



# School Energy Efficiency Stimulus (SEES) Program

California Energy Commission  
March 2021



# Background: AB 841

- Assembly Bill 841 Signed by Gov. Newsom in September 2020
  - Authorized (in part) the School Energy Efficiency Stimulus (SEES) Program
- SEES Includes 2 New Grant Programs:
  - School Reopening Ventilation and Energy Efficiency Verification and Repair (SRVEVR) Program
  - School Noncompliant Plumbing Fixture and Appliance (SNPFA) Program
- CEC Identified as Program Administrator
  - Coordinating with Large Electric and Gas Utilities Funding the Program and CA Public Utilities Commission



# Program Budget

## Funds derived from IOUs' energy efficiency (EE) rolling portfolio funds

- IOUs will submit Advice Letter by February 1 (2021 – 2023)
- CPUC will approve Advice Letter by March 1 (2021 – 2023)
- Funds Transferred to CEC
- **Approximate** annual budget for 2021 is \$275M
  - SRVEVR – 75% of Funds
  - SNPFA – 25% of Funds
- IOU's will disburse funds on a quarterly basis to the CEC



# Program Budget

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- Funds must be spent proportionally within the service territories of the utilities from which they were derived
  - Pacific Gas & Electric (PG&E)
  - Southern California Edison (SCE)
  - San Diego Gas & Electric (SDG&E)
  - Southern California Gas (SCG)
- 25% of projects must be in Underserved Communities (as defined in the statute)



# Application Tiers

- Staff have proposed utility service territory funding be divided into 3 tiers based on LEA student enrollment and a maximum funding level established for each Tier for the initial round of awards
- Tiers established based on LEA Size determined by Enrollment Numbers

**Table 1: LEA Size by Enrollment Numbers**

Tier	Number of Students
1	Less than 1,000
2	Between 1,000 and 5,000
3	More than 5,000

**Table 2: Application Tiers**

Tier	PG&E	SCE	SDG&E	SCG
1	10%	10%	10%	10%
2	10%	10%	10%	10%
3	80%	80%	80%	80%



# General Program Schedule

Next Steps (subject to change)	Date
Initial Draft Guidelines/Comments Submitted	Jan-Feb 2021
CPUC finalizes budgets	Feb-Mar 2021
Release Staff Revised Draft Guidelines	March 2021
Final Draft Guidelines Posted	April 1, 2021
CEC Adoption of Guidelines	April 2021
Notice of Funding Availability	April 2021
Begin approving grant applications	May-June 2021



# Eligible Applicants

## Eligible Applicants to be limited to California LEAs

An LEA is defined as either:

- A school district as defined in Section 41302.5 of the Education Code, which includes:
  - county boards of education
  - county superintendents of schools
  - direct elementary and secondary level instructional services provided by the state, including the Diagnostic Schools for Neurologically Handicapped Children as established pursuant to Article 1 (commencing with Section 59200) of Chapter 3 of Part 32 of the Education Code
- A charter school that has been granted a charter pursuant to Part 26.8 (commencing with Section 47600) of Division 4 of Title 2 of the Education Code



# Eligible Sites

- LEAs may apply for grants to conduct activities at schools that:
  - a. Are on a site owned by the LEA.
  - b. Are on a publicly owned site, such as a site owned by a school district or other public entity, whether or not the LEA has a lease with that entity.
  - c. Are on a privately owned site, for which there is a lease with a term that exceeds the duration of the program, ending after December 1, 2026.
- In addition to the criteria above, a site must have an HVAC system defined as any air-handling units, rooftop units, and unitary and single zone equipment in a site's HVAC system or systems, as described in PUC Section 1622.





# Priority Eligibility

- **“Underserved community”** means a community that meets one of the following criteria:
  - A “disadvantaged community” as defined by subdivision (g) of Section 75005 of the Public Resources Code.
  - Included within the definition of “low-income communities” as defined by paragraph (2) of subdivision (d) of Section 39713 of Health and Safety Code.
  - CalEnviroScreen score of 75 or higher
  - >75% of students eligible for FRPM under National School Lunch Program.
  - Located on lands belonging to a federally recognized California Indian tribe.



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# **School Reopening Ventilation and Energy Efficiency Verification and Repair (SRVEVR) Program**



# SRVEVR Program

- Provides grants to assess, maintain, adjust, repair, or upgrade heating, ventilation, and air conditioning (HVAC) systems in schools.
- Includes continuous CO<sub>2</sub> monitoring to ensure proper ventilation is maintained in classrooms
- CEC shall award a grant if the amount requested in the application is verified by a contractor's estimate and the LEA meets other requirements determined by the CEC to be appropriate to achieve the purposes of this program



# Initial Awards

- **Initial program awards for SRVEVR will be limited to:**
  - Assessments, assessment reports, general maintenance, adjustments of ventilation rates, filter replacements, carbon dioxide monitoring, and an additional 20 percent of the requested amount is earmarked for repairs, upgrades, or replacements necessary to make the systems functional or more energy efficient.
  - Each LEA may submit only one application per funding round
  - All school sites must meet one of the underserved community criteria
- The CEC will continually evaluate the effectiveness of the SRVEVR Program Guidelines and publish new editions to update eligibility and requirements.



# Project Technical Requirements

- HVAC Assessment and Maintenance:
  - HVAC assessment
  - General maintenance
  - Adjustment of ventilation rates
  - Filter replacement
  - Carbon dioxide monitor installation
  - Completion of an HVAC Assessment Report
  - Completion of an HVAC Verification Report
- Contingency funding available for repairs, upgrades or replacements necessary to make system functional or improve energy efficiency
- The initial grant awards do not include additional funding for repairs, upgrades or replacements above the 20% contingency amount



# Skilled and Trained Workforce

- **Licensed Professional**

- A professional eligible under Division 3 (commencing with Section 5000) of the Business and Professions Code in the applicable classification, to perform system design, construction, or installation of features, materials, components, or manufactured devices for mechanical systems.

- **Qualified adjusting personnel**

- A certified testing, adjusting, and balancing (TAB) technician.
- A skilled and trained workforce under the supervision of a TAB Technician.

- **Qualified testing personnel**

- A certified testing, adjusting and balancing (TAB) technician.
- An HVAC acceptance test technician certified to complete the forms set forth in subparagraph (B) of paragraph (1) of subdivision (b) of Section 10-103.2 of Part 1 of Title 24 of the California Code of Regulations by an Acceptance Test Technician Certification Provider (ATTCP) that is approved by the Energy Commission to provide that certification.



# Funding Considerations

**Budget for each LEA grant award will equal the sum of individual site budgets for all sites included in the grant application**

- LEA grant applications must include contractor estimates
- Each site budget will equal the contractor estimate plus a 20% contingency amount for repairs and upgrades
  - Budgets are site specific and the 20% contingency funds must be spent at the site for which money was assigned
- Receiving funding from other programs is permitted
  - LEAs may not seek funds to cover same costs twice
- LEAs are required to submit separate applications specific to each program



# Reimbursement

- Reimbursement of Assessment and Maintenance Projects where the work was **contracted and performed** after August 1, 2020
  - Requires documentation or certification that work was contracted and performed after August 1, 2020
  - If the LEA contracted for the work before August 1, 2020, it is NOT eligible for funding
- Must meet the requirements for initial grant awards in the guidelines
- Will be reviewed at the same priority level
- Initial award sets aside funding
- All awards including those for completed projects will follow the same process for requesting reimbursement and must complete all reporting requirements to receive funds





# Project Payment and Term

- Awardees can receive **up to 50% of total amount** up front for projects not yet completed
- Remaining 50% available upon completion
- Each project will have **24 months maximum** to complete all assessment and maintenance work and all reporting
  - Grant recipients are responsible for monitoring project completion and meeting all required reporting and invoicing deadlines
  - Grant recipients may request a one-time extension to complete final reporting
  - The extension will be no more than six months and will not exceed the final program reporting deadline date of June 1, 2026



# Reporting

- **HVAC Assessment Report**

- Prepared by qualified testing personnel or qualified adjusting personnel for review by a licensed professional
- Licensed professional reviews report and determines necessary repairs, identify cost-effective energy efficiency upgrades, and provide cost estimate

- **HVAC Verification Report**

- LEA must prepare HVAC Verification Report for each school included in grant
- Will form basis for any applications for an HVAC Upgrade and Repairs Grant when funding becomes available



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# **School Noncompliant Plumbing Fixtures and Appliances (SNPFA) Program**



# SNPFA Program

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- Replace noncompliant plumbing fixtures and appliances that fail to meet water efficiency standards with water-conserving plumbing fixtures and appliances.
- Applicant submits documents showing the existence of noncompliant plumbing fixtures or appliances and a cost estimate verified by a contractor for the replacement of the noncompliant plumbing fixtures and appliances.
- CEC may provide technical assistance.



# Noncompliant Fixtures and Appliances

- The SNPFA program will fund the replacement of noncompliant plumbing fixtures and appliances
- Fixtures
  - Toilets
  - Urinals
  - Showerheads
  - Faucets
- Appliances
  - Dishwashers
  - Commercial Ice Makers
  - Commercial Clothes Washers



# Skilled and Trained Workforce

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- SNPFA requires all work funded by the program to be completed by a Skilled and Trained Workforce.
- This is defined in the California Public Contract Code 2601.
- Projects that do not meet this requirement will not be eligible for program funding.



# Project Payment and Term

- Awardees can receive **up to 50% of total amount** up front for projects not yet completed
- Remaining 50% available upon completion
- Each project will have **24 months maximum** to complete all assessment and maintenance work and all reporting
  - Grant recipients are responsible for monitoring project completion and meeting all required reporting and invoicing deadlines



# Incurring Cost Reimbursement

- Grantees may request upfront reimbursement of eligible incurred costs of no more than 50 percent of the total grant award
- These costs are defined as an expense for which the recipient has become liable to pay
- These do not include purchase orders unless they are accompanied by an invoice, bill, or receipt showing the payment amount is due





# Additional Questions & Comments?

Contact us at  
[SEES@energy.ca.gov](mailto:SEES@energy.ca.gov)

[www.energy.ca.gov](http://www.energy.ca.gov)



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