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FOR DISCUSSION AT JANUARY 22, 2021,
WORKSHOP**

School Noncompliant Plumbing Fixture and Appliance Program Guidelines

First Edition – Effective xx-xx-2021

**Gavin Newsom, Governor
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ABSTRACT

The School Noncompliant Plumbing Fixture and Appliance Program is one of the two grant programs under the School Energy Efficiency Stimulus Program, established by Assembly Bill 841 (Ting, Chapter 372, Statutes of 2020). The School Noncompliant Plumbing Fixture and Appliance Program authorizes funding to Local Education Agencies and California state agencies for the replacement of plumbing fixtures and appliances to ensure that systems meet specified ENERGY STAR® and water efficiency requirements. These guidelines provide requirements for program participation including eligible applicants and projects, application process, funding awards and distribution, as well as project documentation and reporting requirements. These guidelines address initial program awards only, which are limited to LEAs and projects for schools in an underserved community. Additional eligibility under the School Noncompliant Plumbing Fixture and Appliance Program Guidelines may be addressed in update(s) to these guidelines as necessary.

Keywords: School Energy Efficiency Stimulus, SEES, School Noncompliant Plumbing Fixture and Appliance Program, grant, energy efficiency, school, local educational agency, underserved community, plumbing, ENERGY STAR, fixture, assessment

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CHAPTER 1: Program Overview

A. Introduction

The School Energy Efficiency Stimulus (SEES) Program, established by Assembly Bill (AB) 841 (Ting, Chapter 372, Statutes of 2020), provides grants to local education agencies (LEA) to assess, maintain, adjust, repair, or upgrade heating, ventilation, and air conditioning (HVAC) systems in schools. The SEES Program also provides grants to LEAs and California state agencies to replace noncompliant plumbing fixtures and appliances. AB 841 requires the California Energy Commission (CEC) as program administrator to design, administer, and implement the program in collaboration with the utilities providing funding for the program. The SEES Program consists of the School Reopening Ventilation and Energy Efficiency Verification and Repair (SRVEVR) Program and the School Noncompliant Plumbing Fixture and Appliance (SNPFA) Program. These guidelines describe the program design, application process, and reporting requirements for the SNPFA Program. The program requirements of the SRVEVR Program are provided in separate guidelines.

These SNPFA Program Guidelines provide applicants with information on program structure, applicant eligibility, and program requirements. All grant applicants and recipients are required to follow all program requirements including those outlined in Public Utilities Code (PUC) Division 1, Part 1, Chapter 8.7 (commencing with Section 1600) and further program requirements as outlined in these guidelines.

The SEES program is to be established as part of each of the utilities’ energy efficiency portfolios as a joint program among all the participating utilities that shall be consistent across the utility territories. The SRVEVR and SNPFA are separate programs, and grant awards will be made specific to each program.

The CEC envisions rolling out the SNPFA Program in phases to ensure prioritization of schools in underserved communities. These guidelines address only initial program awards, which are limited to LEAs and projects for schools identified as being in an underserved community. The CEC will continually evaluate the effectiveness of the SNPFA Program Guidelines in achieving the purposes of AB 841 and publish new editions to update eligibility and prioritization as funding is available.

B. Keyword/Terms

Table 1 identifies the key words or terms used in the SNPFA Program Guidelines.

Table 1: Key Words and Terms

Word/Term	Definition
AB	Assembly Bill
CEC	California Energy Commission

Word/Term	Definition
CEQA	The California Environmental Quality Act found in California Public Resources Code § 21000 et seq., and the CEQA Guidelines, promulgated by the California Resources Agency, California Code of Regulations Title 14, Section 15000 et seq. CEQA generally requires state and local government agencies to inform decision makers and the public about the potential environmental impacts of proposed projects, and to reduce those environmental impacts to the extent feasible.
DIR	California Department of Industrial Relations
SNPFA Program Guidelines	School Noncompliant Plumbing Fixture and Appliance Program Guidelines
LEA	Local Educational Agency. A school district as defined in Section 41302.5 of the Education Code or a charter school that has been granted a charter pursuant to Part 26.8 (commencing with Section 47600) of Division 4 of Title 2 of the Education Code.
Noncompliant Appliance	Means all the following: (1) Any commercial dishwasher that was manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Commercial Dishwashers, Version 1.1. (2) Any automatic commercial ice maker that was manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Automatic Commercial Ice Makers, Version 1.0. (3) Any commercial clothes washer that was manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Clothes Washers, Version 5.0.
Noncompliant Plumbing Fixtures	The same meanings set forth in Section 1101.3 of the Civil Code, which is any of the following: (1) Any toilet manufactured to use more than 1.6 gallons of water per flush. (2) Any urinal manufactured to use more than one gallon of water per flush. (3) Any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute. (4) Any interior faucet that emits more than 2.2 gallons of water per minute.
Notice of Award	CEC staff will notify the local educational agency following approval of a grant application.
Notice of Funding Availability	A notice issued by the CEC to identify anticipated funding that will be made available in each round of School Energy Efficiency Stimulus Program grants. The notice will provide relevant application dates and any funding restrictions applicable to that round of funding.

Word/Term	Definition
School Plumbing Fixture and Appliance Replacement Grants	A grant provided as part of the SNPFA Program to fund the replacement of noncompliant plumbing fixtures and appliances.
Project	“Project” refers to all replacements of noncompliant plumbing fixtures and appliances that are funded by a Plumbing Fixture and Appliance Replacement Grant.
PUC	Public Utilities Code
SEES Program	School Energy Efficiency Stimulus Program established pursuant to Section 1610 of Chapter 8.7 Article 1 of the PUC.
Service Territory Requirements	School sites must be located in a utility service territory to receive a School Energy Efficiency Stimulus Program grant. PUC Section 1615(c) requires that the CEC ensures that funds from each utility for the School Energy Efficiency Stimulus Program are used for projects located in the service territory of the utility from which the funds are received.
Skilled and Trained Workforce	Has the same meaning as set forth in Section 2601 of the Public Contract Code .
SNPFA Program	School Noncompliant Plumbing Fixture and Appliance Program as specified in Article 4 of Chapter 8.7 commencing with Section 1630 of the PUC.
SRVEVR Program	School Reopening Ventilation and Energy Efficiency Verification and Repair Program as specified in Article 3 of Chapter 8.7 commencing with Section 1620 of the PUC.
Underserved Community	A community that meets one of the following criteria: (1) Is a “disadvantaged community” as defined by subdivision (g) of Section 75005 of the Public Resources Code. (2) Is included within the definition of “low-income communities” as defined by paragraph (2) of subdivision (d) of Section 39713 of Health and Safety Code. (3) Is within an area identified as among the most disadvantaged 25 percent in the state according to the California Environmental Protection Agency and based on the most recent California Communities Environmental Health Screening Tool, also known as CalEnviroScreen. (4) Is a community in which at least 75 percent of public school students in the project area are eligible to receive free or reduced-price meals under the National School Lunch Program.

Word/Term	Definition
	(5) Is a community located on lands belonging to a federally recognized California Indian tribe.
Utility or Utilities	<p>Means both of the following:</p> <p>(1) An electrical corporation with 250,000 or more customer accounts within the state.</p> <p>(2) A gas corporation with 400,000 or more customer accounts within the state.</p> <p>This definition includes Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SCG).</p>
Water-Conserving Appliance	<p>Means any of the following:</p> <p>(1) A commercial dishwasher that meets the criteria of the ENERGY STAR Product Specification for Commercial Dishwashers, Version 2.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the Energy Commission for the program.</p> <p>(2) An automatic commercial ice maker that meets the criteria of the Energy Star Product Specification for Automatic Commercial Ice Makers, Version 3.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the Energy Commission for the program.</p> <p>(3) Any commercial clothes washer that meets the criteria of the ENERGY STAR Product Specification for Clothes Washers, Version 8.0, or any revision to those criteria published by the United States Environmental Protection Agency that is adopted by the Energy Commission for the program.</p>
Water-Conserving Plumbing Fixtures	The same meanings set forth in Section 1101.3 of the Civil Code, which is any fixture that complies with current building standards applicable to a newly constructed real property of the same type.

C. Budget

Funding for the SEES Program comes from the energy efficiency budgets of California’s large electric and gas investor-owned utilities, specifically electrical corporations with 250,000 or more customer accounts within the state and gas corporations with 400,000 or more customer accounts within the state as determined by the California Public Utilities Commission (CPUC). This definition includes Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SCG), referred to in this document as “utilities.”

The SEES Program accumulates funding in 2021, 2022, and 2023. The annual funding for the SEES Program is derived from a combination of current year available funds and prior year unspent and uncommitted funds as described in PUC Section 1615(a). Each year, from 2021 to 2023, the utilities will prepare a joint advice letter detailing that year's budget for CPUC approval. CEC will provide notices of annual budget accrual, total program funding, and available funds at least once per year. Funds are allocated to the two grant programs, with 75 percent to SRVEVR and 25 percent to SNPFA.

Funding awards must be distributed proportionally to each utility area based on the proportion of program funds contributed by that utility and used for projects located in the utility's service territory. All projects, reporting, and reconciliation must be completed and any unused funds returned to the CEC. Future guideline updates will include instructions and encumbrance deadlines for LEAs to return unused funds to the CEC. Following PUC Section 1615(e), all unused funds must be returned to each utility by December 1, 2026.

D. SNPFA Program Eligibility

Eligible Applicants

As discussed above, eligibility for the initial grant awards addressed in this first edition of the SNPFA Guidelines are limited only to LEAs. An LEA is defined as either:

- A school district as defined in Section 41302.5 of the Education Code, which includes:
 - County boards of education.
 - County superintendents of schools.
 - Direct elementary and secondary level instructional services provided by the state, including the Diagnostic Schools for Neurologically Handicapped Children as established under Article 1 (commencing with Section 59200) of Chapter 3 of Part 32 of the Education Code.
- A charter school that has been granted a charter following Part 26.8 (commencing with Section 47600) of Division 4 of Title 2 of the Education Code.

California LEAs may apply for funding to be used for projects at schools that are located in the service territory of the utilities, as defined in Table 1 above. Applicants must demonstrate that each site meets service territory requirements. CEC staff will verify submitted information as needed to ensure compliance with the service territory requirements.

Third parties may complete applications on behalf of LEAs but may not sign or enter into agreements on behalf of the LEA. No funding will be provided for the costs of completing an application for funding or for third-party consultant fees for implementing programs.

Utilities Service Territories and Application Tiers

PUC Section 1615(c) states that CEC shall ensure that moneys from each utility are used for projects located in the service territory from which the money is received; for example, the funds collected from PG&E will be distributed in PG&E territory.

For implementing the SNPFA Program, CEC is using an approach developed for the CEC’s Energy Conservation Assistance Act — Education Subaccount (ECAA-Ed) Competitive Loan Program to ensure that program funds are available to a range of LEAs within each utility’s service territories across the state. LEAs in each service territory are divided into four tiers based on LEA student enrollment. LEA size tiers are detailed below in Table 1.

Table 1: LEA Tier by Enrollment Numbers

Tier	Number of Students
1	Less than 1,000
2	Between 1,000 and 2,000
3	Between 2,001 and 10,000
4	More than 10,000

Source: <https://www.energy.ca.gov/programs-and-topics/programs/energy-conservation-assistance-act/zero-interest-loans>

LEAs will be included in one of the application tiers as detailed in **Table 2: LEA Application Tiers** corresponding to a utility’s service territory and the size of the LEA.

Table 2: LEA Application Tiers

Tier	PG&E	SCE	SDG&E	SCG
1	PG&E1	SCE1	SDG&E1	SCG1
2	PG&E2	SCE2	SDG&E2	SCG2
3	PG&E3	SCE3	SDG&E3	SCG3
4	PG&E4	SCE4	SDG&E4	SCG4

Source: <https://www.energy.ca.gov/programs-and-topics/programs/energy-conservation-assistance-act/zero-interest-loans>

Allocation of Funds Methodology

To allocate program funds, each program year, CEC will calculate the available funds by tiers presented in Table 2: LEA Application Tiers for each utility. The calculation will be based on the final budget for each utility as approved by the CPUC for each program year as described in PUC 1615(a)(1)(A).

CEC will allocate funds by application tier for each utility service territory using the percentages developed in the CEC’s Energy Conservation Assistance Act — Education Subaccount (ECAA-Ed) Competitive Loan Program and shown in Table 3: Available Funds by Application Tier. The approach proven in the ECAA-Ed Competitive Loan Program will help the CEC ensure program funds are available to a range of LEAs within each utility’s service territories across the state.

Table 3: Available Funds by Application Tier

Tier	PG&E	SCE	SDG&E	SCG
1	PG&E1: 15.7%	SCE1: 15.7%	SDG&E1: 15.7%	SCG1: 15.7%
2	PG&E2: 21.1%	SCE2: 21.1%	SDG&E2: 21.1%	SCG2: 21.1%
3	PG&E3: 31.6%	SCE3: 31.6%	SDG&E3: 31.6%	SCG3: 31.6%
4	PG&E4: 31.6%	SCE3: 31.6%	SDG&E4: 31.6%	SCG4: 31.6%

Source: <https://www.energy.ca.gov/programs-and-topics/programs/energy-conservation-assistance-act/zero-interest-loans>

CEC will provide the amount of funds available for each utility’s service territory and the funds available in each application tier in the notice of funding availability as described in Chapter 3.A, which will be issued for each funding round.

Funds Not Used in an Application Tier

In a funding round where CEC does not fully disburse funds for an application tier, at the end of the funding round, the CEC will evaluate projected program participation in the relevant tier and determine the appropriate dispensation of the unused funds. The unused funds may either be held over for the next round or reallocated to other application tiers in the same utility service territory.

Eligible Schools

LEAs may apply for grants to conduct activities at schools that the LEA:

- Owns.
- Leases from a school district.
- Has a lease for, with a duration exceeding the projected useful life of SNPFA project improvements.

LEAs must provide proof of ownership or complying leases.

Number of Applications

An LEA may only submit one application for SNPFA funds in each funding round. All sites to be addressed in the applicable round of funding must be included in one application and for the initial round of funding only sites meeting one or more of the definitions for underserved communities may be included.

Relationship to SRVEVR Applications and Awards

CEC staff anticipates that SVREVR and SNPFA grant awards will be awarded under separate processes. LEAs may choose to participate in one or both programs or choose not to participate in either. Each LEA may separately submit one application for SNPFA funds and a separate application for SRVEVR funds in each funding round.

Multiple Sources of Funding

Participation in another program does not prevent participation in SNPFA. However, an LEA may not receive funds to cover the same scope of work from more than one program. As part of the grant award, an LEA receiving SNPFA funds must certify that the SNPFA funds will be used for distinct, eligible costs as described in these guidelines and that no other funds will be received or used for the same costs from another funding source. CEC reserves the right to review and audit all grant and funding award documents to ensure compliance with this requirement.

E. Priority Awards

PUC Section 1612 requires the SNPFA program offer funds to schools that are in an underserved community before those schools that are not in an underserved community. The SNPFA Program defines an underserved community as meeting one of the following criteria:

- a. Is a "disadvantaged community" as defined by Public Resources Code Section 75005(g)¹
- b. Is included within the definition of "low-income communities" as defined by Health and Safety Code Section 39713(d)(2)²
- c. Is within an area identified as among the most disadvantaged 25 percent in the state according to the California Environmental Protection Agency and based on the most recent California Communities Environmental Health Screening Tool, also known as CalEnviroScreen
- d. Is a community in which at least 75 percent of public school students in the project area are eligible to receive free or reduced-price meals under the National School Lunch Program
- e. Is a community located on lands belonging to a federally recognized California Indian tribe

PUC section 1612 requires that at least 25 percent of SNPFA projects to be in underserved communities.

To meet the statutory requirement that schools meeting one or more underserved community criteria be offered funding before other schools, CEC is limiting applications and awards for the initial funding round of Plumbing Fixture and Appliance Replacement Grant awards to schools

1 Public Resources Code Section 75005(g) defines "disadvantaged community" as a community with a median household income less than 80 percent of the statewide average.

2 Health and Safety Code Section 39713(d)(2) defines "low-income communities" as census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted under Health and Safety Code Section 50093.

meeting one or more of the underserved community criteria referenced in PUC Section 1601(e) and described in these guidelines.

These guidelines may be updated and additional notice provided as necessary to address additional eligibility.

CHAPTER 2:

Project Requirements

Plumbing Fixture and Appliance Replacement Grants

Applicants may apply for a grant to fund the replacement of noncompliant plumbing fixtures and appliances.

Grant applications must specify the details of each facility site and provide contractor estimates for costs specific to each site. Awards will be made based on contractor's estimates. Additional details on application requirements is provided in Chapter 3 of these guidelines.

A. Noncompliant Plumbing Fixtures and Appliances

1) Noncompliant Plumbing Fixtures

Plumbing fixtures exceeding the following water usage levels as set forth in Section 1101.3 of the Civil Code shall be considered noncompliant:

- a) Any toilet manufactured to use more than 1.6 gallons of water per flush.
- b) Any urinal manufactured to use more than one gallon of water per flush.
- c) Any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute.
- d) Any interior faucet that emits more than 2.2 gallons of water per minute.

2) Noncompliant Plumbing Appliances

Plumbing appliances meeting one of the following conditions shall be considered noncompliant:

- a) Commercial dishwasher manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Commercial Dishwashers, Version 1.1
- b) Any automatic commercial ice maker that was manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Automatic Commercial Ice Makers, Version 1.0
- c) Any commercial clothes washer that was manufactured prior to January 1, 2010, that does not meet the efficiency requirement of the ENERGY STAR Product Specification for Clothes Washers, Version 5.0

B. Application

Applicants will be required to complete documentation showing the existence of noncompliant plumbing fixtures or appliances before they apply to the SNPFA Program. This documentation will list the existing plumbing appliances/fixtures included for replacement in the contractor's estimate, list the respective efficiencies, and specify which components of the system are not in compliance. This documentation will be used to determine which appliances/fixtures are not meeting the water efficiency

requirements listed in SNPFA and are therefore eligible for replacement through the program. Once the documentation has been completed, applicants will solicit estimates from licensed contractors for the replacement of all noncompliant fixtures and appliances listed in the application.

The documentation included with the application shall include all the following information:

- a. Name and address of school facility and person or contractor preparing and certifying any documents.
- b. Documentation of the plumbing fixture and appliance equipment model number, serial number, general condition of unit, ENERGY STAR rating, and any additional information that could be used to assess replacement options given potential for increased water usage efficiency benefits.
- c. The contractor verified cost estimate for the replacement of all noncompliant plumbing fixtures and appliances.

C. Documentation of Completed Work

Upon completion of all work funded by a SNPFA grant, the applicant must document noncompliant fixture and appliance replacement at each school included in the grant. The documentation of completed work must include all the following information:

1. Name and address of school facility and person or contractor preparing and certifying information.
2. Description of initial fixture and appliance documentation.
3. Verification that the applicant has replaced all plumbing fixtures and appliances not meeting the requirements as specified in Section 1630 of the PUC. These include the minimum water efficiencies for fixtures and minimum ENERGY STAR ratings for appliances.
4. The new water use efficiencies for each of the replaced fixtures and appliances.
5. Testing for the presence of lead plumbing pipes. These tests will be in accordance with industry standards and will be utilized to determine if these schools have lead pipes on their premises.
6. Verification that all work has been performed by qualified personnel, including the provision of the contractor's name and license, and verification that all construction work has been performed by a skilled and trained workforce.

The Respective ENERGY STAR databases can be found at the following locations:

- a. ENERGY STAR Requirements for Dishwashers:
 - i. [Energy Star Commercial Dishwasher Requirement 1.1](#)
- b. Energy Star Requirements for Commercial Ice Makers:
 - i. [Energy Star Requirements for Automatic Commercial Ice Makers 1.0](#)
- c. Energy Star Requirements for Commercial Clothes Washers:
 - i. [Energy Star Requirement for Commercial Clothes Washers Version 5.0](#)

D. Skilled and Trained Workforce Requirement

All the replacement work completed with SNPFA grant funding must be performed by a Skilled and Trained Workforce, which has the same meaning as in Section 2601 of the Public Contract Code.

E. Proper Disposal/Recycling Requirements

Grant recipients shall dispose or recycle all noncompliance fixtures and/or appliances in compliance with all local ordinances, standards and requirements. Noncompliant fixtures and appliances are to be removed from service as part of this program and are not to be resold or reinstalled.

F. Grant Budget

The budget for each grant award will be equal to the sum of approved individual site budgets for all sites included in the grant application. CEC program staff will determine the approved individual site budget based on program requirements, including eligible cost requirements. Each site budget will be equal to amount of the contractors estimate for eligible work to be completed at that site.

The applicant shall ensure, to the extent applicable, the budget considers the payment of prevailing wages. These grants may be subject to public works requirements (Labor Code Section 1720 et seq.), a requirement of which is to pay prevailing wages. Applicants are responsible for complying with all applicable laws, which can include public works requirements. Applicants shall explain in their applications if their proposed projects are public works and, if so, how they have included the appropriate budgets for prevailing wage.

Only the California Department of Industrial Relations (DIR) and courts of competent jurisdiction may issue legally binding determinations that a project is or is not a public works project. If the applicant is unsure whether its proposed projects would be a "public works" as defined in the California Labor Code, it may wish to seek a timely determination from DIR or an appropriate court. As such processes can be time consuming, please plan accordingly given the application deadline.

F. Project Term

Each Plumbing Fixture and Appliance Replacement Grant project will have a maximum of 18 months to complete all work and an additional 3 months to submit final documentation as detailed in the Chapter 4, Project Completion and Reporting in these guidelines.

CHAPTER 3:

Grant Applications and Awards

This chapter provides information needed for participation in the initial phase of grant awards including the application process, required application forms and supporting documentation, a description of the process used by the CEC to evaluate applications and determine grant awards, payment of funds, and project and reporting requirements.

As previously described, PUC Section 1612 requires that projects in underserved communities be offered funding before projects that are not in an underserved community. Consistent with the statute and anticipated funding availability, CEC will offer funding in the initial phase only for schools located in an underserved community. The funding award amounts will be made based on a contractor's site-specific estimate for eligible work.

CEC will issue a notice of funding availability identifying the anticipated funding to be made available in each round of grants. The notice of funding availability will identify any relevant application dates including the first and last date applications can be submitted and any funding restrictions applicable to that round of funding. Dates and amounts may be adjusted by the CEC through the issuance of a notice updating information.

A. Application Process

The application process has been designed to simplify the submission of an initial application. CEC will also provide an option for the LEA to receive reimbursement of eligible incurred costs upon request pursuant to program requirements.

The application and award process generally follows the following steps.

- 1) CEC issues a notice of funding availability with details of the total funding available and the breakdown of funds by service territory and tier based on LEA total enrollment and the deadline date for submitting an application.
- 2) LEAs submit grant applications electronically as required in the notice of funding availability.
- 3) CEC will begin to review applications and make awards in the order complete and accurate applications are received. CEC will begin its review process upon receipt of complete applications to determine funding awards.
 - a) CEC staff will accept applications through the posted deadline and review all applications submitted by the deadline.

At any time, should the CEC determine that all funds in a service territory or tier or both have been reserved, the CEC will provide public notification of that determination but will continue to accept applications and identify LEAs that may be funded should additional funding become available.

- 4) CEC will make funding awards for complete and accurate grant applications, at which time funds will be reserved for the LEA for approved projects.

- 5) Incomplete applications and applications deemed not to have met the application requirements (collectively referred to as “noncompliant” applications) will not be considered.
 - a) CEC will notify applicants if an application is noncompliant, and the applicant may reapply during the open application period. Depending on the volume and timing of applications received, the CEC may not always be able to review and notify applicants of noncompliant applications during the open application period. Accordingly, applicants are encouraged to apply as early in the process as possible.
- 6) Successful applicants will be notified of a funding reservation and provided directions as to how to complete the funding award package. This notice is anticipated to include additional application details necessary for project tracking and create a grant agreement and in some cases invoicing documents. The funding reservation will hold the applicant’s place in the review queue but does not guarantee funding.
- 7) If the LEA has incurred eligible costs as outlined in the SNPFA Program Guidelines, the LEA will be instructed as to the process for reimbursement of those eligible incurred costs up to 50 percent of the overall grant award. Any eligible incurred costs greater than 50 percent of the overall grant award will be included in the final invoice. For these guidelines, the term “incurred costs” is defined an expense for which the recipient has become liable (legally obligated) to pay. Incurred costs DO NOT include purchase orders unless accompanied by an invoice, bill, or receipt that shows the payment amount is due.
- 8) All planned projects will also receive additional guidance on project completion, reporting, and invoice submittal.
- 9) All projects must adhere to the requirements provided in these guidelines and must use all required forms to receive a grant award and funding.

B. Application Package

Eligible applicants must submit a complete application package for a SNPFA Grant using the electronic submission process and system identified in the notice of funding availability issued by the CEC. The application package must include the following information in the required form or formats. The required application form is provided in Appendix B of these guidelines, and all forms will be made publicly available for use in developing the application package.

- Applicant Details (SNPFA-1): LEA information including official name, address, responsible parties, contact information, description of LEA territory, and schools.
- Overall Grant Request Summary (SNPFA-2): Grant site and budget summary page and status of all site-specific work including start date and projected end date.
- Site Specific Details (SNPFA-3): Detailed information identifying all sites to be addressed by the grant, general site information, identification of the number and type of plumbing fixtures and appliances on site, project completion status, total site-specific estimate for replacement project.

- Certification and attestations for application accuracy and completeness
- Supporting documentation
 - Site-specific contractor estimate supporting each site-specific amount requested
 - Contractor estimate must be itemized and include all required details
 - An authorizing document from the governing body, such as a resolution authorizing acceptance of the award and entering award agreement.

C. Contractor Estimates

Each site-specific budget must include information regarding the number and type of all noncompliant plumbing fixtures and appliances at the site and include line item estimates for materials, labor, and other costs. Any amount included in other costs must include a brief narrative explaining the use of these funds.

Applicants must provide documentation that all costs are reasonable for the work to be completed. As the projects to be completed with SNPFA Grants must complete the same general range of tasks and documentation, for initial awards, CEC will establish a range of reasonable costs applicable to each region of the state consistent with industry accepted areas and variation in labor rates. If an estimate exceeds the CEC established range of rates, an explanation for the higher estimate must be provided by the contractor and LEA in the grant application package. CEC program staff will work with the applicant if any additional information is required to complete the grant agreement after notification of the grant award.

The contractor estimate must include specific information as required by industry standards and requirements.

D. Application Review

Applications will only be accepted electronically, and all applications submitted will be identified by the date and time received. Any applications received after the noticed deadline will not be accepted, and a notice of rejection will be sent to the applicant.

The CEC will review each submitted application package to ensure all the required information has been provided. If an application is incomplete the application will be rejected. The LEA may resubmit an application during the open application period.

An application with minor errors that do not affect the completeness of the package may be considered, but the date and time for submission will be updated to reflect the date and time a corrected final application resolving any minor inconsistencies is received. If there are minor errors within the application, applicants will be notified via email of the errors and given a up to 10 calendar days, or until the application deadline, whichever is shorter, to resolve any errors or inconsistencies. If the applicant does not resolve the errors or inconsistencies in the allowed time frame, the application will not be approved for funding during the current round of awards. The LEA may resubmit an application during the open application period.

CEC staff will rank all approved applications by the date and time the final approved application was received. Grant applications will be processed until all available funds within each service territory and tier are awarded. Any approved grant applications received that exceed the amount of funds available in the current round of funding for the utility service territory and enrollment tier will be placed in order of date and time received on a priority list for funding when funds become available.

Notice of Award and Completion of Grant Agreement

Following approval of a grant application, CEC staff will notify the successful applicant and provide additional information necessary to complete the award. CEC staff anticipates that the additional information may include:

- Additional details of all plumbing fixtures and appliances on each site and additional data required to assess baseline water use.
- Payee Data Record (STD-204): Required for grant award payment, all details MUST match the applicant information in other documents.
- Final budget page identifying grant awards by site (estimated cost and total per site award calculations).

Grantees may request reimbursement of eligible incurred costs of no more than 50 percent of the total grant award at the time the grant agreement is completed. Eligible incurred costs are those costs incurred to achieve the purpose of the SNPFA Program in advance of the application. CEC staff will provide additional information on the invoicing process to request these funds at the time the notice of award is issued. Additional information on project reporting and invoicing is provided in these guidelines and further guidance will be made available to grantees.

E. Payment of Grant Funds

CEC expects to receive funding for the SNPFA Program from participating utilities quarterly, and as such, payment to grantees depends on CEC receipt of funding.

CEC will email a notice of award to all approved grant applicants identifying the amount of the award. As noted above, the LEA will be awarded the amount requested which must equal the total of each site-specific estimate.

F. Timing of Payment

CEC may issue a portion of funds to cover eligible incurred costs, as defined in Sections A and D above, equal to up to 50 percent of the overall grant award upon request by the LEA. Upon approval of an award, the grantee will receive a notice of grant award from CEC and must complete a grant agreement. At the time the final grant agreement is returned to CEC, the LEA may submit an invoice to CEC for incurred costs up to 50 percent of the overall award for all sites represented in the grant agreement.

The remaining grant funds will be provided upon receipt of all final required reporting. The LEA shall provide the CEC with additional documentation, as specified in the Reporting Section of these guidelines.

Following receipt of a properly completed grant agreement, invoice, and payee data record, CEC will approve payment of incurred cost funds to be issued by the State Controller's Office. CEC expects to be able to issue incurred cost payments within four to six weeks of receipt of LEA request.

G. Ineligible Uses of Funding

PLACEHOLDER LANGUAGE

The applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State.

Staff intend to explore if additional detail is needed to describe other ineligible uses of funds.

CHAPTER 4:

Project Completion and Reporting

A. Completion of Projects

As noted previously, grant recipients will have 18 months to complete all replacement work plus an additional 3 months to complete final documentation requirements. Although the CEC may issue a reminder of the project deadline, it is the grant recipients' responsibility to monitor project completion and meet all required documentation and invoicing deadlines.

Applicants shall submit final documentation electronically using the system or process required by the CEC at the time the documentation is due. CEC will provide all forms, formats, and guidance needed to assist in documentation on the SEES program web page.

B. Reporting

PUC Section 1618 states that the reduction in greenhouse gases and energy savings attributed to a project funded by the SEES Program shall be attributed to the utility that provided those funds.

For the CEC to determine and properly attribute these benefits, the following information will be required in the final document package to supplement the information included in the application package:

[The additional reporting detail referenced in A.4. Below will be developed in coordination with the CPUC and IOUs following the workshop.]

Final Documentation and Invoice for Remaining Funds

After the SNPFA project has been completed, the applicant will submit a final document package to the CEC. This package will include:

1. Detailed noncompliant appliance and fixture documentation and contractor estimate, as specified in Chapter 2.B.
2. Documentation of installed fixtures and appliances, as specified in Chapter 2.C.
3. Final invoice for any remaining expended funds up to the original grant award amount.
4. Additional reporting detail as required to calculate or confirm water usage savings, energy usage savings, or reduction in greenhouse gas emissions resulting from the project.

Time Extension Requests

Grant recipients may request one-time extension to complete final reporting. The extension will be no more than six months and is not to exceed the final date of program reporting. The final date of program reporting will be determined prior to initial grant awards.

CHAPTER 5:

Administration

A. Guidelines Authority

This SNPFA Program Guidelines are adopted under Public Utilities Code Division 1, Part 1, Chapter 8.7 added by AB 841 (Ting, Chapter 372, Statutes of 2020), which directs the CEC to implement the SNPFA Program as part of the SEES Program. Under PUC Section 1614(b), the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to the adoption these guidelines.

B. Effective Date of Guidelines

These SNPFA Program Guidelines are not effective until adopted by the CEC at a publicly noticed business meeting. The CEC will post the adopted SNPFA Program Guidelines on its website: <https://www.energy.ca.gov/programs-and-topics/programs/school-energy-efficiency-stimulus-sees-program-assembly-bill-841>.

Applicants may also obtain the SNPFA Program Guidelines by contacting SEES@energy.ca.gov

C. California Environmental Quality Act

The CEC must comply with the California Environmental Quality Act (CEQA) (Public Resources Code § 21000 et seq.; see also California Code of Regulations Title 14, Section 15000 et seq.), which generally requires public agencies to identify and consider potential environmental impacts of proposed projects. Applicants will be required to submit CEQA documentation as part of their application in order to determine CEQA compliance. Please refer to Appendix A: Application and Forms for further information.

D. Enforcement

In addition to any other rights the CEC has, the CEC can take any of the following actions necessary to enforce the CEC's rights and program requirements.

Recovery of Overpayment

The CEC may direct the CEC's Office of Chief Counsel to commence formal legal action against any applicant, former applicant, or recipient to recover any portion of a payment under a grant agreement that the Executive Director determines the applicant, former applicant, or recipient was not otherwise entitled to receive, retain (for example, advanced funds), or spend in the manner it was spent.

Fraud and Misrepresentation

The Executive Director may initiate an investigation of any applicant that the Executive Director has reason to believe may have misstated, falsified, or misrepresented information in submitting an application, payment request, or any reporting or other information required under the program. Based on the results of the investigation, the Executive Director may take any action deemed appropriate, including, but not limited to, cancellation of the reservation, termination of the award or award agreement, recovery of any overpayment, and, with the

concurrence of the CEC, recommending the Attorney General initiate an investigation and prosecution under Government Code Section 12650, et seq., or other provisions of law.

Noncompliance With Agreement

The CEC may seek remedies for noncompliance with agreement terms, work scope, and project milestones, including without limitation stop work, termination, withholding requested payments, recovery of funds, or any other administrative or civil action.

E. Use and Disclosure of Information and Records and Confidentiality

With very few exceptions, all project documents submitted to the CEC or its technical consultant(s), including as part of any audit, are considered public records subject to disclosure under the California Public Records Act. The CEC or other state agencies may also use any of these documents or information for any purpose, including to determine eligibility and compliance with the SEES Program, applicable law, or a particular solicitation or guideline document, or to evaluate related or relevant programs or program elements, or to prepare reports. These documents and information include, but are not limited to: applications for funding, the agreement itself, invoices and any documentation submitted in support of applications, all agreement deliverables, final project report, and documents prepared for other reporting requirements, materials and documents developed as part of technology transfer activities.

If the CEC requires an applicant or recipient to provide copies of records that the recipient believes contain confidential/proprietary information entitled to protection under the California Public Records Act or other law, the recipient may request that such records be designated confidential according to the CEC's regulations for confidential designation, Title 20, California Code of Regulations, Section 2505.

Applicants considering confidentiality should note that SEES funds are subject to information disclosure requirements to ensure transparency. Information concerning the identity of recipients and the grant amount is public information and will be disclosed according to the California Public Records Act. This information, as well as other public information, may also be disclosed through the CEC's website, another State of California agency website, or through other means.

The CEC can disclose confidential information and records to other governmental entities and policing authorities for civil and criminal investigation and enforcement.

F. Substantive Changes in Guidelines

After adoption, substantive changes to the adopted SNPFA Program Guidelines may be made with the approval of the CEC at a publicly noticed meeting with no fewer than 15 days public notice. Unless stated otherwise in the resolution approving substantive changes, such changes shall take effect upon adoption by the CEC. Substantive changes to design or requirements include but are not limited to program eligibility.

G. Nonsubstantive Changes in Guidelines

If the SNPFA Program Guidelines requires nonsubstantive changes, the CEC will provide a notice of the changes to the SEES list serve (school_ee_stimulus) and post the amended guidelines on the SEES web page.

APPENDIX A:

Application Forms

School Plumbing Fixture and Appliance Replacement Grant Application Form

- Application Information
 - Applicant name
 - Type of Entity/CDS Code
 - Application Region
 - Address
 - Contact information
 - Utility Provider(s)
- Project Information (Table format for multiple projects in LEA's application)
 - Type of project
 - School address
 - School size (classrooms/students)
 - Project description
- Project Schedule
 - Estimated start date
 - Estimated completion date
- Project Budget
- CEQA Compliance
- Application Documents
- Certification

APPENDIX B:

Plumbing Application and Documentation Forms*

[*Forms in Development. Brief outline of forms below.]

- **Documentation Form for Appliances (checklist)**
 - Unit/Model No./Serial No./ENERGY STAR Rating
 - Cost to replace
 - Cost to dispose of old equipment
 - Labor cost
- **Documentation Form for Fixtures (checklist)**
 - Unit/Model No./Serial No./Water Usage
 - Cost to replace
 - Cost to dispose of old equipment
 - Labor cost
- **Documentation of Completed Work Form for Appliances**
 - New Unit/Model No./Serial No./ENERGY STAR Rating
 - Completed invoice
- **Documentation of Completed Work Form for Fixtures**
 - New Unit/Model No./Serial No./Water Usage
 - Completed invoice
 - Presence of lead pipes

APPENDIX C:

Additional References

(Include information on other bills or statutes referenced – such as Title 24)

Assembly Bill No. 841 Energy: transportation electrification: energy efficiency programs: School Energy Efficiency Stimulus Program. (2019-2020) (Ting)
http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB841