**Questions and Answers Document**

# **Disclaimer**

The following answers are based on California Energy Commission (CEC) staff’s interpretation of the questions received. The applicant is responsible for reviewing the Solicitation Manual and determining whether its proposed project is eligible for funding by reviewing the Eligibility Requirements within the solicitation. The CEC cannot give definitive advice as to whether a particular project is eligible for funding because not all application details are known.

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# **General/Administrative**

1. **Will the slides, recording, and attendee list be shared?**

Yes. The workshop slides and attendee list can be found on the GFO-22-402 solicitation webpage: <https://www.energy.ca.gov/solicitations/2022-09/gfo-22-402-advancing-designs-floating-offshore-wind-mooring-lines-and-anchors>. The recording can be found on the workshop event webpage: <https://www.energy.ca.gov/event/funding-workshop/2022-09/pre-application-workshop-gfo-22-402-advancing-designs-floating>.

1. **Are only California-based organizations eligible for funding? May researchers, universities, or companies from outside California apply for grants?**

This solicitation “is open to all public and private entities with the exception of local publicly owned electric utilities,” as stated in Section II.A.1. Eligibility of the Solicitation Manual. Researchers, universities, or companies from outside of California are eligible to apply.

Also, note that applicants must follow the requirements of Section II.A.3. California Secretary of State Registration of the Solicitation Manual, which states, “All corporations, limited liability companies (LLCs), limited partnerships (LPs) and limited liability partnerships (LLPs) that conduct intrastate business in California are required to be registered and in good standing with the California Secretary of State prior to its project being recommended for approval at a CEC Business Meeting. For further information about registering with the California Secretary of State, refer to the California Secretary of State’s website at <https://sos.ca.gov>. If not currently registered with the California Secretary of State, applicants should contact the Secretary of State’s Office as soon as possible to avoid potential delays in beginning the proposed project(s) (should the application be successful).”

Finally, note that while non-California based organizations are eligible for funding, the amount of funds spent in California can affect application scores. Please see Section IV.F. Stage Two: Application Scoring Criterion 6 “CEC Funds Spent in California” of the Solicitation Manual, which assigns scoring points for spending CEC (i.e., grant) funds in California. The definition of what constitutes funds spent in California is described in Section I.L Funds Spent in California of the Solicitation Manual. Note that applications will be incorporated by reference into any resulting grant agreement. Therefore, an applicant's commitment to spend a certain amount of CEC funds in California will be binding on the applicant, and failure to spend the committed amount could result in a decrease in grant amount.

1. **Do we have to partner with a California company?**

No. Please also see the response to Q.2 regarding entities who are eligible to apply and additional considerations.

1. **Can individual companies submit more than one application as the prime applicant?**

Yes. However, if an applicant submits multiple applications that address the same project option, each application must be for a distinct project (i.e., no overlap with respect to the tasks described in the Attachment 5 (Scope of Work)). Project options are described in Section I.C. Project Focus of the Solicitation Manual.

1. **Can we apply as the prime applicant for one application and as a subcontractor for another application?**

Yes. In this case, the entity should describe how it will be able to fulfill its obligations under both projects if both applications are awarded.

1. **Can individual companies be involved with more than one application as subcontractors?**

Yes. Please also see the response to Q.5.

1. **Can we be a subcontractor for two different applications to the same project option?**

Yes. Please also see the response to Q.5.

1. **Can international entities apply?**

This solicitation “is open to all public and private entities with the exception of local publicly owned electric utilities,” as stated in Section II.A.1. Eligibility of the Solicitation Manual. Therefore, international entities are eligible.

However, international entities seeking to participate in this solicitation may be impacted by restrictions. For example, Section III.C.7. Budget Forms of the Solicitation Manual states, “The budget must NOT identify that EPIC grant funds will be spent outside of the United States or for out-of-country travel. However, match funds may cover these costs if there are no legal restrictions.” Thus, grant funds cannot be used for work performed outside of the United States. Some international entities have U.S. based branches or subsidiaries that may be better positioned to act as an applicant. International entities may also consider becoming match fund partners to a U.S.-based applicant to the solicitation. Prospective applicants looking for partnering opportunities for this funding opportunity should register on the CEC’s Empower Innovation website at www.empowerinnovation.net.

Other possible restrictions include U.S. federal laws, including federal export control laws that prohibit certain activities between U.S. and foreign companies. These examples are not meant to be an exhaustive list of possible restrictions on a foreign company trying to obtain a CEC grant.

Please also see the response to Q.2 regarding scoring points for CEC funds spent in California.

1. **Are only the funds spent in California reimbursable?**

No. Reimbursable funds may be spent outside of California.

Please also see the response to Q.2 regarding scoring points for CEC funds spent in California.

1. **Can we hire consultants or experts outside of California? Any equipment?**

Yes. Expenses are reimbursable to support team members and equipment purchases from outside of California provided those expenses are allowable under the terms of the grant agreement. Please see Section III.C.7 Budget Forms of the Solicitation Manual and the instructions shown in each tab of the Budget, which is Attachment 7 of the solicitation. Please also see the terms and conditions regarding allowable expenses. Private entity applicants should see section 8 of the EPIC Standard Grant Terms and Conditions, available at: <http://www.energy.ca.gov/research/contractors.html>

Please also see the response to Q.2 regarding scoring points for CEC funds spent in California.

1. **Do you have a list of people who I can collaborate with?**

Applicants are encouraged to sign up to the CEC’s Empower Innovation network, which can be found at <https://www.empowerinnovation.net>, to connect with entrepreneurs, developers, investors, and local communities to partner with your project.

1. **Can you please explain if there is a minimum Percentage of CEC funds spent in California? Can less than 60% of the funds be spent in California?**

Yes. Less than 60% of funds can be spent in California. However, the amount of funds spent in California will affect application scoring.

Please also see the response to Q.2 regarding scoring points for CEC funds spent in California.

1. **Can entities apply as a consortium? If yes, can the consortium have partners that are based outside of California and even outside of U.S. (i.e., international partners)?**

Only one entity can be the applicant. However, other entities can be part of the application as subcontractors or project partners.

Please also see the response to Q.2 regarding eligible entities, Q.8 regarding international entities, and Q.10 regarding partners outside of California.

1. **What's the percentage of match funds? Can one use university startup funds for it?**

Match funding is required in the amount of at least 10% of the requested CEC (i.e., grant) funds. Additional match funding above the required amount may receive additional points. Please see Section IV.F. Stage Two: Application Scoring, Scoring Criterion 8 for more details.

University startup funds may be used for match, as long as proof that the funds exist as cash is provided. All applicants providing match funds must submit commitment letters that (1) identify the source(s) of the funds; (2) justify the dollar value claimed; (3) provide an unqualified (i.e., without reservation or limitation) commitment that guarantees the availability of the funds for the project; and (4) provide a strategy for replacing the funds if they are significantly reduced or lost.

Please see Section I.K. Match Funding in the Solicitation Manual for more information about match funding and commitment letters, and Attachment 10 for more information about commitment letters.

1. **What's the difference between Technical Merit and Technical Approach?**

Please refer to Section IV.F. Stage Two: Application Scoring of the Solicitation Manual, Scoring Criteria 1 and 2 for details about how an application’s Technical Merit and Technical Approach will be evaluated. In addition, please refer to Section I.C. Project Focus of the Solicitation Manual, which includes additional requirements on what should be included in the Technical Merit and Technical Approach sections.

1. **Can U.S. government agencies or Department of Energy (DOE) laboratories apply as the prime recipient?**

This solicitation “is open to all public and private entities with the exception of local publicly owned electric utilities,” as stated in Section II.A.1. Eligibility of the Solicitation Manual. Therefore, U.S. government agencies and DOE laboratories are eligible.

1. **Can the Project Narrative contain pictures or drawings?**

Yes. Please see Section IV.F. Stage Two: Application Scoring of the Solicitation Manual for more details.

1. **Is the anticipated start/end date listed in Section E just indicative? Specifically - could a project be executed faster than the ~3.5 year timeline?**

Yes. The anticipated start and end dates listed in Section I.E. Key Dates of the Solicitation Manual are indicative of the project duration that the CEC expects to fund. An individual project can be completed in a shorter time, which should be substantiated by the proposed Project Schedule (Attachment 6). In scoring applications, the Evaluation Committee will consider the Technical Approach, as described in the Project Narrative (Attachment 3) of the application and according to Section IV.F. Stage Two: Application Scoring, Scoring Criterion 2 “Technical Approach” of the Solicitation Manual. As part of those criteria, the Evaluation Committee will evaluate the degree to which the proposed work is technically feasible and achievable within the proposed Project Schedule (Attachment 6).

1. **If we use California universities or companies as subcontractors, can we treat the entire subcontract amount for each as funds spent in California?**

If the full subcontract amount budgeted to the California universities includes 1) funds in the Direct Labor category and all categories calculated based on direct labor (e.g., fringe benefits, indirect costs, and profit) paid to individuals that 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, and rentals) entered into with a business located in California, those funds can all be considered as funds spent in California.

Please see Section I.L Funds Spent in California of the Solicitation Manual for the definition of what constitutes funds spent in California.

1. **How will the invoices from the subcontractors be treated by the CEC?**

The Recipient may request payment from the Energy Commission at any time during the term of the agreement, including reimbursements for subcontractor invoices.

For more information, please refer to Section 8. Payment of Funds of the EPIC Standard Grant Terms and Conditions (applicable to private entities), which can be found on the CEC’s Funding Resources webpage here: <https://www.energy.ca.gov/funding-opportunities/funding-resources>.

1. **Can the CEC provide more detailed guidelines and examples on how the project budget should be prepared and how costs are reimbursed?**

Instructions can be found on the Instructions tab of Attachment 7 Budget. For information about how costs are reimbursed, please refer to Section 8. Payment of Funds of the EPIC Standard Grant Terms and Conditions (applicable to private entities), which can be found on the CEC’s Funding Resources webpage here: <https://www.energy.ca.gov/funding-opportunities/funding-resources>.

# **Technical**

1. **In the Solicitation Manual, Section I.C. Project Focus, under project requirements for Option 3, there is no Scope of Work bullet points as there are in Option 1 and 2. Will there be a change to this document to add Scope of Work information related to this Option?**

There will be no changes to the project requirements portion of Section I.C. Project Focus in the Solicitation Manual. Option 3 applicants are responsible for developing a Scope of Work consistent with the requirements for all options described in Section I.C. Project Focus and other general requirements as described in the Solicitation Manual.

1. **Can our application include a site survey in state waters or the federal WEAs in the scope of work followed with the analysis of the data? No testing of the components will be done in either state waters or federal WEAs.**

Yes. As stated in Section I.C. Project Focus of the Solicitation Manual, please describe a feasible data-gathering plan. Please also see Section IV.F. Stage Two: Application Scoring Criterion 2 “Technical Approach” of the Solicitation Manual, which includes an evaluation of the degree to which the application identifies and discusses risks, barriers, limitations, and feasibility of the technical approach.

1. **Is it acceptable to propose offshore testing at other locations, not in state waters or in the federal WEAs?**

No. An addendum has been issued for this solicitation that clarifies that testing cannot occur in state waters, federal waters, or any other ocean or lake environments. See Section I.C. Project Focus in the Solicitation Manual for the added language. Any testing done under this solicitation must result in component validation in laboratory environments.

1. **Will applications for the 3 options be scored and selected as one group together, or be selected separately? If scored together, will applications that address options in more than one category (for example, anchor designs that satisfy both Option 2: Anchors and Option 3: Shared Mooring Lines and Anchors) be scored higher assuming all other factors being equal?**

Each application must be for only one option and will be scored against all other applications, regardless of option. For each application, the applicant must indicate the option they are applying for in the Application Form (Attachment 1). If the proposed technology has the potential to fit another option, or has other applications, applicants should describe those benefits in the Project Narrative (Attachment 3).

Applicants are also allowed to submit separate applications for other options. The separate application can be for a different technology or the same technology as the first application. If two applications for the same technology are submitted under two different options, the application should be clear about how the technology fits under each option.

All applications will be scored on how well the application responds to the Scoring Criteria in Section IV.F. Stage Two: Application Scoring and option-specific requirements listed in Section I.C. Project Focus of the Solicitation Manual.

1. **Will projects need to be clearly contained within one of the three areas (mooring lines, anchors, shared moorings)? Or can project applications cover more than one topic, in principle?**

Please see the response to Q.25.

1. **For Option 2: Anchors, does the technology considered need to be at maximum Technology Readiness Level (TRL) 3 as of today, meaning that the participants are expected to validate the concept with lab testing to get a TRL 4? Is it possible to move a technology that already would be assessed as a TRL 4 to a TRL 5?**

For Option 2: Anchors, the starting TRL must be 2 or 3 and advance to at least one TRL higher by the end of the project term. Technologies at a TRL 4 at the onset of the project would not be eligible under this solicitation.

1. **Are the TRLs mentioned in the solicitation considered a minimum TRL or are they the program’s desired starting point of the new technology?**

The starting and ending TRLs in Section I.C. Project Focus of the Solicitation Manual are the required starting point and minimum TRLs of proposed technologies at the end of the project term, respectively. For Option 1: Mooring Line Materials, projects must advance a current technology from TRL 3 to TRL 4 or 5 by the end of the project term. For Option 2: Anchors, projects must advance a current technology from TRL 2 or 3 to at least one TRL higher by the end of the project term (to TRL 3 or 4, respectively). For Option 3: Shared Mooring Lines and Anchors, projects must advance a current technology from TRL 2 to TRL 3 or 4 by the end of the project term.

1. **Does something new have to be proposed for Option 3: Shared Mooring Lines and Anchors?**

For Option 3, applicants must describe how they will design and test innovative shared mooring lines and anchoring configurations that address the site-specific needs of the Humboldt and/or Morro Bay Wind Energy Areas. In addition, applicants must describe how the technology has potential to reduce costs and environmental impacts, which tie to California ratepayer benefits. In the Project Narrative (Attachment 3), applicants must describe how the requirements in Section I.C. Project Focus and Section IV.F. Application Scoring of the Solicitation Manual will be met, including the proposed technology starting at TRL 2 and advancing to TRL 3 or 4 by the end of the project term.

1. **Is there an official open-access seabed condition database provided by the CEC?**

No, but applicants are encouraged to sign up to the CEC’s Empower Innovation network, which can be found at <https://www.empowerinnovation.net/>, to connect with possible project partners for this solicitation. Applicants may also consult the California Offshore Wind Energy Gateway at <https://caoffshorewind.databasin.org/>, which contains geospatial information on ocean wind resources, ecological and natural resources, ocean commercial and recreational uses, and community values. The CEC makes no claim that this data will be adequate for use in an application project. Applicants must make their own determination of the fitness for use of any data stored on the Gateway.