**GFO-23-309**

**Virtual Power Plant Approaches for Demand Flexibility (VPP-FLEX)**

**Addendum 1**

**May 02, 2024**

Disclaimer: Textual content with ~~strikethrough~~ was removed. Textual content **underlined and bolded** was added.

The purpose of this addendum is to notify potential applicants of changes that have been made to GFO-23-309 Solicitation Manual (Attachment 00). Clarifying language was added in the solicitation manual consistent with written responses to questions asked during the pre-application workshop and written question submittal period. Also, this addendum replaced the budget template (Attachment 6) with a new version to fix errors.

## **Attachment 00 GFO-23-309 Solicitation Manual**

1. Cover page. **Addendum 1** **May 2024** ~~March 2023~~
2. Page 3, Section I.A. Purpose of Solicitation. Revised Group 1 title to “**Community Virtual Power Plant Approaches for Demand Flexibility”** and Group 2 title to “**Interoperable Energy Management Systems for Commercial Buildings”** for consistency. Under Group 2, added “**community choice aggregator (CCA)”.**
3. Page 5, Section I.B. Key Words/Terms. Added the key term **CCA** defined as **Community Choice Aggregator**.
4. Page 5, Section I.B. Key Words/Terms. In the definition of Disadvantaged Community or DAC, updated the weblink as follows: “Communities designated pursuant to Health and Safety Code section 39711 as representing the top 25% scoring census tracts from CalEnviroScreen along with other areas with high amounts of pollution and low populations as identified by the California Environmental Protection Agency. (~~https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40~~ [**https://calepa.ca.gov/envjustice/ghginvest/**](https://calepa.ca.gov/envjustice/ghginvest/))”
5. Page 8, Section I.C. Project Focus, under “1. Technical Merit”. Added the following: “Describe the technical features of the proposed DERMS, including the controls and communications. **Projects demonstrating advanced DERMS with aggregation of multiple sites, in addition to the minimum requirements above, may score higher under Technical Merit.”**
6. Page 9, Section I.C. Project Focus, under “2. Technical Approach”. Deleted the following: “Describe how the program design will use metered electricity consumption, ~~ideally using internal metering datasets~~.”
7. Page 10, Section I.C. Project Focus. Added requirement to receive preference points: “**4. Community Benefit Plan, if applicable (see page 14 for preference points requirements)**.”
8. Page 11, Section I.C. Project Focus, under “Project Performance”. Revised the following requirement to remove water heating, “Describe the EMS’s integration with various buildings systems and how it will reliably control a significant portion of the building’s electrical load including at minimum HVAC~~, water heating,~~ and lighting end-uses.
9. Page 11, Section I.C. Project Focus, under “Cost Effectiveness of Technology”. Revised the following: “Provide estimated load-shifting potential, duration, and estimated energy cost savings from ~~utility~~ **energy** bill savings or DR program revenues.” Also, revised “Describe the project's cost-effectiveness and scalability for the selected buildings by analyzing how the chosen utility **or CCA** demand flexibility program[[1]](#footnote-2), technologies, and strategies achieve tangible cost reductions.”
10. Page 12, Section I.C. Project Focus, under “Commercialization Partnerships”. Added “**Commercialization**” Partnerships. Revised the following sentence, “This grant requires partnerships with at least one OEM **or a business that provides EMS services.**” Added “**Projects where the prime applicant is an OEM or EMS service provider are exempt from this requirement.**” Also, revised the following:

* “Discuss and identify the **commercialization** partnership(s) ~~with an OEM(s)~~ and how leveraging ~~its~~ **the partner’s** expertise, resources, and innovative technologies will help achieve the research goals in Section I.A, Group 2.
* Include letters of commitment detailing **commercialization** partnerships ~~with OEMs~~ and their contributions.
* Include **commercialization** partnership agreements ~~with OEMs~~ as a deliverable in the SOW.

Partnerships with IOUs **or CCAs** are strongly encouraged, as demand response program participation is a solicitation requirement.

* If applicable, detail partnerships with IOUs **or CCAs** and their contributions in letters of commitment.
* If applicable, include partnership agreements with IOUs **or CCAs** as a deliverable in the SOW.”

1. Page 12, Section I.C. Project Focus, under “Program Design”. Revised the following: “Projects in this group must be enrolled and participate in an IOU **or CCA** demand response program by completion of the grant. **Buildings located in an educational, workplace or commercial campuses that cannot participate in DR programs individually may be exempt from this requirement by justification included in the Project Narrative.**

* Identify the specific IOU **or** **CCA** demand response program(s) in which the project will participate.
* Describe the selected commercial buildings and the specific end-uses and on-site DERs targeted for demand flexibility.
* Explain how the EMS system will be optimized for performance within the chosen ~~IOU~~ **DR** program.
* Define clear metrics for success in the chosen IOU **or CCA DR** program(s), such as the expected load shifting potential and duration for each targeted end-use and DER within the buildings.
* Include agreements with IOU **or CCA** ~~utility~~ programs (e.g., Market Access Program or other ~~Utility~~ Demand Response programs) as a deliverable in the SOW.
* Ensure and confirm the proposed EMS system can communicate with CEC’s Market Informed Demand Automation Server (MIDAS).

1. Page 13, Section I.C. Project Focus, under “Market Deployment”. Revised the following bullet point:

* “Outline a strategic approach for effective participation of commercial building owners to participate in the selected utility **or CCA** program(s) utilizing open-standards and ensuring alignment with research objectives.”

1. Page 15, Section I.C. Project Focus. Included the sentence: “**To receive preference points, Group 2 projects must include a CBO and allocate appropriate funding for CBO engagement for relevant tasks under the scope of work."**
2. Page 22, Section I.J. Background, subsection 1. Electric Program Investment Charge (EPIC) Program, under “Disadvantaged & Low-Income Communities”. Added and revised the following: “**Please see the latest Priority Populations map to view communities defined as low-income by the California Air Resources Board for California Climate Investments at:** [**https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348**](https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348)**. Additionally,** visit the California Department of Housing & Community Development site for the current HCD State Income Limits at: <https://www.hcd.ca.gov/grants-and-funding/income-limits>. ~~Disadvantaged communities are defined as areas representing census tracts scoring in the top 25% in CalEnviroScreen. For more information on disadvantaged communities and to determine if your project is in a disadvantaged community, use the California Communities Environmental Health Screening tool (CalEnviroScreen) at:~~ [~~https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40~~](https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40)”

**Budget Template (Attachment 6)**

1. Replaced budget template (attachment 6) with new version to fix errors.

Enrico Palo,

Commission Agreement Officer

1. For example the Market Access Program or dynamic rate options. [↑](#footnote-ref-2)