



# **Revolving Fund for Energy & Water Efficiency**

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**City of El Cerrito EWEP Fund**





# Revolving Fund for Energy & Water Efficiency

## The Setting

### **El Cerrito, San Francisco Bay Area, CA**

- 24,000 Residents
- \$600K Municipal Energy & Water Budget
- 1,700 Street Lights
- 20 Municipal Buildings & a Swim Center



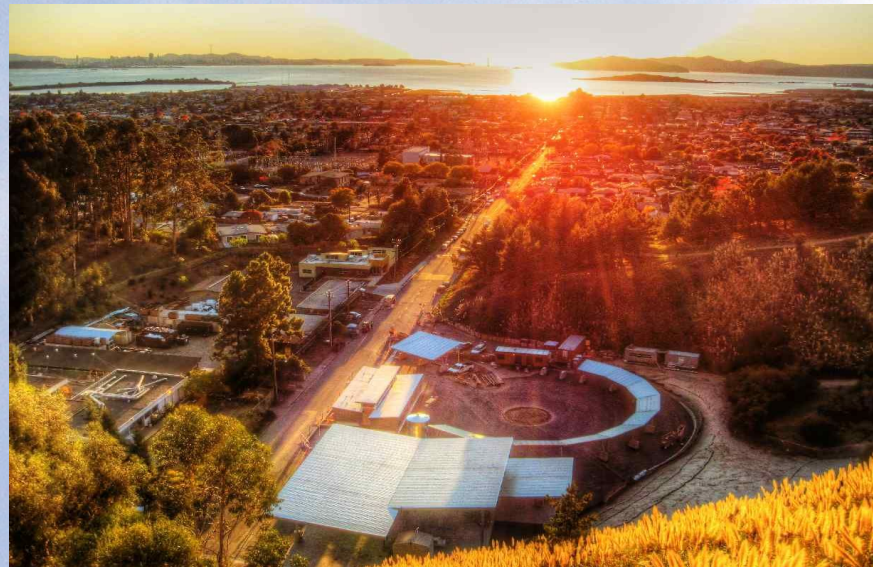


# Revolving Fund for Energy & Water Efficiency

## The Context

### City's Environmental Stewardship Goal

- Broadened environmental focus to include climate issues
- Reorganized IWM to now be the Environmental Services Division
- BAAQMD and EPA grant funds to build staff capacity



Construction of new LEED Platinum  
El Cerrito Recycling and Environmental Center



# Revolving Fund for Energy & Water Efficiency

## Getting Started

### EWEP Seed Funds

- Leveraged resources realized from lighting retrofits in 2 largest facilities
  - Public Safety
  - Community Center
- High paybacks
- Good rebates
- Good return on investment for City



Community Center Lighting Audit



# Revolving Fund for Energy & Water Efficiency

## Making the Case for EWEP

Facility	Annual kWh Savings	Annual Avoided Costs	Total Project Costs	Rebate Amount	City Cost Share	Simple Payback*	Discounted Lifecycle Savings	Avoided C02 lbs	
Community/ Swim Center Lights	22,705	\$3,633	\$8,544	\$4,265	\$4,279	1.18	\$ 20,735	14,667	
Public Safety Bldg Lights	64,522	\$5,821	\$13,527	\$7,610	\$5,917	1.02	\$ 57,394	41,681	
Total	87,227	\$ 9,454	\$ 22,071	\$ 11,875	\$ 10,196	1.08	\$ 78,129	56,348	
							City	\$/CO2	\$ 0.18
							Societal	\$/CO2	\$ 0.39



# Revolving Fund for Energy & Water Efficiency

## Taking EWEP to the Next Level



Ohlone Greenway LED Installation

### EECBG Funds

- \$123,000 in EECBG Funds
- \$ 24,000 from EWEP
- \$ 190,000 life-cycle savings (including maintenance savings)
- \$34,000 in avoided costs accruing back to EWEP



# Revolving Fund for Energy & Water Efficiency

## Governing EWEP

### EWEP Rules

- Budget savings transferred from affected account to EWEP over 3 years
  - 75% savings in 1<sup>st</sup> year; 50% in 2<sup>nd</sup> year; 25% in 3<sup>rd</sup> year
- Transferred amount based on estimated savings
- All rebate funds not needed to cover immediate project costs accrue to EWEP
- Only savings from projects that use leveraged EWEP funds or significant in-kind hours from ESD staff accrue back to EWEP



# Revolving Fund for Energy & Water Efficiency

## Using EWEP for the Long-Term

### Issues to Consider

- How large is your annual energy and water budget?
  - Can it also fund energy management staff?
  - How many high payback projects can you stack up to replenish the Fund before you hit diminishing returns?
- Revolving Fund supported by a 3-5 Year Energy Efficiency Investment Plan
- Staff needs to actively manage budget transfers and keep good accounting of savings, dollars in and out of the Fund.
- All bets are off during bad budget years.



# Revolving Fund for Energy & Water Efficiency

## Other Models for Revolving Funds

### Case Studies

- Statewide Local Gov't. Energy Efficiency Best Practices
  - Contact: Pat Stoner at [pstoner@lgc.org](mailto:pstoner@lgc.org)
- San Jose Energy Fund
- Alameda County Designated Energy Fund & utility bill surcharge



# REVOLVING FUND FOR ENERGY & WATER EFFICIENCY

**Thank you.**

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