COMMUNITY ENERGY LABS

Hey 👋 Friend

Two weeks ago, voters in Spokane approved a $200 million bond measure to fund necessary capital improvements across 66 facilities, including "air systems." In the past year, similar bonds have been approved in LA, San Jose, and San Francisco in California alone. These measures reflect a strong post-pandemic push to invest in educational infrastructure, often including HVAC upgrades to combat hot classrooms.

The reality of undertaking major AC upgrades in K12 schools is that even if you think you have enough budget to seek bids (or have taken out a bond), they will often still come in over. It takes two to three years on average to organize and fund a capital campaign. Before you can even determine how much you need to raise, you have to create a Facilities Master Plan and estimate your backlog.

If you're lucky, you raise your target amount, but many bond initiatives fall short. So, let's say your bond comes in 10% under your total backlog, and now five years have elapsed since you began the effort. Energy prices are up by 25%, interconnection queues are up (they increased by almost 200% between 2020 and 2025), and the cost of labor, supplies, and equipment have also increased. Districts in Michigan and Texas recently learned this the hard way.

So now costs are up by at least 25% but your bond came in 10% below costs from five years ago, so in all you are a minimum of 35% below the actual cost to fix your backlog. If you are a school or other organization with a fixed budget, you can't raise more revenue.

This challenge is exactly what drove our approach here at CEL—a low-lift, do-it-now way to keep energy costs from escalating so quickly and to reduce the backlog of maintenance and operations and facilities staff in managing energy costs. At a time when the going rate to replace a district's HVAC can cost in the millions (a recent replacement in Worcester, MA averaged $340k per school, while bids for a single high school in the Burrell High School District in Pennsylvania recently came in at $8 million), CEL's solution runs less than $20,000 to install, can be installed in one day, cuts energy usage by 5%–20%, and usually helps districts recoup the cost in less than a year.

If your bond fell short, didn't pass, or if a bond isn't in the cards for your district, reach out to us. We are happy to review your utility bills and tell you how we can help you manage energy

cost and—more importantly—help your building occupants stay comfortable.

All the best,

Tanya A. Barham, Founder & CEO

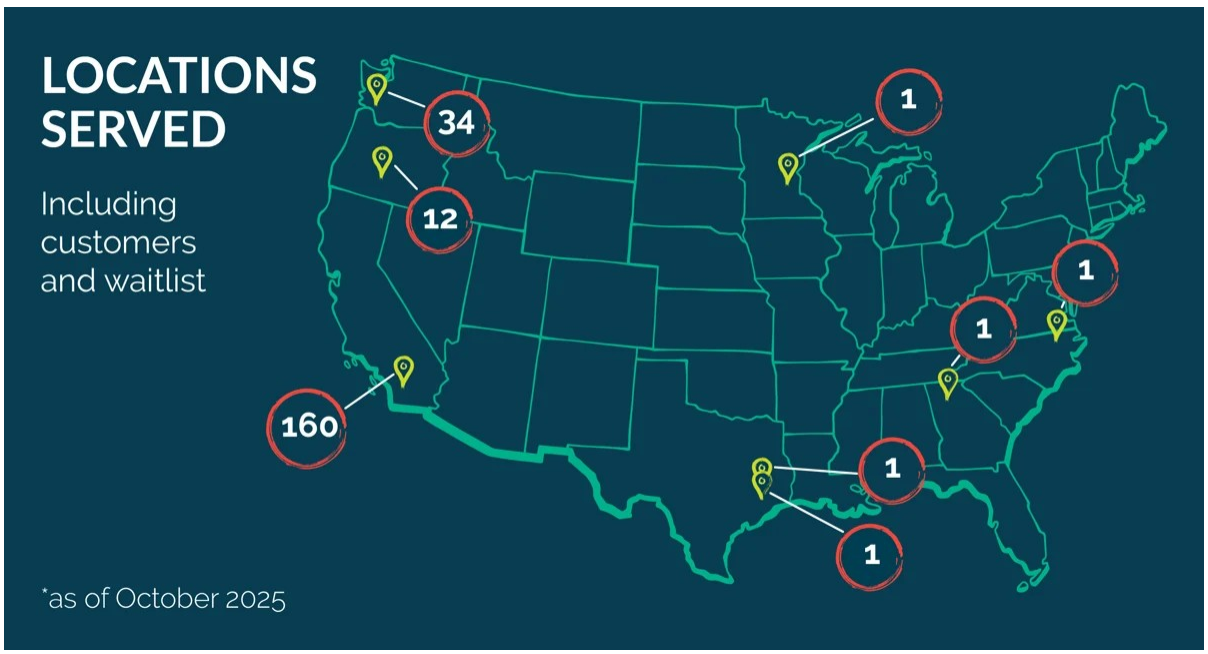
CELEBRATING OUR SUCCESSES

States We're In

Oregon, Washington, California, New York, Georgia, North Carolina

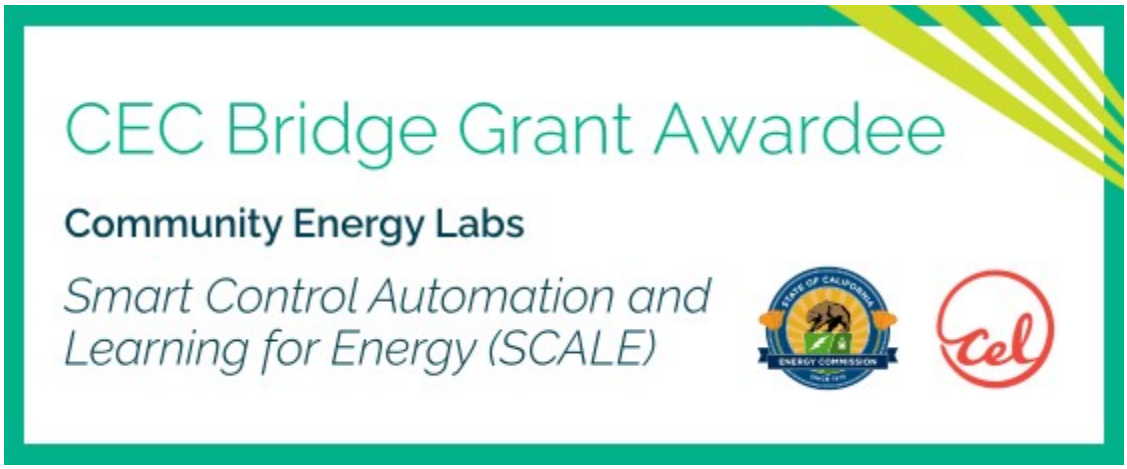
States We Want To Be In

Nevada, Arizona, New Mexico, Idaho, Colorado, Texas, Hawaii



Check out our News page and follow us on LinkedIn to stay on top of new developments.

CEL Wins CEC Bridge Grant



We've been awarded a California Energy Commission Bridge Grant for Bringing Rapid Innovation Development to California ratepayers! Our proposal, "Smart Control Automation and Learning for Energy (SCALE)," was one of eight selected for funding (out of 65) and reflects our commitment to protecting the grid and keeping people comfortable using intelligent automation. This grant funds the installation of 10-50 additional commercial campuses in the State of California. We encourage you to reach out and join our waitlist for these pilots.

HOW TO READ YOUR UTILITY BILL

Extreme temperatures mean asking more of mechanical systems to keep building occupants comfortable. It's even more important to keep room temperatures in range in schools and businesses, where extreme heat and cold can threaten learning outcomes or the bottom line. At the same time, businesses with large footprints are struggling with rising utility costs. For example, energy is the largest line item for school districts behind staff, and HVAC is the biggest driver of energy consumption. Nonetheless, schools and brick-and-mortar businesses can't simply change their hours of operation or let their occupants be uncomfortable in order to save money. The answer lies in strategically cooling or heating buildings during parts of the day that carry lower rates. For commercial customers, the complexity of interpreting utility bills and turning that into actionable control decisions can feel like a nearly impossible task.

And yet, with strained budgets, aging equipment, and hundreds if not thousands of occupants, employees, and customers to keep comfortable, someone has to. At Community Energy Labs, parsing electricity bills is the first thing we do for potential clients to see how much opportunity exists for shifting energy loads to reduce costs.

Read "How to Read Your Utility Bill" to learn what we look at to make sense of these bills and determine how to save money on electricity.

CALIFORNIA ENERGY RATE UPDATE

In California, legacy tariffs will be expiring in 2027, meaning rates might spike—and not just at pre-set peak times. Are you ready to manage new rates and adjust your usage patterns? Before you spend a bunch of money on reprogramming your t-stats and controls, consider letting Ollie™ do it. Our controls are cheap to install (typically less than $20k) and train (less than 6 days of unoccupied building data) and will adjust automatically to changing rates and solar production. Could CEL and our solution be the answer for you in 2027?

ENERGY TECH SPOTLIGHT

Is your maintenance contract quietly working against you? In this deep dive, Nexus Labs unveils the five-stage maturity model that separates innovative providers from the rest and shares the key questions to ask when renegotiating your next contract.

Traditional service agreements often reward time spent on-site—not actual results. More

visits mean more revenue for contractors, while equipment failures turn into lucrative repair opportunities. That "predictable" budget? It's anything but.

But change is underway. Forward-thinking building owners are shifting to outcome-based maintenance models that prioritize performance over billable hours. These modern partnerships align incentives, reduce downtime, and bring clarity to costs.

So what does the future of building services look like? Think contractors paid for results, not time. Think predictive, data-driven maintenance that stops problems before they start. Think full transparency through performance dashboards and avoided cost metrics.

Read Nexus Labs' article, Beyond Scheduled Maintenance: Tech-Enabled Services Align Building Owner and Contractor Incentives, to find out what you should be demanding, how to find a forward-looking provider, and how to spot red flags in contracts.

GROWING OUR EXCELLENT TEAM

We're hiring an Engineering Lead (remote) who's:

- Led small engineering teams (ideally <15 people)
- Strong in software architecture, data systems, or IoT
- Excited about climate and equity

Please share this with anyone who'd thrive in a collaborative, hands-on leadership role.

🔗 Job posting: Engineering Lead
📩 Or send introductions via a reply to this email

Thanks in advance for trusting us with your friends, colleagues and network!

NEWS YOU CAN USE

Upcoming Conferences:

- ACEEE's will host its 2026 Hot Water and Hot Air Forums March 24–26 in Phoenix. The forums will showcase how efficiency reduces energy use, and corresponding utility bills and peak electric loads.
- The Association of Energy Services Professionals Inc. will host its annual Conference & Expo Feb. 23–26 in San Diego. This event for demand-side utility professionals seeks to find ways to remove barriers to clean energy for underserved populations.

Useful Webinars:

- The Center for Green Schools will explore the distinct drivers and cultural dynamics behind both setting and achieving greenhouse gas (GHG) emissions reduction goals in K–12 schools in Behavior Change to Advance School Climate Goals Dec. 9.

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