



## GRANT REQUEST FORM (GRF)

### A. New Agreement Number

**IMPORTANT:** New Agreement # to be completed by Contracts, Grants, and Loans Office.

**New Agreement Number:** EHP-22-001

### B. Division Information

1. Division Name: Renewable Energy Division
2. Agreement Manager: Richard Gibbs
3. MS-:MS-24
4. Phone Number: 916-931-9435

### C. Recipient's Information

1. Recipient's Legal Name: TRC Engineers, Inc.
2. Federal ID Number: 33-0648915

### D. Title of Project

Title of project: California Electric Homes Program

### E. Term and Amount

1. Start Date: January 25, 2023
2. End Date: January 24, 2029
3. Amount: up to \$68,124,971

### F. Business Meeting Information

1. Are the ARFVTP agreements \$75K and under delegated to Executive Director? No
2. The Proposed Business Meeting Date: 01-25-23
3. Consent or Discussion? Discussion
4. Business Meeting Presenter Name: Richard Gibbs
5. Time Needed for Business Meeting: 5 minutes.
6. The email subscription topic is: California Electric Homes Program (CalEHP)

#### **Agenda Item Subject and Description:**

This solicitation sought proposals for a third-party program administrator to design and implement an incentive program and provide technical assistance to potential and current program applicants. The third-party administrator selected to be the recipient of the grant funds will distribute incentives for all-electric buildings and energy storage systems in new residential market-rate construction throughout California. (General Fund Funding) Contact: Richard Gibbs (Staff Presentation: 5 minutes)

- i. TRC Engineers, Inc. Proposed resolution approving Agreement EHP-22-001 with TRC Engineers, Inc., to design and implement, with CEC oversight, a residential all-electric and energy storage construction incentive program throughout California, in addition to providing technical assistance, and adopting staff's determination that this action is exempt from CEQA. The total funding for this agreement is up to \$68,124,971, which includes \$58,125,000 to be distributed as incentives and up to \$9,999,971 for administrative costs.



## G. California Environmental Quality Act (CEQA) Compliance

### 1. Is Agreement considered a “Project” under CEQA?

Yes

If yes, skip to question 2.

If no, complete the following (PRC 21065 and 14 CCR 15378) and explain why Agreement is not considered a “Project”:

Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because:

### 2. If Agreement is considered a “Project” under CEQA answer the following questions.

a) Agreement **IS** exempt?

Yes

#### Statutory Exemption?

No

If yes, list PRC and/or CCR section number(s) and separate each with a comma. If no, enter “None” and go to the next question.

PRC section number: None

CCR section number: None

#### Categorical Exemption?

Yes

If yes, list CCR section number(s) and separate each with a comma. If no, enter “None” and go to the next question.

CCR section number: 14 CCR Section 15307, 14 CCR Section 15308

California Code of Regulations, title 14, sections 15307 and 15308 exempt actions taken by a regulatory agency pursuant to state law to “assure the maintenance, restoration, or enhancement of a natural resource” and actions taken to “assure the maintenance, restoration, enhancement, or protection of the environment” where the regulatory process involves procedures for the protection of the environment. The main objective of the California Electric Homes Program (CalEHP) is to facilitate market transformation through the removal of technical and economic obstacles to emissions reductions in new buildings through the uptake of all-electric building design and residential energy storage systems. CalEHP is a building decarbonization incentive program that will have no significant adverse effect on the environment and falls within the categorical exemptions of sections 15307 and 15308. None of the exceptions to exemptions listed in CEQA Guidelines section 15300.2 apply to this project.

CalEHP was established by Assembly Bill 137 (Ting, Stats. 2021, Ch. 77) and is codified in Public Resources Code section 25403.2. CalEHP is known in statute as the Building Initiative for Low-Emissions Development Program Phase 2. Guiding Principles for CalEHP were approved by the California Energy Commission on May 24, 2022.



CalEHP is a building decarbonization incentive program that will provide technical assistance and financial incentives for new, market-rate residential building projects using an all-electric building design and energy storage systems. CalEHP's authorizing statute states that a goal of the program "is to spur significant market adoption of all-electric buildings and energy storage systems." (Public Resources Code section 25403.2(d)). As the Guiding Principles further elaborate, "California's buildings contribute to 25% of the state's greenhouse gas emissions" and CalEHP "will help California reach its 2030 [greenhouse gas] reduction goals through the building of new all-electric homes above current building code standards."

CalEHP fits within a robust landscape of aggressive greenhouse gas mitigation and decarbonization policies in California. The California Global Warming Solutions Act of 2006 authorizes the California Air Resources Board to use market-based compliance mechanisms to regulate greenhouse gas. Senate Bill 100 (De León, Chapter 312, Statutes of 2018) committed California to a 100 percent carbon-free electricity supply by 2045. The burning of fossil fuels in gas-powered appliances in California's buildings contributes to changes to the climate climate by releasing greenhouse gas, such as carbon dioxide and methane, and generates other air pollutants that can harm building occupants such as nitrogen dioxide. To reach California's greenhouse gas mitigation goals, the state will need to utilize clean energy resources, energy storage systems, and all-electric technologies in new buildings.

Common Sense Exemption? 14 CCR 15061 (b) (3)

Yes

If yes, explain reason why Agreement is exempt under the above section. If no, enter "Not applicable" and go to the next section.

CalEHP is also exempt from CEQA under the common-sense exemption. CEQA only applies to projects that have the potential for causing a significant effect on the environment. A significant effect on the environment is defined as a substantial, or a potentially substantial, adverse change in the environment, and does not include an economic change by itself or beneficial changes to the environment (Pub. Resources Code, § 21068; Cal. Code Regs., tit. 14, § 15382).

The goal of the BUILD Program Guidelines is to facilitate market transformation through the removal of technical and economic obstacles to emissions reductions in new buildings through the uptake of all-electric building design and residential energy storage systems. Therefore, the outcome of CalEHP will be environmentally beneficial. Further, any specific future projects receiving a CalEHP incentive reservation will still be required to comply with applicable local permitting and project-specific environmental review requirements.

Agreement **IS NOT** exempt.



No

If yes, answer yes or no to all that applies. If no, list all as “no” and “None” as “yes”.

Additional Documents	Applies
Initial Study	No
Negative Declaration	No
Mitigated Negative Declaration	No
Environmental Impact Report	No
Statement of Overriding Considerations	No

### H. Subcontractors

List all Subcontractors listed in the Budget (s) (major and minor). Insert additional rows if needed. If no subcontractors to report, enter “No subcontractors to report” and “0” to funds.

**Delete** any unused rows from the table

Subcontractor Legal Company Name	CEC Funds	Match Funds
Association for Energy Affordability, Inc.	\$ 1,300,000	\$0
Electric Power Research Institute, Inc.	\$ 590,000	\$0
Building Decarbonization Coalition	\$ 450,000	\$0
Guttman & Blaevoet	\$ 20,000	\$0
David Baker, an Architectural Corporation	\$ 20,000	\$0

### I. Vendors and Sellers for Equipment and Materials/Miscellaneous

List all Vendors and Sellers listed in Budget(s) for Equipment and Materials/Miscellaneous. Insert additional rows if needed. If no vendors or sellers to report, enter “No vendors or sellers to report” and “0” to funds. **Delete** any unused rows from the table.

Vendor/Seller Legal Company Name	CEC Funds	Match Funds
No vendors or sellers to report	\$0	\$0

### J. Key Partners

List all key partner(s). Insert additional rows if needed. If no key partners to report, enter “No key partners to report.” **Delete** any unused rows from the table.

Key Partner Legal Company Name
No Key Partner Legal Company to report

### K. Budget Information



Include all budget information. Insert additional rows if needed. If no budget information to report, enter "N/A" for "Not Applicable" and "0" to Amount. **Delete** any unused rows from the table.

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
General	2021	530.005	\$9,999,971
			\$

**TOTAL Amount:** \$9,999,971

R&D Program Area: N/A

Explanation for "Other" selection

Reimbursement Contract #:

Federal Agreement #:

**L. Recipient's Contact Information**

**1. Recipient's Administrator/Officer**

Name: Catherin Chappell

Address: 436 14th St #1020

City, State, Zip: Oakland, CA 94612

Phone: (916) 844-0157

E-Mail: cchappell@TRCcompanies.com

**2. Recipient's Project Manager**

Name: Nic Dunfee

Address: 10680 White Rock Road, Suite 100

City, State, Zip: Rancho Cordova, CA 95670

Phone: (916) 844-0146

E-Mail: ndunfee@TRCcompanies.com

**M. Selection Process Used**

There are three types of selection process. List the one used for this GRF.

Selection Process	Additional Information
Competitive Solicitation #	GFO-21-403
First Come First Served Solicitation #	Not Applicable
Other	Not Applicable



**N. Attached Items**

1. List all items that should be attached to this GRF by entering “Yes” or “No”.

<b>Item Number</b>	<b>Item Name</b>	<b>Attached</b>
1	Exhibit A, Scope of Work/Schedule	Yes
2	Exhibit B, Budget Detail	Yes
3	CEC 105, Questionnaire for Identifying Conflicts	Yes
4	Recipient Resolution	No
5	Awardee CEQA Documentation	No

**Approved By**

Individuals who approve this form must enter their full name and approval date in the MS Word version.

**Agreement Manager:** Richard Gibbs

**Approval Date:** 11/14/2022

**Branch Manager:** Christopher Meyer

**Approval Date:** 11/14/2022

**Director:** Deana Carrillo

**Approval Date:** 01/12/23

## EXHIBIT A SCOPE OF WORK

### TECHNICAL TASK LIST

Task #	CPR	Task Name
1		Administration
2		Block Grant Internal Controls, Processes and Procedures
3	X	Overall Program Plan Development
4		Website Design, Development, Maintenance, and Implementation
5	X	Incentive Plan Development
6	X	Incentive Plan Implementation
7	X	Provide Technical Assistance for Potential CalEHP Participants
8	X	Technical Advisory Group
9		Data Collection/Incentive Recipient Feedback/Process Improvements
10		Program Fact Sheets

### GLOSSARY

*Specific terms and acronyms used throughout this scope of work are defined as follows:*

Term/ Acronym	Definition
AB	Assembly Bill
CalEHP	California Energy Homes Program
California Native American Lands	Lands, buildings, or facilities located within the boundaries of the State of California that are owned or controlled by a California Native American Tribe or a California Tribal Organization, including but not limited to Indian Country as defined by 18 USC section 1151
California Native American Tribe	A Native American Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004
California Tribal Organization	A corporation, association, or group controlled, sanctioned, or chartered by a California Native American tribe that is subject to its laws, the laws of the State of California, or the laws of the United States

<b>Term/ Acronym</b>	<b>Definition</b>
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CBO	Community Based Organization
CEC	California Energy Commission
CPR	Critical Project Review
KPI	Key Program Indicators
Recipient	TRC Engineers, Inc.
RED	Renewable Energy Division
SOP	Standard Operating Procedure

**Background**

Assembly Bill (AB) 137 (Ting, Chapter 77, Statutes of 2021), authorized the California Electric Homes Program (CalEHP) known in statute as Building Initiative for Low-Emissions Development Program Phase 2. The California Energy Commission (CEC), using moneys appropriated in the Budget Act of 2021, will implement and administer a new statewide program to incentivize the construction of new multifamily and single-family market-rate residential buildings as all-electric buildings or with energy storage systems.

The CalEHP has a budget of \$58,125,000 to be spent on incentives for projects that construct new multifamily or single-family market-rate residential buildings as all-electric buildings and/or with energy storage systems.

On June 13, 2022, the CEC released a Grant Solicitation and Application Package under the California Electric Homes Program. This competitive grant solicitation was to seek a block grant implementer to design and implement initially up to \$58.125 million, and potentially more, in incentive funds for various market-rate all-electric and energy storage equipped residential incentive projects throughout California. In response to GFO-21-403, TRC Engineers Inc. (Recipient) submitted application #08, which was proposed for funding in the CEC’s Notice of Proposed Awards on October 24, 2022. GFO-21-403 and Recipient’s application are hereby incorporated by reference into this Agreement in their entirety.

In the event of any conflict or inconsistency between the terms of the Solicitation and the terms of the Recipient’s Application, the Solicitation shall control. In the event of any conflict or inconsistency between the Recipient’s Application and the terms of CEC’s Award, CEC’s Award shall control. Similarly, in the event of any conflict or inconsistency between the terms of this Agreement and the Recipient’s Application, the terms of this Agreement shall control.



## **Problem Statement**

Assembly Bill 137 (Ting, Stats. 2021, Ch. 77), codified in Public Resources Code section 25403.2, directs the CEC to implement and administer a statewide program to incentivize the construction of new multifamily and single-family market-rate all-electric residential buildings, as well as residential energy storage systems, with funds appropriated in the Budget Act of 2021.

CalEHP is a separate program from the Building Initiative for Low-Emissions Development (BUILD) Program which is authorized by Public Utilities Codes Sections 921 and 921.1 (SB 1477, 2018) and targets new low-income residential housing. A goal of CalEHP is to spur significant market adoption of all-electric buildings and energy storage systems and other technologies that would not otherwise be constructed or installed.

## **Goals of the Agreement**

The goal of this Agreement is for the Recipient to design and implement, in consultation with the CEC, an incentive program for various market-rate all-electric and energy storage equipped residential buildings throughout California.

## **Objectives of the Agreement**

The objective of this Agreement is for the Recipient, in consultation with the CEC, to implement a nimble and flexible mechanism to deploy incentive funds quickly, efficiently, and effectively for various market-rate all-electric and energy storage equipped residential buildings throughout California.

The operational objectives for the Recipient include the following:

- Establish written Internal Controls, Processes, and Procedures to effectively implement and manage all aspects of the program and minimize errors, fraud, waste, and abuse.
- Develop and regularly update an Overall Program Plan that includes timelines and milestones, key performance indicators, planned outreach and engagement activities, the Recipient's approach in managing the program and methodology for the planning and design of the program.
- Design, develop and implement a robust, user-friendly public-facing website that will provide users with quick and reliable access to project information, resources, and allow for applications to be submitted and managed.
- Develop and implement an Incentive Plan that provides incentive funding for new construction market-rate all-electric homes and homes with energy storage.
- Implement and administer the Incentive Plan as approved by the CEC.
- Provide a range of technical assistance services to program applicants and potential applicants.

- Create a technical advisory group comprised of professionals of diverse expertise that will provide strategic guidance for CalEHP by holding regular meetings and providing feedback to establish key performance targets for the program.
- Collect data, obtain feedback from program applicants, and develop recommendations on how to improve CalEHP's implementation, and implement improvements in consultation with the CEC, as needed.

## **TASK 1 ADMINISTRATION**

### **Task 1.1 Attend Kick-off Meeting**

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The Commission Agreement Manager (CAM) shall designate the date and location of this meeting and provide an agenda to the Recipient prior to the meeting.

#### **The Recipient shall:**

- Attend a "Kick-Off" meeting with the CAM, the Commission Agreement Officer (CAO), and a representative of the CEC Accounting Office. The Recipient shall bring their Program Manager, Contracts Manager, Finance Manager, and any other personnel determined necessary by the Recipient or specifically requested by the CAM to this meeting.
- Discuss the following administrative and technical aspects of this Agreement:
  - Agreement Terms and Conditions
  - Critical Project Review (Task 1.2)
  - Permit documentation (Task 1.6)
  - Subcontracts needed to carry out program (Task 1.7)
  - The CAM's expectations for accomplishing tasks described in the Scope of Work
  - Preliminary list of potential Technical Advisory Group (TAG) members and TAG meeting schedule per Task 8
  - An updated Schedule of Products and Due Dates
  - Monthly Progress Reports (Task 1.4)
  - Products (product guidelines located in Section 4 of the Terms and Conditions)
  - Final Report (Task 1.5)

**Recipient Products:**

- Updated Schedule of Products
- Preliminary list of potential TAG members
- Updated List of Permits

**Commission Agreement Manager Product:**

- Kick-Off Meeting Agenda

**Task 1.2 Critical Project Review (CPR) Meetings**

CPRs provide the opportunity for frank discussions between the CEC and the Recipient. The goal of this task is to determine if the program should continue to receive CEC funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule, or budget.

The CAM may schedule CPR meetings as necessary, and meeting costs will be borne by the Recipient.

Meeting participants include the CAM and the Recipient and may include the Commission Agreement Officer, the Renewable Energy Division (RED) program lead, other CEC staff and Management as well as other individuals selected by the CAM to provide support to the CEC.

**The CAM shall:**

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the CEC, but they may take place virtually.
- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on funding allocations.
- Conduct and make a record of each CPR meeting. Prepare a schedule for providing the written determination described below.
- Determine whether to continue the program, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (please see section 6 of the Terms and Conditions). If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Lead Commissioner for Building Decarbonization for his or her concurrence.
- Provide the Recipient with a written determination in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more product(s) that were included in the CPR.

**The Recipient shall:**

- Prepare a CPR Report for each CPR that discusses the progress of the Agreement toward achieving its goals and objectives. This report shall include recommendations and conclusions regarding continued work of the program. This report shall be submitted along with any other products identified in this scope of work. The Recipient shall submit these documents to the CAM and any other designated reviewers at least 15 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

**CAM Products:**

- Agenda and a list of expected participants
- Schedule for written determination
- Written determination

**Recipient Product:**

- CPR Report(s)

**Task 1.3 Final Meeting**

The goal of this task is to closeout this Agreement.

**The Recipient shall:**

- Meet with CEC staff to present the findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.

This meeting will be attended by, at a minimum, the Recipient, the Commission Grants Office Officer, and the Commission Agreement Manager. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be two separate meetings at the discretion of the Commission Agreement Manager.

The technical portion of the meeting shall present an assessment of the degree to which program and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The Commission Agreement Manager will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the Commission Agreement Manager and the Grants Officer about the following Agreement closeout items:

- What to do with any equipment purchased with CEC funds (Options)

- CEC's request for specific "generated" data (not already provided in Agreement products)
- Need to document Recipient's disclosure of "subject inventions" developed under the Agreement
- "Surviving" Agreement provisions
- Final invoicing and release of retention
- Prepare a schedule for completing the closeout activities for this Agreement.

**Products:**

- Written documentation of meeting agreements
- Schedule for completing closeout activities

**Task 1.4 Monthly Progress Reports**

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

**The Recipient shall:**

- Prepare a Monthly Progress Report which summarizes all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the Commission Agreement Manager within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 4 of the Terms and Conditions of this Agreement.

**Product:**

- Monthly Progress Reports

**Task 1.5 Final Report**

The goal of the Final Report is to assess the program's success in achieving the Agreement's goals and objectives, advancing science and technology, and providing energy-related and other benefits to California.

The objectives of the Final Report are to clearly and completely describe the program's purpose, approach, activities performed, results, and advancements in science and technology; to present a public assessment of the success of the program as measured by the degree to which goals and objectives were achieved; to make insightful observations based on results obtained; to draw conclusions; and to make recommendations for further programs and improvements to the RED program management processes.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the CEC and will be preparing a confidential version of the Final Report as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

**The Recipient shall:**

- Prepare an outline of the Final Report, if requested by the CAM.
- Prepare a Final Report following the latest version of the Final Report guidelines which will be provided by the CAM. The CAM shall provide written comments on the Draft Final Report within fifteen (15) working days of receipt. The Final Report must be completed at least 60 days before the end of the Agreement Term.
- Submit one bound copy of the Final Report with the final invoice.

**Products:**

- Outline of the Final Report, if requested
- Draft Final Report
- Final Report

**Task 1.6 Identify and Obtain Required Permits**

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. The Recipient shall budget for any expected expenditures associated with obtaining permits. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

**The Recipient shall:**

- Prepare a letter documenting the permits required to conduct this Agreement and submit it to the Commission Agreement Manager at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:

- A list of the permits that identifies the:
  - Type of permit
  - Name, address and telephone number of the permitting jurisdictions or lead agencies
- The schedule the Recipient will follow in applying for and obtaining these permits.
- Discuss the list of permits and the schedule for obtaining them at the kick-off meeting and develop a timetable for submitting the updated list, schedule, and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the appropriate information on each permit and an updated schedule to the Commission Agreement Manager.
- As permits are obtained, send a copy of each approved permit to the Commission Agreement Manager.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the Commission Agreement Manager within 5 working days. Either of these events may trigger an additional CPR.

**Products:**

- Letter documenting the permits or stating that no permits are required
- A copy of each approved permit (if applicable)
- Updated list of permits as they change during the term of the Agreement (if applicable)
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)
- A copy of each final approved permit (if applicable)

**Task 1.7 Obtain and Execute Subcontracts**

The goal of this task is to ensure quality products and to procure subcontractors required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient’s own procurement policies and procedures. It will also provide the CEC an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, and that the budgeted expenditures are reasonable and consistent with applicable cost principles.

**The Recipient shall:**

- Manage and coordinate subcontractor activities.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the Commission Agreement Manager for review.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, then the Recipient shall notify the CAM.

**Products:**

- Letter describing the subcontracts needed or stating that no subcontracts are required.
- Draft subcontracts
- Final subcontracts

**TECHNICAL TASKS**

**TASK 2 – BLOCK GRANT INTERNAL CONTROLS, PROCESSES, AND PROCEDURES**

The goal of this task is to establish the written internal controls, processes and procedures to: receive, handle, and account for CalEHP funding; receive and evaluate incentive requests; effect payment for valid incentive payment requests; and provide monthly fiscal accounting and reporting to the CAM.

**The Recipient shall:**

- Develop and submit written *Internal Controls, Processes, and Procedures* for review and written approval by the CAM. The Internal Controls, Processes, and Procedures must effectively implement and manage all aspects of CalEHP and minimize errors, fraud, waste, and abuse. The Internal Controls, Processes, and Procedures must include, but are not limited to, the following:
  - Develop standard operating procedures (SOPs) and written workflows for all block grant management tasks.
  - Prepare an overview of staffing resources in the form of an organizational chart with delineated roles and responsibilities and reporting structure.
  - Clearly describe how the Internal Controls, Processes, and Procedures will minimize errors, fraud, waste and abuse.
  - Include policies and procedures to avoid actual or perceived conflicts of interest with potential incentive project applicants.
- As necessary, no less than annually, submit *Updated Internal Controls, Processes and Procedures* for review and written approval by the CAM.



- Establish and implement procedures to separate, accept, track, disburse, and report on funding from sources other than the CEC, which shall include but are not limited to:
  - Applying Generally Accepted Accounting Principles (GAAP) to set up operation of the block grant accounting system and ensuring that funding sources are kept separate.
  - Establishing tracking of monthly expenditures, detailing all administration spending.
  - Setting up an internal reconciliation process between records kept by the Recipient's project management staff and the records reviewed or processed by the Recipient's accounting staff to ensure consistency.

**Products:**

- Internal Controls, Processes, and Procedures
- Updated Internal Controls, Processes, and Procedures (as needed, no less than annually)
- Procedures for funding from sources other than CalEHP (if applicable)
- Reports on funding from sources other than CalEHP (no less than annually)

**TASK 3 – OVERALL PROGRAM PLAN DEVELOPMENT**

The goal of this task is to develop and regularly update an *Overall Program Plan* that describes:

- Timeline that details milestones, key performance indicators (KPIs) as specified in task 9, data collection, and actions or decisions by the Recipient, CEC, and potential program partners.
- CalEHP target launch timeline.
- Planned outreach and engagement activities including workshops.
- Recipient's approach in managing CalEHP and scaling of resources.
- Methodology of planning or design (i.e., How the Recipient reaches certain details like incentive amounts, funding caps for CalEHP participants/Builders, etc.).

**The Recipient shall:**

- Develop and submit an *Overall Program Plan* for review and written approval by the CAM.

- Engage zero-emission residential developers, infrastructure/technology providers and equipment manufacturers, electric utility providers, public entities, private entities, regional community-based organizations (CBOs), community leaders, California Tribal Organizations, local utility, air districts, local governments, small businesses, and/or disadvantaged communities in the planning process of incentive projects.
- Plan, host, and conduct workshops to seek stakeholder input on the program development and revise the *Overall Program Plan* accordingly.
- Submit an *Updated Overall Program Plan* for review and approval by the CAM after the stakeholder input.
- As needed, plan, host, and conduct informational outreach workshops to support program launch.
- Subsequent *Updated Overall Program Plans* shall be submitted regularly, no less than quarterly, based on the process improvement recommendations as approved by the CAM in Task 9.

**Products:**

- Overall Program Plan
- Workshops for stakeholder input on Overall Program Plan
- Updated Overall Program Plan
- Workshop for Program Launch, as needed

**[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]**

**TASK 4 – WEBSITE DESIGN, DEVELOPMENT, MAINTENANCE, AND IMPLEMENTATION**

The goal of this task is to design, develop and implement a robust, user-friendly public-facing website. The website must provide users with quick and reliable access to project information, resources, and allow for applications to be submitted and managed.

**The Recipient shall:**

- Design a robust, user-friendly program website compliant with Web Content Accessibility Guidelines version 2.1 or later, that includes, but is not limited to:
  - Reports on the status of incentive projects, including amount of funding available and remaining for each active incentive project.
  - Advertises the availability of incentives including the minimum eligibility and technical requirements.

- Provides instructions and forms to parties interested in participating in the incentive projects.
- Provides the ability for interested parties to submit required documents to participate in incentive projects including application forms, payment requests, and appropriate documentation.
- Provides the capability for incentive participants to access, in real time, the status of incentive applications and payments.
- Provides information on disbursements, such as heat map representations of where the funds are being disbursed.
- Develop and submit *website design and content* for review and written approval by the CAM.
- Regularly update, maintain, protect, and ensure the security of the entire website. Keep information current including adding new incentive projects as they are developed and implemented.
- Implement the website design once approved by the CAM in writing.
- Provide CEC with a *copy of website associated content, such as data and reports*, as directed by the CAM. This is provided near the end of the program term.

**Product:**

- Website design and content
- Copy of website content (Data Transfer to CEC)

**TASK 5 – INCENTIVE PLAN DEVELOPMENT**

The goal of this task is to design, in consultation with CEC staff, and submit the targeted Incentive Plan to the CAM for review and written approval.

*Incentive Plan Designs* shall include, at a minimum:

- Types of eligible energy storage equipment
- Incentive amount(s) and structure
- Type of funding mechanism (e.g., lottery, competitive, reverse auction, first-come, first-served, etc.)
- Includes as eligible building types: single-family homes, duplexes, triplexes, condominiums, multi-family buildings, dormitories, modular homes, and manufactured homes

- Excludes as ineligible building types: any building types that do not adhere to the Title 24 of the California Energy Code, except for manufactured homes. Additionally, Commercial, industrial, and other non-residential buildings are ineligible
- The *Incentive Plan* maximizes CalEHP benefits for disadvantaged communities, California Native American Tribes, California Native American Lands, and urban heat islands.
- Expand on KPIs (as specified in Task 9) and data collection related specifically to the incentive funding.

An *Incentive Plan*, with a timeline detailing milestones and actions or decisions by the Recipient, CEC, and potential CalEHP partners, shall include, at a minimum:

- All phases of the Incentive Plan including planning, development, implementation, and close-out.
- A description of the application intake process, application assessment, notifying site/project of award, and streamlining the process to ensure timely deployment of incentives.
- Regular updates, no less than quarterly.

**The Recipient shall:**

- Research and analyze all-electric and energy storage market-rate residential construction incentive project opportunities.
- Develop and submit the *Incentive Plan Design Recommendations* for review and approval by the CAM.
- Engage zero-emission residential developers, infrastructure/technology providers, infrastructure manufacturers, electric utility providers, public entities, private entities, regional community-based organizations (CBOs), community leaders, California Tribal Organizations, local utility, air districts, local governments, small businesses, and/or disadvantaged communities in the planning process of incentive projects.
- Plan, host, and conduct workshops to:
  - Identify future plan, equipment, and other technical requirements.
  - Seek feedback on the *Incentive Plan Design Recommendations* and develop the *Incentive Plan Design*.
- Submit the *Incentive Plan Design* for review and approval by the CAM.
- After approval of the *Incentive Plan Design* by the CAM, develop and submit the *Incentive Plan* for review and approval by the CAM.

- Update the incentive plan based on the process improvement recommendations as approved by the CAM in Task 9. Significant changes may require planning, hosting, and conducting additional workshops.

**Products:**

- Incentive Plan Design Recommendations
- Incentive Plan Design
- Incentive Plan
- Updated Incentive Plan

**[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]**

**TASK 6 – INCENTIVE PLAN IMPLEMENTATION**

The goal of this task is to implement and administer the targeted Incentive Plan based on the approved plan from Task 5.

**The Recipient shall:**

- Develop appropriate, user-friendly *application documents* (including instruction forms) and submit to the CAM for review and approval.
- Develop an *Implementation Manual for the Incentive Plan* and submit to the CAM for review and approval.
- Develop an *outreach and advertisement plan (Outreach materials)* for the approved all-electric and energy storage market-rate residential construction Incentive Plan including development of appropriate outreach materials to reach targeted markets and areas, in the languages needed by the community – and submit the plan to the CAM for review and approval.
- Conduct outreach in accordance with CAM approved outreach and advertisement plan.
- Upload Incentive Plan information, Implementation Manual, and relevant documents to website developed under Task 4.
- Upon approval of the Incentive Plan by the CAM, develop and institute a system to ensure incentive funds are available in the Recipient’s account to pay for the approved incentives. The Recipient shall forecast the amount of incentive funds needed to cover approved incentive payments and submit an invoice the CEC for funds designated for the incentives.
- Receive, evaluate, and process incentive requests.

**Products:**

- Application documents for the Incentive Plan
- Implementation Manual for the Incentive Plan
- Outreach materials for the Incentive Plan
- Upon CAM request, incentive records, including, but not limited to financial records, incentive payment documentation (e.g., completed incentive request forms other appropriate documentation to confirm compliance with CalEHP requirements), problems/issues experienced, and how identified problems/issues were resolved.

**[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]**

**TASK 7 – PROVIDE TECHNICAL ASSISTANCE FOR POTENTIAL CALEHP PARTICIPANTS**

The goal of this task is to provide a spectrum of technical assistance services to CalEHP applicants and potential applicants including but not limited to:

- assistance with residential building decarbonization design;
- expanded access to technical and market information on building technologies supporting building decarbonization;
- providing technical support; and
- additional assistance to support project completion and reporting.

The level of technical assistance will vary depending on the program applicant's existing expertise in all-electric technologies and building design, readiness, need, and stage of project development. The Recipient must acquire and demonstrate a thorough command of CalEHP requirements and incentive calculation factors and structure, eligible technologies, program specifics related to individual climate zones and other variables affecting incentive eligibility and impacts to owner and tenant utility costs. Performing these tasks requires direct engagement with housing developers and owners, government agencies, and manufacturers of eligible technologies.

The Recipient shall provide technical assistance that includes but is not limited to the following areas:

**General CalEHP Technical Assistance:**

- Develop, in collaboration with the CEC, a *Technical Assistance Program Plan*, that addresses technical assistance design and the corresponding implementation strategy. This includes consumer-facing interest form process, under which stakeholders can apply for and receive technical assistance to develop and construct zero emission residential buildings. These efforts must align with the Recipient's CalEHP website and

other consumer facing efforts. This work is targeted to begin prior to the CalEHP launch to ensure robust program participation.

- Conduct technical assistance intake interviews, prepare summaries and service recommendations for approval by the CAM.
- Assist eligible program applicants in identifying and layering CalEHP incentives with available clean energy incentives by the state, federal, local government, and other parties.
- Design and establish an intake process for technical assistance inquiries and requests; in support of, and in alignment with the Recipient's CalEHP website and consumer facing efforts. This will require a phased approach, dependent on program activity level, that will ultimately include an online portal, requiring site hosting and maintenance.
- Develop a database for tracking participation, participant program activity, and program impact measurements that can supply data for reporting requirements outlined in Task 9.

#### **Assistance with Residential Building Decarbonization Design:**

- Provide a full suite of technical assistance to eligible residential stakeholders (e.g. building designers, architects, engineers, general contractors, developers, owners, and other stakeholders) to support the adoption of all-electric whole building and passive design building approaches.
- Assist eligible housing developers and other program applicants to consider near-zero emission all-electric building design options and overcome project specific design challenges presented by new building developments, renovations, rebuilds, and repurposing of nonresidential building for residential use. This work may in some cases require experienced and licensed architects or engineers. The program will also be available to mixed income projects.
- Expand access to technical and market information on building technologies and appliances supporting building decarbonization. As an element of technical assistance, develop and share technical information, design and installation considerations and other market information to further support adoption of near zero technologies and building designs.
- Provide technical assistance to potential CalEHP applicants to facilitate their readiness to apply for CalEHP incentives, in accordance with CalEHP Guidance Documentation.

#### **Technical support:**

- Provide technical support and guidance to program applicants completing CalEHP incentive applications.
- Provide technical input to program applicants and CEC as needed to resolve any barriers to participation in the incentive process.

- Provide referrals to manufacturers' resources to support electric space and water heating building technologies and appliance installations.
- Provide energy information and other technical input to project developers and engineers in conjunction with their California Association of Building Energy Consultants (CABEC)-qualified Certified Energy Analysts (CEA) to assist in modeling projects in CBECC or other approved Title 24 Part 6 compliance software to assess proposed building designs energy efficiency, and GHG emissions. The CEA should meet the requisite experience and certifications to conduct activities for single family, low-rise multi-family, and high-rise residential energy modeling. Title 24 information can be found [here](https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards): <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards>. This requires understanding of the Home Energy Rating System (HERS) and other registries and services.
- Provide technical assistance to applicants for multifamily developers on local governments' all-electric building permit requirements specified in relevant laws, ordinances, regulations, and standards and advise, if needed, on all-electric building requirements.
- Provide technical assistance and information to local government building department officials, industry training partners and other parties on all-electric building permit considerations, equipment and technologies and related requirements.
- Provide other technical assistance necessary to complete market-rate housing projects; conduct in-person and virtual site visits as needed to support design efforts.

**Products:**

- Technical Assistance Program Recommendation(s)
- Technical Assistance Program Designs
- Technical Assistance Program Plan
- Updated Technical Assistance Program Plan, based on process improvement recommendations as approved by the CAM in Task 9.
- Technical assistance intake interview summaries and service recommendations
- Database for tracking participation and program activity, and impact measurements
- Provision of technical assistance services as described herein
- Project-level summaries and statistics in Monthly/Periodic Progress Reports

**[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]**



## **TASK 8 – TECHNICAL ADVISORY GROUP**

### **Subtask 8.1 Technical Advisory Group (TAG)**

The goal of this subtask is to create an advisory group for this Agreement. The TAG must be composed of diverse professionals. The composition will vary depending on interest, availability, and need. TAG members will serve at the CAM's discretion. The purpose of the TAG is to:

- Provide guidance in program direction. The guidance may include scope, methodologies, and timing. The guidance may be based on:
  - Technical area expertise;
  - Knowledge of market applications; or
  - Linkages between the Agreement work and other past, present, or future projects (both public and private sectors) that TAG members are aware of in a particular area.
- Evaluate the tangible benefits of the program to the state of California, and provide recommendations as needed to enhance the benefits.
- Provide recommendations regarding information dissemination, market pathways, or commercialization strategies relevant to the program.
- Inform the program's goals and contribute to the development and evaluation of its statement of proposed objectives as the program evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the program has a competitive advantage, value proposition, or strength upon which to build.
- Advocate, to the extent the TAG members deem appropriate, on behalf of the program in its effort to build partnerships, governmental support, and relationships with a national spectrum of influential leaders.
- Ask probing questions that insure a long-term perspective on decision-making and progress toward the program's strategic goals.

#### **The TAG may be composed of qualified professionals spanning the following types of disciplines:**

- Researchers knowledgeable about housing decarbonization subject matter;
- Members of trades (e.g., designers, engineers, architects, contractors, and trade representatives);
- Public interest market transformation implementers;

- Product developers relevant to housing decarbonization;
- U.S. Department of Energy research managers, or experts from other federal or state agencies relevant to the decarbonization;
- Public interest environmental groups;
- Environmental justice and energy equity groups;
- Utility representatives;
- Air district staff; and
- Members of relevant technical society committees.

**The Recipient shall:**

- Prepare a *List of Potential TAG Members* that includes the names, companies, physical and electronic addresses, and phone numbers of potential members. The list will be discussed and considered at the Kick-off meeting, and a schedule for recruiting members and holding the first TAG meeting will be developed.
- Recruit TAG members. Ensure that each individual understands member obligations and the TAG meeting schedule developed in subtask 1.11.
- Prepare a *List of TAG Members* once all TAG members have committed to serving on the TAG.
- Submit *Documentation of TAG Member Commitment* (such as Letters of Acceptance) from each TAG member.

**Products:**

- List of Potential TAG Members
- List of TAG Members
- Documentation of TAG Member Commitment

**Subtask 8.2 TAG Meetings**

The goal of this subtask is for the TAG to provide strategic guidance for the program by participating in regular meetings, which may be held via teleconference.

**The Recipient shall:**

- Discuss the TAG meeting schedule with the CAM at the Kick-off meeting. Determine the number and location of meetings (in-person and via teleconference) in consultation with the CAM.
- Prepare a *TAG Meeting Schedule* that will be presented to the TAG members during recruiting. Revise the schedule after the first TAG meeting to incorporate meeting comments.
- Prepare a *TAG Meeting Agenda* and *TAG Meeting Back-up Materials* for each TAG meeting.
- Organize and lead TAG meetings in accordance with the TAG Meeting Schedule. Changes to the schedule must be pre-approved in writing by the CAM.
- Prepare *TAG Meeting Summaries* that include any recommended resolutions of major TAG issues.

**The TAG shall:**

- Help set the program's goals and contribute to the development and evaluation of its objectives as the program evolves.
- Provide a credible and objective sounding board on the wide range of technical and financial barriers and opportunities.
- Help identify key areas where the program has a competitive advantage, value proposition, or strength upon which to build.
- Advocate on behalf of the program in its effort to build partnerships, governmental support and relationships with a national spectrum of influential leaders.
- Ask probing questions that insure a long-term perspective on decision-making and progress toward the program's strategic goals.
- Review and provide comments to proposed program performance metrics.

**Products:**

- TAG Meeting Schedule (draft and final)
- TAG Meeting Agendas (draft and final)
- TAG Meeting Back-up Materials
- TAG Meeting Summaries

**Subtask 8.3 Program Performance Metrics**

The goal of this subtask is to finalize performance metrics for the program based on feedback from the TAG and report on final results in achieving those metrics. The performance metrics should be a combination of scientific, engineering, techno-economic,

and/or programmatic measurements that provide the most significant indicator of the program's potential success.

**The Recipient shall:**

- Complete and submit the program performance metrics to the CAM.
- Present the draft program performance metrics at the first TAG meeting to solicit input and comments from the TAG members.
- Develop and submit a *TAG Performance Metrics Summary* that summarizes comments received from the TAG members on the proposed program performance metrics. The *TAG Performance Metrics Summary* will identify:
  - TAG comments the Recipient proposes to incorporate.
  - TAG comments the Recipient does not propose to incorporate with and explanation why.
- Develop and submit a *Program Performance Metrics Results* document describing the extent to which the Recipient met each of the performance metrics.
- Discuss the *Program Performance Metrics Results* at the Final Meeting.

**Products:**

- TAG Performance Metrics Summary
- Program Performance Metrics Results

**[CPR WILL BE HELD IN THIS TASK. See Task 1.2 for details]**

**TASK 9 – DATA COLLECTION/INCENTIVE RECIPIENT FEEDBACK/PROCESS IMPROVEMENTS**

The goal of this task is to collect data, obtain feedback from program applicants, and develop recommendations on how to improve program implementation.

**The Recipient shall:**

- Identify and collect KPIs to measure program performance. At a minimum include the following:
  - Time from initiation of program design to program launch.
  - Incentive application processing time (e.g. shortest, average, and longest time between complete application submittal package and payment).
  - Incentive application throughput (number of applications processed in a given period of time).
  - Applicant information (e.g. location, number of dwellings etc.)
  - Amount of funding disbursed for completed projects.

- Percentage of program funding in disadvantaged communities.
- Outreach and workshop participation for priority populations.
- Contacts with CBOs, small businesses, rural communities, community leaders, California Native American Tribes, and disadvantaged communities.
- Prepare and submit a KPI Report to the CAM quarterly that includes, but is not limited to, comparing the goal KPIs to the actual results.
- Collect, compile, and analyze data on incentive projects (which may include, but is not limited to type of organizations receiving incentives, incentive applicant timelines to complete incentive projects, time from project reservation to completion, and timeframes associated with all-electric and energy storage market rate residence construction).
- Obtain and analyze feedback from CalEHP applicants via surveys or other means (which may include but is not limited to issues and barriers facing program participants, solutions/strategies to overcome issues/barriers, and CalEHP participation experience).
- Collect and analyze technical assistance data (which may include but is not limited to tracking participation, participant program activity, type of assistance received, and impact metrics).
- Use the collected incentive, feedback, and technical assistance data to create and submit to the CAM a Data Collection Report for CalEHP quarterly.
- Evaluate CalEHP progress and outcomes and compare them to the CalEHP goals and objectives.
- Prepare and submit process and implementation improvement recommendations for review and approval by the CAM based on quarterly reports.
- Implement CAM approved process improvement changes.

**Products:**

- KPI Reports
- Data Collection Reports
- Process Improvement Recommendations

**TASK 10 –PROGRAM FACT SHEETS**

The goal of this task is to develop an initial and final program fact sheet for the CalEHP that describes the CEC-funded program and the benefits resulting from the program for the public and key decision makers.

**The Recipient shall:**

- Prepare an Initial Program Fact Sheet at start of the program that describes the program and the expected benefits. Use the format provided by the CAM.
- Prepare a Final Program Fact Sheet at the program's conclusion that describes the program, the actual benefits resulting from the program, and lessons learned from implementing the program. Use the format provided by the CAM.
- Provide at least (6) six High Quality Digital Photographs (minimum resolution of 1300x400 pixels in landscape ratio) of post construction at the program sites or related program photographs.

**Products:**

- Initial Program Fact Sheet
- Final Program Fact Sheet
- High Quality Digital Photographs

STATE OF CALIFORNIA  
STATE ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

**RESOLUTION: TRC Engineers, Inc.**

**RESOLVED**, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

**RESOLVED**, that the CEC approves Agreement EHP-22-001 to help design and implement a residential all-electric and energy storage construction incentive program in California and provide technical assistance. Funding for this agreement is up to \$68,124,971, including up to \$58,125,000 to be distributed as incentives and up to \$9,999,971 for administrative costs; and

**FURTHER BE IT RESOLVED**, that the Executive Director or their designee shall execute the same on behalf of the CEC.

**CERTIFICATION**

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on January 25, 2023.

AYE:  
NAY:  
ABSENT:  
ABSTAIN:

Dated:

\_\_\_\_\_  
Liza Lopez  
Secretariat