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ITEM 5

Presentation of the Renewable Energy Division’s equity-focused programs:
California Schools Healthy Air, Plumbing and Efficiency Program (CalSHAPE), Building Initiative for Low-Emissions Development Program (BUILD), Energy Conservation Assistance Act (ECAA), and California Electric Homes Program (CalEHP)
Overview

The CEC’s Renewable Energy Division administers a number of programs that provide financial assistance or incentives to promote energy efficiency and decarbonization efforts.

Programs that cover housing
- BUILD Program
- CalEHP Program

Programs that cover schools and local governments
- CalSHAPE Program
- ECAA Program
Introducing: BUILD

BUILD
Building Initiative for Low-Emissions Development Program
BUILD is a residential building decarbonization program that provides technical assistance and incentives to support the adoption of advanced building design and all-electric technologies in new, low-income homes.

BUILD makes clean energy technologies accessible to affordable housing developments to benefit low-income Californians.
Why Nonprofit, Tribal & Public/Private Developers Participate in the BUILD Program

• 300 hours of no-cost technical assistance

• Up to $2,000,000 in incentives

• A special New Adopter incentive (up to $100,000)

• Reduction in long-term utility costs & elimination of gas infrastructure costs

• Build in-house capacity for all-electric building

• Prepare for current and future state and local building electrification policies

• Layer funds with other programs and incentives
Incentive Types & Eligibility

4 Robust Incentives Components:

- **BASE GHG INCENTIVE**
  - Based on GHG emissions avoided

- **INCREMENTAL PV**
  - Modeled Resident Utility Costs
  - Based on a flat rate of PV above Code

- **BUILDING EFFICIENCY**
  - Modeled Resident Utility Costs
  - Based on a percentage above Code

- **KICKER INCENTIVE**
  - For additional GHG reduction technologies

**TOTAL INCENTIVE**

$2,000,000
Program Cap per applicant

$1,700
Per Bedroom average minimum greenhouse gas incentive

**Developer and Project Eligibility:**

- New construction, significant refurbish, or repurposed low-income housing unit(s) with income restrictions
- All-electric, no distribution level gas hookups, located in a participating gas service territory
- Demonstrated modeled resident utility cost savings
- Developers need low-income residential project experience in California

Program Cap per applicant

Program Cap per applicant
Help Spread the Word

• Share the BUILD Fact Sheet through your networking channels:  [https://www.energy.ca.gov/media/6781](https://www.energy.ca.gov/media/6781)

• Host a BUILD technical assistance provider at your next agency outreach event, empower your communities to learn more about all-electric building design and funding opportunities: [BUILD@AEA.us.org](mailto:BUILD@AEA.us.org)

• Add BUILD’s hyperlink to agency housing and energy webpages. Help your community developers access free technical assistance and funding:  [https://www.energy.ca.gov/programs-and-topics/programs/building-initiative-low-emissions-development-program](https://www.energy.ca.gov/programs-and-topics/programs/building-initiative-low-emissions-development-program)

• Provide contacts to your local trade and housing groups and collaboratives
California Electric Homes Program
AB 137, 2021
(Referenced in statute as the Building Initiative for Low-Emissions Development Phase 2)
Program Background: What is the California Electric Homes Program?

- Incentive program with a goal to increase market transformation in the building of all-electric homes, and installation of residential energy storage systems
- Statewide program targeted for market-rate residential buildings
- Program will be implemented through a competitively selected third-party administrator

Legislation:
- Assembly Bill 137 (Ting, Chapter 77, Section 17, Statutes 2021)
- Public Resources Code Section 25403.2
Program Structure

Program Design and Structure to be Guided by:

- Statute
- CEC Guiding Principles
- Stakeholder input

The program design will be completed by the third-party administrator with input and approval by CEC.

<table>
<thead>
<tr>
<th>Program Activity</th>
<th>Budget</th>
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</thead>
<tbody>
<tr>
<td>Incentives</td>
<td>$58,125,000</td>
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<tr>
<td>Administration</td>
<td>$16,875,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$75,000,000</strong></td>
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Guiding Principle on Disadvantaged Communities

Goal:
- The CEC and State are committed to improving the environment and economically advancing at-risk communities and reducing the disproportionate environmental effects of pollution in California communities.
- While CalEHP is required by statute to focus on residences in the market-rate rental or homebuying market, the program design from the third-party administrator should incorporate this policy.

Note: The program’s design details are still being worked out as the program has not yet launched.
CalSHAPE Program
• CalSHAPE includes 2 Grant Programs:
  • **CalSHAPE Ventilation Program**: assess, maintain, and repair or replace ventilation systems
  • **CalSHAPE Plumbing Program**: replace aging and inefficient plumbing fixtures and appliances

• CEC is Program Administrator
  • Coordinating with Large Electric and Gas Utilities Funding the Program and CA Public Utilities Commission
  • The current estimated budget for the program is around $650 million.
Priority Eligibility

Since opening the application process, the initial 2 Funding Rounds to schools in “underserved communities”

- Disadvantaged communities
- Low-income communities
- CalEnviroScreen
- Free and Reduced Price Meal
- Tribal land
CalSHAPE Update

• 450 applications received
  • 130 Plumbing
  • 320 Ventilation

• $170M in requested funds
  • $18.5M Plumbing
  • $150.8M Ventilation

• 118 Notices of Proposed Awards Issued
  • 38 Plumbing
  • 80 Ventilation

• $52M in NOPAs Issued

*As of 2/14/2022
CalSHAPE Reach

- 26% Eligible LEAs
  - 213 of 829 total
- 21% Schools in an underserved community
  - 1,316 of 6,262 total
- 76% of Counties with Eligible LEAs
  - 44 of 58 total
Energy Conservation Assistance Act
ECAA Program Background

• 1% interest and no-interest revolving loan program that provides financing for energy-efficiency and clean energy generation projects

• Program has been in operation since 1979, during which time hundreds of projects have received funding

• Maximum loan amount is $3 million

• Loans are paid back through energy cost savings

• Eligible entities include cities, counties, special districts, and schools
Example Project – City of Orange Cove

- LED lighting upgrades at seven city sites
- Ground-mounted solar PV installation at the City’s Wastewater Treatment Plant
- Expected completion date of 10/21/23
# Example Project Energy Analysis Summary

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Annual Energy Use Savings</th>
<th>Annual Energy Cost Savings</th>
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</thead>
<tbody>
<tr>
<td>$2,228,616</td>
<td>961,534 kWh</td>
<td>$142,166</td>
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</table>
Upcoming Changes to ECAA Program

• Recent legislation (AB 33, Ting) creates new opportunities

• Projects can be evaluated comprehensively rather than on a “measure-by-measure” basis

• Electric Vehicle (EV) charging infrastructure and energy storage specifically referenced as eligible measures

• Tribes added as eligible entities
Opportunities for Disadvantaged Communities

• CEC programs present opportunities for disadvantaged communities to receive significant funding for certain types of projects

• The CEC can provide technical assistance and support to communities seeking to apply to these programs
Contact Information for Programs

CalEHP Contact:
- CalEHP@energy.ca.gov

ECAA Contact:
- PubProg@energy.ca.gov

CalSHAPE Contact:
- calshape@energy.ca.gov

BUILD CONTACT
TO SCHEDULE AN INFORMATIONAL SESSION, CONTACT THE TECHNICAL ASSISTANCE PROVIDER AT:
BUILD@AEA.us.org

FOR QUESTIONS, EMAIL BUILD CEC STAFF AT:
BUILD@energy.ca.gov