



FAIRFAX TOWN COUNCIL MEETING

STAFF REPORT

MEETING DATE October 16, 2024
PREPARED FOR Mayor and Town Council
PREPARED BY Heather Abrams, Town Manager
Bridget Wipfler, Climate Action Coordinator
SUBJECT Authorize the Town Manager to sign a Memorandum of Understanding (MOU) with Marin Clean Energy (MCE) and pay up to \$6,000 to implement an incentive program for Fairfax residents to Sign Up for MCE Deep Green (100% Renewable Energy)

RECOMMENDATION

Authorize the Town Manager to sign a Memorandum of Understanding (MOU) with Marin Clean Energy (MCE) and pay up to \$6,000 to implement an incentive program for Fairfax residents to Sign Up for MCE Deep Green (100% Renewable Energy).

BACKGROUND

This program was initially brought up in [August 2015](#) through a request from Mayor Coler. Council approved the pilot incentive program in Fairfax as one method to meet the Town's aggressive targets to lower greenhouse gas emissions. Fairfax received \$6,000 BAAQMD funding in late November 2015 and worked with MCE to set up the program and entered into an agreement. The funds for the program enabled 100 Fairfax households to participate in MCE's Deep Green program.

According to MCE, the cost per household to participate in Deep Green is approximately \$60 more per year (\$5 more per month) than the cost of MCE's Light Green program. MCE's Light Green program is currently less expensive than PG&E's competing electric energy program. With Deep Green, all of the power a household purchases comes from 100% non-polluting, Green-e Energy-certified wind power.

Since MCE launched, 84.8% of Fairfax residents have participated in MCE, with 13.3% of residents participating in the Deep Green program. While this program is one of many MCE programs, these efforts have contributed to MCE's service area bill savings of \$83 million dollars.

The incentive program was and is consistent with the Town's [Climate Action Plan](#) (CAP) which specifically identifies a "Community Mitigation Measure" to "encourage households to switch to Deep Green electricity." (CAP Table 12). The CAP goal for this mitigation measure is to reduce Greenhouse Gases by 146 metric tons of CO₂. The incentive program has been instrumental towards achieving that goal. With the most recent number of Deep Green customers, 147 households switching to Deep Green, there is 107 MTCO₂E saved annually (see Emissions Reduction Measure ERM 17 excerpt from the [CAP](#)).

DISCUSSION

Due to the success of Deep Green incentive program in 2015, Mayor Coler is requesting to re-establish a program to support residents who want to participate in MCE's Deep Green program. There are funds available via the Town's Climate and Environment budget.

In 2015, the Town and MCE entered into an MOU in order to implement the program. If approved by Council today, the Town Manager will enter into substantially the same MOU (see attached), following final review by the Town Attorney and MCE attorney.

COMMUNITY OUTREACH

If council approves funding for the program, staff and Climate Action Committee members will promote the program to Fairfax residents through the Town's Newsletter, Town Website, and at community events, following the guidelines of the [CAP](#). We will coordinate our community engagement with MCE to ensure the most effective approach.

FISCAL IMPACT

\$6,000 in funds are available to support this program through the Town's Climate and Environment fund, 01-514-822.

ATTACHMENTS

Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of _____ by and between Marin Clean Energy ("MCE") and the Town of Fairfax ("TOWN").

RECITALS

A. MCE and TOWN wish to work cooperatively to continue an incentive program for 100 Fairfax households to participate in MCE's "Deep Green" program ("Program") for 24 months.

B. TOWN is contributing \$6,000 to fund the incentive program.

C. The parties have entered into this MOU to set forth their respective responsibilities with respect to the Program, all as provided more particularly below.

NOW THEREFORE, in consideration of the mutual promises contained herein the parties have agreed as follows:

AGREEMENT

1. Recitals. The Recitals above are true and correct in all respects and are hereby incorporated into this MOU as if fully set forth below.
2. Funding: TOWN shall contribute six thousand dollars (\$6,000) to MCE for the Program. TOWN shall have no further obligation to fund the Program beyond the initial \$6,000 in funds. Funds shall only be used for Program costs as identified in "Exhibit A."
3. Program: MCE and the Town shall mutually agree to continue the Program per Exhibit A.
4. Administration: MCE shall administer the program per Exhibit A.
5. Termination: The term of this MOU shall commence on the date first written above and shall expire ten (10) days after written notice of termination by either of the parties to the other if prior to the end of the twenty-four (24) month Program.
6. Indemnification and Defense of Claims: Each Party agrees to defend and indemnify the other party, its officers, employees, consultants, contractors and agents, from any claim, action or proceeding arising solely out of its own acts or omissions in the performance of this MOU. In its sole discretion, any party may participate at its own expense in the defense of any claim, action or proceeding, but such participation shall not relieve the other party of any obligation imposed by this Section 6. Each party shall notify the other party promptly of any claim, action or proceeding and cooperate fully in the defense.

Notwithstanding the prior paragraph, in cases where MCE and TOWN agree in writing to a joint defense, the parties may appoint joint defense counsel to defend the claim, action or proceeding arising out of the concurrent acts or omissions of MCE and TOWN. Joint defense counsel shall be selected by mutual agreement of MCE and TOWN. MCE and TOWN agree to share the costs of such joint defense and any agreed settlement in equal amounts. The parties further agree that no party may bind the other to a settlement agreement without the written consent of the other party.

Where a trial verdict or arbitration award allocates or determines the comparative fault of MCE and TOWN, either party may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with such comparative fault.

7. Insurance: MCE and TOWN shall maintain status as legally self-insured public entities for general liability with limits of at least one million dollars (\$1,000,000). TOWN shall require that all contractors or subcontractors working on the Program obtain at their sole cost and keep in full force and effect during the term of this MOU, commercial general liability insurance in the amount of one million dollars (\$1 million) per occurrence for bodily injury, personal injury and property damage; provided (i) that the MCE, its officers, employees, consultants, contractors and agents shall be added as additional insureds under the policy, and (ii) that the policy shall stipulate that this insurance will operate as primary insurance; (iii) that no other insurance effected by the MCE or other named insureds will be called upon to cover a loss covered thereunder.
8. Notices: All notices required or permitted under the terms of this MOU shall be in writing and sent to:

Town of Fairfax
142 Bolinas Road
Fairfax, CA 94930
Phone # (415) 453-1584
Attn: Town Manager
habrams@townoffairfax.org

Marin Clean Energy
1125 Tamalpais Ave
San Rafael, CA 94901
Phone #(415) 464-6018
Attn: Sebastian Conn
sconn@mcecleanenergy.org

9. Time is of the Essence; Entire Agreement: Time is of the essence of each of the terms and provisions of this MOU. This MOU constitutes the entire agreement between TOWN and MCE, and no alteration, amendment or any part thereof shall be effective unless in writing signed by parties sought to be charged or bound thereby.

IN WITNESS WHEREOF, the parties have executed this MOU as of the date first written above.

MCE:

Signature: _____

Title: _____

Date: _____

TOWN:

TOWN OF FAIRFAX

Signature: _____

Title: TOWN MANAGER

Date: _____

Exhibit A

- The objective of the Incentive Program (“Program”) is to provide a \$5/month credit for 12 months to each of the first 100 eligible households within the Town of Fairfax to enroll in MCE Deep Green. The Program shall be made available to Fairfax households on a date to be established by MCE (“Launch Date”). These households must be “new” enrollees into the MCE Deep Green program. New is defined as not being currently enrolled in Deep Green prior to the Launch Date.
- The Funds can only be used to fund the \$5/month credit for Fairfax residents to participate in the MCE Deep Green program for a maximum amount of \$60 per service account address. Funds cannot be used for any administrative/marketing costs.
- MCE will work with PG&E to include language, mutually agreeable to the Town and MCE, for a line item reflecting the \$5 credit to appear as on the MCE page of a customer’s bill.
- MCE will develop and implement a Marketing Plan mutually agreed upon by the Town and MCE (“Parties”).
- MCE will develop Program Rules to be mutually agreed upon by the Town and MCE.
- MCE will implement and administer the Program for 24 months (“Program Period”) from the Launch Date. The Parties may extend the Program Period upon mutual agreement if Funds are available beyond the 24month period.
- MCE will account for deductions from the \$6,000 fund as new Deep Green participants enroll and issue a monthly report to Town, in a form mutually agreed to by the Parties, which will include the number of enrollees and the balance in the fund.
- Any Funds remaining after the first 100 households have been enrolled for 12 months shall be characterized as Residual Funds. The Town will develop a plan for the use of Residual Funds to be mutually agreed upon by the Town and MCE. Should the Parties be unable to mutually agree upon the use of the Residual Funds, MCE will return the Residual Funds to the Town within 60 days of request by the Town.