



### Consent Item 10

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	Allison Lopez, Energy Efficiency Associate
<b>Subject:</b>	Approving a Resolution authorizing the CEO to negotiate and execute a consulting services agreement (CSA) with Frontier Energy for three years with a not to exceed budget of \$200,000.
<b>Date:</b>	November 20, 2024

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#### **Summary/Recommendation**

This memo recommends pursuing a consulting services agreement (CSA) with Frontier Energy to provide Ava with essential regulatory reporting support for its California Public Utilities Commission (“CPUC”) funded commercial energy efficiency program, ensuring compliance and management of reporting requirements.

#### **Financial Impact**

The vendor contract amount is a total NTE of \$200,000 with a three-year contract term, through December 31, 2027.

#### **Analysis and Context (with deadlines as applicable)**

On September 22, 2022, the CPUC approved East Bay Community Energy’s (“EBCE”)<sup>1</sup> Energy Efficiency Program Plan and Advice Letter in Resolution E-5215. The Resolution allocated EBCE with budget of \$13,463,049 to administer a commercial energy efficiency program. EBCE launched this program in September of 2023.

The CPUC requires routine reporting of all program administrators of ratepayer dollars to ensure funds are used cost-effectively and programs are in compliance with all regulatory requirements.

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<sup>1</sup> Resolution was approved prior to Ava’s name transition.

These reports include monthly program costs reports, quarterly savings claims reports, and annual reports.

For the first year of the program, Frontier Energy provided these regulatory reporting services to Ava. Frontier Energy had an existing contract with Ava, and it expires October 21, 2024, after a term of 5 years and per Ava's procurement policy, contracts expire after 5 years. Per Ava's Administrative Procurement Policy, contracts expire after 5 years need to follow Section V. Professional Services Procurement protocol.

Ava submitted a bid specification for the following scope of services:

1) **Regulatory tracking and reporting**

- Support Ava in reporting monthly program costs reports, quarterly savings claims reports, and annual reports and upload all data into CEDARS (<https://cedars.sound-data.com/>),
- Perform quality control (QC) on monthly CEDARS data submissions, and
- Conduct pre and post technical review of submitted energy efficiency project.

2) **Regulatory guidance**

- Provide Ava with information related to key changes and activities within the CPUC that would impact the administration of Ava's energy efficiency program.
- Attend CPUC reporting meetings and provide detailed meeting notes and action items to Ava staff.

Ava received three bids for the scope of work, and evaluated them based off of the following criteria:

1. Ability to provide all services requested in scope of work specification
2. Cost effective budget
3. Dedicated staff with clear roles and responsibilities
4. Deep understanding of energy efficiency regulatory needs and similar work qualifications listed
5. Extent of redlines on the Consulting Services Agreement (CSA)

Frontier Energy was the highest-ranked respondent for the scope of work given their cost-effective budget, prior experience working with Ava on the scope of work, and dedicated team of three staff members who are focused on delivering these services (criteria 1, 2, 3). In addition to their experience with Ava, Frontier Energy currently provides similar services to MCE, Lancaster Choice Energy, Clean Power SF, and San Jose Clean Energy, and Frontier has over 30 years of experience working on energy efficiency programs (criterion 4). Lastly, Frontier accepted Ava's CSA without any redlines (criterion 5). Ava would like to work with Frontier to ensure our commercial energy efficiency program is compliant and achieves cost-effective savings for customers.

**Attachments**

- A. Resolution Authorizing CEO to Negotiate and Execute Contract with Frontier Energy
- B. Draft Scope of Work

**RESOLUTION NO. R-2024-XX**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO**  
**NEGOTIATE AND EXECUTE AN AMENDMENT TO THE CONSULTING SERVICES**  
**AGREEMENT WITH NV5**

**WHEREAS** The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The Cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The City of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The City of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

**WHEREAS** Ava was approved for a \$13.4 million ratepayer funded commercial energy efficiency program, administered under the auspices of the CPUC and subject to CPUC compliance requirements;

**WHEREAS** Frontier Energy provided Ava regulatory reporting services from May 2023 through October 2024;

**WHEREAS** Frontier Energy’s contract expires in October 2024, and Ava’s Administrative Procurement Policy requires a re-bid of services after five years;

**WHEREAS** Ava issued a bid specification, received three conforming bids, and selected Frontier Energy, based on their proven expertise in CPUC energy efficiency reporting, cost effective budget, and positive past work experience supporting Ava’s program; and

**WHEREAS** Ava seeks to contract with Frontier Energy to provide regulatory reporting and guidance support for Ava’s energy efficiency program.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. The CEO is hereby authorized to negotiate and execute a Consulting Services Agreement with Frontier Energy, to provide regulatory reporting and guidance

support for the commercial energy efficiency program, with an NTE of \$200,000 for three years.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board

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**Exhibit A****SCOPE OF WORK**

The Consultant will provide Ava Community Energy (Ava) with CPUC regulatory reporting support and regulatory guidance for our energy efficiency program as detailed below:

**1. Regulatory and Program Tracking, Reporting, and Guidance:***a. Program Tracking:*

- Develop and implement reporting protocols, templates, and schedules
- Coordinate with Program Implementer (with Ava in copy) to receive monthly data submissions in CEDARS Monthly Report format and CEDARS Quarterly Report format.
- Coordinate with Ava staff to acquire monthly cost data for inclusion in CEDARS Monthly Reports
- Review and provide feedback for drafted program documents, including but not limited to program manuals, implementation plans from Program Implementer
- Create and maintain a progress tracking document to support tracking program activities towards program goals
- Provide innovation / ideation support for EE program best practices and program design modifications as needed.

*b. Technical Review and Reporting*

- Perform quality control (QC) on monthly CEDARS data submissions
- Correct data issues related to CEDARS specification when needed. Provide feedback to Program Implementer (with Ava in copy) to fix data issues in subsequent submissions.
- Upload CEDARS monthly reports to CEDARS, notify Ava staff for approval/confirmation.
- Upload CEDARS Quarterly Reports to CEDARS, notify Ava staff for approval/confirmation.
- Support true up and annual report.
- Conduct pre and post technical reviews of submitted NMEC projects

**Deliverables:**

- CPUC reporting schedule and data collection template
- Program progress tracking document
- CEDARS monthly, quarterly, and annual reports

*c. Regulatory Guidance*

- Provide Ava staff with information related to key changes and activities within the CPUC that would impact the administration of Ava's energy efficiency program

**Deliverables:**

- Regulatory updates, communicated via email, will include meeting agendas, summaries of changes in CPUC reporting protocols, and new funding announcements aligned with Ava’s energy efficiency program interests

**2. CPUC Meetings**

- Attend CPUC reporting meetings and relevant subgroup meetings on behalf of Ava
- Provide detailed meeting notes and action items to Ava staff
- Advocate and raise issues identified by Ava/implementers to CPUC’s Energy Division

**Deliverables:**

- Notes and action item summaries from CPUC reporting meetings

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**Exhibit B**

**SCHEDULE**

As directed by Ava

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**Exhibit C**

**Consultant Staffing**

Nancy Barba, Director, Project Oversight

Margaret Marchant, Program Manager, Project Manager

Jesse Farber-Eger, Program Consultant, Reporting Lead

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**Exhibit D**

**SUBCONSULTANTS**

Subconsultants must be authorized in advance, in writing by Ava.

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**Exhibit E****COMPENSATION/BUDGET**

The maximum compensation under this Agreement is \$200,000.

Budget estimates by Task:

Year	Task	Est. No. of Hours	Blended Labor Rate		Total
2024-2027	Program Tracking	234	\$	164.88	\$ 38,581.00
2024-2027	Technical Review and Reporting	659	\$	176.54	\$ 116,343.00
2024-2027	Regulatory Guidance	78	\$	236.62	\$ 18,456.00
2024-2027	CPUC Meetings	106	\$	167.29	\$ 17,733.00

Labor rates year over year:

Category	2024	2025	2026	2027
President	324	343	364	386
Vice President	319	338	358	379
Sr. Director	319	338	358	379
Director / Principal Consultant	298	316	335	355
Sr. Manager / Engineering Manager	265	281	298	316
Manager	235	249	264	280
Sr. Engineer / Sr. Program Mgr	214	227	241	255
Engineer / Program Mgr	178	189	200	212
Sr. Program Consultant / Sr. Analyst	162	172	182	193
Program Consultant / Analyst	141	149	158	167
Sr. Program Coordinator / Sr. Technician	119	126	134	142
Program Coordinator / Technician	103	109	116	123
Program Associate / Direct Install Technician	86	91	96	102
Administrative	80	80	80	80

**Exhibit F**

**INSURANCE REQUIREMENTS**

A. Minimum Scope and Limits of Insurance. Consultant must procure, and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of Two Million Dollars (\$2,000,000.00) per project or location. If Consultant is a limited liability company, the commercial general liability coverage must be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. If Consultant has no employees while performing the Work under this Agreement, workers' compensation policy is not required, but Consultant must execute a declaration that it has no employees.

4) Professional Liability/Errors & Omissions Insurance with minimum limits of Two Million Dollars (\$2,000,000.00) per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Exhibit E must be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide.

C. Additional Insured/Additional Named Insured. The automobile liability policies must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional insureds. The commercial general liability policy must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional named insureds.

D. Primary and Non-Contributing. The insurance policies required under this Agreement must apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to Ava. Any insurance or self-insurance maintained by Ava, its officers, employees, agents or volunteers, will be in excess of Consultant's insurance and will not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Agreement will not prohibit Consultant and Consultant's employees, agents or Subconsultants from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against Ava.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by Ava. At Ava's option, Consultant must either reduce or eliminate the deductibles or self-insured retentions with respect to Ava, or Consultant must procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant agrees not to cancel any insurance coverage during the term of this Agreement. Consultant further agrees not to reduce or otherwise modify the insurance policies required by this Agreement during the term of this Agreement, without the prior written approval of Ava. The commercial general and automobile liability policies required under this Agreement must be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to Ava. If any insurance policy required under Agreement is canceled or reduced in coverage or limits, Consultant must, within two business days of notice from the insurer, phone and notify Ava via electronic mail and certified mail, return receipt requested, of the cancellation of or reductions to any policy.

H. Ava Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Agreement in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements of this Exhibit F, Ava may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, Ava may, but has no duty to, take out the necessary insurance and pay, at Consultant's expense, the premium thereon. Consultant must promptly reimburse Ava for any premium paid by Ava or Ava, in its sole discretion, may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of the Work under this Agreement, Consultant must furnish Ava with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Agreement. The endorsements are subject to Ava's approval. Ava may request, and Consultant must provide complete, certified copies of all required insurance policies to Ava. Consultant must maintain current endorsements on file with Ava. Consultant must provide proof to Ava that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant must furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant will not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify Ava under Section 12 of this Agreement.

K. Subconsultant Insurance Requirements. Consultant's insurance coverage must include its Subconsultants or Consultant must require each of its Subconsultants that perform Work under this Agreement to maintain insurance coverage that meets all the requirements of this Exhibit F.

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