

**First Amendment to
the Tri-County Regional Energy Network (3C-REN)
Memorandum of Agreement**

**Among the County of Ventura,
the County of Santa Barbara
and the County of San Luis Obispo**

This "First Amendment" to the 2019-2025 Tri-County Regional Energy Network Memorandum of Agreement ("MOA"), which became effective February 26, 2019, is made and entered by the County of Ventura, the County of Santa Barbara, and the County of San Luis Obispo (the three counties are hereinafter called individually "MEMBER COUNTY" and collectively "MEMBER COUNTIES") with respect to the following recitals:

Whereas, on June 29, 2023, CPUC Decision 23-06-055, Conclusion of Law 13, was issued and directed Southern California Gas Company ("SoCalGas") to serve as the fiscal agent on behalf of the three investor-owned utilities with territory in the MEMBER COUNTIES' jurisdictions, SoCalGas, Pacific Gas & Electric and Southern California Edison with a role limited to collecting and disbursing funds under the direction of the Commission and should not include a compliance and monitoring function; and

Whereas, on June 29, 2023, CPUC Decision 23-06-055, adopted 3C-REN's energy efficiency portfolio for 2024-2027 and Business Plan for 2024-2031; and

NOW, THEREFORE, the MEMBER COUNTIES hereby agree that the MOA is amended as follows:

1. All references in the MOA to the defined term, "Program Administrator" shall, from and after the Effective Date, be changed to "Portfolio Administrator."
2. Exhibit A is deleted and replaced with Attachment 1, attached hereto.
3. Section 2(c) is amended and restated in its entirety to read as follows:

3C-REN program activities includes: the Single-Family Home Energy Savings Program, the Multifamily Home Energy Savings Program, Codes & Standards Program, Workforce Education & Training Program; Agriculture Technical Assistance; Energy Assurance Services and the Commercial Marketplace Program.

4. Table 3.0 in Section 3 is deleted and replaced with Attachment 2, attached hereto.
5. Exhibit B is deleted and replaced with Attachment 3, attached hereto.
6. Section 13 is amended and restated in its entirety to read as follows:

The term of this MOA commences on February 26, 2019, and expires on December 31, 2027, unless sooner terminated pursuant to section 6.

7. Except for the amendments and modifications described herein, all other terms and conditions of the MOA shall remain in effect.
8. The MEMBER COUNTIES agree that this First Amendment may be transmitted and signed by electronic or digital means by either/any or all parties and that such signatures shall have the same force and effect as original signatures, in accordance with California Government Code Section 16.5 and California Civil Code Section 1633.7

IN WITNESS WHEREOF, the MEMBER COUNTIES have executed this First Amendment through their duly authorized representatives on the dates written below.

[SIGNATURES ON FOLLOWING PAGES]

COUNTY OF VENTURA:

By: _____
Sevet Johnson, PsyD, County Executive Officer

DATED: _____

COUNTY OF SAN LUIS OBISPO:

BY: _____

Trevor Keith

Director, Department of Planning and Building

DATED: _____

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL

County Counsel

BY: _____

Deputy County Counsel

DATED: _____

COUNTY OF SANTA BARBARA:

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

By: _____
Das Williams
Chair, Board of Supervisors

APPROVED AS TO ACCOUNTING FORM:
BETSY SCHAFFER, CPA
AUDITOR-CONTROLLER

By: _____
Deputy Auditor- Controller

By: _____
Department Head

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVE AS TO FORM:
GREG MILLIGAN , ARM AIC
RISK MANAGEMENT

By: _____
Risk Manager

Attachment 1

EXHIBIT A

Scope of Work

Task 1. Administration (Admin)

Admin activities include any actions necessary to support 3C-REN programs and ensure compliance with California Public Utilities Commission (CPUC) regulatory requirements. Admin activities include, but are not limited to, the following:

- Prepare, review, and submit reports and invoices
- Participate in CPUC regulatory activities (e.g., proceedings, rulemakings, workshops) either in person or via written comments

Task 2. Marketing, Education, and Outreach (ME&O)

ME&O activities include any communications activities designed to identify, reach and motivate potential program participants to participate in a 3C-REN program. ME&O activities include, but are not limited to, the following:

- Development and deployment of marketing and outreach campaigns
- Preparation and distribution of explanatory mailers or other promotional materials
- Conducting or participating in outreach events
- Advertising, media, newspaper, website, and related marketing activities

Task 3. Direct Implementation (DI)

DI activities include any actions taken in the course of implementing 3C-REN programs related to program theory, planned program processes and direct interface with a program participant. DI activities include, but are not limited to, the following:

- Program planning, development, design and implementation
- Development of program goals, budgets and milestones
- Education and training of program participants and others (e.g., contractors, local governments)
- Providing program participant support and responding to participant inquiries (e.g., calls, emails, letters)
- Compiling and maintaining information (e.g., data, customer records) for program participants and projects

Attachment 2

Exhibit B

Table 3.0:

Member Counties	2024	2025	2026	2027
Santa Barbara				
Labor	\$867,180	\$910,564	\$956,058	\$1,003,867
Implementation	\$561,500	\$565,000	\$673,000	\$676,000
Total REN SB Expenses	\$1,428,680	\$1,475,564	\$1,629,058	\$1,679,867
San Luis Obispo				
Labor	\$718,978	\$740,544	\$762,766	\$785,649
Implementation	\$562,000	\$587,000	\$612,000	\$637,000
Total REN SLO Expenses	\$1,280,978	\$1,327,544	\$1,374,766	\$1,422,649
Ventura				
Labor	\$964,420	\$993,690	\$1,033,438	\$1,074,775
Implementation	\$682,567	\$746,499	\$823,641	\$874,500
Total REN VC Expenses	\$1,646,987	\$1,740,189	\$1,857,078	\$1,949,275
REN Wide Admin	\$686,679	\$706,817	\$745,700	\$770,511
REN Wide Marketing	\$377,331	\$380,003	\$382,768	\$385,630
REN Wide Implementation	\$3,999,775	\$4,298,515	\$4,485,132	\$4,912,511
REN Wide Incentives	\$6,492,014	\$6,732,640	\$6,979,576	\$7,364,552
REN Wide EM&V*	\$663,018	\$694,220	\$727,253	\$770,208
Total REN Wide Expenses	\$12,218,817	\$12,812,195	\$13,320,429	\$14,203,412
Grand Total	\$16,575,462	\$17,355,492	\$18,181,332	\$19,255,203
*Evaluation, Measurement, and Verification				

Attachment 3

Allowable Cost Categories

CPUC Allowable Costs Table¹

Cost Categories	
Administrative Cost Categories	
Allowable Costs	
Managerial and Clerical Labor	
IOU Labor - Clerical	Subcontractor Labor - Clerical
IOU Labor - Program Design	Subcontractor Labor - Program Design
IOU Labor - Program Development	Subcontractor Labor - Program Development
IOU Labor - Program Planning	Subcontractor Labor - Program Planning
IOU Labor - Program/Project Management	Subcontractor Labor - Program/Project Management
IOU Labor - Staff Management	Subcontractor Labor - Staff Management
IOU Labor - Staff Supervision	Subcontractor Labor - Staff Supervision
Human Resource Support and Development	
IOU Labor - Human Resources	Subcontractor Labor- Human Resources
IOU Labor - Staff Development and Training	Subcontractor Labor - Staff Development and Training
IOU Benefits - Administrative Labor	Subcontractor Benefits - Administrative Labor
IOU Payroll Tax - Direct Implementation Labor ²	Subcontractor Benefits - Direct Implementation Labor
IOU Payroll Tax - Marketing/Advertising/Outreach Labor ³	Subcontractor Benefits - Marketing/Advertising/Outreach Labor
IOU Payroll Tax - Administrative Labor	Subcontractor Payroll Tax - Administrative Labor
IOU Payroll Tax - Administrative Labor	Subcontractor Payroll Tax - Direct Implementation Labor
IOU Payroll Tax - Administrative Labor	Subcontractor Payroll Tax - Marketing/Advertising/Outreach Labor
IOU Pension - Administrative Labor	Subcontractor Pension - Administrative Labor
IOU Pension - Direct Implementation Labor	Subcontractor Pension - Direct Implementation Labor
IOU Pension - Marketing/Advertising/Outreach Labor	Subcontractor Pension - Marketing/Advertising/Outreach Labor
Travel⁴ and Conference Fees	
IOU Conference Fees ⁶	Subcontractor - Conference Fees
IOU Labor - Conference Attendance	Subcontractor Labor - Conference Attendance
IOU Travel - Airfare	Subcontractor - Travel - Airfare
IOU Travel - Lodging	Subcontractor - Travel - Lodging
IOU Travel - Meals	Subcontractor - Travel - Meals
IOU Travel - Mileage	Subcontractor - Travel - Mileage
IOU Travel - Parking	Subcontractor - Travel - Parking
IOU Travel - Per Diem for Misc. Expenses	Subcontractor - Travel - Per Diem for Misc. Expenses
Overhead (General and Administrative) - Labor and Materials	
IOU Equipment Communications	IOU Labor - Accounts Receivable
IOU Equipment Computing	IOU Labor - Administrative
IOU Equipment Document Reproduction	IOU Labor - Facilities Maintenance
IOU Equipment General Office	IOU Labor - Materials Management
IOU Equipment Transportation	IOU Labor - Procurement
IOU Food Service	IOU Labor - Shop Services
IOU Office Supplies	IOU Labor - Transportation Services
IOU Postage	IOU Labor - Automated Systems
IOU Labor - Accounting Support	IOU Labor - Communications
IOU Labor - Accounts Payable	IOU Labor - Information Technology

Overhead (General and Administrative) - Labor and Materials (continued)	
IOU Labor - Telecommunications	Subcontractor Labor - Accounts Receivable
Subcontractor Equipment Communications	Subcontractor Labor - Facilities Maintenance
Subcontractor Equipment Computing	Subcontractor Labor - Materials Management
Subcontractor Equipment Document Reproduction	Subcontractor Labor - Procurement
Subcontractor Equipment General Office	Subcontractor Labor - Shop Services
Subcontractor Equipment Transportation	Subcontractor Labor - Administrative
Subcontractor Food Service	Subcontractor Labor - Transportation Services
Subcontractor Office Supplies	Subcontractor Labor - Automated Systems
Subcontractor Postage	Subcontractor Labor - Communications
Subcontractor Labor - Accounting Support	Subcontractor Labor - Information Technology
Subcontractor Labor - Accounts Payable	Subcontractor Labor - Telecommunications
Marketing/Advertising/Outreach Cost	
Allowable Costs	
IOU - Advertisements / Media Promotions	Subcontractor - Bill Inserts
IOU - Bill Inserts	Subcontractor - Brochures
IOU - Brochures	Subcontractor - Door Hangers
IOU - Door Hangers	Subcontractor - Print Advertisements
IOU - Print Advertisements	Subcontractor - Radio Spots
IOU - Radio Spots	Subcontractor - Television Spots
IOU - Television Spots	Subcontractor - Website Development
IOU - Website Development	Subcontractor Labor - Marketing
IOU Labor - Marketing	Subcontractor Labor - Media Production
IOU Labor - Media Production	Subcontractor Labor - Business Outreach
IOU Labor - Business Outreach	Subcontractor Labor - Customer Outreach
IOU Labor - Customer Outreach	Subcontractor Labor - Customer Relations
IOU Labor - Customer Relations	
Direct Implementation	
Allowable Costs	
Financial Incentives to Customers Activity - Direct Labor	
IOU Labor - Curriculum Development	Subcontractor Labor - Facilities Audits
IOU Labor - Customer Education and Training	Subcontractor Labor - Curriculum Development
IOU Labor - Customer Equipment Testing and Diagnostics	Subcontractor Labor - Customer Education and Training
IOU Labor - Facilities Audits	Subcontractor Labor - Customer Equipment Testing and Diagnostics
Installation and Service - Labor	
IOU Labor - Customer Equipment Repair and Servicing	Subcontractor Labor - Customer Equipment Repair and Servicing
IOU Labor - Measure Installation	Subcontractor Labor - Measure Installation ⁷
Direct Implementation Hardware and Materials	
IOU Audit Applications and Forms	Subcontractor - Direct Implementation Literature
IOU Direct Implementation Literature	Subcontractor - Education Materials
IOU Education Materials	Subcontractor - Energy Measurement Tools
IOU Energy Measurement Tools	Subcontractor - Installation Hardware
IOU Installation Hardware	Subcontractor - Audit Applications and Forms

Rebate Processing and Inspection - Labor and Materials	
IOU Labor - Field Verification	Subcontractor Labor - Field Verification
IOU Labor - Site Inspections	Subcontractor Labor - Rebate Processing
IOU Labor - Rebate Processing	Subcontractor - Rebate Applications
IOU Rebate Applications	
Evaluation, Measurement and Verification	
Allowable Costs	
IOU Labor - EM&V	Subcontractor Labor - EM&V
IOU Materials - EM&V	Subcontractor Materials - EM&V
IOU Benefits - EM&V Labor	Subcontractor Benefits - EM&V Labor
IOU Overhead - EM&V	Subcontractor Overhead - EM&V
IOU Payroll Tax - EM&V Labor	Subcontractor Payroll Tax - EM&V Labor
IOU Pension - EM&V Labor	Subcontractor Pension - EM&V Labor
IOU Travel - EM&V	Subcontractor Travel - EM&V
The budget/cost items listed on the Allowable Costs sheet are the only costs that can be claimed for ratepayer funded energy efficiency work. If a utility finds that they or one of their contractors/program implementers have additional costs, the utility will obtain approval for that cost from the CPUC's Energy Division. Energy Division will determine whether that cost fits an existing category or cost item and whether it is an acceptable cost item. Upon ED approval, new cost items will be added to the Allowable Costs sheet and included in an updated reporting workbook. The costs reported should be only for costs actually expended. Any financial commitments are to be categorized as commitments. If the reporting entity does not have a cost as listed on the cost reporting sheet, then no cost is to be reported for that item	

¹ The CPUC Allowable Costs Table, dated 1/12/2006, was issued by Administrative Law Judge (ALJ) Meg Gottstein on 2/21/2006 as an Appendix to R.01-08-028, her ALJ Ruling on Reporting Requirements [for utility EE programs]. The Table is applicable to Utilities, Local Government Partnerships, and Third-Party Implementers.

² Correction made to Allowable Costs Table line item. The original line item read, "IOU Payroll Tax – Administrative Labor," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "IOU Payroll Tax – Direct Implementation Labor."

³ Correction made to Allowable Costs Table line item. The original line item read, "IOU Payroll Tax – Administrative Labor," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "IOU Payroll Tax – Marketing/Advertising/Outreach Labor,"

⁴ Employees should refer to the Edison International Travel & Employee Expense Policy (link provided in §5.2 of this Policy) for general guidance on the appropriateness of and limitations on travel expenses.

⁵ For additional guidance and clarification on EE Travel and Conference Fees, see Item No. 2 on Page 2 of Attachment A and Item No. 4 on Page 2 of Attachment B.

⁶ Per Item No. 2 on Page 2 of Attachment A and Item No. 4 on Page 2 of Attachment B, "IOU sponsorships of EE conferences (i.e., "platinum" "gold" level donations) be [are] explicitly prohibited from inclusion in EE"

⁷ Correction made to Allowable Costs Table line item. The original line item read, "Subcontractor Labor – Customer Equipment Repair and Servicing," which was a repeat of the previous line and a typographical error. The clear intent of the line item was, "Subcontractor Labor – Measure Installation."