



STAFF REPORT

MEETING DATE: May 14, 2025

PRESENTER: John Jansons, City Manager

SUBJECT: Contract with Spectrum Energy Solutions for PG&E Account Audits, Energy Cost Saving Services and Solar Performance Analysis and Optimization (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving a two year contract with Spectrum Energy Solutions in the amount of \$37,300 for PG&E account audits, energy cost saving services, and solar performance analysis/optimization and for sharing of cost savings.

EXECUTIVE SUMMARY:

The proposed resolution (**Attachment 'A'**) will approve a two-year contract with Spectrum Energy Solutions in the amount of \$37,300 for PG&E Account Audits, Energy Cost Saving Services, and Solar Performance Analysis/Optimization. Spectrum Energy Solutions will also receive payment equal to a 30% share of initial cost savings, realized by the City or rebated to the City, due to the identification of PG&E billing errors in the prior 12 months.

DISCUSSION:

Spectrum Energy Solutions have systems in place and are experienced with identifying potential billing errors by PG&E, or rate and tier modifications recommended to increase energy efficiency at City facilities and ultimately realize utility cost savings to the City. Additionally, their expertise will identify cost savings strategies, proposed improvements, and solar optimization leading to further cost savings for the City.

The Professional Services Agreement, **Exhibit 'A'** to the resolution, is for a period of two years to audit all City electrical and gas accounts for any possible billing errors, and then routinely monitor all accounts to identify tier adjustments and ongoing cost saving opportunities. Approval of the resolution by the City Council will authorize the City Manager to execute the contract.

FISCAL IMPACT:

The two-year agreement is for a total of \$37,300 that includes monthly service fees for account auditing and monitoring, as well as a Year 1 fee of \$8,500 for solar performance analysis and optimization recommendations. The agreement also provides that Spectrum Energy Solutions will receive payment equal to a 30% share of initial costs savings realized by the City or rebated to the City due to identification of PG&E billing errors in the prior 12 months.

ATTACHMENTS:

A. Resolution w/Exhibits

Attachment 'A'

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN APPROVING A TWO -YEAR PROFESSIONAL SERVICES AGREEMENT WITH SPECTRUM ENERGY SOLUTIONS IN THE AMOUNT OF \$37,300 FOR PG&E ACCOUNT AUDITS, ENERGY COST SAVING SERVICES, AND SOLAR OPTIMIZATION ANALYSIS AND FOR SHARING OF COST SAVINGS

WHEREAS, the City believes it to be beneficial to examine utility billing rates for accuracy and cost savings; and

WHEREAS, Spectrum Energy Solutions (SES) is experienced in assessing electrical usage and billing data and identifying potential cost saving strategies, and

WHEREAS, SES has systems to review and audit electrical meter rates and tiers for accuracy and time of use alignment to identify savings for customers.

WHEREAS, SES has performed rate and use analysis for Reedley, CA successfully identifying billing errors in favor of the city, and

WHEREAS, with exponential electrical rate increases levied by Pacific Gas and Electric over the last few years it has become imperative for Kerman to look for cost savings and efficiency opportunities.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kerman as follows:

1. The foregoing recitals are true and correct and incorporated by reference.
2. The City Council approves Professional Service Agreement with Spectrum Energy Solutions for PG&E account audits, energy cost saving services and solar optimization analysis (**Exhibit 'A'**).
3. The City Council authorizes the City Manager to execute the Agreement.
4. This resolution is effective upon adoption.

Certification on following page.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 14th day of May 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk