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StopWaste is the Alameda County Waste Management Authority, the Alameda County Source Reduction and Recycling Board, and the Energy Council operating as one public agency.

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April 9, 2015

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CC: Joe Yun, Program Manager Joseph.Yun@water.ca.gov

RE: StopWaste Comments to DWR Draft Funding Recommendations

Dear DWR Water Energy Grant review staff,
Thank you for the opportunity to debrief on our proposal *"Water-Energy Upgrades in Alameda County DACs"* by meeting in person at your offices on April 7, 2015 from 1-2pm.

As discussed, we respectfully request the following two corrections on our proposal scoring sheet be made immediately.

1. **Correct Project Description**

Project description does not accurately capture the projects/measures proposed, revised description:
The proposal is submitted in partnership with Oakland and San Leandro Unified School Districts, City of San Leandro Parks, East Bay Asian Local Development Corporation, Eden Housing, and industrial laundry providers. The six construction projects are all located within DACs and include: Project 1: Install water and hot water efficiency upgrades in 92 apartments at Hismen Hin-Nu Apartment Complex. Repair leaking pipes and improve landscaping. Project 2: Install water and hot water energy efficiency upgrades at 143 apartments at Eden Lodge Apartment Complex. Improve landscaping. Project 3: Install ozone laundry technology upgrades at four hospitality locations and one industrial laundry site. Project 4: Install water and energy efficiency upgrades at two schools, install pool cover winder and cogeneration system on the OUSD pool. Project 5: Install irrigation improvements at four San Leandro schools and a solar water heating system at SLUSD pool. Project 6: Install lawn conversions, irrigation upgrades and groundwater well pump upgrades at four public parks in San Leandro. Project 7: Coordinate and manage activities for the six construction project partners.

2. **All necessary agreement component requirements were met, as outlined in the PSP.**

Responses to the agreement component scoring sheet comments are detailed as followed, please reference original submittal.

- The Work Plan tasks do not identify appropriate deliverables resulting from the activities described.
    - Please see attachment 3 for detailed deliverables, starting on pages 12-14 as an example of the detailed deliverables that were listed for each of the projects.
- Work Plan does not address CEQA compliance.
    - Please see attachment 3, task 4 under each project describes the CEQA compliance.

- The Schedule is not consistent with the tasks in the Work Plan.
    - There is no inconsistency between the tasks in the Work Plan and schedule.
- The Budget basis of estimate does not contain hours and rates as appropriate.
    - Project 7 included hours and rates as appropriate, this is where all project administration/management and any staff time billed to the grant was located. The other project budgets were requesting funding to cover the cost of equipment installation (not staff time) so it was not applicable to include rates.
- Budget basis of estimate does not result in costs presented in the Budget. All Budget estimates are not justified as to their use and magnitude.
    - See detailed justifications including equipment and labor cost break-down in Attachment 4, and in the referenced back-up material, under each of the projects.

Also, we offer the following comments regarding the evaluation and scoring of projects:

- The current evaluation criteria are biased towards inexpensive measures that are widely offered in existing water efficiency programs. There is currently no benefit for projects which are capturing savings higher up the cost-effectiveness curve through relatively innovative technologies, and in sectors where there are lack of resources to implement water and hot water technologies.
- Project evaluations do not take into account double-dipping of funds for implementation of technologies; both at the project level and at the jurisdictional level. As a result, top-ranked proposals may duplicate incentives that are already offered by water, energy or other agencies.
    - Several projects which are listed for a funding priority are claiming savings for measures such as lighting and whole building upgrades which are not related to the water systems and which are heavily incentivized throughout the state by the Energy Utilities. In the CPUC regulatory environment this would be considered double dipping.
- Project evaluation does not consider likely readiness and persistence of savings claims from applicants, as a result, top-ranked projects may have overestimated participation and savings claims. Proposals with committed projects that have already been evaluated for existing conditions and actual measure installation opportunities at the project sites have more accurate savings claims.
    - For example, in 310 multifamily housing units included in our proposal we only requested funding for approximately 65% of the total shower heads, aerators, and toilets, in these units and we excluded units which had already received upgrades of this equipment previously. Program proposals, such as for rebate programs, that have not yet conducted site evaluations would likely have claimed the fixture savings for all 310 dwelling units.

Thank you for your consideration of these comments and for quickly addressing the errors in the proposal scoring sheet.

Sincerely,

Heather Larson

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