

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 10/2015)

CALIFORNIA ENERGY COMMISSION

New Agreement EPC-15-096 (To be completed by CGL Office)

Division	Agreement Manager:	MS-	Phone
ERDD	Kevin Mori	51	916-327-1475

Recipient's Legal Name	Federal ID Number
American Water Works Company, Inc.	23-1340234

Title of Project
Demonstrating Innovative Leakage Reduction Strategies: Correlating Continuous Acoustic Monitoring, Satellite Imagery and Flow Sensitive Pressure Reducing Valve System

Term and Amount	Start Date	End Date	Amount
	6/30/2016	3/30/2020	\$ 1,517,780

Business Meeting Information
 ARFVTP agreements under \$75K delegated to Executive Director.

Proposed Business Meeting Date	6/14/2016	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Discussion
Business Meeting Presenter	Kevin Mori	Time Needed:	5 minutes

Please select one list serve. EPIC (Electric Program Investment Charge)

Agenda Item Subject and Description

AMERICAN WATER WORKS COMPANY, INC. Proposed resolution approving Agreement EPC-15-096 with American Water Works Company, Inc. for a \$1,517,780 grant to fund the demonstration of three leak detection technologies at the municipal level to reduce the amount of water lost from leaky piping. The three technologies are: correlating continuous acoustic monitoring, satellite imagery leak detection, and flow sensitive pressure reducing valve. These technologies will be used to identify municipal leaks faster to reduce the amount of water loss, and reduce the amount of wasted embedded energy. The demonstrations will occur in Southern California. (Contact: Kevin Mori) (EPIC Funding)

California Environmental Quality Act (CEQA) Compliance

1. Is Agreement considered a "Project" under CEQA?
 Yes (skip to question 2) No (complete the following (PRC 21065 and 14 CCR 15378)):
 Explain why Agreement is not considered a "Project":
 Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because
2. If Agreement is considered a "Project" under CEQA:
 a) Agreement **IS** exempt. (Attach draft NOE)
 Statutory Exemption. List PRC and/or CCR section number: _____
 Categorical Exemption. List CCR section number: Cal. Code Regs., tit 14, §§ 15301, 15306
 Common Sense Exemption. 14 CCR 15061 (b) (3)
 Explain reason why Agreement is exempt under the above section:
 Cal. Code Regs., tit. 14, §15301 provides that projects which consist of the operation repair, maintenance, or minor alteration of existing public or private structures, facilities, or mechanical equipment, and which involve negligible or no expansion of use beyond that existing at the time of the lead agency's determination, are categorically exempt from the provisions of the CEQA. Cal. Code Regs., tit. 14, §15306 provides that projects which consist of basic data collection, research and resource evaluation activities and which do not result in a major disturbance to an environmental resource are categorically exempt from the provisions of CEQA. Specifically, under this project four types of small equipment will be installed to help identify municipal water leaks: flow sensitive pressure reducing valves, flow meters, correlating continuous acoustic monitoring devices and Mi.Hub data collectors. The flow-sensitive pressure reducing valves will be 4 to 8 inches long and the flow meters will be 6-12 inches long and will be installed on existing municipal water pipelines. No trenching or digging will be necessary to access the water pipelines. The correlating continuous acoustic monitoring devices are approximately 3 to 6 inches in diameter and will be placed on the inside of hydrant caps on existing City of Duarte fire hydrants. The Mi.Hub data collectors measure 7 inches by 10 inches by 3 inches, weigh less than five pounds, and will be affixed to existing electric lamp poles, municipal buildings or water towers. The equipment involved in this project will not produce any emissions, noise or light. This project will not expand the existing use of the municipal water pipelines, the City of Duarte fire hydrants, the lamp poles, municipal buildings or water towers and will not have a significant effect on the environment.
- b) Agreement **IS NOT** exempt. (Consult with the legal office to determine next steps.)
 Check all that apply
 Initial Study Environmental Impact Report
 Negative Declaration Statement of Overriding Considerations
 Mitigated Negative Declaration

List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

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Legal Company Name:	Budget
Hazen & Sawyer	\$ 564,870
Echologics	\$ 355,410
Utilis	\$ 99,712
Stream Control Ltd.	\$ 67,000
TBD	\$ 10,000
TBD	\$ 15,000

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I. TASK ACRONYM/TERM LISTS

A. Task List

Task #	CPR ¹	Task Name
1		General Project Tasks
2		Preliminary Work
3	X	Deployment of Equipment
4	X	Technology Monitoring and Response
5		Data Analysis
6		Technology Evaluation and Improvement
7		Evaluation of Project Benefits
8		Technology/Knowledge Transfer Activities

B. Acronym/Term List

Acronym/Term	Meaning
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CCAM	Correlating Continuous Acoustic Monitoring
CPR	Critical Project Review
FSPRV	Flow Sensitive Pressure Reducing Valve
GHG	Greenhouse Gas
PRV	Pressure Reducing Valve
SCADA	Supervisory Control And Data Acquisition
SILD	Satellite Imagery Leak Detection
TAC	Technical Advisory Committee

II. PURPOSE OF AGREEMENT, PROBLEM/SOLUTION STATEMENT, AND GOALS AND OBJECTIVES

A. Purpose of Agreement

The purpose of this Agreement is to fund the development and deployment of technologies that detect water leaks in residential, commercial, and industrial areas and prevent water loss in water conveying systems.

B. Problem/ Solution Statement

Problem

Water utilities across the country struggle with aging pipe infrastructure, resulting in water loss from leaks. The cost to replace or rehabilitate pipe is often far greater than the cost of repairing pipe leaks, and utilities tend to wait for leaks to be identified before taking action. This typically occurs when a leak surfaces after a long-standing period of water loss, and possible infrastructure damage, has occurred. While reported leakage tends to be associated with surface expression of water and infrastructure damage, background leakage and unreported

¹ Please see subtask 1.3 in Part III of the Scope of Work (General Project Tasks) for a description of Critical Project Review (CPR) Meetings.

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leakage are more difficult to detect and manage. Pipes fail at the weakest point which is not solely dictated by age, making predicting leak locations in buried infrastructure/pipe networks impractical. The significant loss of drinking water, before it reaches the customer, is especially critical in California's drought. Also, the embedded energy in water treatment and conveyance will compound the value of the water lost.

Solution

American Water Works Company, Inc. (Recipient) will deploy and evaluate the latest in advanced correlating continuous acoustic monitoring (CCAM) technology coupling with satellite imagery leak detection (SILD) and smart flow sensitive pressure reducing valves (FSPRV) system to effectively reduce water leakage and prevent water loss in a water utility network. The evaluation will be a continuing cooperative effort with the vendors to improve the deployed technologies and introduce them to water agencies for enhancing water/energy efficiency.

C. Goals and Objectives of the Agreement

Agreement Goals

The goals of this Agreement are to:

- Deploy, evaluate, and collaborate with vendor to improve CCAM technology to effectively reduce water leakage in water utility networks.
- Employ, evaluate, and collaborate with vendor to improve the state-of-the-art SILD technology. The SILD and CCAM will be employed in the same location for purposes of comparing the values and performance of each technique.
- Explore the relative value of FSPRV system and work with the technology vendor to develop a finished product designed for the US market.
- Evaluate the full financial and water saving benefits associated with the proposed technologies.
- Present the potential savings in water and energy consumption, and Greenhouse Gas (GHG) emission mitigation due to the water loss control.

Ratepayer Benefits:² This Agreement will result in the ratepayer benefits of greater water system reliability, lower emergency and repair costs, increased safety, and both water and electricity saving by managing and minimizing water leakage in California water distribution systems.

Technological Advancement and Breakthroughs:³ This Agreement will lead to technological advancement and breakthroughs to overcome barriers to the achievement of the State of California's statutory energy goals by improving leak detection/prevention strategies, and commercializing the proposed technologies (i.e., CCAM, SILD, and FSPRV). Furthermore the

² California Public Resources Code, Section 25711.5(a) requires projects funded by the Electric Program Investment Charge (EPIC) to result in ratepayer benefits. The California Public Utilities Commission, which established the EPIC in 2011, defines ratepayer benefits as greater reliability, lower costs, and increased safety (See CPUC "Phase 2" Decision 12-05-037 at page 19, May 24, 2012, http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

³ California Public Resources Code, Section 25711.5(a) also requires EPIC-funded projects to lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state's statutory and energy goals.

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results will help the project team introduce the employed technologies to California water agencies as successful water/energy savings and GHG mitigation solutions.

Agreement Objectives

By employing the proposed technologies, the objectives of this Agreement are to:

- Obtain real-time information on the integrity of pipeline structure;
- Identify subsurface damages and hidden leakage in buried pipelines;
- Assess damage information (e.g., cracks and leaks) and estimate volume of the water loss;
- Pinpoint the location of damage in metal and non-metallic pipeline structures;
- Optimize the use of feasible technologies for leak detection and water loss prevention; and
- Introduce smart pressure control technology as an effective approach for leak prevention in water pipelines.

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III. TASK 1 GENERAL PROJECT TASKS

PRODUCTS

Subtask 1.1 Products

The goal of this subtask is to establish the requirements for submitting project products (e.g., reports, summaries, plans, and presentation materials). Unless otherwise specified by the Commission Agreement Manager (CAM), the Recipient must deliver products as required below by the dates listed in the **Project Schedule (Part V)**. Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. With respect to due dates within this Scope of Work, “**days**” means working days.

The Recipient shall:

For products that require a draft version, including the Final Report Outline and Final Report

- Submit all draft products to the CAM for review and comment in accordance with the Project Schedule (Part V). The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt, unless otherwise specified in the task/subtask for which the product is required.
- Consider incorporating all CAM comments into the final product. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product.
- Submit the revised product and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period, or approves a request for additional time.

For products that require a final version only

- Submit the product to the CAM for acceptance. The CAM may request minor revisions or explanations prior to acceptance.

For all products

- Submit all data and documents required as products in accordance with the following:

Instructions for Submitting Electronic Files and Developing Software:

o **Electronic File Format**

Submit all data and documents required as products under this Agreement in an electronic file format that is fully editable and compatible with the Energy Commission’s software and Microsoft (MS)-operating computing platforms, or with any other format approved by the CAM. Deliver an electronic copy of the full text of any Agreement data and documents in a format specified by the CAM, such as memory stick or CD-ROM.

The following describes the accepted formats for electronic data and documents provided to the Energy Commission as products under this Agreement, and establishes the software versions that will be required to review and approve all software products:

- Data sets will be in MS Access or MS Excel file format (version 2007 or later), or any other format approved by the CAM.

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- Text documents will be in MS Word file format, version 2007 or later.
 - Documents intended for public distribution will be in PDF file format.
 - The Recipient must also provide the native Microsoft file format.
 - Project management documents will be in Microsoft Project file format, version 2007 or later.
- **Software Application Development**
- Use the following standard Application Architecture components in compatible versions for any software application development required by this Agreement (e.g., databases, models, modeling tools), unless the CAM approves other software applications such as open source programs:
- Microsoft ASP.NET framework (version 3.5 and up). Recommend 4.0.
 - Microsoft Internet Information Services (IIS), (version 6 and up) Recommend 7.5.
 - Visual Studio.NET (version 2008 and up). Recommend 2010.
 - C# Programming Language with Presentation (UI), Business Object and Data Layers.
 - SQL (Structured Query Language).
 - Microsoft SQL Server 2008, Stored Procedures. Recommend 2008 R2.
 - Microsoft SQL Reporting Services. Recommend 2008 R2.
 - XML (external interfaces).

Any exceptions to the Electronic File Format requirements above must be approved in writing by the CAM. The CAM will consult with the Energy Commission's Information Technology Services Branch to determine whether the exceptions are allowable.

MEETINGS

Subtask 1.2 Kick-off Meeting

The goal of this subtask is to establish the lines of communication and procedures for implementing this Agreement.

The Recipient shall:

- Attend a "Kick-off" meeting with the CAM, the Commission Agreement Officer (CAO), and any other Energy Commission staff relevant to the Agreement. The Recipient will bring its Project Manager and any other individuals designated by the CAM to this meeting. The administrative and technical aspects of the Agreement will be discussed at the meeting. Prior to the meeting, the CAM will provide an agenda to all potential meeting participants. The meeting may take place in person or by electronic conferencing (e.g., WebEx), with approval of the CAM.

The administrative portion of the meeting will include discussion of the following:

- Terms and conditions of the Agreement;
- Administrative products (subtask 1.1);
- CPR meetings (subtask 1.3);
- Match fund documentation (subtask 1.7);

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- Permit documentation (subtask 1.8);
- Subcontracts (subtask 1.9); and
- Any other relevant topics.

The technical portion of the meeting will include discussion of the following:

- The CAM's expectations for accomplishing tasks described in the Scope of Work;
 - An updated Project Schedule;
 - Technical products (subtask 1.1);
 - Progress reports and invoices (subtask 1.5);
 - Final Report (subtask 1.6);
 - Technical Advisory Committee meetings (subtasks 1.10 and 1.11); and
 - Any other relevant topics.
- Provide an *Updated Project Schedule, List of Match Funds, and List of Permits*, as needed to reflect any changes in the documents.

The CAM shall:

- Designate the date and location of the meeting.
- Send the Recipient a *Kick-off Meeting Agenda*.

Recipient Products:

- Updated Project Schedule *(if applicable)*
- Updated List of Match Funds *(if applicable)*
- Updated List of Permits *(if applicable)*

CAM Product:

- Kick-off Meeting Agenda

Subtask 1.3 Critical Project Review (CPR) Meetings

The goal of this subtask is to determine if the project should continue to receive Energy Commission funding, and if so whether any modifications must be made to the tasks, products, schedule, or budget. CPR meetings provide the opportunity for frank discussions between the Energy Commission and the Recipient. As determined by the CAM, discussions may include project status, challenges, successes, advisory group findings and recommendations, final report preparation, and progress on technical transfer and production readiness activities (if applicable). Participants will include the CAM and the Recipient, and may include the CAO and any other individuals selected by the CAM to provide support to the Energy Commission.

CPR meetings generally take place at key, predetermined points in the Agreement, as determined by the CAM and as shown in the Task List on page 1 of this Exhibit. However, the CAM may schedule additional CPR meetings as necessary. The budget will be reallocated to cover the additional costs borne by the Recipient, but the overall Agreement amount will not increase. CPR meetings generally take place at the Energy Commission, but they may take place at another location, or may be conducted via electronic conferencing (e.g., WebEx) as determined by the CAM.

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The Recipient shall:

- Prepare a *CPR Report* for each CPR meeting that: (1) discusses the progress of the Agreement toward achieving its goals and objectives; and (2) includes recommendations and conclusions regarding continued work on the project.
- Submit the CPR Report along with any other *Task Products* that correspond to the technical task for which the CPR meeting is required (i.e., if a CPR meeting is required for Task 2, submit the Task 2 products along with the CPR Report).
- Attend the CPR meeting.
- Present the CPR Report and any other required information at each CPR meeting.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient's input.
- Send the Recipient a *CPR Agenda* and a *List of Expected CPR Participants* in advance of the CPR meeting. If applicable, the agenda will include a discussion of match funding and permits.
- Conduct and make a record of each CPR meeting. Provide the Recipient with a *Schedule for Providing a Progress Determination* on continuation of the project.
- Determine whether to continue the project, and if so whether modifications are needed to the tasks, schedule, products, or budget for the remainder of the Agreement. If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Deputy Director of the Energy Research and Development Division.
- Provide the Recipient with a *Progress Determination* on continuation of the project, in accordance with the schedule. The Progress Determination may include a requirement that the Recipient revise one or more products.

Recipient Products:

- CPR Report(s)
- Task Products (draft and/or final as specified in the task)

CAM Products:

- CPR Agenda
- List of Expected CPR Participants
- Schedule for Providing a Progress Determination
- Progress Determination

Subtask 1.4 Final Meeting

The goal of this subtask is to complete the closeout of this Agreement.

The Recipient shall:

- Meet with Energy Commission staff to present project findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement. This meeting will be attended by the Recipient and CAM, at a minimum. The meeting may occur in person or by electronic conferencing (e.g., WebEx), with approval of the CAM.

The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be divided into two separate meetings at the CAM's discretion.

- The technical portion of the meeting will involve the presentation of findings, conclusions, and recommended next steps (if any) for the Agreement. The CAM will determine the appropriate meeting participants.

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- The administrative portion of the meeting will involve a discussion with the CAM and the CAO of the following Agreement closeout items:
 - Disposition of any state-owned equipment.
 - Need to file a Uniform Commercial Code Financing Statement (Form UCC-1) regarding the Energy Commission's interest in patented technology.
 - The Energy Commission's request for specific "generated" data (not already provided in Agreement products).
 - Need to document the Recipient's disclosure of "subject inventions" developed under the Agreement.
 - "Surviving" Agreement provisions such as repayment provisions and confidential products.
 - Final invoicing and release of retention.

- Prepare a *Final Meeting Agreement Summary* that documents any agreement made between the Recipient and Commission staff during the meeting.
- Prepare a *Schedule for Completing Agreement Closeout Activities*.
- Provide *All Draft and Final Written Products* on a CD-ROM or USB memory stick, organized by the tasks in the Agreement.

Products:

- Final Meeting Agreement Summary (*if applicable*)
- Schedule for Completing Agreement Closeout Activities
- All Draft and Final Written Products

REPORTS AND INVOICES

Subtask 1.5 Progress Reports and Invoices

The goals of this subtask are to: (1) periodically verify that satisfactory and continued progress is made towards achieving the project objectives of this Agreement; and (2) ensure that invoices contain all required information and are submitted in the appropriate format.

The Recipient shall:

- Submit a monthly *Progress Report* to the CAM. Each progress report must:
 - Summarize progress made on all Agreement activities as specified in the scope of work for the preceding month, including accomplishments, problems, milestones, products, schedule, fiscal status, and an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. See the Progress Report Format Attachment for the recommended specifications.
- Submit a monthly or quarterly *Invoice* that follows the instructions in the "Payment of Funds" section of the terms and conditions, including a financial report on Match Fund and in-state expenditures.

Products:

- Progress Reports
- Invoices

Subtask 1.6 Final Report

The goal of this subtask is to prepare a comprehensive Final Report that describes the original purpose, approach, results, and conclusions of the work performed under this Agreement. The

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CAM will review the Final Report, which will be due at least **two months** before the Agreement end date. When creating the Final Report Outline and the Final Report, the Recipient must use the Style Manual provided by the CAM.

Subtask 1.6.1 Final Report Outline

The Recipient shall:

- Prepare a *Final Report Outline* in accordance with the *Style Manual* provided by the CAM. (See *Task 1.1* for requirements for draft and final products.)

Recipient Products:

- Final Report Outline (draft and final)

CAM Product:

- Style Manual
- Comments on Draft Final Report Outline
- Acceptance of Final Report Outline

Subtask 1.6.2 Final Report

The Recipient shall:

- Prepare a *Final Report* for this Agreement in accordance with the approved Final Report Outline, Style Manual, and Final Report Template provided by the CAM with the following considerations:
 - Ensure that the report includes the following items, in the following order:
 - Cover page (**required**)
 - Credits page on the reverse side of cover with legal disclaimer (**required**)
 - Acknowledgements page (optional)
 - Preface (**required**)
 - Abstract, keywords, and citation page (**required**)
 - Table of Contents (**required**, followed by List of Figures and List of Tables, if needed)
 - Executive summary (**required**)
 - Body of the report (**required**)
 - References (if applicable)
 - Glossary/Acronyms (If more than 10 acronyms or abbreviations are used, it is required.)
 - Bibliography (if applicable)
 - Appendices (if applicable) (Create a separate volume if very large.)
 - Attachments (if applicable)
 - Ensure that the document is written in the third person.
 - Ensure that the Executive Summary is understandable to the lay public.
 - Briefly summarize the completed work. Succinctly describe the project results and whether or not the project goals were accomplished.
 - Identify which specific ratepayers can benefit from the project results and how they can achieve the benefits.
 - If it's necessary to use a technical term in the Executive Summary, provide a brief definition or explanation when the technical term is first used.

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- Follow the Style Guide format requirements for headings, figures/tables, citations, and acronyms/abbreviations.
- Ensure that the document omits subjective comments and opinions. However, recommendations in the conclusion of the report are allowed.
- Include a brief description of the project results in the Abstract.
- Submit a draft of the report to the CAM for review and comment. The CAM will provide written comments to the Recipient on the draft product within 15 days of receipt
- Consider incorporating all CAM comments into the Final Report. If the Recipient disagrees with any comment, provide a written response explaining why the comment was not incorporated into the final product
- Submit the revised Final Report and responses to comments within 10 days of notice by the CAM, unless the CAM specifies a longer time period or approves a request for additional time.
- Submit one bound copy of the *Final Report* to the CAM along with *Written Responses to Comments on the Draft Final Report*.

Products:

- Final Report (draft and final)
- Written Responses to Comments on the Draft Final Report

CAM Product:

- Written Comments on the Draft Final Report

MATCH FUNDS, PERMITS, AND SUBCONTRACTS

Subtask 1.7 Match Funds

The goal of this subtask is to ensure that the Recipient obtains any match funds planned for this Agreement and applies them to the Agreement during the Agreement term.

While the costs to obtain and document match funds are not reimbursable under this Agreement, the Recipient may spend match funds for this task. The Recipient may only spend match funds during the Agreement term, either concurrently or prior to the use of Energy Commission funds. Match funds must be identified in writing, and the Recipient must obtain any associated commitments before incurring any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Match Funds Status Letter* that documents the match funds committed to this Agreement. If no match funds were part of the proposal that led to the Energy Commission awarding this Agreement and none have been identified at the time this Agreement starts, then state this in the letter.

If match funds were a part of the proposal that led to the Energy Commission awarding this Agreement, then provide in the letter:

- A list of the match funds that identifies:
 - The amount of cash match funds, their source(s) (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied.
 - The amount of each in-kind contribution, a description of the contribution type

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(e.g., property, services), the documented market or book value, the source (including a contact name, address, and telephone number), and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient must identify its

owner and provide a contact name, address, telephone number, and the address where the property is located.

- A copy of a letter of commitment from an authorized representative of each source of match funding that the funds or contributions have been secured.
- At the Kick-off meeting, discuss match funds and the impact on the project if they are significantly reduced or not obtained as committed. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide a *Supplemental Match Funds Notification Letter* to the CAM of receipt of additional match funds.
- Provide a *Match Funds Reduction Notification Letter* to the CAM if existing match funds are reduced during the course of the Agreement. Reduction of match funds may trigger a CPR meeting.

Products:

- Match Funds Status Letter
- Supplemental Match Funds Notification Letter (*if applicable*)
- Match Funds Reduction Notification Letter (*if applicable*)

Subtask 1.8 Permits

The goal of this subtask is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track. Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement, with the exception of costs incurred by University of California recipients. Permits must be identified and obtained before the Recipient may incur any costs related to the use of the permit(s) for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a *Permit Status Letter* that documents the permits required to conduct this Agreement. If no permits are required at the start of this Agreement, then state this in the letter. If permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies: (1) the type of permit; and (2) the name, address, and telephone number of the permitting jurisdictions or lead agencies.
 - The schedule the Recipient will follow in applying for and obtaining the permits.

The list of permits and the schedule for obtaining them will be discussed at the Kick-off meeting (subtask 1.2), and a timetable for submitting the updated list, schedule, and copies of the permits will be developed. The impact on the project if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in progress reports and will be a topic at CPR meetings.

- If during the course of the Agreement additional permits become necessary, then provide the CAM with an *Updated List of Permits* (including the appropriate information on each permit) and an *Updated Schedule for Acquiring Permits*.
- Send the CAM a *Copy of Each Approved Permit*.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 days. Either of these events may trigger a CPR meeting.

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Products:

- Permit Status Letter
- Updated List of Permits *(if applicable)*
- Updated Schedule for Acquiring Permits *(if applicable)*
- Copy of each Approved Permit *(if applicable)*

Subtask 1.9 Subcontracts

The goals of this subtask are to: (1) procure subcontracts required to carry out the tasks under this Agreement; and (2) ensure that the subcontracts are consistent with the terms and conditions of this Agreement.

The Recipient shall:

- Manage and coordinate subcontractor activities in accordance with the requirements of this Agreement.
- Incorporate this Agreement by reference into each subcontract.
- Include any required Energy Commission flow-down provisions in each subcontract, in addition to a statement that the terms of this Agreement will prevail if they conflict with the subcontract terms.
- If required by the CAM, submit a draft of each *Subcontract* required to conduct the work under this Agreement.
- Submit a final copy of the executed subcontract.
- Notify and receive written approval from the CAM prior to adding any new subcontractors (see the discussion of subcontractor additions in the terms and conditions).

Products:

- Subcontracts *(draft if required by the CAM)*

TECHNICAL ADVISORY COMMITTEE

Subtask 1.10 Technical Advisory Committee (TAC)

The goal of this subtask is to create an advisory committee for this Agreement. The TAC should be composed of diverse professionals. The composition will vary depending on interest, availability, and need. TAC members will serve at the CAM's discretion. The purpose of the TAC is to:

- Provide guidance in project direction. The guidance may include scope and methodologies, timing, and coordination with other projects. The guidance may be based on:
 - Technical area expertise;
 - Knowledge of market applications; or
 - Linkages between the agreement work and other past, present, or future projects (both public and private sectors) that TAC members are aware of in a particular area.
- Review products and provide recommendations for needed product adjustments, refinements, or enhancements.
- Evaluate the tangible benefits of the project to the state of California, and provide recommendations as needed to enhance the benefits.
- Provide recommendations regarding information dissemination, market pathways, or commercialization strategies relevant to the project products.

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The TAC may be composed of qualified professionals spanning the following types of disciplines:

- Researchers knowledgeable about the project subject matter;
- Members of trades that will apply the results of the project (e.g., designers, engineers, architects, contractors, and trade representatives);
- Public interest market transformation implementers;
- Product developers relevant to the project;
- U.S. Department of Energy research managers, or experts from other federal or state agencies relevant to the project;
- Public interest environmental groups;
- Utility representatives;
- Air district staff; and
- Members of relevant technical society committees.

The Recipient shall:

- Prepare a *List of Potential TAC Members* that includes the names, companies, physical and electronic addresses, and phone numbers of potential members. The list will be discussed at the Kick-off meeting, and a schedule for recruiting members and holding the first TAC meeting will be developed.
- Recruit TAC members. Ensure that each individual understands member obligations and the TAC meeting schedule developed in subtask 1.11.
- Prepare a *List of TAC Members* once all TAC members have committed to serving on the TAC.
- Submit *Documentation of TAC Member Commitment* (such as Letters of Acceptance) from each TAC member.

Products:

- List of Potential TAC Members
- List of TAC Members
- Documentation of TAC Member Commitment

Subtask 1.11 TAC Meetings

The goal of this subtask is for the TAC to provide strategic guidance for the project by participating in regular meetings, which may be held via teleconference.

The Recipient shall:

- Discuss the TAC meeting schedule with the CAM at the Kick-off meeting. Determine the number and location of meetings (in-person and via teleconference) in consultation with the CAM.
- Prepare a *TAC Meeting Schedule* that will be presented to the TAC members during recruiting. Revise the schedule after the first TAC meeting to incorporate meeting comments.
- Prepare a *TAC Meeting Agenda* and *TAC Meeting Back-up Materials* for each TAC meeting.
- Organize and lead TAC meetings in accordance with the TAC Meeting Schedule. Changes to the schedule must be pre-approved in writing by the CAM.

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- Prepare *TAC Meeting Summaries* that include any recommended resolutions of major TAC issues.

Products:

- TAC Meeting Schedule (draft and final)
- TAC Meeting Agendas (draft and final)
- TAC Meeting Back-up Materials
- TAC Meeting Summaries

EXHIBIT A Scope of Work

IV. TECHNICAL TASKS

Products that require a draft version are indicated by marking “**(draft and final)**” after the product name in the “Products” section of the task/subtask. If “(draft and final)” does not appear after the product name, only a final version of the product is required. **Subtask 1.1 (Products)** describes the procedure for submitting products to the CAM.

The demonstration sites are currently planned for the following locations:

1. **Coronado District, San Diego, CA 92118**
2. **Duarte System, Duarte, CA 91010**
3. **Ventura District, Ventura, CA 93001**
4. **Baldwin Hills System, Baldwin Hills, CA**

Recipient shall consult with CAM to determine the procedure to approve demonstration site changes.

TASK 2 PRELIMINARY WORK

The goal of this task is to properly estimate minimum night flow and to outline the past history of leaks and water loss in the demonstration sites’ systems. Procurement will also be made in this task.

The Recipient shall:

- Confirm site selection and gather pre-work data that includes, but is not limited to:
 - Work area information;
 - Pressure reducing valve specifics and pipe measurements (Coronado & Baldwin Hills);
 - Detailed layout of pipe and supply systems, hydrant locations, and models (Duarte); and
 - System layout and water supply layout and locations (Ventura)
- Perform hydraulic modeling with flow monitoring to understand the nature of water use in the studied area.
- Prepare a *Preliminary Work Report* that includes, but is not limited to:
 - Site selection and pre-work data gathered;
 - Results of hydraulic modeling data;
 - Details of proposed leak detection technology’s purpose; and
 - Discussion of strategy for proposed leak detection technology.
- Work with vendors to prepare a *Make Vendors’ Agreement* that identifies the specific equipment and work necessary for each demonstration site.

Products:

- Preliminary Work Report (draft and final)
- Copy of Make Vendors’ Agreement(s)

TASK 3 DEPLOYMENT OF EQUIPMENT

This goal of this task is to order, build, ship, and install equipment at the demonstration sites.

The Recipient shall:

- Procure and install all necessary equipment at the demonstration sites, including, but not limited to:

EXHIBIT A

Scope of Work

- Flow monitors;
- Aqua Guard units (FSPRV);
- CCAM technology; and
- SCADA and cellular communication with field monitors.
- There is no deployment for the satellite imagery but GIS coordinates will be checked and a strategy will be devised
- Prepare the *Equipment Deployment Report* that includes, but is not limited to:
 - List of all equipment deployed at each demonstration site;
 - Deployment details of the flow monitors;
 - Deployment details of the Aqua Guard units;
 - Deployment details of the CCAM technology;
 - Discussion of Satellite Imagery development strategy (if applicable); and
 - Summary of what will be monitored with the listed equipment.
- Prepare a *CPR Report 1* per subtask 1.3
- Participate in CPR meeting per subtask 1.3

Products:

- Equipment Deployment Report (draft and final)
- CPR Report 1

TASK 4 TECHNOLOGY MONITORING AND RESPONSE

This goal of this task is to gather necessary details and data for the independent third-party to analyze. This task is also for the repair of leaks found.

The Recipient shall:

- Gather data and prepare a *Technology Monitoring and Response Report* that includes, but is not limited to, the following for each demonstration site, as applicable:
 - Flow monitoring details;
 - Summary of leak survey responses to flow monitoring indications of leaks;
 - Pressure Reducing Valve (PRV) Aqua Guard monitoring details;
 - Summary of PRV Aqua Guard adjustments;
 - CCAM monitoring details;
 - Summary of CCAM leak responses;
 - SILD analysis details;
 - Summary of SILD leak responses;
 - Leak investigation tracking details;
 - Summary of leak repairs and cost tracking; and
 - Summary of unexpected leaks found and possible explanation.
- Prepare a CPR Report 2 per subtask 1.3
- Participate in CPR meeting per subtask 1.3

Products:

- Technology Monitoring and Response Report (draft and final)
- CPR Report 2

TASK 5 DATA ANALYSIS

The goal of this task is for an independent third party to analyze the data collected in Task 4.

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The Recipient shall:

- Prepare a *Data Analysis Report* that includes, but is not limited to:
 - Assessment details for each technology at each demonstration site discussing leak technology effectiveness among different types of pipe systems, synchronizing collected data from the CCAM system, and other system inputs (e.g. meter readings), analyzing the non-detected leaks and the reasons the leaks were not detected, analyzing the pattern of pipe sudden eruption and reconciling it with collected data, and identifying acoustic responses to different leak patterns (e.g. low flow versus large sized leak) and different pipe materials (e.g. metal versus PVC). For evaluating the effectiveness of the SILD, it will be compared to the effectiveness of the CCAM.
 - Detailed analysis of water and energy (kWh) savings and greenhouse gas reductions.
 - Summary of economic assessments of savings and costs.

Products:

- Data Analysis Report (draft and final)

TASK 6 TECHNOLOGY EVALUATION AND IMPROVEMENT

The goal of this task is to assess the CCAM, FSPRV and SILD technologies, make any necessary enhancements to the technologies, and make any necessary operation improvements. The outcome of this task will assist the project team to overcome the barriers that exist for commercializing the CCAM, FSPRV, and SILD, leading to technological advancement, and helping the project team to introduce it as a water/energy saving strategy to California water utilities.

The Recipient shall:

- Perform the following for each technology:
 - Equipment assessments;
 - Equipment enhancements and improvements; and
 - Operation improvements.
- Prepare an *Equipment Development Report* that includes, but is not limited to the following for each technology:
 - Summary of equipment assessment;
 - Summary of equipment enhancements and improvements;
 - Discussion of operation methods;
 - Discussion of barriers to overcome for each technology and strategies for overcoming the barriers;
 - Discussion of whether the goals and objectives identified in section II.C have been achieved; and
 - Discussion of specific energy and water savings and greenhouse gas reductions.

Products:

- Equipment Development Report (draft and final)

TASK 7 EVALUATION OF PROJECT BENEFITS

The goal of this task is to report the benefits resulting from this project and is expected to take 6 months to be accomplished.

EXHIBIT A Scope of Work

The Recipient shall:

- Complete three Project Benefits Questionnaires that correspond to three main intervals in the Agreement: (1) *Kick-off Meeting Benefits Questionnaire*; (2) *Mid-term Benefits Questionnaire*; and (3) *Final Meeting Benefits Questionnaire*.
- Provide all key assumptions used to estimate projected benefits, including targeted market sector (e.g., population and geographic location), projected market penetration, baseline and projected energy use and cost, operating conditions, and emission reduction calculations. Examples of information that may be requested in the questionnaires include:
 - For Product Development Projects and Project Demonstrations:
 - Published documents, including date, title, and periodical name.
 - Estimated or actual energy and cost savings, and estimated statewide energy savings once market potential has been realized. Identify all assumptions used in the estimates.
 - Greenhouse gas and criteria emissions reductions.
 - Other non-energy benefits such as reliability, public safety, lower operational cost, environmental improvement, indoor environmental quality, and societal benefits.
 - Data on potential job creation, market potential, economic development, and increased state revenue as a result of the project.
 - A discussion of project product downloads from websites, and publications in technical journals.
 - A comparison of project expectations and performance. Discuss whether the goals and objectives of the Agreement have been met and what improvements are needed, if any.
 - Additional Information for Product Development Projects:
 - Outcome of product development efforts, such copyrights and license agreements.
 - Units sold or projected to be sold in California and outside of California.
 - Total annual sales or projected annual sales (in dollars) of products developed under the Agreement.
 - Investment dollars/follow-on private funding as a result of Energy Commission funding.
 - Patent numbers and applications, along with dates and brief descriptions.
 - Additional Information for Product Demonstrations:
 - Outcome of demonstrations and status of technology.
 - Number of similar installations.
 - Jobs created/retained as a result of the Agreement.
 - For Information/Tools and Other Research Studies:
 - Outcome of project.
 - Published documents, including date, title, and periodical name.
 - A discussion of policy development. State if the project has been cited in government policy publications or technical journals, or has been used to inform regulatory bodies.
 - The number of website downloads.

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- An estimate of how the project information has affected energy use and cost, or have resulted in other non-energy benefits.
 - An estimate of energy and non-energy benefits.
 - Data on potential job creation, market potential, economic development, and increased state revenue as a result of project.
 - A discussion of project product downloads from websites, and publications in technical journals.
 - A comparison of project expectations and performance. Discuss whether the goals and objectives of the Agreement have been met and what improvements are needed, if any.
- Respond to CAM questions regarding responses to the questionnaires.

The Energy Commission may send the Recipient similar questionnaires after the Agreement term ends. Responses to these questionnaires will be voluntary.

Products:

- Kick-off Meeting Benefits Questionnaire
- Mid-term Benefits Questionnaire
- Final Meeting Benefits Questionnaire

TASK 8 TECHNOLOGY/KNOWLEDGE TRANSFER ACTIVITIES

The goal of this task is to develop a plan to make the knowledge gained, experimental results, and lessons learned available to the public and key decision makers.

The Recipient shall:

- Prepare an *Initial Fact Sheet* at start of the project that describes the project. Use the format provided by the CAM.
- Prepare a *Final Project Fact Sheet* at the project's conclusion that discusses results. Use the format provided by the CAM.
- Prepare a *Technology/Knowledge Transfer Plan* that includes:
 - An explanation of how the knowledge gained from the project will be made available to the public, including the targeted market sector and potential outreach to end users, utilities, regulatory agencies, and others.
 - A description of the intended use(s) for and users of the project results.
 - Published documents, including date, title, and periodical name.
 - Copies of documents, fact sheets, journal articles, press releases, and other documents prepared for public dissemination. These documents must include the Legal Notice required in the terms and conditions. Indicate where and when the documents were disseminated.
 - A discussion of policy development. State if project has been or will be cited in government policy publications, or used to inform regulatory bodies.
 - The number of website downloads or public requests for project results.
 - Additional areas as determined by the CAM.
- Conduct technology transfer activities in accordance with the Technology/Knowledge Transfer Plan. These activities will be reported in the Progress Reports.
- When directed by the CAM, develop *Presentation Materials* for an Energy Commission-sponsored conference/workshop(s) on the project.
- When directed by the CAM, participate in annual EPIC symposium(s) sponsored by the

EXHIBIT A

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California Energy Commission.

- Provide at least (6) six *High Quality Digital Photographs* (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs.
- Prepare a *Technology/Knowledge Transfer Report* on technology transfer activities conducted during the project.

Products:

- Initial Fact Sheet (draft and final)
- Final Project Fact Sheet (draft and final)
- Presentation Materials (draft and final)
- High Quality Digital Photographs
- Technology/Knowledge Transfer Plan (draft and final)
- Technology/Knowledge Transfer Report (draft and final)

V. PROJECT SCHEDULE

Please see the attached Excel spreadsheet.

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: AMERICAN WATER WORKS COMPANY, INC.

RESOLVED, that the State Energy Resources Conservation and Development Commission (Energy Commission) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

RESOLVED, that the Energy Commission approves Agreement EPC-15-096 from GFO-15-317 with American Water Works Company, Inc. for a \$1,517,780 grant to fund the demonstration of three leak detection technologies at the municipal level to reduce the amount of water lost from leaky piping. The three technologies are: correlating continuous acoustic monitoring, satellite imagery leak detection, and flow sensitive pressure reducing valve. These technologies will be used to identify municipal leaks faster to reduce the amount of water loss, and reduce the amount of wasted embedded energy. The demonstrations will occur in Southern California; and

FURTHER BE IT RESOLVED, that the Executive Director or his/her designee shall execute the same on behalf of the Energy Commission.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the California Energy Commission held on June 14, 2016.

AYE: [List of Commissioners]

NAY: [List of Commissioners]

ABSENT: [List of Commissioners]

ABSTAIN: [List of Commissioners]

Cody Goldthrite,
Secretariat