

TO: California Air Resources Board Members & Staff Cc: Jonathan Fong, California Energy Commission

RE: Using Climate Pollution Reduction Grants for School Building Electrification

Dear CARB Members and Staff,

Thank you for your continued efforts to improve air quality, protect public health, and mitigate the impacts of climate change. We are a diverse group of municipal, education, public health, labor and climate leaders who are committed to supporting CARB's bold efforts to address the climate crisis and build a more equitable, resilient California.

We are grateful for the state's pursuit of implementation funding through the EPA's Climate Pollution Reduction Grant (CPRG) program, and we write to encourage CARB to include school building electrification as a priority measure for CPRG funding. School buildings are too often left out of decarbonization discussions, despite the significant emissions reduction potential and myriad co-benefits delivered to students, staff, and families. Electrifying school buildings has exciting potential to improve health and learning for our students and their communities. For example, when we replace gas-powered boilers with electric HVAC systems powered by on-site solar and storage, students can learn and play in healthy environments conducive to learning during extreme heat events, power outages, and wildfire smoke days. California has several opportunities to advance climate, health, and equity goals with school electrification, including working with the legislature to align school investment with electrification in an upcoming school bond bill, and creating statewide master plan for healthy, sustainable, and climate-resilient schools in the 2024 state budget.

CPRG is another important opportunity. We urge CARB to explicitly mention and prioritize school building electrification in California's Priority Climate Action Plan (PCAP), Implementation Grant application, and next year, in the state's Comprehensive Climate Action Plan (CCAP). EPA will prioritize applications for Implementation Grant funding that demonstrate measurable greenhouse gas (GHG) emissions reductions and robust community benefits, as well as explain how the resources would address policy gaps and leverage other funding sources. We believe that school building electrification meets each of these goals as explained below, and including it as a central element of the state's climate plans would make CARB's application more competitive.

#### **GHG Emissions Reductions**

School electrification has the potential to slash climate pollution across the state. With over 730 million square feet of buildings, schools are one of the state's largest forms of public building infrastructure. California's K-12 public school buildings produce an estimated 9% of the state's non-residential building emissions each year – equivalent to roughly 783,000 gas-powered cars. By funding electrification in outdated, polluting school buildings, CPRG funding would allow California to dramatically reduce these emissions.

### **Community Benefits**

School building electrification also improves public health, promotes equity, and strengthens community resilience. With ultra-efficient heat pumps to both heat and cool classrooms, electrified schools can be a refuge during extreme weather events, such as heat waves that are becoming more frequent and intense in a changing climate. Wildfire smoke is also a growing threat – in fall of 2019, 360 California schools closed for 5 days or longer due to poor air quality from wildfires. Modern, electric HVAC systems filter wildfire smoke and could provide clean air to students, staff, and communities. These services are especially critical to disadvantaged communities as they may not have access to other spaces during extreme weather conditions.

Additionally, electrification replaces outdated fossil fuel machines that <u>jeopardize</u> indoor air quality, impair student learning, aggravate asthma, and lead to <u>chronic absenteeism</u>. Widespread electric upgrades would be especially impactful in California – a pair of 2020 studies concluded that <u>38 percent</u> of California students attend schools that didn't even meet the minimum facility standards, and only <u>15 percent</u> of schools had healthy classroom ventilation. CPRG funding can help California get its school facilities back on track, to the benefit of students, staff, and entire communities.

School electrification also advances environmental justice and equity. CPRG is covered by <u>Justice40</u>, meaning that competitive Implementation Grant applications will need to demonstrate that at least 40% of the program's benefits will flow to disadvantaged communities. In California, low-wealth districts that serve disadvantaged communities have <u>disproportionately</u> outdated school facilities, meaning that the state's least-resourced students breathe the dirtiest air, are least likely to have air conditioning and comfortable learning environments, and are most vulnerable to disruptions in their learning during increasingly common environmental impacts

from climate change. Upgrading and electrifying school buildings would deliver measurable health, educational, and economic benefits to these communities, allowing CARB to align California's Implementation Grants application with Justice40 goals.

## **Leveraging Other IRA Funding**

Through the Inflation Reduction Act, schools currently have unlimited access to clean energy tax credits for installing ground-source heat pumps, solar panels and battery storage, electric buses, and electric vehicle charging stations. However, most existing school buildings require significant investment to address deferred maintenance to enable this transition to clean energy. Grant money could fund the pre-work needed for school buildings to transition to clean energy and allow schools to leverage unlimited clean energy tax credits. In other words, devoting grant funding to existing school buildings will unlock substantial federal clean energy tax credits that are currently out-of-reach, especially in disadvantaged communities.

### **Building on the Success of Existing State Programs**

The California Schools Healthy, Air, Plumbing, and Efficiency Program (CalSHAPE) has been successfully funding electric HVAC repairs and replacements for schools since its inception in 2020. Schools apply to the program for assessment and maintenance funding, and are then eligible to receive funding for upgrades and repairs. CalSHAPE has identified hundreds of schools that need HVAC upgrades and replacements, but the money is set to run out before the projects themselves are funded. Additionally, because CalSHAPE is funded by large Investor Owned Utilities (IOUs) and only schools within the those service territories are eligible for the funding, thousands of schools are unable to participate in CalSHAPE, either because they are outside of the service territories of the IOUs, or because the participating utilities have already maxed out their contributions to the program. CPRG Implementation Grant dollars can be deployed to fill these gaps – swiftly and efficiently allocating resources to pre-approved, shovel-ready projects, and expanding access to all of California's schools. These dollars will lift up communities and slash GHG emissions.

We understand the importance of strong partnerships in developing this concept, effective implementation, and responsible stewardship of these resources. We pledge to assist your office and other state partners as appropriate. This may include ensuring local resources are aligned with the program goals, performing community engagement, assisting with program design and technical assistance, supporting implementation, and meeting reporting requirements. Thank you for considering our recommendations.

# Sincerely,

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