

| DOCKETED | |
|-------------------------|--|
| Docket Number: | 22-DECARB-03 |
| Project Title: | Equitable Building Decarbonization Program |
| TN #: | 255186 |
| Document Title: | Presentation for Equitable Building Decarbonization Program Pre-Solicitation Workshop |
| Description: | Presentation slides for the Pre-Solicitation Workshop held on March, 14 2024 for the Equitable Building Decarbonization Direct Install Program draft solicitation for regional administrators. |
| Filer: | Katelynn Webster |
| Organization: | California Energy Commission |
| Submitter Role: | Commission Staff |
| Submission Date: | 3/20/2024 1:42:18 PM |
| Docketed Date: | 3/20/2024 |



Equitable Building Decarbonization Direct Install Program: Pre-Solicitation Workshop

Staff Workshop

Thursday, March 14, 2024



Please Note...

1. Today's workshop is being recorded
2. Presentation, recording, and transcript will be posted to CEC website
3. Optional sign-in sheet
4. Zoom issues?
Contact Zoom (888) 799-9666 ext. 2, or
CEC Public Advisor publicadvisor@energy.ca.gov or
by phone (916) 957-7910



How to Comment & Connect

During Today's Workshop

During Presentations

- Use Zoom Q&A Feature

During Public Comment Period

- Use Zoom Raise Hand for opportunity to speak
- On phone, press *9 to raise hand and *6 to (un)mute
- When called upon, unmute, say and spell your name, state your affiliation, and make your comment

After Today's Workshop

Please visit: www.energy.ca.gov/equitable-building-decarbonization-program

Comments Due:

- **Friday, March 29, 2024 at 5:00 pm**

Dockets:

- 22-DECARB-03 (EBD Program)
- 23-DECARB-01 (Inflation Reduction Act Programs)

Email:

- equitablebuildingdecarb@energy.ca.gov



Workshop Schedule

- 10:00 Welcome and Logistics
- 10:05 Equitable Building Decarbonization Program Background
- 10:15 Draft Solicitation for Regional Administrators
- 10:55 Empower Innovation Tutorial
- 11:00 Q&A and Public Comments



Equitable Building Decarbonization Program: Background and Overview



Equitable Building Decarbonization Program Components

Guidelines adopted
October 2023

Statewide
Direct
Install
Program

Tribal Direct
Install
Program

Statewide
Incentive
Program



Program Goals

Reduce Greenhouse Gas Emissions

Advance Energy Equity

Improve Resiliency to Extreme Heat

Improve Indoor Air Quality

Improve Energy Affordability

Support Local Workforce

Support Grid Reliability

Support Six Million Heat Pump Goal



Statewide Direct Install Program Overview

The direct install program will serve...



Low-Income Households

- Single-family
- Multifamily
- Manufactured and mobile homes



Underresourced Communities

- Disadvantaged communities
- Low-income communities

** First phase of the program will serve “Initial Community Focus Areas”*



Initial Community Focus Areas





Eligible Measures

Heating and Cooling

- Heat pump
- Duct testing/sealing
- Smart thermostat
- Ceiling fan, whole-house fan

Building Envelope

- Insulation
- Air sealing
- Solar window film

Water Heating

- Heat pump water heater
- Low-flow showerheads and faucets

Cooking, Laundry

- Induction range or cooktop
- Electric clothes dryer

Air Quality, Lighting

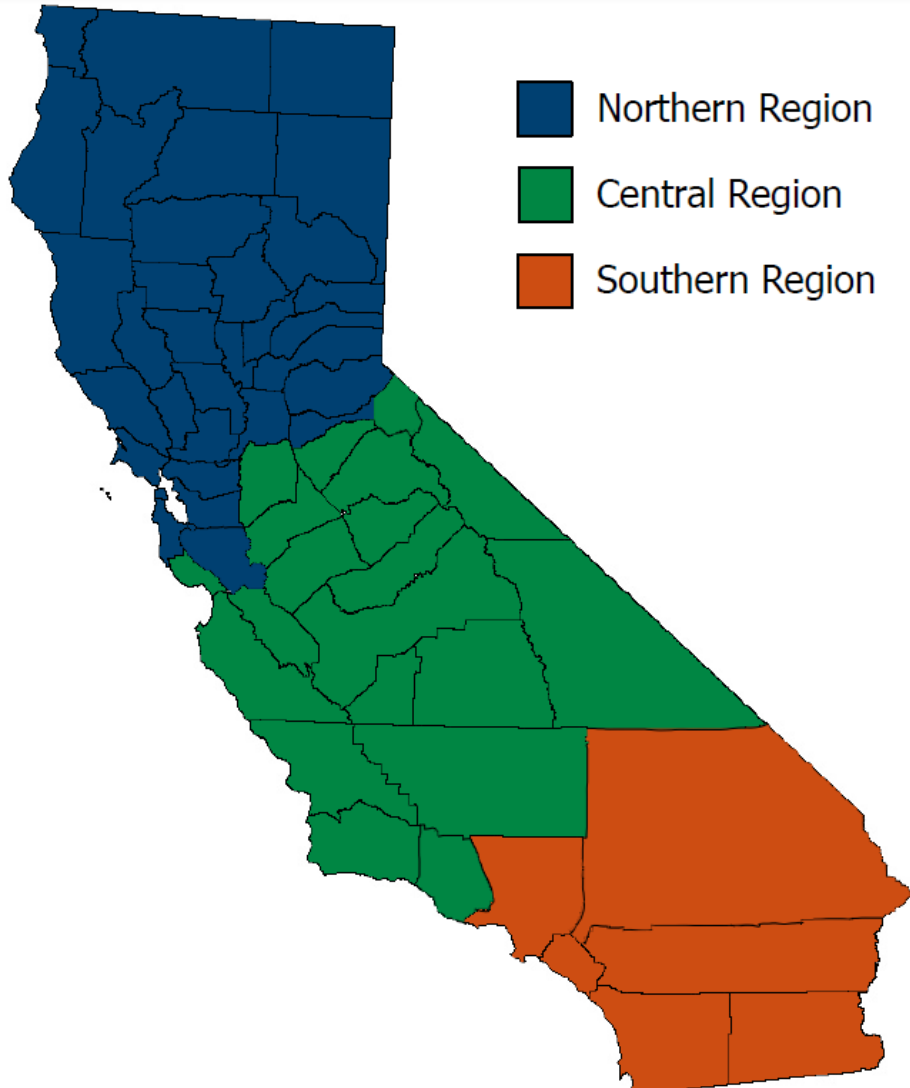
- Air filtration
- LED lights

Electrical and Remediation

- Electrical wiring and panel upgrades
- Remediation and safety



Regional Funding Allocation



| Region | Population of Underresourced Communities | Percentage of Statewide Direct Install Program Funds |
|--------------|--|--|
| Northern | 5.3 million | 23% |
| Central | 4.3 million | 19% |
| Southern | 13.6 million | 58% |
| Total | 23.2 million | 100% |



Draft Solicitation



Key Activities and Dates

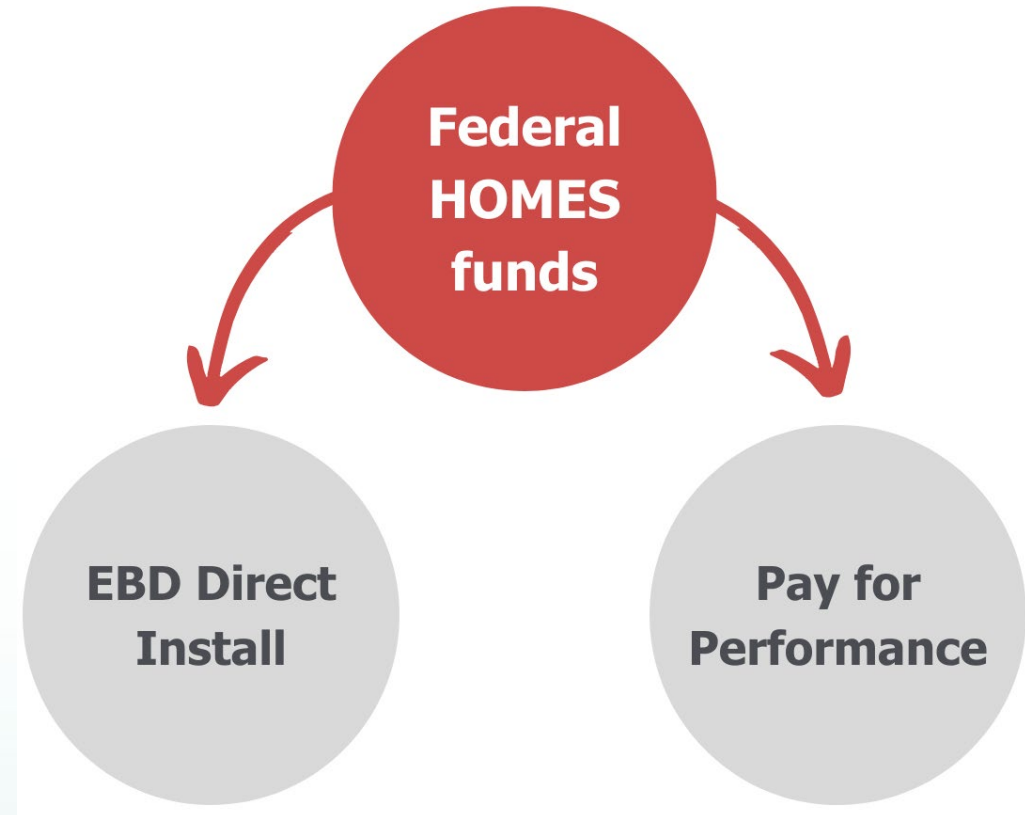


| Activity | Anticipated Date |
|---------------------------------------|---|
| Pre-Solicitation Workshop | March 14, 2024 |
| Deadline to Submit Written Comments | March 29, 2024 |
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| Pre-Bid Conference | May 9, 2024 |
| Deadline to Submit Proposals | June 30, 2024 60 days after Solicitation Release |
| Notice of Proposed Award Posting Date | August 1, 2024 |
| CEC Business Meeting Date | November 13, 2024 |



Inflation Reduction Act Home Efficiency (HOMES) Funds

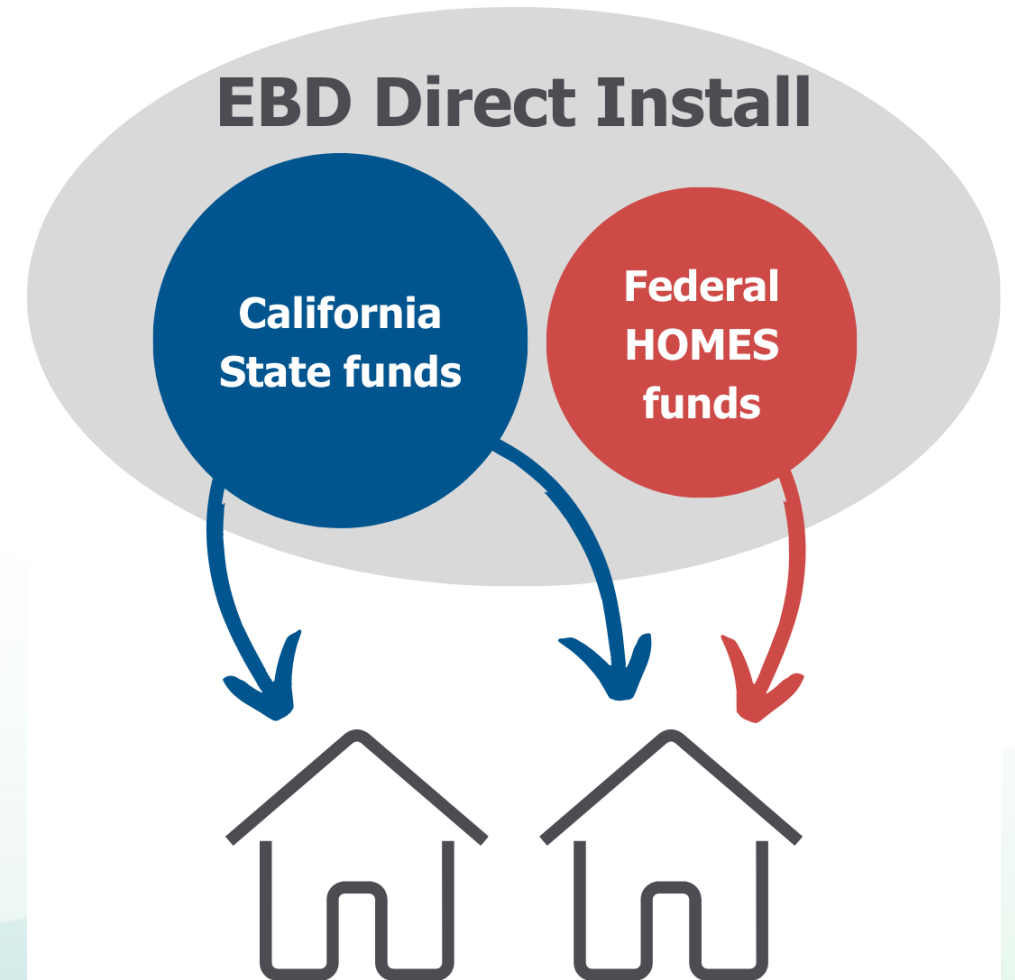
- IRA HOMES funds (\$292 million) will fund both EBD Direct Install Program and Pay for Performance program
- Further discussion of Pay for Performance program during **HOMES Workshop on March 21**





Incorporate HOMES Funds into EBD

- Reach more low-income households
- Simplify the customer experience
- Minimize administrative costs





Budget: EBD State Funds

Table 3. EBD Direct Install Funding Amounts

| Region | Project and Project-Related Funds | Administrative Funds (Maximum)* | Total Available Funds |
|--------------|-----------------------------------|---------------------------------|-----------------------|
| Northern | \$150,721,300 | \$7,932,700 | \$158,654,000 |
| Central | \$124,508,900 | \$6,553,100 | \$131,062,000 |
| Southern | \$380,079,800 | \$20,004,200 | \$400,084,000 |
| TOTAL | \$655,310,000 | \$34,490,000 | \$689,800,000 |

*Administrative cap = 5%

No profit for Regional Administrators. Profit for subcontractors is allowed.



Cost Categories

Project Costs

- Home assessments
- Equipment, permitting, and labor to conduct building retrofits

Project-Related Costs

- Household income verification and initial enrollment
- Execution of Program Participation Agreements
- Quality control
- Follow-up surveys

Administrative Costs

- Outreach
- Project tracking, data collection, and reporting
- All other costs necessary for the effective administration of the program



Eligibility Requirements

- All public and private entities
- Qualifications relevant to residential building decarbonization
 - Single-family homes
 - Multifamily buildings
 - Manufactured housing
- Minimum of two Community–Based Organizations

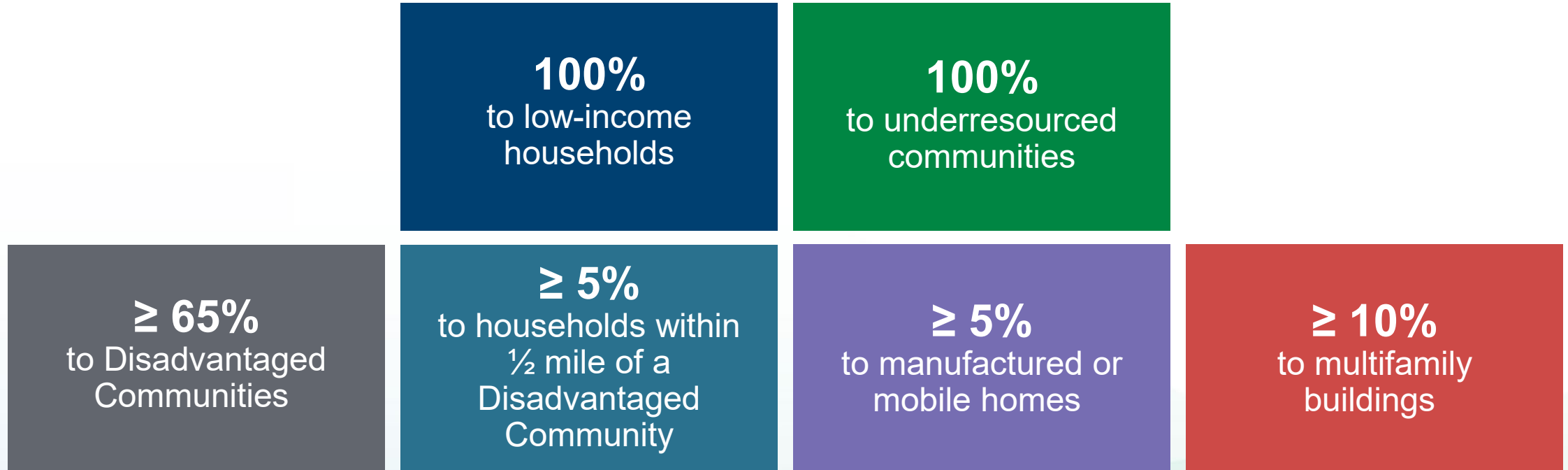
Community-Based Organization Definition:

A nonprofit organization, tribal entity, or governmental entity with demonstrated effectiveness representing an underresourced or tribal community and providing support and services to individuals in the community.



Program Requirements

Requirements for Project and Project-Related funds:





HOMES Requirements: Modeled Savings Approach

- Regional Administrators must use DOE-approved modeling software
- Modeled energy savings must equal or exceed 20%



- CEC will measure actual energy savings for 12-month post installation period
- CEC will retain an additional 5% performance retention until actual energy savings are verified (in addition to standard 10% retention)





Scope of Work

Attachment 2

Tasks

1. Agreement Administration
2. Internal Controls, Processes, And Procedures
3. Project Tracking, Data Collection, And Reporting
4. Assist CEC With DOE HOMES Application Components
5. Implement Statewide Direct Install Program For Region
6. Continuous Improvement
7. Coordination And Layering With Other Programs
8. Coordination With Other CEC Programs And Public Interest Research



Scope of Work

Task 1.4

Advisory Group

Administrators will recommend 5 representatives for their region:

- Underresourced communities*
- Technical experts in field of building decarbonization
- Members of trades involved in building decarbonization
- Public interest environmental organizations
- Environmental justice organizations
- Utilities and/or Community Choice Aggregators
- Federal, state, or local agencies involved in building decarbonization



**Required to include at least one representative of underresourced community per region*



Scope of Work

Task 3

Project Tracking, Data Collection, and Reporting

- Regional Administrators to agree on single project management tool for data collection and management across all regions
- Costs for project management tool to come from administrative budgets from all regions
- Provide CEC access to program-wide dashboard updated in real time
- Collect data and produce metrics and data reports following CEC specifications





Scope of Work

Task 5 Implement Statewide Direct Install Program for Region

| Subtask | Title |
|---------|---|
| 5.1 | Community Focus Areas |
| 5.2 | Community Application Process |
| 5.3 | Workforce Plan and Contractor Enrollment |
| 5.4 | Standard Packages of Measures |
| 5.5 | Pricing and Cost Caps |
| 5.6 | Household/Property Targeting |
| 5.7 | Set-Aside for Manufactured Homes |
| 5.8 | Outreach and Engagement |
| 5.9 | Household Eligibility and Initial Enrollment |
| 5.10 | Home Assessments |
| 5.11 | Program Participation Agreements and Tenant Protections |
| 5.12 | Building Decarbonization Retrofits |
| 5.13 | Quality Assurance and Quality Control (QA/QC) |
| 5.14 | Participant Surveys |



Scope of Work

Tasks 5.1 and 5.2

5.1 Community Focus Areas

- Recommend Initial Community Focus Areas and Justification for region
- Propose additional Community Focus Areas for program expansion
- Communicate with electric utility serving each Community Focus Area



5.2. Community Application Process

- Applying communities must meet community eligibility requirements
- Application scoring will include bonus points for communities with existing partnerships in place to allow retrofits to begin quickly



Scope of Work

Task 5.3

Workforce Plan and Contractor Enrollment

Required Qualifications

- Training and experience requirements consistent with Guidelines

Contractor Outreach

- Outreach to diverse set of licensed contractors

Contractor List

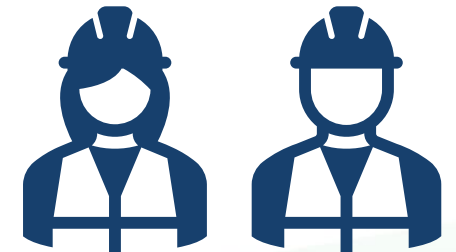
- Contractor preference criteria consistent with Guidelines
- List of enrolled contractors

Bundling

- Group projects per contractor

Other Elements

- Identify quality installation standards
- Other requirements per HOMES guidance





Scope of Work

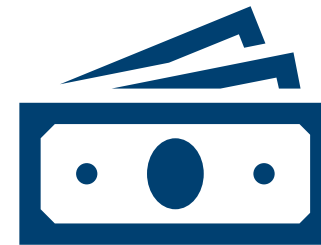
Tasks 5.4 and 5.5

5.4 Standard Packages of Measures

- Packages must be composed of **required** and **eligible** measures listed in Guidelines
- Design packages to achieve GHG reductions, bill savings, and $\geq 20\%$ energy savings
- Identify expected GHG and energy savings from individual measures and packages of measures

5.5 Pricing and Cost Caps

- Ensure maximum average cost caps for remediation and electrical work are not exceeded





Scope of Work

Tasks 5.6, 5.7, and 5.8

5.6 Household/Property Pre-Screening

Identify most viable households within each Community Focus Area

- Use pre-screened lists of addresses supplied by EBD screening dashboard
- Develop plan to identify and screen households in areas not covered by screening dashboard



5.7 Set-Aside for Manufactured Homes

Develop and implement approach to serve manufactured and mobile homes and allocate at least 5% of funds to these housing types

5.8 Outreach and Engagement

- Develop and customize outreach materials for each Community Focus Area
- Conduct culturally appropriate outreach to potential participants, with a focus on households identified in Task 5.6



Scope of Work

Tasks 5.9 and 5.10

5.9 Household Eligibility and Initial Enrollment

- Develop household application template
- Develop income verification procedure in collaboration with CEC
- Conduct initial enrollment and income verification



5.10 Home Assessment

- Conduct home assessments
 - For HOMES-funded projects, assessments must meet components of ANSI/BPI standard
- Identify recommended retrofit measures
- Estimate energy savings and bill impacts
 - HOMES funded projects must achieve 20% modeled energy savings





Scope of Work

Tasks 5.11 and 5.12

5.11 Program Participation Agreements and Tenant Protections

Agreements will identify:

- Measures to be installed, estimated savings, and bill impacts
- Rights and responsibilities of program participants, including tenant protections
- What occupants can expect during and after installation



5.12 Building Decarbonization Retrofits

- Obtain required permits and conduct retrofits
- Ensure households are enrolled in most appropriate rate plan
- Inform building owners/occupants how to use new equipment
- For HOMES-funded projects, provide a post-installation certificate to household





Scope of Work

Tasks 5.13, 5.14, and Task 6

5.13 Quality Assurance and Quality Control

Ensure successful operation of installed equipment and address participant questions and concerns

- Develop and implement QA/QC procedures
- Ensure quality of installation work for minimum of 12 months
- Maintain hotline for program participants



5.14 Participant Surveys

Survey participants about their experience and satisfaction with program

Task 6 Continuous Improvement

- Consider program data and to evaluate progress
- Propose course corrections and adjustments on regular basis





Scope of Work

Tasks 7 and 8

Task 7 Coordination and Layering with Other Programs

Coordinate with other programs to leverage funding sources and reach more homes

- Develop Coordination Plan
- Minimize complexity for participants and contractors
- Use complementary funds prior to EBD funds, when possible



Task 8 Coordination with Other CEC Programs and Public Interest Research

Coordinate with other CEC-funded programs to:

- Advance public interest research
- Evaluate impact of building decarbonization technologies





Evaluation Criteria

| Category | Possible Points | Minimum Passing Score (70%) |
|---|-----------------|-----------------------------|
| Team experience and qualifications | 25 | 17.5 |
| Team roles and internal controls | 25 | 17.5 |
| Proposed initial community focus areas* | 20 | 14 |
| Proposed approach to program implementation | 50 | 35 |
| Proposed budget and schedule | 30 | 21 |
| Total | 150 | 105 |

* Includes up to 5 bonus points if one or more proposed initial community focus areas are “shovel-ready”



EBD State Terms and Conditions

Attachment 9

Regional Administrators (“Recipients”) must agree to EBD Terms and Conditions.

Topics include, but are not limited to:

- Subcontracting procedures
- Payment requests and advancement of funds
- Fiscal accounting requirements
- Prevailing wage
- Remedies for non-compliance
- Termination
- Conflicts of interest





Federal Award Terms and Conditions

Attachment 10

EBD Recipients will be considered “Subrecipient” of CEC’s federal HOMES award.

Must adhere to Federal Award Terms & Conditions provided with Solicitation materials. Specific requirements related to:

- Reporting
- Review meetings and possibility of audits
- Limitations on profits and fees
- Adherence to federal cost principles and accounting standards
- Must include certain federal “flow-down” award T&Cs in agreements with subcontractors

No profit for Regional Administrators. Profit for subcontractors is allowed.



How to Connect



Empower Innovation



EMPOWER
INNOVATION

COMMUNITY EVENTS
FUNDING RESOURCES

SIGN UP

LOGIN

EN



EQUITABLE BUILDING DECARBONIZATION PROGRAM

< ALL FUNDING OPPORTUNITIES

Source: [Empower Innovation](https://www.empowerinnovation.net/en/custom/funding/view/38760):

<https://www.empowerinnovation.net/en/custom/funding/view/38760>



Questions and Public Comments



Public Comment

Instruction

- 3 minutes or less per person
- 1 representative per organization

Zoom App/Online

- Click “raise hand”

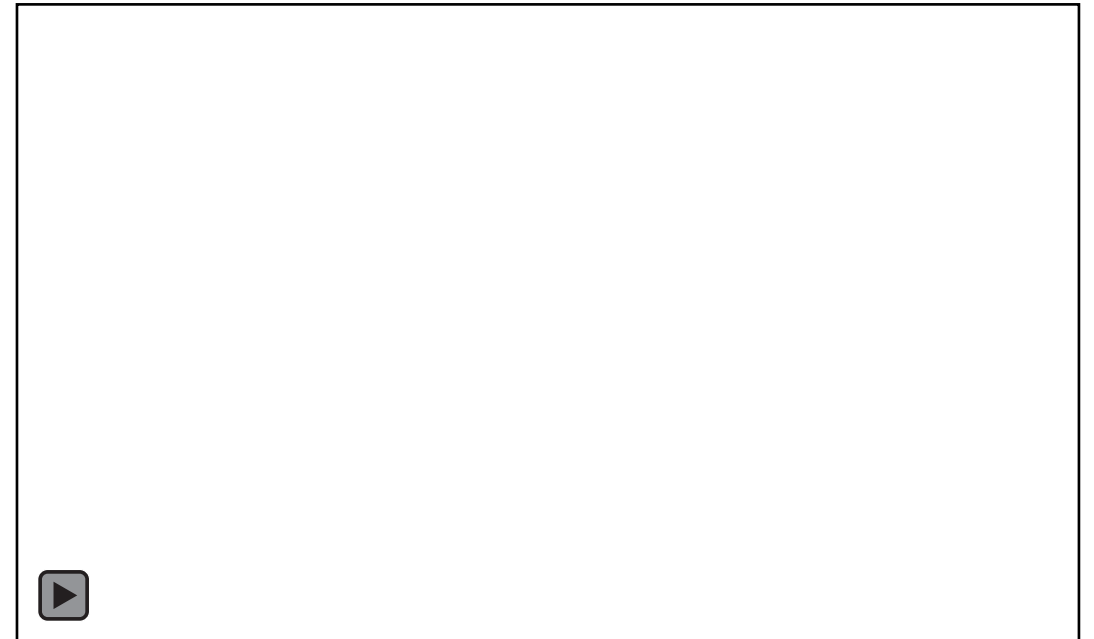
Telephone

- Press *9 to raise hand
- Press *6 to (un)mute

When called upon

- Public Advisor will open your line
- Unmute, spell name, state affiliation, if any

3-MINUTE TIMER



For Phone Participation: Dial (669) 219-2599 or (888) 475-4499
Enter Webinar ID: 816 4287 7081 and Passcode 360011



Next Steps



Key Activities and Dates



| Activity | Anticipated Date |
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Comments Due by March 29, 2024

Written comments may be submitted to Docket Unit by **5:00 p.m.** on
Friday, March 29, 2024

Docket: **22-DECARB-03 (Equitable Building Decarbonization Program)**

<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=22-DECARB-03>

Docket: **23-DECARB-01 (Inflation Reduction Act Programs)**

<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=23-DECARB-01>

Program Webpage:

www.energy.ca.gov/equitable-building-decarbonization-program

Contact for Solicitation:

equitablebuildingdecarb@energy.ca.gov



Adjourn