**GFO-23-401**

**Addendum 1**

**January 26, 2024**

**Distributed Electricity Backup Assets Program**

**Bulk Grid Asset Enhancements for Grid Reliability**

Note: Added language appears in **bold underlined** font. Deleted language appears in [~~strikethrough]~~ and within square brackets.

The purpose of this addendum is to make the following revisions:

Page 5 of the Application Manual, Section I.E. Availability of Funds

## Availability of Funds

A total of $150 million is available for awards under this solicitation.

* Up to $37.5 million of this amount is available only to projects located in local publicly owned electric utility service territories.

CEC, at its sole discretion, reserves the right to increase or decrease the amount of funds available under this solicitation.

**Along with any other rights and remedies available to it, the CEC reserves the right to:**

* **Allocate any additional or unawarded funds to passing applications, in rank order.**
* **Reallocate funding between the amount available to all applicants and the amount available only to projects located in local publicly owned electric utility service territories.**

Page 10 of the Application Manual, Section II.B. Project Requirements

1. **Eligible Projects**

The purpose of this solicitation is to fund efficiency upgrades and capacity additions to existing bulk grid power generators. Eligible bulk grid projects must increase the nameplate capacity of an existing power generator or the power output of an existing facility that is interconnected in California to the bulk transmission grid. **The existing generator must be in commercial operation, operating and producing power, and already sending power to the bulk transmission grid prior to execution of the agreement.** Examples of eligible bulk grid asset project types include:

* Efficiency upgrades at existing power generators, such as:
  + Catalysts.
  + Inlet gas compressors.
  + Inlet air chillers.
  + Intercoolers.
  + Gas path upgrades.
  + Waste heat to power installations integrated into the facility.
* Energy storage, fuel cells, or linear generators sited at existing power generators **as co-located resources**.

Page 31-33 of the Application Manual, Section V.A. Definition of Key Words. The following terms have been added:

| **Word/Term** | **Definition** |
| --- | --- |
| **Co-located Resource** | **A generating unit or energy storage device with a unique resource identifier (Resource ID) that is part of a generating facility with other generating units or energy storage facility. An energy imbalance market participating resource with a unique Resource ID that is part of a single resource with other energy imbalance market participating resources. For more information, see the** [**California ISO Business Practice Manual Definitions and Acronyms**](https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms) **(https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms).** |
| **Energy storage** | **Resources interconnected to the bulk transmission grid in California that can be dispatched to any operating level within their entire capacity range but are also constrained by a MWh limit to generate energy or store energy.** |
| **Generator** | **A generating facility or generating unit.** |
| **Generating facility** | **An Interconnection Customer's Generating Unit(s) used for the production and/or storage for later injection of electricity identified in the interconnection request. This does not include the interconnection customer's interconnection facilities. For more information, see the** [**California ISO Business Practice Manual Definitions and Acronyms**](https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms) **(https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms).** |
| **Generating unit** | **An individual electric generator interconnected to the bulk transmission grid in California and its associated plant and apparatus whose electrical output is capable of being separately identified and metered or a physical scheduling plant capable of producing and delivering energy in excess of a generating station’s internal power requirements. For more information, see the** [**California ISO Business Practice Manual Definitions and Acronyms**](https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms) **(https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Definitions%20and%20Acronyms).** |
| **Subrecipient** | **Subrecipient is defined on the California Energy Commission's** [**"Budget Category Guidance" web page**](https://www.energy.ca.gov/funding-opportunities/funding-resources/ecams-resources/budget-category-guidance) **(https://www.energy.ca.gov/funding-opportunities/funding-resources/ecams-resources/budget-category-guidance) as follows:**    **A subrecipient is defined as an entity that receives grant funds directly from the Recipient and is entrusted by the Recipient to make decisions about how to conduct some of the grant’s activities. A Subrecipient’s role involves discretion over grant activities and is not merely just selling goods or services. Characteristics which support the classification of the entity as a subrecipient include when the entity:**  **1. Has its performance measured in relation to whether objectives of a CEC program were met;**  **2. Has responsibility for programmatic decision-making;**  **3. Is responsible for adherence to applicable CEC program requirements specified in the CEC award agreement;**  **4. In accordance with its agreement, uses the CEC funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the recipient or sub-recipient; or,**  **5. Provides match share funding contributions to the CEC-funded project."** |
| **Zero- or low-emission technologies** | **For this solicitation, zero- or low-emission technologies are technologies eligible for this solicitation as specified in Section II.B., (including, but not limited to, fuel cells, energy storage, or linear generators sited at existing power generators) except for technologies that use the combustion of fossil fuels to generate electricity.** |