

Ventura County Regional Energy Alliance

2006 Annual Report

The VCREA mission is to establish Ventura County, its communities and neighboring regions as the leader in developing and implementing durable, sustainable energy initiatives that support sensible growth, healthy environment and economy, enhanced quality of life and greater self-reliance for the region by (1) reducing energy demand and increasing energy efficiency and (2) advancing the use of clean, efficient and renewable local resources.

2006 VCREA Public Agency Members and Representatives

City of Thousand Oaks

Mayor, Dennis Gillette, VCREA Chair
City Councilmember, Jacki Irwin, Alternate Member

Casitas Municipal Water District

Board of Directors Member, Peter Kaiser, VCREA Vice-Chair

County of Ventura

Supervisor Kathy Long, Member
Supervisor Steve Bennett, Alternate Member

City of Ventura

City Councilmember Brian Brennan, Member
City Councilmember, Ed Summers, Alternate Member

City of Oxnard

City Councilmember Dean Maulhardt, Member
Mayor Pro Tem Andres Herrera, Alternate Member

City of Santa Paula

City Councilmember John Procter, Member
City Councilmember MaryAnn Krause, Alternate Member

Ventura County Community College District

President Board of Trustees, Cheryl Heitmann, Member
Board Trustee, Mary Anne Rooney, Alternate Member

Ventura Regional Sanitation District

Board of Directors Member, David Bury, Member
Board of Directors Member, Ken Smedley, Alternate Member

VCREA is a Joint Powers Agency (JPA) composed of public agencies working in collaboration to address the availability, reliability, conservation and innovative use of energy resources in the Ventura County region. Each agency appoints an interested representative to serve on the VCREA Board. Quarterly Board meetings are held in January, April, July and October on the third Thursday of the month; meetings are open to the public. Membership may be expanded at any time to include new public agency members with shared interests and powers in common.

A Brief History

Ventura County Regional Energy Alliance (VCREA) began in response to the electricity crisis of 2000. Local elected officials and business leaders joined forces in a 30-member POWER Task Force to develop public awareness, a strategic plan and undertake a course of advocacy related to California's electrical situation, and more importantly, to address the affects limited power had on the local region.

Working through state and local government representatives and the Ventura County Economic Development Association, a proposal was developed in 2001 and submitted to the California Public Utilities Commission (CPUC) on behalf of the region. Ventura County was selected through a competitive process in 2002 and approximately \$485,000 was allocated for a two-year pilot program to establish a regional energy office.

With the help of the California Local Government Commission, a local Regional Energy Working Group was formed to create an organizational framework. In July 2003 the VCREA was established as a public Joint Powers Agency, and plans were underway to open a collaborative 21st Century regional energy office.

VCREA successfully competed in the 2004-05 CPUC funding cycle to form an innovative partnership with Southern California Edison (SCE) and Southern California Gas Company (SCG) and bring approximately \$1.6 million to the region. The Ventura Partnership operated the Ventura County Energy Resource Center and provided tailored incentive funds and technical assistance to public agencies for energy efficiency improvements.

By the end of 2005, VCREA completed nearly 40 projects, and saved nearly 3.1 million kWh. VCREA leveraged an additional \$1 million in CPUC funds to assist 553 small Ventura County businesses in direct installation measures. Before the year was over, VCREA participated in a \$75,000 grant project linking Energy Efficiency and Green Building to new construction.

Recognized as a strong local partner, VCREA was included in the 2006-08 CPUC funded Local Government Partnership program with SCE and SCG, and awarded a \$2.7 million three-year contract to advance local efforts and deploy utility programs.

Why Focus on Energy Efficiency?

While the VCREA mission is broadly stated, the initial focus has been on energy efficiency. This has proven to be a successful starting point that compliments state and local efforts related to climate change and reduction in fossil fuel consumption.

Since the 1970s, the California Public Utilities Commission (CPUC) has overseen the funding and design of energy efficiency programs in California. The five member commission is appointed by the Governor to regulate the utilities and oversee programs that promote cost-effective and environmentally beneficial investments in energy saving products and technologies.

Energy efficiency programs are funded by the Public Goods Charge (PGC) applied to each customer's bill. The CPUC oversees the allocation of these PGC funds for program implemented through each of the four investor owned utilities in California: Pacific Gas & Electric (PG&E), Southern California Edison (SCE), Southern California Gas Company (SCG), and San Diego Gas & Electric (SDG&E).

The CPUC approves each utility's plan for efficiency programs. Utility programs are also coordinated on a regional and statewide basis through independent service contractors and local government partnerships, like the Ventura Partnership between VCREA, SCE and SCG. The energy efficiency programs provide numerous benefits to California and its residents by reducing energy bills, prolonging the life of the current transmission system, reducing greenhouse gas and pollution, and conserving valuable resources for future generations.

California's energy efficiency programs have historically encompassed some of the largest and most effective programs in the United States, so that the per capita electric consumption in the State has remained nearly unchanged in 30 years. This is a remarkable feat, considering population growth and expanded electronics.

Energy efficiency funding is part of a combined effort by Governor Schwarzenegger, the CPUC, and the California Energy Commission to secure California's energy future and reduce consumption of fossil fuels that are linked to global climate change. The combined results of all these programs is that California will be the most aggressive nation-state in the world in reducing energy usage and reducing the harmful emissions linked to global climate change.

The CPUC authorized \$2 billion in energy efficiency funding for the 2006-08 programs, reaffirming that cost-effective energy efficiency is the State's first line of defense against power shortages. The Ventura Partnership is allocated \$2.7 million of these funds.

The Ventura Partnership

Southern California Gas Company Southern California Edison Ventura County Regional Energy Alliance

The 2006-08 Ventura Partnership Program will again focus on public agencies, but is expanding its efforts to include “community asset” facilities such as schools, libraries and preschools, public housing and not-for-profit medical centers. The Ventura Partnership provides funding and opportunity for:

- The Ventura County Energy Resource Center (VCERC)
- Training seminars, briefings and community outreach programs.
- Delivery of technical services, project support and tailored incentives
- Direct links to utility incentive and rebate programs

With the support of SCE and SCG, the Ventura Partnership has provided utility customers with a direct link to dozens of energy rebates, training programs and customized services such as the LED Holiday Light Strand Exchange Program that distributed 1000 strands to residential customers, and the Agricultural Pump Testing and Irrigation Program in conjunction with Cal State Fresno.

2006 Ventura Partnership Accomplishments

- ***13 Training seminars that benefited 170 individuals***
- ***13 Community Events that reached approximately 67,000 individuals***
- ***44 Marketing and outreach efforts that reached over 604,429 individuals***
- ***Public agency energy efficiency retrofit projects saved 2.6 million kWh.***

In 2007 look for the SCE California Preschool Energy Efficiency Program (CPEEP) to begin, as well as the return of the LivingWise educational program for students.

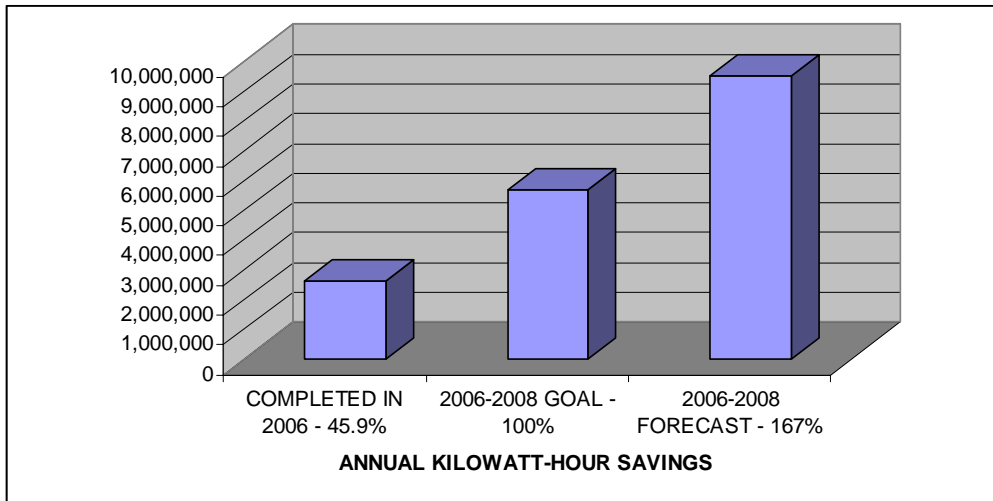
The Ventura Partnership Program is funded by California utility ratepayers and administered by Southern California Gas Company® and Southern California Edison Company, in partnership with Ventura County Regional Energy Alliance (VCREA), under the auspices of the California Public Utilities Commission.

2006 PROJECT ACCOMPLISHMENTS

A central focus of VCREA is assisting public agencies and other eligible organizations to identify and complete energy efficiency projects. While many elements make up this process, the key ingredients are:

- **Sizeable financial incentives** which encourage organizations to give priority to energy projects
- **Technical support** in the form of energy audits, feasibility studies, energy and financial analysis, proposal evaluation, etc.
- **Project management** assistance in developing bid documents, securing qualified contractors/vendors and any necessary support during the installation/construction process

The VCREA goal for the 2006-2008 funding cycle is a reduction of 5,700,000 kilowatt-hours (KwH) through energy efficiency projects. To put this number in perspective, it equals the annual electrical energy use of about 1,000 households. During the first seven months of the program, public agencies completed projects which have an annual savings of 2,617,648 KwH, or almost 46% of our total three-year goal. We estimate that additional project opportunities will allow VCREA to exceed 9,500,000 kWh by the end of 2008. This is 67% above the original goal.



PROJECT SAMPLER

VCREA incentives for these completed projects have averaged about 20% of total projects costs, while in some cases the incentive has been as much as 40% of cost. Public agencies have so far received more than \$280,000 in VCREA incentives for the completed projects. Of even greater value is the ongoing savings from these projects. At current rates, the savings value is about \$300,000 per year. The momentum is continuing with additional energy projects. More than 3.5 million kWh of savings will result from projects that are either currently underway or will begin shortly in 2007. We project that by end of the second quarter 2007, participating agencies will have reached the 5.7 million kWh target; nineteen months ahead of schedule.

VCREA continues to work with participating agencies in identifying even more energy efficiency opportunities. We are confident that over the 2006-2008 funding cycle we will approach, and possibly exceed ten million kilowatt-hours of savings throughout the region.

County Office of Education (Superintendent of Schools)

The Office of Education was an early participant in the 2006-2008 program. Lighting retrofits were completed at a number of their facilities located on the grounds of Camarillo Airport. A second project replaced all the heating, ventilating and air conditioning (HVAC) units at Carl Dwire School in Oxnard. Energy savings from these two projects approach 260,000 kWh per year and will reduce utility expenditures by more than \$36,000 annually. The Office of Education has contracted to do additional lighting retrofits which will be completed early in 2007. Savings from these new projects will be over 200,000 kWh per year.

City of Oxnard

The City is in the process of replacing all traffic and pedestrian signal lamps with LED technology. LED lamps use approximately 90% less electricity than their incandescent predecessors. Phase One of this project was completed in June 2006 and saves in excess of 534,000 kWh per year. The second phase is underway and will yield an additional 500,000 kWh. Savings from both phases will reduce the City's electrical costs by about \$120,000 every year.

County of Ventura

The County's General Services Agency and Department of Airports are continuing their longstanding commitment to energy efficiency. During 2006, the County completed projects that have an annual energy savings of more than 628,000 kWh. Projects included a high-efficiency chiller retrofit at the Hall of Administration, HVAC replacement at the 669 County Square Drive office building and lighting retrofits at a number of facilities. This work, as well as past energy projects, has enabled the County GSA to certify that eight of its major facilities qualify for the prestigious ENERGY STAR rating of the U.S Environmental Protection Agency and Department of Energy.

The County is in the process of initiating a number of 2007 energy projects which will equal or exceed the savings of the 2006 projects.

City of Thousand Oaks

For the past several years, the City has been modernizing its wastewater treatment plant in Hill Canyon. Plant management is continually looking for new ways to reduce operating costs at the facility. A recent project eliminated the need for a large air compressors and inefficient pumps used in sludge treatment. The replacement equipment will save over 100,000 kWh annually. A similar project for another process will be completed in 2007.

Hill Canyon Wastewater Treatment Plant will soon be the home of the largest solar photovoltaic system in the County. The electricity output from this system could provide 100% of the annual electricity used by 150-200 households.

City of Ventura

The City completed the installation of pumps and variable frequency drives (VFD's) at two facilities that are part of the municipal water system: Saticoy Treatment Plant and a replacement well in the Foster Park area. The increased motor efficiency, coupled with the energy savings from VFD's, will reduce electrical use by more than 723,000 kWh annually, saving Ventura over \$85,000 each year.

The City is anticipating other energy efficiency projects at its fire stations, recreational facilities and the newly acquired office building at 501 Poli Street in Ventura.

VCREA Initiatives

VCREA looks for innovative ways to promote energy efficiency. Starting in 2006, we introduced two new Initiative Programs: LED Exit Signs and Vending Machine Energy Controllers. VCREA has made these products available at no cost to public agencies and non-profit organizations. In return, the receiving organization promises to install the items as soon as possible. Each LED exit sign saves approximately 350 kWh per year. The VendingMiser™ will reduce the energy use of a typical cold beverage vending machine by over 1600 kWh per year, saving between \$200-250 per machine. By the end of 2006, VCREA has supplied 311 LED exit signs and 161 VendingMisers. Total annual energy savings from these two Initiatives for 2006 is 368,693 kWh.

THE VALUE OF ENERGY EFFICIENCY

There are many ways to value energy efficiency. The organizations that participated with VCREA in 2006 contributed to the following efforts:

- **Energy Savings:** 2,617, 648 kWh for 2006
- **Demand Reduction:** 394 KW of Peak Demand
- **Reduced Operating Costs:** \$336,000 annual savings
- **VCERC-Provided Financial Incentives:** \$327,000 for 2006
- **Greenhouse Gas Reduction:**
 - ✓ More than 3 ¼ million pounds (1636 tons) of avoided CO₂ production
 - ✓ Equals the CO₂ produced by 3.6 million miles of automobile driving
- **Preparing Facilities for Self-Generation Opportunities:** Efficient facilities are better candidates for cost-effective solar and cogeneration installations.

2006 Energy Champions

The VCREA shares its success with those that make energy a priority.

VCREA Advisory Committee provides advice to the VCREA Board and staff on a broad range of issues. The group meets three times a year and is "on-call" to assist where needed to advance the long-term goals of the VCREA and help with community outreach.

Bob Beisner, SolarWorld Industries
Andy Carrasco, The Gas Company
Nan Drake, Harrison Industries
Rudy Gonzales, Southern California Edison
Dan Hardy, Cabrillo Economic Development Corporation
Poul Hanson, Ventura County Office of Education
Dave Intner, Ventura County Green Building Council
Tom Nielsen, Energy Systems, Inc
Wayne Tanaka, Tanaka Associates
Doug Taping, Area Housing Authority of Ventura County
Tom Umenhofer, Entrix
Mike Villegas, Ventura County Air Pollution Control District

Staff Tech Team is composed of representatives from each of the public agencies that manage, operate and implement energy efficiencies. These skilled employees have a commitment to their agencies and a desire to reduce energy costs. We are pleased to be associated with more than 55 individuals representing departments of public works, housing, maintenance, general services, planning, and the offices of our elected board.

Technical Consultants and Service Contractors support the VCREA collaboration by providing such services as accounting, program assistance, technical energy audits, training assistance, website and data management, printing, fiscal administration and legal services. They contribute to the 21st Century organizational approach that reduces duplication and maximizes resources.

SCE and SCG Utility Partners have networked with VCREA to deploy energy savings programs and incentives. More than 40 utility representatives had a hand in the Ventura Partnership and come from the ranks of directors, managers, account representatives, marketing, community affairs and evaluation.

A Message to the Community

Cheryl Collart, VCREA Executive Director

It is a privilege to serve as the first Executive Director of the VCREA, working with a large board of elected officials, and sharing the responsibility of developing and implementing a strategy that will fulfill the VCREA mission.

This year's Annual Report is presented as a benchmark document to recap our history, document our accomplishments for 2006, and our direction for the year ahead.

As the newest public agency in the region, VCREA continues to work diligently in sharing the mission of this 21st Century organization with the community through public project improvements, energy training seminars, and participation in public events, many of which are highlighted in this report.

The VCREA is organized as a public Joint Powers Agency, working seamlessly through its member jurisdictions to build the reliable and sustainable energy network that is needed to drive our economy and support of community. Reliable energy, which is often taken for granted, provides the backbone to civilized society, education, employment and our economy. Sustainable and renewable energy practices which are essential to the environment have become the new "gold standard" of the global marketplace. Each watt, consumed, saved, or used efficiently makes a difference, and each one of us has the power and the obligation to make that choice.

VCREA was not mandated; rather it was formed as a choice with a very specific mission. The mission is challenging and bigger than current resources, but our influence and support is growing. Our success is dependent upon the choices made by the community, and VCREA stands ready to help this region make choices that lead to success.

We look to 2007 for opportunities to develop the Energy Professionals Registry, implement a plan for public building energy savings, and offer a template for employee energy efficiency in the workplace.

The challenge is before us, and the future depends on what we do each day, and with every watt!

VCREA Staff

Cheryl Collart Executive Director brings a combination of organizational, managerial and technical experience as well as close familiarity with Ventura's local governments, businesses and community leaders.

David Inger Energy Projects Manager is a Certified Energy Manager, with 25 years of technical energy expertise and related experience with public agencies and private sector contract consulting.



**Ventura County Regional Energy Alliance
Home of the Ventura County Energy Resource Center**

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