



**California Energy Commission  
May 8, 2024, Business Meeting  
Backup Materials for Agenda Item No: 3f  
California Schools Healthy Air, Plumbing, and Efficiency Program Guidelines  
(CalSHAPE)**

The following backup materials for the above-referenced agenda item are available as described below:

1. Proposed Resolution, attached below.
2. Draft Commission Guidelines, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=255729&DocumentContentId=91557>.
3. CEQA documents, attached below.

For the complete record, please visit: [California Energy Commission: Docket Log: 20-RENEW-01](#).

To stay informed about this project and receive documents as they are filed, please subscribe to the proceeding California Schools Healthy Air, Plumbing, and Efficiency Program (CalSHAPE) Topic, which can be accessed here: <https://www.energy.ca.gov/subscriptions>. The Topic sends out email notifications and direct links when documents are filed in the proceeding docket.

**STATE OF CALIFORNIA**  
**STATE ENERGY RESOURCES**  
**CONSERVATION AND DEVELOPMENT COMMISSION**

**RESOLUTION: California Schools Healthy Air, Plumbing, and Efficiency Program**

**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 25, 2021, business meeting adopted the CalSHAPE Ventilation Program Guidelines; and

**WHEREAS**, The CEC, at its August 11, 2021, business meeting adopted revisions to the CalSHAPE Ventilation Program Guidelines to conform with Assembly Bill 137 (AB 137, Statutes 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**, following a public workshop to solicit feedback on lessons learned during early program implementation the CEC, at its June 8, 2022, business meeting adopted the Second Edition of CalSHAPE Ventilation Program Guidelines, which expanded eligibility, clarified certain acceptable application documents and final invoice requirements, and extended the application correction period time; and

**WHEREAS**, following public notice of proposed changes in accordance with the requirements of The Guidelines, the CEC at its May 31, 2023, business meeting adopted the Third Edition of the CalSHAPE Ventilation Program Guidelines, which added requirements for the second phase of program awards for the repair, upgrade, or replacement of Heating, Ventilation, and Air Conditioning systems (“Upgrade and Repair grants,” which are in addition to the first phase “Assessment and Maintenance

grants”) and added language on additional funding allocated to the program from the Greenhouse Gas Reduction Fund; and

**WHEREAS**, following public notice of proposed changes in accordance with the requirements of The Guidelines, the CEC at its October 18, 2023, business meeting adopted the Fourth Edition of the CalSHAPE Ventilation Program Guidelines, which updated the timing of payment for the initial phase of program awards and removed the limit on the number of applications that can be submitted in each funding round for both phases of program awards; and

**WHEREAS**, CEC staff propose a Fifth Edition of the CalSHAPE Ventilation Program Guidelines to update the carbon dioxide monitor requirements to allow for the installation of wireless monitors, expand time extension requests to Upgrade and Repair Grants, and extend the amount of time provided pursuant to time extension requests; and

**WHEREAS**, the CEC publicly noticed the proposed Fifth Edition changes to the CalSHAPE Ventilation Program Guidelines at least 15 days before the May 8, 2024, business meeting 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 Fifth Edition of the CalSHAPE Ventilation Program Guidelines and opined that the CEC’s adoption is exempt from CEQA under Title 14, California Code of Regulations, sections 15301, 15302, and 15303; and

**THEREFORE, BE IT RESOLVED**, The CEC hereby finds the adoption of the proposed Fifth Edition of the CalSHAPE Ventilation Program Guidelines to be exempt from CEQA under Title 14, California Code of Regulations, sections 15301, 15302, and 15303; adopts the proposed Fifth Edition of the CalSHAPE Ventilation Program Guidelines; and delegates the authority and directs the CEC staff to take, on behalf of the CEC, all actions reasonably necessary to implement the Fifth Edition of CalSHAPE Ventilation Program 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 May 8, 2024.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

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Kristine Banaag  
Secretariat

# Memorandum

To: Chair Hochschild  
Vice Chair Gunda  
Commissioner Gallardo  
Commissioner McAllister  
Commissioner Monahan

Date: April 22, 2024

From: Raj K. Dixit, Attorney III  
Chief Counsel's Office

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's) proposed adoption of revisions to program guidelines for the California Schools Healthy Air, Plumbing and Efficiency (CalSHAPE) Ventilation Program. The proposed revisions would constitute the Fifth Edition of the program guidelines.

The CEC was authorized by Assembly Bill (AB) 841 (Chapter 372, Statutes of 2020) to design, administer, and implement the CalSHAPE program. CalSHAPE includes two grant programs, CalSHAPE Plumbing and CalSHAPE Ventilation, for eligible parties within the service territories of the large electric and natural gas utilities in California. The CEC, 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 the program guidelines.

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

Following a public workshop to solicit feedback on lessons learned during early program implementation, the CEC, at its June 8, 2022, business meeting adopted the Second Edition of the CalSHAPE Ventilation Program Guidelines. The Second Edition of the CalSHAPE Ventilation Program Guidelines expanded program eligibility, clarified acceptable documentation for proof of ownership or complying lease, extended the application correction period from 10 calendar days to 15 business days, and provided additional information on requirements for final invoicing. The CEC considered the application of CEQA and made findings when it approved the Second Edition of the CalSHAPE Ventilation Program Guidelines.

Following public notice of proposed changes in accordance with the requirements of The Guidelines, the CEC at its May 31, 2023, business meeting adopted the Third Edition of the CalSHAPE Ventilation Program Guidelines. The Third Edition of the CalSHAPE Ventilation Program Guidelines added requirements for the second phase of program awards for the repair, upgrade, or replacement of Heating, Ventilation, and Air Conditioning systems ("Upgrade and Repair grants," which are in addition to the first phase "Assessment and

Maintenance grants”) and added language on additional funding allocated to the program from the Greenhouse Gas Reduction Fund. The CEC considered the application of CEQA and made findings when it approved the Third Edition of the CalSHAPE Ventilation Program Guidelines.

Following public notice of proposed changes in accordance with the requirements of The Guidelines, the CEC at its October 18, 2023, business meeting adopted the Fourth Edition of the CalSHAPE Ventilation Program Guidelines (hereafter “Guidelines”). The Fourth Edition of the Guidelines updated the timing of payment for the initial phase of program awards and removed the limit on the number of applications that can be submitted in each funding round for both phases of program awards. The CEC considered the application of CEQA and made findings when it approved the Fourth Edition of the CalSHAPE Ventilation Program Guidelines.

CEC staff now propose a Fifth Edition of the CalSHAPE Ventilation Program Guidelines for adoption at CEC’s May 8, 2024, business meeting. CEC staff seeks to update the carbon dioxide monitor requirements to allow for the installation of wireless monitors, expand time extension requests to Upgrade and Repair Grants, and extend the amount of time provided pursuant to time extension requests.

The changes in the proposed Fifth Edition of the CalSHAPE Ventilation Program 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. The categorical exemptions still apply for the same reasons in prior memos included in the backup material when the CEC approved the program 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 Fifth Edition of the CalSHAPE Ventilation Program Guidelines is exempt from CEQA.