Proposition 39: California Clean Energy Jobs Act

Green California Summit and Exposition
April 6, 2015
1. Proposition 39 Program Accomplishments
2. Guidelines Revisions
3. New Energy Expenditure Plan Online System
   • Handbook
   • Energy Expenditure Plan Overview
   • Utility Data Release Authorization Forms
   • Energy Savings Calculators
4. Other Updates
   • Bright Schools Program
   • ECAA Loan Program
Proposition 39: Information

Energy Commission’s Proposition 39 website:
http://www.energy.ca.gov/efficiency/proposition39/index.html

Contact our Prop 39 Hotline:
(855) 380-8722  (Toll-free in-state)
(916) 653-0392  (Toll-line out-of-state)

Contact us by email:
Prop39@energy.ca.gov
Let’s talk about Proposition 39

Program Accomplishments
Prop 39 Program: Accomplishments

• Program Guidelines

• Energy Project Application Process:
  → Energy Expenditure Plans
    → 366 EEPs Submitted
    → $241M Requested
  → Energy Savings Calculators
  → Proposition 39 Handbook

• Comprehensive Training to over 800 participants
  (in person/via webinars)

• Development of Proposition 39 Hotline
Proposition 39 Program: Accomplishments

Energy Expenditure Plans (EEP) Approved
(As of 04.01.2015)

- 314 Energy Expenditure Plans Approved
- $204 million in Prop 39 Award funds Approved
- 1025 School Sites

Energy Planning Funds

- Over $153 million dollars

TOTAL $357 million dollars awarded
Eligible Energy Efficiency Measures

- Lighting Systems
- Heating and Air-Conditioning Modifications (HVAC)
- Pumps and Motors
- Building Insulation
- Window Films
- Thermostats
- Plug Loads
- Clean Energy Generation
## Proposition 39 Program: Accomplishments

*(as of 03.08.2015)*

<table>
<thead>
<tr>
<th>Energy Measure Category</th>
<th># of Measures Approved</th>
<th>Percentage Approved</th>
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<tbody>
<tr>
<td>Lighting</td>
<td>1696</td>
<td>48%</td>
</tr>
<tr>
<td>HVAC</td>
<td>608</td>
<td>17%</td>
</tr>
<tr>
<td>HVAC Controls</td>
<td>400</td>
<td>11%</td>
</tr>
<tr>
<td>Lighting Controls</td>
<td>326</td>
<td>9%</td>
</tr>
<tr>
<td>Plug Loads</td>
<td>216</td>
<td>6%</td>
</tr>
<tr>
<td>Pumps, Motors, Drives</td>
<td>93</td>
<td>3%</td>
</tr>
<tr>
<td>Generation (PV)</td>
<td>74</td>
<td>2%</td>
</tr>
<tr>
<td>Building Envelope</td>
<td>57</td>
<td>2%</td>
</tr>
<tr>
<td>Domestic Hot Water</td>
<td>51</td>
<td>1%</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>3521</strong></td>
<td></td>
</tr>
</tbody>
</table>
Proposition 39 Program: Accomplishments

Approved EEPs are projected to reduce energy consumption by:

- 96.6 million kWh
- 680,000 therms
- 32,000 gallons of propane
- 6,000 gallons of fuel oil

Resulting in an estimated $17 million in annual energy cost savings!

(as of 03.23.2015)
Proposition 39 Program: Accomplishments

Pleasant Ridge School District
(Grass Valley – Sierra Foothills)

- One of first districts to apply
- Multiple year Expenditure Plan
- $500,000 over the next five years

Projects Completed:
- Lighting Systems & HVAC at three schools
- Est. Annual Energy Savings = $43,000
Let’s talk about the Guidelines: Major Changes
Major Updates from December 2014

• Savings to Investment Ratio (SIR) changes
• Additional Energy Efficiency Measures
• Clarification Changes

Summary of Changes:

Proposition 39: Guidelines: Major Changes

Savings to Investment Ratio (SIR) = 1.05

- The SIR is calculated based on net present value of savings divided by project installation cost

\[
\text{SIR} = \frac{\text{Net Present Value of Savings}}{\text{Project Installation Cost}}
\]
Major Updates from December 2014

• SIR modified
  1. New Definition - LEA Level
  2. Leveraged funding subtracted from project cost
  3. SIR alternative for zero-net-energy LEAs
  4. Power Purchase Agreement SIR
New Definition of Eligible Energy Project:
SIR at the LEA level, not at the school site level

An eligible energy project is an energy efficiency measure or bundled group of energy efficiency measures and/or clean energy installations (in or at one or more school sites) within an LEA.
Proposition 39: Guidelines: Major Changes

SIR is the weighted average of all energy measures

Total LEA Bundled Saving to Investment Ratio (SIR) = 1.05
Proposition 39: Guidelines: Major Changes

Additional leverage funding allowed to reduce the Project Installation Cost used in the SIR formula (Appendix D)

- Removed the word “Grant”

- Added: Non-repayable funds such as:
  1. Bond funding
  2. General operation budgets
  3. Deferred maintenance
  4. Other funds
SIR Alternative for Zero-Net-Energy LEAs

LEAs meeting the zero-net-energy criteria can submit an Energy Expenditure Plan using an alternative cost effectiveness methodology.
Proposition 39: Guidelines: Major Changes

Power Purchase Agreement SIR Calculation and Conditions (Appendix F)

1) Added and Revised the Power Purchase Agreement SIR
2) Added Power Purchase Agreement Terms and Conditions
Audit (Page 32-33)

• Added clarification on payback, project and property related to PRC 26240(h)(1).


Look under Table of Contents:
(S) California Clean Energy Jobs Act
Proposition 39: Guidelines: Major Changes

Public Works Project Award Notification and Payroll Reporting (Page 35)

• Includes new Labor Code – Section 1773.3
• LEAs requirement
  ✓ Notify the Department of Industrial Relations (DIR) of a public works project
• Contractor requirements
  ✓ Register with DIR
  ✓ Report payroll records to DIR
Proposition 39: Guidelines: Major Changes

Effective Useful Life for Energy Measures in Years (Appendix E)

- Revised to reflect 2014 Database for Energy Efficient Resources (DEER)

- Additional energy efficiency measures and effective useful life numbers added to existing table.
### Proposition 39: Guidelines: Major Changes

Additional Energy Efficiency Measures

Appendix E: Effective Useful Life

<table>
<thead>
<tr>
<th>Energy Measure Category</th>
<th>Energy Measure</th>
<th>Effective Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting</td>
<td>CFL Lamp Retrofit</td>
<td>3</td>
</tr>
<tr>
<td>HVAC</td>
<td>Room, Window AC</td>
<td>9</td>
</tr>
<tr>
<td>HVAC</td>
<td>Evaporative Cooler</td>
<td>15</td>
</tr>
<tr>
<td>HVAC</td>
<td>Repair Economizer</td>
<td>5</td>
</tr>
<tr>
<td>HVAC</td>
<td>Duct Sealing</td>
<td>11</td>
</tr>
<tr>
<td>HVAC</td>
<td>Cooling Towers</td>
<td>15</td>
</tr>
<tr>
<td>HVAC</td>
<td>Steam Traps</td>
<td>6</td>
</tr>
<tr>
<td>Pumps, Motors, Drives</td>
<td>Energy Efficient Pumps</td>
<td>15</td>
</tr>
</tbody>
</table>
## Proposition 39: Guidelines: Major Changes

Additional Energy Efficiency Measures

Appendix E: Effective Useful Life (continued)

<table>
<thead>
<tr>
<th>Energy Measure Category</th>
<th>Energy Measure</th>
<th>Effective Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>Swimming Pool Cover</td>
<td>5</td>
</tr>
<tr>
<td>Domestic Hot Water</td>
<td>Waste Heat Recovery</td>
<td>14</td>
</tr>
<tr>
<td>Domestic Hot Water</td>
<td>Solar Water Heating</td>
<td>15</td>
</tr>
<tr>
<td>Domestic Hot Water</td>
<td>Water Tank, Pipe Insulation</td>
<td>10</td>
</tr>
</tbody>
</table>
Proposition 39: Guidelines: Major Changes

Additional Energy Efficiency Measures

Appendix E: Effective Useful Life (continued)

<table>
<thead>
<tr>
<th>Energy Measure Category</th>
<th>Energy Measure</th>
<th>Effective Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kitchen</td>
<td>High Efficiency Appliances</td>
<td>12</td>
</tr>
<tr>
<td>Kitchen</td>
<td>Strip Curtain/Auto Closer for Walk-in Refrigerators/ Freezers</td>
<td>4</td>
</tr>
<tr>
<td>Irrigation</td>
<td>Irrigation Pump Control</td>
<td>11</td>
</tr>
<tr>
<td>Irrigation</td>
<td>High Efficiency Sprinkler</td>
<td>4</td>
</tr>
</tbody>
</table>
## Proposition 39: Guidelines: Major Changes

### Additional Energy Efficiency Measures

Appendix E: Effective Useful Life *(continued)*

<table>
<thead>
<tr>
<th>Energy Measure Category</th>
<th>Energy Measure</th>
<th>Effective Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Storage</td>
<td>Advanced Battery Storage</td>
<td>10 (with vendor warranty)</td>
</tr>
<tr>
<td>Electrical</td>
<td>High Efficiency Transformer</td>
<td>15</td>
</tr>
<tr>
<td>Generation</td>
<td>Solar Photovoltaic (PV)</td>
<td>25 (with vendor warranty)</td>
</tr>
<tr>
<td>Generation</td>
<td>Combined Heat &amp; Power (Cogeneration)</td>
<td>15 (with vendor warranty)</td>
</tr>
</tbody>
</table>
What’s Next in 2015?

• Completion of the Online EEP Reporting System
  ✓ Annual Reporting
  ✓ Final Reporting

• Completion of the Online Amendment Process

• Continue to gather feedback from LEAs to further refine the Program.
  • April 2015 - Training throughout California
  • Prop 39 Survey -
    https://www.surveymonkey.com/s/CECP39s1
Let’s talk about the Energy Expenditure Plan Online System
Energy Expenditure Plan - Changes

✓ Handbook – (revisions)

✓ Energy Expenditure Plan – Online System

✓ Utility Data Release Forms – (revisions)

✓ Energy Savings Calculator – (revisions)
Proposition 39:
Energy Expenditure Plan Handbook

General Overview

• On February 27, 2015, the Energy Expenditure Plan Online System was launched

• The email provided a link to the Energy Commission’s Energy Expenditure Plan Online System

• No Welcome E-mail? Please contact the Hotline

Prop39@energy.ca.gov
General Overview

- LEAs must enter their energy expenditure plans into Energy Expenditure Plan Online and upload their backup information in the Supporting Documents section.
- Form A and Form B can no longer be used and uploaded to the Prop 39 Upload Website.
Proposition 39: 
Energy Expenditure Plan Handbook

General Overview

• Only energy expenditure plans entered via the Energy Expenditure Plan Online System will be accepted

• Internet Browsers to Use:
  – LEAs must only use Internet Explorer or Google Chrome to access the Energy Expenditure Plan Online System

What’s New

✓ Chapters 2: Instructions for EEP Online
✓ Chapter 6: Power Purchase Agreement Applications

Revisions

✓ Chapter 1: Energy Expenditure Plan
✓ Chapter 3: Utility Data Release Authorization
✓ Chapter 4: Energy Savings Calculators
✓ Chapter 5: Info Required for Energy Audits

General Overview

Appendix A: (Revised)
• Examples of Backup Information to be Uploaded

Appendix B: (New)
• Frequently Asked Questions (FAQ)
Let’s talk about the Energy Expenditure Plan Overview
The Energy Expenditure Plan Online System (system) is the property of the California Energy Commission (Commission) and may only be accessed by authorized users. Unauthorized access, use, disruption, modification, or destruction of this system is strictly prohibited and may be subject to criminal prosecution and/or adverse action or both.

The Commission may monitor any activity or communications on the system and retrieve any information stored within the system. By accessing and using this system, you are consenting to such monitoring and information retrieval for law enforcement and other purposes.

Users of this system can have no expectation of privacy as to any communication on, or information created, maintained and stored within the system, including information stored centrally, locally on a disk drive, or on removable electronic storage media. In addition to any other available remedies, the penalties for unauthorized access or use may include criminal and/or civil action under the California Information Privacy Act (Financial code section 1798.53) and Penal Code section 502.

Agree  Cancel
Registration Process

- Only 1 account can be registered per LEA
- The employee name and e-mail entered will be used for registration and account information only
- Verify account by using link in e-mail sent to the provided e-mail address
• **Active**: EEPs being created by LEA *(editable)*
• **Submitted**: EEPs sent to CEC for CEC review *(read only)*
• **Approved**: EEPs approved by CEC *(read only)*
• **Create New Energy Expenditure Plan**: Create a new EEP *(editable)*
Create New EEP

- All fields need to be filled out
- **Create**: Make a new EEP
- **Cancel**: Do not make a new EEP and return to list of EEPs in LEA Summary section
**Expenditure Plan & Site Summary: Schools/Sites (Add Site)**

- **Use drop down list to select a site:**
  The first selection which includes (District) indicates an LEA site

- **ADD:** Use the **ADD** button to add the selected site to the EEP button after selecting a site

<table>
<thead>
<tr>
<th>District/Name</th>
<th>Prop.39 Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Leandro Unified</td>
<td>$1,294,341.00</td>
</tr>
<tr>
<td>Lincoln High (Continuation)</td>
<td>$156,000.00</td>
</tr>
<tr>
<td>Pacific High</td>
<td></td>
</tr>
<tr>
<td>San Leandro Adult</td>
<td></td>
</tr>
<tr>
<td>Cleveland Elementary</td>
<td></td>
</tr>
<tr>
<td>Garfield Elementary</td>
<td></td>
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<tr>
<td>Halcyon Elementary</td>
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<tr>
<td>Jefferson Elementary</td>
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<tr>
<td>Kennedy Elementary</td>
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<tr>
<td>Madison Elementary</td>
<td></td>
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<tr>
<td>McKinley Elementary</td>
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<tr>
<td>Monroe Elementary</td>
<td></td>
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<tr>
<td>Roosevelt Elementary</td>
<td></td>
</tr>
<tr>
<td>Washington Elementary</td>
<td></td>
</tr>
<tr>
<td>Wilson Elementary</td>
<td></td>
</tr>
</tbody>
</table>

Click here to search...
• **Site Name:** If a district building is added, type in the Site Name; if a school is selected, the school name will be automatically input.

• **Assembly/Senate District:** The district information can be found using the “Find Your California Representative” link.
C A L I F O R N I A E N E R G Y C O M M I S S I O N

Expenditure Plan & Site Summary: Efficiency Measure

- **SAVE CURRENT PROCESS:**
  Use the SAVE CURRENT PROCESS button **after** an EEM has been added, updated, or deleted
**COMPLETE SITE**: Use the COMPLETE SITE button when all information for the site has been input.

**Please Correct the Following**: If applicable the LEA will need to fix errors listed here.

Upon successful completion the LEA will be notified and brought back to the EEP Summary (initial four subsections).
Review & Submit:

**SUBMIT**: Use the SUBMIT button to finalize the EEP and send to the Energy Commission for review.

**BACK TO EEP SUMMARY**: Use the BACK TO EEP SUMMARY button to return to the Expenditure Plan & Site Summary section to further edit the EEP.
Let’s talk about the **Utility Data Release Authorization Form**
What’s New  (UPDATED)

• Instead of one form, there are now two forms:
  – Utility Data Release Authorization Form (CEC-12)
  – Facility and Service Account Information Form (CEC-24)

• Effective immediately, the Energy Commission will no longer accept the old form.
Utility Data Release Authorization Form & Facility and Service Account Information Form

What’s New

• LEAs must submit these two forms only once as part of their first Energy Expenditure Plan.

• LEAs who have already submitted the old form need not submit again except:
  – if the LEA’s utility requires the LEA to fill out the new Utility Data Release Authorization Form.
  – if there are changes to the number of facilities under the LEA’s jurisdiction.
Utility Data Release Authorization Form & Facility and Service Account Information Form

What’s New

- LEAs must forward the signed CEC-12 and the completed CEC-24 to the respective utility providers.

A list of contacts is provided below:

- Pacific Gas and Electric: CorrespondenceManag@pge.com
- San Diego Gas and Electric: Rmaderazo@semprautilities.com
- Southern California Gas: P.O. Box 3150, San Dimas, CA 91773
- Southern California Edison: 3rdParty@sce.com
Let’s talk about the Energy Savings Calculators
Proposition 39: Energy Savings Calculators

• The energy saving calculators are for LEAs to calculate energy savings without doing a complete energy audit.

• The calculators now include 11 lighting measures, 9 HVAC measures, 2 plug load measures and 1 PV measure.

• The energy savings were calculated based the DEER database ECM savings and effective useful life data.

• LEAs can submit selected ECMs in the calculators with an equipment survey to apply for P39 grants.

• The Energy Savings Calculators can be downloaded at http://www.energy.ca.gov/efficiency/proposition39/
Energy Savings Calculator (Version 6)

What’s New
✓ Additional Energy Measure – 4 foot T8 32 watt linear fluorescent to LED lamps

Revisions
✓ Energy Savings Adjustment (All ECMs)
✓ Benchmarking Adjustment
✓ Non-energy benefit correction
(from $0.05 to 5%)
Let’s talk about the Other Updates
Bright Schools Program

Provides technical assistance service (energy audits) to identify energy savings opportunities (worth up to $20,000)

107 Applications Submitted in 2014

- **22** Loans have been approved for Energy Conservation Assistance Act – Education (ECAA-Ed) 0% interest.

- **$33.7 million** has been allocated to:
  - School Districts
  - Charter Schools
  - Community College Districts
2014 ECAA-Ed Loan

Expected Savings  (as of 04.02.15)

• Approved loan projects are expected to save:
  – 16 million kWh annually

Roughly $2.7 million in Energy Cost Savings annually
Need More Information?
# Upcoming Trainings Schedule

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Time</th>
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</thead>
<tbody>
<tr>
<td>Hayward</td>
<td>April 7, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
<tr>
<td>Downey</td>
<td>April 8, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
<tr>
<td>San Diego</td>
<td>April 15, 2015</td>
<td>12:00 pm – 3:30 pm</td>
</tr>
<tr>
<td>Eureka</td>
<td>April 21, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
<tr>
<td>Redding</td>
<td>April 22, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
<tr>
<td>Fresno</td>
<td>April 28, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
<tr>
<td>Bakersfield</td>
<td>April 29, 2015</td>
<td>9:00 am – 12:30 pm</td>
</tr>
</tbody>
</table>

Please see the Proposition 39 web page for location details. [http://www.energy.ca.gov/efficiency/proposition39](http://www.energy.ca.gov/efficiency/proposition39)
Green California Summit - Booth

Need more Prop 39 information?

Come visit our Energy Commission Booth in the Exposition Hall
THANK YOU!

Energy Commission’s Proposition 39 website:
http://www.energy.ca.gov/efficiency/proposition39/index.html

Contact our Prop 39 Hotline:
(855) 380-8722  (Toll-free in-state)
(916) 653-0392  (Toll-line out-of-state)

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Prop39@energy.ca.gov