Backup material for Item 5: California Schools Healthy Air, Plumbing and Efficiency Program (CalSHAPE) (20-RENEW-01).

<u>California Schools Healthy Air, Plumbing, and Efficiency Ventilation Program Draft</u> Commission Guidelines, Second Edition (available at:

https://www.energy.ca.gov/publications/2022/california-schools-healthy-air-plumbingand-efficiency-ventilation-program)

California Schools Healthy Air, Plumbing, and Efficiency Plumbing Program Revised Draft Commission Guidelines, Second Edition (available at:

https://www.energy.ca.gov/publications/2022/california-schools-healthy-air-plumbing-and-efficiency-plumbing-program)

Memorandum

Date: May 27, 2022

T₀: Chair Hochschild Vice Chair Gunda Commissioner McAllister Commissioner Monahan Commissioner Vaccaro

subject: CEQA Compliance for Revisions to CalSHAPE Guidelines

This memo addresses the application of the California Environmental Quality Act (CEQA, Public Resources Code section 21000 et seq.) to the California Energy Commission's (CEC) proposed adoption of revisions to program guidelines for the two California Schools Healthy Air, Plumbing and Efficiency (CalSHAPE) grant funding programs.

The CEC, at its June 9, 2021, business meeting adopted the CalSHAPE Plumbing Program Guidelines, and at its June 25, 2021, business meeting adopted the CalSHAPE Ventilation Program Guidelines. The CEC considered the application of CEQA and made findings when it approved both guidelines.

The CEC, at its August 11, 2021, business meeting adopted revised CalSHAPE Plumbing Program Guidelines and CalSHAPE Ventilation Program Guidelines to include regional occupational centers within the definition of local education agencies as eligible applicants. The CEC again considered the application of CEQA and made findings when it approved both guidelines.

CEC staff now propose to make further edits to both guidelines for CEC approval at its June 8, 2022, business meeting. Specifically, for both guidelines CEC staff seeks to expand program eligibility, clarify acceptable documentation for proof of ownership or complying lease, extend the application correction period from 10 calendar days to 15 business days, and provide additional information on requirements for final invoicing. For the CalSHAPE Plumbing Program CEC staff additionally seeks to clarify the process for reimbursement of eligible incurred costs and the effective date of guidelines revisions.

The proposed changes to both guidelines will not result in any impact to the environment beyond those already considered. The proposed changes also do not alter the applicability of the categorical exemptions in Title 14 of the California Code of Regulations (CCR) sections 15301, 15302, and 15303. They still apply for the same reasons in prior memos included in the backup material when the CEC approved each of the guidelines. Nor do the proposed changes trigger any of the exceptions to categorical exemptions, as set forth in title 14 of the CCR section 15300.2.

For all the forgoing reasons, the CEC's adoption of the proposed revisions to CalSHAPE Ventilation Program Guidelines as well as the CalSHAPE Plumbing Program Guidelines are exempt from CEQA.

From: Matthew Pinkerton, Attorney IV Chief Counsel's Office

STATE OF CALIFORNIA

STATE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - California Schools Healthy Air, Plumbing, and Efficiency Program (20-RENEW-01)

WHEREAS, Assembly Bill 841 (AB 841, Statutes of 2020, Chapter 372), added, among other statutes, Public Utilities Code (PUC) Section 1600 et seq., which directs the State Energy Resources Conservation and Development Commission (CEC) to develop and implement two programs: a program to award grants to local educational agencies to reopen schools with functional ventilation systems that are tested, adjusted and, if necessary or cost effective, repaired, upgraded, or replaced to increase efficiency and performance; and another program to provide grants to state agencies and local educational agencies to replace noncompliant plumbing fixtures and appliances with water-conserving plumbing fixtures and appliances; and

WHEREAS, PUC section 1614 directs the CEC to adopt guidelines to establish the eligibility criteria, reporting requirements, and technical standards for these programs: the California Schools Healthy Air, Plumbing and Efficiency (CalSHAPE) Ventilation and Plumbing Programs; and

WHEREAS, The CEC, at its June 9, 2021, business meeting adopted the CalSHAPE Plumbing Program Guidelines, and at its June 25, 2021, business meeting adopted the CalSHAPE Ventilation Program Guidelines (collectively referred to as "The Guidelines"); and

WHEREAS, The CEC, at its August 11, 2021, business meeting adopted revisions to The Guidelines to conform with Assembly Bill 137 (AB 137, Statues of 2021, Chapter 77), which expanded the definition in Public Utilities Code Section 1601 of Local Education Agencies—the eligible entities to receive funding under CalSHAPE—to include Regional Occupational Centers; and

WHEREAS, on February 15, 2022, CEC staff hosted a public workshop to solicit feedback on lessons learned during early program implementation; and

WHEREAS, CEC staff considered comments provided by the February 15 workshop participants and proposed further revisions to The Guidelines to expand eligibility, clarify certain acceptable application documents and final invoice requirements, extend the application correction period time, and, for the CalSHAPE Plumbing Program, clarify certain application and payment procedures; and **WHEREAS,** the CEC publicly noticed these proposed changes to the Guidelines at least 15 days before the June 8 business in accordance with the requirements in The Guidelines; and

WHEREAS, the CEC's legal office has considered the application of the California Environmental Quality Act (CEQA) to the CEC's adoption of the proposed revisions to The Guidelines and opined that the CEC's adoption of these revisions is exempt from CEQA under Title 14, California Code of Regulations, sections 15301, 15302, and 15303; and

RESOLVED, The CEC hereby finds the adoption of the proposed revisions to The Guidelines to be exempt from CEQA under Title 14, California Code of Regulations, sections 15301, 15302, and 15303; adopts the proposed revisions to The Guidelines, which, for the CalSHAPE Plumbing Program, shall apply to all applicants and applications, and all existing grant agreements and projects; and delegates the authority and directs the CEC staff to take, on behalf of the CEC, all actions reasonably necessary to implement the revisions to The Guidelines, including, if necessary, making grammatical or other non-substantive, minor changes to The Guidelines as needed.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the CEC held on June 8, 2022.

AYE: NAY: ABSENT: ABSTAIN:

> Liza Lopez Secretariat