**GFO-22-302**

**Valuation of Investments in Electricity Sector Resilience**

**Addendum 2**

**December 21, 2022**

The purpose of this addendum is to notify potential applicants of changes that have been made to GFO-22-302. The addendum includes the following revisions to the Solicitation Manual. Added language appears in **bold underlined** font. Deleted language appears in ~~strikethrough~~ within brackets.

## **Solicitation Manual**

1. **Pages 13-14, Section I.J.1. BACKGROUND. Electric Program Investment Charge (EPIC) Program.**

This solicitation will award projects funded by the EPIC, an electricity ratepayer surcharge established by the California Public Utilities Commission (CPUC) in December 2011.[[1]](#footnote-2) The purpose of the EPIC program is to benefit the ratepayers of three investor-owned utilities (IOUs), including Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison Co. The EPIC funds clean energy technology projects **that meet the guiding principles of (1) improving safety, (2) increasing reliability, (3) increasing affordability, (4) improving environmental sustainability, and (5) improving equity, all as related to California’s electric system** [~~promote greater electricity reliability, lower costs, and increased safety~~].[[2]](#footnote-3)

1. **Page 23, Section II.B. PROJECT REQUIREMENTS.**
2. **Ratepayer Benefits, Technological Advancements, and Breakthroughs**

California Public Resources Code Section 25711.5(a) requires EPIC-funded projects to:

* Benefit electricity ratepayers; and
* Lead to technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state’s statutory energy goals.

**EPIC's mandatory guiding principle is to provide ratepayer benefits, which are defined as (1) improving safety, (2) increasing reliability, (3) increasing affordability, (4) improving environmental sustainability, and (5) improving equity, all as related to California's electric system.** [~~The CPUC defines “ratepayer benefits” as greater reliability, lower costs, and increased safety.~~**~~[[3]](#footnote-4)~~** ~~The CPUC has also adopted the following guiding principles as complements to the key principle of electricity ratepayer benefits: societal benefits; GHG emissions mitigation and adaptation in the electricity sector at the lowest possible cost; the loading order; low-emission vehicles/transportation; economic development; and efficient use of ratepayer monies.~~**~~[[4]](#footnote-5)~~**]

Accordingly, the Project Narrative Form (Attachment and the “Goals and Objectives” section of the Scope of Work Template (Attachment) must describe how the project will: (1) benefit California IOU ratepayers by **improving safety, increasing reliability, increasing affordability, improving environmental sustainability, and improving equity, all as related to California's electric system** [~~increasing reliability, lowering costs, and/or increasing safety~~]; and (2) lead to technological advancement and breakthroughs to overcome barriers to achieving the state’s statutory energy goals. Any estimates of energy and water savings or GHG impacts must be calculated using the References for Calculating Electricity End-Use, Electricity Demand, and GHG Emissions (Attachment**)**.

**Crystal Willis**

**Commission Agreement Officer**

1. See CPUC “Phase 1” Decision 11-12-035, December 15, 2011, http://docs.cpuc.ca.gov/PublishedDocs/WORD\_PDF/FINAL\_DECISION/156050.PDF. [↑](#footnote-ref-2)
2. **CPUC Decision 21-11-028, Appendix A https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M425/K515/425515575.PDF (revising former guiding principles within CPUC “Phase 2” Decision 12-05-037, Ordering Paragraph 2** **http://docs.cpuc.ca.gov/PublishedDocs/WORD\_PDF/FINAL\_DECISION/167664.PDF.)** [~~See CPUC “Phase 2” Decision 12-05-037, May 24, 2012, http://docs.cpuc.ca.gov/PublishedDocs/WORD\_PDF/FINAL\_DECISION/167664.PDF.]~~ [↑](#footnote-ref-3)
3. *~~Id.~~* ~~at p. 19.~~ [↑](#footnote-ref-4)
4. *~~Id.~~* ~~at pp. 19-20.~~ [↑](#footnote-ref-5)