



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Allocate Additional Funds to the Lodi Energy Efficiency Financing Program (\$150,000)

MEETING DATE: May 18, 2011

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to allocate additional funds to the Lodi Energy Efficiency Financing Program (\$150,000).

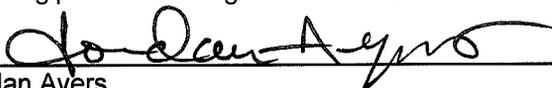
BACKGROUND INFORMATION: In mid-January, Lodi Electric Utility launched the Lodi Energy Efficiency Pilot Project or LEEPP. This program is funded via the Lodi Public Benefits Program, and is designed for G2 commercial customers as a tool to "fund" energy conservation projects. As approved by the City Council, the LEEPP provides a two-year loan of up to \$50,000 for qualifying customers. The loan payment is then attached to the customer's utility bill.

To date, the entire \$250,000 allocated for this program has been loaned to customers or is fully reserved. Most of the energy efficiency projects are lighting retrofits, which traditionally are the most cost-effective energy efficiency projects that commercial and industrial customers pursue. Loan participants include: Delta Convalescent Hospital; Union 76 on Kettleman Lane; Chevron on Kettleman Lane; M & R Packing; Special Commodities, Inc and Wine & Roses.

Staff is requesting that an additional \$150,000 be placed in this unique loan program, as commercial and industrial customers, as well as various third-party contractors, are contacting the utility seeking to participate. Staff also recommends that the program be expanded to include utility customers assigned to the G3, G4, G5, and I1 utility rates.

FISCAL IMPACT: \$150,000 would be transferred from the Lodi Public Benefits Program fund to this pilot project. The pilot project is a loan program, thus funds provided to customers under this program are ultimately returned in full to the appropriate account. The utility will, over time, see decreased energy sales as a result of the energy efficiency/conservation measures installed by participating customers.

FUNDING: Funding provided through the Public Benefits Fund (Fund 164)

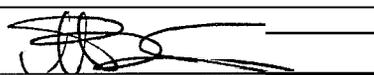


 Jordan Ayers
 Deputy City Manager/Internal Services Director



 Elizabeth A. Kirkley
 Electric Utility Director

PREPARED BY: Rob Lechner, Manager, Customer Service & Programs
 EAK/RL/lst

APPROVED: 

 Konradt Bartlam, City Manager

RESOLUTION NO. 2011-76

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO ALLOCATE
\$150,000 FROM THE LODI PUBLIC BENEFITS
PROGRAM TO THE LODI ENERGY EFFICIENCY
FINANCING PROGRAM

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WHEREAS, the City of Lodi Electric Utility Department has created the Lodi Energy Efficiency Financing Pilot Project; and

WHEREAS, the Lodi City Council has approved this unique energy efficiency financing program for designated commercial and small industrial energy customers to pursue energy conservation projects; and

WHEREAS, with the initial funding for this pilot project now fully reserved by numerous customers, staff is seeking to expand this energy conservation loan program to allow additional commercial and industrial customers the opportunity to participate.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby allocate an additional \$150,000 to the Lodi Energy Efficiency Financing Program to assist commercial and industrial customers with various energy conservation projects.

Dated: May 18, 2011

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I hereby certify that Resolution No. 2011-76 was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 18, 2011, by the following vote:

AYES: COUNCIL MEMBERS - Hansen, Katzakian, Nakanishi, and
Mayor Johnson

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - Mounce

ABSTAIN: COUNCIL MEMBERS - None



RANDI JOHL
City Clerk