California Energy Commission
Regional Community Workshop:
Equitable Building Decarbonization Direct Install Program
**Los Angeles, June 9, 2023**

Steps to Select English Channel

1) Click "Interpretation" icon
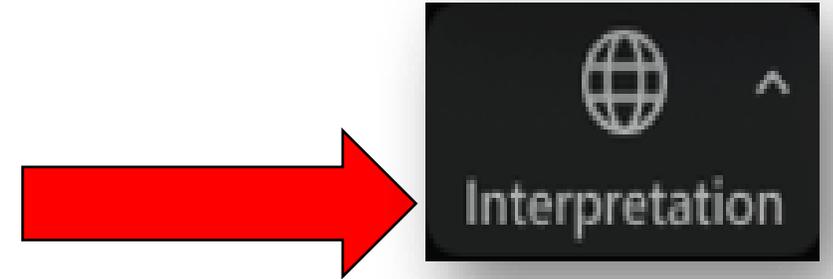
2) Click "EN English" option
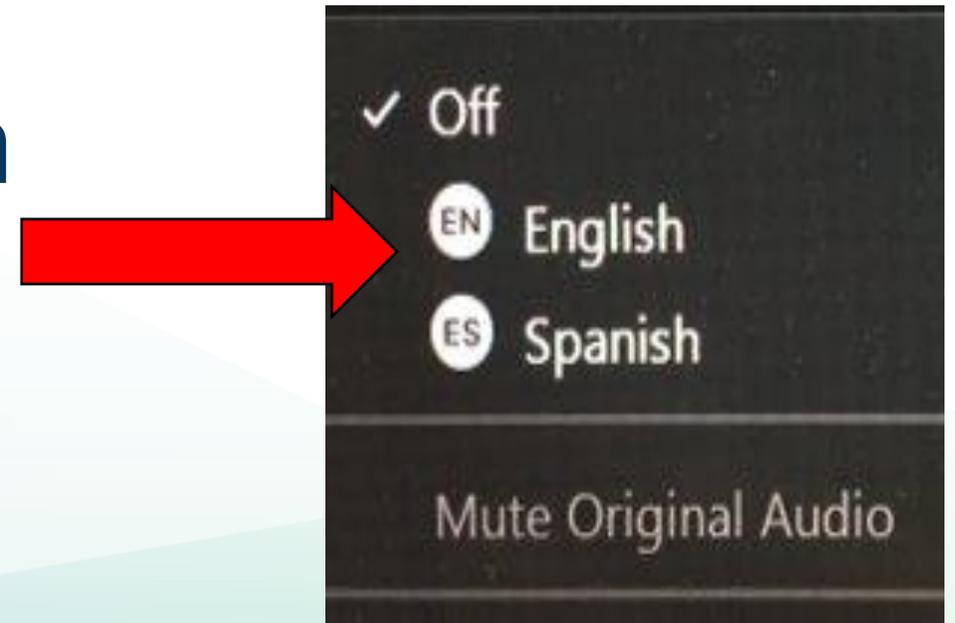
3) **DO NOT** select "Mute Original Audio"

Interpretation / Interpretación

1) Click globe "Interpretation" icon.
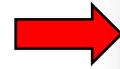
2) Click "ES Spanish" option

3) Click "Mute Original Audio"
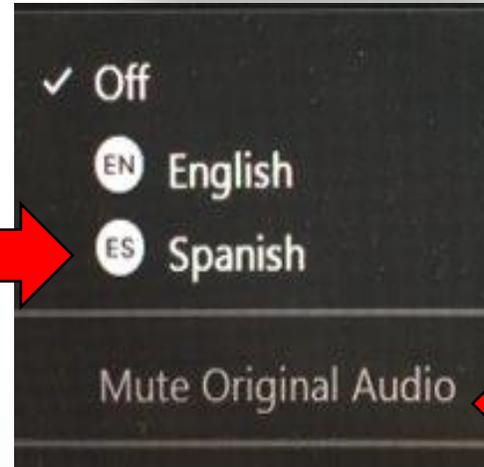
1) Haga clic en el icono del globo de interpretación

2) Haga clic donde dice "ES Spanish"

3) Haga clic en "Mute Original Audio"

NOTE: To access interpretation, download Zoom application on your device. Interpreter will relate everything from English to Spanish during meeting and will inform you when to make public comment. Speak in Spanish and interpreter will relate comments to English.

NOTA: Para utilizar la función de interpretación, descargue la aplicación Zoom en su aparato. El intérprete relacionará todo lo dicho en inglés al español durante la junta y le informará cuándo podrá hacer un comentario público. Hable en español y el intérprete relatará sus comentarios en inglés.

Instructions / Instrucciones

- Meeting is conducted with in person locations and remotely via Zoom
  - Recorded and transcribed by court reporter
- To participate in public comment
  - By computer: use the "raise hand" feature in Zoom
  - By telephone: dial *9 to "raise hand" and *6 to mute/unmute your phone line
- Questions and Comments can be entered in the Q&A section of the Zoom application

- Reunión realizada de manera presencial y remota a través de Zoom
  - Grabada y transcrita por un taquígrafo judicial
- Para participar en los comentarios públicos
  - Por computadora: use la función de "levantar la mano" de Zoom
  - Por teléfono: marque *9 para "levantar la mano" y *6 para silenciar y activar el sonido
- Haga sus preguntas o comentarios a través de la función de preguntas y respuestas

Goal of Regional Workshops

Seek input and regional perspective on:

- Design of Equitable Building Decarbonization Program
  - Program Guidelines
  - Criteria and services to consider
  - Collaboration with local initiatives
- Needs and challenges of various communities and residents across the state
- Approaches for meaningful engagement

Agenda

- 1:00 Welcome
- 1:30 Presentations
    - State Equitable Building Decarbonization Program
    - Federal Inflation Reduction Act residential energy programs
    - Locally available energy efficiency and electrification programs
- 2:30 Roundtable discussion on energy-related local community needs and challenges
- 3:00 Questions and answers
- 3:30 Public comments
- 4:00 Adjourn

Policy Drivers

Carbon-free economy by 2045

100% renewable and carbon-free electricity by 2045

Reduce GHG emissions 40% below 1990 by 2030

Double energy efficiency savings by 2030

Provide equitable low-carbon solutions for underresourced communities

Electrify transportation and decarbonize fuels

Focus on Existing Buildings and Equity

- Billions of dollars needed to reduce GHG emissions by 2030

- 5 million low-income households in California and 10 million people living in a disadvantaged community

- Focus on existing buildings should prioritize equity at its core

- 6 million heat pumps in CA by 2030

Residential Units
13.7 million

Annual Electricity Consumption
93,522 GWh

Annual Gas Consumption
4,562 MM therm
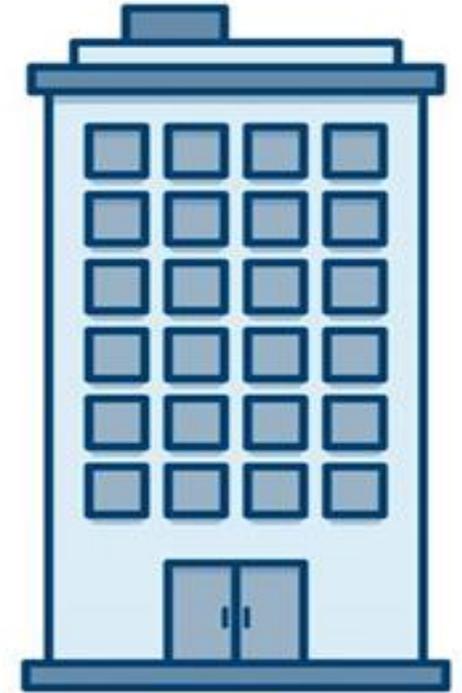
Commercial Space
7,392 million sq. ft.

Annual Electricity Consumption
105,174 GWh

Annual Gas Consumption
2,130 MM therm

Equitable Building Decarbonization Program
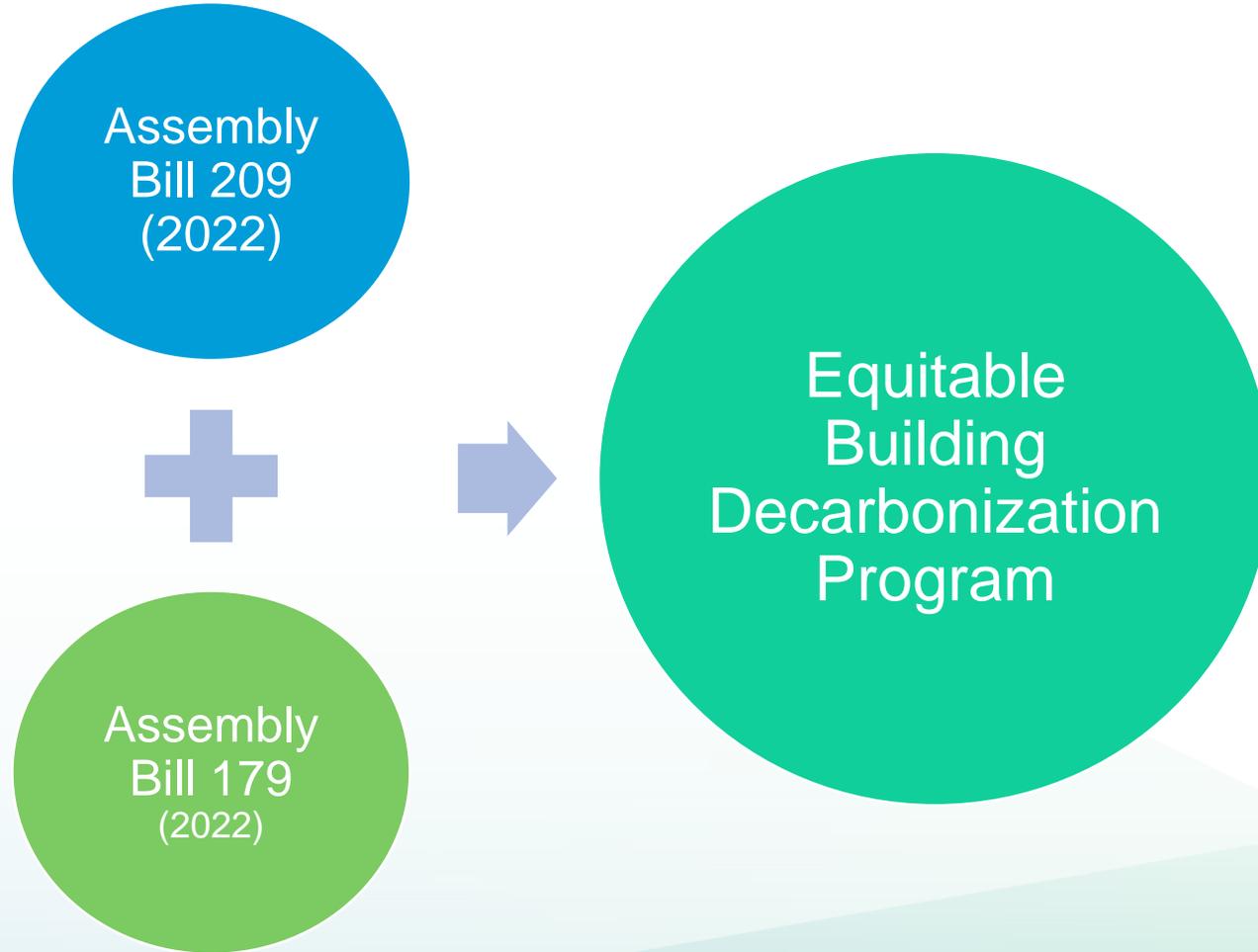
California's Greenhouse Gas Emissions
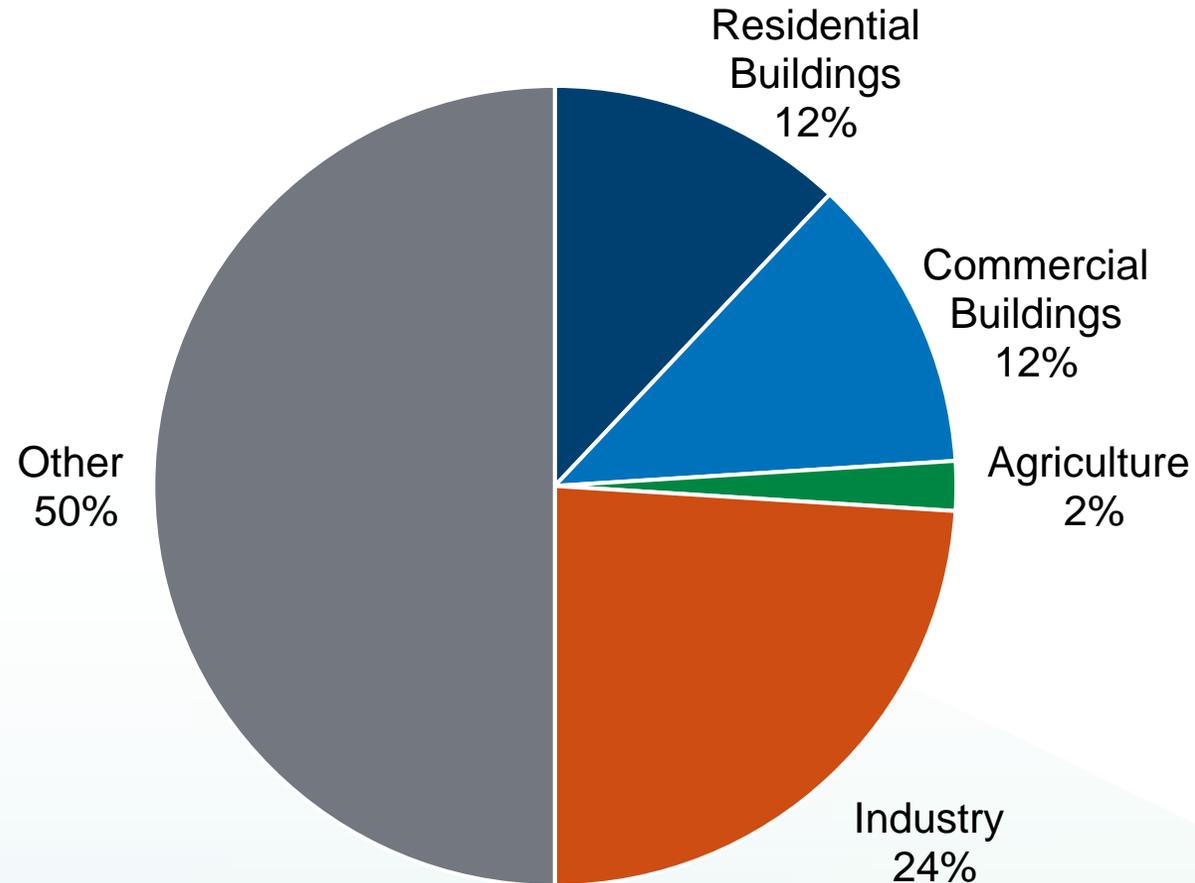
Includes fuel, refrigerant, and electricity use by sector.
Source: 2021 Integrated Energy Policy Report.

Timeline for Direct Install Program

Date	Milestone
9/6/2022	AB 209 and AB 179 signed
12/9/2022	Request for Information released
12/13/2022	Public workshop on program scoping
1/20/2023	Deadline for public comments (extended at stakeholder request)
Feb-April 2023	Comment review and development of draft guidelines
5/4/2023	Release draft guidelines
May-June 2023	Public workshops on draft guidelines, Tribal listening sessions, comment period
6/30/2023	Deadline for public comments
Summer 2023	Staff review comments and finalize guidelines on Statewide Direct Install Program
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Fall/Winter 2023	Direct install program administrators selected through competitive solicitation
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Subject to change

Program Goals

Reduce Greenhouse Gas Emissions

Advance Energy Equity

Improve Resiliency to Extreme Heat

Improve Indoor Air Quality

Improve Energy Affordability

Support Grid Reliability

Support Local Workforce

Support 6 Million Heat Pump Goal

Support Climate-Ready and Climate-Friendly Homes Goals

Proposed Program Components

Statewide Direct Install Program

Tribal Direct Install Program

Support for Existing Programs

Statewide Incentive Program

Proposed Budget Breakdown

Program Investments	Estimated Funding over Program Lifetime
Statewide Direct Install Program, including 5% set-aside for manufactured housing	$643,700,000
Tribal Direct Install Program	$30,000,000
Support for Existing Programs	$30,000,000
Statewide Incentive Program	$80,000,000
Total*	**$783,700,000**

* Does not include program administration and technical assistance, which may represent up to 15% of total program funds.

Statewide Direct Install Program: Regional Funding Allocation

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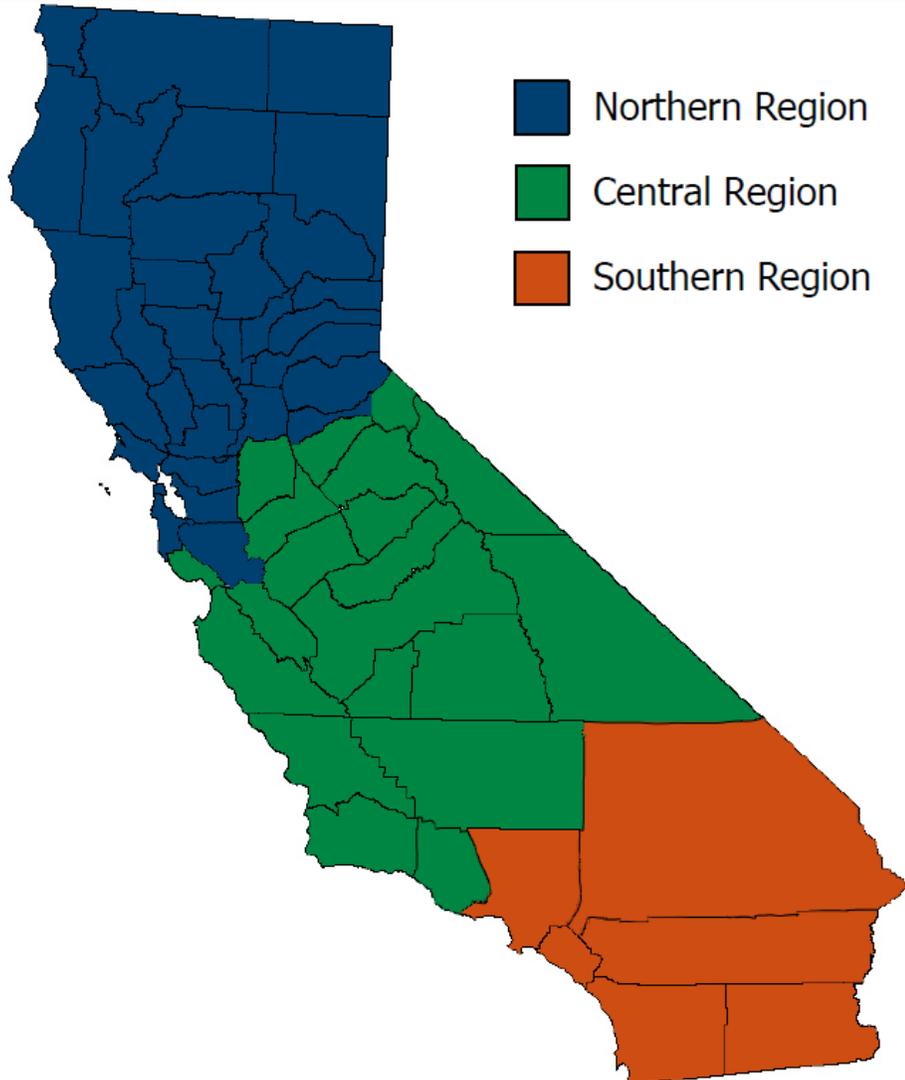
Region	Population of Underresourced Communities	Percentage of Statewide Direct Install Program Funds
Northern	5.3 million	23%
Central	4.3 million	19%
Southern	13.6 million	58%
Total	**23.2 million**	**100%**

Statewide Direct Install Program: Community Eligibility and Initial Focus Areas

- All households served by the program must be in an **underresourced community**

- Program implementation to occur at the **community level**

- **Initial focus areas** to be identified for first phase of the program based on specified criteria

Underresourced Communities

Map Legend

Priority Populations CES4 2022

PriorityPopulationsCES4

- Disadvantaged Communities
- Disadvantaged and Low-income Communities
- Low-income Communities
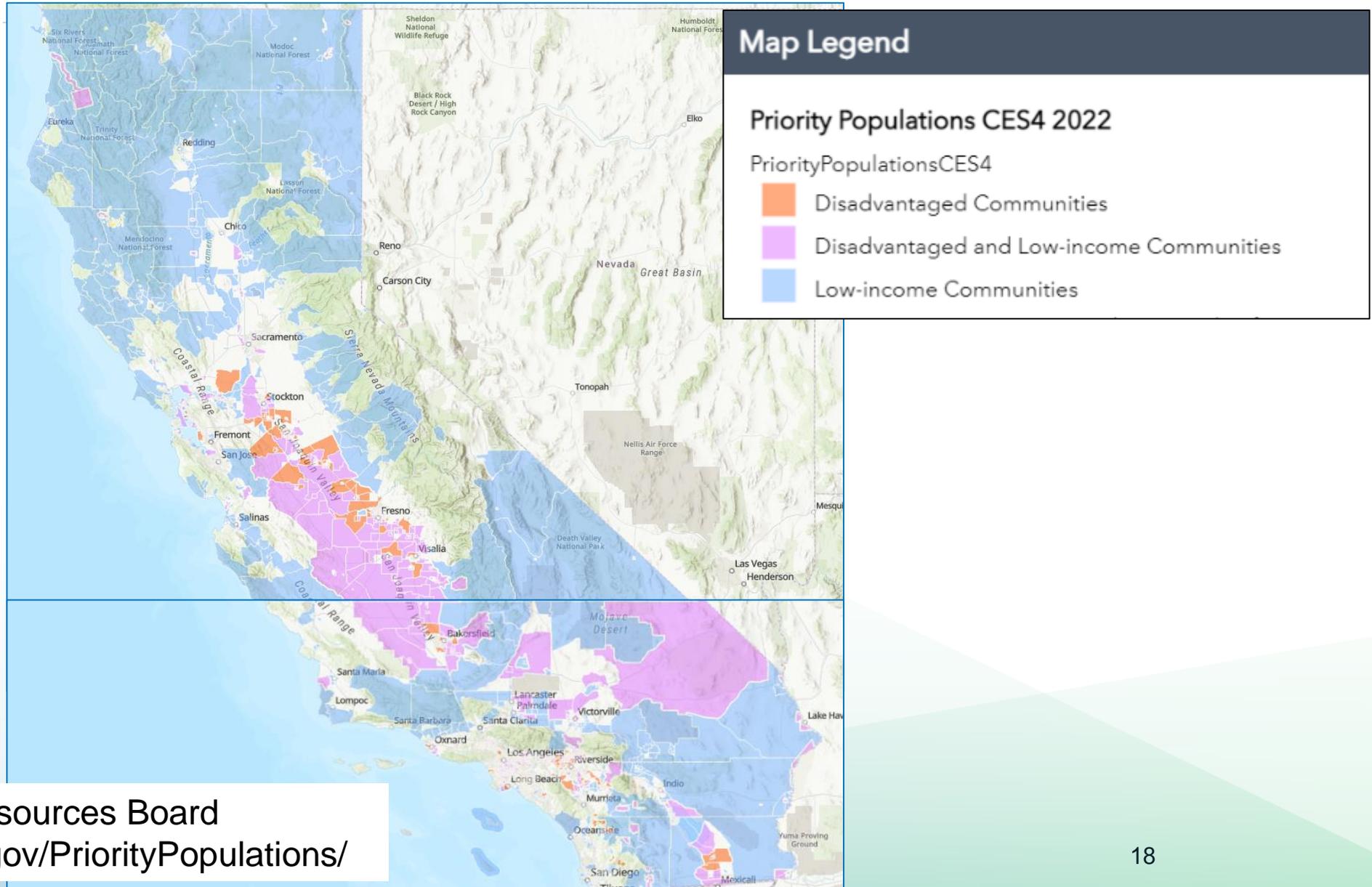
Source: California Air Resources Board
https://webmaps.arb.ca.gov/PriorityPopulations/

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Statewide Direct Install Program: Eligibility

Eligible Buildings - Residential
- Single-family homes
- Multifamily buildings
- Manufactured and mobile homes
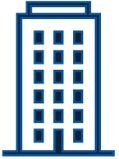
Eligible Fuel Types
- To be eligible, buildings must use natural gas, propane, or another fossil fuel as the primary fuel for space heating or water heating

Income Eligibility
- Single family: Occupied by low-income or moderate-income households
- Multifamily: At least 66 percent of households are low-income, or rent for at least 66 percent of units are affordable to low-income households.

Statewide Direct Install Program: Eligible Measures

- Heating, Cooling, and Building Envelope
    - Heat pump for space heating and cooling
    - Duct testing/sealing
    - Smart thermostat
    - Ceiling fan, whole-house fan
    - Air sealing, insulation
- Water Heating
    - Heat pump water heater
    - Low-flow showerheads and faucets
- Cooking: Induction range or cooktop
- Laundry: Electric clothes dryer
- Lighting: LED lights
- Air Quality: Efficient air filters
- Electrical wiring and panel upsizing
- Remediation
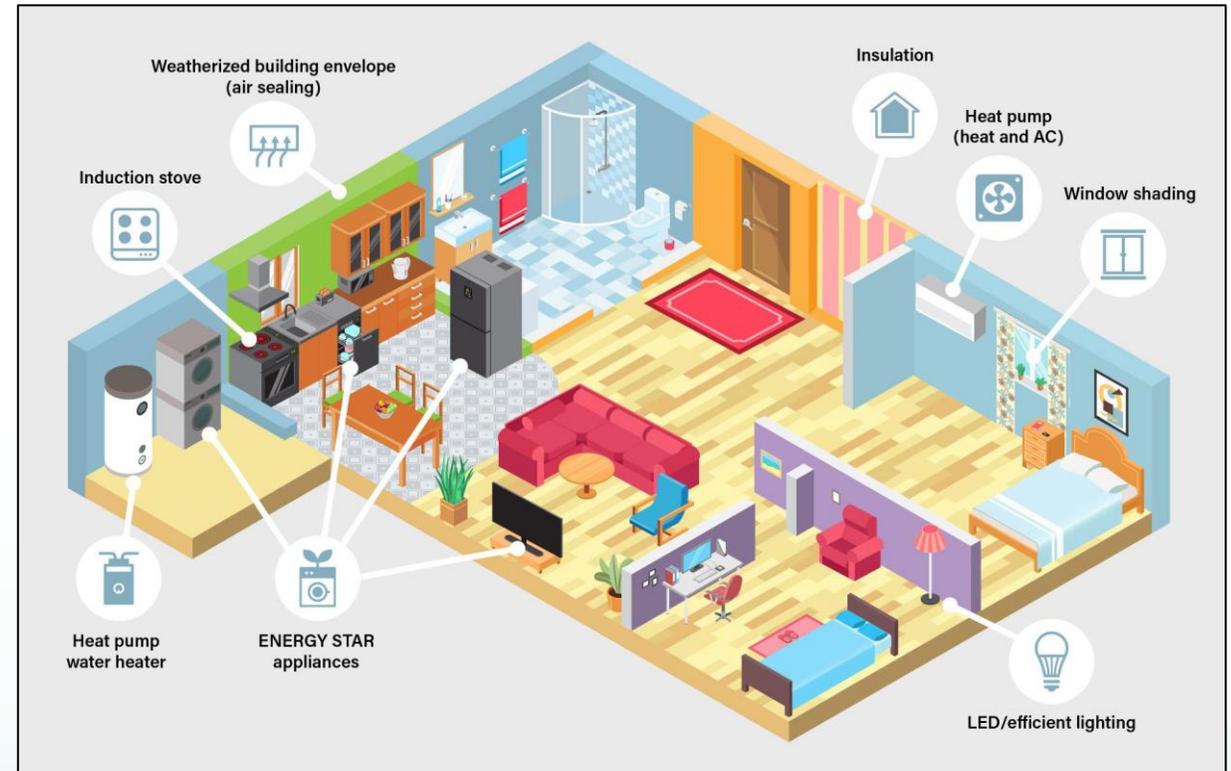
Subject to cost caps

Source: ACEEE

Tenant Protection

Tenant Information

- Information about project and tenants' rights to be provided in the predominant languages spoken in community

Temporary Displacement

- Projects should be designed to avoid/reduce temporary displacement
- If temporary displacement is needed, tenants have right to return to same unit

Eviction

- Property owner must commit not to evict tenant without just cause

Rent Increases

- Property owner must commit not to increase rent as a result of improvements funded by program

Workforce Standards and Requirements

Prevailing Wage

- Administrators should assume prevailing wage requirements in California Labor Code apply
- Administrators are responsible for ensuring subcontractor compliance

Administrators to develop **Workforce Plans** that address:

- Preference for local contractors and contractors that met specified criteria
- Training opportunities for contractors and workers
- Bundling of projects

More Information

California Energy Commission
PROGRAM GUIDELINES

Equitable Building Decarbonization Direct Install Program: Draft Guidelines

Gavin Newsom, Governor
April 2023 | CEC-400-2023-003-D

https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-draft-guidelines
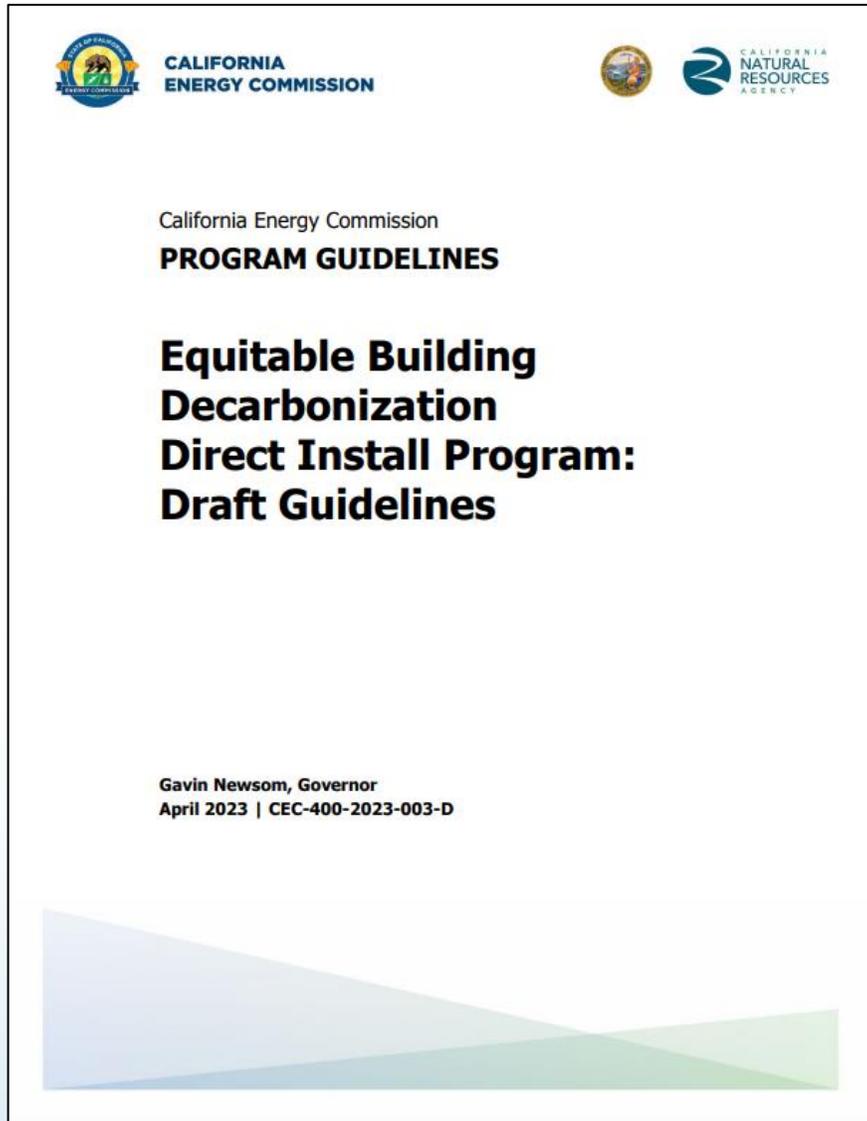
Federal Inflation Reduction Act Residential Energy Rebates

IRA Residential Rebate Funding for California

Homeowner Managing Energy Savings **HOMES**	High Efficiency Electric Home Rebate Program **HEEHRA**	**Total Allocation Amount for California**
$292M ➕	$290M =	**$582M**

IRA HOMES and HEEHRA Programs

HOMES | Efficiency $292 million	HEEHRA | Electrification $290 million
Whole-house performance-based rebates • **Eligible applicants**: Homeowners or aggregators • For single-family homes, program specifies whether modeled or measured energy savings will be required based on amount of energy savings • Multifamily buildings with 50% or more of dwelling units occupied by LMI households • Rebates based on measured energy savings • **Rebates up to $8,000**	**Point-of-sale rebates** • **Eligible applicants**: LMI households, owners of eligible LMI multifamily buildings, and a governmental, commercial, or nonprofit entity carrying out a project for LMI household or LMI multifamily building owner • Project must include purchase and installation of one or more specified items and meet program requirements • Items must be ENERGY STAR® certified, if applicable • **Rebates up to $14,000**

For more information: https://www.energy.ca.gov/programs-and-topics/programs/inflation-reduction-act-residential-energy-rebate-programs-california

California HOMES and HEEHRA Timetable

Anticipated Date	Activity
Ongoing	Data gathering, outreach & local coordination
March 2023	Response to U.S. DOE Request for Information
Summer 2023	U.S. DOE Guidance Published
2023/2024	CEC Workshops & Program Development
Winter 2024	U.S. DOE awards funding
2024	**Programs Launch – Funds to Public**

Other Residential Energy Incentive Programs in Your Region

Decarbonization and Fuel Substitution Programs in Southern California Territory

June 6, 2023

Existing Electrification Opportunities in Southern California

- Current Energy Efficiency Program Administrators (SoCal Edison and SoCalREN)

  - **Residential Programs (Single and Multi-family)**
    - **Provide incentives for electric water heaters, heat pumps, dryers and all electric appliances**
    - **This is an incentive-based approach and varies from $200-$2000 depending on the type of measure**
  - **Public Agencies**
    - **SoCalREN will cover up to 100% of eligible project costs for heat pump water heater installations at facilities in underserved areas. Up to 80% of eligible project costs will be covered in other areas.***

California Statewide Residential Resources, Rebates and Incentives

The Switch Is On

The Switch Is On is a consumer inspiration campaign funded by the . The Switch Is On provides information, resources, and tools to support customers to electrify their homes.

Golden State Rebates

Golden State Rebates provides instant rebate coupons for Air Conditioners, Smart Thermostats, Electric Heat Pump Water Heaters and Gas Water Heaters. Rebate coupons can be redeemed at participating retail locations (in-store or online).

Comfortably CA

Comfortably CA is a statewide energy efficiency program serving HVAC distributors with resources for specified high-efficiency residential and commercial heating and cooling equipment. The Comfortably CA program does not offer direct customer incentives or rebates. The program recommends choosing a qualified installation contractor to the consumer with their purchase decision.

Resources

Program Administrator	Program Name	Source/Link	Notes
SoCalREN	Multifamily and Public Agency Energy Efficiency Programs	[Program Link]	Heat Pump incentives and fuel substitution measures
SCE	Energy Efficiency Programs	[Program Link]	Heat Pump incentives and fuel substitution measures
IOUs	Self-Generation Incentive Program	[Program Link]	Now includes heat pumps
Statewide	TECH Clean California	[Program Link]	SF Central Heat Pumps + HPWH
Statewide (IOUs)	Comfortably CA	[Program Link]	Heat Pump Fuel Substitution
Statewide (IOUs)	Golden State Rebate	[Program Link]	MF + SF HPWH; smart thermostat
Statewide (electric IOUs)	Energy-Smart Homes	[Program Link]	Single and multifamily all electric; new construction & alterations

BUILDING EQUITY THROUGH CAMR

EQUITY

EMPLOYMENT   **ENVIRONMENT**

LA DWP | CAMR
Comprehensive Affordable Multifamily Retrofits Program

COMMUNITY

- Extend benefits to MF customers
- Reduce Greenhouse Gas emissions
- Maximize benefits to Disadvantaged Communities (DAC)

TENANTS

- Provide bill savings to strengthen economic security
- Improve safety, comfort, indoor air quality
- Reduce climate impact & pollution burden

MULTIFAMILY OWNERS

- Improve operating costs with system upgrades
- Assistance with EBEWE benchmarking compliance
- High quality work

LA DWP | CAMR
Comprehensive Affordable Multifamily Retrofits Program

LEVERAGING EXISTING LADWP PROGRAMS

Sustainability
- Reduced GHG emissions
- Utility Savings
- Grid Resilience

LADWP Programs
- Water Conservation
- Energy Efficiency
- Income-based Discount Programs

Home Energy Improvement Program (HEIP)
- Direct Install Program
- Home Utility Assessment

CAMR

LEVERAGING EXISTING LADWP PROGRAMS
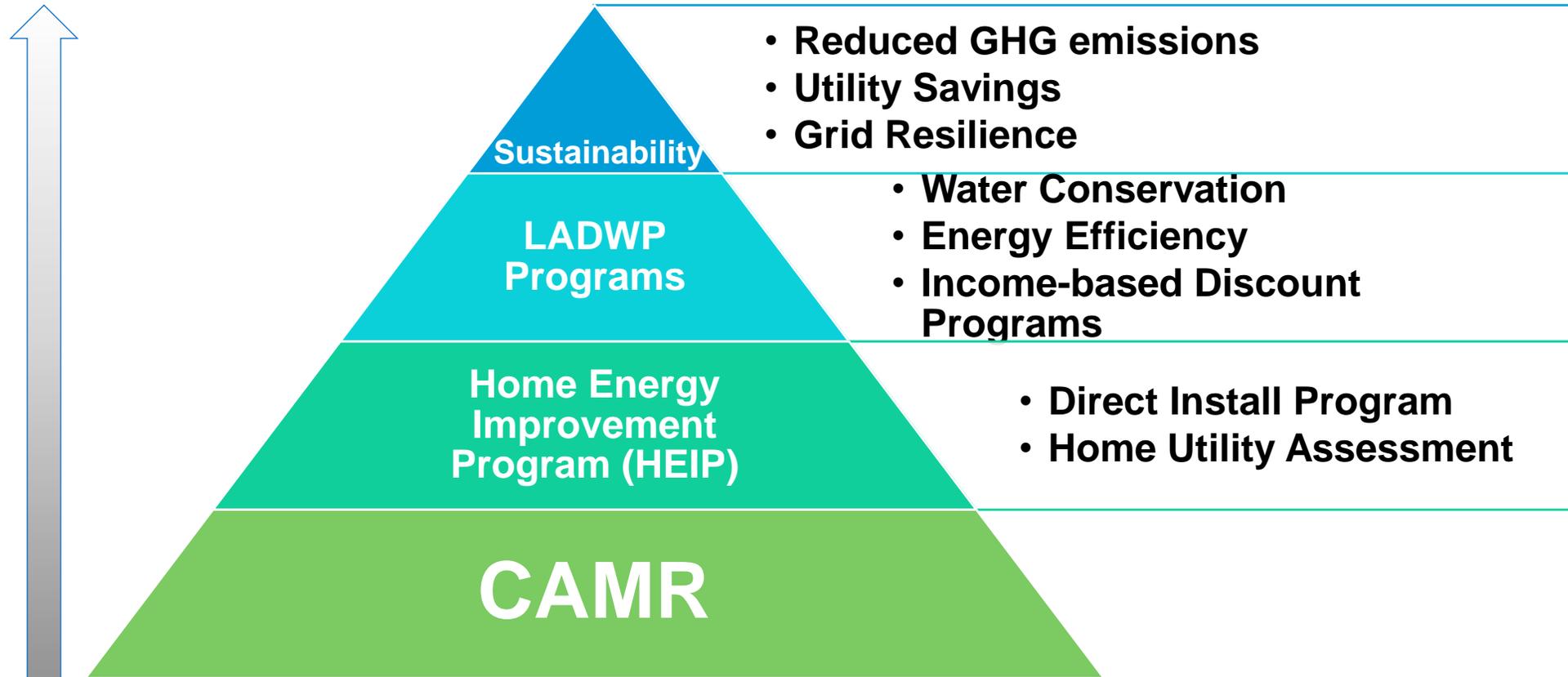
FREE leveraging other LADWP programs*	cost-saving		
	Electric	Water	Gas
1 Lighting	●		
2 Insulation	●		●
3 AC tune-up	●		
4 Trees	●		
5 Refrigerator replacement	●		
6 Toilets and aerators		●	

*subject to program terms and conditions.

LEVERAGING EXISTING LADWP PROGRAMS

Partial Rebates rebate amount varies by type of upgrade*	cost-saving		
	Electric	Water	Gas
7 Solar PV	●		
8 Water heater replacement	●	●	●
9 Heating and Cooling Replacement	●		
10 Roof replacement	●		●
11 Pool heater replacement			●
12 Gas Dryer replacement			●

*subject to program terms and conditions.

Roundtable Discussion
Q&A
Public Comments

Roundtable Discussion

Share regional challenges related to clean energy and healthy homes

Program will be implemented in phases, where should it start? What criteria should be used to identify initial communities? Is there a specific selection process recommended?

What tenant protections should be included in program?
What local organizations work with tenant protections?

Are existing contractors | workforce in the region familiar with installing heat-pumps and other all-electric equipment?

Who should CEC partner with in this region? Do existing programs pay for deferred maintenance costs?

What types of services should program implementers (and CBOs) provide?

What should CEC know about your community's needs?

Q&A

Instruction

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

In-person

- Raise your hand and we will pass the mic

Zoom App/Online

- Click "raise hand"

Telephone

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

When called upon

- Zoom Hosts will open your line
- Unmute, spell name, state affiliation, if any for the record, then begin your comment.

For Phone Participation: Dial (669) 900-6833 or (888) 475-4499 Enter Webinar ID: 820 5851 8489

Public Comment

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Written Comments:

- Visit Equitable Building Decarbonization Program | California Energy Commission
- Click on California Energy Commission : e-comment : Submit Comment

3-MINUTE TIMER

For Phone Participation: Dial (669) 900-6833 or (888) 475-4499 Enter Webinar ID: 820 5851 8489

Next Steps

Public Workshops and Listening Sessions

Date	Location	Focus
June 6, 2023	San Francisco	Regional Workshop
June 9, 2023	Los Angeles	Regional Workshop
June 12, 2023	Santa Rosa	Regional Workshop
June 15, 2023	Indio	Regional Workshop
June 23, 2023	Fresno	Regional Workshop
June 10, 2023	Online (Weekend)	Expanded Community Feedback Opportunity
June 21, 2023	Online (Evening)	Expanded Community Feedback Opportunity

Empower Innovation

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Subject to change

We want your input!

Tell us about your experience!

Complete this short questionnaire

Comments Due by June 30, 2023 on Current Draft Guidelines

Written comments may be submitted to public docket

by 5:00 p.m. on **June 30, 2023**

Please see <u>notice</u> for further information:

https://efiling.energy.ca.gov/GetDocument.aspx?tn=249981