

Control number: 2988-1589**Project title: Nevada County Home Upgrade Program****Applicant Organization:** Nevada County, California**Track:** Track 2 – Implementation and Scaling**Total federal budget requested:** \$960,000**Cost share:** In-kind staff support for program administration and outreach.

Project Manager <i>(Responsible for management of the entire project)</i>	Business Contact <i>(Responsible for financial aspects of the grant)</i>
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Team members *(Other eligible local governments or state-recognized tribes.)*

Local government/State-recognized tribe name: Town of Truckee
Role: Assisting in program design, implementation in Town of Truckee
Point of contact name: Erin Brewster, Sustainability Program Manager
Point of contact email: ebrewster@townoftruckee.com
Budget allocation: n/a

Partners *(E.g. non-profit organizations, community groups, utilities, foundations, private companies, etc. For each partner: Name, location, role)*

Partner See Below
Role:
Location:
Point of contact name:
Budget allocation:

Confidentiality notes *(if applicable, tell us which sections of this document are confidential)*

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1. PROJECT DESCRIPTION**Project Summary**

The Nevada County Home Upgrade Program (NCHUP) aims to enhance home energy efficiency and resilience and promote workforce development in rural Nevada County, California. This program has three primary components: 1) enable greater participation in existing low-income weatherization programs by providing supplemental home repair funds; 2) offer no-cost energy audits and weatherization measures, along with associated critical home repairs, for households making up to 80% Area Median Income; and 3) provide scholarships for energy auditor

certification trainings. Nevada County and its three incorporated jurisdictions, the Town of Truckee, Grass Valley, and Nevada City, have partnered together for this proposal.

Nevada County and its incorporated jurisdictions have identified weatherization as a priority to improve community resilience to the region’s extreme temperatures, decrease energy burden for residents, and reduce GHG emissions. The NCHUP will create a centralized, no-cost weatherization program in Nevada County, leveraging existing programs and filling in gaps to expand access to these critical services. The program will provide one-on-one assistance to income-qualified residents to navigate available assistance for weatherization upgrades and associated critical home repairs. In order to facilitate local workforce development, the NCHUP will also provide scholarships for training to increase availability of local energy auditors.

The program will provide households making up to 80% of Area Median Income with:

- A home assessment to document existing conditions and determine program eligibility.
- A full energy audit, including blower door and duct testing, as necessary.
- A proposed scope of work for each home that outlines recommended weatherization measures and identifies available programs or incentives.
- Supplemental funding for critical repairs and upgrades required to enable participation in existing utility or federal weatherization programs.
- No-cost weatherization services, including associated critical home repairs, to households who are not eligible for existing utility or federal programs.

The proposed NCHUP program aims to increase access to weatherization and energy efficiency programs in Nevada County, providing residents with tangible benefits in health, comfort, safety and energy cost savings. This program is also designed to stimulate local contractor employment and engagement in building decarbonization while creating lasting GHG reduction benefits and better preparing the local workforce and building stock for future decarbonization efforts.

Project Timeline

Task	Anticipated Timeline
1. Develop RFP and select program administrator	Month 1 – 3
2. Program design and start up	Month 1 – 5
3. Outreach, education, enrollment	Month 6 – 20
4. Installation management & site support	Month 7 – 36
5. Project evaluation & reporting	Month 9 – 36

Geographic Scope

The NCHUP will be available to residents throughout Nevada County, a rural area in eastern California with a total population of approximately 103,000. Nevada County is geographically diverse, with mountainous, snowy terrain to the east and low-lying foothills to the west. The Town of Truckee, located in the mountains of eastern Nevada County, is the largest municipality in the County with a population of approximately 16,850. The County’s two other incorporated jurisdictions, Grass Valley and Nevada City, are in the western foothills. Approximately 68% of the County’s population lives in outlying unincorporated areas.

Ongoing Program Sustainability

The NCHUP is intended as a pilot program, to assess the success of the proposed approach and gather data to inform future program design. This program will create lasting benefits for participating residents in lower energy bills, increased home comfort and safety, and improved

resilience to climate impacts. Additionally, the NCHUP program will create newly trained energy auditors, the demand for which will continue to increase with California's building decarbonization goals and generous rebates from the IRA and other sources. Qualified energy auditors will be critical to implementation of future building decarbonization projects as this region works towards both State and local greenhouse gas reduction targets.

Program partners are hopeful that creation of a new Rural Regional Energy Network (RuralREN) to support rural areas of California such as Nevada County could provide future program administration support and funding for this type of program in IOU-served areas of Nevada County. While the RuralREN would not support areas of Truckee served by Truckee Donner Public Utility District, the Town of Truckee could explore funding options in partnership with TDPUD to continue this weatherization program, pending Town Council approval.

Project Impact

This region of the Sierra Nevada mountains is already experiencing climate impacts with increasing frequency, including devastating wildfires, extreme temperatures, and strong winter storms. These threats leave residents susceptible to power outages, indoor smoke penetration, significant repair costs, and high energy bills. The region's aging building stock has a need for basic weatherization measures and critical repairs, particularly after record-high snow loads in the 2022-2023 winter. Two-thirds of Nevada County's residential buildings are over 40 years old, and one in five are more than 60 years old.ⁱ Improving the resilience, safety, and comfort of these homes while reducing energy burden is critical to achieving equitable climate action.

Building energy use is responsible for the largest share of GHG emissions in Nevada County, primarily from residential structures. Weatherization is the best first step in the home decarbonization process to enable right-sizing of equipment and avoid increasing the energy burden. Correctly implemented weatherization strategies typically reduce home energy use by 10-20%,ⁱⁱ translating directly to GHG reduction. Natural gas or propane is the primary form of heating fuel for over 65% of Nevada County homes,ⁱⁱⁱ presenting an opportunity to directly reduce fossil fuel use through efficiency measures.

However, jurisdictions and unincorporated territories in Nevada County have largely lacked the resources for robust home decarbonization programs, and implementation of weatherization measures is severely hindered by program constraints. Many parts of the county have seen extremely low participation in existing programs; in Truckee, only one residence has been served by utility Energy Savings Assistance programs over the past several years.

Greater participation in weatherization programs will immediately reduce GHG emissions by reducing energy use, especially from natural gas and propane heating, while providing rural residents of Nevada County with cost savings. In the long term, this program will help accelerate adoption of clean energy technologies like heat pumps by conducting the necessary building envelope upgrades to more efficiently implement future electrification measures. The NCHUP will address barriers to participation in existing programs and increase access to weatherization upgrades in the following ways:

1) Provide a centralized program to help residents navigate available assistance.

Currently, Nevada County residents must navigate a patchwork of four different utility and federal weatherization assistance programs, each with different eligibility criteria, that do not align with jurisdictional boundaries. This has hampered effective program outreach and enrollment. The NCHUP will create a centralized program to assist all Nevada County residents in assessing program eligibility, allowing for unified, county-wide messaging. The partnering jurisdictions will

leverage existing outreach channels to residents, along with strong partnerships with community-based organizations, to connect residents with this program.

2) Provide supplemental repair funds to enable participation in existing programs.

Many households otherwise eligible for existing weatherization programs have been unable to participate due to pre-existing safety issues such as leaky roofs, mold infiltration, or knob-and-tube wiring. While utility and federal programs provide some funds for home repairs, not all necessary health and safety measures may be covered, and many homes have repair needs in excess of program cost limits. ProjectGo, the program administrator for the DOE-funded Weatherization Assistance Program (WAP), identified pre-weatherization repairs as a major barrier to participation in their program, and indicated that additional funds for home repair work would significantly increase their ability to serve homes. The NCHUP will coordinate with ESA and ProjectGo programs to provide supplemental funding for these critical repairs to eligible households to facilitate participation in these weatherization programs.

3) Expand access to weatherization assistance to homes with all heating fuels.

ESA programs in California are only available to residents whose primary heating is supplied by an investor-owned utility, which excludes the 47% of Nevada County households relying on propane or wood stoves for heat,^{iv} as well as residents with electric heating served by Truckee Donner Public Utility District. The NCHUP would standardize no-cost weatherization services available across all heating fuel types, leveraging any applicable federal assistance programs.

4) Increase household income limits for eligibility.

Existing no-cost weatherization programs require income qualification at roughly 250% of the federal poverty level (approximately 50-60% AMI in Nevada County). This low threshold makes it challenging for many households, particularly in higher cost-of-living areas such as Truckee, to participate in these programs. The NCHUP will offer equivalent weatherization assistance to households making up to 80% AMI that do not income-qualify for existing programs.

Workforce Development

Energy audits are difficult to come by in Nevada County, with only a handful of local energy auditors. Due to the rural nature of the region and limited availability, energy auditors must often travel long distances, or from outside the County entirely, leaving residents to pay high travel fees.

The NCHUP will provide scholarships for local contractors to become certified energy auditors, while stimulating demand for energy audit services through implementation of the program. Increasing the accessibility and affordability of energy auditors (due to greater availability and reduced or eliminated travel fees) will likewise accelerate building decarbonization, as more residents gain access to the service and the associated weatherization, energy efficiency, and electrification recommendations.

Proposed Outcomes and Program Metrics

The goal of the NCHUP is to increase access to no-cost weatherization assistance for Nevada County residents, providing numerous lasting community benefits. Participation in existing weatherization assistance programs will be tracked and compared to baseline levels, as well as key program metrics, including:

- Environmental: Energy savings and from reduced natural gas, propane, and electricity use, GHG emissions reduction, number of energy audits completed
- Health and safety: Number and type of completed safety/critical repair upgrades

- Equity: Program participation by household income level and geography, estimated cost savings for participating households
- Workforce development and job creation: total dollars and job hours employing local contractors, number of local energy auditors trained

Project Team

The project team is comprised of four local jurisdictions: Nevada County, the Town of Truckee, Nevada City and the City of Grass Valley. Participating staff from these jurisdictions have extensive expertise in public sector program administration, climate action planning, and building decarbonization program design and implementation. If the NCHUP is funded, the core project team will engage with additional jurisdiction staff in divisions such as community engagement, housing, building, and sustainability to support program development and implementation. The project team will leverage expertise of additional stakeholders, including utilities, local contractors' associations, and community-based organizations.

Budget

Nevada County is committed to reducing greenhouse gas emissions and mitigating the public health impacts of climate change. However, like many small, rural jurisdictions, they face barriers of funding and limited staff capacity for implementation. The County is just beginning to articulate and execute their climate action vision and does not yet have dedicated sustainability staff or funding for implementing building decarbonization initiatives. The County would benefit immensely from the added capacity of a Climate Fellow to support program implementation.

Rural regions like Nevada County have not received substantial funding for energy efficiency or building decarbonization projects. This funding will have significant impact in this underserved region, allowing these four jurisdictions to implement a coordinated program to support and uplift their most vulnerable residents. Below is a proposed preliminary budget for the NCHUP.

Budget Category	Estimated Cost
Program Implementation: Outreach to homeowners, navigation, contractor coordination for installation, workforce development.	\$300,000
Direct installation costs including equipment and labor	\$800,000
Energy auditor scholarships	\$9000
Proposed administration @ 5%	\$55,450
Total Proposed Budget	\$1,164,450

2. COMMUNITY BENEFITS PLAN

Stakeholder Engagement

In the development of this program proposal, Nevada County and the Town of Truckee have consulted with numerous community organizations and other stakeholders, many of whom will serve as important partners in the design and implementation of this program. As the program develops, some of these community organizations may join as official project partners.

The program administrators for existing utility and federal weatherization programs have provided valuable input into the barriers for participation in existing programs, current outreach efforts, and program uptake. Nevada County and the Town of Truckee have consulted with Richard Heath & Associates, the program administrator for the regional investor-owned ESA programs, and ProjectGo, which administers the DOE's Weatherization Assistance Program, to better understand the reasons for low regional participation in these critical programs. The NCHUP will continue to coordinate with these partners on program intake and referral.

The four energy utilities that serve Nevada County will also be important ongoing stakeholders in program development and outreach to eligible households. This includes the investor-owned utilities, Pacific Gas and Electric, Southwest Gas, and Liberty Utilities, as well as Truckee Donner Public Utility District.

The Nevada County Contractors Association and Contractors Association of Truckee Tahoe will serve as key program partners for the workforce development components of the program, including recruiting local candidates, advising on appropriate incentive levels, and identifying eligible training opportunities. Additionally, these organizations are well-positioned to match qualified local contractors with home upgrade projects during program implementation.

The program will enhance the local workforce by offering scholarships to contractors with small businesses who could benefit from diversifying their services. Upskilling local contractors will in turn make energy audits more readily available, and the program, in tandem with the increased uptake of heat pump technology and rebates from the IRA for energy audits, building envelope improvements and the like, will stimulate demand for local energy auditors.

The Sierra Business Council will also be an important project partner for workforce development and GHG reduction initiatives. The SBC leads the Climate Transformation Alliance, a regional public-private partnership dedicated to achieving carbon neutrality by 2045. Both Nevada County and the Town of Truckee are active members of this alliance, and will coordinate with CTA partners on project development and implementation.

Advancing Equitable Climate Action in Rural California

The majority of Nevada County is categorized as a disadvantaged region by the Council on Environmental Quality's Climate and Economic Justice Screening Tool. The region is rated in the 69th percentile for low income and the 63rd percentile for energy costs. The Nevada County Home Upgrade Program is intended to advance the region's climate action and equity goals, serving populations with the highest energy burden and the greatest need for climate resilience strategies. The target populations of the program include mobile home residents, Spanish-speakers, low-income renters, seniors, and those with disabilities.

The combination of higher energy burdens and greater barriers to participation in Nevada County leads to inequitable distribution of available resources for energy efficiency, meaning that those

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who could benefit most from efficiency upgrades are often least able to access them. In addition to expanding weatherization services to a broader population, the program will uplift the region's lowest income residents by removing participation barriers to existing low-income weatherization programs. Residents will directly and immediately benefit from reduced energy burdens, increased home comfort, and protection from smoke and extreme temperatures.

Nevada County, Truckee, and other project partners are committed to equitable community engagement, and have built strong relationships with community-based organizations that engage underserved populations in the region. These organizations will be key partners to consult with in program design, and play a significant role in program outreach:

- Sierra Community House (SCH): a local nonprofit providing social services to underserved members of the Truckee/Tahoe community, including Spanish-speakers, mobile home residents and seniors
- Gold Country Senior Services, supporting the health, well-being, and independence of older adults in Western Nevada County
- PARTNERS Family Resource Centers, providing resource connection services focused in unincorporated areas Penn Valley, North San Juan, and the City of Grass Valley
- Placemate: a Truckee/Tahoe housing company that assists lower-income local workers to find rent-capped long-term housing
- FREED Center for Independent Living: disability and aging resource center in Nevada County
- Tahoe Truckee Community Foundation- a local nonprofit that convenes the Community Collaborative of Truckee Tahoe and the Mountain Housing Council, which strives to accelerate achievable local housing solutions
- The Promotoras at Sierra Community House and PARTNERS Family Resource Centers: providing direct outreach to the Latino community

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Items for Addendum

- Map of Nevada County
- GHG inventory chart (Truckee can provide one – does NC have one?)

ⁱ American Community Survey 2021 5-year estimates

ⁱⁱ U.S. Department of Energy, "Weatherization Assistance Program Fact Sheet" (January 2021)
https://www.energy.gov/sites/default/files/2021/01/f82/WAP-fact-sheet_2021_0.pdf

ⁱⁱⁱ American Community Survey 2021 5-year estimates

^{iv} American Community Survey 2021 5-year estimates