



**American  
Recovery and  
Reinvestment  
Act of 2009**



# **California's State Energy Efficient Appliance Rebate Program**

Staff Workshop

November 19, 2009

Sacramento, CA

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California Energy Commission



# Agenda

- SEEARP Overview
- California's SEEARP Guidelines
  - Program structure
  - Rebates and Eligibility Criteria
- Environmental Review Results
- Schedule for Program Role Out
- Next Steps
- Public Questions and Comments





## Energy Commission ARRA Efforts

- Energy Efficiency and Conservation Block Grant Program - \$49.6 million
- State Energy Program - \$226.1 million
- **State Energy Efficient Appliance Rebate Program - \$35.2 million**
- For more information:
  - <http://www.energy.ca.gov/recovery/index.html>





## Overarching Goals for ARRA Program Priorities

- **Stimulate the economy, reduce energy use, attract or retain energy industries, and create jobs in California.**
- **Expend money efficiently, with administrative accountability and efficiency, including augmenting or leveraging existing state, federal, local and private programs.**
- **Develop long-term, self-sustaining energy programs and leverage public and private funding.**





## Overarching Goals for ARRA Program Priorities (cont.)

- **Achieve lasting and measurable energy benefits** consistent with the Integrated Energy Policy Report and Energy Action Plan “loading order”.
- **Meet California’s energy policy goals** as defined by the Integrated Energy Policy Reports, ARB Scoping Plan, and Energy Action Plan, the Bioenergy Action Plan, energy legislation, and other relevant policy documents.





# Objectives of SEEARP

- Save energy by encouraging appliance replacement through consumer rebates.
- Make rebates available to residential consumers for energy efficient appliances.
- Leverage SEEARP funds with existing rebate programs and partnerships.
- Keep administrative costs low while adhering to federal monitoring and evaluation requirements.
- Promote state and national rebate tracking and accountability.





## SEEARP Guidelines

- Provide background on the program.
- Explain the SEEARP structure and processes.
- Specify SEEARP eligibility rules.
- Outline the rebate claim process.
- Provide program targeted schedule.





# SEEARP Background

- Created as part of the Federal Energy Policy Act of 2005
  - Energy efficient appliance rebates to residential consumers to replace inefficient appliances
  - Supplement, but not supplant, other offers
  - States to define appliances to be rebated and rebate amounts
- Funded by the American Recovery and Reinvestment Act of 2009 (ARRA)
  - Formula-based allocation
  - \$300 million nationally; \$35.2 million for the California





## SEEARP Background (cont)

- Administered by Department of Energy (DOE)
  - Must be made available to all residential consumers in state; rebates cannot be given to owners of commercial properties
  - 10 categories of appliances to choose from
  - Must provide 50 percent of administrative costs
  - Regular reporting and documentation
  - Must verify old appliances are “replaced”





# SEEARP Background (cont)

- Program award process
  - Initial application due August 15, 2009
  - States must define comprehensive program plan and submit for approval by October 15, 2009
  - Funds awarded by November 30, 2009
  - All award funds for rebates and rebate program activities by February 17, 2012
  - Regular reporting and documentation





# California's Program Structure

- Defined and overseen by the California Energy Commission
- Partners to help meet 50 % match requirement
  - Official Partners may include: utilities, appliance retailers, appliance manufacturers, recyclers, and marketers and buyers
  - Services may include website support, marketing, form and promotional design assistance, document reproduction, public service announcements, training, sales support, reporting
- Contract for rebate processing services





## Eligible Consumers

- Must be a California resident
- Must make purchase during specified period from a California retailer
- Must purchase a qualifying new appliance model to replace the same type
- Must recycle the replaced appliance
- Must submit a completed rebate application and supporting documentation within 30 days of purchase





# Eligible Appliances

- Chosen appliance categories:
  - Clothes Washers
  - Refrigerators
  - Room Air Conditions
- By December 15, 2009, must be
  - Certified to the California Energy Commission
  - Energy Star® listed
  - CEE's Super-efficient Home Appliance Initiative compliant
    - Clothes Washers: Tier 2 or greater - modified energy factor  $\geq 2.0$ , water factor  $\leq 6.0$
    - Refrigerators: Tier 2 or greater - efficiency levels 25 percent or more above the federal standard
- Complete list of models will be published by January 1, 2010





## Appliance Selection

- Availability and market share
- Costs and cost differentials
- Current rebate offerings
- Support through other ARRA programs
- Benefits of recycling and early retirement
- Distribution and demands through the state





# Recycling Appliances

- EPA Act 2005 requires that the rebated appliance REPLACES the same type
- EPA's Responsible Appliance Disposal Program – voluntary
  - Many utility partners (IOUs, SMUD, Palo Alto, Burbank)
  - To date, SEARS is only certified retailer
- California Appliance Recycling Program - law requires appliances be properly handled
  - Extensive list of certified recyclers throughout California
  - <http://www.dtsc.ca.gov/HazardousWaste/Mercury/upload/Approved-CAR-List-2.pdf>
- Coordinating with partners, DTSC and IWMB





# Program Restrictions

- Funds are limited – rebates given on **FIRST COME, FIRST SERVE BASIS.**
- Rebates limited to one appliance of each category per valid California residential address.
- Appliance must be installed.
- Purchases outside offer period will be disqualified.
- Purchaser must allow access to possible inspection.





## Rebate Claims

- Proof of Purchase and Recycling
  - Completed rebate application
  - Completed proof of recycling form
  - Copy of original receipt or an original rebate receipt
  - Purchaser's utility bill
  - UPC label or its equivalent





# Rebate Process

- Submit proof of purchase and recycling to rebate processing firm
- Rebate processing firm will record, track and verify claims
- Valid claims will be paid by contractor or State Controller's Office
- Processes will be put in place to assist consumers track claims, availability of funds, and obtain answers/information





# Environmental Benefits

- No Significant Adverse Impact
- Energy Demand Reduction
  - 31.9 GWh per year
- Emission Reductions
  - 0.015 MMTCO<sub>2</sub> per year
  - 10.43 MMT Criteria Pollutants (Nox, Sox, PM 10, PM 2.5 and CO) per year
- Reduced Water Demand
  - 943 million gallons per year
- Appliances Recycled per State and Federal Requirements





## SEEARP Duration

- All award funds for rebates and rebate program activities must be done by **February 17, 2012**
- California rebate offer period targeted for **Spring of 2010**
- One or more periods, or a single period can be extended.
- Example:
  - Purchase Period: March 17, 2010 to April 22, 2010
  - Rebate Claim Period: March 17, 2010 to May 22, 2010





# Schedule

- Nov. 19 - Public Meeting on Negative Declaration & Guidelines
- Dec. 16 - CEC adoption of Negative Declaration & Guidelines
- Dec. 16 - Issue RFP for Rebate Services
- Jan. 6, 2010 - deadline for bids
- Feb. 10 - approve contract for services
- Feb. 28 - contract exacted and work begins
- **TENTATIVE: March 17, 2010 - rebates available**





# Next Steps

- Review staff workshop-related comments and public input
- Receive approval from DOE on Program Plan and obtain funds (November 30, 2009)
- Approve Environmental Determination (December 16, 2009)
- Approve *California's SEEARP Guidelines* (December 16, 2009)
- Complete solicitation materials and issue RFP for rebate services (December 16, 2009)
- Finalize rebate claim and payment process





## Written Feedback

- 5 p.m. on December 11, 2009
- Docket Number (09-OII-1)
- Indicate **ARRA SEEARP** in the subject line or first paragraph of your comments
- Please hand-deliver or mail an original to:

California Energy Commission

Dockets Office, MS-4

Re: Docket No. 09-OII-1

1516 Ninth Street

Sacramento, CA 95814-5512





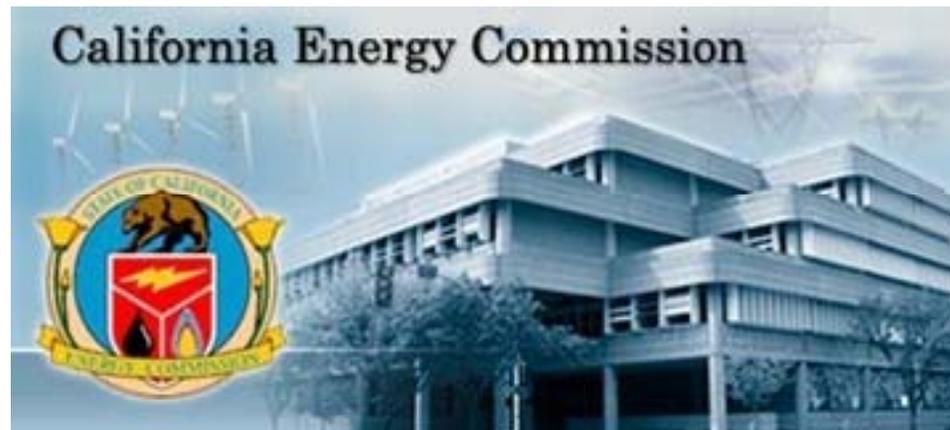
# For More Information

- Energy Commission's Website:
  - [www.energy.ca.gov/recovery/energystar.html](http://www.energy.ca.gov/recovery/energystar.html)
  - [www.energy.ca.gov/recovery](http://www.energy.ca.gov/recovery)
  - ***Sign up for List Service to receive timely announcements***
- Appliance Recycling:
  - [www.dtsc.ca.gov/HazardousWaste/Mercury/Certified\\_Appliance\\_Recycler.cfm](http://www.dtsc.ca.gov/HazardousWaste/Mercury/Certified_Appliance_Recycler.cfm)
  - <http://www.ciwmb.ca.gov/WPIE/Appliances/>
- Federal Energy Website:
  - [www.energy.gov/recovery](http://www.energy.gov/recovery)
- General SEEARP information:
  - [Appliances@energy.state.ca.us](mailto:Appliances@energy.state.ca.us)



# Questions?

## Public Comments



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