

DETAILED BUDGET NARRATIVE

a. Budget Detail

Central Grant Administration and Reporting		
Category	Description	Total Budget
a. Personnel	Staff time to administer grant, including invoicing and reporting. Includes time for deputy director of planning, program manager, program analyst I, accounting assistant, accounting supervisor, accountant, and chief financial officer	\$632,222
b. Fringe Benefits	Fringe benefit for personnel at 80%	\$505,778
c. Travel		\$0
d. Equipment		\$0
e. Supplies		\$0
f. Contractual		\$0
g. Other	Consultant services for project controls and grant management	\$860,000
h. Total Direct Charges (sum of a-g)		\$1,998,000
i. Indirect		\$0
j. TOTALS (sum of h and i)		\$1,998,000

Municipal Building Decarbonization		
Category	Description	Total Budget
a. Personnel	Staff time for administration of the RLF funds as well as program management, reporting and oversight. Includes time for chief financial officer, energy & environment director, senior program manager, program manager, analyst II, analyst I, fiscal analyst, and program specialist	\$1,111,111
b. Fringe Benefits	Fringe benefit for personnel at 80%	\$888,889
c. Travel		\$0
d. Equipment	Loans disbursed for electrification and resilience equipment and installation	\$100,500,000
e. Supplies		\$0
f. Contractual	Consultant services for loan program administration and PFM Financial Advisors LLC advisory services	\$1,000,000
g. Other	GRID Alternatives funds for community outreach and community resilience center development funds for type 2 & 3 projects	\$3,200,000

h. Total Direct Charges (sum of a-g)		\$106,700,000
i. Indirect		\$0
j. TOTALS (sum of h and i)		\$106,700,000

Residential Building Decarbonization		
Category	Description	Total Budget
a. Personnel	Staff time for administration of the program funds as well as program management, reporting and oversight. Includes time for program manager, management analyst I, program specialist II, accountant, management analyst II, director, chief operating officer, and executive director	\$843,963
b. Fringe Benefits	Fringe benefit for personnel at 80%	\$672,708
c. Travel	Mileage at 0.655 per mile (an average of eleven 100-mile trips per year)	\$3,603
d. Equipment		\$0
e. Supplies	Office supplies, collateral, laptops	\$29,5302
f. Contractual	Energy efficiency contractors (to be selected through a competitive bidding process) will be responsible for cost-effective and high quality installation of energy efficiency measures at participants' homes. Residential EE projects will include a variety of measures such as heat pump water heaters, AC, weatherization, LED lighting, and water efficient faucets. Projects will cost between \$24,000 and \$39,000 per household depending on residence type and available incentive/rebate programs	\$7,066,782
g. Other	The Energy Coalition, a nonprofit contractor, will be responsible for overall program oversight, reporting, and day-to-day management of community-based organizations and contractors. The Energy Coalition will also liaise with Grid Alternatives IE to ensure a coordinated installation of the energy efficiency and solar and storage measures. GRID Alternatives IE, a nonprofit contractor, will perform 415 residential solar + storage projects total in LIDACs within the project area. This assumes an average system size of 4.2kWDC/26.4kWh solar + battery backup at a cost of \$27,853 per solar + storage system (after incentives, rebates and credits). This also	\$20,486,492

	includes community outreach through GRID Alternatives specialists. Alianza, the local nonprofit partner, will be responsible for outreach and engagement to identify eligible program participants. This includes participant stipends for outreach.	
h. Total Direct Charges (sum of a-g)		\$29,100,000
i. Indirect		\$0
j. TOTALS (sum of h and i)		\$29,100,000

Light Duty Electric Vehicle Infrastructure		
Category	Description	Total Budget
a. Personnel	Staff time for administration of the program funds as well as program management, reporting and oversight. This includes time for deputy director of planning, program manager, program analyst I, accounting assistant, accounting supervisor, accountant, and chief financial officer.	\$1,204,300
b. Fringe Benefits	Fringe benefit for personnel at 80%	\$963,440
c. Travel		\$0
d. Equipment	Charger installation of 500 Level 2 chargers and 285 DC fast chargers	\$49,550,000
e. Supplies		\$0
f. Contractual	Contractors (to be selected through a competitive bidding process) will be responsible for charger maintenance; charger subscription fee and reporting; project management and site selection analysis; marketing and engagement with potential site hosts; and a community based organization will be responsible for engagement and outreach with LIDACs	\$6,482,260
g. Other		\$0
h. Total Direct Charges (sum of a-g)		\$58,200,000
i. Indirect		\$0
j. TOTALS (sum of h and i)		\$58,200,000

Workforce Development Program		
Category	Description	Total Budget

a. Personnel	Staff time for administration and oversight of the program. Includes time for Program Manager and Program Analyst I.	\$189,000
b. Fringe Benefits	Fringe benefit for personnel at 80%	\$151,200
c. Travel	Mileage for local travel to events (1526 miles per year at \$0.655/mi).	\$5,600
d. Equipment		\$0
e. Supplies	Office Supplies & Collateral	\$3,900
f. Contractual	Subaward for scholarship administration for community college program participants.	\$300,000
g. Other	Participant support costs for scholarships to attend training programs and internships at local community colleges. Subaward to Chino Hills Chamber of Commerce for placement of training program participants through engagement with GHG measure contractors. Subaward to GRID Alternatives IE for solar installation training program. (See details below)	\$3,350,000
h. Total Direct Charges (sum of a-g)		\$4,000,000
i. Indirect		\$0
j. TOTALS (sum of h and i)		\$4,000,000

GRID Alternatives Budget for IBT-200 Training Program (assumes 60 participants)	
Category	Total Budget
a. Personnel	\$331,934
b. Fringe Benefits	\$85,041
c. Travel	\$9,668
d. Equipment	\$39,600
e. Supplies	\$65,400
f. Contractual	\$0
g. Other	\$330,000
h. Total Direct Charges (sum of a-g)	\$861,643
i. Indirect	\$138,356
j. TOTALS (sum of h and i)	\$1,000,000

b. Expenditure of Awarded Funds

Municipal Building Decarbonization

Through the I-REN technical assistance program, there is an existing pipeline of municipal decarbonization projects seeking financing. The RLF is designed to attract agency participation and maximize projects completed in the initial 5 year grant period. Loans will be interest-free with no fees or pre-payment penalties. There will also be a graduated principal forgiveness incentive that will convert a percentage of the loan to a grant for projects that complete within the initial 5 year period, as follows:

Type 1 Projects		Type 2 and 3 Projects	
Year	% Loan Forgiveness	Year	% Loan Forgiveness
Year 1	25%	Year 1	50%
Year 2	15%	Year 2	25%
Year 3	10%	Year 3	20%
Year 4	5%	Year 4	10%
Year 5	5%	Year 5	10%

Loans will be structured with fixed repayments for ease of agency budgeting, and loan terms will be capped at 15 years. To further assist with loan repayment, I-REN will help agencies leverage multiple sources of existing funding, such as enhanced energy efficiency incentives offered by I-REN for facilities that serve a community resilience function, utility on-bill financing, the CPUC's SGIP, and the Federal ITC.

The budget includes funding for a loan administrator that will be responsible for ensuring all necessary preparation is made for the program launch and successful implementation. After launch, the loan administrator will be expected to complete all tasks necessary for successful implementation and management, including but not limited to, loan origination and processing, underwriting, contractor management, income verification, and servicing.

Additionally, PFM will maintain capacity planning tools designed to support and assess potential program capacity and sustainability given capital resources and proposed funding/financing mechanisms. PFM will also provide continuing input to programmatic and financial policies in light of industry best practices.

Residential Building Decarbonization

The Energy Coalition is a proven partner and will be utilized for their experience in residential program oversight and day-to-day management of program stakeholders including CBOs and contractors. Leveraging their experience working on similar projects with some of the same partners will allow coordinated and streamlined program implementation, resulting in the installation of energy efficiency, solar, and storage measures as quickly as possible. The direct-install program's set of prescribed energy efficiency measures helps simplify and streamline the process for participants and contractors with highly replicable activity, ensuring timely and efficient installation of measures and avoiding the need for a custom solution to be developed for each home.

Light Duty Electric Vehicle (EV) Infrastructure

A strategic approach will help optimize and expedite site selection for the EV infrastructure, including leveraging existing data (such as San Bernardino's existing EV Readiness Plan, which already identifies priority sites), partnerships, and community engagement. We will allocate resources based on site

readiness, permitting requirements, and utility coordination needs. By addressing the most time-sensitive aspects first, funds will be utilized efficiently throughout the project. The program will competitively select subcontractors with specific expertise to most efficiently identify sites and to install, commission, operate, and maintain charging stations in a timely manner within the grant period. The program will also take advantage of charger-ready sites throughout the region to deploy chargers as quickly as possible.

Ensuring the availability of necessary equipment and avoiding potential shipping delays are crucial to keeping the project on schedule and utilizing funds in a timely manner. Comprehensive project planning and management will be implemented to closely monitor progress and swiftly execute corrective measures, if needed. Early engagement with local authorities will help streamline the permitting process, while proactive supply chain management, strategic equipment procurement strategies, and advanced coordination with utilities will facilitate efficient fund utilization. One proactive supply chain management strategy will be to line up alternative suppliers to mitigate potential delays or cost overruns due to supply chain disruptions or equipment availability issues. We will also ensure that a robust quality control and inspection process is planned and implemented to identify and address any installation issues promptly, preventing delays and rework that could impede fund utilization. These measures aim to maintain the project's timeline, ensuring that allocated funds are expended as planned, maximizing their intended impact on greenhouse gas reductions.

c. Reasonableness of Costs

Every expenditure is directly related to maximizing GHG emissions reductions and providing benefits to LIDAC communities, while efficiently administering and tracking all grant funding and activities. A modest amount of the budget (1%) is dedicated to overall award administration, with 5% carved out for administration of each individual measure. There are very limited amounts of funding for travel, and that is only for local mileage within the very large MSA territory. Program partners integrated into all reduction measure programs are proven collaborators with recent experience that informed cost estimates. Additional program specific details are below.

Municipal Building Decarbonization

Cost assumptions for equipment and contractor labor are based on data from similar recently completed projects. The risk of prices increasing over time has been addressed in the budget by a built-in escalation of 2.5% over the 5 year grant term to reflect expected cost trends (this is reflected in the RLF spreadsheet, included with this application and discussed further in the Technical Appendix). The cost assumptions for program administration are a percentage of total funding, and are based on the implementer's prior experience implementing similar types of funding programs. Measure costs are reasonable as only essential expenditures are included to ensure LIDAC communities receive benefits, including appropriate funding for outreach. Municipal building decarbonization will include investments for larger sized solar PV and battery systems to support urgently needed community resilience in LIDACs. Further, the budget will include some grant funds to support resilience center programming and for community input.

Residential Building Decarbonization

Cost assumptions for equipment and contractor labor are based on data from similar recently completed projects. The risk of prices increasing over time has been addressed in the budget by a built-in escalation of 2.5% over the 5 year grant term to reflect expected cost trends. Measure costs are reasonable as only essential expenditures are included to ensure LIDAC communities receive benefits. Residential building decarbonization will focus exclusively on LIDAC communities, where upgrades require additional

investments to address poor roof quality and undersized electric service panels and circuitry. Further, funding will include PV solar and storage to reduce the impact of electrification on household energy bills and to strengthen the durability of GHG reductions related to future appliance replacements.

Light Duty Electric Vehicle (EV) Infrastructure

Cost assumptions for capital, maintenance, and network costs were provided by ChargerHelp!,¹ a national EVSE-dedicated operations and maintenance service provider, for both Level 2 chargers and DCFCs. The costs are comparable with industry costs and costs incurred in recent projects. Electricity costs per kWh and charging fees were estimated using information from CARB.² Energy demand and fixed charges were provided by The Energy Coalition³ based on experience with similar programs in the region. Measure costs are reasonable as only essential expenditures are included to ensure LIDAC communities receive benefits. The EV charging infrastructure portfolio will include L2 charges as well as DCFCs. L2 chargers are essential to support the transition to electric vehicles in LIDAC communities, which have been historically underserved.

¹ ChargerHelp! (<https://www.chargerhelp.com/>) Correspondence with Josh Lee, SBCOG on February 15, 2024. ChargerHelp! is a national EVSE-dedicated operations and maintenance service provider.

² CARB, Electric Car Charging Overview. Available at: <https://driveclean.ca.gov/electric-car-charging>.

³ The Energy Coalition, 2024. Inland Empire Electric Vehicle Infrastructure Deployment Proposed Program Guide.