| **Docketed** |
|-----------------|-----------------|
| **Docket Number:** | 20-RENEW-01 |
| **Project Title:** | California Schools Healthy Air, Plumbing, and Efficiency |
| **TN #:** | 241538 |
| **Document Title:** | California Schools Healthy Air, Plumbing, and Efficiency Program Workshop Presentation |
| **Description:** | California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Program Workshop Presentation |
| **Filer:** | Theresa Daniels |
| **Organization:** | California Energy Commission |
| **Submitter Role:** | Commission Staff |
| **Submission Date:** | 2/15/2022 8:26:23 AM |
| **Docketed Date:** | 2/15/2022 |
California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Program Workshop

California Energy Commission
February 15, 2022
Welcome and Opening Remarks

California Energy Commission
• Commissioner Andrew McAllister, Ph.D.
• Commissioner Karen Douglas, J.D.

California Public Utilities Commission
• Commissioner Genevieve Shiroma
Virtual Housekeeping

• Workshop/hearing conducted remotely via Zoom

• 3 ways to comment:
  • Use the “raise hand” feature in Zoom
  • Over the telephone: dial *9 to “raise hand” and *6 to mute/unmute your phone line
  • Type your question in the Q&A window

• Please limit comments to 3 minutes

• Written comments due at 5:00 p.m. on February 22, 2022
  • Submit through the e-commenting system at: https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=20-RENEW-01
Workshop Agenda

Program Overview and Status Update
Application Process
Eligibility Requirements
Funding Categories with Exhausted Funds
Next Steps
Public Comment
Program Overview and Status
Background: AB 841

- 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
### Status - Implementation Progress

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>AB 841 Signed Into Law</td>
<td>September 2020</td>
</tr>
<tr>
<td>Program Guidelines Adopted</td>
<td>June 2021</td>
</tr>
<tr>
<td>Funding Round 1 - Plumbing</td>
<td>August 2021</td>
</tr>
<tr>
<td>Funding Round 1 - Ventilation</td>
<td>September 2021</td>
</tr>
<tr>
<td>Reviewing Applications and Issuing Awards</td>
<td>On-Going</td>
</tr>
</tbody>
</table>
Eligible Applicants

Eligible Applicants limited to California LEAs include:

• A school district as defined in Section 41302.5 of the Education Code

• A charter school that has been granted a charter pursuant to Part 26.8 (commencing with Section 47600) of Division 4 of Title 2 of the Education Code

• A regional occupational center established pursuant to Section 52301 of the Education Code that is operated by a joint powers authority and that has an active career technical education advisory committee pursuant to Section 8070 of the Education Code
Eligible Sites

LEAs may apply for grants to conduct activities at schools that:

• Are on a site owned by the LEA
• Are on a publicly owned site, such as a site owned by a school district or other public entity, whether the LEA has a lease with that entity
• Are on a privately-owned site, for which there is a lease with a term that exceeds the duration of the program, ending after December 1, 2026
Priority Eligibility

“Underserved community” means a community that meets one of the following criteria:

• A “disadvantaged community” as defined by subdivision (g) of Section 75005 of the Public Resources Code

• Included within the definition of “low-income communities” as defined by paragraph (2) of subdivision (d) of Section 39713 of Health and Safety Code

• CalEnviroScreen score of 75 or higher

• ≥75% of students eligible for FRPM under National School Lunch Program

• Located on lands belonging to a federally recognized California Indian tribe
CalSHAPE – Ventilation Program

Provides funding to assess, maintain, and repair heating, ventilation, and air conditioning (HVAC) systems in public schools, prioritizing schools in underserved communities.
CalSHAPE – Ventilation Program

- Awards limited to HVAC Assessment and Maintenance Grants
- 3 Application Pathways
- All project requirements must be completed, no funding for partial projects
- Grant award will be amount requested by LEA and verified with a contractor estimate
- Contractor estimate must only be for reasonable costs of project requirements
- Advance payment of 50% of the grant award
Funding to replace aging and inefficient plumbing fixtures and appliances with water-conserving plumbing fixtures and appliances in public schools, prioritizing facilities in underserved communities.
CalSHAPE – Plumbing Program

- Application must include documentation confirming plumbing fixtures and appliances qualify as noncompliant
- Final report must include documentation to verify installation of water-conserving plumbing fixtures and appliances
- LEAs must dispose or recycle all noncompliant plumbing fixtures and appliances in compliance with all local requirements
- Grant award will be amount requested by LEA and verified with a contractor estimate
Funding Round 1 Update
Program 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
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
Application Data – Ventilation

- 320 applications funding round 1
- $150M requested funds
- 138,000 HVAC filters
- 57,000 CO2 monitors
Application Data – Plumbing

- 129 applications funding round 1
- $19M requested funds
- 100 appliances
- 10,000 plumbing fixtures
<table>
<thead>
<tr>
<th></th>
<th>SCE</th>
<th>PG&amp;E</th>
<th>SDG&amp;E</th>
<th>SoCalGas</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2021 Program Funding</strong></td>
<td>$110 M</td>
<td>$115 M</td>
<td>$58 M</td>
<td>$1.5 M</td>
<td>$285 M</td>
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<tr>
<td><strong>2022 Program Funding</strong></td>
<td>$87 M</td>
<td>$81 M</td>
<td>$25 M</td>
<td>$0</td>
<td>$193 M</td>
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<td><strong>2023 Program Funding</strong></td>
<td>$75 M</td>
<td>$69 M</td>
<td>$21 M</td>
<td>$0</td>
<td>$165 M</td>
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<tr>
<td><strong>Total Program Funding</strong></td>
<td><strong>$272 M</strong></td>
<td><strong>$265 M</strong></td>
<td><strong>$104 M</strong></td>
<td><strong>$1.5 M</strong></td>
<td><strong>$643 M</strong></td>
</tr>
</tbody>
</table>

*Estimated Annual Program Funding*

**Annual amounts based on CPUC Decision 21-01-004 and 2020 Unspent and Uncommitted Fund Performance Audits**

**Total amounts do not include 2021 and 2022 unspent and uncommitted funds**
# Remaining Budget

<table>
<thead>
<tr>
<th>Estimated Annual Program Funding</th>
<th>SCE</th>
<th>PG&amp;E</th>
<th>SDG&amp;E</th>
<th>SoCalGas</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Program Funding</strong>*</td>
<td>$272 M</td>
<td>$265 M</td>
<td>$104 M</td>
<td>$1.5 M</td>
<td>$643 M</td>
</tr>
<tr>
<td><strong>Funds Requested</strong></td>
<td>$79 M</td>
<td>$63 M</td>
<td>$17 M</td>
<td>$11 M</td>
<td>$170 M</td>
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<tr>
<td><strong>Funding Round 1</strong></td>
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<tr>
<td><strong>Remaining Program Funds</strong></td>
<td>$193 M</td>
<td>$202 M</td>
<td>$87 M</td>
<td>- $9.5M</td>
<td>$482 M</td>
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</table>

* Total Program Funding amounts do not include 2021 and 2022 unspent and uncommitted funds
Application Process
Application Process

1. LEA submits application
2. CEC sends Notice of Proposed Award (NOPA)
3. LEA submits CEC 146, STD 204, and Board Resolution
4. CEC executes grant agreement, reserves funds
5. Check is sent to mailing address listed in 204
Application Corrections
Common Application Corrections – General

• Letter of Authorization (third party applicants)
• Proof of Ownership (charter schools)
  • Letter stating ownership is acceptable for school districts
• Proof of Complying Lease
  • Lease term must end after December 1, 2026
  • Letter of Intent from owner to extend lease to December 1, 2026, is acceptable
• Application costs matching contractor estimate
• Licensed contractor estimate
Contractor Estimate – Ventilation

• Contractor estimate must include:
  • Labor and materials costs for Assessment and Maintenance, CO2 monitor installation, and filter replacement (site specific)
  • Unit counts for HVAC systems, CO2 monitors, and filters (site specific)
  • Project timeline
  • Description of work to be performed
  • Costs and unit counts must match application in system
  • 20% contingency not needed in estimate; amount is calculated by system
Contractor Estimate Table

- Can be added to contractor estimate
- Includes required site project costs
- Available on program webpage

<table>
<thead>
<tr>
<th>Site Name: Assessment &amp; Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Rate</td>
</tr>
<tr>
<td>Site Work (Assess / Adjust / Maintenance)</td>
</tr>
<tr>
<td>HVAC Assessment Report</td>
</tr>
<tr>
<td>A &amp; M Labor Cost</td>
</tr>
<tr>
<td>A &amp; M Material Cost</td>
</tr>
<tr>
<td>Total A &amp; M Cost</td>
</tr>
<tr>
<td>Total Other Funds</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Qty HVAC Units</th>
<th>Requested Funds</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Filters</th>
</tr>
</thead>
<tbody>
<tr>
<td>MERV Rtg</td>
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<tr>
<td>New Filter</td>
</tr>
<tr>
<td>Filter Labor Cost</td>
</tr>
<tr>
<td>Filter Material Cost</td>
</tr>
<tr>
<td>Total Filter Cost</td>
</tr>
<tr>
<td>Total Rebate Amount</td>
</tr>
<tr>
<td>Total Other Funds</td>
</tr>
<tr>
<td>Requested Funds</td>
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</table>

<table>
<thead>
<tr>
<th>CO2 Monitors</th>
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</thead>
<tbody>
<tr>
<td>Manufacturer / Brand Name</td>
</tr>
<tr>
<td>New CO2 Monitor</td>
</tr>
<tr>
<td>CO2 Monitor Labor Cost</td>
</tr>
<tr>
<td>CO2 Monitor Material Cost</td>
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<tr>
<td>Total CO2 Monitor Cost</td>
</tr>
<tr>
<td>Total Rebate Amount</td>
</tr>
<tr>
<td>Total Other Funds</td>
</tr>
<tr>
<td>Requested Funds</td>
</tr>
</tbody>
</table>
Common Corrections – Ventilation

• Ineligible costs:
  • HVAC Verification Report
  • Project management
  • Training and development
  • Portable air purifiers
  • CO2 monitors in rooms/buildings other than classrooms
  • Building automation components
Contractor Estimate – Plumbing

- Contractor estimate must include:
  - Unit costs for each plumbing fixture/appliance (site specific)
    - Unit cost = sum of the material and labor costs for each unit
  - Unit counts for noncompliant plumbing fixtures/appliances (site specific)
  - Project timeline
  - Description of work to be performed
- Costs and unit counts in estimate must match application in system
Common Corrections – Plumbing

• Proof of Noncompliant Plumbing Fixtures or Appliances
  • Written explanation on why information is unknown
  • Additional information to confirm noncompliant
    • Documentation should be from LEA or contractor
    • Examples of acceptable documentation/information:
      • Flow rates
      • Year purchased or installed
      • General information on approximate age, such as age of building if never replaced
Common Corrections – Plumbing

• Ineligible costs:
  • Plumbing Verification Report
  • Electrical upgrades
  • Re-plumbing
  • Plumbing reimbursement
  • 20% Contingency (not part of Plumbing Program)

• Ineligible plumbing fixtures and appliances:
  • Plumbing fixtures and appliances that do not meet noncompliant requirements in *Plumbing Guidelines*, Chapter 2, Section B
  • Drinking fountains, pool pumps, water heaters
Notices of Proposed Award

• Notice of proposed award (NOPA) issued for complete applications
• NOPA sent to applicant by email and provides:
  • Grant award amount
  • Grant agreement (attached to email)
  • Instructions for completing required documents:
    • Payee Record Form: STD-204
    • Grant agreement: CEC146
    • Governing Body Resolution
• Award funds not reserved until grant agreement is executed by CEC
Payee Record Form STD-204

- Use current form on CEC program webpage
- Section 1 - name must be LEA’s legal name and match federal tax return
- Section 3 - FEIN must be completed
- Section 5 - must be completed and signed
- Section 6 - completed by CEC
CEC Grant Agreement CEC-146

- Attached to NOPA Issued email from CalSHAPE Online System

- To complete:
  - Sign, date, and complete Recipient section
  - Electronic or digital signature preferred
  - Fill in LEA contacts in Exhibit C
Board Resolution

- Template on webpage
- Separate Resolution for each program
- CEQA determination
  - Public Resources Code 21065
  - Title 14, CA Code of Regulations 15000

California Schools Healthy Air, Plumbing, and Efficiency Program
Governing Body Resolution

Resolution of

Name of Local Educational Agency

WHEREAS, the California Energy Commission's California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Program provides grants to local educational agencies (LEA), that includes school districts, charter schools, and regional occupational programs, to fund the assessment, maintenance, and repair of ventilation systems, installation of carbon dioxide monitors, and replacement of noncompliant plumbing fixtures and appliances

NOW THEREFORE, BE IT RESOLVED, that

authorizes ___________________________ Governing Body to apply for a
LEA Name

grant from the California Energy Commission to implement a CalSHAPE Program project.

BE IT ALSO RESOLVED, that in compliance with the California Environmental Quality Act (CEQA), ___________________________ finds that the activity funded by

Governing Body

the grant is (Please select one)

☐ not a project because

OR

☐ a project that is exempt under ___________________________ because

OR

☐ a project and ___________________________ document was prepared.

BE IT ALSO RESOLVED, that if recommended for funding by the California Energy Commission, the ___________________________ Governing Body

authorizes ___________________________ LEA Name
to accept a grant up to $ ___________________________ and accept all grant agreement

Grant Amount Requested
Grant Awards

• CEC will:
  • Review documents
  • Check for sufficient funds in funding category(ies)
  • Execute grant agreement
  • Schedule initial payment with the State Controller’s Office (SCO)
• Payment will be sent to LEA address provided on STD-204
• 4 – 6 weeks to receive payment (estimate)
Program Eligibility
Eligibility Considerations

• Current guidelines limit CalSHAPE to underserved community schools only
• Any changes to eligibility require revision to Guidelines
• Legislation requires 25% of projects in underserved communities and offered priority to apply
• Eligibility changes annually
Possible Approaches to Program Eligibility:

1. **No change**
   - Limited to schools in underserved communities only

2. **No change in Funding Round 2, eligibility for all schools in Funding Round 3**
   - Guidelines will be updated to add eligibility for all schools prior to start of Funding Round 3

3. **Eligibility for all schools in Funding Round 2**
   - Start of Funding Round 2 will be delayed for guidelines to be updated to add eligibility for all schools
Funding Categories
Utility Funding Categories

<table>
<thead>
<tr>
<th>PG&amp;E 1 Underserved</th>
<th>PG&amp;E 2 Underserved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,239 Schools</td>
<td>481 Schools</td>
</tr>
</tbody>
</table>
Utility Funding Categories

SCE Underserved  |  SoCal Gas Underserved  |  SDG&E Underserved
---|---|---
2,015 Schools  |  996 Schools  |  389 Schools
Current Process for Funding Categories with Exhausted Funds:

• **Same application process as with all applications:**
  1. Applications are accepted and reviewed by CEC staff
  2. Notice of proposed award (NOPA) is issued for complete applications
  3. Signed grant agreement, resolution, and STD 204 submitted by applicant
  4. Documents reviewed by CEC staff to confirm complete

• **CEC will not execute grant agreement until sufficient funds available**
Application Considerations

<table>
<thead>
<tr>
<th>SoCalGas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Program Funding</strong></td>
</tr>
<tr>
<td>$1.5 M</td>
</tr>
<tr>
<td><strong>Funds Requested</strong></td>
</tr>
<tr>
<td>$11 M</td>
</tr>
<tr>
<td><strong>Funding Round 1</strong></td>
</tr>
<tr>
<td>- $9.5M</td>
</tr>
</tbody>
</table>

- Current requested amount in SoCalGas exceeds projected funding
- Funding beyond 2023 is uncertain
- Invested time to submit application
Potential Changes

Possible Approaches to Exhausted Funding:

1. No change
   • Applications accepted, notification of insufficient funds prior to CEC execution of grant

2. Restrict application submittal in exhausted funding categories
   • Following notice, CEC will restrict applications for sites in funding categories with exhausted funds

3. Application Queue
   • Applications will be accepted, but not processed for sites in funding categories with exhausted funds
Next Steps
Potential Guidelines Revisions

• Update corrections resubmittal timeframe from 10 calendar days to 10 business days excluding state and federal holidays

• Clarify application package requirements for:
  • Proof of Ownership or Complying Lease
  • Proof of Noncompliant Plumbing Fixtures and Appliances
# Anticipated Schedule

<table>
<thead>
<tr>
<th>Next Steps (subject to change)</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Grant Award Execution</td>
<td>On-Going</td>
</tr>
<tr>
<td>Comments Due</td>
<td>February 22, 2022</td>
</tr>
<tr>
<td>Notice of Funding Availability Round 2</td>
<td>March 2022</td>
</tr>
<tr>
<td>CalSHAPE Annual Report</td>
<td>March 2022</td>
</tr>
<tr>
<td>Notice of Availability Revised Guidelines</td>
<td>April 2022</td>
</tr>
<tr>
<td>Grant Awards/ Checks</td>
<td>April 2022</td>
</tr>
<tr>
<td>CEC Business Meet to adopt Revised Guidelines</td>
<td>May 2022</td>
</tr>
</tbody>
</table>
What can you do?

• Submit written comments
• Complete corrections
• Submit NOPA documents
• Check webmap for eligibility
• Notice of Funding Availability Round 2
• Contact CalSHAPE staff for help
Discussion Questions

Priority Eligibility Changes:
• Should program eligibility be expanded to all schools?
• If eligibility is expanded, which funding round should the expanded eligibility begin?
• Should the CEC continue to offer priority to schools that meet underserved community criteria even after eligibility is expanded?
  • For example, a priority period at start of funding round.

Funding Categories with Exhausted Funds:
• Should the program continue to accept applications for schools in funding categories in which funds have been exhausted?

Potential Guidelines Revisions:
• Are there any application package or process requirements that need clarification?
Public Comments

• Limited to 3 minutes per comment

• 4 ways to comment:
  • Use the “raise hand” feature in Zoom
  • Type your question in the Q&A window
  • Over the telephone: dial *9 to “raise hand” and *6 to mute/unmute your phone line
  • Submit your comments in writing during the 14-day public comment period
Written Comments

• Written comments due 5:00 pm on February 22, 2022

• Comments may be submitted directly to the CalSHAPE docket (20-RENEW-01) through the e-commenting system at: https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=20-RENEW-01
Contact Us

Contact us at:
CalSHAPE@energy.ca.gov

Subscribe to our program listserve for updates
Thank you!!