We have the following comments.

1. LEAs should not be held financially liable for not meeting the energy savings anticipated after a project has been completed. It is understood the need to provide future energy savings, but LEAs are making good faith efforts in their initial energy analysis.

2. There should be no restriction of those receiving over $1 million to have projects over $250,000. It should be up to the LEA to determine what is the best project and how to implement the program with CEC oversight.

3. Training should be allowed for all staff not just classified staff.

4. Related cost due to DSA requirements
   A concern is that large energy projects will trigger a DSA review of the project. That review could trigger ADA compliance or additional structural requirements needed so the project can receive approval by DSA. The additional cost for DSA compliance needs to be an allowed cost of the program. The additional work is only being performed because of the energy project and cannot be complete with the additional work.

   PRC 26206 (c) “All projects shall be cost effective: total benefits shall be greater than project costs over time. Project selection may include consideration of non-energy benefits, such as health and safety, in addition to energy benefits.” The phrase “such as health and safety” is an example of additional benefits of the project. We believe that meeting DSA requirements, provide benefits that meet the code section intent. So the use of only energy savings costs is not the entire criteria allowed by the code section.

5. It must be recognized that modernization can be used in conjunction with Prop 39. It should not matter if modernization is occurring at the same time. Combining the two can create a more cost effective project. An example would be the replacement of a portable. With state modernization funding, a portable could be replaced which would also improve energy efficiency with the replacement of the HVAC unit and other energy improvements in the new portable. It would make little sense to require state modernization funds to pay for just the portable and then a separate contract for the replacement of the HVAC unit. The example could also be used for a school modernization that is needed in many systems but could also include the ventilation, electrical, and lighting systems. There is reduced overhead when state modernization and Prop 39 funds are completed under one contract.

6. LEAs have a variety of facilities; school sites, transportation, maintenance, administration, and conference facilities. COEs and Districts need funding for a variety of facilities.

7. County Office Special Education Facilities
   Our concern is that a COE may have a single classroom of 2,000 to 4,000 square feet at a school site. The COE may own or lease the classroom. The regulations need to allow the use of the energy project funds for all facilities owned or rented by LEAs. In most cases, it is not possible to have a separate
utility meter on the classroom. CEC may be missing on energy saving opportunities because of the requirement of separate meters and limitations on leased facilities. The planning funds at 20 cents/square foot would be insufficient to provide an assessment for the single classroom at the school site. Planning funds calculation could be a guideline but not a limit of the funds. Smaller school sites and smaller LEAS need the flexibility.

8. LEAs should be allowed to spend the funds before subsequent apportionments for approved projects. Earlier implementation of a project creates savings earlier. It will be very difficult for smaller LEAs to wait for apportionment when they are trying to complete projects.

9. Simplification for small districts is needed. For many of the small districts, superintendents will be managing this program. At the same time they are implementing new funding and instructional programs that will require most of their time. There must be a streamlined, simple program that can allow them to be compliant and provide energy benefits.

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