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Zoom Features

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Submit questions for panelists through the Q&A module at any point during the webinar. Upvote questions that you are interested in.
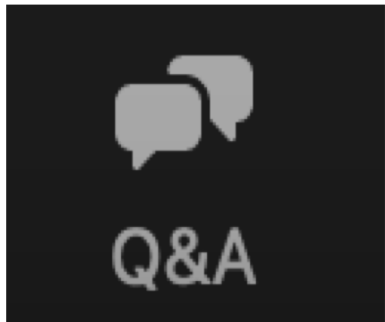
Chat
Communicate with other participants or reach out to LGC staff if you encounter technical issues.
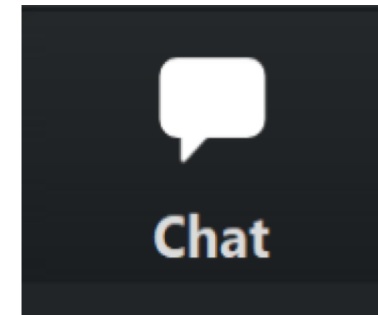
Meet our Speakers!

Moderator
Doug Davenport
Founder & Executive Director,
Prospect Silicon Valley

Christopher Payne
Research Scientist & Engineer,
Lawrence Berkeley National Lab

Richard Schorske
Founder & Executive Director,
Zero Net Energy Alliance

Renee Lafrenz
Senior Manager,
Energy Solutions

Sustainable Procurement: Opportunities for Local Governments

EMPOWER PROCUREMENT

ProspectSV

BERKELEY LAB

Energy Solutions

ZNE/Alliance

Funded by:

CALIFORNIA ENERGY COMMISSION

Why we are here

Many buyers have ambitious clean energy or GHG reduction goals, which represents a big opportunity for DER sellers. But connecting to the right buyers can be a difficult task.

GHG Emissions from Public Institutions

PURCHASING 55%

OPERATIONS 45%
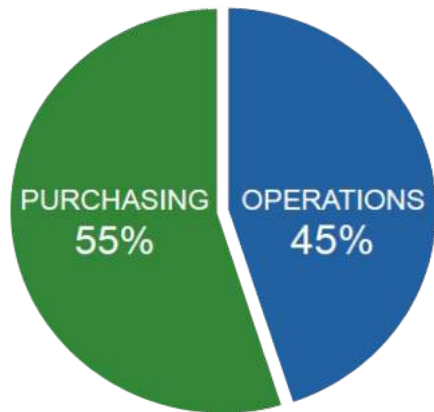
Source: The West Coast Climate and Materials Management Forum

Common pathways for energy-related procurement:

IT Purchases

Maintenance, Repair, and Operations

Non-IT Appliances

YOUR ORGANIZATION

Service Contracts

New Construction and Renovation

Fleet Management

Energy Retrofit Contracting

We've been funded to help California organizations decarbonize their purchasing streams.

We've worked with:
- UCs
- CCCs
- School Districts
- Local Governments

Products

Benchmarking

Asset Management

Contracts

Services

California Buyers can face challenges in acquiring clean energy products & services
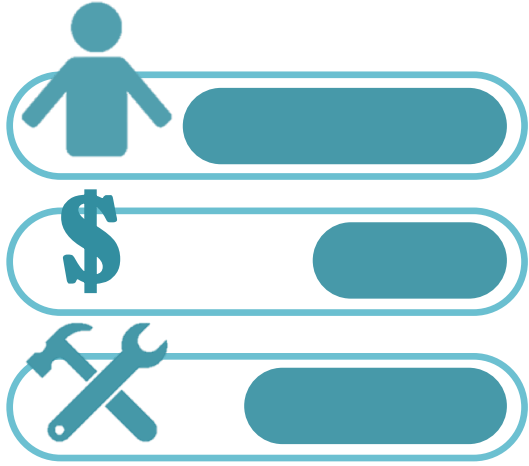
Lack of Institutional Capacity

Ambiguous rules on prioritizing lifetime cost savings

Insufficient & inconsistent information flow

Lack of buy-in from various major influencers

Where do bottlenecks occur during the procurement process?

Procurement Bottleneck Phase

Legend: ■ Always/often ■ Sometimes

Phase	Always/often	Sometimes
Gaining approvals	52%	34%
Developing contract documents	40%	44%
Legal review process	33%	44%
Specifying and selecting products	30%	59%
Ordering process	21%	56%
Shipping	9%	43%

Percentage of Responses (0% — 50% — 100%)
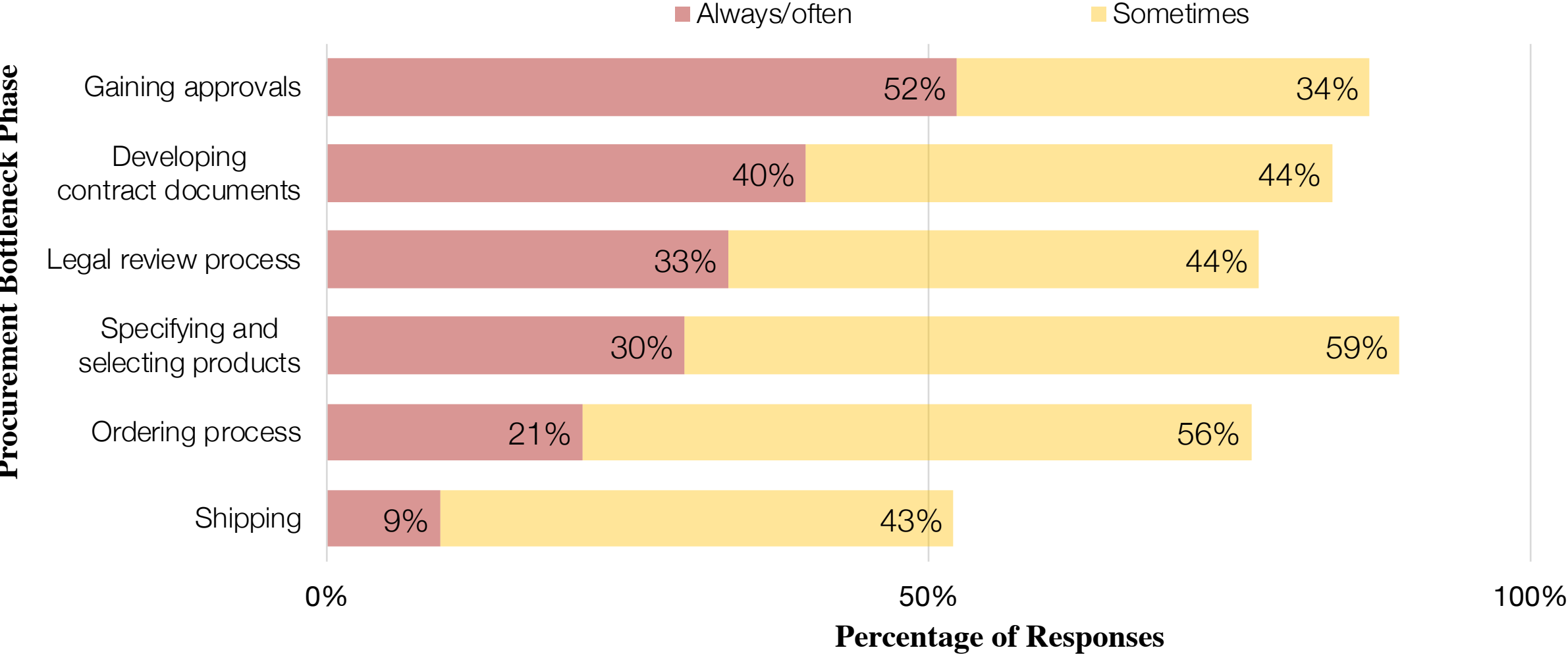
What factors prevent the purchase of clean energy technologies?

Horizontal bar chart titled "Percentage of Responses" (x-axis) versus "Prevention Factors" (y-axis):

Prevention Factor	Percentage of Responses
High cost / long-return on investment	66%
Lack of financing options	44%
Lack of top management support	34%
Interoperability with existing equipment	31%
Operational reliability	31%
Maintenance of the product	25%
Lack of staff buy-in	25%
Need to retrain staff	23%
Security	18%
Availability of repair parts	14%

Contracts

&

Practices

Christopher Payne
Research Scientist & Engineer,
Lawrence Berkeley National Lab

Interviews with staff in various roles & areas:

- Procurement

- Energy

- Sustainability

Procurement Initiative: Practices

Revealing Organizational Barriers to Sustainable Acquisition

- Unclear policy language

- Lack of clarity and specificity in acquisition documents

- Lack of procurement data

- Barriers in electronic procurement systems

Procurement Initiative: Contracting

Clear, specific language is required to guarantee successful outcomes

- Statement of Work

- Technical Specifications

- Evaluation Factors

- Best Value calculation

- Submittal Requirements

Products

Services

E - Buildings

Renee Lafrenz
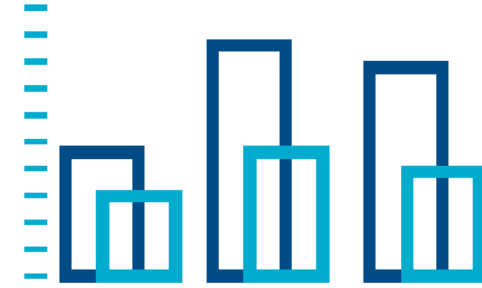*Senior Manager,*
Energy Solutions

Products

Procurement Initiative

Products PI:
Benefits to Municipalities

- Free assessment to troubleshoot procurement processes

- Tailored resources to help with procurement barriers

- Streamlined access to DERs product information

- Guidance on technology solutions to help make informed DERs purchasing decisions

Pilot Client:
City of San Luis Obispo

- Population: 45,119

- Location: California's Central Coast; home to Cal Poly San Luis Obispo campus

- Project Stakeholders: Procurement, Sustainability and IT

- Project Summary: Analyze IT past purchase data, including computers; make recommendations for future IT procurement processes to prioritize energy efficiency aspects and leverage cost savings opportunities
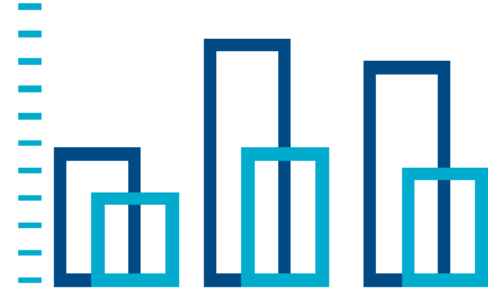
Services

Procurement Initiative

Services PI:
Benefits to Municipalities

- Free assessment to troubleshoot procurement processes

- Tailored resources to help with procurement barriers

- Streamlined access to DERs product information

- Guidance on technology solutions to help streamline selection of qualified service providers

Pilot Client: City of Cupertino

- Population: 58,302

- Location: Silicon Valley, west of San Jose; known for having the HQ of Apple Inc

- Stakeholders: Sustainability, Public Works, Financial and Contracts Services

- Project Summary: Interview key stakeholders in the service provider selection pipeline; make recommendations to increase efficiencies and leverage technology solutions
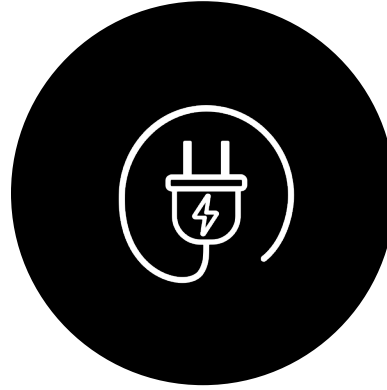
E-Buildings PI:
Benefits to Municipalities

Identify challenges for electrification – particularly in existing municipal buildings; develop resources to address them

Track and share electrification best practices and GHG reduction potential calculations

- Build collaboration network for local governments to begin and bolster electrification strategic planning efforts
- Why we're here today -- and hoping to stay connected!
- Opportunities for streamlined and cooperative procurement

Pilot Client:
YOU on August 17th at this event!

1	Welcome and Introductions	*10 min*
2	Local Government Electrification Initiative	*5 min*
3	City of Berkeley	*10 min*
4	East Bay Community Energy	*10 min*
5	Guided Discussion	*45 min*
5	**Wrap-up and Close Out** Including opportunity to enroll in Empower Procurement electrification network and be invited to exclusive strategic planning workshops!	*10 min*

E - Fleets

Richard Schorske
Founder & Executive Director,
Zero Net Energy Alliance

ZNE/Alliance

E-Fleet Procurement Barriers

Empower Procurement | August 5, 2021

Purposes of E-Fleet Accelerator

- **Address institutional barriers in electric transportation sourcing –** for public agencies, schools, private fleets

- **Provide Fleets Electrification Readiness Assessments** to organizations considering electrification

- **Provide E-Fleet Transition Plans** -- for organizations committing to EV

Fleet Electrification Barriers

OVERCOMING UPFRONT CAPITAL COSTS
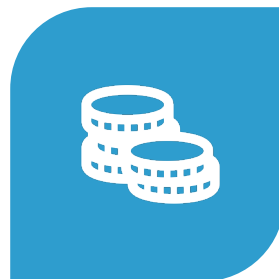
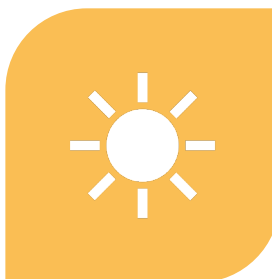**UNDERSTANDING COSTS & SAVINGS OF EV OPERATIONS**

ELECTRICAL CAPACITY & INFRASTRUCTURE CHALLENGES

SELECTING THE RIGHT VEHICLES, EQUIPMENT, & OWNERSHIP MODELS

INTERNAL CHAMPIONS & RESOURCING

LIMITED CLIMATE & CLEAN ENERGY GOALS

Overcoming Upfront Capital Costs

Barriers

- Upfront cost of EV is still higher than most ICEs

- Charging infrastructure needs add additional cost and complexity

- Fleets report challenges with overcoming high upfront costs despite TCO advantage

Solutions

- Access State, local, and utility incentives
  - CEC/CARB Grants
  - AQMD
  - LCFS
  - HVIP
  - IOUs and CCAs
  - Others (e.g., Electrify America)

- Coordinate with Third party Mobility as a Service providers

- Evaluate $ based on Total Cost of Ownership
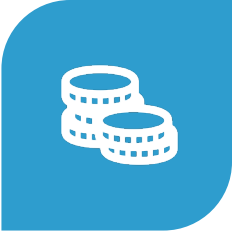
Understanding Recurring Costs & Savings of EV

Barriers

- Fleets lack awareness of operational costs and savings of EVs (fueling, maintenance, battery replacement)

- Navigating electricity charges, and especially demand charges

Solutions

- Utility engagement with well-designed EV rates and clear Demand Charge policies

- Smart Charging Management solutions

- Integration with Solar + Storage to offset peak electricity costs

- Evaluate investment based on Total Cost of Ownership, including future fuel cost price volatility

Electrical Capacity & Infrastructure

Barriers

- Existing site capacity unable to support increased charging needs

- Service capacity requirements result in higher upfront costs

- Protracted timeframes for utility service upgrades

Solutions

- Conduct site walks & engineering review using EV experienced contractors who understand load management options

- Leverage Smart Charging Management to reduce need for new capacity

- Engage Utility Program leads to fund infrastructure upgrades

- Assess Solar + Storage to reduce capacity needs

Selecting the Right Vehicles, Equipment, & Ownership Models

Barriers

- Limited -- yet rapidly expanding -- EV choices complicate product selection and create delay bias

- Fleets must consider Lease vs. Buy

- Aligning vehicle to route characteristics requires assessment of topography, weather, range, EVCS availability

- Overcoming range anxiety

Solutions

- Mobility & Charging as a Service: EVs bundled with energy costs billed on a per kWh or per mile travelled basis

- Battery Leases – emergence of On-Tariff repayment programs (PAYS)

- Third party financing

- RFP templates available from successful procurement efforts (e.g. Twin Rivers Unified School District)

Internal Champions and Targets

Barriers

- Overstretched internal team capacity, limited time, resources and leadership

- Lack of goals and/or guidelines for green procurement

Solutions

- Case studies (TRUSD)

- Template Policy and Procurement language (LBNL)

- Empower Procurement Roles Rules and Tools framework

Thank you!

Upcoming Events

12th Annual California Climate & Energy Forum
Transforming Tomorrow Together

August 3 - 19, 2021

Post-Session Survey:
bit.ly/CCEC-Post-Session-Survey

WEEK 2

- *8/10 Webinar 4:*
  Increasing EV Adoption: From Paper to Production

- *8/10 Webinar 5:*
  Planning for Equitable Existing Building Electrification

- *8/11 Lunch 3:*
  Building Equity Into Policy & Programs with SOMAH

- *8/11 Webinar 6:*
  Incorporating Environmental Justice Priorities into Regulatory and Enforcement Policy

To view the entire program visit **eecoordinator.info/forum-program/**