



Report to City Council

TO: Mayor and City Council

FROM: Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 3, 2026

TITLE: **APPROVE A MORENO VALLEY UTILITY ENERGY INCENTIVE AGREEMENT WITH ROSS STORES, INC., FOR THE LIGHTING RETROFIT PROGRAM PROJECT (REPORT OF: PUBLIC WORKS) (DISTRICT 4)**

TITLE SUMMARY: Approve The Moreno Valley Utility Energy Incentive Agreement Between The City Of Moreno Valley And Ross Stores Inc., Associated With The Business Rebate Application For The Lighting Retrofit Program Project At The Moreno Valley Ross Distribution Center Lighting Project, Located At 17800 North Perris Boulevard

DISTRICT: District 4

Recommendation(s)

That the City Council:

1. Approve the Moreno Valley Utility Energy Incentive Agreement Between the City of Moreno Valley and Ross Stores Inc., associated with the Business Rebate Application for the Lighting Retrofit Program project at the Moreno Valley Ross Distribution Center Lighting Project, located at 17800 North Perris Boulevard; and
2. Authorize the City Manager to execute an Energy Incentive Agreement in the amount of \$204,711.19, with Ross Stores, Inc., subject to approval of the City Attorney. The agreement is associated with a Business Rebate Application submitted on behalf of the Moreno Valley Ross Distribution Center for the Lighting Retrofit Program project and will be funded by the Public Purpose Fund (Fund 6012) in compliance with the Public Purpose Program.

SUMMARY

This report seeks authorization to approve an Energy Incentive Agreement with Ross Stores, Inc. relating to a Business Rebate Application submitted for the Lighting Retrofit Program project at the Moreno Valley Ross Distribution Center, located at 17800 North Perris Boulevard. This rebate is part of the Moreno Valley Electric Utility's (MVU) Energy Efficiency Rebate Incentive Program, which aligns and is compliant with State of California Public Purpose Program mandates.

DISCUSSION

Public Purpose Programs cover both residential and commercial customers and offer a variety of program options to satisfy the needs of the MVU customer base. Programs fall under the following mandated categories: Low Income Assistance, Energy Efficiency, Renewable Resources, and Research Development.

In 1996, under AB 1890, California mandated investor-owned electric utilities to implement changes for public benefit programs to support energy efficiency, low-income assistance, and renewable energy. In 2004, AB 2021, further required electric utilities to identify all potentially achievable cost-effective energy savings and prioritize them before new energy procurement. This reconstruction also included publicly owned electric utilities to report energy savings with the California Energy Commission through SB 1037. MVU has established and maintained Energy Efficiency Programs through its Public Purpose Programs Fund. Public Purpose Programs Funds were created to cover benefits for both residential and commercial customers.

A public purpose charge is assessed on each customer's electric bill based upon consumed power. These funds collected support financial assistance programs available to low-income customers for bill assistance, and to support energy efficiency programs that encourage moderate to affluent residential and business customers to opt for more energy-efficient renewable options.

To qualify, customers must meet all eligibility requirements and rules. Additionally, the applicant must be the customer of record (account holder), submit an application, and provide all required documentation. All applications are subject to inspection and/or verification. Upon approval, any determined credits and rebates will be issued to the account holder or property owner.

As the customer of record with MVU, Ross Stores, Inc. submitted a Business Rebate Application for a lighting retrofit project at the Moreno Valley Ross Distribution Center located at 17800 North Perris Boulevard. MVU conducted a thorough inspection of the existing fixtures and replacement fixtures by reviewing the specifications sheets and conducting a pre-inspection walkthrough to determine the accuracy of the submitted request.

Previous Equipment (manufacturer, model, number, year, wattage, tons, HP, etc. Annual operating hours)	New Equipment (manufacturer, model, number, year, wattage, tons, HP, etc. Annual operating hours)	Demand (kW) Savings	Annual (kWh) Energy Savings
20 - 4' 16-Lamp T5HO Flood.	20 - LL-SL1-LG-300WD-50K-F60-HV	12.48	109,325
892 - 4' 3-Lamp T8 Troffer (2x4)	2676 - 9.5T8/4F/840/HE/DIR	44.60	390,132
12 - 4' 4-Lamp T5HO High Bay	12 - AH10S-A2-15K-SM-50-80-FR-HV-CRM-PIR Sensor	1.53	19,200
1056 - 4' 6-Lamp T5HO High Bay	1056 - AH10S-A2-15K-SM-50-80-FR-HV-CRM-PIR Sensor	259.04	2,528,081
1331 - 4' 6-Lamp T5HO High Bay	380 - AH10S-A2-40K-LG-50-80-FR-HV-CRM-PIR Sensor	362.76	3,421,047
154 - 400W Metal Halide High Bay	154 - Remove & Recycle.	69.76	611,115
280 - 225 Watt LED High Bays.	242 - Leaving 242 as is, removing & recycling 38 fixtures.	4.92	43,099

A tentative rebate amount was reached contingent upon the following:

- A successful final inspection by MVU post construction to verify the replacement and installation of the fixtures as per the submitted plans.
- Approval of the permit by the City of Moreno Valley Building and Safety Division.
- A satisfactory inspection by the City of Moreno Valley Building and Safety Division.
- Approval by the Moreno Valley City Manager and City Council.

After a thorough walk-through inspection of the completed project, it has been determined that all requirements have been met for the program. MVU recommends approval of the agreement to distribute a rebate in the amount of \$204,711.19 to Ross Stores, Inc., for completion of their lighting project at the Moreno Valley Ross Distribution Center.

ALTERNATIVES

1. Approve and authorize the recommendations as presented in this report. *This alternative will allow the eligible MVU customer to receive energy-saving benefits and aligns with MVU's target to reach its energy savings goals in compliance with State of California Public Purpose Program mandates.* Staff recommends this alternative.
2. Do not approve the recommended actions as presented in this staff report. *This alternative will hinder the eligible MVU customer from receiving energy-saving benefits, and may impair the Utility's ability to reach its energy savings goals and comply with State of California Public Purpose Program mandates.* Staff does not recommend this alternative.

FISCAL IMPACT

MVU Public Purpose Programs were formally adopted by the City Council in January 2004 and are funded through the collection of state-mandated funds through the Public

Purpose Program. Funding for the Moreno Valley Electric Utility's (MVU) Energy Efficiency Rebate Incentive Program was approved in the FY 2025/26 Adopted Operating Budget and is in the Energy Efficiency account, 6012-70-80-45511-710144. There is no impact to the general fund.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Tanya Dunlap
Electric Utility Program Coordinator

Department Head Approval:
Melissa Walker, P.E.
Public Works Director/City Engineer

Concurred By:
Jason Niccoli, P.E.
Electric Utility Division Manager

CITY COUNCIL GOALS

Positive Environment: Create a positive environment for the development of Moreno Valley's future and potentially help contribute to reduction of the state's reliance on fossil-fueled generation.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development**
- 2. Public Safety**
- 3. Library**
- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

Report Approval Details

Document Title:	STAFFREPORT_PW_MVU_ROSS_STORES_INC_ENERGYREBATE.docx
Attachments:	- Energy Incentive Agreement_Ross.doc
Final Approval Date:	Feb 25, 2026

This report and all of its attachments were approved and signed as outlined below:

Melissa Walker

Sean Kelleher

Natalia Medina

Felicia London, MPA

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