

LOW INCOME WEATHERIZATION PROGRAM (LIWP)

Department of Community Services and
Development

June 2, 2016



WELCOME

Linne Stout, CSD Director



MEETING PURPOSE

Discuss ideas regarding CSD's upcoming Request for Proposal (RFP) regarding single-family energy efficiency and solar PV

LIWP: PAST, PRESENT, FUTURE

An overview of LIWP to date and plans for the future

CSD Overview

- State's leading anti-poverty agency
- Administers local community services and energy programs targeting low-income households and individuals through a network of local service providers throughout the state.
- Notable programs include:
 - Federal Low-Income Home Energy Assistance Program (LIHEAP)
 - Federal Community Services Block Grant Program (CSBG)
 - Low-Income Weatherization Program – funded by California Climate Investments.
- CSD utilizes strong partnerships with community-based organizations to support the presence of these programs in low-income communities throughout the state.

Low Income Weatherization Program (LIWP)

- In state fiscal years 2014-15 and 2015-16, CSD received a total of \$154M from the California Climate Investments.
- Initial funding (\$75M) used to expand existing low-income weatherization programs and incorporate renewable energy efficiency offerings to low-income households.

Low Income Weatherization Program (LIWP)

Initial LIWP-funded programs include:

- Single-Family Weatherization – administered by existing LIHEAP providers; Single-Family Solar Photovoltaic – administered by GRID Alternatives; Low-Income Multifamily Energy Efficiency and Renewables – Association for Energy Affordability
- Eligibility ranges from 200% of Federal Poverty Level to 80% of Area Median Income.
- Services limited exclusively to disadvantaged communities as defined by the California Environmental Protection Agency CalEnviroScreen 2.0

LIWP Objective & Outcomes

Objective

- Reduce greenhouse gas (GHG) emissions by improving energy efficiency in low-income households

Outcomes

- GHG reduction
- Reduce energy usage and energy cost for low-income residents
- Job creation
- Improve health and safety of low-income housing

Program Adjustments & Future Funding

CSD proposes a series of program changes to improve program design, program administration and service delivery, resulting in enhanced program outcomes.

Program Administration

- Competitive selection of program administrators
- Consolidation of local service areas

Service Delivery

- Unify Program Eligibility Requirements
- Streamline Intake (application) and Eligibility
- Integrate EE and Solar PV
- Expand the network of local service providers

Proposed Timeline

Task	Anticipated Date
Stakeholder Meeting	June, 2016
Final Guidelines	September, 2016
Release of RFP	Sept/October, 2016
Contract Execution	December, 2016
Close Date for completing the expenditure of LIWP funding	April 30, 2018

NEW SINGLE FAMILY PROGRAM MODEL

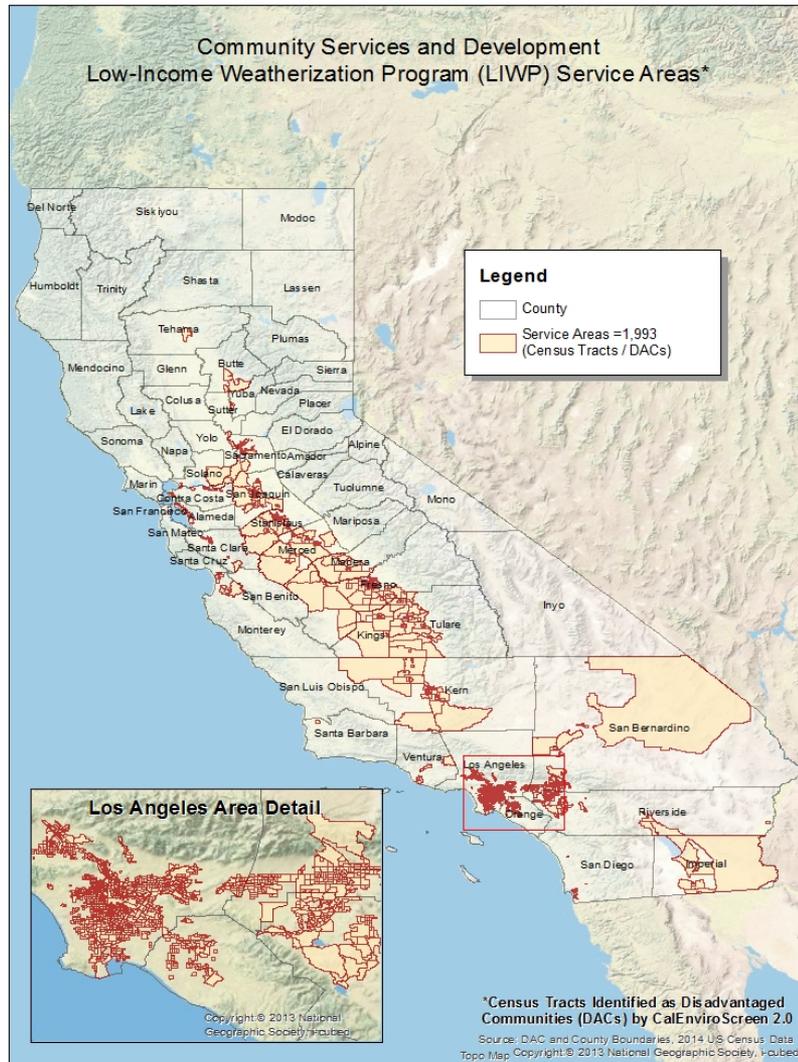
An overview of the proposed LIWP model for single-family energy efficiency and solar PV

Regional Model

Proposed 5-Region Concept



How Regions Relate to DACs



Regional Administration Model

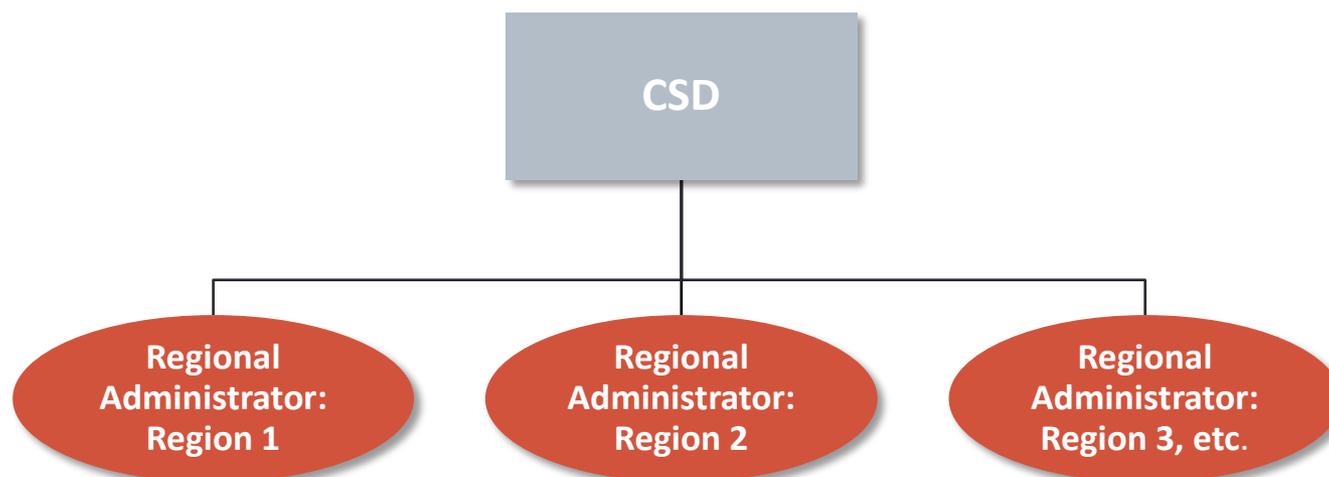
Allocation Amounts are based on low-income population (Households at or below 200% Federal Poverty Level) for census tracts within each region and include both energy efficiency (EE) and solar PV funds

Region	# of DAC Census Tracts	Low-Income Population (200% FPL)	Estimated Allocation
Region 1	53	138,821	\$1.5M
Region 2	93	211,562	\$2.3M
Region 3	431	1,283,447	\$13.8M
Region 4	1,027	2,350,373	\$25.2M
Region 5	389	1,114,702	\$11.9M

Why Regional Administrators (RAs)

- Achieve administrative efficiencies (CSD) by reducing the number of program administrators
- Create a significant pool of funds to support the development of a standalone program
- Consolidate / integrate program offerings (EE & PV) under a single administrator
- Improve administrative & operational efficiencies for the program administrators
- Enhanced customer experience – single point of contact – better service coordination = less disruption for clients

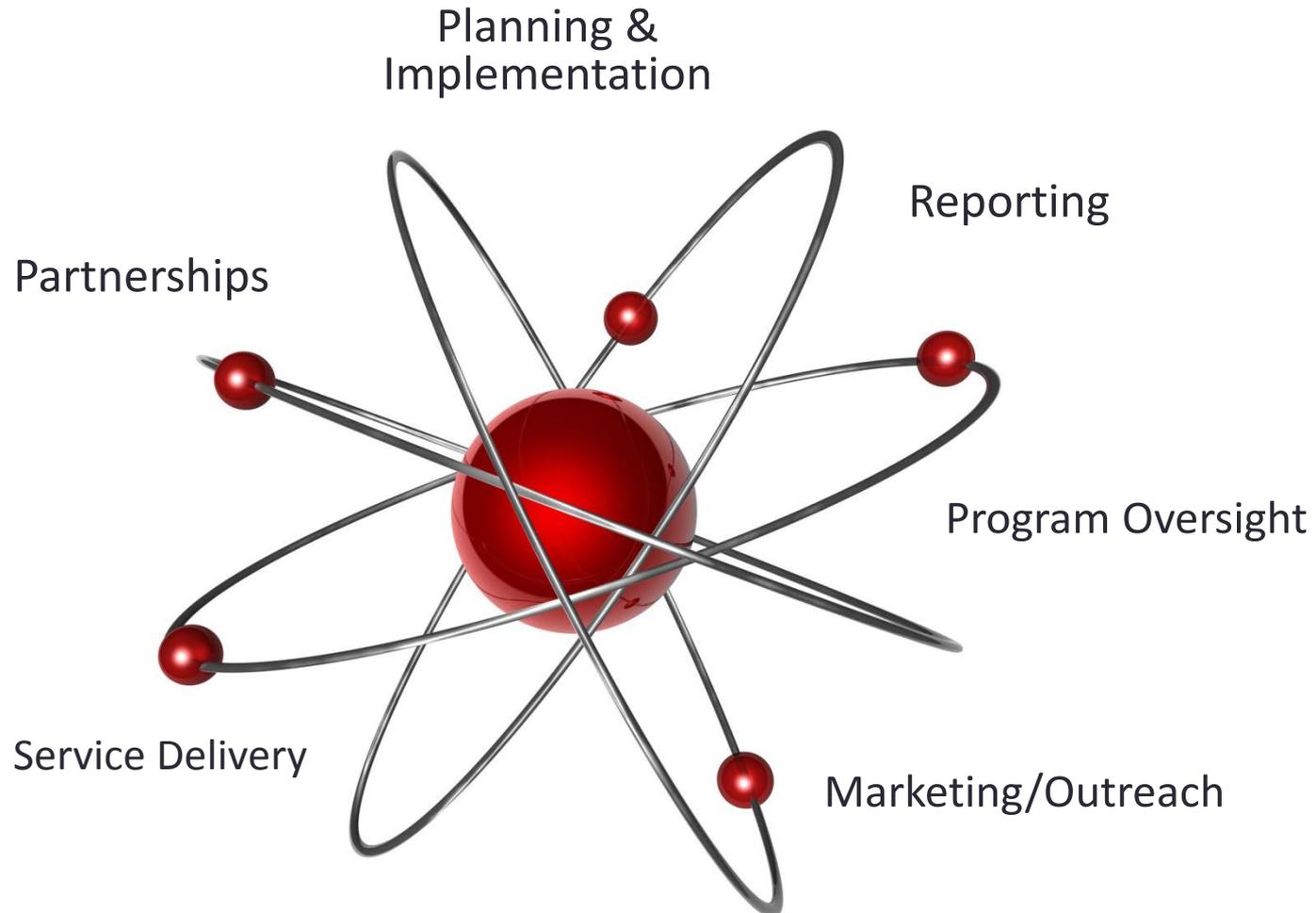
Proposed Regional Model



Each Regional Administrator selects their region's subcontractors to ensure fulfillment of all of these LIWP goals:



Regional Administrator Responsibilities



Work Details Management & Reporting

- Regional Administrators must collect and report the details of the work performed in their region to include:
 - Project level information (address, measures installed, costs, etc.)
 - Energy savings estimates
 - Workforce development
 - Health & Safety (dollars expended, issues corrected)
- Manage the retention of records supporting details of work and elements of program administration reported to CSD
- Report to CSD using XML Web Services

Q&A

Q&A on the proposed Regional Administrator Model



LIWP MEASURES: ENERGY EFFICIENCY & SOLAR PV

An overview of proposed single-family measures

ENERGY EFFICIENCY

Service Delivery

General Model

- Dwelling Assessments
 - Evaluate dwelling for all feasible measures
 - Identification of Health & Safety issues
 - Performed by Trained Assessor
- Measure Installation
 - Pre/Post diagnostic testing – Ducts and combustion appliance safety
 - Health & Safety measures – First priority
- Dwelling Inspection
 - Ensure work meets all program requirements
 - Performed by Trained Inspector

Service Delivery

Installation Guidance

- For Applicable LIWP Measures
 - Feasibility and non-feasibility criteria
 - Installation Standards
 - Material Specifications
- Program Guidelines
 - Offers further guidance and clarification

Energy Efficiency: Limited Measure List

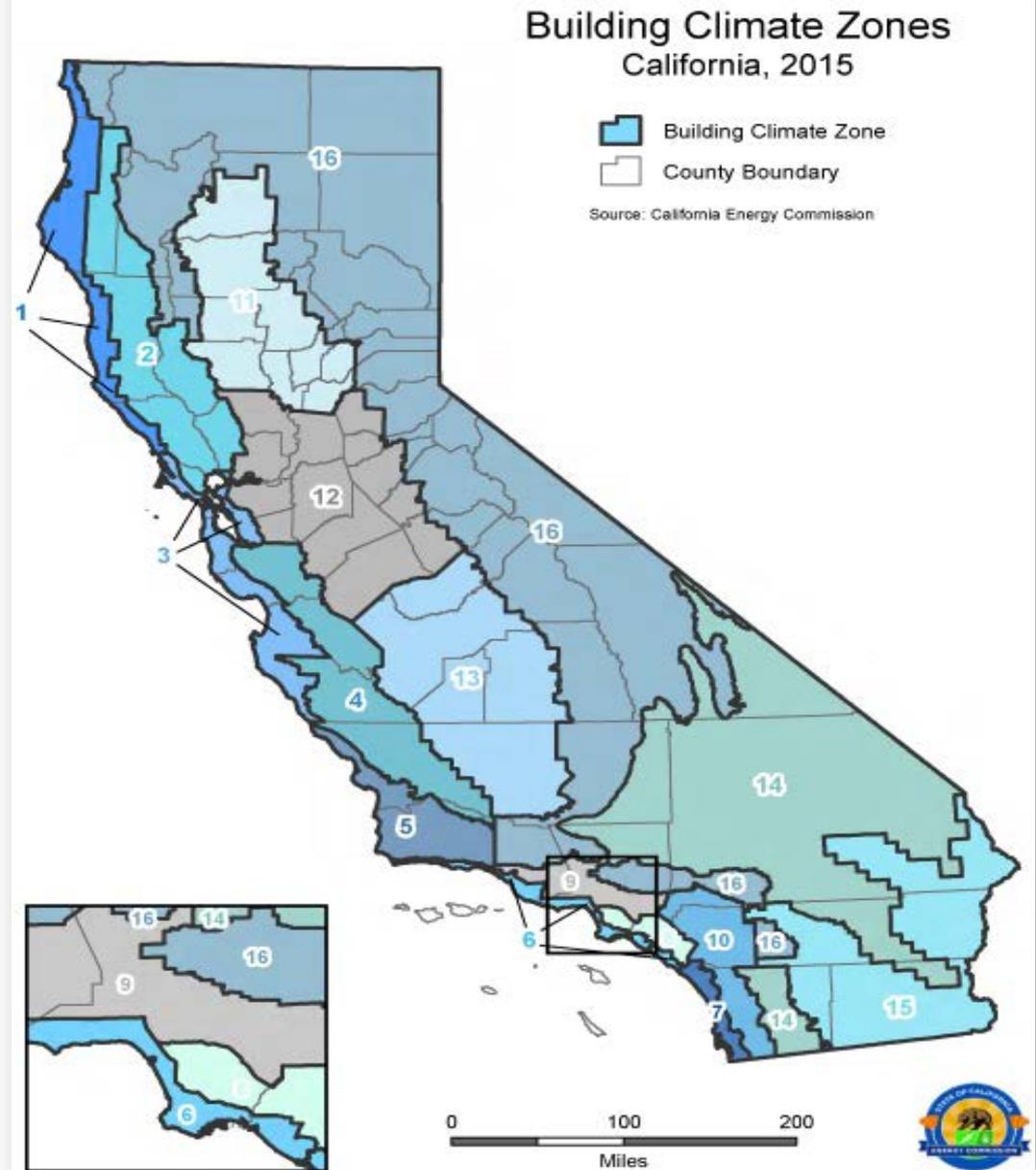
Derived from CSD Weatherization

- Programs Encompass More Measures Than Utility Programs

Mix of Climate and Non-Climate Driven Measures

- Emphasis on GHG Reduction
- Secondary Benefit – Health & Safety

CEC Climate Zones



Three Categories of Proposed Measures

- 1. Standard Package**
- 2. Supplemental EE**
- 3. Health & Safety**

1. Standard Package

- Applicable across all climate zones
- Diagnostics - Duct Leakage
- Base Load - Microwave Ovens, Power Strips, Refrigerator Replacements
- Building Infiltration – Duct Sealing, Catastrophic Leaks
- Lighting - Compact Fluorescent, LED, Vacancy Sensors
- Water - Faucet Restrictors, Low Flow Showerheads, Thermostatic Shower Valves/Showerheads, Water Heater Blankets

2. Supplemental EE

- Insulation - Ceiling, Floor, Wall (Climate Driven)
- Heating/Cooling Energy Efficient Upgrades (Climate Driven)
- Programmable Thermostats (Climate Driven)
- HVAC System Tune-ups
- Solar Water Heater

3. Health & Safety

- Alarms – Carbon Monoxide and Smoke
- Combustion Appliance Safety Evaluation
 - Heating Appliances
 - Water Heaters
 - Cooking Appliances

Future Considerations

- May Be Required in the Future
 - Diagnostic-Driven Building Infiltration
 - Energy Audits
 - Expanded Measure List

QUALITY ASSURANCE

Expectations for quality assurance

Quality Assurance

Regional Administrator

- Written QA Plan
 - Program and Standards Compliance
 - Subcontractor Monitoring
 - Quality of Work
 - Post-Inspections

Supplemented by CSD Oversight

- Installation Guidance
- Post-Inspections

TRAINING & LICENSING

An overview of proposed training and licensing for
Energy Efficiency

Training and Licensing of EE Providers

General “B” Contractor License

EPA Certified Firm with EPA Certified Renovators Expectations

- Possess skillsets to perform installation and meet standards
- Meet appropriate Cal/OSHA safety requirements

Limited Training

- LIWP Policies & Procedures
- Assessor & Inspector training
- Diagnostics training
- Consideration to be given for existing certifications (NGAT, BPI)

SOLAR PV

Solar PV

Solar PV on single-family, owner-occupied homes

- *The goal of the Solar PV component is to provide low-income homeowners with a reduced electricity bill.*

RFP may consider various approaches to this goal. Proposals must insure:

- No customer financial contribution
- No liens

**Energy audit and energy efficiency measures installed
(Regional Administer to coordinate)**

Solar PV

System owned by the homeowner, unless third party financed

Owner retains RECs

Follow CSI PV guidelines (refer to current CSI Handbook):

- System selection
 - Modules and Inverters must be listed on CEC Eligible Equipment List
 - Metering not required
- System sizing
 - No larger than 5.75 kW DC-STC (5kW CEC-AC)
 - Based on 1-year's previous electric bills
 - When bills not available, use 2 watts per square foot

Solar PV

- License Requirements
 - Active A, B, C-10, or a C-46 CSLB license
- Warranties
 - 10 year manufacturer performance warranty to protect against degradation
 - 10-year warranty to provide for no-cost repair and replacement of the system for any expenses not otherwise covered by the manufacturer
 - All contractors shall provide a minimum 10-year warranty to protect the purchaser against degradation that may occur as a result of faulty installation.

Q&A

Q&A on proposed measures, QA, training and licensing



HOUSEHOLD ELIGIBILITY CRITERIA

An overview of the proposed customer eligibility criteria

LUNCH

We'll start again at 1:15



Household Eligibility Criteria

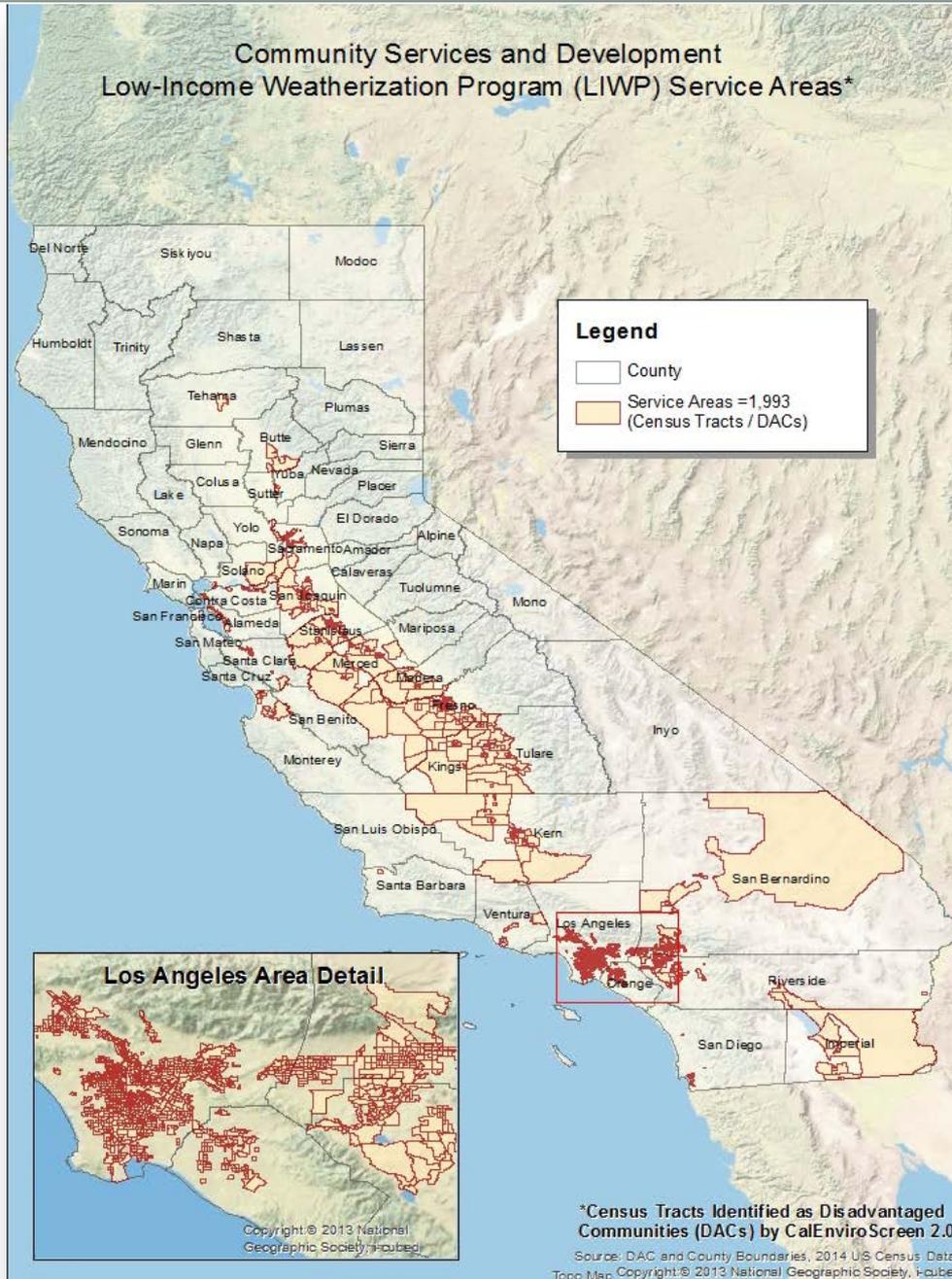
Single Family = one dwelling, under one roof

- Future Multi-family Program considerations

Initially restricted to homes within Disadvantaged Communities, unless otherwise authorized or required by law

- Demonstrate your ability to extend services to other communities
- ***Eligible Homeowners or Renters:*** Energy Efficiency Measures at no cost
- ***Eligible Homeowners:*** Solar PV installation at no cost

Disadvantaged Communities



Interactive Map:

<http://www.calepa.ca.gov/EnvJustice/GHGInvest>

Income Eligibility

- **Homeowners (or renters for EE) at or below 80% Area Median Income (AMI)**
 - Exceptions to be made when 60% State Median Incomes (SMI) is more favorable
 - Exceptions based on household size and location

Household Size	1	2	3	4
60% SMI	\$23,450	\$31,860	\$40,180	\$48,500
Butte County 80% AMI	\$32,900	\$37,600	\$42,300	\$46,950

Income Eligibility

- Intake on basis of categorical eligibility
- CalFresh, CalWorks, SSI, WIC, ESA
Work Order Agreement
- Household or Single Resident
Considerations
- Other Considerations

Other CSD & Utility Programs & LIWP

Jun 2016			Current LIWP providers: providing weatherization in DACs (through December, 2016)		
Jul 2016					
Aug 2016					
Sep 2016					
Oct 2016					
Nov 2016					
Dec 2016					
Jan 2017	Utility "ESA" Programs provide basic weatherization in Investor-Owned Utilities (on-going program)	LIHEAP/DOE "Energy Providers" provide weatherization throughout the state (on-going program)		Current LIWP Statewide Solar PV Administrator: providing solar PV in DACs (through April, 2018)	
Feb 2017					
Mar 2017					
Apr 2017					
May 2017					
Jun 2017					
Jul 2017					
Aug 2016					
Sep 2016					
Oct 2017					
Nov 2017					
Dec 2017					
Jan 2018				New Regional Administrator: providing energy efficiency and solar PV in DACs (through April, 2018)	
Feb 2018					
Mar 2018					
Apr 2018					

Other CSD & Utility Programs & LIWP

- **More households eligible for LIWP based on expanded income eligibility**
- **What can CSD do to minimize competing efforts/duplication of efforts?**
- Centralized reporting/searching
 - At what point of contact: Intake, not project completion
 - Households not to be served twice in specified time period
- County Listings on CSD website: Energy Provider/Energy and PV Provider/PV Provider
- Routing by address
- Act as conduit for EE referrals from PV Provider to RAs
- Work with utilities on data sharing to improve coordination

Q&A

Eligibility and Other Programs Q&A



CONTRACTING & PROCUREMENT

An overview of contracting and procurement issues surrounding LIWP

Contracting and Procurement

Local Assistance/ Subvention Agreement

- Who is eligible?
 - Local Governmental Agencies
 - Non-profits

Contracting and Procurement

Implications for procurement process

Regional Administrator

- As service contractor for CSD
- As subvention contractor serving community

Hybrid contracting model – non-profit/ for profit consortium – partnership

Q&A

Q&A on Contracting and Procurement



WORKFORCE DEVELOPMENT

Workforce Development Elements and Ideas

CA Climate Investments

- **CA Climate Investments are used for state programs designed to reduce greenhouse gas emissions and provide economic, environmental and public health co-benefits.**

Elements of a Workforce Development Program

- 1. Creating Partnerships & Career Ladders**
- 2. Implementing Targeted Hire**
- 3. Setting Wage Standards**
- 4. Tracking & Reporting**

Partnerships & Career Ladders

Potential partnerships for workforce recruitment and training.

- High Schools
- Community Colleges
- Regional Occupational Programs
- Pre-Apprenticeship Programs
- Community Based Organizations

Targeted Hire

A targeted hire policy ensures that employers open job opportunities to workers residing in prioritized areas.

Setting a requirement ensures that a contractor receiving funding makes a commitment to hire, based on terms set in contract with CSD.

Targeted Hire

Examples:

- Construction Careers Policy (Los Angeles): 30 percent of total work hours to be performed by people from high unemployment or high poverty zip codes.
- Local Hire Program (San Francisco): 35 percent of total work hours be performed by San Francisco residents.

Targeted Hire

Setting a Goal:

- Setting a clear minimum target hire goal for workers residing in CalEnviroScreen census tracts.
- Example: “No less than X percent of total work hours performed on LIWP projects will be by workers residing in the top 25% of CalEnviroScreen zip codes.”
- Contractors that meet and exceed that goal, and demonstrate partnerships with referral organizations can establish a track record for future procurement processes.

Wage Standards

Setting a wage standard has a positive effect on productivity and quality of installations, which in turn reduces GHGs.

- Sierra Nevada Energy Watch (California): Contractors participating in program must pay a living wage of at least \$17 per hour for apprentices for time spent on SNEW work.
- Community Power Works Rebate Program (Seattle): Program instituted a tiered wage system comprised of a base rate of \$21.50 per hour (plus \$2.50 in benefits) and a lower training rate of \$15.50 per hour (plus \$2.50 in benefits).
- LADWP Utility Pre-Craft Training Program (Los Angeles): Trainees earn an hourly wage of \$16 per hour plus benefits.
- Clean Energy Works Program (Portland): Earn at least 180 percent of state's minimum wage.

Tracking & Reporting

- Limited data exists on the characteristics of workers in the LIWP: demographics of workforce, compensation, training and credentials, etc.
- Such data can be collected by requiring contractors report via an electronic jobs reporting system, which utilizes certified payroll data (e.g. Elations, LCP Tracker).
- Data should be reported back to CSD on a regular basis.
- Real time improvement: Regular reporting enables contractors to troubleshoot and adjust recruitment and hiring strategies.

Q&A

Q&A regarding Workforce Development



WRAP UP

A summary of the highlights of today's meeting, as well as an additional time for discussion.

Thank You.

If you have additional questions or ideas after this meeting, or if you'd like to submit a document to CSD to consider, please email:

energy.programs@csd.ca.gov

