energy education. This five-year contract represents full weatherization services to approximately1500 low-income households in EWEB's service territory.

ACTION REQUESTED:

Management requests Board approve a new Intergovernmental Agreement (IGA) with Lane County Housing and Community Services Agency (HACSA) for participant identification and energy-efficiency services for eligible limited-income households in EWEB's service territory. Funds for these services were budgeted for 2013 and will be budgeted annually.

SIGNATURES:

Project Coordinator:				
Manager:				
Assistant General Manager:				
Purchasing Manager:				
General Manager:				
Board Approval Date:				
Secretary/Assistant Secretary verification:				