

State of California

Department of General Services



Real Estate Services Division

American Recovery and Reinvestment Act of 2009

Energy Efficiency State Property Revolving Fund

DGS Authorization

- DGS is authorized by Public Resources Code 25471 to administer the Loan Fund for energy projects on state owned buildings and facilities to achieve greater longer term energy efficiency.
 - DGS was awarded \$25 million out of the California Energy Commission (CEC) American Recovery and Reinvestment Act of 2009 (ARRA) State Energy Program (SEP) grant award of \$226 million.
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Loan Fund Program Objectives

- Marketing-DGS conducted an outreach and marketing program with state departments that have a significant portfolio of buildings such as:
 - Department of Motor Vehicles
 - California Highway Patrol
 - Caltrans
 - Department of Mental Health
 - Department of Developmental Services
 - Department of Parks and Recreation
 - California Department of Corrections
 - California State University System
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Loan Fund Program Objectives

- DGS is to administer the Loan Fund for energy projects on state owned buildings and facilities to achieve greater:
 - Long term energy efficiency
 - Energy conservation
 - Energy cost and use avoidance
 - Preserve and create jobs
 - Investments in economically distressed areas and
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Loan Program Objectives (continued)

- Reduced Greenhouse Gas emissions resulting from lower energy usage.
 - Improved indoor air quality and worker comfort.
 - Economic stimulus (Energy Efficiency projects typically purchase 91% domestic product and services)
 - Make investments that have long term economic benefit.
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How to Participate in the Revolving Loan Fund Program?

- ❑ Departments and agencies may utilize the Loan Program by submitting the required project information as requested in the loan application.
 - ❑ Identify a project using benchmarking information and, when possible, energy audits.
 - ❑ Departments must pay back the loan.
 - ❑ Utility incentives will directly buy-down capital cost of projects which improves payback.
 - ❑ Loan payments are structured to be cash-flow neutral for departments.
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How to Participate in the Revolving Loan Fund Program? (continued)

- Submit an application to the Loan Fund Project Selection Committee that includes:
 - Application form
 - Executive Summary
 - Agency commitment from appropriate/responsible person with authority to sign contract
 - Energy audit, where applicable
 - Calculations and assumptions to support the technical feasibility and energy savings of the recommended projects.
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How to Participate in the Revolving Loan Fund Program? (continued)

- Summary spreadsheet showing:
 - Proposed project measures
 - Payback period
 - Energy savings
 - Life expectancy
 - Rebates & incentives
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How to Participate in the Revolving Loan Fund Program? (continued)

- Estimated cost information
 - Project budget
 - Description of contract process
 - NEPA/CEQA Compliance
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Loan Fund Program Allocation -First Cycle of Funding

- DGS Managed Buildings Program-\$1.34 million of projects (a loan application is currently under review for \$2.6 million of projects)
 - California Department of Corrections-\$4.1 million of projects
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Loan Fund Program Allocation Opportunities-First Cycle of Funding

- DGS Small Buildings Program with other Departments-\$15.9 million
 - DMV-24 sites: \$2 million of projects
 - DWR-4 sites: \$1.5 million of projects
 - CHP-36 sites: \$2 million of projects
 - Calfire 3 sites: \$.5 million of projects
 - DDS-3 campuses: 6.5 million of projects
 - DMH-3 campuses: 3.4 million of projects
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Funded Projects Information

- ❑ Total projects encumbered by loans to date is \$5,453,299
 - ❑ Total annual energy savings 8,184,050 kWh/yr.
 - ❑ The anticipated annual cost savings is \$1,337,310
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Future Project Opportunities

- 23 California State University Campuses
 - 85 million square feet of buildings
 - Approximately \$140 million of projects
 - Anticipated energy savings of \$19 million/year
 - DGS Managed Building Program
 - Office of the Chief Information Officer-approximately \$2.5 million of projects
 - Caltrans D-11 approximately \$1 million of projects
 - DGS Small Buildings Program
 - Anticipated \$20 million of projects
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