

November 8, 2006

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
November 14, 2006

**MEMORANDA OF UNDERSTANDING (MOU) BETWEEN THE ENERGY
COALITION, SOUTHERN CALIFORNIA EDISON, SOUTHERN CALIFORNIA
GAS COMPANY AND THE CITY OF HERMOSA BEACH**

Recommendation:

That the City Council adopt a resolution approving the subject MOU and direct the City Manager to sign it on behalf of the City.

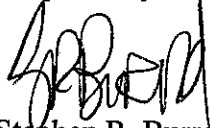
Background:

The City has been a participating city in the Community Energy Partnership Program for the last two years. The attached MOU will allow our continued participation during the 2006-2008 cycle.

The energy saving events have included providing information to residents and visitors. The most notable has been the torchiere light exchange program.

There is no direct cost for the City to participate in the program.

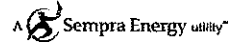
Respectfully submitted,



Stephen R. Burrell
City Manager



**COMMUNITY
ENERGY
PARTNERSHIP**



MEMORANDUM OF UNDERSTANDING

among

**THE ENERGY COALITION,
SOUTHERN CALIFORNIA EDISON COMPANY,
SOUTHERN CALIFORNIA GAS COMPANY**

and

THE CITY OF HERMOSA BEACH

--- INSERT DATE ---

This Memorandum of Understanding is among the City of Hermosa Beach (the "City") and The 2006-2008 Community Energy Partnership Program between Southern California Edison Company ("SCE"), Southern California Gas Company ("SCG") (SCE and SCG shall be referred to hereafter together as the "Utilities") and The Energy Coalition ("EC"), and reestablishes a cooperative relationship regarding energy efficient strategies and programs among the parties, as authorized by the California Public Utilities Commission ("CPUC") for the approved three year, 2006 through 2008, funding cycle.

Purpose

The purpose of the Community Energy Partnership Program (the "2006-2008 Program") is to forge effective strategies and programs to foster smart energy management, build positive relationships between cities, energy consumers and their serving utilities, and to educate communities about sustainable energy efficiency in southern California.

This Memorandum of Understanding facilitates each of the parties' participation in the Program. By participating in the 2006-2008 Program, The Energy Coalition will work with the Utilities, and the City to catalyze, facilitate, and manage a campaign for energy efficiency services in the City. The goals of selected energy efficiency services are to create sustainable electric and natural gas energy savings, and to shape a secure and healthy energy future for the Southern California region.

Facilitating Partner: The Energy Coalition

Background

The 2006-2008 Program is an ongoing project which serves as a model for the delivery of energy efficiency services in California. The 2004-2005 Community Energy Partnership Program was funded through the CPUC as a "partnership" program among the Utilities, EC and ten southern California cities with an aggregate population of over 1,100,000. The 2006-2008 Program retains the ten original participant cities and the CPUC "partnership" program status to further develop the "smart" energy management movement, energy efficient ethic and strengthen the relationships between communities and their serving utilities. **The 2006-2008 Program is funded by California utility ratepayers and administered by Southern California Edison and Southern California Gas Company under the auspices of the California Public Utilities Commission.**

By targeting established social communities within the participating city for specially bundled services, the 2006-2008 Program creates critical masses of activities that lead to synergies in service delivery for the Utilities' energy consumers. The 2006-2008 Program thus creates community savings through reduced utility bills, and builds awareness and community responsibility for local energy use.

This Memorandum of Understanding sets the stage for an effective relationship between the City, the Utilities and EC for the 2006-2008 Program. The 2006-2008 Program features and initiatives include, without limitation:

Tailoring Programs for the Community: At the onset of the 2006-2008 Program, program staff will work jointly with City leaders to develop customized sets of energy efficiency activities. These will guide the delivery of a local energy efficiency campaign, designed, launched, and refined to achieve maximum energy savings benefits for selected communities within the City.

Program Support: The parties will work collaboratively to plan and implement program initiatives that achieve both the educational and energy savings goals of the 2006-2008 Program. EC's role as facilitator is to bear primary responsibility for project management, performance tracking and program implementation. In addition, EC's role is to provide the comprehensive communication and outreach campaign required to foster effective community organizing. The City will support the 2006-2008 Program in collaborative project promotion, event planning and selection, and in establishing a credible "presence" for the 2006-2008 Program within the City. The Utilities will assist in program delivery and community outreach, provide administrative and regulatory support and as necessary fill delivery gaps in the 2006-2008 Program.

PEAK Student Energy Actions: The 2006-2008 Program staff will work with City and school district officials to provide continuous support of PEAK Student Energy Actions within the City. PEAK serves as an effective core activity for the 2006-2008 Program, engaging students, their families, schools, and the surrounding communities in the overall Program movement. PEAK provides teacher professional development, provision of curricula, simulation software and tool kits. In addition to offering ongoing support,

PEAK facilitates contests, special events, community education fundraisers, field trips, and summer programs.

Community Efficiency Tune-ups: The residential and small business Community Efficiency Tune-ups program ("Tune-ups") demonstrate the 2006-2008 Program's comprehensive approach to energy and resource management in which electric, peak demand, natural gas, and water savings accrue. The Tune-ups also highlight the hybrid approach of combining directly installed energy efficient and energy savings measures with education while linking the energy consumer to other utility demand side programs, city programs and assistance, and other localized efforts.

Events: 2006-2008 Program events introduce the City to energy efficient technologies, and serve as the community organizing function of the 2006-2008 Program by raising awareness of the value of saving energy and educating citizens on how to manage its use wisely. Events also serve to promote positive relationships between the Utilities, participating cities, and their energy consumers; provide venues for community education, opportunities to distribute samples of energy efficient products; and inform participants of programs offered by the Utilities that are available to help them reduce their energy consumption. 2006-2008 Program events may be in conjunction with pre-planned City events or may be stand-alone events managed by the 2006-2008 Program.

Professional Support Services: The 2006-2008 Program will work to support the City's independent energy efficiency initiatives through technical and advisory support services. These could include assistance with remodeling or upgrade assessments, energy planning, program development, education, and engineering.

Each party agrees to use good faith efforts, from the Effective Date specified below until December 31, 2008, to collaborate in the implementation of the 2006-2008 Program within in the City of Hermosa Beach as described in this Memorandum of Understanding, provided, however that, the parties acknowledge and agree that this Memorandum of Understanding does not constitute, nor is intended to create or constitute, any legally-binding agreement, obligation or responsibility of any party.

In addition, notwithstanding anything contained in this Memorandum of Understanding to the contrary, this Memorandum of Understanding is not intended to, and does not, form any "partnership" within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

The above represents the Memorandum of Understanding between The Energy Coalition Southern California Edison Company, Southern California Gas Company and the City of Hermosa Beach, effective this _____ day of _____, 2006 ("Effective Date").

John Phillips
Executive Director
The Energy Coalition

Steve Burrell
City Manager
Hermosa Beach, California

Gene Rodrigues
Director of Energy Efficiency
Southern California Edison Company

Mark Gaines
Director of Customer Relations
Southern California Gas Company

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, AUTHORIZING THE CITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE ENERGY COALITION, A CALIFORNIA NON-PROFIT CORPORATION, SOUTHERN CALIFORNIA EDISON COMPANY AND SOUTHERN CALIFORNIA GAS COMPANY, TO DELIVER AN ENERGY EFFICIENCY PROGRAM AMONG SOUTHERN CALIFORNIA CITIES, KNOWN AS THE "COMMUNITY ENERGY PARTNERSHIP"

WHEREAS, The Community Energy Partnership is a multidimensional energy efficiency direct install and education program funded by California utility ratepayers and administered by Southern California Edison and Southern California Gas Company under the auspices of the California Public Utilities Commission; and

WHEREAS, The City of Hermosa Beach enters into the Community Energy Partnership, with The Energy Coalition and its implementing partners – Southern California Edison and Southern California Gas Company, and the cities of Brea, Cathedral City, Corona, Hermosa Beach, Irvine, Moreno Valley, Palm Desert, San Bernardino, Santa Clarita and Santa Monica - having been nominated by the implementing partners to continue its participation in this project; and

WHEREAS, The purpose of the Community Energy Partnership Program is to build positive relationships among cities, energy consumers, and their serving utilities and to educate communities about sustainable energy efficiency practices, fostering a smart energy management movement and contributing to a reliable energy future for the State of California; and

WHEREAS, The Energy Coalition, Southern California Edison and Southern California Gas Company have demonstrated their ability to work with Southern California Municipalities, and with the City of Hermosa Beach since 2004, to successfully implement energy efficiency programs and achieve energy savings for the participating cities and their communities; and

WHEREAS, The Energy Coalition, as facilitating partner in the Community Energy Partnership, bears primary responsibility for project management, performance tracking and implementation of energy efficiency programs and services to populations of the City; and

WHEREAS, All projects in the City will be coordinated through an appointed City staff liaison to ensure that proposed projects meet the City's intended energy efficiency goals and target City residents, schools and businesses; and

WHEREAS, The City of Hermosa Beach enters into this Memorandum of Understanding with the sole obligations listed therein.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City of Hermosa Beach will enter into a Memorandum of Understanding with The Energy Coalition, Southern California Edison Company and Southern California Gas Company to implement the Community Energy Partnership in the City.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Hermosa Beach, California at a regular meeting held this 14th day of November, 2006.

PRESIDENT of the City Council and **MAYOR** of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney