January 8, 2018

Director Michael Cohen  The Honorable Holly J. Mitchell
Department of Finance  Chair, Joint Legislative Budget Committee
915 L Street  1020 N Street, Room 553
Sacramento, California  95814  Sacramento, California  95814

Dear Director Cohen and Senator Mitchell:

Pursuant to Sections 92493 through 92496 of the Education Code (SB 85, Chapter 23, Statutes of 2017), enclosed is the University of California’s report to the Legislature on the Annual Progress of the Statewide Energy Partnership (SEP) Program.

If you have any questions regarding this report, Associate Vice President David Alcocer would be pleased to speak with you. David can be reached by telephone at (510) 987-9113, or by email at David.Alcocer@ucop.edu.

Yours very truly,

Janet Napolitano
President

Enclosure

cc: Senate Budget and Fiscal Review
   The Honorable Anthony J. Portantino, Chair
   Senate Budget and Fiscal Review Subcommittee #1
      (Attn: Ms. Anita Lee)
      (Attn: Ms. Cheryl Black)
   The Honorable Kevin McCarty, Chair
Assembly Budget Subcommittee #2
(Attn: Mr. Mark Martin)
(Attn: Mrs. Katie Sperla)
Ms. Jennifer Troia, Joint Legislative Budget Committee
Mr. Danny Alvarez, Secretary of the Senate
Ms. Tina McGee, Legislative Analyst’s Office
Ms. Amy Leach, Office of the Chief Clerk of the Assembly
Mr. Jim Lasky, Legislative Counsel Bureau
Mr. E. Dotson Wilson, Chief Clerk of the Assembly
Mr. Jeff Bell, Department of Finance
Mr. Christian Osmena, Department of Finance
Mr. Jack Zwald, Department of Finance
Ms. Tina McGee, Legislative Analyst’s Office
Mr. Mac Taylor, Legislative Analyst’s Office
Mr. Jason Constantourios, Legislative Analyst’s Office
Executive Vice President and Chief Financial Officer Nathan Brostrom
Executive Vice President and Chief Operating Officer Rachael Nava
Associate Vice President David Alcocer
Associate Vice President and Director Kieran Flaherty
Associate Vice President David Phillips
Chief Policy Advisor and Executive Director Jenny Kao
Chief of Staff to the Chief Financial Officer Oren Gabriel
Director Eric Eberhardt
UNIVERSITY OF CALIFORNIA

Report on the Annual Progress of the 
Statewide Energy Partnership (SEP) Program

This report is submitted by the University of California in response to language contained in Sections 92493 through 92496 of the Education Code (SB 85, Chapter 23, Statutes of 2017), which state in part:

92495(g). Notwithstanding Section 10231.5 of the Government Code, commencing with the 2014–15 fiscal year, on or before February 1 of each fiscal year, the University of California shall simultaneously submit a progress report to the Joint Legislative Budget Committee and the Department of Finance detailing the scope, funding, and current status of all capital expenditures undertaken pursuant to Section 92493 and for all capital outlay projects undertaken pursuant to Section 92494.

Sections 92493 through 92496 permit the University of California to expend state operations funding for capital expenditures and debt service payment for projects associated with the University’s Statewide Energy Partnership (SEP) Program following legislative notification. This provision permits the University of California to update the list of approved energy efficiency projects as new projects are identified for inclusion in the program, and requires the University of California to submit a progress report, which shows completed energy projects.

The following list (on page 2) identifies energy efficiency projects in State-supported facilities that have been completed in the Partnership Program since the previous reporting period. Energy savings for the projects on this list total approximately $1 million per year with utility incentives of $2.1 million. This list brings total reported Statewide Energy Partnership (SEP) Program energy savings in state-supported facilities to $18.6 million per year and Investor Owned Utility incentives to $34.5 million from when the program began offering project financing in 2009. The Statewide Energy Partnership Program has been extended by the University through 2025.
### University of California

List of Completed Projects in State-Supported Facilities

Included in the 2017 Statewide Energy Partnership Program

<table>
<thead>
<tr>
<th>SEP</th>
<th>Campus</th>
<th>Proposed List</th>
<th>Project Name</th>
<th>Final Project Cost</th>
<th>Anticipated Funding Source</th>
<th>Final Incentive</th>
<th>Total Cost Savings</th>
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<tbody>
<tr>
<td>B7012</td>
<td>San Francisco</td>
<td>ROCK HALL</td>
<td>Retrofit - Rock Hall Fume Hood CAV to VAV &amp; Exhaust Opt</td>
<td>$447,636</td>
<td>State Operating Funds</td>
<td>$182,281</td>
<td>$78,631</td>
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<td>G3027</td>
<td>Santa Cruz</td>
<td>THIMANN LAB</td>
<td>MBcx - Thimann Labs</td>
<td>$804,099</td>
<td>State Operating Funds</td>
<td>$60,717</td>
<td>$31,964</td>
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<td>C3268</td>
<td>Davis</td>
<td>CAMPUSWIDE</td>
<td>Retrofit - Boiler Upgrade</td>
<td>$61,802</td>
<td>State Operating Funds</td>
<td>$17,734</td>
<td>$15,079</td>
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<td>C7025</td>
<td>Davis</td>
<td>RMI BWF</td>
<td>Retrofit - BWFP Process System Upgrade</td>
<td>$472,775</td>
<td>State Operating Funds</td>
<td>$105,581</td>
<td>$80,411</td>
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<td>13111</td>
<td>Irvine</td>
<td>CENTRL PLANT</td>
<td>MBcx - Central Plant</td>
<td>$819,278</td>
<td>State Operating Funds</td>
<td>$683,933</td>
<td>$284,972</td>
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<td>H7031</td>
<td>Santa Barbara</td>
<td>ROBERTSN GYM</td>
<td>Retrofit - Rec Courts Lighting</td>
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<td>State Operating Funds</td>
<td>$12,558</td>
<td>$5,232</td>
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<td>B7036</td>
<td>San Francisco</td>
<td>NEUROSCIENCE</td>
<td>MBcx - 19 A Neuroscience</td>
<td>$363,279</td>
<td>State Operating Funds</td>
<td>$233,928</td>
<td>$97,470</td>
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<td>H7027</td>
<td>Santa Barbara</td>
<td>EDUCATION</td>
<td>MBcx - Education &amp; Social Science Bldg (Electric)</td>
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<td>State Operating Funds</td>
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<td>$13,737</td>
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<td>B7031</td>
<td>San Francisco</td>
<td>MB PUP</td>
<td>MBcx - PUP</td>
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<td>$30,899</td>
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<td>F7050</td>
<td>San Diego</td>
<td>SUPERCOMPUTR</td>
<td>Retrofit - Supercomputer UPS Replacement</td>
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<td>State Operating Funds</td>
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<td>$4,730</td>
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<td>G8025</td>
<td>Santa Cruz</td>
<td>UCOLICK LABA</td>
<td>Deemed/Express - UCO Lick Lab A Lighting Conversion 2017</td>
<td>$41,274</td>
<td>State Operating Funds</td>
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<td>I7087</td>
<td>Irvine</td>
<td>CAMPUSWIDE</td>
<td>Retrofit - Exterior Lighting Phase 4</td>
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<td>B7052</td>
<td>San Francisco</td>
<td>LIBRARY</td>
<td>MBcx - Campus Library</td>
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<td>I7063</td>
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<td>CAMPUSWIDE</td>
<td>Retrofit - Advanced Lighting and Controls Retrofits 2015</td>
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<td>State Operating Funds</td>
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<td>$12,784</td>
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<td>G7028</td>
<td>Santa Cruz</td>
<td>BIOMED SCI</td>
<td>Retrofit - BioMed Vivarium Ventilation Optimization</td>
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<td>State Operating Funds</td>
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<td>B7051</td>
<td>San Francisco</td>
<td>DILLER C RES</td>
<td>Retrofit - Helen Diller Sterilizer &amp; Optimization</td>
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<td>State Operating Funds</td>
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<td>B7043</td>
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<td>MBcx - CVR8</td>
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<td>Santa Cruz</td>
<td>JJ BASKIN ENG</td>
<td>Retrofit - Chiller to Absorber Conversion</td>
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<td>State Operating Funds</td>
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**Total** | **$6,117,247** | **State Operating Funds** | **$2,074,406** | **$986,718**