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ARCHITECTS

California Energy Commission

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MEMO

October 14, 2013

To: California Energy Commission
From: Aaron Jobson, AIA, LEED AP
RE: PROPOSITION 39: CALIFORNIA CLEAN ENERGY JOBS ACT -2013 PROGRAM
IMPLEMENTATION DRAFT GUIDELINES

As an Architecture firm focusing on K-12 school projects QKA has significant expertise in designing and constructing school projects. We have also been leaders in helping School Districts identify energy savings opportunities and design projects to deliver that energy savings. With that experience in mind, I have reviewed the proposed Draft Guidelines and have the following comments:

1. Page 8: Energy Planning Reservation Option: The intent of this provision is important. School Districts do not always have funds or staff to conduct the necessary planning to apply for this funding. However, I have a number of comments on the current language:
 - a. Allowed Planning Activities: I recommend that Design and Engineering be an allowed expense as well. Design and Engineering for these improvements will need to be conducted ahead of funding being available in May of 2014 in order to allow construction in the summer of 2014. The maximum percentage of the grant allowed for Design and Engineering should be 15%. This would provide for design services for the first year's projects.
 - b. Table 3:: I recommend that an option for the ASHRAE Level 1 Audit allowed. In many cases the energy modeling and more intensive analysis required in a Level 2 audit will

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not be required and the Level 1 Audit will be adequate. The cost for the Level 1 Audit is also less; in the range of \$0.05 - \$0.10/SF.

- c. **Funding Limits:** It is good to limit the amount of funds available to planning to ensure that the funding is used appropriately. I would actually recommend that the limit for Energy Audits and Screening be lower. At the current limit of 85% of the first year's grant that would be a total of 17% of the 5 year grant total. This is more funding than necessary for analysis. I would recommend that this limit be changed to between 35-50% of the first year's grant total. This would represent 7-10% of the total grant amount which should be more than enough funding to conduct analysis for the number of projects that the LEA's overall Prop 39 grant can fund. Analysis beyond that level will identify many more projects than the District can fund with these grants.
2. **Page 15-16: Step 4 of Process.** This language recommends a general order of priority for implementing projects. Will LEA's be required to follow this order or is it just a guideline.
3. **Page 19 Step 6 of Process:** Is the intent that this calculation be completed for the annual energy savings amount or the total energy savings amount over some period of time or the expected life of the improvements? Appendix E shows that the calculation of NPV includes all savings over the life of the equipment. Language should be edited to make it clear that this calculation incorporates total savings. The list of data needed should include Total Energy Savings over the expected life of the equipment instead of Annual Energy Savings.
4. **Page 23: Energy Expenditure Plan Approval Process:** This section states that CDE will be processing apportionments once a quarter and that processing will take approximately 1 month. The timelines for approval of the EEP's and apportionment must be closely aligned to make sure that they work with project development timelines for the summer construction period. For logistical reasons and to avoid temporary housing costs, I expect the vast majority of these projects to be constructed over the summer period.
5. **Page 25: Project Tracking and Reporting:** The reporting requirements may be challenging for some Districts to comply with. However, it is clear that they are clearly described in the statute. It will be critical to the program's success that the online reporting templates are functional, simple and easy to use so that the cost burden for reporting is minimized.
6. **Page 26: Energy Savings Reporting Requirements:** In the format for reporting the energy savings at a site before and after the projects there must be a way to also factor in other changes to the school site. Currently the Guidelines state: "*The actual annual energy savings is based on the difference between annual energy use before the project(s) is installed and the annual energy use after project installation.*" However, during that same timeframe there may be other changes at the

school site that affect energy savings such as: other facilities projects, changes in enrollment, changes in community or other program use of facilities, etc. These other factors can have a potentially significant influence on overall energy use and there must be a mechanism for factoring them into the calculation of overall savings.

7. Page 29: CONTRACTS: I suggest clarifying this section to make it clear that the requirement for the Contract to, "*...identify the project specifications, costs, and projected energy savings.*" can be part of either the Design/Engineering or the Construction Contract. This will make it clear that a traditional Design-Bid-Build delivery method can be used for these projects.