**GFO-15-312**

The EPIC Challenge: Accelerating the Deployment of Advanced Energy Communities

**Pre-Application Questions and Answers**

State of California

California Energy Commission

<http://www.energy.ca.gov/contracts/index.html>

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# Funding Levels and Funding Group Qualification

1. **Q: If an applicant is working with a county and that county has one or more disadvantaged communities and others that are non-disadvantaged. What group would the application fall into?**

A: Applicants will self-select in the Application Form (Attachment 1) which funding group they wish to apply to. Applicants that apply for one of the disadvantaged community groups (Group 3 or Group 4) must explain in their proposal how the project will specifically benefit disadvantaged communities.

1. **Q: Can the Energy Commission clarify on proposals with multi-community projects. Specifically, when some communities are disadvantaged and others are not. How will scoring work? Which group will it fall under?**

A: See answer for Question 1.

1. **Q: Can the Energy Commission provide guidance on what it deems to be an appropriate funding level for this solicitation?**

A: Advanced Energy Communities are new concepts for integrating the state’s energy goals with community planning and development. Funding amounts requested for this solicitation should be appropriate to bring the Advanced Energy Community concept proposed by the applicant to a shovel-ready state and facilitate future community developments modeled after the same Advanced Energy Community concept. Funded activities can include but are not limited to: technical assistance on analytical tools for planning and designing the energy components of the community; piloting new tools to streamline the permitting processes; and expertise to evaluate different options for financing the development.

1. **Q: Are there going to be many small grants available say for $100,000 or are there going to be 3 for $1.5 million?**

A: The exact number of awards will depend on the requested funds and rank order of the passing proposals. The Energy Commission anticipates that some applicants will request the maximum funding amount.

1. **Q: Are there an estimated number of awardees per Group?**

A: The Energy Commission anticipates funding approximately three awards per group (12 total). The exact number of awards will depend on the requested funds and rank order of the passing proposals. See answer for Question 4 for additional detail.

1. **Q: Is there a minimum funding level**?

A: There is no minimum funding level. Applicants should request an amount of funds that is necessary to complete the work they are proposing to accomplish.

# Physical Site Selection

1. **Q: Does the Energy Commission expect Phase I projects to be focused on a pre-identified specific physical location (either proposed retrofits to an existing community, or development of a new greenfield “Advanced Energy Community”) OR does it envision Phase I projects developing tools to improve or streamline the planning, permitting, and financing of future new “Advanced Energy Communities” in the local jurisdiction absent a specific pre-identified site?**

A: Energy Commission staff expect Phase I projects to pilot innovative planning, permitting and financing approaches to improve the business case for Advanced Energy Communities. Applicants are not required to have a site pre-selected when applying for Phase I. However, applicants selected for Phase I funding will need to identify a physical site during the project that will serve as the test case for these innovative community planning and development approaches.

1. **Q: Applicants will know which project group they are submitting to, but there are many possible disadvantaged communities within just a small area of a county. At what scale does the site need to be identified? At the city scale, at the census tract scale, or at the building scale?**

A: The specific site of the proposed Advanced Energy Community will need to be identified during Phase I of the project. Identification could take the form of a mailing address, Assessor’s Parcel Number, or some other identification of the boundaries of the proposed Advanced Energy Community boundaries. See response to Question 7 for additional information.

1. **Q: There are parts of the solicitation that seem to indicate that the project site should already have been selected prior to submitting the proposal, rather than using the Phase I proposal to select as well as design the site. Please clarify the expectations, especially related to the requirement to quantify the benefits of the project - how can this be done if site hasn't been selected yet?**

A: Applicants are not required to have a site selected prior to applying for Phase I. Site selection is allowed to be part of the Phase I proposal. In addition, applicants are not required to quantify the benefits of the project in the proposal. However, applicants in their proposal should describe 1) qualitatively what the expected benefits are; and 2) how they plan to estimate the benefits during the Phase I project.

1. **Q: If the project site already has to be identified before Phase I proposal is submitted, then how does this fit with the requirement that the proposal address “Where are the optimal locations within a jurisdiction for designing and deploying these communities that offer the most benefit to ratepayers and the electric grid?"**

A: Applicants are not required to have a site selected in their application. Applicants will need to describe in their proposal the approach for how they plan to select a site. This should include a discussion on what qualities and criteria would make a site more conducive to these types of developments as opposed to other sites.

1. **Q: If the Energy Commission expects Phase I projects to work with existing pre-identified sites, at what stage of the development process does the Energy Commission expect the development to be for new communities?**

A: Applicants are not required to have a site pre-selected prior to submitting an application and this solicitation does not require developments to be in any specific stage. It will be up to the applicant to describe how the site they have chosen will facilitate the objectives of Advanced Energy Communities listed on page 4 of the Application Manual.

1. **Q: Should applicants include a map of their proposed community as part of the project?**

A: If an applicant already has a site selected or has potential sites identified, including a map would be helpful in describing their proposal. However, applicants are not required to include a map of the proposed community in their proposal.

# Technology

1. **Q: Does the Energy Commission envision “Advanced Energy Communities” being microgrid communities that have the ability to island from the utility’s distribution infrastructure?**

A: The Energy Commission does not require Advanced Energy Communities to be microgrid communities or have islanding capabilities. However, the proposed Advanced Energy Community should support grid reliability and resiliency, as well as the other Advanced Energy Communities objectives listed on page 4 of the Application Manual.

1. **Q: Does this funding opportunity include electrification of transportation? (i.e. electric vehicles)**

A: The Advanced Energy Community being proposed in an application should consider how electric vehicles will be integrated.

1. **Q: Does this grant enable applicants to integrate all fuel types & resources?**

A: This grant enables applicants to propose a mix of technologies and plan a community that integrates them in a whole systems approach.

1. **Will applicants be able to implement this project outside of electric IOU service territory?**

A: No, projects must be located within an electric IOU’s service territory.

1. **Q: Do renewable cogeneration facilities count as an Advanced Energy System?**

A: Yes, renewable cogeneration may be part of the Advanced Energy Community

1. **Q: Should the Advanced Energy Community include capability to be islanded from the grid, and must the applicant consider utility departing load costs or standby charges?**

A: Applicants can propose islanding capabilities as part of their proposed community but it is not a requirement of this solicitation. If the proposal will result in additional charges such as departing load costs or standby charges then they should be accounted for when the applicant is evaluating the financing and business model aspects of the development.

1. **Q: In the past, in seems solicitation winners have primarily been solar and wind. Is there any feedstock preferred over others since biomass, and bio methane don’t seem to have the same capabilities??**

A: There is no preference in technologies. It is up to applicant if to justify the mix of technologies they are including in their proposal and how those technologies provide benefits to Investor Owned Utility (IOU) electric ratepayers.

1. **Q: Does the Energy Commission want to limit the inclusion of bioenergy to its current definition?**

A: There is no limit on the inclusion of bioenergy technologies under this solicitation. It is up to the applicant to justify its inclusion and show how the technology will support its proposed community and achieve the objectives set out in the solicitation. Applicants will need to ensure that any inclusion of bioenergy is consistent with current state policies and definitions.

1. **Q: Do the energy systems allowed from this proposal include both electricity and heat?**

A: Yes, energy systems allowed include both electricity and heat, specifically heat generated from electric loads such as electric hot water heaters. Technologies that reduce both electricity and natural gas, such as building envelope advancements, are also allowable.

1. **Q: Could electric vehicles be considered as a storage resource if vehicle to building/grid charging is enabled?**

A: Yes, electric vehicles could be considered as a storage resource in an Advanced Energy Community.

1. **Q: Does Zero-net Energy mean electricity and gas, or just electricity?**

A: Zero-net Energy means both electricity and gas. Applicants should use the definition for Zero-Net Energy Buildings adopted in the 2013 Integrated Energy Policy Report:

# Match Funding

1. **Q: Do Proposition 39 funds count as match funding?**

A: Yes, funds derived from Proposition 39 would count as match funding, but only if they are expended during the term of the project funded under this solicitation, and only if the funds were not awarded by the Energy Commission.

1. **Q: Can applicants leverage funding form Property Assessed Clean Energy (PACE) programs?**

A: Yes, funds received through a PACE program would be acceptable for match funding; any match funds identified must be expended during the term of the project funded under this solicitation.

1. **Q: How do applicants leverage existing financial tools and resources?**

A: Applicants should describe in their proposal potential financial tools and resources they will evaluate to finance the construction of their Advanced Energy Community.

# Local Government Definition

1. **Q: Can the Energy Commission provide clarification on its definition of “local government” as it applies to application requirements and qualification for additional points?**

A: Local governments include city or county governments or organizations connected to city or county governments such as joint power authorities, council of governments and housing authorities that have a role in the development process. This same definition applies for qualification of additional points in the scoring criteria. Proposals that contain three such local government entities as team members will receive one additional point; proposals that contain four or more local government entities as team members will receive two additional points.

1. **Q: Do school districts and transit authorities qualify as “multiple jurisdictions” with respect to the evaluation criteria?**

A: See response to Question 27.

1. **Q: How is local government partners defined? Are Joint Powers authorities, housing authorities, air quality districts, COGs and other regional entities included in that definition towards the bonus points associated with additional local governments?**

A: Please see answer to Question 27.

1. **Q: Is a council of governments considered a local government by the Energy Commission for this GFO?**

A: Yes, a council of governments is considered a local entity for this solicitation. Please see the answer to Question 27.

1. **Q: Does an Air Pollution Control District count as a local or county government?**

A: Yes, air pollution control districts would qualify as mandatory project partners and count towards the criteria for additional points.

1. **Q: If an applicant partners with multiple divisions/agencies within the same City, does that count as multiple local or regional government agencies?**

A: It would depend on the type of divisions or agencies that are part of the team. Local governments include city or county governments or organizations connected to city or county governments such as joint power authorities, council of governments and housing authorities. This same definition applies for qualification of additional points in the scoring criteria.

1. **Q: Can a council of government apply for two groups - both disadvantaged and the regular groups since both types are within our jurisdiction?**

A: Yes, a council of government is eligible to apply for multiple groups, though each application must be for a distinct project.

# Additional Point Qualifications

1. **Q: Would a GFO-15-312 proposal be given added points if it included deep water conservation measures and dramatic water demand reduction through new water saving & water-efficiency technologies as part of the solicitation bid to deploy an Advanced Energy Community?**

A: This solicitation does not include a designated scoring category for water reduction. However, one of the objectives of Advanced Energy Communities is that these communities align with other state energy and environmental goals at the community level such as Governor Brown’s Executive Order B-29-15 for the drought. Applicants that propose deep water conservation measures and technologies as part of their Advanced Energy Communities will be evaluated accordingly in the technical scoring phase.

1. **Q: Is there preference points provided for working with a county that’s already going down the California Environmental Quality Act (CEQA) process? If an applicant could show that they could meet CEQA for Phase 2, would there be bonus points for that considering it would ease Phase 2 build out?**

A: No, there are no additional points for proposals that have begun the CEQA processes. However, any previous planning or regulatory effort already started or completed for a proposed project may demonstrate an increased likelihood of project completeness and could positively impact the score of a proposal.

1. **Q: How many extra points do we get on partnerships with local educational institutions and/or local workforce development agencies?**

A: The inclusion of local educational institutions or local workforce development agencies would not qualify for additional points under this solicitation, though they are eligible to be project partners.

1. **Q: Would the University of California be considered a separate local jurisdiction as a joint proposal?**

A: The University of California would not be considered a separate local jurisdiction under this solicitation and their inclusion would not qualify for additional points. The University of California is eligible to serve as a project partner.

# Phase II

1. **Q: Can projects be expedited? Will the Energy Commission allow flexibility to apply for Phase II funding earlier than June 2018?**

A: Applicants will not be allowed to apply for Phase II outside of the planned timeframe identified in the solicitation manual.

1. **Q: Why is there a difference in the project duration for Phase I and II, is that for CEQA and interconnection reasons?**

A: The Phase II timeline allows for the actual build-out of a proposed Advanced Energy Community, and so is longer than the Phase I timeline. The solicitation manual states that applicants must demonstrate that a CEQA review has been completed prior to the adoption of any Phase II agreements.

1. **Q: If the Phase II scoring criteria aren't out until after the Phase I projects are submitted, then there is no opportunity to incorporate Phase II scoring criteria in the Advanced Energy Community design. Can the solicitation details for Phase II be released earlier?**

A: The release of the Phases II solicitation amendment is not planned until the end of Phases I projects. Two aspects will serve as the basis for Phase II evaluation: how well does the Advanced Energy Community meet objectives set out on page 4 of the application manual, and how close is the Advanced Energy Community to being shovel-ready.

1. **Q: On page 20, the GFO states that Phase II activities involve the installation and operation of pre-commercial and emerging technologies or strategies in actual operating environments to enable appraise of the operational and performance characteristics and the financial risk. Does that mean that we are limited to pre-commercial and emerging technologies only for deployment in our Advanced Energy Communities?**

A: No, applicants are not limited to pre-commercial technologies. For purposes of this solicitation, pre-commercial refers to technologies or combinations of technologies, including commercial technologies that have not been demonstrated together, or demonstrated at the scale being proposed.

# Administrative Questions

1. **Q: Each EPIC grant has the requirement that an applicant be registered and be in good standing with the California Secretary of State prior to the application. Is there any additional requirement necessary to show that a doing business as entity (dba) entity is a qualified active registered entity for purposes of this application?**

A: There is no additional requirement beyond proper registration with the California Secretary of State for a d.b.a entity to show further eligibility for their application.

1. **Q: Is it possible for a firm to be the prime for one group and a subcontractor on a team in another group?**

A: Yes, applicants are allowed to be part of multiple project teams.

1. **Q: Page 37 of the solicitation manual contains the following criteria: "Spent in California" means that: (1) Funds under the "Direct Labor" category and all categories calculated based on direct labor in the B-4 budget attachments (Prime and Subcontractor Labor Rates) are paid to individuals who pay California state income taxes on wages received for work performed under the agreement; and (2) Business transactions (e.g., material and equipment purchases, leases, rentals, and contractual work) are entered into with a business located in California." For the phrase "all categories calculated based on direct labor", does these categories include indirect?**

A: Yes, if indirect overhead is based on, or includes, direct labor as part of the calculation, then indirect costs can be included as part of the funds spent in California.

1. **Q: In what capacity may we use a Department of Energy (DOE) national lab as a technical resource and how would that impact the scoring process.**

A: Department of Energy entities are eligible to serve as project partners. All team members, including any DOE entities, will be evaluated as part of the Team Qualifications, Capabilities, and Resources criteria.

1. **Q: Does the Commission cover any developmental costs prior to the application approval?**

A: No, the Commission does not reimburse any costs incurred outside the contract term.

1. **Q: What are the resources the Energy Commission could provide in terms of financing the project?**

A: Applicants selected for Phase I awards from this solicitation will be eligible to apply for Phase II of this solicitation and receive additional funding for the project. In addition, applicants are eligible to apply for other EPIC funding opportunities. Please visit the EPIC Funding Opportunities webpage at: <http://www.energy.ca.gov/contracts/epic.html> Applicants selected for Phase I awards are not guaranteed awards from other EPIC funding opportunities including this solicitation.

1. **Q: Can an applicant submit proposals to address multiple groups?**

A: Applicants may submit applications for multiple groups, though each application must be for a distinct project.

1. **Q: If an applicant is dealing with the county level, is there a possibility to submit two separate applications one in an applicant’s disadvantaged community and another in an applicant’s non-disadvantaged community or are applicants only limited to one group type?**

A: Applicants are allowed to submit multiple proposals as long as each proposal is for a distinct project.

1. **Q: Are there advantages to including disabled veteran business enterprises (DVBE), small businesses, or non-profits on the project team?**

A: In grant awards, there is no point value associated with the inclusion of these types of businesses. However, the Energy Commission does encourage having a diverse set of participants, including DVBEs and minority owned businesses.

1. **Q: Can the Energy Commission clarify that the term Principal Investigator includes more than just scientists and engineers?**

A: The solicitation will be amended with a broader definition of Principal Investigator. The new definition will read:

The lead technical expert for the applicant’s project, who is responsible for overseeing the project; in some instances, the Principal Investigator and Project Manager may be the same person.

1. **Q: Will an attorney qualify as a principal investigator under the solicitation’s revised definition?**

A: Yes, please see answer to Question 51.

1. **Q: As it relates to the desire for project teams that can advance a cooperative model using peer cohort trainings, can the Energy Commission provide us the best and recommended avenues for an applicant to join and/or assemble multiple-partner applications into one that can better meet the grant criteria and purpose of the opportunity?**

A: The Energy Commission cannot provide specific guidance or advice on how to gather a team or prepare a proposal outside of its publicly released documents. The Energy Commission has provided several resources for applicants to find other parties that may be interested in forming project teams. The list of participants that attended the pre-application workshop can be found here: <http://www.energy.ca.gov/contracts/epic.html#GFO-15-312>. Additionally, the Energy Commission has created a networking group on LinkedIn specifically for this solicitation, which can be found here: <https://www.linkedin.com/groups/7021976/profile>

1. **Q: Can the proposal teams be from the private or public sector?**

A: This solicitation is open to all public and private entities except for Publicly Owned Utilities.

# Objectives and Intent of Solicitation

1. **Q: The solicitation talks about the need for infrastructure, transmission and distribution upgrades, and other issues. To what degree is the Energy Commission expecting to see partners in these aspects? Is the Energy Commission expecting to see electrical engineers and others who are able to provide that level of expertise in the design and plan of the project? What level of detail is the Energy Commission expecting to see in the plan?**

A: Applicants should propose a project team able to address all issues related to the development of Advanced Energy Communities. Project teams that do not include all the expertise necessary to address the issues associated with the development of an Advanced Energy Community, up to and including everything necessary to be shovel ready, should describe their plan to secure additional expertise during the course of the project.

1. **Q: There’s a big disparity between the expertise required for planning, permitting and financing versus expertise in interconnection and other related topics. There’s also a different level of thinking between CAISO level topics and local planning and permitting. Can the Energy Commission provide some clarity on what is expected in the proposal along these lines?**

A: See response to Question 55.

1. **Q: Are projects restricted to private land that have been retrofitted for commercial development?**

A: There are no restrictions on the ownership of land in the proposed project area. Projects can be either private or public land that is able to be developed on.

1. **Q: Can the Energy Commission clarify what constraints are on the project size in terms of megawatts of generation, and IOU service areas only? Is the Energy Commission excluding municipal public utility service areas and electric IOUs service areas?**

A: The project site must be in an electric IOU service territory, and there are no limits to the size of the community or the generation within the community.

1. **Q: In the solicitation manual on page 5, Section B *Key Words/ Terms,* the GFO states that Advanced Energy Communities can be a new, reconstruction, or retrofit development of a residential, commercial, or municipal development in new, unused or underutilized lands. Can the Energy Commission define what is considered “unused or underutilized” lands? In addition please define what the Energy Commission considers reconstruction or retrofit development.**

A: Unused or underutilized lands refer to land that has not been previously disturbed for any type of construction or development, also known as greenfield development. Reconstruction or retrofit developments are developments that involve buildings or structures that are already built.

1. **Q: Can the Energy Commission provide clarification on terminology of scaling up as written on page 4 of the solicitation manual? With distributed generation and replicability, we want to take 3 MW and scale out (as opposed to increasing each project’s power requirements to be bigger than 3 MW).**

A: Advanced Energy Communities are intended to be new concepts for integrating the state’s energy goals, including SB 350, with community planning and development. Scale-up, for purposes of this solicitation, refers to building on the lessons learned from this first project of an Advanced Energy Community concept to improve the economics, timelines, and other performance criteria of future developments modeled after the same concept.

1. **Q: Should money be spent on how to replicate the project statewide?**

A: Yes, as stated on page 20 of the Application Manual, “Funded projects will serve as models for local governments that want to encourage sustainable development. Replicability and the transfer of knowledge gained from these projects are a primary goal.”

1. **Q: Can the Energy Commission confirm that they’re seeking a feasibility study focused on planning, permitting, and financing at the local government level and NOT on technical or engineering considerations around the deployment of various technologies contained within “Advanced Energy Communities” (including smart grid, distributed energy resources, storage, etc.)?**

A: Under Phase I of this solicitation, the Energy Commission is interested in applications that will: 1) evaluate and pilot innovative planning, permitting and financing approaches that can accelerate deployment of Advanced Energy Communities; and 2) develop a real world conceptual design of an Advanced Energy Community that included technical and engineering considerations. Proposed Advanced Energy Communities need to be shovel ready or close to shovel ready by the end of Phase I to qualify for Phase II funding.

1. **Q: Net zero energy is identified in the solicitation, is there also a net zero greenhouse gases component to this?**

A: Net zero greenhouse gas is not identified as a requirement in this solicitation but applicants may propose that for an Advanced Energy Community in their application.

1. **Q: A greenhouse gas calculator would be helpful as well: If the community uses energy that can support other enabling (GHG reduction) technologies, wouldn’t that be a benefit?**

A: Attachment 12 provides reference figures that applicants must use in calculating their proposals expected impact to IOU ratepayers. The Impacts and Benefits for California IOU Ratepayers would be an appropriate section for applicants to discuss expected greenhouse gas reductions that may result from the project.

1. **Q: Are there specific regulatory barriers or solutions the Energy Commission is seeking?**

A: There are no specific regulatory barriers the Energy Commission is seeking applicants to address. The Energy Commission is interested in potential actions that can be taken at local levels to improve the business case for Advanced Energy Communities.

1. **Q: Does the Energy Commission have a preference for greenfield vs. infill development?**

A: Yes, one of the objectives of Advanced Energy Communities is that they are aligned with other state energy and environmental policy goals at the community-level such as the Sustainable Communities and Environmental Protection Act (Senate Bill 375 (Steinberg, Chapter 728, Statutes of 2008)). See page 4 of the Application Manual. Senate Bill 375 seeks to promote greater infill development.

1. **Q: Does the Energy Commission have a preference for customer-owned vs. third-party-owned assets?**

A: The Energy Commission does not have a preference between customer-owned and third-party-owned assets.

1. **Q: Does the Energy Commission have a preference for new construction vs. existing facilities?**

A: The Energy Commission does not have a preference between new construction and existing facilities.

1. **Q: Is this solicitation seeking to fund a report or a demonstration project? Is the intent to have a small scale project or a paper study on how to get it done?**

A: Phase I of this solicitation seeks to pilot innovative planning, permitting and financing approaches that can accelerate deployment of Advanced Energy Communities. As part of the pilot project, applicants must provide a real world design of a proposed Advanced Energy Community, and all associated plans necessary to get the project shovel ready. Phase I is limited to the study and designs and no construction will take place during Phase I. Phase II will provide partial funding for the build-out of the best Advanced Energy Communities. Additional details on Phase II will be provided as part of a solicitation manual update towards the end of Phase II.

1. **Q: Can the Energy Commission provide clarification on Scoring Criteria 3 paragraph D on page 35 of the solicitation manual under Impacts and Benefits to CA IOU Ratepayers: "Identifies impacted market segments in California, including size and penetration or deployment rates, with underlying assumptions." Are market segments impacted by the pilot project or the replicability of the pilot?**

A: The market impacts should consider both. Applicants can make the case for benefits from 1) build-out and demonstration and lessons learned from a specific project, as well as 2) replicability and how that will benefit a more statewide audience.

1. **Q: Zero-net Energy developments can cause higher costs, at distribution, and reduce cost-effectiveness of DERs; how does the Energy Commission take this into consideration?**

A: The Energy Commission is looking for applicants to evaluate and potentially pilot innovative solutions to overcome barriers to ZNE development, such as barriers caused by higher upfront costs and split incentives.

1. **Q: Please provide clarification on question C under Technical Merit & Need: "Summarizes the current status of regulatory structures and designs as it relates to the development of Advanced Energy Communities and explains how the proposed project will advance, supplement, and/or replace current regulatory structures and plans."**

A: This is a specific aspect under the technical approach in the solicitation. Evaluators will be looking for a summary of what the regulatory landscape is for the applicants’ proposed development and looking for the proposed advancements to that regulatory landscape that will help accelerate deployment of Advanced Energy Communities.

1. **Q: Can the Energy Commission expand Energy Efficiency Financing to all distributed resources (electric vehicles, demand response, demand side management, energy efficiency, and other demand side resources)? Is this grant only limited to electricity?**

A: This solicitation seeks to have applicants propose a wide range of technologies that they deem appropriate for their proposal, which may include the items identified in the question. The focus of this solicitation is on electric energy systems, but other systems that can impact the electric energy consumption of Advanced Energy Communities, such as natural gas, may also be included as part of this application. Applicants will need to justify the appropriateness of including nonelectric energy systems in their proposals.

1. **Q: Does the Energy Commission have any specific performance metrics that it is considering under "replicability"?**

A: For this solicitation, replicability refers to the ability to deploy Advanced Energy Communities throughout the state as well as the ability to drive down the costs of Advanced Energy Community development.

1. **Q: Interconnection is crucial. For example if an Advanced Energy Community has the potential to generate 3 megawatts, the current regulatory landscape does not allow any other entities outside of the IOUs to generate or distribute more than 1 MW. How does the Energy Commission anticipate overcoming these major regulatory barriers?**

A: Applicants should describe their plans for overcoming all technical and regulatory barriers for the development of the proposed Advanced Energy Community during the course of the project, and any contingency plan the project team has in the event the barrier cannot be overcome.

# Utility Involvement

1. **Q: Can the Energy Commission engage with the utilities in an active matter for this solicitation?**

A: The Energy Commission is not able to work with any potential applicant outside of the public process prior to the release of any solicitation. Since the IOUs are not restricted from submitting a proposal, or participating in a team submitting a proposal, the Energy Commission is not in a position to actively engage with the IOUs.

1. **Q: Has the Energy Commission engaged with Investor-Owned Utilities (IOUs) on this solicitation? It is critical to have IOU input and allow interconnections for these developments. Is this the first time they’ve seen it? What feedback have we gotten from IOUs on this effort?**

A: The Energy Commission released a draft of this solicitation earlier this year, but has not done specific engagement with the IOUs because they are eligible to receive funding under this solicitation. Please see the answer to Question 76 for more detail.

1. **Q: Would the IOUs be a good partner?**

A: The Investor Owned Utilities could be a valuable partner to have on this solicitation depending on their role and contribution to the project.

1. **Q: Can utilities be a technical partner in this solicitation?**

A: Yes, Investor Owned Utilities can be a partner in this solicitation. Publicly Owned Utilities are not allowed to receive any funding.

1. **Q: Are POU’s eligible to be funded or partners in this solicitation?**

A: POU’s are not eligible to receive any funding under this solicitation. However, POU employees that can provide technical expertise to the project are eligible to serve on project Technical Advisory Committee. The proposed site of the Advanced Energy Community must be in IOU service territory. POUs can also provide match funding.

1. **Q: POUs cannot receive any funds, but they are allowed on technical advisory committees (TACs) and would they be allowed to be compensated for serving on a TAC?**

A: TAC members can only be compensated for their time if they are listed on the Direct Labor budget sheet as an employee of either the Prime Recipient or a Subcontractor. The Energy Commission can only pay for the salaries of personnel that are listed in the budget. Travel expenses, however, can be reimbursed for TAC members as long as those expenses are factored into the Budget Form’s Travel spreadsheet as part of the Prime Recipient or Subcontractor costs.

1. **Q: The solicitation manual states on page 19: “…funds administered by the Energy Commission may not be used for any purposes associated with publicly-owned utility activities.” Would this apply to a regional waste authority (i.e. Special Districts/JPA’s that manage local landfills)?**

A: This restriction is limited to publicly-owned electric utilities. Regional waste authorities would qualify as project partners under this solicitation.

# Benefits Measurement

1. **Q: Can the Energy Commission provide clarification on the use of values contained in Attachment 12.  Although not discussed in the GFO manual, Attachment 12 was included on the website and its introduction states: "Applicants must use these tables when estimating the proposed project’s energy and peak demand savings and greenhouse gas (GHG) impacts, to the extent that the data apply to the proposed project.” In the webex yesterday, in response to my question, we were told that we are allowed to use site-specific data if that is available.  We would like to request a formal clarification regarding the values that can be used for estimating energy and GHG savings.**

A: The values contained in Attachment 12 must be used when estimating the project’s potential energy and greenhouse gas savings. If the applicant has additional site-specific data they may include those estimates in their application as well.

1. **Q: Please clarify how the values in Attachment 12 need to be used in the proposal. What if the applicant has more site specific data?**

A: Please see answer to Question 83.