



# Geothermal Grant and Loan Program (GRDA)

## Pre-Solicitation Staff Workshop

Monday, October 17, 2016

Sacramento, California

Cheryl Closson

Geothermal Grant and Loan Program

Renewable Energy Division

[Cheryl.Closson@energy.ca.gov](mailto:Cheryl.Closson@energy.ca.gov) / 916-651-0315



# Workshop Agenda

- I. Workshop Purpose
- II. Program Background
- III. Overall Mission of the GRDA Program
- IV. Program Statute and Regulations
- V. Who Can Apply
- VI. Eligibility Requirements
- VII. Eligible Activities
- VIII. California Environmental Quality Act (CEQA)
- IX. Upcoming GFO
- X. Application/Award Process
- XI. Application Elements
- XII. Technical Scoring Criteria
- XIII. Suggestions for Preparing Applications
- XIV. Things to Remember
- XV. Information Resources



# I. Workshop Purpose

- Opportunity to learn about the Geothermal Grant and Loan Program requirements and process.
- Heads-up on upcoming grant solicitation.
- Chance to think ahead for project planning and development of grant applications.



## II. Program Background

- Established by the California Legislature in 1980.
- First decade provided funding and technical assistance to local jurisdictions for geothermal direct use, planning, and mitigation projects.
- In 1992, program expanded to provide grants and loans to private entities and local jurisdictions for both geothermal direct use and electrical generation projects and technologies.



## II. Program Background (cont.)

- Also known as the GRDA Program after its Geothermal Resources Development Account funding source.
- Uses revenues paid to the state from geothermal royalties and leases on federal lands in California.
- Program currently awards grant funding every 2 - 3 years using competitive solicitations called Grant Funding Opportunities (GFO).



## III. Overall Mission of the GRDA Program

- Promote development and maintenance of California's vast geothermal energy resources;
- Mitigate any adverse impacts caused by geothermal development; and
- Help local jurisdictions offset the costs of providing public services necessitated by geothermal development.



## IV. Program Statute and Regulations\*

### Statute:

- Public Resources Code (PRC), Sections 3800 – 3827
- Defines who can apply and what activities can be funded.

### Regulations:

- Title 20, California Code of Regulations (CCR), Sections 1660 – 1665 and Appendix A
- Defines application and award procedures, and scoring criteria.

**\* GRDA Program statute and regulations are available at:  
[http://www.energy.ca.gov/geothermal/grda\\_regs.html](http://www.energy.ca.gov/geothermal/grda_regs.html)**



# Questions ?



## V. Who Can Apply

### **Local Jurisdiction\*:**

- Any unit of Indian govern.
- Any city, county, or district, including, but not limited to, regional planning agencies and public utility districts.
- Excludes public utility districts that generate for sale more than 50 MW of electricity.

\* PRC 3807

### **Private Entity\*:**

- Any individual or organization engaged in the exploration and development of geothermal energy for profit.

\*PRC 3809



## V. Who Can Apply (cont.)

- Counties of origin are not restricted from applying for funding.
- Federal agencies and labs, state universities, and state agencies:
  - ✗ not eligible to apply for funding;
  - ✓ may be eligible as a project partner or subcontractor.



## VI. Eligibility Requirements

### Local Jurisdiction:

- Must provide a resolution from its governing body authorizing submittal of the grant application. (Resolution must also designate an authorized representative to execute the grant agreement.)
- Must provide a minimum match contribution of 20% of the total project cost.

### Private Entity:

- Must provide a minimum match contribution of 50% of the total project cost.
- Grant project must provide tangible benefits to a local jurisdiction.
- Receipt of grant award must be approved by the city, county or Indian reservation where the project is to be located.



# Questions ?



## VII. Eligible Activities\*

- a) Undertaking R&D projects relating to geothermal resource assessment and exploration, and direct-use and electric generation technology.
- b) Local and regional planning and policy development and implementation necessary for compliance with programs required by local, state, or federal laws and regulations.
- c) Identification of feasible measures that will mitigate the adverse impacts of the development of geothermal resources and the adoption of ordinances, regulations, and guidelines to implement those measures.
- d) Collecting baseline data and conducting environmental monitoring.

\*per PRC 3823



## VII. Eligible Activities (cont.)

- e) Preparation or revision of geothermal resource elements, or geothermal components of energy elements, for inclusion in the local general plan, zoning and other ordinances, and related planning and environmental documents.
- f) Administrative costs incurred by the local jurisdiction that are attributable to the development or production of geothermal resources.
- g) Monitoring and inspecting geothermal facilities and related activities to assure compliance with applicable laws, regulations, and ordinances.
- h) Identifying, researching, and implementing feasible measures that will mitigate the adverse impacts of geothermal development or production.



## VII. Eligible Activities (cont.)

- i) Planning, constructing, providing, operating, and maintaining those public services and facilities that are necessitated by and result from geothermal development or production.
- j) Undertaking projects demonstrating the technical and economic feasibility of geothermal direct heat and electrical generation applications.
- k) Undertaking projects for the enhancement, restoration, or preservation of natural resources, including, but not limited to, water development, water quality improvement, fisheries enhancement, and park and recreation facilities and areas.



## VIII. California Environmental Quality Act (CEQA)

- Before approving a grant agreement, the Energy Commission must make a determination whether or not a decision approving an award for a project is in compliance with CEQA.
- All applications must provide documentation of project compliance with CEQA.
- Cannot “piecemeal” CEQA – compliance for the entire project must be demonstrated.
- Should consider CEQA compliance when planning project activities and scope of work.
- Contact CEQA lead agency in the area of project activities for guidance and preparation of appropriate documents.



# Questions ?



## IX. Upcoming GFO

- Anticipate GFO publication in mid to late November, 2016.
- GFO is a competitive grant solicitation. Minimum passing score is 70%.
- Approximately \$4.7 million available to fund selected projects.
- Grant agreements expected to start in late July 2017 and end in March 2020.



## X. Application/Award Process

- Publication of GFO
- Pre-Application Workshop
- GFO Questions/Answers
- Applications Due (approx. 2 months from GFO publication)
- Application Evaluation
  - Administrative Screening
  - Technical Evaluation and Scoring
- Notice of Proposed Award (NOPA)
- Grant Agreement Development
  - CEQA compliance required
- Approval at a Business Meeting
- 30-day Review/Comment Period (DOF, Leg Analyst, and Leg Budget Committee)
- Execute Agreement



## XI. Application Elements

- Application Form
- Project Narrative (no more than 25 pages)
- Scope of Work
- Schedule
- Project Team
- Budget Forms
- Contacts List
- CEQA Worksheet and Documentation
- Resolution (for Local Jurisdictions)



## XII. Technical Scoring Criteria

- Demonstrated Need or Value (20 points)
- Proven Extent of Resource (15 points)
- Contribution to Geothermal Energy Development (15 points)
- Likelihood of Success (15 points)
- Public Involvement (10 points)
- Payback and Cost Effectiveness (10 points)
- Economic and Employment Benefit (10 points)
- Match Contribution (5 points)



# Questions ?



## XIII. Suggestions for Preparing Applications

- Read the GFO and all attachments carefully before starting application.
- If you have any questions about the GFO documents or what is required, please submit a formal question by the due date.
- Ensure that all application elements are clear, logical and well written.
- Be sure to submit the application and all attachments in the required formats.
- Fill out all required forms and attachments completely, especially the budget template.
- Provide thoughtful discussion and information in the project narrative that is responsive to the scoring criteria questions.



## XIV. Things to Remember

- Local jurisdiction applications must include a resolution from their governing body approving submittal of the application. Resolution must also name a representative to act on behalf of the local jurisdiction for grant matters.
- Private entity applications need to show how project provides tangible benefits to a local jurisdiction, per PRC 3822(g)(2).
- Private entity applications must discuss how applicant will obtain local agency approval if awarded funding, per 20 CCR 1665(a)(8).
- Applications must include CEQA compliance documentation, per 20 CCR 1665(a)(9).



## XV. Information Resources

- **California Energy Commission/GRDA Program**  
<http://www.energy.ca.gov/geothermal/grda.html>
- **CEQA**  
**California Natural Resources Agency CEQA FAQs:**  
<http://resources.ca.gov/ceqa/more/faq.html>
- **California Division of Oil, Gas and Geothermal Resources (DOGGR)**  
<http://www.conservation.ca.gov/dog/geothermal>



# Questions ?