One Water and Adaptation Committee

Authorize a two-year agreement with Electric & Gas Industries Association to administer Metropolitan's regional consumer conservation incentive programs for a not to exceed amount of $4,200,000

Item 8-7

October 13, 2026

Presented by: Karina Sandique

Item 8-7

Authorization Request for a New Two-Year Purchase Order with EGIA to administer Metropolitan's regional consumer programs

Subject

Authorize a two-year agreement with Electric & Gas Industries Association to administer Metropolitan's regional consumer conservation incentive programs for a not to exceed amount of $4,200,000

Purpose

Continue administration of Metropolitan's regional consumer incentive programs while staff performs the board-directed program evaluation

Recommendation

Authorize a two-year agreement with EGIA to administer Metropolitan's regional consumer incentive programs

Fiscal & Budget Impact

Expenditures are within the board-authorized budget

Current Regional Program Vendor

Service Provided By EGIA

The Regional Conservation Program Vendor: Electric & Gas Industries Association (EGIA)

Contract Details:

- Five-year agreement; expires on June 30, 2027
- Provides necessary services to process hundreds of consumer applications, including but not limited to:
  - Distribution rebate funds
  - Coordination with Metropolitan's third-party inspection vendor
  - Manage and track multi-million-dollar budgets, including all member/retail agency co-funding and grants
  - Extensive customer service and program monitoring

Regional Conservation Program

What is included?

- Rebates processing and distribution for:
  - Commercial, Industrial, and Institutional (CII) turf replacement and trees
  - Residential (RES) turf replacement and trees
  - 25 different CII devices
  - 12 different Residential devices
- Inspection and verification program
- Water Savings Incentive Program (WSIP)
- Utility Partnerships
- On-site recycled water retrofit (OSRP) program
- Member Agency Administered Program
- Municipal Leak Detection and Repair Program
- Waterwise Landscaping Classes
- WELDCP Classes
- Innovation Conservation Program
- Indoor and Outdoor Surveys

Regional Conservation Program

Programs Supported by EGIA

- Rebates processing and distribution for:
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  - Residential (RES) turf replacement and trees
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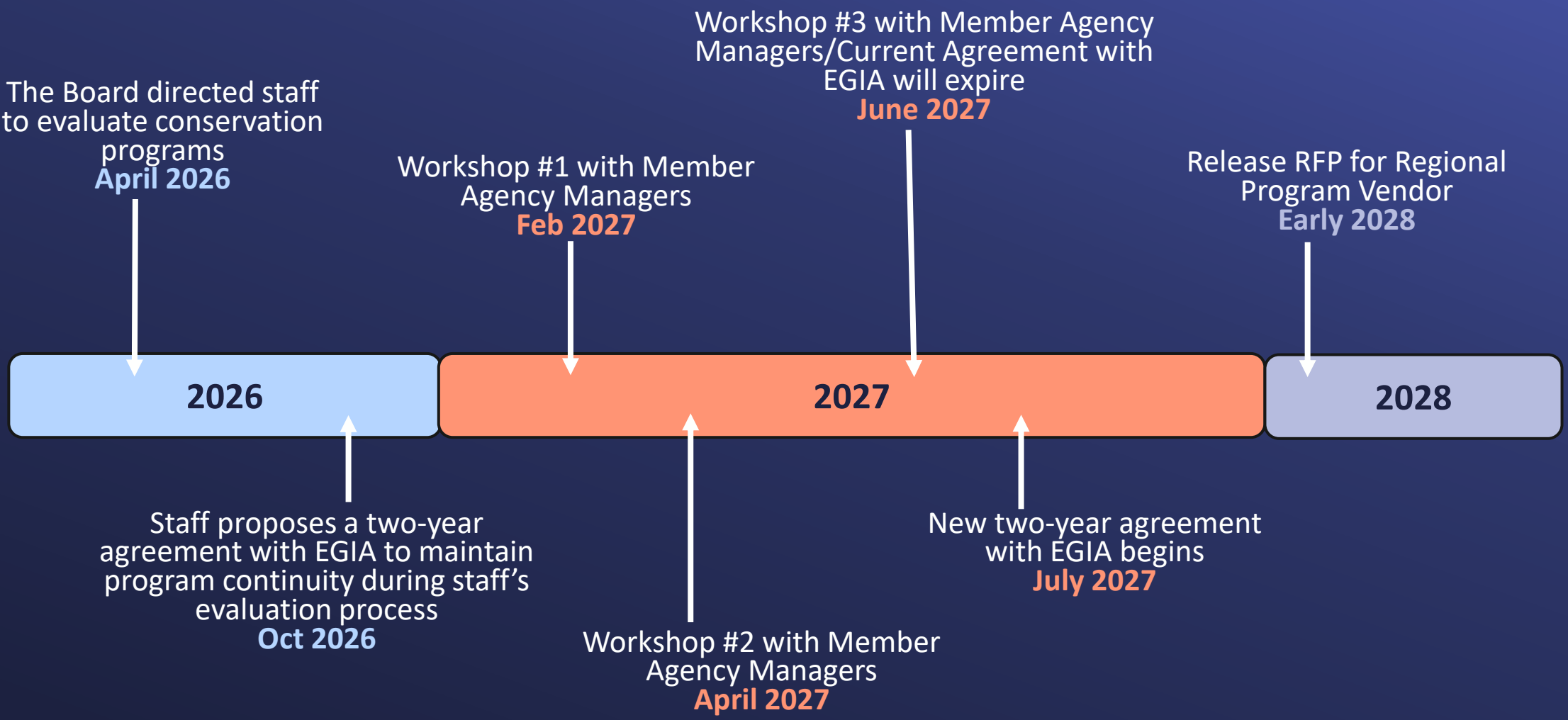
- Indoor and Outdoor Surveys

Proposed New Agreement Overview

The Board directed staff to evaluate the conservation programs within the next year and to prioritize those that are cost-effective and meet the needs of Metropolitan and the Member Agencies

- Procurement for a contract of this complexity takes 10-12 months
- Staff's evaluation overlaps with the period normally used to prepare the next RFP
- Starting a competitive procurement now may lead to a solicitation that may no longer align with the evaluation results and affect the RFP process
- This proposed new agreement ensures continuity while staff complete the evaluation

Regional Conservation Program Evaluation Timeline



Proposed New Agreement

Cost Proposal

Estimated cost of EGIA's administration is $4,200,000

Contract Details:

- Approximately 7% of Metropolitan's consumer incentive program
- Budgeted and paid for from the funds that Board authorizes for consumer incentive program
- Competitive with their existing contract and segmented based on Metropolitan's various incentive programs
- Does not include Metropolitan's base rebate expenditures

Board Options for Metropolitan's Regional Program Vendor

Option #1

Authorize a two-year agreement with Electric & Gas Industries Association to administer Metropolitan's regional consumer conservation incentive programs, for a not to exceed amount of $4,200,000

Option #2

Do not authorize a two-year agreement with Electric & Gas Industries Association to administer Metropolitan's regional consumer conservation programs

Staff Recommendation

Option #1

THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
1928