

SEVENTH AMENDMENT

THIS SEVENTH AMENDMENT (“SEVENTH AMENDMENT”) TO THE AGREEMENT TO JOINTLY DELIVER THE 2010-2012 SOUTH BAY ENERGY EFFICIENCY PARTNERSHIP PROGRAM dated January 1, 2010 (as amended, the “Agreement”) is effective as of January 1, 2017 (the “Seventh Amendment Effective Date”) by and among SOUTHERN CALIFORNIA EDISON COMPANY (“SCE”), SOUTHERN CALIFORNIA GAS COMPANY (“SCG”) AND SOUTH BAY CITIES COUNCIL OF GOVERNMENTS (“SBCCOG”). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCE and SCG may be referred to individually herein as the “Utilities”. The Utilities and SBCCOG may be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, the Parties previously executed the Agreement effective January 1, 2010 and subsequently amended the Agreement six times to extend its term in accordance with the applicable decisions of the California Public Utilities Commission (“Commission”);

WHEREAS, on October 28, 2015, the Commission issued its Decision for Energy Efficiency Goals for 2016 and Beyond and Energy Efficiency Rolling Portfolio Mechanics (the “D.15-10-028”) which authorized the Energy Efficiency Program rolling portfolio mechanics for 2016 and beyond, and continuation of energy efficiency programs, consistent with the terms and conditions set forth in the Agreement (“2017-2018 Program”), except as otherwise provided in this Seventh Amendment; and

WHEREAS, the Parties desire to further amend the Agreement.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Add Section 10.1.5.3 to the Agreement as follows:

10.1.5.3. Strategic Plan Budget: SBCCOG will submit to SCE a Strategic Plan Application(s) for Strategic Plan Menu item(s). The Strategic Plan Menu is the list of possible Strategies and Tasks derived from and must support the “Big, Bold” Strategies and related goals for local governments’ in the California Long-Term Energy Efficiency Strategic Plan. SCE program manager(s) will review the Application. If the Application is approved in writing by SCE, the Strategic Plan Budget will be in effect and SBCCOG may start work after SCE issues a written Notice to Proceed (NTP) with Strategic Plan work.

2. Add Section 10.4.2.5 to the Agreement as follows:

10.4.2.5. Subcontractor for Strategic Plan Work: SCE will reimburse SBCCOG for Strategic Plan work up to a maximum of the Strategic Plan Budget approved by SCE. SBCCOG may hire subcontractor(s) to complete Strategic Plan work at negotiated rates between SBCCOG and its subcontractor. Notwithstanding the foregoing, SBCCOG will submit fixed price invoices to SCE based on the approved Strategic Plan Budget deliverables, and SCE’s obligation to pay is limited to the Strategic Plan Budget amount for such deliverable. For avoidance of doubt, SCE will not reimburse SBCCOG for Strategic Plan work for amounts above the total set forth in the approved Strategic Plan Budget, as may be amended in accordance with this Agreement.

3. Section 26 of the Agreement is hereby deleted in its entirety and replaced with the following:

26. WRITTEN NOTICES

Any written notice, demand or request required or authorized in connection with this Agreement, shall be deemed properly given if delivered in person or sent by facsimile, electronic mail, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party as follows:

SBCCOG
Jacki Bacharach
Executive Director
20285 S. Western Ave, Suite 100
Torrance, CA 90501
jacki@southbaycities.org
(310) 293-2612

SCE:
Southern California Edison Company
Scot Mann, Program Manager
1515 Walnut Grove Avenue
Rosemead, CA 91770
Scot.mann@sce.com
626-302-0659

SCG:
Southern California Gas Company
Ann Teall, Program Manager
555 W. Fifth Street, GT20B4
Los Angeles, CA 90013
ateall@semprautilities.com
(213) 244-5843

Notices shall be deemed received (a) if personally or hand-delivered, upon the date of delivery to the address of the person to receive such notice if delivered before 5:00 p.m. PST (or PDT, as applicable), or otherwise on the Business Day following personal delivery; (b) if mailed, three (3) Business Days after the date the notice is postmarked; (c) if by facsimile or electronic mail, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; (d) if by email, followed by telephone confirmation or (e) if by overnight courier, on the Business Day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

4. Exhibit B-1 (SOUTHERN CALIFORNIA EDISON COMPANY 2010-2012 GOALS & SBCCOG BUDGET FOR SBCCOG) AND Exhibit B-2 (SOUTHERN CALIFORNIA GAS COMPANY 2010-2012 GOALS & SBCCOG BUDGET FOR SBCCOG) of the Agreement which were amended in the Sixth Amendment are hereby deleted in their entirety and replaced with the version of Exhibit B-1 (SOUTHERN CALIFORNIA EDISON COMPANY 2017-2018 GOALS & SBCCOG BUDGET FOR SBCCOG), Exhibit B-2 JOINT LABOR RATE TABLE AND Exhibit B-3 (SOUTHERN CALIFORNIA GAS COMPANY 2017-2018 GOALS & SBCCOG BUDGET for SBCCOG) attached to this Seventh Amendment, which attached versions are incorporated herein by reference and made a part of the Agreement. The Parties acknowledge and agree that if a Commission decision or order alters the amount approved for the 2017-2018 Program budget(s), as set forth in Exhibits B-1 and B-3, SCE and SCG shall amend Exhibit B to reflect the approved 2017-2018 Program Budget in any such Commission decision or order, in accordance with Section 30 of this Agreement.
5. This Seventh Amendment may be executed in one or more counterparts and delivered by electronic means, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

6. General. From and after the Seventh Amendment Effective Date, any reference to the Agreement contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Agreement, as amended by any prior amendments to the Agreement, and this Seventh Amendment. In the event of any conflict between the Agreement, as amended, and this Seventh

Amendment, this Seventh Amendment shall prevail. All remaining provisions of the Agreement shall remain unchanged and in full force and effect. Each party is fully responsible for ensuring that the person signing this Seventh Amendment on that party's behalf has the requisite legal authority to do so.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Seventh Amendment to be executed by their duly authorized representatives as of the Seventh Amendment Effective Date.

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS:

SBCCOG

By: _____

Name Printed: Kurt Weideman

Title: Chair

Date: _____

SCG:

SOUTHERN CALIFORNIA GAS COMPANY

By: _____

Name Printed: Dan Rendler

Title: Director, Customer Programs and Assistance

Date: _____

SCE:

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____

Name Printed: Marc Ulrich

Title: Vice President, Customer Programs and Services

Date: _____

EXHIBIT B-1

ENERGY EFFICIENCY PARTNERSHIP PROGRAM 2017-2018 GOALS & PARTNER BUDGET FOR SBCCOG

2017-2018 Budget		
	2017 ⁽¹⁾	2018 ⁽¹⁾
Budget Category		
Administrative	39,000	16,792
Marketing & Outreach	31,200	13,433
Direct Implementation ⁽²⁾	319,800	326,218
Green Building Challenge	50,000	-
Partner Budget Total Not To Exceed	440,000	356,443
Technical Assistance ⁽³⁾	8,000	8,000

Reported Savings Goal ⁽⁴⁾		
	kWh	kW
2018	1,245,812	43.21

Footnotes:

- (1) Budget and Savings Goal are subject to be revised or provided upon CPUC Approval for the funding year.
- (2) Direct Implementation includes Technical Assistance but not include Strategic Plan and Incentives.
- (3) Technical Assistance fund is administrated by SCE for SCE approved T/A projects.
- (4) Reported savings are the value used to align partner goals with SCE goals. The values are also used to determine budget based on the budget metrics tool and whether or not savings goals are met.
- (5) Reported Savings Calculation:

To determine reported savings, multiply the gross savings value by the realization rate. Depending on the methodology used to determine savings, the following scenarios will apply:

- Any project that utilizes workpaper values to determine savings (i.e. Express, Direct Install, Midstream) must use a realization rate of 1.0. The reported savings and gross savings will match.
 - Any project that utilizes the calculated approach to determine savings (i.e. Custom, RCx, New Construction) must use a realization rate of 0.9. The reported savings will be 90% of the gross approved savings for these projects.
- (6) If the Energy Division selects a project for the Ex Ante Review process, the savings and realization rate will be determined by the Energy Division.

EXHIBIT B-2

Joint Fully Burdened Labor Rate Table

The rates in below table are fully burdened (see footnotes) and serve as maximum billing rates for actual costs incurred for each labor title.

Position	Fully Burdened Rates
Senior Consultant	\$225
Executive Director	\$180
Deputy Director	\$135
Administrative Officer	\$105
Senior Project Manager	\$107
Project Manager	\$84
Environmental Services Analyst III	\$94
Environmental Services Analyst II	\$78
Environmental Services Analyst I	\$62
Administrative Assistant	\$51

Footnotes:

- (1) Fully burdened hourly rates set forth herein which include all related cost including, but not limited to, actual wages, statutory payroll and other taxes, employee benefits, insurance, overhead (administrative salaries, secretarial and other clerical salaries, furniture leases, entertainment, telephone system base charge, fax, library research, office leases/rents, and landscaping services, office supplies, postage, reproduction costs and profit, as applicable.
- (2) Any reimbursable expenses, including any and all subcontractor expenses, shall be reimbursed at actual cost **without markup**. All reimbursable expenses require written approval, in advance, by the SCE Representative referenced in this contract.
- (3) For avoidance of doubt, the fully burdened hourly rates apply to TEC's staff and Contractors, as applicable.

EXHIBIT B-3

2017-2018 SCG SOUTH BAY PARTNERSHP GOAL AND BUDGET

2013-2018 Energy Savings (Gross Therm)				
	2013-2016	2017	2018	6-Year Total
SCG	40,000 Therm	10,000 Therm	10,000 Therm	60,000 Therm

Other non-resource goals are contained in the SCG PIP in Exhibit C-2.

2013-2018 SBCCOG Partnership Total Non-Incentive Budget		\$1,040,766
SCG Incentive from Core Programs ⁽¹⁾		\$60,000
SCG Authorized Budget		
SCG Administrative Other		\$190,560
SCG Administrative Overhead		\$29,456
Total Utility Authorized Budget		\$220,016
Green Buildings Challenge (\$170,750 + \$50,000)		\$220,750
SBCCOG Authorized Budget		\$820,750
2013-2018 Total Non-Incentive Program Budget		\$1,040,766

Projected Allocations for SBCCOG Authorized Budget \$570,750

	2013-2016	2017	2018
Administration	\$52,000	\$15,000	\$15,000
Marketing & Outreach	\$50,000	\$15,000	\$15,000
Direct Implementation	\$298,000	\$70,000	\$70,000
Green Buildings Challenge	\$170,750	\$50,000	
Incentive ⁽¹⁾	\$40,000	\$10,000	\$10,000

Note: (1) Incentive is a part of SCG Core Program's Incentive Budget. The incentive level is \$1.00 per therm for calculated measures or 80% of the equipment cost, whichever is the lesser of the two. Incentives for deemed measures are in accordance with the incentive levels for the applicable SCG Core Programs.