



MICHAEL OWH
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Speed. Reliability. Value.

Telephone: (323) 267-2101
FAX: (323) 264-7135

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

November 06, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

36 November 6, 2024

EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

ACCEPT \$328.72 MILLION IN FUNDING AWARDED TO INTERNAL SERVICES DEPARTMENT ENERGY AND ENVIRONMENTAL SERVICES TO IMPLEMENT AND ADMINISTER THE CALIFORNIA ENERGY COMMISSION SOUTHERN CALIFORNIA EQUITABLE BUILD DECARBONIZATION PROGRAM FOR CALENDAR YEARS 2024 THROUGH 2029 (ALL SUPERVISORIAL DISTRICTS - 4 VOTES)

SUBJECT

Request the Board to accept \$328.72 million in grant funding received through the Equitable Building Decarbonization grant award program from the California Energy Commission (CEC), for calendar years (CY) 2024 through 2029, for implementation and administration by the County through the Internal Services Department (ISD)-Energy and Environmental Services (EES).

IT IS RECOMMENDED THAT THE BOARD:

1. Accept \$328.72 million from the CEC for CY 2024 through 2029 to implement the Equitable Building Decarbonization Efficiency (EBD) grant program;
2. Delegate authority to the Director of ISD, or their designee, to execute contractual agreements with contractors, community-based organizations (CBOs), Joint Powers Authority (JPAs), and other public agencies to implement and administer the CEC EBD grant program;
3. Delegate authority to the Director of ISD, or their designee, to execute a budget and funding agreement with the corresponding grant agency for the grant program to allow for the disbursement of funds to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In 2022, the California State Legislature approved Assembly Bill 209 (Committee on Budget, Chapter 251, Statutes of 2022) which directed the CEC to develop the EBD Program. The CEC EBD Program is aimed to help eligible “income-qualified” residential customers electrify their homes at no cost, reducing greenhouse gas emissions and advancing energy equity. The CEC EBD Program will also encourage resiliency to extreme heat, indoor air-quality improvements, energy affordability, grid reliability, and local workforce opportunities.

In 2023, the CEC released its guidelines to address the CEC EBD Program as well as the timeline in which the grant program would be solicited. ISD-EES quickly mobilized its Southern California (SoCal) partners to formulate a coalition to harness the collective local jurisdiction trust and engagement to implement a decarbonization program that overcomes barriers and challenges to a pathway of net zero within residential buildings. In 2024, with over 32 partners the coalition developed an application led by the ISD-EES team and successfully won the administration of the SoCal CEC EBD Program.

The EBD Direct Install Program will accelerate large-scale residential building decarbonization efforts underway in SoCal. For more than a decade, the County of Los Angeles (County) has been deeply investing in the resources and relationships necessary to deliver a program of this scale and formed the SoCal EBD Coalition to collaboratively develop an EBD Program design for the SoCal region. This team consists of 55 local CBOs, community choice aggregators, regional energy networks, local government councils, tribal councils, and implementation experts that have been actively engaged in residential decarbonization efforts over the past several years and are trusted advisors within their communities.

Over the past 18 months, ISD-EES has held more than 50 planning sessions to ensure the EBD Program design is aligned with CEC objectives and local community needs. The program approach is centered around CBOs engagement who are best positioned to provide culturally appropriate outreach, education, and support. These CBOs are also uniquely positioned to support local workforce development, training, and career placement utilizing funds available outside of the EBD program.

In addition, the ISD-EES has carefully curated an implementation team of private sector Subject Matter Experts that combines nationwide expertise with direct residential decarbonization experience in California’s historically underserved communities. This implementation team will support local CBO engagement and outreach efforts with a proven and effective direct install model. The implementation team will also support home energy assessments, workforce plans, manage projects and the trade ally network, and complete Quality Assurance/Quality Control (QA/QC). Our Implementation Partners currently deliver 18 programs in California serving single family, multifamily, and manufactured homes and will bring best practices to EBD. In addition to the right team and approach, ISD-EES has the infrastructure and administration experience in place to rapidly launch and scale the EBD program in the southern region, that will effectively serve EBD participants.

Implementation of Strategic Plan Goals

Approval of the recommended actions aligns with County Strategic Plan North Star 2 – Foster vibrant and resilient communities, Focus Area Goal D – Sustainability. By obtaining external funding to promote environmentally responsible practices and providing no-cost services, communities' will experience increased accessibility to energy improvements and be relieved of excess energy burden. Additionally, this funding will support Country Strategic Plan North Star 3 Realize tomorrow's government today, Focus Area Goal A Communication and Public Access, B Diverse and Inclusive Workforce, C Equity-Centered Policies and Practices. Resources will be distributed to workforce development partnerships with community-based organizations across the region based on data that supports communities in most need. Materials will be provided to communities in English, Cantonese, and Spanish, and can be prepared in additional languages for communities when necessary. This funding enhances our ability to deliver services, foster trust with our communities and demonstrate that we're leveraging every opportunity to create positive outcomes for communities in our region.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund because all grant program activities will utilize funding awarded from the CEC. ISD's Fiscal Year (FY) 2024-25 Adopted Budget includes \$2.75 million in appropriation and funding to begin the initial implementation of these program activities. Requests for future FY activities will be submitted with the annual budget request.

The CEC EBD Program grant award requires no match by the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Board Letter is requesting your Board's approval to accept a one-time grant award in the amount of \$328.72 million from the CEC CY 2024 through 2029 to provide no-cost residential electrification retrofits that will support County communities' sustainability needs. The County will be required to submit annual reports on the performance and budgets for this grants and will also report out to your Board annually regarding the progress of this grant supported program. The program offered by this grant will be implemented by third-party contractors, public agencies, JPAs, and community-based organizations who partnered through relationships and or contracts of the County.

ENVIRONMENTAL DOCUMENTATION

ISD does not anticipate any conflict with California Environmental Quality Act requirements as the residential retrofits will occur in existing residential properties and modifications to properties will be minimal. Any panel upgrades that require permitting will be obtained prior to the initiation of the work. The scope of work is within the class of projects that has been determined not to have a significant effect on the environment. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption.

CONTRACTING PROCESS

In June of 2023, ISD Procurement Division on behalf of EES issued a competitive Energy Support Services Master Agreement (ESSMA) Request For Information (RFI) for implementation services proposal to support the implementation of the CEC EBD Program as well as the application grant submittal by a private sector implementer. The solicitation received 3 bids and was evaluated based on the criteria identified in the RFI. Based on the evaluation of the bids, ICF was identified as the selected awardee.

In addition and as required by the grant, ISD EES identified a number of grant eligible program partners that consist of local CBOs, community choice aggregators, regional energy networks, local government councils, and tribal councils that are required by the grant to support the implementation of the program across SoCal.

- 1) Based on the results of the competitive ESSMA RFI, ICF will be entered into an ESSMA Work Order agreement;
- 2) Local CBOs, community choice aggregators, regional energy networks, local government councils, and tribal councils will be contracted through MOUs. The list of these agencies are as follows:
 - a. CalChoice
 - b. California Housing Partnership
 - c. Clean Energy Alliance
 - d. Clean Power Alliance
 - e. Climate Action Campaign
 - f. Emerald Cities Collaborative
 - g. Esperanza Community Housing Corporation
 - h. Gateway Cities Council of Governments
 - i. GRID Alternatives
 - j. Helping Elders Live Productively
 - k. House of Yahweh South Bay Outreach Center
 - l. Imperial Irrigation District
 - m. Inland Regional Energy Network
 - n. Los Angeles Alliance for a New Economy
 - o. Lawrence Berkeley National Laboratory
 - p. Lincus, Incorporated
 - q. Orange County Power Authority
 - r. Pacoima Beautiful
 - s. Physicians for Social Responsibility
 - t. Recurve Analytics, Inc.
 - u. Strategic Actions for a Just Economy
 - v. South Bay Cities Council of Governments
 - w. San Diego Community Power
 - x. San Diego Urban Sustainability Coalition
 - y. San Gabriel Valley Council of Governments
 - z. The Energy Coalition

- aa. Niles Foundation
- bb. Tribal Energy and Climate Collective

Based on the allowable grant requirements, ISD may identify additional CBOs that could support the program. ISD would seek to enter MOUs with these additional CBOs where appropriate and with CEC approval.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

California’s ambitious climate action goals include reducing emissions to 40 percent of 1990 levels by 2030 and achieving carbon neutrality by 2045. Acceptance and use of the offered funds will support programs throughout the region and will continue to help the County, the SoCal Region, and the State of California achieve the worthy public goals of creating substantial, sustainable, and measurable energy savings, green jobs, and economic stimulus benefits.

Additionally, the County’s regional sustainability plan—OurCounty—is the boldest in the nation, directly supporting these goals as well as regional efforts to improve energy equity and prepare local workers for the clean energy transition. This funding will directly contribute to the County’s sustainability plan goals of resilient and healthy communities (Goal 1) as well as buildings and infrastructure that support human health and resilience (Goal 2), and it will work to decarbonize our transportation sector (Goal 8). Funding will directly support programming that will reduce greenhouse gases, support underserved communities with workforce placement and increases in electric vehicle infrastructure.

CONCLUSION

Upon Board approval, please return a copy of the adopted Board Letter to ISD.

Respectfully submitted,



MICHAEL OWH
Director

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- c: Chief Executive Officer
County Counsel