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Docket Number:	20-RENEW-01
Project Title:	School Energy Efficiency Stimulus Program
TN #:	236486
Document Title:	Climate Resolve SEES Comments
Description:	N/A
Filer:	Chester Hong
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	1/27/2021 9:57:03 AM
Docketed Date:	1/27/2021

January 27, 2021

California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Dear CEC Commissioners and Staff:

Thank you for giving Climate Resolve the opportunity to provide feedback with respect to the draft guidelines for implementing AB 841 – the School Energy Efficiency Stimulus (SEES) Program, including both the School Reopening Ventilation and Energy Efficiency Verification and Repair (SRVEVR) Program and the School Noncompliance Plumbing Fixture and Appliance (SNPFA) Program.

For context, Climate Resolve's feedback is based on our assumption that SRVEVR appears to offer HVAC grant funds only to schools that have air conditioning systems. We anticipate that this requirement may disproportionately exclude LEAs in underserved communities that cannot afford to install air conditioning. There was discussion during the workshop on January 22 that perhaps AB 841 offers some flexibility to allow LEAs that do not have air conditioning to receive grants to purchase and install new HVAC units. If that is possible under SRVEVR, then Climate Resolve would support prioritizing grants to LEAs that qualify as underserved communities and that do not have air conditioning, which is an environmental justice issue.

The following feedback suggests incremental adjustments to the implementation of SEES and seeks to lay the foundation for more comprehensive follow-on legislation and funding of climate preparedness efforts for LEAs.

1. We suggest that the SRVEVR reimbursement date be rolled back to at least June 2020, but preferably as early as March 2020. The SRVEVR guidelines allow for reimbursement of work that was contracted and performed after August 1, 2020. In June 2020, the CDE provided COVID reopening guidance with HVAC specs to LEAs. Moreover, some LEAs closed schools in March, and soon started to plan, procure, and perform HVAC upgrades in anticipation of the CDE guidance. LEAs should not be financially penalized for moving swiftly and/or proactively with respect to COVID. Could the CEC roll back the reimbursement date to March 2020, or at least to June 2020, which would enable LEAs to recoup more of their costs?

2. Similar to the planning funds and energy manager funds provided under Proposition 39 (P39), we suggest that LEAs be allowed to use a percentage of their SRVEVR grants for planning, implementation, and reporting activities. Under P39, up to 30% of an LEA's first-year award could be used for planning activities; LEAs that elected to receive both Y1 and Y2 awards in the first year could use up to 50% of that combined total for planning activities; and LEAs could use up to 10% of Y2-Y5 P39 awards as energy manager funds. The current economic recession and COVID adaptation efforts have financially decimated many LEAs. Consequently, LEAs are facing budget cuts, which are particularly onerous for underserved communities. They may simply not have the staff bandwidth to identify projects and pursue grants under SRVEVR, let alone to implement and report on projects. LEAs need funds to pay

current staff and/or to hire consultants to conduct the SRVEVR-related work. The proposed SRVEVR guidelines allow for each site budget to include a 20% contingency fee for repairs, upgrades, or replacements. Could the CEC also allow this additional 20% to be used for project planning, implementation, and reporting by staff or consultants?

3. Based on our experience with P39, we suggest that LEAs be allowed to use a percentage of their SRVEVR program grants for training, education, and outreach.

Teachers, staff, and students should be trained with respect to proper operation of HVAC units. For example, during our P39 work, Facilities Department staff would often complain to us that teachers and students leave classroom doors and windows open while operating HVAC units, which wastes energy. Overall, we have found that fostering a cultural shift at LEAs to strengthen awareness of energy conservation is as important for reducing energy demand as installing new, efficient technology. Could SRVEVR grants be used for training, education, and outreach?

4. The following suggestions are to collect and report energy and water data, which policymakers could use to develop and fund future programs to help LEAs become climate ready.

a. SRVEVR funds could enable LEAs to install energy submeters and data acquisition systems to collect and report HVAC energy consumption, as well as to provide pre-/post-COVID utility bills to the CEC. Our understanding is that AB 841 does not require grant recipients to track cost effectiveness, energy consumption, and/or GHG emissions. Instead, Sections 1617 and 1618 say that program expenditures shall be found to be cost-effective and shall not be considered by the CEC when calculating overall cost-effectiveness of the IOUs' energy efficiency portfolios. Moreover, the legislation says that the baseline for determining GHG emissions reductions and energy savings shall be the energy demand and emissions that would have occurred if ventilation requirements for reopening schools were met without SRVEVR funding. SRVEVR's guidelines include daily HVAC flush outs both 2 hours before and 2 hours after school occupancy -- and a minimum of MERV 13 for the air filters, which may cause the HVAC motors to use more energy. It is unclear whether the HVAC efficiency improvements funded by SRVEVR will offset the increase in energy consumption caused by COVID HVAC requirements. However, SEES creates an opportunity to gather HVAC operating data, as well as pre-/post-COVID utility bills, and to share this data with researchers and policymakers, who can use these operating profiles of school-level HVAC energy consumption to inform future programs. Could CEC require SRVEVR grant recipients to use some grant funds to install building-level submeters or CT loggers to measure HVAC energy demand and to install data acquisition systems (dashboards) to track and report this data?

b. In addition to requesting HVAC energy demand and utility data, SRVEVR funds could enable LEAs to report the building envelope specs of each building that receives HVAC Assessment and Maintenance. For energy savings, LEAs with HVAC at existing school buildings should ideally also retrofit building envelopes with energy conservation measures, such as cool roofs, drop ceilings, insulation, new windows/doors, and new building controls (as well as LEDs). Otherwise, conditioned air will flow wastefully out of drafty rooms. SEES does not provide funds for building envelope retrofits. In anticipation of follow-on legislation and future funds for LEA building retrofits, could SRVEVR grants pay LEAs to audit the envelopes of buildings that undergo HVAC Assessment and Maintenance? Compiling this building envelope data with the aforementioned building-level HVAC energy demand data may help researchers

and policymakers to develop future school retrofit programs that will ensure that California's schools will become both energy efficient and climate ready.

c. CEC could use program funds to survey LEAs with respect to air conditioning status.

We are unaware of a dataset that documents the California schools that do not have air conditioning. This data would be critically important for the state's efforts to promote climate preparedness planning by LEAs, particularly in underserved communities. Section 1615(d) of AB 841 sets aside up to 5% of the program budget (not to exceed \$5MM) for the CEC to administer the program. Could the CEC use SEES administrative funds to implement a survey of all LEAs to quantify the number of schools (and classrooms) that do not have air conditioning -- and share that data with researchers and climate policymakers?

d. With respect to SNPFA, program funds could enable LEAs to install water submeters, as well as data acquisition systems -- and to provide their pre-/post-COVID water utility data to the CEC. Could CEC require SNPFA grant recipients to use some grant funds to install both building-level submeters and irrigation submeters, as well as data acquisition systems?

Again, thank you for giving Climate Resolve the opportunity to submit these suggestions and questions with respect to the SEES Program.

Sincerely,

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