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<th>5/20/2022</th>
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<tr>
<td><strong>Document Title:</strong></td>
<td>ITEM 5 DACAG May 2022 Presentation</td>
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<td>Dorothy Murimi</td>
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<td><strong>Project Title:</strong></td>
<td>Senate Bill 350 Disadvantaged Community Advisory Group</td>
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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)
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
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 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

• Up to $2,000,000 in electrification incentives & 300 hours of no-cost technical assistance, thus:
  − Strengthening in-house all electric building design capacity, and
  − Preparing for future building electrification policies

• A special New Adopter incentive (up to $100,000) for developers constructing their first all electric AMF residence

• Layer other incentive program funds
Incentive Types & Eligibility

4 Robust Incentives Components

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

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

- **INCREMENTAL PV**
  Modeled Resident Utility Costs
  Based on a flat rate of PV 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 all electric low-income housing unit(s) with income restrictions
- Demonstrated modeled resident utility cost savings
- Eligible developers need low-income residential project experience in California
Help Spread the Word

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

• Host a BUILD technical assistance provider at your next agency/community outreach event: BUILD@AEA.us.org

• Add BUILD’s hyperlink to agency housing and energy conservation webpages:  https://www.energy.ca.gov/programs-and-topics/programs/building-initiative-low-emissions-development-program

• Provide the BUILD team with 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 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>
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<tr>
<th>Program Activity</th>
<th>Budget</th>
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<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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<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 implementation design from the third-party administrator will incorporate this policy.

Note: The program’s design details are still being worked out as the program has not yet launched.
CalSHAPE Program
Assembly Bill 841 Overview

• 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 $650 million.
Funding Priority for the DAC

Since the offering of the grant application process, the program’s first two Funding Rounds went to schools in “underserved communities”

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

• 450 applications received
  • 130 Plumbing
  • 320 Ventilation
• $170M in requested funds
  • $18.5M Plumbing
  • $150.8M Ventilation

• 118 Notices of Proposed Awards (NOPAs) Issued
  • 38 Plumbing
  • 80 Ventilation
• $52M in NOPAs Issued

*As of 2/14/2022
CalSHAPE Funding Impact

- 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

- One percent interest and zero-interest rate 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
- Orange Cove is designated as a disadvantaged community
- Expected completion date of 10/21/23
# Example Project Energy Analysis

<table>
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<tr>
<th>Loan Amount</th>
<th>Annual Energy Use Savings</th>
<th>Annual Energy Cost Savings</th>
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<tr>
<td>$2,228,616</td>
<td>961,534 kWh</td>
<td>$142,166</td>
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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
- California Native American Tribes added as eligible entities
Contact Information for Programs

CalEHP Contact:
• CalEHP@energy.ca.gov

CalSHAPE Contact:
• Calshape@energy.ca.gov

ECAA Contact:
• PubProg@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