



Proposition 39: California Clean Energy Jobs Act- 2013 Program Implementation Guidelines



GUIDELINES ORGANIZATION

- **Chapter 1:** Background and General Information
- **Chapter 2:** Local Educational Agency
Proposition 39 Award Program
- **Chapter 3:** Additional Proposition 39 State
Resources
- **Appendices**



CHAPTER 1: BACKGROUND AND GENERAL INFORMATION

- Introductory information and rules
 - Guideline Overview
 - Funding Distribution
 - Guideline Authority
 - Confidentiality
 - Effective Date of the Guidelines
 - Changes in the Guidelines



CHAPTER 2: LOCAL EDUCATIONAL AGENCY AWARD PROGRAM

- **Eligibility:**

- Eligible Projects: Energy efficiency measures and/or clean energy installations.
- Eligible Applicants: LEAs: County Offices of Education, School Districts, Charter Schools and State Special Schools.
- All facilities within the LEA: School site facilities include: classrooms, LEA office facilities, auditoriums, multipurpose rooms, gymnasiums, cafeterias, kitchens, pools, and special purposes areas.



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- **Eligibility** (*Continued*)

- Eligibility of LEAs in Leased Facilities:

- Cost-effectiveness criteria – in addition to SIR, each energy measure must have a simple payback either within the remaining period of the “lease agreement” or the remaining period of the “charter contract term” whichever is shorter.



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- Eligibility of LEAs in Privately Owned Leased Facilities
(Continued)
 - Building Owner Written Certification to Transfer Energy Cost Savings to LEA if:
 - An LEA leases a privately owned facility or building that does not have a separate meter.
 - An LEA leases a privately owned facility or building, and the lease payment includes the utility cost.



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- **Schedule: Significant Dates**

- SSPI to release planning funds

November 2013, February 2014, and spring 2014, if needed

- Energy Commission to begin accepting energy expenditure plans

January 2014

- SSPI to begin allocating awards

February to June 2014



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Tier Levels	Average Daily Attendance Prior Year	Minimum Funding Awards
Tier 1	100 or fewer	\$15,000 plus FRPM
Tier 2	101-1,000	Based on prior year ADA or \$50,000 (whichever amount is larger) plus FRPM
Tier 3	1,001 to 1,999	Based on prior year ADA or \$100,000 (whichever amount is larger) plus FRPM
Tier 4	2,000 or more	Based on prior year ADA plus FRPM



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- **Two-Year Combined Award Option**

- LEAs with 1,000 or fewer prior year ADA are eligible to receive both the current year and the following year funding in the current year.
- LEAs selecting this option shall not receive a funding allocation in the year following the request.



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- **Energy Planning Funding Reservation Option**
 - Option of requesting a portion of fiscal year 2013-2014 award now, without submitting an energy expenditure plan to the Energy Commission.
 - This option is available only for the fiscal year 2013-2014.



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- **Energy Planning Funding Reservation Option**
 - *Allowed Energy Planning Activities (four activities)*
 - Energy audits and energy surveys/assessments.
 - Proposition 39 program assistance
 - Hiring or retaining an energy manager(s)
 - Energy-related training for classified employees



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- **Energy Planning Funding Reservation Option**
 - *Maximum Energy Planning Award Funding Request*
- LEAs with first-year awards of \$433,000 or less may request **up to \$130,000 of their first-year award** for planning activities.
- LEAs with first-year award of \$433,001 or more may request up to **30% percent of their first-year award** for planning activities.



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- **Energy Planning Funding Reservation Option**

- *Items Removed*



Removed funding limits for specific energy planning activities:

- 85% for screening and energy audits
- 15% for Proposition 39 program assistance



Removed the \$1 million cap for LEAs receiving large awards. They can now request up to 30 percent.



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- **Large Eligible Energy Project Award Requirements (Tier 4 Awards)**

- LEAs that receive an award of more than \$1 million in any one fiscal year, use at least 50 percent on a large project.
- *A large eligible energy project* is defined as a group of energy efficiency measures combined for a project cost totaling more than \$250,000.
- The intent of the law: LEAs to implement large energy projects at an individual school sites.



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- **Leveraging Award Funding**

- LEAs may pursue other programs and incentives to leverage Proposition 39 awards.

 Added Bond Funding

 Added clarification to the Appendix E: SIR calculation that matching funds are part of the total project cost.



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- **Award funding for Energy-Related Training**

- For years 2-5 of the Prop. 39 program, additional training funds may requested as part of an energy expenditure plan.
- Up to 2% of a fiscal year award can be requested for energy efficiency training of classified school employees.



Removed funding limit of \$1,000 maximum cap.



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- **Award funding for Energy Manager(s)**
 - For years 2-5 of the Prop. 39 program, additional Energy Manager funding may requested as part of an energy expenditure plan.
 - Up to 10% of a fiscal year award can be requested to hire or retain an Energy Manager(s).
 - ◆ Removed the \$100,000 maximum cap.
 - LEAs may pool Energy Manager funding to share the services.



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- **Process to Receive K-12 Eligible Energy Project Award Funding: Eight Steps**

- **Step 1: Electric and Gas Usage/Billing Data**

- Identify all electric, natural gas, propane, or fuel oil accounts for all its schools and facilities.
- Provide a signed utility data release form allowing the Energy Commission to access both historical (the past 12 months) and future utility billing data through 2023.



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- **Step 1: Electric and Gas Usage/Billing Data**
(Continued)

- Clarified Energy Commission requires only a signed utility data release form and works directly with the utilities to coordinate the data transfer.

 Added “Utility Billing Data Reporting Schedule”



Deleted time-of-use interval data requirement.



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- **Step 2: Benchmarking**

- Determines energy use intensity (EUI) of school site
- The Benchmarking calculation is now built into the energy expenditure plan.
- Rewrote Section for improved clarity.



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- **Step 3: Self-certification of Eligible Energy Project Prioritization Considerations**
 - Eleven factors from the statute LEAs required to consider.
 - For all energy expenditure plans, an LEA is required to self-certify these factors were considered.



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- **Step 4: Sequencing of Facility Improvements**

Consider:

- First, maximize energy efficiency (e.g. installing daylighting)
- Next, consider clean on-site energy generation (e.g. solar panels)
- Finally, consider non-renewable projects (e.g. combined heat and power project systems)



Removed Exhibit B: Typical Cost-Effective K-12 Energy Projects.



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- Clean on-site energy generation projects are eligible energy projects for Prop 39 award funding.
 - Solar energy generation
 - Wind energy generation
 - Co-generation projects (combined heat and power projects)



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- **Step 5: Eligible Energy Measure Identification**
 - **Method 1: Energy Survey**
 - ✓ For simple projects
 - ✓ Use Energy Commission on-line calculator
 - ✓ (21 project options)
 - **Method 2: ASHRAE Level 2 Energy Audit**
 - ✓ For more complex project
 - ✓ May need contractor, utility program audit or energy manager



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- **Step 5: Eligible Energy Measure Identification**
(continued)
 - **Method 3: Other Energy Efficiency Measure Screening Tools: Data Analytics**
 - ✓ No-touch or virtual audits
 - ✓ Tool for prioritizing energy efficiency measures
 - **Revisions:** Clarification regarding organizations that can provide technical validation and examples of product evaluation processes acceptable.



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- **Step 6: Cost-Effectiveness Determination**

- Savings to Investment Ratio (SIR)
 - ✓ Appendix E: Savings to Investment Calculator (pages E1-E3)
 - ✓ Energy Commission on-line calculator
- An eligible energy project can be a portfolio of bundled eligible energy measures at a school site.
- An eligible energy project must achieve a minimum savings-to-investment ratio (SIR) of 1.05 to be approved for a Proposition 39 award



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- **Step 7: Complete and Submit an Energy Expenditure Plan**

- Submission of Energy Expenditure Plan(s)

- ✓ Revised. Now all LEA's have the same options for submitting energy expenditure plan(s).

- Annual Award energy expenditure plan
- Multiple-year (bundled) award energy expenditure plan



Deleted option for Tier 4 LEAs to submit 2-4 energy expenditure plans per year.



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- **Step 7: Complete and Submit an Energy Expenditure Plan**

- Energy Expenditure Plan Content:

- ✓ Consent for utility provider to release data (Step 1)
- ✓ Benchmarking: Energy Use Intensity(Step 2)
- ✓ Energy measure description and information (Steps 3-6)
- ✓ Description of energy planning funds (if requested)
- ✓ Energy training request (if requesting)
- ✓ Energy manager request (if requesting)
- ✓ Non-energy benefits project (if requesting)



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- **Step 7: Complete and Submit an Energy Expenditure Plan**
 - Energy Expenditure Plan Content (*continued*)
 - ✓ Job creation benefits estimation
 - ✓ Self-Certifications of compliance with various requirements
 - ✓ Leased facility certification (if applicable)



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- **Step 7: Complete and Submit an Energy Expenditure Plan**

- Energy Expenditure Plan Review and Approval Process

- ✓ Commission will notify CDE and LEAs of approved energy expenditure plans
- ✓ In addition, the Energy Commission will post a notice of the approval on our Prop 39 Web Page when an energy expenditure plan is approved.
- ✓ CDE will batch and process awards quarterly through the State Controller's Office

Note: Step 7 also includes information on energy expenditure plan disapproval and appeal processes



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- **Step 8: Energy Project Tracking and Reporting**

- **Annual Status Reports** – required until an approved energy expenditure plan is completed.
- Final Reports – 7 elements required by statute
 - Two elements have more detailed descriptions
 - Energy Savings Reporting
 - Job Creation Benefits Reporting
 - Additional paragraph –future on-line reporting tools



CHAPTER 2: LOCAL EDUCATIONAL AGENCY AWARD PROGRAM

- **Final Sections of Chapter 2**
 - Energy Expenditure Plan Implementation Changes
 - DSA's Energy Project Construction Compliance Requirements
 - Contracts
 -  Public Works Project Award Notification
 - No Retroactive Funding of Projects



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- **Contracts**

- Guidelines defer to the LEA's own procurement regulations and procedures, as long as they reflect applicable state/local laws and regulations and are not in conflict with the minimum legal standards specified in the Prop 39 statute.
- LEAs need to consult with their own legal counsel to interpret Prop 39 sole source contract prohibition in relation to GC 4217.



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- **Final Sections of Chapter 2**
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CHAPTER 3: ADDITIONAL PROPOSITION 39 STATE RESOURCES

- Energy Commission's Energy Conservation Assistance Act – Education Subaccount (ECAA-Ed) Program
 - 0% interest rate loans for energy efficiency projects
 - Technical assistance for planning, energy audits and project recommendations
- ◆ Removed the “public buildings” wording so there are no restrictions on building ownership.
- California Workforce Investment Board Grant Program
 - Earn and learn job training and placement programs
 - Targeting disadvantaged job seekers



CHAPTER 3: ADDITIONAL PROPOSITION 39 STATE RESOURCES

- California Conservation Corps' EnergyCorps Jobs Program – puts young adults, ages 18-25 to work on natural resources projects. Corpsmembers can:
 - Conduct energy surveys
 - Implement basic energy efficiency measures



APPENDIX B: ENERGY SAVINGS CALCULATORS

- ***Lighting Energy Efficiency Measures (10)***
 - ✓ *Interior and exterior lighting*
 - ✓ *Lighting controls*
- ***HVAC/Mechanical Efficiency Measures (8)***
- ***Plug-Load Efficiency Measures (2)***
- ***Simple PV Self-Generation Project (1)***



APPENDICES

- Appendix A: Proposition 39 Implementation Program
2013-14 Funding Allocation for Energy
Projects
- Appendix B: Energy Savings Calculators
- Appendix C: Proposition 39 Funding Pathway Example
- Appendix D: Benchmarking Process



APPENDICES

- Appendix E: Saving to Investment Ratio (SIR) Calculation
- Appendix F: Effective Useful Life for Measures in Years
Appendix G: Power Purchase Agreement SIR Calculation Considerations
- Appendix H: Estimating Job Creation and Workforce Development
- Appendix I: Definitions
- Appendix J: List of Acronyms

