

DOCKETED

Docket Number:	18-MISC-02
Project Title:	Program Concept Workshop for Bus Replacement, ECAA-ED & Prop 39
TN #:	222571
Document Title:	Presentation - Proposition 39 Program Concept Workshop
Description:	SB 110 - Concept Workshop Presentation, February 14, 2018
Filer:	Cathy Hickman
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	2/15/2018 3:59:07 PM
Docketed Date:	2/15/2018



California Energy Commission



Proposition 39 Program Concept Workshop

February 14, 2018



Welcome

- **Welcome and Introductions**
- **Housekeeping Items**
 - Bathrooms
 - 2nd Floor Snack Shop
 - In case of emergency
- **WebEx Participants**
 - Please mute
 - Use “raise-hand” feature for Q&A



Agenda

- 1) Prop 39 K-12 Background**
- 2) SB110 Overview**
- 3) School Bus Replacement Program**
- 4) ECAA-Ed Competitive Loan Program**
- 5) Prop 39 K-12 Competitive Grant Program**
- 6) Wrap-up**

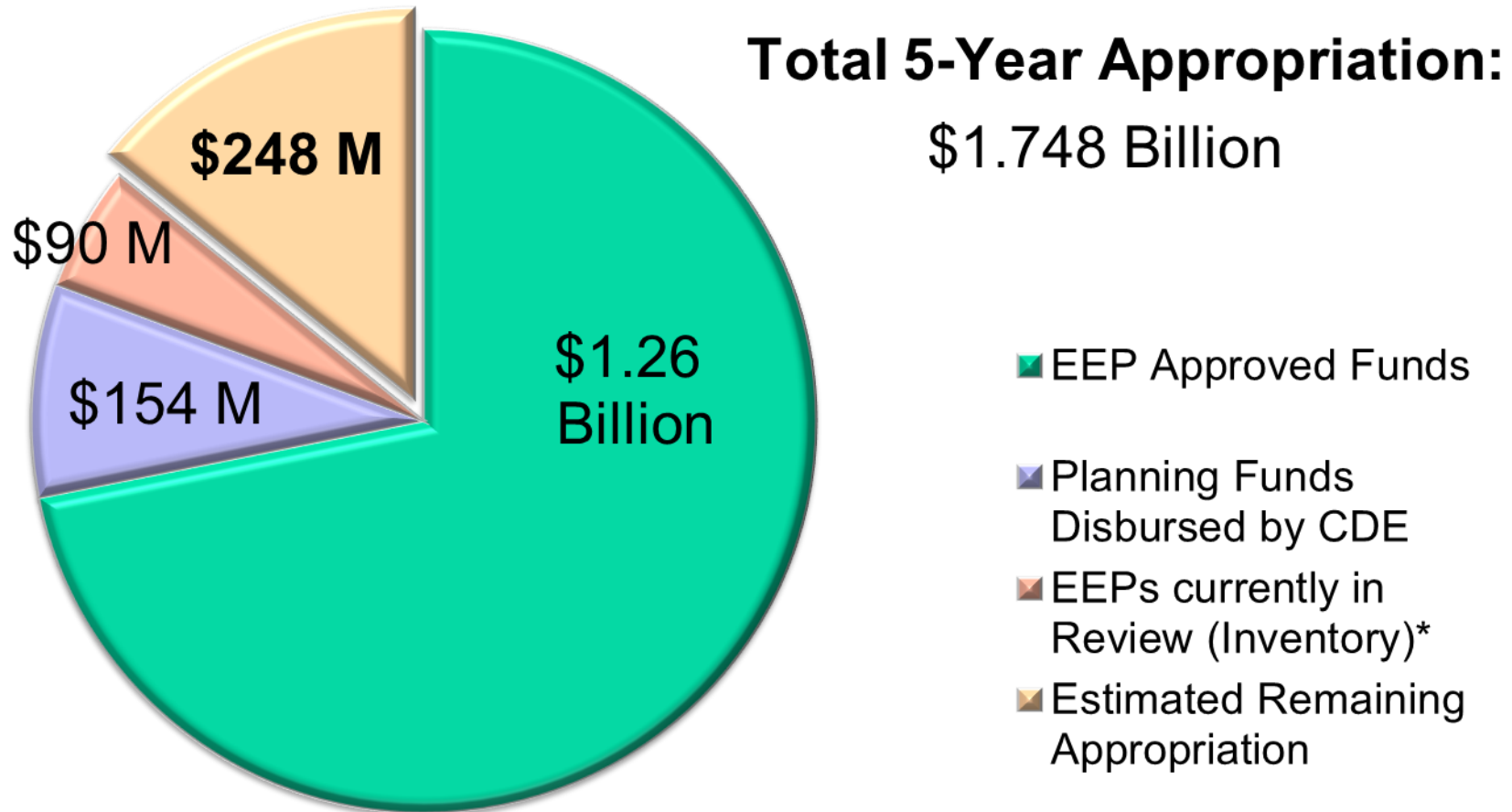


Prop 39 K-12 Appropriations

Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	Five Year TOTAL
\$381	\$279	\$313.4	\$398.8	\$376.2	\$1.748 <i>(in billions)</i>



Estimated Remaining \$248 M

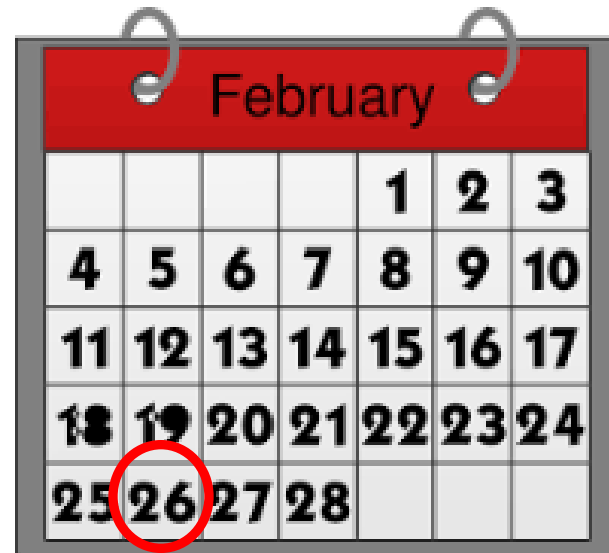


(as of February 9, 2018)



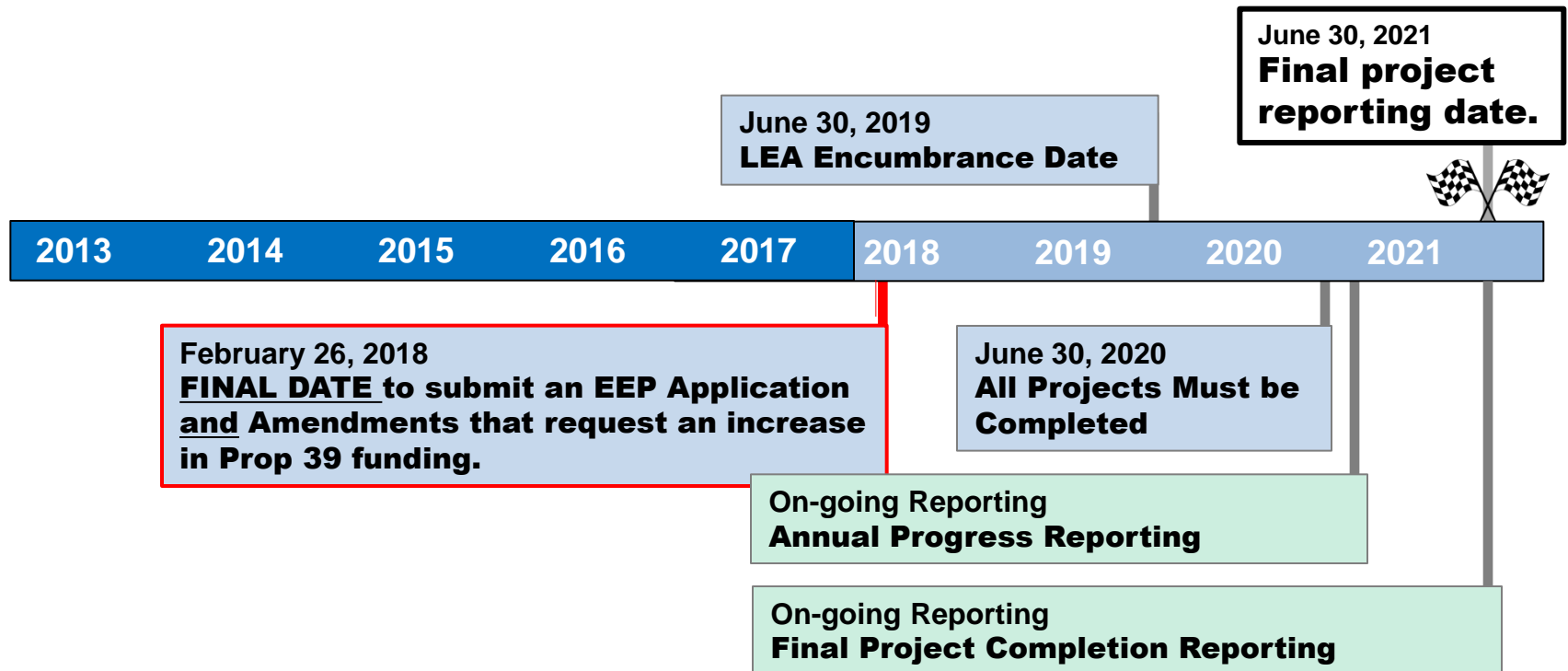
EEP Final Deadline

February 26, 2018 is the last date to submit energy expenditure plans to the Energy Commission!





Current Program Timeline





California Energy Commission



Senate Bill 110 Overview

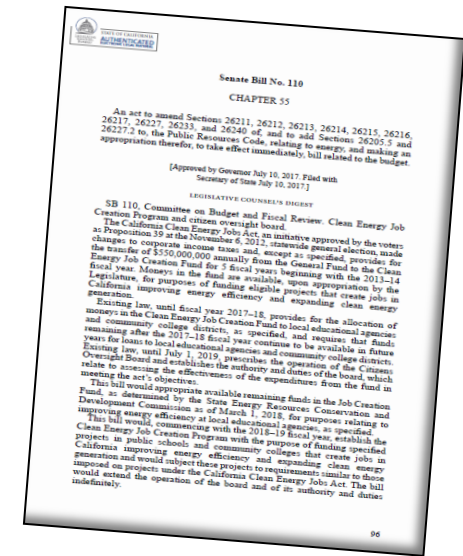


Background Information

- **Legislative Authority**

- ✓ Senate Bill 110

(Chapter 55, Statutes of 2017)



- **Objective**

- ✓ Create energy efficiency and clean energy jobs
- ✓ Three new programs start fiscal year 2018/19



Funding Details

- Funds remaining after 2017-18 fiscal year shall be appropriated as follows:
 - First \$75 million, School Bus Program
 - Next \$100 million, ECAA-Ed Competitive loan Program
 - Remaining Money (if any), Proposition 39 K-12 Competitive Grant Program



Questions?



California Energy Commission



New ECAA-Ed Competitive Loan Program



Agenda

- 1. Eligibility**
- 2. Preliminary Program Design**
- 3. Schedule**
- 4. Questions and Answers**



Who is Eligible for a Loan?

Local Education Agencies (LEAs)

- Public School Districts (K-12)
- County Offices of Education
- Charter Schools



Eligibility Administrative Screening Criteria

Applications must be received by due date in solicitation – no exceptions

Applications include:

- Eligible energy measures
- Required authorizations and certifications
- Required back-up documentation



Eligible Energy Measures

- Lighting Systems
- Heating, Ventilation and Air-Conditioning (*HVAC*)
- Controls/Thermostats
- Pumps and Motors
- Plug Loads
- Building Envelope
- Clean Energy Generation (solar photovoltaic)





Preliminary Program Design

Legislative Direction

Competitive priority based on:

1. Geographic diversity
2. Diversity in size of LEAs student population
3. Percentage of students eligible for free or reduced-price meals (FRPM) in prior year
4. Energy savings



Geographic Diversity



Green = North

Purple = Central

Pink = South

Yellow = Los Angeles Co



Diversity of size of LEA student population

- Tier 1 - Up to 1,000 students
- Tier 2 - $>1,000$ to $<2,000$ students
- Tier 3 - $>2,000$ students



California Energy Commission

Funding by Tier and Region

North		
Tier	Max Loan Amount	Total Funding
1	\$3,000,000	\$3,000,000
2	\$3,000,000	\$3,000,000
3	\$3,000,000	\$6,000,000
	TOTAL	\$12,000,000

Central		
Tier	Max Loan Amount	Total Funding
1	\$3,000,000	\$3,000,000
2	\$3,000,000	\$3,000,000
3	\$3,000,000	\$6,000,000
	TOTAL	\$12,000,000

South		
Tier	Max Loan Amount	Total Funding
1	\$3,000,000	\$3,000,000
2	\$3,000,000	\$3,000,000
3	\$3,000,000	\$6,000,000
	TOTAL	\$12,000,000

Los Angeles County		
Tier	Max Loan Amount	Total Funding
1	\$3,000,000	\$3,000,000
2	\$3,000,000	\$3,000,000
3	\$3,000,000	\$6,000,000
	TOTAL	\$12,000,000



Funding Amount

Maximum Loan \$3,000,000

No more than:

- Total Energy Costs Savings over the Estimated Useful Life (EUL) of Measures
- Actual Project Cost



Percentage of students eligible for FRPM in the prior year

FRPM participation provided by the California Department of Education

FRPM multiplied by weighing factor of 15%

$$\frac{\text{Number of students eligible for FRPM}}{\text{Total Enrollment}} \times 100\% \times 15\%$$



Energy Savings

Baseline energy consumption before
implementing energy project

Energy savings multiplied by weighing factor of
85%

$$\frac{\text{Energy Savings}}{\text{Baseline Energy Use}} \times 100\% \times 85\%$$



Energy Savings Calculations

Step 1 – Energy Benchmarking

- 12 Consecutive Months Energy Consumption Data
- Convert Electricity, Natural Gas, Propane, and Fuel Oil Consumption into MMBtu
- Conversion Factors:

Electricity	10,716	Btu/kWh
Natural Gas	100,000	Btu/therm
Propane	92,500	Btu/gal
Fuel Oil	138,500	Btu/gal



Energy Savings Calculations

Step 2a – Energy Savings

- Estimate Annual Energy Savings from EACH Measure
 - Energy Saving Method Must be Articulated
 - Calculations and Assumptions (if any) must be provided in Audit Report
 - If software is used, the output must be provided with assumptions (if any)
- Convert Each Measure's Annual Energy Savings into MMBtu using Conversion Factors in *Step 1*



Energy Savings Calculations

Step 2a – Energy Savings

- Multiply Each Measure's Annual Energy Savings (MMBtu) with its Respective EUL to get **Total Energy Savings Over Measure's Life Span**

(EUL for ECAA-Ed Loans will be the Lesser of Actual EUL of the EEM or 20 Years)

- Add Individual Energy Savings (MMBtu) for All Measures to **Estimate Total Energy Savings From the Project**



Energy Savings Calculations

Step 2a – % of Energy Savings

- Convert Energy Savings into Million Btu
- Divide Energy Savings (MMBtu) by the Energy Benchmarking (MMBtu) to get the **% of Energy Savings**



Energy Savings Calculations

Step 2b – Total Cost Savings from Measures

- Multiply Annual Energy Cost Savings from Each Measure with Respective EUL to get **Total Cost Savings from the Measure over its EUL**
- Add Total Cost Savings from All Measures to get **Total Savings from the Project**



Energy Savings Calculations

Step 2c – Role of Simple Payback Period

- Add First Year's Cost Savings from each Measure to get **Total First Year Cost Savings**
- Divide Project Cost by Total First Year Cost Savings to get **Simple Payback** period
- If the Final Score of Two Applications is the Same, the Application with the Shorter Simple Payback will be Ranked Higher



Example of FRPM and Energy Savings Calculation/Total Score/Ranking

	FRPM			ENERGY SAVINGS				
Applicant	FRPM %	Weight	Score	% of Baseline	Weight	Score	Total Score	Rank
1	40%	15%	6.00%	50%	85%	42.50%	48.50%	2
2	50%	15%	7.50%	60%	85%	51.00%	58.50%	1
3	60%	15%	9.00%	40%	85%	34.00%	43.00%	3



Program Implementation

Funding Awarded by Competitive Solicitation

- Limited time period to apply
- Application subject to evaluation criteria
- Energy Commission reviews and scores
- Applications based on final overall score
- Competitive loans approved at CEC Business Meeting



Tentative Schedule

- July 2018 - Final funding known
- August 2018 - ADA and FRPM figures from CDE
- Summer/Fall 2018 - Solicitation Released
- Winter/Spring 2019 – Loan Awards



Bright School Program (Technical Assistance)

Apply, Apply, Apply!!!

Technical Assistance can be used for an Energy Audit to help identify eligible projects and energy cost savings

A simple application is all that's needed to get started





Questions and Answers

Thank You!



Proposition 39 K-12 Competitive Grant Program



Agenda

- 1) Eligibility**
- 2) Legislative Direction (SB110)**
- 3) Program Implementation**
- 4) Schedule**
- 5) Questions and Answers**



Who is Eligible for Funding?

- **Local Education Agencies (LEAs)**
 - Public School Districts (K-12)
 - County Offices of Education
 - Charter Schools
 - State Special Schools





Eligible Energy Measures

- Lighting Systems
- Heating, Ventilation and Air-Conditioning (*HVAC*)
- Controls/Thermostats
- Pumps and Motors
- Plug Loads
- Building Envelope
- Clean Energy Generation (solar photovoltaic)





Legislative Direction

- Three Tier Funding Targets:
 - ✓ **TIER 1:** (10%) LEAs with ADA of 1 to 1000
 - ✓ **TIER 2:** (10%) LEAs with ADA of 1,001 to 2,000
 - ✓ **TIER 3:** (80%) LEAs with ADA greater than 2,000



Legislative Direction

- 1) LEAs % of students eligible for FRPM
- 2) Geographic Diversity
 - a. All regions of the state
 - b. Urban, suburban and rural
- 3) Workforce Needs of the LEA areas.



Legislative Direction

Most requirements continue, such as...

- 1) Cost effective projects with total benefits greater than cost over time
(Savings to Investment Ratio: SIR)
- 2) All projects require contracts that identify project specs, cost and energy savings



Legislative Direction

- 3) No Sole Source contracts
- 4) Energy Commission requires LEA to collect gas/electric information from utilities
- 5) Final Reporting required 12-15 months after project completion



Program Implementation

- New Guidelines
- Funding Awarded by Competitive Solicitation
 - Limited time period to apply
 - Application subject to evaluation criteria
 - Energy Commission reviews and scores
 - Applications recommended for funding according to final overall score
 - Energy Commission notifies CDE of awards
 - California Department of Education distributes award funding



Administrative Screening Criteria

Applications must be received by due date/time in solicitation – no exceptions

Applications include:

- Required authorizations and certifications
- Eligible energy measures
- Required back-up documentation



Technical Screening Criteria

Competitive priority based on:

- ✓ LEAs % of students eligible for FRPM
- ✓ Workforce Needs of the LEA areas
- Energy Savings
- Quality of Application
 - ✓ Energy Audit
 - ✓ Savings calculations methodology
 - ✓ Supporting Backup documents

Geographic Distribution



Four Regions:

Green = Northern CA

Purple = Central CA

Yellow = Los Angeles Co.

Pink = Southern CA



Funding Distribution Example: \$ 50 Million

North Region			
Tier	Max Award Amount	# of Awards	Total Funding
1	\$250,000	5	\$1,250,000
2	\$250,000	5	\$1,250,000
3	\$2,000,000	5	\$10,000,000
	TOTALS	15	\$12,500,000

Central Region			
Tier	Max Award Amount	# of Awards	Total Funding
1	\$250,000	5	\$1,250,000
2	\$250,000	5	\$1,250,000
3	\$2,000,000	5	\$10,000,000
	TOTALS	15	\$12,500,000

Los Angeles County			
Tier	Max Award Amount	# of Awards	Total Funding
1	\$250,000	5	\$1,250,000
2	\$250,000	5	\$1,250,000
3	\$2,000,000	5	\$10,000,000
	TOTALS	15	\$12,500,000

South Region			
Tier	Max Award Amount	# of Awards	Total Funding
1	\$250,000	5	\$1,250,000
2	\$250,000	5	\$1,250,000
3	\$2,000,000	5	\$10,000,000
	TOTALS	15	\$12,500,000



Tentative Timetable

- 2018 - New Guidelines (Public Process)
- March 2018 - Estimated Funding Level for Competitive Program Known
- Summer/Fall 2018 - Solicitation Released
- Winter/Spring 2019 - Grant Awards



Questions?

Energy Commission's Prop 39 web page:

<http://www.energy.ca.gov/efficiency/proposition39/index.html>

Contact our Prop 39 Hotline:

(855) 380-8722 (*Toll-free in-state*)

(916) 653-0392 (*Toll-line out-of-state*)

Contact us by email:

Prop39@energy.ca.gov





Wrap-up

- **Public Comment**



Written comments should be submitted to the Dockets Unit by 5:00 p.m. by February 28, 2018



Public Comment

CA.GOV CALIFORNIA ENERGY COMMISSION

Home | About Us | Analysis & Stats | Efficiency | Funding | Power Plants | Renewables | Research | Transportation

Add Comment

Docket #: 18-MISC-02 Project Title: Program Concept Workshop for Bus Replacement, ECAA-ED & Prop 39

Fields denoted by an asterisk (*) are required.

Contact Information

Full Name *

Email Address *

Role in this Proceeding ☐ Public ☒

Contact Address

Address 2

City State Zip

Comment

Comment Title *

Subject(s) select one or more

Choose subject(s)

Comment Text not required if you include a document attachment

Docket #
18-MISC-02

Subject(s):

- Bus Program
- ECAA Loan Program
- Prop 39 Competitive

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=18-MISC-02>



Public Comment

CA.gov | Contact | Newsroom | Quick Links

Google Custom Set Search

Home | About Us | Analysis & Stats | Efficiency | Funding | Power Plants | Renewables | Research | Transportation

Home → efficiency → proposition39

The California Clean Energy Jobs Act (Proposition 39 K-12 Program)

Alert

The last date to submit energy expenditure plans to the Energy Commission is **February 26, 2018**.

Important Messages

January 2, 2018
REMINDER: Energy Expenditure Plan Due Date is February 26, 2018

Reminder: February 26, 2018, is the final opportunity to request Proposition 39 funding. If a local educational agency (LEA) has award allocation remaining, now is the time to apply by submitting an energy expenditure plan (EEP) to the Energy Commission.

All amendments requesting additional Proposition 39 K-12 grant funding are also due by February 26, 2018.

After February 26, 2018, the Energy Expenditure Plan Online System will not accept new energy expenditure plans or amendments requesting additional Proposition 39 funding. However, amendments for adjustments to approved EEPs that do not request additional funding will continue to be accepted after February 26, 2018. Please review amendments that do not request additional EEP changes are outlined in:

Approved Energy Expenditure Plans

- Expenditure Plans Listing (EEP) (Updated: January 17, 2018)
- Amended Expenditure Plans Listing (Updated: January 17, 2018)
- Proposition 39 K-12 Snapshot (Updated: January 17, 2018)

E-Commenting Proposition 39 Programs

- Program Concept Workshop for Bus Replacement, ECAA-ED & Prop 39 (18-MISC-02)**
 - Submit Comment
 - View Comments and Documents
- Prop 39 - California Clean Energy Jobs Act (13-CCEJA-01)**
 - Submit Comment
 - View Comments and Documents

Docket #
18-MISC-02



<http://www.energy.ca.gov/efficiency/proposition39/>



California Energy Commission



Thank You

Proposition 39 Concept
Workshop Team