**GFO-23-404 Addendum 01**

**May 31, 2024**

**Equitable Building Decarbonization Direct Install Program**

On April 30, 2024, the California Energy Commission (CEC) released Grant Funding Opportunity (GFO) 23-404, to select regional administrators for the Equitable Building Decarbonization Direct Install Program.

This addendum revises the GFO as described below to add clarity, correct minor errors, and address potential changes to the program budget. Added language is shown with **bold underlined text**. Deleted language is shown in ~~strikeout text~~ within square brackets. Explanatory language (which does not appear in the GFO itself) is shown in *italics*.

# Solicitation Manual, Page 12 (Availability of Funds)

*The following paragraph is added to the Availability of Funds section.*

**The May Revision to the Governor’s Proposed 2024-25 California State Budget would reduce state funding for the Equitable Building Decarbonization Program by approximately 46 percent over the lifetime of the program. This would result in a 43 percent decrease in the amounts listed in Table 3. This information is provided for informational purposes only, as the final 2024-25 State Budget has not yet been passed by the Legislature and signed by the Governor. Applicants should develop proposals and complete the Budget Forms (Attachment 4) based on the funding amounts listed in Tables 3 and 4. In addition, in the Budget Narrative (Section III.D.2.d), Applicants are asked to qualitatively describe how their proposal would change if the available state funds were reduced by 40-50 percent. This may be a high-level, qualitative description. Budget details are not required.**

# Solicitation Manual, Page 20 (Required Format for an Application)

*The maximum number of pages for the Program Narrative is increased from 40 pages to 45 pages.*

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| --- | --- |
| **Maximum Number of Pages** | * **Program Narrative:** **[~~Forty (40)~~]** **Forty-five (45)** pages * **Project Team Form** (Attachment 5): **Two** (2) pages for each resume * **Letters of Commitment/Support:** **Two** (2) pages for each letter |

# Solicitation Manual, Page 28 (Budget Narrative)

*The following item (#4) is added at to the Budget Narrative section.*

**d. Budget Narrative**

* 1. Justify the reasonableness of the proposed budget included in Budget Forms (Attachment 4) relative to the program goals, objectives, and tasks. Include justification of all elements of Attachment 4 as described in the attachment instructions.
  2. Discuss expected efficiencies or economies of scale related to the program and budget impact.
  3. Describe and discuss known or expected risks or budget contingencies and how those risks or contingencies will be addressed.
  4. **Describe how your proposal would be affected if the available state funds for the region listed in Table 3 were reduced by 40-50 percent (with no change to the available federal funds listed in Table 4). This may be a high-level, qualitative description. Budget details are not required. Applicants are not expected to submit additional Budget Forms reflecting the reduced budget amount.**

# Solicitation Manual, Page 38-42 (Evaluation Criteria)

*The minimum passing score for the Initial Community Focus Areas section of the Evaluation Criteria table is reduced from 14 to 10.5. This is a correction to reflect the fact that there is not a minimum score associated with the 5 bonus points for one or more of the proposed Initial Community Focus Areas being “rapid start.” As a result, the total minimum passing score is reduced from 105 to 101.5. The relevant sections of the Evaluation Criteria table are shown below.*

|  |  |
| --- | --- |
| **Criterion** | **Possible Points** |
| **INITIAL COMMUNITY FOCUS AREAS**   1. Proposed Initial Community Focus Areas:  * Meet community eligibility requirements, with consideration of the minimum funding allocations for disadvantaged communities and households within one half-mile of a disadvantaged community. * Demonstrate diversity in terms of geography, climate zone, urban/rural, type of housing stock, and other characteristics. * Are identified strategically with reference to one or more of the specified criteria:   + - * + Communities in which households are most likely to experience utility bill savings as a result of decarbonization.         + Communities vulnerable to extreme heat, high fire risk, drought, or other climate risks.         + Communities with high levels of ambient air pollution.         + Communities underserved by existing programs that fund building decarbonization, weatherization, and related measures.         + Communities in which households experience higher than average energy burdens.         + Communities that have been identified as strong candidates for electrification by the CEC, California Public Utilities Commission, Housing and Community Development, California Air Resources Board, tribes, local governments, utilities, air districts, or another relevant entity.         + Areas that have been identified as strong candidates for gas decommissioning, such as through the CEC-funded Tactical Gas Decommissioning Project.         + Communities in proximity to once-through cooling gas-fired power plants or other large fossil fuel infrastructure.  1. Team includes local partner organizations in each Initial Community Focus Area. | **15** |
| 1. One or more proposed Initial Community Focus Areas are "rapid start,” meaning the community could be served by an existing direct install program that has the capacity to retrofit homes within 6-9 months after the execution of the Agreement. | **5 Bonus Points** |
| ***Minimum Passing Score for This Section (70%)*** | ***[~~14~~]10.5*** |

|  |  |
| --- | --- |
| **Total Possible Points (not including bonus points)** | **~~150~~145** |
| **Minimum Passing Score (70%)** | **~~105~~101.5** |
| **Possible Bonus Points** | **5** |

# Solicitation Manual, Page 42 (Evaluation Criteria)

*The following item (#36) is added to the Budget and Schedule section of the Evaluation Criteria table, and numbering of subsequent items is updated. The relevant section of the Evaluation Criteria table is shown below.*

|  |  |
| --- | --- |
| **Criterion** | **Possible Points** |
| **BUDGET AND SCHEDULE**   1. Reasonableness of the proposed budget (Budget Forms, Attachment 4) relative to the program goals, objectives, and tasks. 2. Justification of all elements of Attachment 4 including labor, fringe benefits, equipment, materials, travel, subcontractors’ budgets, and indirect costs. 3. Expected efficiencies or economies of scale related to the program and budget impact. 4. How budget risks or contingencies will be addressed.   **36.Qualitative description of how the proposal would be affected by a potential reduction in the available state funds.**  **[~~36~~]37.**Reasonableness of the proposed schedule (Schedule of Products and Due Dates, Attachment 3) and proposed program launch date, including launch dates for any proposed “rapid start” communities.  **[37]38.**Projected number of retrofitted homes (detailing each building type) within 6-12 months of program launch and per year thereafter. | **30** |
| ***Minimum Passing Score for This Section (70%)*** | ***21*** |

# Budget Forms (Attachment 4)

*A revised version of the Budget Forms (Attachment 4) includes the following changes:*

*On the Direct Labor, Fringe Benefits, Travel, and Subcontracts tabs of the Budget Forms, the column titled “Task (Select from drop-down menu)” is replaced with a column titled “Cost Category (Select from drop-down menu).” On the same tabs, the column titled “Cost Category (automatically updates)” has been removed. Formulas have been updated to reflect these changes accurately in the Category Budget tab. The purpose of these changes is to make the Budget Forms easier for applicants to complete by requiring costs to be broken down by three categories (Administrative, Project-Related, and Project), rather than by 21 different tasks/subtasks.*

*Please be aware that cost breakdowns by task may be required after the Notice of Proposed Awards has been released and throughout the term of the Agreement.*

***Applicants may choose to submit either the original version of Attachment 4, or the revised version. Applicants are not required to submit both versions.***