



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Public Benefits Program Grant – Lodi B.E.S.T. (Business Energy Survey & Technology) Project (\$75,000)

MEETING DATE: December 20, 2000

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council approve the Lodi B.E.S.T. (Business Energy Survey & Technology) Project, a new Public Benefits Program designed for medium-sized commercial customers in Lodi.

BACKGROUND INFORMATION: The City of Lodi Electric Utility has created the Lodi B.E.S.T. Project for commercial customers on the G-2 and G-3 electric utility rate (commercial accounts consuming in excess of 8,000 kilowatt hours of electricity per month). There are approximately 300 of these medium-sized commercial customers in Lodi.

The Lodi B.E.S.T. Project involves a two-part process for these targeted commercial customers:

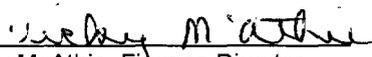
- 1) physical assessment of the customer's facility, resulting in the generation of a detailed energy audit (this report will contain specific energy efficiency/conservation measures, and a review of the facilities energy consumption);
- 2) if the customer chooses to implement the proposed energy conservation measures, they would receive a 25% rebate towards the purchase & installation of recommended energy efficient equipment and materials.

In order to effectively manage the project, the City of Lodi Electric Utility will partner with Planergy International (formerly Energy Masters International- EMI), the City's chosen energy services group, in the production of these energy audits. The Lodi B.E.S.T. Project has a proposed budget of \$75,000, and Electric Utility staff projects that up to twenty (20) medium-sized commercial customers could participate (receive an energy audit and pursue implementation of designated energy conservation measures) in the program during the course of 2001.

Depending upon the nature of the energy efficiency improvement(s), such as lighting, HVAC system upgrades, other mechanical system retrofits, and the size of their facility, the customer could anticipate reduced energy costs by as much as 10% to 25% on a monthly basis.

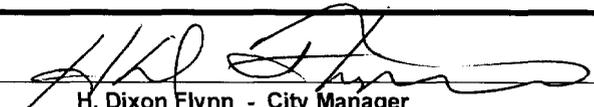
FUNDING: Public Benefits Program Fund – 164605 (Category: Demand-side Management Services)

Funding Approval:


Vicky McAthie, Finance Director


Alan N. Vallow
Electric Utility Director

PREPARED BY: Rob Lechner, Manager of Customer Programs
ANV/RL/1st
C: City Attorney

APPROVED: 
H. Dixon Flynn - City Manager

RESOLUTION NO. 2000-232

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO PROVIDE A PUBLIC BENEFITS GRANT IN THE AMOUNT
OF \$75,000.00 TO FUND THE LODI BUSINESS ENERGY SURVEY &
TECHNOLOGY (B.E.S.T.) PROJECT

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WHEREAS, the State has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on a historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1M per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, this project will assist the commercial customers on the G-2 and G-3 electric utility rate schedule (commercial accounts consuming in excess of 8,000 kilowatt hours of electricity per month). There are approximately 300 of these medium-sized commercial customers in Lodi; and

WHEREAS, the Lodi B.E.S.T. Project involves a two-part process for these targeted commercial customers:

- 1) physical assessment of the customer's facility, resulting in the generation of a detailed energy audit (this report will contain specific energy efficiency/conservation measures, and a review of the facilities energy consumption);
- 2) if the customer chooses to implement the proposed energy conservation measures, they would receive a 25% rebate towards the purchase & installation of recommended energy efficient equipment and materials.

WHEREAS, in order to effectively manage the project, the City of Lodi Electric Utility will partner with Planergy International (formerly Energy Masters International-EMI), the City's chosen energy services group, in the production of these energy audits. The Lodi B.E.S.T. Project has a proposed budget of \$75,000, and Electric Utility staff projects that up to twenty (20) medium-sized commercial customers could participate (receive an energy audit and pursue implementation of designated energy conservation measures) in the program during the course of 2001; and

WHEREAS, depending upon the nature of the energy efficiency improvement(s), such as lighting, HVAC system upgrades, other mechanical system retrofits, and the size of their facility, the customer could anticipate reduced energy costs by as much as 10% to 25% on a monthly basis.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to provide a Public Benefits Program grant in the amount of \$75,000.00 to fund the Lodi Business Energy Survey & Technology (B.E.S.T.) Project.

Dated: December 20, 2000

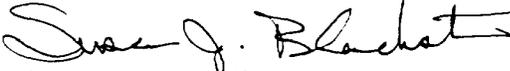
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I hereby certify that Resolution No. 2000-232 was passed and adopted by the Lodi City Council in a regular meeting held December 20, 2000 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk