

County School Facilities Consortium

October 24, 2014

Mr. Robert Weisenmiller, Ph.D
Chair, California Energy Commission
1516 Ninth Street, MS-33
Sacramento, CA 95814

California Energy Commission

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13-CCEJA-01

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Docket #: 13-CCEJA-01

Comments on Proposition 39 Draft Guidelines

Dear Chair Weisenmiller:

The County School Facilities Consortium (CSFC) appreciates the opportunity to provide comments on the proposed updates to the *Proposition 39 Program Implementation Guidelines*. CSFC represents 25 County Offices of Education (COEs) statewide with a focus on school facilities and construction.

COEs work in partnership with the State to ensure that all students have access to a quality education. In addition to providing direct educational services, COEs also monitor the fiscal health and academic environment of school districts, in furtherance of the State's education policy goals. COEs directly serve a diverse population of students with specialized needs on a regional basis, including those in special education, community and community day, and court school programs.

COEs are in a unique position to both benefit from the targeted energy funding provided by Proposition 39 and to provide guidance and support to the school districts within their county. The projects funded by Proposition 39 will generate energy savings that will translate into operational savings, allowing more funds to be dedicated to the programs that serve the State's vulnerable populations. CSFC appreciates the work that has been done on the Proposition 39 program by the California Energy Commission to date, and we offer the following comments for your consideration.

Definition of an Eligible Project

We support the proposal to revise the definition of an eligible energy project to reflect energy efficiency measures and/or clean energy installations at one or more school sites within a Local Education Agency (LEA). This simple change will have a significant impact on the ability of districts and COEs to layer projects in order to achieve the required Savings to Investment Ratio (SIR) and therefore be able to participate in the program.

COE Buildings on District Sites

Because of the nature of the services COEs provide, their facilities are often located on the sites of their school district counterparts. This is especially true for

the special education population, known as Special Day Class (SDC) pupils, who are required by Federal and State law to have the opportunity to be educated with their non-disabled peers. Given the flexibility that is being proposed with regards to the definition of an eligible energy project, it is important to provide additional clarification that will make it easier for COEs to pursue projects on district-owned sites. This will provide COEs with opportunity to bring such classrooms up to the same standard as the rest of the facilities on the site.

Energy Use Meters & Utility Data

COE buildings hosted on district sites often do not have separate energy use meters. Many of these are portable buildings that are available for relocation to other sites to accommodate demographic or program changes. Others are permanent facilities integrated on the campus. In either case, the facilities are often owned by the COE and placed on the site under a short- or long-term lease agreement, and COEs may pay the district for their portion of the utilities. Without a separate meter, it has been difficult for COEs to pursue projects for these facilities. Some COEs are exploring ways to pursue projects in partnership with the district, an issue we discuss in more detail below but which would benefit from further clarification.

COE facilities sharing district energy meters would be included in the utility usage data for the site and would therefore impact the district's energy benchmarks and audits. This is an issue for LEAs that do not or cannot pursue joint Energy Expenditure Plans (EEP) as described below.

Joint Projects and Reimbursements

One possible solution to the situation described above is for the district to include the COE-owned facility in its own EEP. In such cases, COEs should be permitted to use their Proposition 39 award dollars to reimburse the district for work corresponding to the COE-owned facility.

The *Guidelines* currently permit LEAs to coordinate submission of a combined request for planning funds or an EEP when one *leases* a facility without a separate meter on the other's site. Another option to address the issue identified above is to permit joint submission for multiple LEAs when a facility is *owned* by the off-site LEA. This joint plan approach would allow COEs to participate in comprehensive, site-wide projects, rather than limit their participation to small stand-alone projects that are complicated by shared meters and utility use data.

Energy Manager Pooling & Sole Source Language

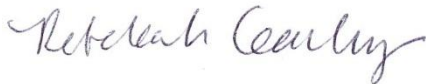
We appreciate the recognition that many LEAs do not have the technical expertise or available staff to appropriately manage an energy program, and permitting the pooling of resources to hire an energy manager to serve multiple LEAs is a good solution. Program-specific expertise is often housed within a COE and made available to the districts within the county, often on a fee-

for-service model; this is particularly helpful for small districts that do not have the resources or the ongoing need for in-house expertise or outside consultants.

However, because of the prohibition on the use of a sole source process for all Proposition 39 program award funding, it has been difficult for COEs to provide guidance and services directly to their districts. While we don't believe that it was the intent of the statute to limit this type of planning activity, the language of the statute has made it difficult for COEs to assist their districts in developing and submitting EEPs. We recognize that this concern is likely outside your authority, but we wanted to highlight it as you evaluate and refine the program parameters and encourage you to consider how this issue might be addressed.

We thank you for your consideration of these remarks. Please do not hesitate to call if you have any questions or require any additional information.

Regards,



Rebekah Cearley

cc: Commissioners, California Energy Commission