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<tr>
<th><strong>Docket Number:</strong></th>
<th>19-IEPR-06</th>
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<tr>
<td><strong>Project Title:</strong></td>
<td>Energy Efficiency and Building Decarbonization</td>
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<tr>
<td><strong>TN #:</strong></td>
<td>229189</td>
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<tr>
<td><strong>Document Title:</strong></td>
<td>Building Initiative for LowEmissions Development BUILD Program Overview</td>
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<tr>
<td><strong>Description:</strong></td>
<td>Presentation by Martha Brook of CEC</td>
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<td><strong>Filer:</strong></td>
<td>Raquel Kravitz</td>
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<td><strong>Organization:</strong></td>
<td>California Energy Commission</td>
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<td>Commission Staff</td>
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Building Initiative for Low-Emissions Development (BUILD) Program Overview

SB 1477 Building Decarbonization Workshop

Martha Brook
July 30, 2019
California Energy Commission
Proposed BUILD Program Elements

- California Energy Commission serves as direct program administrator
- Direct financial incentives for deployment of near-zero emissions technology to reduce GHG emission in new residential buildings
- Focus on new construction single-family and multifamily dwellings
- Eligible recipients include owners or developers of new residential housing
- A minimum of 30 percent of funds reserved for low-income residences (as defined by SB 1477). Administrator required to provide technical assistance to engage this demographic.
<table>
<thead>
<tr>
<th>SB 1477 BUILD Program Budget Summary</th>
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<tr>
<td>$20 million – Annual Total</td>
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<tr>
<td>$12 million for program costs</td>
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<tr>
<td>$6 million for low-income program costs</td>
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<tr>
<td>$2 million for administration</td>
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<tr>
<td>$2 million for evaluation</td>
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<td>(funds to be allocated from BUILD &amp; TECH program costs)</td>
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<td>$80 million total for fiscal years 2019-2020 through 2022-2023</td>
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Proposed BUILD Program Structure

CPUC Oversight

CEC Program Administrator

- Project Eligibility
- Incentives
- RFP
- Track & Report Program Status

Incentives

- All-Electric
- Performance-based Incentives
- Kicker Incentives
- Low Income Technical Assistance
- Performance Metrics

- By Climate Zone
- By Technology Type
- Demand Flexibility/Storage
- Infrastructure Retirement
- LI/DAC

- GHG Reductions
- Bill Savings
- No. of Systems Installed

- Performance-based Incentives
- Kicker Incentives
- Low Income Technical Assistance
- Performance Metrics
Thirty percent of total funding allocated to BUILD must be for new housing in low-income and/or disadvantaged communities.

RFP will focus on contracting an entity with technical expertise in low-income property development, construction, and low-GHG heating systems applicable to low-income properties.

Contract awarded via competitive solicitation.

If low-income reserved funds are unspent after two years, funds may be reallocated for other purposes consistent with program guidelines.
• Baseline incentive levels (see JSP Appendix for more detail):
  – For specific technology categories
  – By climate zone
• Baseline technology categories
  – Space heating
  – Water heating
  – Electric cooking
• “Kicker incentives” that encourage additional GHG emission reduction benefits beyond baseline incentivized technologies:
  – Thermal storage
  – Electrical storage
  – Low-global warming potential (GWP) refrigerants
  – Other?
• Program success will be measured using the following metrics:
  – Greenhouse gas (GHG) emissions reduced or avoided.
  – Cost per metric ton of avoided GHG emissions,
  – Projected utility bill savings,
  – Number of low-emission systems installed
  – Others to be determined
SB 1477: Evaluation

- Through a competitive solicitation, CPUC will contract one independent evaluator for BUILD & TECH.
- There will be two levels of evaluation:
  - The program implementers will collect data on program performance to the metrics, and report the data to CPUC and Energy Commission staff on at least a quarterly basis.
  - The CPUC will contract with one independent evaluator who will provide an evaluation of the programs’ long-term market impact, and a qualitative assessment of the effectiveness of program implementation.
- $2 million is allocated for evaluation of both BUILD & TECH.
• Flexibility in incorporating program changes
  – Implementation Plan to CPUC
  – Regular staff meetings
  – Report to CPUC on implementation
  – CPUC staff approves changes within the broad construct.
July 30, 2019 – Public Workshop
August 13, 2019– Stakeholder comments due
Early-October – Draft Proposed Decision
Early-November – Proposed Decision Mails
Early-December – Comments due
Mid-December – CPUC proposed decision vote
Three months after final staff proposal decision, Energy Commission submits a four-year detailed implementation plan for BUILD to the CPUC
Mid-March begin BUILD Implementation