Thank you for all the work the CEC has put into developing these guidelines and all the opportunity for public input. The proposed programs provide exciting opportunities to seed sustainable and community-based initiatives with the potential to be transformative.

A few comments on specific items in the guidelines:

1) The preliminary guidelines for the Municipal Financing District Program provide detailed direction on Documentation of Energy Savings (p. 25.) An equivalent section could provide direction on **documentation of jobs created/retained**, including reporting on % local/targeted hire (hiring from workforce programs) actually achieved, compensation, retention, etc. Because job creation is a key goal of ARRA SEP funds, and because the State of California urgently needs to cerate and preserve good jobs, documenting programs' effectiveness on this metric is critical and should be emphasized.

2) The guidelines for the Municipal Financing District Program include a requirement to match SEP funding with EECBG funding (though this requirement may be waived). As was raised at the EECBG workshop Monday, the guidelines for the state allocations of EECBG to small cities and counties seem unlikely to allow for their use in an AB811-type program. Furthermore, cities and counties receiving direct federal EECBG allocations have already submitted their applications, and matching SEP funds will not necessarily be compatible with their application. If possible, I would suggest **dropping the requirement that match funds come from a specific source** and instead encourage applicants to be creative in finding sources of matching funds.

3) The guidelines for the Municipal Financing District Program require that residential programs offer all measures listed in Tiers 2 and 3 of the Comprehensive Residential Building Retrofit Program. If certain measures are not cost-effective or have extremely long payback periods for a particular climate zone or building type, are they still required to be offered? Also, is solar PV a required offering? **Can the final guidelines provide further direction on required offerings** and under what circumstances they are required?

4) For the Municipal Financing District Program, Program Cost Effectiveness is listed as one of the evaluation criteria. I'm not clear how one would project energy saved per dollar invested for an AB811-type program, especially one that has not yet launched. (Specific costs and savings can only be estimated <u>after</u> the buildings to be retrofitted have been identified and, ideally, energy audits performed.) **Can further guidance be provided on how we should project cost-effectiveness**? Sincerely,

Louise Auerhahn

Louise Auerhahn Associate Policy Director Working Partnerships USA

2102 Almaden Rd., Suite 107 San Jose, CA 95125 <u>http://www.wpusa.org</u> (BLOCKED::http://www.wpusa.org) (408) 269-7872 x576 <u>lauerhahn@atwork.org</u>

