



Transmitted via e-mail

March 30, 2012

Mr. Robert Oglesby, Executive Director
Energy Resources Conservation and Development Commission
1516 Ninth Street
Sacramento, CA 95814

Dear Mr. Oglesby:

Final Report—Review of the Energy Resources Programs Account

The Department of Finance, Office of State Audits and Evaluations, completed a review of the Energy Resources Conservation and Development Commission's (Commission) Energy Resources Programs Account (ERPA) for the period July 1, 2009 through June 30, 2011. Pursuant to the Budget Act (Chapter 22, Statutes of 2011), the review's objectives were to perform a review of ERPA for the period July 1, 2009 through June 30, 2011 and answer specific questions regarding ERPA-funded activities.

The enclosed report is for your information and use. Because there were no observations or issues requiring a response, we are issuing the report as final. This report will be placed on our website.

We appreciate the assistance and cooperation of the Commission. If you have any questions regarding this report, please contact Susan Botkin, Manager, or Angie Williams, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

David Botelho, CPA
Chief, Office of State Audits and Evaluations

Enclosure

cc: Mr. Robert Weisenmiller, Chairman, Energy Resources Conservation and Development Commission
Ms. Karen Douglas, Commissioner, Energy Resources Conservation and Development Commission
Ms. Carla Peterman, Commissioner, Energy Resources Conservation and Development Commission
Mr. Mark Hutchison, Deputy Director, Administration, Energy Resources Conservation and Development Commission
Mr. Kyle Emigh, Staff Services Manager, Administration, Energy Resources Conservation and Development Commission
Ms. Catherine Freeman, Consultant, Senate Committee on Budget and Fiscal Review
Ms. Gabrielle Meindl, Consultant, Assembly Budget Committee

Review Report

Energy Resources Conservation and Development Commission Energy Resources Programs Account July 1, 2009 through June 30, 2011

Prepared By:
Office of State Audits and Evaluations
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Final reports are available on our website at <http://www.dof.ca.gov>

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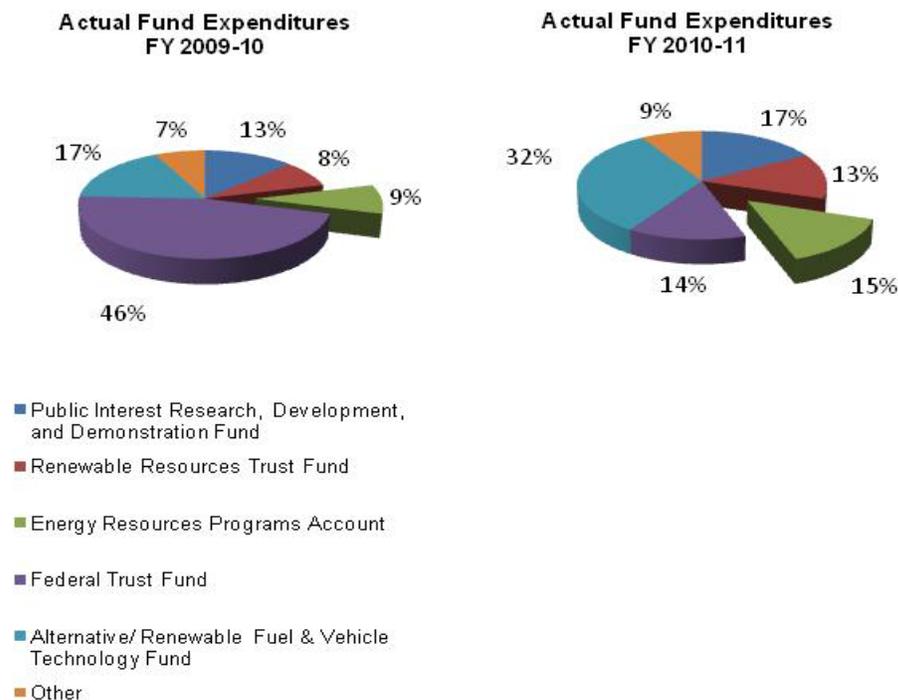
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BACKGROUND, SCOPE AND METHODOLOGY

BACKGROUND

The Energy Resources Conservation and Development Commission (Commission) was established by the Legislature in 1974 via the Warren-Alquist Act (Act) to address energy challenges facing the state. The Act shaped the Commission as the state's primary energy policy and planning agency. The Commission's mission is to assess, advocate and act through public/private partnerships to improve energy systems that promote a strong economy and a healthy environment.

The Energy Resources Programs Account (ERPA) is one of the Commission's funding sources (see the chart below). In fiscal year 2009-10 and 2010-11 ERPA expenditures were \$52.140 million and \$58.725 million, respectively. The activities of the Commission are funded through a surcharge on electricity consumption.



Source: Governor's Proposed Budget

SCOPE

Pursuant to the Budget Act (Chapter 22, Statutes of 2011), money was appropriated for the Department of Finance, Office of State Audits and Evaluations (Finance) to perform a review of ERPA and the Renewable Resources Trust Fund to address the relationship between funding and program priorities for the period July 1, 2009 through June 30, 2011. However, per subsequent Legislative directive our review was limited to ERPA and answered the following questions:

1. What activities are ERPA monies being spent on?
2. What positions are being funded with ERPA monies?
3. What activities are those ERPA-funded positions performing?
4. What is the statutory authority for the ERPA work being performed?
5. Are there any statutory ERPA mandates no longer being performed?
6. What ERPA-funded work is being contracted and why?
7. What is the total cost of the ERPA-funded activities?

This review is limited in scope and does not constitute an audit in accordance with generally accepted government auditing standards.

METHODOLOGY

We performed the following procedures for this review:

- Obtained an understanding of Commission staff duties through interviews and review of relevant documents.
- Analyzed division work plans developed and provided by the Commission.
- Reviewed the list of Positions by Funding Source for 2009-10 and 2010-11.
- Reviewed Labor Distribution Reports and other relevant financial reports provided by the Commission.
- Reviewed and verified ERPA-related budget change proposals to work plans to determine what positions and activities were being funded by ERPA monies.
- Compared the interview results to the work plans and approved budget change proposals to verify concurrence of duties.
- Verified cited public resources code (Warren-Alquist Act) sections in work plans to interview results.
- Inquired with Commission staff whether there were any mandates no longer being performed.
- Reviewed statutory mandates no longer being performed.
- Reviewed all ERPA-funded contracts for reasonableness and justification for outsourcing.
- Validated total cost of ERPA funded work:
 - Reconciled identified employees to the State Controller's employee alpha listing
 - Recomputed the benefits percentage using appropriate budget documents
 - Recalculated operating expenses
- Reviewed the cost allocation methodology for reasonableness.

Fieldwork was conducted from September 2011 through March 2012. The questions and Finance's answers are provided under the Results section of this report.

The level of detail in the answers to the following questions was constrained by the conventional manner in which legislation is written and enacted. As with most statutes, the State provides an agency or department with broadly defined authority and mandates, equipping those responsible with the flexibility to deploy or redirect assets and resources to achieve their mission and goals.

An example, related directly to the Commission, is the mandate to perform research and development into alternative energy sources, per Public Resources Code section 25216(c). This section states, “Carry out, or cause to be carried out, under contract or other arrangements, research and development into alternative sources of energy, improvements in energy generation, transmission, and siting, fuel substitution, and other topics related to energy supply, demand, public safety, ecology, and conservation which are of particular statewide importance.” The nature of the mandate is expansive, visionary, lacking specific directives, deliverables, and timeframes that would provide a standard against which plans and activities can be measured.

As such, we determined that all work plans and individual activities being performed by ERPA-funded staff met one or more of the broad mandates in the Warren-Alquist Act.

1. What activities are ERPA monies being spent on?

ERPA monies are spent primarily on staff resources, operating expenses, and consulting contracts.

Specifically, ERPA monies are spent on providing management, policy development, and implementation for the following:

- Setting and establishing energy efficiency standards
- Performing and overseeing fuels and transportation activities
- Developing and analyzing legislation
- Planning and permitting transmission corridor designation
- Monitoring construction, operation and closure of energy facilities, environmental and safety analysis
- Identifying critical renewable energy zones
- Reporting to and coordinating with various stakeholders
- Preparing California’s energy demand forecast
- Evaluating various energy generation, transmission and efficiency options
- Assessing natural gas supply demand, infrastructure, and price parameters

See Appendix A for division responsibilities.

2. What positions are being funded with ERPA monies?

The chart below shows the total number of authorized, filled, and vacant positions by division at the beginning of each fiscal year reviewed.

ERPA-Funded Positions for FY 2009-10 and FY 2010-11

	FY 2009-10	FY 2009-10	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11
Office/Division	Authorized ERPA Positions ¹	Filled ERPA Positions	Vacant ERPA Positions	Authorized ERPA Positions ¹	Filled ERPA Positions	Vacant ERPA Positions
Commissioners' Offices	18	17	1	20	18	2
Executive Office	12	10	2	13	12	1
Small Offices ²	59.5	50	9.5	60	55	5
Administrative Services Division	80.9	75.9	5	84.4	79.4	5
Energy Efficiency and Renewables Division	37.35	34.8	2.55	32.35	31.05	1.3
Fuels and Transportation Division	73.9	64.9	9	62.9	55.9	7
Siting, Transmission and Environmental Protection Division	113	81.6	31.4	106	81.1	24.9
Electricity Supply Analysis Division	66.15	59.85	6.3	60.15	57.15	3
Total	460.8	394.05	66.75	438.8	389.6	49.2

Source: Information for this table was obtained from the Energy Commission's work plans.

¹ The authorized ERPA positions shown above do not agree with the Governor's Salaries and Wages Supplement (S&W). One reason, the chart above reflects ERPA-funded positions only, while the S&W includes all funds. Second, the Commission has Second Advisors that are budgeted in various divisions according to the S&W. However, for the Commission's work plans, the Second Advisors are reported in the division in which they are providing subject matter expertise at that time, which may not be the same division as shown in the S&W. According to Commission budget staff, in 2009-10, two of the five Second Advisors were ERPA funded. In 2010-11, four of the five Second Advisors were ERPA funded.

² The Small Offices include the Public Advisor, Office of General Counsel, Office of Governmental Affairs, Hearing Advisor, and Media and Public Communications.

3. What activities are those ERPA-funded positions performing?

General mandated activities were provided in the answer to question 1. Finance analyzed each division’s work plans (all ERPA-funded divisions except the Commissioner’s and Executive’s offices prepare work plans) and found all planned activities met one or more of the general mandates. Finance also interviewed 52 Commission staff members to ensure individual duties conformed to work plans and met statutory requirements and mandated activities. The 52 staff selected worked in the following divisions:

Division	Number of Staff Interviewed
Small Offices	3
Administrative Services Division	13
Energy Efficiency and Renewables Division	10
Fuels and Transportation Division	10
Siting, Transmission and Environmental Protection Division	9
Electricity Supply Analysis Division	7
Total	52

All individual duties conformed to work plans. However, discussions with Commission management and staff interviews confirmed that approximately 50 ERPA-funded positions were redirected to workload related to the American Recovery and Reinvestment Act of 2009 (ARRA). To meet the increased workload, staff worked substantial overtime, contractors were hired to perform critical activities, and other mandated work was suspended, delayed, or curtailed. See Appendix B for the list of mandated work not performed due to the redirection of staff to ARRA activities.

4. What is the statutory authority for the ERPA work being performed?

In Appendix A, the statutory authority, by division, for all ERPA-funded activities is shown. We reviewed the authority for and frequency of submission of the Integrated Energy Policy Report, particularly whether the report was being prepared more frequently than required. We found that the Commission was fulfilling its prescribed mandate. This report is due to the Legislature by November 1 of each even year (Public Resources Code section 25302). The Commission is also required to submit an update of the report each odd year (Public Resources Code section 25302(d)).

In accordance with Executive Order B-14-11, agencies are currently identifying those reports that may no longer be of significant value. When the Administration and Legislature review these reports, consideration can also be given to the frequency of submission.

5. Are there any statutory ERPA mandates no longer being performed?

Yes, five projects were delayed, curtailed, or suspended. Details about each project, the statutory mandate, and status are provided in Appendix B.

6. What ERPA-funded work is being contracted and why?

We reviewed all of the contracts (59) funded from ERPA during the review period July 1, 2009 through June 30, 2011 to determine what work had been contracted and the reason for outsourcing. These contracts cover multiple fiscal years (the period of performance for some contracts went beyond the two fiscal years we reviewed) and total over \$36 million.

The work contracted included services that benefited the entire Commission, including services that were directly ERPA-related. The contracts that benefited the entire Commission included services such as building security, resources agency, legal databases, CalAters (travel claim service), Department of General Services contracts audits and development services, Calstars accounting system, hearing reporting services, and publishing databases. While the costs for these contracts are initially paid with ERPA funds, we verified that costs are prorated to other funds and ERPA is appropriately reimbursed.

Contracts that were directly ERPA-related included services such as cost-effectiveness studies, energy analysis reports, revision of California building energy efficiency standards, commercial and residential building energy science experts, forecasting assistance, tire resistance testing, energy forecast modeling, evaluating energy facility operations (power plants >50 megawatt) and related transmission lines, California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) analysis, expert testimony work, natural gas expertise, court reporting hearing services, membership fees, leadership/communication workshops, college student services, and independent audits.

Reasons provided by the Commission for outsourcing and documented in contracts included:

- Services unavailable within Commission
- Work is intermittent and/or short-term
- Services required to meet peak workload demand
- Mandated contract
- Need for independent review and/or expert
- Highly specialized and/or technical in nature

Based on the type of work contracted and the justifications written in the contracts, all services contracted out appeared to be reasonable and with adequate justification. See Appendix C for a complete list of contracts and the reason provided for outsourcing.

7. What is the total cost for the ERPA-funded activities?

The Commission reported \$52.1 million and \$58.7 million total cost for fiscal years 2009-10 and 2010-11, respectively (as mentioned on page 1). The reported expenditures appear accurate as we:

- Recalculated the operating expenses and benefits percentages using appropriate budget documents
- Reconciled identified employees to the State Controller's employee alpha listing
- Interviewed relevant staff
- Reviewed direct and indirect cost methodologies

Based on our review of the Commission's direct and indirect cost methodologies, the costs appear to be reasonable; however, we identified several errors in the indirect cost review process. Although the combined errors were immaterial, lack of a thorough review process could increase the risk of inaccurate financial data. These errors could become material if not properly identified and corrected.

**Appendix A
Division Responsibilities**

The following chart identifies the divisions, their responsibilities and the authority for work performed.

Division	Division Responsibility	Statutory Authority
Executive Office	This includes the offices of Commissioners, Public Advisors, General Counsel, Executive, Governmental Affairs, Hearing Advisor, Media and Public Communications. Responsibilities include legal support, legislation support, public hearing support, media outreach and public information and external communications.	Public Resources Code section 25217
Administrative Services Division	This includes Budgets, Contracts, Grants, and Loans; Human Resources and Support Services; Business Management Services; Library; Personnel Office; Informational Technology Services Branch; Accounting Office; Selection, Training and Equal Employment Opportunity. These functions assist the Commission in implementing its policies and programs for the following: 1) fiscal support, 2) processing contracts, 3) grant and loan agreements, 4) human resources, and 5) Information Technology.	Public Resources Code section 25217(b)
Energy Efficiency, Demand Analysis, and Renewables Division	Provide management, policy development, and implementation for the following energy efficiency standards: 1) water/energy, 2) appliance standards, 3) load management standards, 4) building energy efficiency standards, and 5) reach (best practices) energy efficiency standards.	Public Resources Code sections 25217(b), 25650, 25402, 25403.5, 25402.1

**Appendix A
Division Responsibilities**

Division	Division Responsibility	Statutory Authority
Fuels and Transportation Division	Provide management, policy development, and implementation for the following fuels and transportation activities: 1) fuel and vehicle technology funding program, 2) forecasting transportation fuel demand, 3) alternative transportation fuel development, 4) transportation fuel infrastructure, 5) fossil fuel supply and economic impacts, 6) energy emergency planning, and 7) local assistance and outreach.	Public Resources Code sections 25217, 25302, 25216, 25301, 25350-25366, 25700-25705, 25460, 25410.6, 25442.5, 25449, Public Resources Code sections (continued) 25722, 25723, 25771, 25696, 25616
Siting, Transmission and Environmental Protection Division	Provide management, policy development, and implementation for the following Commission activities: 1) legislation, 2) siting policy committee, 3) transmission planning, and permitting, 4) monitoring construction, operation and closure of energy facilities, 5) provide environmental and safety analysis, 6) transmission corridor designation and planning, 7) identification of critical renewable energy zones, and 8) reporting.	Public Resources Code Chapters 2,3,4,5,6,8
Electricity Supply and Analysis Division	Provide management, policy development, and implementation for the following Commission activities: 1) California energy demand forecast, 2) data collection and analysis, 3) short term forecasting, 4) coordination with publicly-owned utilities, 5) evaluation of various energy generation, transmission and efficiency options, 6) expansion of core modeling activities, 7) assess solar technologies and policy, and 8) assessment of natural gas supply demand, infrastructure, and price parameters.	Public Resources Code section 25217(b), and Division 15, Chapters 3, 4, 5, 6, 7, 8, and 10

Appendix B
Mandated Work Not Performed

The following chart identifies the impact of mandated work no longer being performed due to the redirection of the American Recovery and Reinvestment Act of 2009 (ARRA) workload.

Project	Mandate Reference	Status
Assistance to local governments in reducing energy use and greenhouse gas emissions that result from land use planning choices. In addition, the state can provide local governments with tools and technical assistance to help meet greenhouse gas emission goals.	Assembly Bill (AB) 32 - Greenhouse Gas Emission Standards	This program has been put on hold/delayed.
Assistance to California companies to export energy technology to other countries.	Public Resources Code section 25695 et. seq.	This program has been put on hold/delayed.
Technical assistance to identify energy efficiency and renewable energy opportunities for public schools, public hospitals and local jurisdictions within California (Bright School Program and Energy Partnership Program). Funding to implement recommended opportunities is available through the Energy Conservation Assistance Act (ECAA) loan program for local jurisdictions.	Public Resources Code sections 25410, 25410.6, 25442, et. seq.	These programs were suspended on December 3, 2009 for all non-ARRA projects in order to meet the demand of ARRA applications.
Technical assistance to improve projects (through increased energy efficiency and identification of better cost-effective opportunities) for applicants requesting funding under the ECAA loan program.	Public Resources Code section 25410	Staff efforts mostly curtailed due to ARRA workload.
Collection of annual energy use reports from loan recipients.	Public Resources Code section 25414	Loan recipients are required to submit annual energy use reports after project is complete. Commission has scaled down the effort in the collection of the reports. Impact on the program has been negligible.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Commission-Wide Contracts:				
Inter-Con Security 200.07.004.04	\$948,614	Continuous (24hr) security services for the Commission.	July 21, 2007 through December 31, 2011	<ul style="list-style-type: none"> • Services unavailable within the Commission.
West Publishing Corp. dba Thomson West 140.08.001 and 140.08.002	\$104,988	Provide Westlaw service to the Commission. Online electronic legal resources and business information updated daily in order to perform legal research and track cases and other legal issues.	July 1, 2008 through June 30, 2011	<ul style="list-style-type: none"> • Services unavailable within the Commission.
Governor's Office of Planning and Research 150.10.001	\$45,000	Writing and research services for planning and policy discussion documents.	July 1, 2010 through June 30, 2011	<ul style="list-style-type: none"> • Work is on an as-needed basis.
CA Dept of Technology Services 200.09.001	\$600,000	Information Technology (IT) services, materials and equipment to continue connectivity to Department of Finance and Personnel Administration, State Controller's Office, State Personnel Board, and the internet.	July 1, 2009 through June 30, 2013	<ul style="list-style-type: none"> • Services unavailable within the Commission.
CA Dept of General Services 600.09.005	\$165,000	Accounting services to prepare records and books including year-end closing of the bond program accounts in preparation for the independent yearly audit required by bond.	December 21, 2009 through December 31, 2012	<ul style="list-style-type: none"> • Under federal regulations, the independent auditor cannot close the books of a client, then audit that work. • DGS has the expertise; the Commission does not.
California Natural Resources Agency 200.08.001	\$870,000	Serve as principal communications link between Governor of CA and the Commission. Provide personal services, contract expenses, administrative assistance, and coordination assistance. Provide Administration with climate change support.	July 1, 2008 through June 30, 2011	<ul style="list-style-type: none"> • This contract is inclusive of general policy oversight and a Climate Change Executive position that will provide the Administration with climate change support.
State Controller's Office (SCO) 200.008.002	\$74,700	Provide an automated system (CalATERS) to process travel advances and expense reimbursements for travel/business related expenses.	July 1, 2008 through June 30, 2014	<ul style="list-style-type: none"> • Required by Finance to use CalATERS for the processing of travel advances and expense reimbursement payments.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
State Controller's Office (SCO) 200.07.003	\$13,436	Provide maintenance of the California Leave Accounting System (CLAS) for Commission employees.	July 1, 2007 through June 30, 2011	<ul style="list-style-type: none"> • Annual maintenance contract with SCO to maintain the CLAS for Commission employees.
California Natural Resources Agency (CNRA) 160.08.002 and 160.10.001	\$2,800	Shared costs between CNRA and the Commission for legislative tracking services.	December 1, 2008 through November 30, 2013	<ul style="list-style-type: none"> • Services unavailable within the Commission. • Annual contract for Office of Governmental Affairs to follow legislation at the capitol for bills needing to be analyzed.
California Reporting LLC 180.08.001	\$150,200	Hearing reporters and transcribers to produce verbatim transcripts of business meetings, hearings, and workshops.	June 1, 2009 through March 14, 2012	<ul style="list-style-type: none"> • Work is intermittent and on an as-needed basis.
State Personnel Board (SPB) 200.10.002	\$6,406	Provide online selection services, data processing access, work force analysis, Office of the State Chief Information Officer and Human Resources Modernization Project exam services.	July 1, 2010 through June 30, 2011	<ul style="list-style-type: none"> • To continue the online selection services and online data processing access with SPB.
<i>Total for Commission-Wide Contracts</i>	<i>\$2,981,144</i>			
ERPA-Related Contracts:				
Western Interstate Energy Board 150.09.005 and 150.10.005	\$54,000	Membership in the Western Interstate Energy Board as required by Western Interstate Nuclear Compact, as set forth in government code section 67400 and 67401.	May 10, 2010 through June 30, 2013	<ul style="list-style-type: none"> • Mandated by government code section 67400 and 67401. • Services unavailable within the Commission.
National Association of State Energy Officials 400.09.006	\$59,670	Membership in the National Association of State Energy Officials. Allows Commission representatives to meet with officials from other states and territory energy offices and from the private and public sectors to help guide officials toward a deeper understanding of energy's role in the economy and environment.	October 21, 2009 through June 30, 2012	<ul style="list-style-type: none"> • Services unavailable within the Commission.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
California Commissioning Collaborative 400.10.008	\$22,000	Membership in the California Commissioning Collaborative.	May 15, 2011 through May 16, 2012	<ul style="list-style-type: none"> • Services unavailable within the Commission.
Affordable Comfort, Inc. 400.10.009	\$20,000	Co-sponsor of the March 28 through April 1, 2011 Affordable Comfort Inc National Home Performance Conference in San Francisco.	March 25, 2011 through June 1, 2011	<ul style="list-style-type: none"> • Legislation (AB 1890/SB 90) provides for a collaborative contracting effort with private industry to advance energy technologies.
Robert J Watson Enterprises, Inc. dba Resolution 150.08.003	\$205,096	Workshops on communication, leadership, and problem solving skills.	May 20, 2009 through May 19, 2011	<ul style="list-style-type: none"> • Services unavailable within the Commission.
Lexis Nexis 200.08.004	\$5,489	Subscription service to California Legal with CA Public Records, National News including Company and Financial, and Western Regional News.	December 1, 2008 through June 30, 2011	<ul style="list-style-type: none"> • Services unavailable within the Commission.
University Enterprises (CSU Sacramento) 200.96.010	\$9,515,974	Provide educational, student assistants, and/or research services to the Commission over a twenty year period.	October 1, 1996 through March 31, 2017	<ul style="list-style-type: none"> • Student services to meet peak workload demands throughout all ERPA divisions.
Gilbert Associates, Inc. 600.10.007	\$81,989	Audit/independent review of bond documents, several accounts, and be available for audit related questions.	June 3, 2011 through December 16, 2013	<ul style="list-style-type: none"> • Mandated by 2003A and 2005A Bond Agreements for the respective 2003A and 2005A Energy Efficiency Master Trust Revenue Bond Issues to obtain independent financial auditing services. • Commission is required to obtain independent annual audits.
Gilbert Associates, Inc. 400.08.002	\$132,100	Same as above.	December 5, 2008 through December 31, 2010	<ul style="list-style-type: none"> • Mandated by 2003A and 2005A Bond Agreements for the respective 2003A and 2005A Energy Efficiency Master Trust Revenue Bond Issues to obtain independent financial auditing services.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
CPS Human Resource Services 200.10.010	\$100,000	Commission job analysis including classification and pay issues.	September 14, 2011 through March 31, 2013	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature.
The Results Group 400.10.014	\$75,000	Provide strategic planning to assist the division's efforts in meeting legislative mandates and programmatic priorities, including AB 758 and Executive Order S-14-08.	June 15, 2011 through November 16, 2011	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature. • Work is intermittent.
KEMA Inc 600.09.012	\$200,000	Provide monitoring, verification, evaluation, and reporting of the projects funded by the Commission through ARRA Programs.	April 1, 2010 through June 30, 2013	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature. • Work is intermittent.
Pacific Storage Company 200.10.004	\$40,000	Records storage.	April 1, 2011 through March 31, 2013	<ul style="list-style-type: none"> • State records do not track who requests boxes and the boxes contain proprietary information.
Accustaff 200.10.005	\$74,500	Temporary clerical support services to assist the Energy Commission's ARRA Program during peak workload.	February 4, 2011 through March 31, 2013	<ul style="list-style-type: none"> • Temporary services for clerical ARRA peak workload support
Lexis Nexis 160.08.001	\$7,330	Subscription service to California Legal and National Legal with National News.	December 1, 2008 through June 30, 2011	<ul style="list-style-type: none"> • Services unavailable within civil service.
Bruce Wilcox, P.E. 400.09.001 and 400.10.016	\$2,554,000	Assist the Commission in revising the CA Building Energy Efficiency Standards for 2011. Work includes cost effectiveness studies, residential calculation methods, life cycle costs, energy analysis reports. This is for residential experts.	November 1, 2009 through March 14, 2013	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature. • Need to use a substantial number of individuals who together have knowledge of a broad range of energy and energy research topics and/or experience with energy efficiency codes and standards development.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Architectural Energy Corp. (AEC) 400.09.002 and 400.10.015	\$2,554,000	Assist the Commission in revising the CA Building Energy Efficiency Standards for 2011. Work includes cost effectiveness studies, residential calculation methods, life cycle costs, energy analysis reports. This is for non-residential experts.	February 1, 2010 through March 31, 2014	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature. • Need to use a substantial number of individuals who together have knowledge of a broad range of energy and energy research topics and/or experience with energy efficiency codes and standards development.
ProProse LLC 400.10.017	\$149,301	Develop technical assistance materials for each category of regulated appliance, and to increase manufacturer compliance with the appliance efficiency programs requirements.	June 30, 2011 through March 31, 2012	<ul style="list-style-type: none"> • Short-term assignment.
BR Laboratories 400.08.003.01	\$170,000	Inspect appliances sold or offered for sale and conduct enforcement testing to ensure they conform to energy and water consumption.	April 1, 2009 through March 31, 2011	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly technical, specialized service. • Under Mandate: Title 20 of CCR, section 1608(d) of the Appliance Efficiency Regulations requires the Commission to conduct enforcement testing of appliances.
Benningfield Group 400.09.004.01	\$129,942	Appliance energy efficiency program including retail/wholesale store surveys, catalog and internet surveys.	October 15, 2009 through March 31, 2011	<ul style="list-style-type: none"> • Under Mandate: Public Resources Code section 25402(c)(1). • These surveys are staff and resource intensive and cannot be performed with the existing level of Appliance Efficiency Program staffing.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Marco International, Inc. 600.10.011	\$673,083	Prepare a forecast of transportation fuel demand as directed by Public Resources Code section 25301 (to be used for the Integrated Energy Policy Report (IEPR)).	June 30, 2011 through March 31, 2013	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly technical, specialized service.
Smithers Scientific Services, Inc. 600.07.006	\$1,000,000	Tire rolling resistance testing, studies and analyses of materials and technologies on tires, workshops, evaluation of test facilities.	June 30, 2008 through March 31, 2011	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly technical, specialized service. • Only two well-established test labs are recognized by the tire industry that can perform these tasks.
ICF Consulting, LLC 600.10.004	\$123,099	To update data available to the Commission for vehicle manufacturer makes and models from 1992 to 2010 as well as forecasted makes and models from 2011 to 2030. Prepare a forecast of transportation fuel demand for use in the IEPR, as directed by Public Resource Code section 25301.	February 14, 2011 through June 30, 2012	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly technical, specialized service. • Commission does not have a model for forecasting the vehicle attributes specified in this contract. The model that is used by the consultant is proprietary.
Ehlert Business Group 170.09.002	\$200,000	Hearing reporter services for siting cases/hearing meetings, hearings, and workshops. Includes recording meetings and producing an error-free transcript.	June 23, 2010 through June 30, 2012	<ul style="list-style-type: none"> • Services unavailable within civil service. • Work is intermittent.
Aspen Environmental Group 700.08.001	\$10,282,140	Evaluate energy facilities operations [e.g., siting and certification of new power plants >50 MW (mandated) and related transmission lines, compliance monitoring of permitted facilities, and designating transmission corridors]. Perform CEQA and NEPA analysis; environmental and engineering analysis; expert testimony.	June 30, 2009 through May 31, 2012	<ul style="list-style-type: none"> • Contract is for technical support. • Peak workload contract. • Highly technical, specialized service. • Difficult to project how much staff you will need 4 to 6 months out. • Requires use of expert testimony.

**Appendix C
List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Aspen Environmental Group 400.07.032	\$4,050,000	Technical assistance for the following: 1) Contract Management, 2) Electricity System and Infrastructure Analysis, 3) Improve Demand Forecasting, 4) Improve Energy demand analysis, 5) Natural Gas Assessment and Forecasting, 6) Central Station and Distribution Generation market Assessment, as directed by the IEPR.	June 29, 2011 through March 31, 2013	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature. • Work is intermittent and/or short-term.
Conservation Science, Inc. 700.09.001	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Richard Redak 700.09.002	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Scott Abella 700.09.003	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.

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Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Chrissy Howell 700.09.004	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Robin Kobaly 700.09.005	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Kimball Garrett 700.09.006	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Ted Weller 700.09.007	\$4,999	Independent science expert/advisor. Services include attending science advisory meetings and preparing Independent Science Report on species/habitat relationships, ecological processes, natural disturbance regimes, as directed by the Executive Order S-14-08 and the Natural Communities Conservation Planning Act.	May 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Services unavailable within civil service. • Work is short-term.
Kenneth Medlock III, Ph.D. 800.09.001	\$46,000	Technical support for the Commission to perform IEPR cycle work in 2 major areas: the assessment of natural gas supply to 2018 and the understanding of natural gas market uncertainties.	December 23, 2009 through March 31, 2012	<ul style="list-style-type: none"> • Vendor has a proprietary gas model known as the Baker Institute model. • Services unavailable within civil service.

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List of Contracts**

Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
				<ul style="list-style-type: none"> • Highly specialized and/or technical nature. • Work is intermittent and/or short-term.
C&G Technology Services, Inc. 09.409.00.001	\$99,960	Programmer to handle appliance database (design an automated online data and form submittal interface and provide necessary transitional support).	June 30, 2010 through June 30, 2012	<ul style="list-style-type: none"> • Services unavailable within the Commission.
C&G Technology Services, Inc. 10.409.00.010	\$35,000	Provide ongoing technical support and maintenance to the online CA utility allowance calculator.	FY 2010-11	<ul style="list-style-type: none"> • Mandate: Chapter 712, Statutes of 2010. • Services unavailable within the Commission. • Commission had more work than skill-set available and few programmers to maintain many programs.
Enterprise Networking Solution, Inc. 09.409.00.005	\$75,000	Design, installation, and training of Commission staff on a turn-key multi-media system including all project management, design, engineering, coordination, and labor for equipment installation.	FY 2009-10	<ul style="list-style-type: none"> • Services unavailable within the Commission.
Enterprise Networking Solution, Inc. 10.409.00.006	\$70,000	Plan, test, implement and monitor all activities required to migrate servers from the Commission's current data center and co-locations to the Resource Agency Data Center (RADC) and the Office of Technology Services (OTech) Gold Camp Data Center (Gold Camp).	June 4, 2009 through March 12, 2014	<ul style="list-style-type: none"> • Mandate: directives of the Cal Tech Agency and the CNRA. • Services unavailable within the Commission. • This was for the actual move (see Contract 10-409.00-005)
RC Consulting 09.409.00.009	\$145,000	Analysis of the Department of Motor Vehicles (DMV) vehicle registration database to provide the Energy Commission with useful data on vehicle counts and characteristics.	April 1, 2010 through December 31, 2010	<ul style="list-style-type: none"> • Services unavailable within the Commission. • Per memo in contract, this is the final DMV consulting contract with the expectation that these services will be transitioned to Commission staff.

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Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
RC Consulting 10.409.00.008	\$90,000	Transition from an outside consultant to the Commission to produce the Commission's vehicle reports. AB 2408 requires IT services be performed by Information Technology Services Branch (ITSB) staff. Specifically, educate and train Fossil Fuel Office and ITSB staff in creating vehicle count reports from DMV registration information.	FY 2010-11	<ul style="list-style-type: none"> • Mandate: Chapter 712, Statutes of 2010. • These services to be transitioned to the Commission.
Shandham Consulting 10.409.00.005	\$30,000	Provide network connectivity between the Commission and the RADC. This network connectivity is necessary to meet the directives of the Office of the Chief Information Officer, OTech and CNRA.	FY 2010-11	<ul style="list-style-type: none"> • Services unavailable within the Commission. • This was for planning the data center move from the Commission to CNRA building.
Shandham Consulting Services, Inc. 09.409.00.013	\$180,000	Provide network engineering and architect support.	FY 2009-10	<ul style="list-style-type: none"> • Services unavailable within the Commission.
Spencer Fryer Macintosh Consulting 10.409.00.009	\$4,850	Mac consulting services for Snow Leopard upgrade.	January 3, 2011 through April 19, 2011	<ul style="list-style-type: none"> • Services unavailable within the Commission. This consultant trained one Commission staff.
Spencer Fryer Macintosh Consulting 10.409.00.011	\$1,150	Plan and participate in moving Mac server to the RADC.	June 10, 2011 through June 20, 2011	<ul style="list-style-type: none"> • Work necessary to ensure seamless move of Mac server from the Commission server room to the Natural Resources Agency Data Center.
L'monte Information Systems 09.409.00.004	\$30,000	Business analyst support for determining hardware/software technical requirements for implementation of the Home Energy Rating System Provider Data Registry document registration procedures for the 2008 Building Energy Efficiency Standards.	FY 2009-10	<ul style="list-style-type: none"> • Services unavailable within civil service. • Highly specialized and/or technical nature.

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Vendor Name Contract Number	Contract Amount	Scope of Work	Period of Services	Justification for Outsourcing
Andes Consulting LLC. 09.409.00.008	\$109,250	Quality Management (QM) services for and throughout the DynaSim project. Includes developing, implementing and maintaining a QM process throughout the process.	FY 2009-10	• Need for an unbiased person to verify quality assurance.
Andes Consulting LLC. 09.409.00.014	\$225,000	Complete an integrated enterprise system for the Commission. Includes data standardization for the human resources and support services branch, Financial services branch, and business services branch.	October 1, 2009 through October 1, 2010	• Services unavailable within the Commission.
Andes Consulting LLC 10.409.00.001	\$225,000	Provide software development resources to support applications for Human Resources, Financial Services, and Business Energy Services at the Commission.	FY 2010-11	• Services unavailable within Commission.
<i>Total for ERPA-Related Contracts</i>	\$33,879,916			
Total for All Contracts Awarded	\$36,861,060			

Note: This spreadsheet was prepared by Finance staff from information obtained in the contracts.