

# Local Government Energy Efficiency

## Best Practices OUTREACH

### City of Chula Vista

San Diego County

Population: 231,305 (2008)

#### SUMMARY

The City of Chula Vista has long been a leader in resource conservation.

As part of its multi-departmental Climate Protection Program, the City adopted the Free Resource & Energy Business Evaluation (FREBE, pronounced "Free-bee") ordinance to encourage and assist local businesses to reduce their energy consumption and utility bills.

The measure encourages commercial and industrial businesses to participate in an energy and water evaluation of their premises. It helps businesses identify energy efficiency and water conservation opportunities at their facilities and take advantage of rebate, incentive, and financing programs for improvements solely at the business's discretion.

The evaluations, which are offered at no cost, apply to licensed businesses with a physical storefront and/or office location.

## Free Resource & Energy Business Evaluations (FREBE)



#### PROGRAM HIGHLIGHTS

Evaluations are required when a new business license is issued. Existing businesses must be evaluated every four years.

City employees perform the on-site evaluations that usually last about 30 minutes.

Businesses are encouraged, **but are not required**, to perform efficiency retrofits or improvements identified through the on-site evaluation.

Chula Vista businesses benefit in a variety of ways, including:

- FREE assistance identifying ways to reduce energy & water costs
- FREE energy and water rebate assistance & 0% interest financing
- FREE compact fluorescent bulbs, "smart" power strips, or other devices
- FREE training on ways to easily track energy & water costs
- Future notice regarding free services & rebates for specific business types
- Improved competitiveness by lowered monthly utility costs

# Free Resource & Energy Business Evaluations

## LESSONS LEARNED

The FREBE program was originally a voluntary component of the business license process. However, less than 1% of eligible businesses participated, so it required City staff to resort to on-site solicitations of businesses to increase participation, creating significantly higher implementation costs and decreasing the program's cost effectiveness. In response to these results, City Council directed staff to work with community stakeholders to draft an ordinance, which would require businesses to participate in the program as part of the business licensing process.

It is important to work closely with internal and external stakeholders in designing and implementing the program. Within the City, the business license division plays a vital role in explaining the program and its requirements because of its daily interaction with business license applicants. Externally, City staff has outreached to local business associations to educate them on the FREBE program's intent and results.

The City's strong relationship with San Diego Gas & Electric (SDG&E) has helped to facilitate linking business efficiency opportunities with available utility-sponsored rebates, financing, and third-party direct install programs.

In December 2009, 993 existing businesses received notices stating that they would be required to participate in the FREBE program during calendar year 2010. By the following September 1st, 831 businesses (or 84%) had scheduled or completed an on-site evaluation for the year.

A survey of past participants highlighted that almost two-thirds of evaluated businesses reported that they are likely or very likely to make a change based on the free evaluation. In addition, over 95% of respondents would recommend the FREBE program to another business and numerous businesses requested frequent consultation with City staff on energy and water management.

## THE REST OF THE STORY

In July 2008 the City Council adopted implementation plans for seven climate protection measures to reduce Chula Vista's greenhouse gas or "carbon" emissions. The new measures, which were recommended by the City's Climate Change Working Group - comprised of residents, businesses, and community representatives - were designed to assist the City in meeting its 2012 emissions reduction commitment of 20% below 1990 levels. One of those measures linked energy evaluations to annual business licenses.

Businesses with storefronts or offices are required to participate in a Free Resource & Energy Business Evaluation (FREBE) of their facilities. The on-site evaluation must be completed in the calendar year (or within 90 days, whichever is greater) when a new license is issued or every four years for an existing business license.

Businesses are encouraged, **but are not required**, to perform any efficiency retrofits or improvements identified through the on-site evaluation.



The FREBE program links to SDG&E's portfolio of rebate and incentive programs including direct install services that provide free energy-saving maintenance and efficiency improvements to help lower monthly utility costs.

To help ensure that the new requirement did not create an impediment to the participating business's normal operations, staff worked to streamline program implementation. [> more...](#)

## Chula Vista's FREBE

Businesses can schedule an evaluation by selecting a preferred date and time on their business license form, through an on-line appointment calendar, or by calling the City's bilingual staff in the Department of Conservation & Environmental Services.

If businesses do not schedule an appointment within 60 days of receiving a license, staff will set a tentative appointment during the business's regular business hours, which can be confirmed or rescheduled at the business's discretion.

If a business does not complete an on-site evaluation after receiving multiple notices, it will be assessed a fine of \$15 or 5% of the business license fee (the greater of the two) which is collectable on the following year's business license.

Chula Vista also offers the CLEAN Business program, which recognizes local small businesses that become sustainable. In addition to meeting certain energy and water conservation criteria, CLEAN businesses demonstrate leadership in solid waste reduction/recycling and pollution prevention. A CLEAN business holds itself accountable for environmental and social impacts by operating in a responsible manner and protecting the environment whenever possible.

Participation in the program is voluntary and free. Benefits include:

- FREE assistance in making CLEAN changes to the business
- FREE advertising and marketing assistance
- Community recognition of businesses' voluntary efforts to improve the environment
- Cost savings through improved efficiency, energy and water conservation, and waste reduction
- Reduced greenhouse gas emissions to help fight climate change

### GAINING POLITICAL SUPPORT

City Council was concerned that staff was spending more time soliciting businesses to participate in the voluntary program than helping local businesses reduce their energy/water use and improve their bottom line.

The FREBE program was originally proposed by the City's Climate Change Working Group. Through a series of public meetings, the group evaluated over 90 different options to reduce the City's greenhouse gas emissions and, ultimately, chose seven measures to recommend to the City Council.

Because the CCWG was stakeholder driven, it helped to assure that the FREBE program had been thoroughly vetted through an open, transparent public process.

City Council recognized that businesses with lower utility bills are more likely to expand their businesses in Chula Vista, hire more local employees, and survive these tough economic times.

Transitioning from a voluntary to a mandatory program has not negatively affected participating businesses' level of satisfaction with the program or their willingness to implement recommended efficiency measures.

### LEARN MORE

**City of Chula Vista Department of Conservation and Environmental Services**

<http://www.chulavistaca.gov/clean/conservation/>

**Chula Vista Municipal Code Chapter 20.04, Energy and Water Conservation Regulations**

<http://www.codepublishing.com/ca/chulavista.html>

**Chula Vista Clean Business**

<http://www.chulavistaca.gov/clean/CVcleanBusiness.asp>

# Local Government BEST PRACTICES

## SIMILAR PROGRAMS

### ■ Community Energy Services

**Corporation** operates the Smart Lights program for small businesses for both the East Bay Energy Watch and Marin Energy Watch partnerships with PG&E.

<http://www.ebenergy.org/smart-lights/>

■ **Riverside Public Utilities** offers free technical assistance for business customers through the completion of a comprehensive energy audit.

<http://www.riversideca.gov/utilities/busi-technicalassistance.asp>

■ **San Francisco Energy Watch** was launched in 2007 to help businesses and multifamily building managers or owners in San Francisco lower their energy bills and help the City reduce its impact on the environment.

<http://www.sfenvironment.org>



For more information about this case study:  
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Funded by California utility ratepayers and administered by California's investor owned utilities under the auspices of the California Public Utilities Commission.

## Business Outreach

*Businesses with lower utility bills are more likely to expand their businesses, hire more local employees, and survive these tough economic times.*

## ADDITIONAL RESOURCES

■ **CoolCalifornia.org** ([www.coolcalifornia.org](http://www.coolcalifornia.org)) web site has a small business tool kit.

■ **ICLEI–Local Governments for Sustainability** ([www.iclei.org](http://www.iclei.org)) offers a suite of resources to aid local governments implement energy efficiency measures and reduce greenhouse gas emissions.

■ **The Institute for Local Government's California Climate Action Network** ([www.ca-ilg.org/climatechange](http://www.ca-ilg.org/climatechange)) provides resources, information, and recognition to assist local agencies reduce greenhouse gas emissions and save energy.

■ **The Local Government Commission** ([www.lgc.org](http://www.lgc.org)) provides many free resources to assist local governments in reducing greenhouse gas emissions and energy use including newsletters and publications, fact sheets, model projects, and articles.

■ The investor owned utilities offer incentives and other assistance to businesses.

**PG&E:** [www.pge.com](http://www.pge.com)

**SDG&E:** [www.sdge.com](http://www.sdge.com)

**Southern CA Edison:** [www.sce.com](http://www.sce.com)

**Southern CA Gas:** [www.socalgas.com](http://www.socalgas.com)

Check with your municipal utility for similar programs.