**GRANT FUNDING OPPORTUNITY**

**Advancing Designs and Analysis of High Voltage Direct Current Substations and Environmental Monitoring for Floating Offshore Wind**

**EPIC Program**



**GFO-24-307**

<https://www.energy.ca.gov/funding-opportunities/solicitation>

**State of California**

**California Energy Commission**

**February 19, 2025**

Table of Contents

I. Introduction 1

A. Purpose of Solicitation 1

B. Key Words/Terms 4

C. Project Focus 7

D. Funding 10

E. Key Activities Schedule 11

F. Notice of Pre-Application Workshop 12

G. Questions 13

H. Applicants’ Admonishment 14

I. Additional Requirements regarding environmental review 14

J. Background 16

K. Match Funding 20

L. Funds Spent in California 22

II. Eligibility Requirements 23

A. Applicant Requirements 23

B. Project Requirements 25

III. Application Submission Instructions 26

A. Application Format, Page Limits 26

B. Method For Delivery 27

C. Application Content 27

IV. Evaluation and Award Process 32

A. Application Evaluation 32

B. Ranking, Notice of Proposed Award, and Agreement Development 32

C. Grounds to Reject an Application or Cancel an Award 33

D. Miscellaneous 34

E. Stage One: Application Screening 37

F. Stage Two: Application Scoring 38

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| **Attachments**   | Attachment Number | Title of Section | | --- | --- | | 1 | Executive Summary Form | | 2 | Project Narrative Form | | 3 | Project Team Form | | 4 | Scope of Work Template | | 5 | Project Schedule | | 6 | Budget | | 7 | CEQA Compliance Form | | 8 | Past Projects Information Form | | 9 | Commitment and Support Letters Form ***(requires signature)*** | | 10 | Project Performance Metrics | | 11 | Applicant Declarations ***(requires signature)*** | | 12 | (Optional) References for Calculating Energy End-Use and GHG Emissions | |

# I. Introduction

## Purpose of Solicitation

The purpose of this solicitation is to fund applied research and development projects that support the Electric Program Investment Charge (EPIC) 2021 – 2025 Investment Plan[[1]](#footnote-2) Topic 1 “Floating Offshore Wind Energy Technologies.” Projects resulting from this solicitation will advance designs and analysis of high voltage direct current (HVDC) substations, inform standardized approaches for offshore electrical infrastructure, and develop environmental monitoring solutions for floating offshore wind (FOSW).

*Assembly Bill 525 Offshore Wind Energy Strategic Plan (Strategic Plan)*[[2]](#footnote-3) adopts ambitious wind energy planning goals of 2 – 5 gigawatts (GW) by 2030 and 25 GW by 2035 and provides recommendations to ensure California’s offshore wind development occurs in a responsible and timely manner. The *Strategic Plan* recommends continued research and development of offshore transmission technologies and recognizes the importance of robust environmental monitoring technologies to protect marine resources. Permitting FOSW projects on the California coast may be costly and time consuming, and deployments are anticipated to have extensive monitoring requirements for potential impacts, such as changes to marine life populations and risks from collisions and entanglement of marine debris.[[3]](#footnote-4) FOSW deployments in California’s wind energy areas (WEAs) will require innovative solutions to overcome the challenges associated with water depths (500 – 1,300 m),[[4]](#footnote-5) long distances from shore (32 – 60 km), and geotechnical challenges on the seafloor, such as slope instability and underwater landslides.[[5]](#footnote-6) The *West Coast Offshore Wind Transmission Action Plan[[6]](#footnote-7)* further identifies a need for investment in key offshore transmission technologies, including HVDC offshore substations, cables, and breaker technologies, for successful deployment of FOSW due to the need for reactive power compensation over long distances with high voltage alternating current (HVAC) transmission.

This solicitation focuses on advancing designs of FOSW substations and entanglement monitoring technologies as they relate to the site-specific needs of California’s WEAs. Strategic designs of HVDC substations and entanglement monitoring technologies provide the opportunity to ensure sustainable, cost-effective designs consistent with federal and state planning and to increase the potential for understanding and mitigation of possible environmental impacts from these technologies early in the design process. Projects resulting from this solicitation may inform permitting agencies, such as the Bureau of Ocean Energy Management (BOEM) and the California Coastal Commission and provide valuable inputs for the California Independent System Operator’s (CAISO) transmission planning process.

Projects must fall within the following project groups:

* **Group 1**: Design and Analysis of HVDC Substations for FOSW; and
* **Group 2**: Entanglement Monitoring Solutions for FOSW.

Group 1 will develop concept designs for a floating or subsea offshore HVDC substation and inform standardized approaches for FOSW electrical infrastructure to support the specific needs of California’s WEAs. Strategically designed offshore HVDC substations and associated electrical infrastructure are needed to (1) minimize risks and costs associated with deploying novel FOSW technologies; (2) ensure suitability for the distances, depths, and challenges in California’s offshore environment; (3) minimize impacts to the environment; and (4) provide ancillary services to support grid reliability. Investments in strategic designs will provide shared knowledge to encourage FOSW developers to adopt standardized approaches[[7]](#footnote-8) and avoid bespoke solutions that would increase costs to ratepayers, as well as to ensure that environmental considerations are embedded in the initial planning stages.

Group 2 will support projects to advance systems that can perform entanglement[[8]](#footnote-9) monitoring, environmental monitoring, and/or structural integrity monitoring for FOSW infrastructure. Recent BOEM conditions of approval for fixed-bottom offshore wind Construction and Operations Plans (COPs) include entanglement monitoring, continuous environmental monitoring, post-storm event inspections, and structural integrity monitoring program requirements.[[9]](#footnote-10),[[10]](#footnote-11) Advancements in an integrated approach to site monitoring systems are needed to improve the sensitivity and accuracy of entanglement detection and lower monitoring system costs. These advancements should reduce the need for surface vessel deployments and reduce or eliminate redundant and overlapping sensor coverage (i.e., optimize the use of equipment installed on site by having multifunctional sensors). Expected outcomes include development of an entanglement monitoring system that includes additional environmental and/or structural integrity monitoring functions to decrease the overall cost and environmental impacts of FOSW infrastructure deployments.

See Section II of this solicitation for eligibility requirements. Applications will be evaluated as described in Section IV of this solicitation.

Applicants may submit multiple applications, though each application must address only one of the project groups identified above. If an applicant submits multiple applications that address the same project group, each application must be for a distinct project (i.e., no overlap with respect to the technical tasks described in the Scope of Work).

Prospective applicants looking for partnering opportunities for this funding opportunity should register on the California Energy Commission’s Empower Innovation website at [www.empowerinnovation.net](http://www.empowerinnovation.net).

## Key Words/Terms

| **Word/Term** | **Definition** |
| --- | --- |
| ALDFG | Abandoned, lost, or discarded fishing gear that has drifted into a floating offshore wind farm and poses a risk of becoming entangled on wind farm equipment. ALDFG is also sometimes referred to as “ghost gear.” |
| Applicant | An entity that submits an application to this solicitation. |
| Application | An applicant’s written response to this solicitation. |
| Authorized Representative | The person submitting the application who has authority to enter into an agreement with the CEC. |
| BOEM | Bureau of Ocean Energy Management |
| California Native American Tribe | A Native American Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004 (Pub. Resources Code, § 21073). |
| California Tribal Organization | A corporation, association, or group controlled, sanctioned, or chartered by a California Native American tribe that is subject to its laws, the laws of the State of California, or the laws of the United States. |
| CAM | *Commission Agreement Manager,* the person designated by the CEC to oversee the performance of an agreement resulting from this solicitation and to serve as the main point of contact for the grant recipient. |
| CAISO | *California Independent System Operator* |
| CAO | *Commission Agreement Officer*, the person designated by the CEC to oversee the internal administrative processes and to serves as the main point of contact for solicitation applicants. |
| CBO | *Community Based Organization*, a public or private nonprofit organization of demonstrated effectiveness that:   1. Has deployed projects and/or outreach efforts within the region (e.g., air basin or county) of the proposed disadvantaged or low-income community or similar community. 2. Has an official mission and vision statements that expressly identifies serving disadvantaged and/or low-income communities. 3. Currently employs staff member(s) who specialized in and are dedicated to – diversity, or equity, or inclusion, or is a 501(c)(3) non-profit. |
| CEC | State Energy Resources Conservation and Development Commission or, the California Energy Commission. |
| CEC funds | *CEC funds* are EPIC grant funds awarded under this solicitation. Also referred to as grant funds. |
| CEQA | California Environmental Quality Act, California Public Resources Code Section 21000 et seq. |
| COP | Construction and Operations Plans are documents that an offshore wind project developer must submit to the Bureau of Ocean Energy Management to receive a permit to build and operate a wind farm. |
| Days | *Days refers to calendar days.* |
| Disadvantaged Community | 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> ) |
| EMF | Electro-Magnetic Field |
| Energy Equity | The fair distribution of benefits and burdens from energy production and consumption. |
| EPIC | *Electric Program Investment Charge,* the source of funding for the projects awarded under this solicitation. |
| FOSW | *Floating Offshore Wind,* energy generated from turbines mounted on floating platforms to capture wind resources over deep waters. |
| GW | *Gigawatt,* a unit of measuring instantaneous electrical power equivalent to 109 Watts. |
| HVAC | *High Voltage Alternating Current,* electric power transmission that uses alternating current at high voltage levels. |
| HVDC | *High Voltage Direct Current,* electric power transmission that uses direct current at high voltage levels. |
| IOU | *Investor-owned utility,* an electrical corporation as defined in California Public Utilities Code section 218. For purposes of this solicitation, it includes Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison Co. |
| LCOE | Levelized Cost of Energy |
| Low Income Community | Communities within census tracts with median household incomes at or below 80 percent of the statewide median income or the applicable low-income threshold listed in the state income limits updated by the Department of Housing and Community Development. (https://www.hcd.ca.gov/grants-and-funding/income-limits) |
| Major Subrecipient | A Subrecipient that is budgeted to receive $100,000 or more of CEC funds, not including any equipment or match funds that may be provide by the Subrecipient. |
| NOPA | *Notice of Proposed Award,* a public notice by CEC staff that identifies proposed grant recipients. |
| Pre-Commercial Technology | A technology that has not reached commercial maturity or been deployed at scales sufficiently large and in conditions sufficiently reflective of anticipated actual operating environments to enable the appraisal of operational and performance characteristics, or of financial risks. |
| Pilot Test | Small scale testing in a laboratory or testing on a small portion of the production line of the affected industry. Pilot tests help verify the design and validity of an approach, and adjustments can be made at this stage before full-scale demonstrations. |
| Principal Investigator | The technical lead for the applicant’s project, who is responsible for overseeing the project; in some instances, the Principal Investigator and Project Manager may be the same person. |
| Project Manager | The person designated by the applicant to oversee the project and to serve as the main point of contact for the CEC. |
| Project Partner | A person or entity that contributes financially or otherwise to the project (e.g., match funding, provision of a test, demonstration or deployment site), and does not receive CEC funds. |
| Recipient | A person or entity receiving a grant award under this solicitation. “Recipient” may be used interchangeably with “grant recipient”. |
| Solicitation | This entire document, including all attachments, exhibits, addenda, written notices, and questions and answers (“solicitation” may be used interchangeably with “Grant Funding Opportunity” or “GFO”). |
| Subrecipient | A person or entity that receives grant funds directly from a grant Recipient and is entrusted 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. |
| Sub-Subrecipient | Has the same meaning as a Subrecipient except that it receives grant funds from a Subrecipient or any lower tier level of a Sub-Subrecipient. |
| State | State of California |
| Strategic Plan | Assembly Bill 525 Offshore Wind Energy Strategic Plan |
| TRL | *Technology readiness levels* are a method for estimating the maturity of technologies during the acquisition phase of a program.  Source: U.S. Department of Energy, “Technology Readiness Assessment Guide”. https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf |
| Vendor | A person or entity that sells goods or services to the grant Recipient, Subrecipient, or any lower-tiered level of Sub-Subrecipient, in exchange for some of the grant funds, and does not make decisions about how to perform the grant’s activities. The Vendor’s role is ministerial and does not involve discretion over grant activities. |
| WEA | Wind Energy Area |

## Project Focus

Project teams will be expected to have demonstrated expertise necessary to accomplish the objectives below. Applicants are encouraged to seek input from, or partner with, California offshore wind developers and original equipment manufacturers to ensure commercial feasibility of the innovation(s). Projects must fall within one of the following project groups.

* **Group 1: Design and Analysis of HVDC Substations for FOSW**

Projects under this group will develop a concept design for a floating or subsea HVDC substation and address the relevancy to California’s WEAs by conducting project tasks including:

* 1. Identify capacity, size, volume, weight, and other characteristics
  2. Define the technical specifications and economic attributes, such as voltages, converter configurations, physical ratings, and levelized cost of energy (LCOE)
  3. Engage and collaborate with industry, federal, and state partners to identify and support equipment standardization within the design[[11]](#footnote-12)
  4. Develop recommendations to inform effective and reliable approaches relevant to California’s WEAs

Applicants are encouraged to engage with ongoing developer surveys within the California WEAs to determine the technology feasibility for offshore conditions.

Projects must develop recommendations for OSW developers, policymakers, and relevant stakeholders to support decision-making pertaining to California’s offshore transmission infrastructure and inform the substation concept design. The Project Narrative Attachment must discuss the following, as it relates to California’s WEAs:

* A technology feasibility analysis to evaluate the potential viability of FOSW substation platform options, HVDC components, associated mooring and anchoring systems, cable aggregator hubs, connectors, and other components. Analysis should identify technologies with high potential for near-, mid-, and long-term success, including considerations such as technology readiness level (TRL), cost, supply chain, permitting, logistics, and operations and maintenance.
* An environmental impact assessment to characterize the environmental effects of the offshore substation’s design selections, such as floating or subsea, possible entrainment due to the use of open-loop cooling systems, and electromagnetic field (EMF) exposure associated with interarray cable configurations. Projects should evaluate alternative design choices to minimize impacts, such as closed loop systems, and provide strategies for monitoring and mitigation.
* A technoeconomic assessment comparing different substation designs, related FOSW farm layouts, and associated electrical infrastructure to assess the overall value of each technology. The analysis should include cost benchmarking for nascent, developing, and mature technologies that would enable deployment of HVDC substations and identify innovations that may lower the LCOE for ratepayers.

Applicants are also encouraged to propose one or both of the following analyses to support development of a substation concept design:

* An offshore energy systems integration analysis to determine the optimal subsystems that can be integrated to reduce cost and increase efficiency. These subsystems may include meshed grid systems, shared mooring components, integrated data and communication protocols, and grid ancillary benefits (such as black start capabilities).
* A supply chain and logistics analysis to identify barriers for FOSW development in California and provide recommendations to alleviate these barriers. This would include reducing system risk for near- and long-term pipeline growth; coordinating between multiple states or regions to provide flexibility and predictability for supply chain; identifying state and federal incentives to derisk investments; identifying areas for workforce development; analyzing development of nimble supply chain facilities that can adapt to evolving technologies; and providing an overview of the global market, technology standardization, procurement strategies and availability, and ports and vessel infrastructure.
* **Group 2: Entanglement Monitoring Solutions for FOSW**

Projects in this group will develop an entanglement monitoring system to identify a range of possible entanglement scenarios on mooring lines, array cables, export cables, and exposed portions of anchors above the mud line. These scenarios must be relevant to California WEAs and FOSW deployments. The system must be capable of compensating for the effects of biofouling caused by long-term exposure to the ocean environment and be capable of detecting entanglement of abandoned, lost, or discarded fishing gear (ALDFG) as well as secondary entanglement of endangered marine animals present in California WEAs.[[12]](#footnote-13) The project scope shall include a report on entanglement mitigation[[13]](#footnote-14) approaches and an outline of removal options based on current and forecasted technologies. This report scope should include system descriptions, costs, and time to deploy; gap analysis; identified opportunities for retrieval technology development; and the potential risks (such as the risk of subsequent entanglement) of each mitigation system.

Innovations should advance a technology or a combined technology system, including but not limited to the following:

* Fiber-optic sensing technologies (e.g., Distributed Strain Sensing);
* Passive and active sonar technologies;
* High accuracy global positioning system technologies;
* Inclinometers; and
* Other appropriate technologies not included above.

In addition to an entanglement detection function, the entanglement monitoring system must include one or more of the following enhancing features as an integrated component of the technology:

* Perform an additional environmental monitoring function[[14]](#footnote-15) (such as passive acoustic monitoring).
* Perform structural integrity monitoring[[15]](#footnote-16) of platforms, mooring lines, anchors, electrical array cables, or export cables.
* Perform entanglement mitigation.

The Project Narrative Attachment must discuss the following:

* The proposed system technologies, including current capabilities, any testing done to date, and proposed advancements. Include any advancements relevant to potential scope elements above, as appropriate.
* The applicability of the system technologies to California FOSW projects. For example, this can include having team members representing California WEA lease holders, incorporating California WEA site condition data (e.g., depth, seabed conditions, magnitude and frequency of storm events) into project design criteria, or describing system compatibility with FOSW configurations (turbine size, platform type, mooring line materials, anchor types) likely to be used in California FOSW projects.
* The entanglement conditions (e.g., impacted species, types of ALDFG) the system will detect and end-of-project technical performance targets.
* System durability, power supply needs, installation, and maintenance requirements. Describe any proposed advancements and end-of-project performance targets.
* System data collection and transmission needs. Include a plan for processing, storing, and sharing data. Identify any associated costs.
* Barriers to adoption, including operational logistics, commercial viability, and dependence on surface vessels.
* Project activities to develop recommendations for entanglement mitigation technologies or approaches.
* Project tasks to analyze monitoring system costs and determine the impact on LCOE.
* If applicable, a description(s) of the environmental monitoring enhancing feature(s) that will be included in the system, what species will be monitored, and end-of-project technical performance targets. Proposed technologies should be usable for compliance with mitigation measures identified in the California Offshore Wind Draft Programmatic Environmental Impact Statement (e.g. MM-2 or MM-20). (<https://www.boem.gov/renewable-energy/state-activities/california-offshore-wind-draft-programmatic-environmental-impact>)
* If applicable, a description(s) of the structural integrity enhancing feature(s) that will be included in the system, what conditions will be monitored, and end-of-project technical performance targets. Projects should develop sensors that collect and transmit critical data from hard-to-reach or costly areas, enhance sensor durability and performance for use throughout a FOSW turbine's lifespan, employ data analytics to predict failures, inform maintenance strategies, and recommend maintenance actions. Project scope may include creation of digital tools to optimize maintenance and improve coordination or advance robotics or automation to support autonomous inspections and maintenance.
* If applicable, a description of the entanglement mitigation enhancing feature that will be included in the system and end-of-project technical performance targets. The scope of the entanglement mitigation enhancing feature must include the design, building, and testing of equipment that can identify and safely remove entangled ALDFG from FOSW infrastructure

Projects shall advance the needed technologies from at least TRL 3 at the start of the project to at least one TRL higher (e.g., from TRL 3 to TRL 4) by the end of the project. Projects should demonstrate rigorous technology testing, including any required initial laboratory/field testing and offshore environment testing. Teams should include technology developers, scientists, and engineers with experience in relevant environmental impacts.

Example projects include but are not limited to:

* Developing a system with sensors calibrated to normal operational conditions that can identify entanglements as well as abnormal conditions, such as changes in mooring line loads or platform movement, that could result from equipment failure; integrating these sensors into a digital twin model to enable real-time structural integrity monitoring and reporting.
* Developing a system with sensors calibrated to normal operational conditions that can identify entanglements as well as nearby marine animal species based on acoustic emissions.

## Funding

1. **Amount Available and Minimum/ Maximum Funding Amounts**

There is **up to $12 million** available for grants awarded under this solicitation. The total, minimum, and maximum funding amounts for each project group are listed below.

| Project Group | Available CEC funding | Minimum CEC award | Maximum CEC award | Minimum total match share percentage |
| --- | --- | --- | --- | --- |
| Group 1: Design and Analysis of HVDC Substations for FOSW | $6,000,000 | $1,000,000 | $4,000,000 | 10% |
| Group 2: Entanglement Monitoring Solutions for FOSW | $6,000,000 | $1,500,000 | $3,000,000 | 20% |

1. **Match Funding Requirement**

Applications for Group 1 must include a minimum 10% total match share percentage for this solicitation. Applications for Group 2 must include a minimum 20% total match share percentage for this solicitation.

Total match share percentage is calculated by dividing the total match share contributions by the total CEC funds requested plus total match share contributions:

X 100 = Total Match Share percentage

For the definition of match funding, see Section I K.

1. **Change in Funding Amount**

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

* Increase or decrease the available funding and the minimum/maximum grant award amounts described in this section.
* Allocate any additional or unawarded funds to passing applications, in rank order.
* Reallocate funding between any of the groups.
* Aggregate funds from multiple groups to fully fund the highest ranked passing applications, regardless of group.
* Reduce funding to an appropriate amount if the budgeted funds do not provide full funding for agreements. In this event, the proposed grant recipient and Commission Agreement Manager (CAM) will attempt to reach agreement on a reduced Scope of Work commensurate with available funding.

## Key Activities Schedule

Key activities, dates, and times for this solicitation and for agreements resulting from this solicitation are presented below. An addendum will be released if the dates change for activities that appear in **bold.**

| ACTIVITY | DATE | TIME[[16]](#footnote-17) |
| --- | --- | --- |
| Solicitation Release | February 19, 2025 |  |
| **Pre-Application Workshop** | **March 4, 2025** | **10:00 a.m.** |
| **Deadline for Written Questions[[17]](#footnote-18)** | **March 25, 2025** | **5:00 p.m.** |
| Anticipated Distribution of Questions and Answers | Week of April 07, 2025 |  |
| **Support for Application Submission in ECAMS** | **May 15, 2025** | **5:00 p.m.[[18]](#footnote-19)** |
| **Deadline to Submit Applications** | **May 15, 2025** | **11:59 p.m.** |
| Anticipated Notice of Proposed Award Posting Date | Week of July 21, 2025 |  |
| Anticipated Energy Commission Business Meeting Date | October 8, 2025 |  |
| Anticipated Agreement Start Date | October 31, 2025 |  |
| Anticipated Agreement End Date | March 31, 2029 |  |

## Notice of Pre-Application Workshop

CEC staff will hold one Pre-Application Workshop to discuss this solicitation with potential applicants. Participation is optional but encouraged. The Pre-Application Workshop will be held remotely. Applicants may attend the workshop via the internet (Zoom, see instructions below), or via conference call on the date and at the time and location listed below. Please refer to the CEC's website at www.energy.ca.gov/contracts/index.html to confirm the date and time. Please be aware that the meeting will be recorded.

**Date and time:** March 4, 2025, at 10:00 a.m.

**Zoom Instructions:**

To join the Zoom meeting, go to https://zoom.us/joinand enter the Meeting ID below and select “join from your browser.” Participants will then enter the meeting password listed below and their name. Participants will select the “Join” button.:

**Meeting ID:** 854 2346 9673

**Meeting Password:** fosw

**Topic:** GFO-24-307 Pre-Application Workshop

**Telephone Access Only:**

Call **1-888 475 4499** (Toll Free) or **1-877 853 5257** (Toll Free). When prompted, enter the meeting number above. International callers may select a number from the Zoom International Dial-in Number List at: https://energy.zoom.us/u/adjzKUXvoy. To comment, dial \*9 to “raise your hand” and \*6 to mute/unmute your phone line.

**Access by Mobile Device:**

Download the application from the Zoom Download Center, https://energy.zoom.us/download.

**Technical Support** **for Pre-Application Workshop:**

* For assistance with problems or questions about joining or attending the meeting,

please call Zoom Technical Support at **1-888-799-9666 ext. 2.** You may also contact the CEC’s Public Advisor’s Office at [publicadvisor@energy.ca.gov](mailto:publicadvisor@energy.ca.gov) , or (916) 957-7910.

* System Requirements: To determine whether your computer is compatible, visit:

https://support.zoom.us/hc/en-us/articles/201362023-System-requirements-for-Windows-macOS-and-Linux.

* If you need a reasonable accommodation to participate, please Erica Rodriguez by e-mail at [Erica.Rodriguez@energy.ca.gov](mailto:Erica.Rodriguez@energy.ca.gov) or (916) 764-5705 at least five days in advance.

## Questions

During the solicitation process, for questions only related to submission of application in the new ECAMS system, please contact [ECAMS.SalesforceSupport@energy.ca.gov](mailto:ECAMS.SalesforceSupport@energy.ca.gov). Through that email address applicants will be able to access a team of technical assistants who can answer questions about application submission. Please also see Section III.B for additional information about the ECAMS system.

For all other questions, including all technical and administrative questions that are not related to submission of applications in the ECAMS system, please contact the Commission Agreement Officer listed below:

Eunice Lemos-Adair, Commission Agreement Officer

California Energy Commission

715 P, MS-18

Sacramento, California, 95814

Telephone: (279) 226-1065

E-mail: [Eunice.Lemos-Adair@energy.ca.gov](mailto:Eunice.Lemos-Adair@energy.ca.gov)

Applicants may ask questions at the Pre-Application Workshop and may submit written questions via email. However, all **technical** questions must be received by the deadline listed in the “Key Activities Schedule” above. Questions received after the deadline may be answered at the CEC's discretion. **Non-technical** questions (e.g., administrative questions concerning application format requirements or attachment instructions) may be submitted to the CAO at any time prior to 5:00 p.m. of the application deadline date. Similarly, questions related to submission of applications in the ECAMS system may be submitted to ECAMS.SalesforceSupport@energy.ca.gov at any time prior to 5:00 p.m. of the application deadline date.

The questions and answers will also be posted on the CEC’s website at: https://www.energy.ca.gov/funding-opportunities/solicitations

If an applicant discovers a **conflict, discrepancy, omission, or other error** in the solicitation at any time prior 5:00 p.m. of the application deadline date, the applicant may notify the CAO in writing and request modification or clarification of the solicitation. The CEC, at its discretion will provide modifications or clarifications by either an addendum to the solicitation or by written notice to all entities that requested the solicitation. At its discretion, the CEC may, in addition to any other actions it may choose, re-open the question/answer period to provide all applicants the opportunity to seek any further clarification required.

**Any verbal communication with a CEC employee or anyone else concerning this solicitation is not binding on the State and will in no way alter a specification, term, or condition of the solicitation. Therefore, all communication should be directed in writing to the assigned CAO.**

## Applicants’ Admonishment

This solicitation contains application requirements and instructions. Applicants are responsible for **carefully reading** the entire solicitation, asking appropriate questions in a timely manner, ensuring that all solicitation requirements are met, submitting all required responses in a complete manner by the required date and time, and **carefully rereading** the solicitation before submitting an application. In particular, please carefully read the **Screening and Scoring Criteria and** **Grounds to Reject an Application or Cancel an Award** in Part IV, and the relevant EPIC Grant terms and conditions located at: https://www.energy.ca.gov/funding-opportunities/funding-resources.

Applicants are solely responsible for the cost of developing applications. This cost cannot be charged to the State. **All submitted documents will become publicly available records** and property of the State after the CEC posts the Notice of Proposed Award or the solicitation is cancelled. Only submit information you want made public. Applicants shall not submit any confidential information as part of their applications. **No portion of your application will be considered confidential.**

## Additional Requirements regarding environmental review

* Time is of the essence. CEC funds available under this solicitation have encumbrance deadlines as early as June 30, 2026.  This means that the CEC must approve proposed awards at a business meeting (usually held monthly) prior to June 30, 2026, to avoid expiration of the funds.
* Environmental Review. Prior to approval and encumbrance, the CEC must comply with the California Environmental Quality Act (CEQA) and other requirements. To comply with CEQA, the CEC must have CEQA-related information from applicants and sometimes other entities, such as local governments, in a timely manner. Unfortunately, even with this information, the CEC may not be able to complete its CEQA review prior to the encumbrance deadline for every project. For example, if a project requires an Environmental Impact Report, the process to complete it can take many months. For these reasons, it is critical that applicants organize applications in a manner that minimizes the time required for the CEC to comply with CEQA and provide all CEQA-related information to the CEC in a timely manner such that the CEC is able to complete its review in time for it to meet its encumbrance deadline.
* Reservation of right to cancel proposed award. In addition to any other right reserved to it under this solicitation or that it otherwise has, if the CEC determines, in its sole and absolute discretion, that the CEQA review associated with a proposed project would not likely be completed prior to the encumbrance deadline referenced above, and that the CEC’s ability to meet its encumbrance deadline may thereby be jeopardized, the CEC may cancel a proposed award and award funds to the next highest scoring applicant, regardless of the originally proposed applicant’s diligence in submitting information and materials for CEQA review. Examples of situations that may arise related to CEQA review include but are not limited to:
* Example 1: If another state agency or local jurisdiction, such as a city or county, has taken the role of lead agency under CEQA, the CEC’s review may be delayed while waiting for a determination from the lead agency.
* Example 2: If the proposed work is part of a larger project for which a detailed environmental analysis has been or will be prepared by another state agency or local jurisdiction, the CEC’s review may be delayed as a result of waiting for a supplemental or initial analysis, respectively, from the other agency.
* Example 3: If the nature of the proposed work is such that a project is not categorically or otherwise exempt from the requirements of CEQA, and an Initial Study or other detailed environmental analysis appears to be necessary, the CEC’s review, or the lead agency’s review, may take longer than the time available to encumber the funds. If an Initial Study, Negative Declaration, Mitigated Negative Declaration, Environmental Impact Report, or similar document[[19]](#footnote-20) has already been completed by another state agency or a local jurisdiction, serving as the lead agency, the applicant must ensure that such an analysis covers the work in the proposed project, or must obtain a revised analysis and determination from the lead agency reviewing the proposed project.
* Example 4: If the proposed project clearly falls under a statutory or categorical exemption or is project for which another state agency or local jurisdiction has already completed its environmental review and adopted CEQA findings that the project will cause no significant effect on the environment, the project will likely have greater success in attaining rapid completion of CEQA requirements.

The above examples are not exhaustive of instances in which the CEC may or may not be able to comply with CEQA within the encumbrance deadline and are only provided as further clarification for potential applicants. Applicants are encouraged to contact potential lead and responsible agencies under CEQA as early as possible. Please plan applications accordingly.

## Background

1. **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.[[20]](#footnote-21) 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.[[21]](#footnote-22) In addition to providing IOU ratepayer benefits, funded projects must lead to technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state’s statutory energy goals.[[22]](#footnote-23) The EPIC program is administered by the CEC and the IOUs.

* **Program Areas, Strategic Objectives, and Funding Initiatives**

EPIC projects must fall within the following **program areas** identified by the CPUC:

* Applied research and development;
* Technology demonstration and deployment; and
* Market facilitation.

In addition, projects must fall within one of the general focus areas (**“strategic objectives”**) identified in the CEC’s EPIC Investment Plans[[23]](#footnote-24) and within one or more specific focus areas (**“funding initiatives”**) identified in the plan. This solicitation targets the following program area, strategic objective, and funding initiative:

**The Electric Program Investment Charge 2021–2025 Investment Plan -- EPIC 4 Investment Plan**

* **Program Area**: Applied Research and Development
* **Strategic Objective:** Accelerate Advancements in Renewable Generation Technologies
  + **Funding Initiative:** Renewable Generation

**Applicable Laws, Policies, and Background Documents**

This solicitation addresses the energy goals described in the following laws, policies, and background documents.

Laws/Regulations

* **Disadvantaged & Low-income Communities**

At least 25% of available Electric Program Investment Charge (EPIC) technology demonstration and deployment funding must be allocated to project sites located in, and benefiting, disadvantaged communities; and an additional minimum 10% of funds must be allocated to projects sites located in and benefiting low-income communities.[[24]](#footnote-25) The CEC in administering EPIC must also take into account adverse localized health impacts of proposed projects to the greatest extent possible,[[25]](#footnote-26) and give preference for funding to clean energy projects that benefit residents of low-income or disadvantaged communities.[[26]](#footnote-27)

The CEC is committed to ensuring all Californians have an opportunity to participate in and benefit from programs and services. While it is not required to complete the project within a disadvantaged community, demonstration projects located and benefiting disadvantaged and/or low-income communities will be considered under the scoring criteria for this solicitation.

* **Assembly Bill (AB) 32[[27]](#footnote-28) - Global Warming Solutions Act of 2006**

AB 32created a comprehensive program to reduce greenhouse gas (GHG) emissions in California. GHG reduction strategies include a reduction mandate of 1990 levels by 2020 and a cap-and-trade program. AB 32 also designates the California Air Resources Board (CARB) as the state agency charged with monitoring and regulating sources of greenhouse gas (GHG) emissions and requires CARB to develop a Scoping Plan that describes the approach California will take to reduce GHGs. CARB must update the plan at least once every five years.

Additional information: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=200520060AB32

http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb\_0001-0050/sb\_32\_bill\_20160908\_chaptered.htm;

https://ww2.arb.ca.gov/our-work/programs/ab-32-climate-change-scoping-plan

Applicable Law: California Health and Safety Code §§ 38500 et. seq.

* **Senate Bill (SB) 32 - California Global Warming Solutions Act of 2006: emissions limit**

SB 32 expands on AB 32 by requiring that CARB ensure statewide GHG emissions are reduced to 40% below the 1990 level by no later than December 31, 2030. SB 32 further requires that these emission reductions are achieved in a manner that benefits the state’s most disadvantaged communities and is transparent and accountable to the public and the Legislature.

Additional information: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201520160SB32

Applicable Law: California Health and Safety Code § 38566.

* **Senate Bill (SB) X1-2**[[28]](#footnote-29) **- Renewables Portfolio Standard**

SB X1-2 expanded California’s Renewables Portfolio Standard (RPS) goals and requires retail sellers of electricity and local publicly owned electric utilities to increase their procurement of eligible renewable energy resources to 20 percent by the end of 2013, 25 percent by the end of 2016, and 33 percent by the end of 2020.

Applicable Law: California Public Utilities Code § 399.11 et seq.

* **SB 350[[29]](#footnote-30) - Clean Energy and Pollution Reduction Act of 2015**

SB 350, among other directives, expanded on AB 758 by directing CEC to establish annual targets to achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers by January 1, 2030. This resulted in the Senate Bill 350 Doubling of Energy Efficiency by 2030(Doubling Report), which expanded the focus of the Existing Buildings Energy Efficiency Action Plan from existing buildings to include agriculture, industry, newly constructed buildings, conservation voltage reduction, and fuel substitution. CEC subsequently consolidated the Existing Buildings Energy Efficiency Action Plan, Doubling Report, and energy efficiency equity efforts to form a comprehensive roadmap to achieving the state’s energy efficiency and building decarbonization goals in the 2019 California Energy Efficiency Action Plan.

SB 350 also requires retail sellers of electricity and local publicly owned electricity increase their procurement of eligible renewable energy resources and provided for the transformation of the Independent System Operator into a regional organization.

Additional information: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201520160SB350; https://www.energy.ca.gov/programs-and-topics/programs/energy-efficiency-existing-buildings

* **Senate Bill (SB) 100 - The 100 Percent Clean Energy Act of 2018**

SB 100 requires that 100 percent of retail sales of electricity to California end-use customers and 100 percent of electricity procured to serve all state agencies come from eligible renewable energy resources and zero-carbon resources by December 31, 2045. The bill requires the CPUC and the CEC, in consultation with CARB, to ensure that California’s transition to a zero-carbon electric system does not cause or contribute to greenhouse gas emissions (GHG) increases elsewhere in the western grid.

Additional information: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201720180SB100

* **SB 1020 – Clean Energy, Jobs, and Affordability Act of 2022**

SB 1020 revises state policy to provide that eligible renewable energy resources and zero-carbon resources supply 90 percent of all retail sales of electricity to California end-use customers by December 31, 2035, 95 percent of all retail sales of electricity to California end-use customers by December 31, 2040, 100 percent of all retail sales of electricity to California end-use customers by December 31, 2045, and 100 percent of electricity procured to serve all state agencies by December 31, 2035, as specified.

Additional information:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=202120220SB1020

Applicable Law: California Health and Safety Code §§ 38561 et. Seq.

* **AB 525[[30]](#footnote-31) – Energy: offshore wind generation 2021**

AB 525 requires the Energy Commission, in coordination with the Public Utilities Commission and State Air Resources Board, to establish offshore wind planning goals for 2030 and 2045 and develop a strategic plan for offshore wind energy developments installed off the California coast in federal waters, as specified, by June 2023.

Additional information:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=202120220AB525

Policies/Plans

* **Integrated Energy Policy Report (Biennial)**

California Public Resources Code Section 25302 requires the CEC to release a biennial report that provides an overview of major energy trends and issues facing the state. The IEPR assesses and forecasts all aspects of energy industry supply, production, transportation, delivery, distribution, demand, and pricing. The CEC uses these assessments and forecasts to develop energy policies and provide recommendations for future research and analysis areas.

Additional information: http://www.energy.ca.gov/energypolicy

Applicable Law: California Public Resources Code § 25300 et seq.

* **Executive Order B-29-15**

Governor Brown’s Executive Order B-29-15 proclaims the severity of the drought conditions in California and directs the CEC to invest in new technologies that will achieve water and energy savings and greenhouse gas reductions.

* **California Coastal Commission Consistency Determinations**

Prior to the Humboldt and Morro Bay WEA lease sales, the California Coastal Commission assessed whether the BOEM leasing process, including any reasonably foreseeable development within the WEA lease areas, was consistent with Chapter 3 policies of the Coastal Act. This assessment involved a Commission review of the consistency determinations issued by BOEM for each WEA. The Commission conditionally concurred with BOEM’s consistency determination for the Humboldt WEA in April 2022 and conditionally concurred with BOEM’s consistency determination for the Morro Bay WEA in June 2022.

Additional information: https://www.coastal.ca.gov/upcoming-projects/offshore-wind/

* **Assembly Bill 525 Offshore Wind Energy Strategic Plan**

AB 525 directs the Energy Commission, to complete and submit a strategic plan for offshore wind development in federal waters off the California coast to the California Natural Resources Agency and the relevant fiscal and policy committees of the State Legislature. The Strategic Plan identifies suitable sea space to accommodate California’s offshore wind planning goals, includes a discussion of economic and workforce development and port space and infrastructure, and assesses transmission investments, upgrades, and associated costs.

Additional information: https://www.energy.ca.gov/publications/2023/ab-525-offshore-wind-strategic-plan

Refer to the link below for information about past CEC research projects and activities:

* http://www.energy.ca.gov/research/
* https://www.energy.ca.gov/programs-and-topics/programs/electric-program-investment-charge-epic-program
* https://www.energy.ca.gov/showcase/energize-innovation

## Match Funding

* **“Match funds”** include cash or in-kind (non-cash) contributions provided by the applicant, subrecipients, or other parties including pilot testing, demonstration, and/or deployment sites (e.g., test site staff services) that will be used in performance of the proposed project.

“Match funds” do not include: CEC awards, EPIC funds received from other sources, future/contingent awards from other entities (public or private), the cost or value of the project work site, or the cost or value of structures or other improvements affixed to the project work site permanently or for an indefinite period of time (e.g., photovoltaic systems).

Definitions of “match funding” categories are listed below:

* + - **“Cash”** **match** means funds that are in the grant recipient’s possession or proposed by a match partner and clearly identified in a support letter, and are reserved for the proposed project, meaning that they have not been committed for use or pledged as match for any other project. Cash match can include funding awards earned or received from other agencies for the proposed technologies or study (but not for the identical work). Proof that the funds exist as cash is required. Cash match will be considered more favorably than in-kind contributions during the scoring phase.
    - **“In-Kind”** **match** can be in the form of goods or services that are not reimbursed with CEC funds such as labor (if reasonable and justified), donated space, existing equipment, existing supplies, services provided by a third-party or subrecipient, and other expendable property in support of the project. The value of in-kind match is based on the fair market value of the goods and services provided at the time it is claimed as match. The value of existing equipment must be prorated for its use in the project, and depreciated or amortized over the term of the project using generally accepted accounting principles (GAAP). Labor rates for hours donated by non-employees who are not paid for their time must be consistent with those paid for similar work. Cost allocations must be reasonable and allocable to the proposed project. In-kind match share must be included in the agreement budget.

The grant recipient is expected to maintain appropriate documentation to support the fair market value of all in-kind match including match donated by third parties or major subrecipients.

* Match funds must be spent only during the agreement term, either before or concurrently with CEC funds or in accordance with an approved Match Fund Spending Plan. Match funds also must be reported in invoices submitted to the CEC.
* All applications that include match funds must submit commitment letters, **including applicant, subrecipients**, sub-subrecipients, and vendors 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 Commitment and Support Letters Form Attachment. Commitment and support letters must be submitted with the application to be considered.
* Any match pledged in an application must be consistent. For example, in the ECAMS system and in the Budget Attachment applicants will be asked to enter the project’s total match funding. The amounts listed in those places should be consistent with the amount or dollar value described in the commitment letter(s) (e.g., if $5,000 “cash in hand” funds are pledged in a commitment letter, the match amounts entered in the ECAMS system and in the Budget must match this amount). If the amounts listed in an application are inconsistent, the total amount pledged in the commitment letter(s) will be considered for match funding points.

Examples of preferred match share:

* + - **“Travel”** refers to all travel required to complete the tasks identified in the Scope of Work. Travel includes in-state and out-of-state, and travel to conferences. Use of match funds for out-of-state travel is encouraged, as the CEC discourages and may not approve the use of its funds for such travel. If an applicant plans to travel to conferences, including registration fees, they must use match funds.
    - **“Equipment”** is an item with a unit cost of at least $5,000 and a useful life of at least one year. **Purchasing equipment with match funding is encouraged** as there are no disposition requirements at the end of the agreement for such equipment. Typically, grant recipients may continue to use equipment purchased with CEC funds if the use is consistent with the intent of the original agreement.
    - **“Materials”** under Materials and Miscellaneous are items under the agreement that do not meet the definition of Equipment (unit cost of at least $5,000 and a useful life of at least one year). **Using match funds for purchasing items such as laptops, notebooks and/or personal tablets is encouraged, as Energy CEC funds for these purchases is not allowed.**

## Funds Spent in California

* Only CEC funds may count towards funds spent in California total.
* "Spent in California" means that:
  + (1) Funds in the "Direct Labor category and all categories calculated based on direct labor (e.g., fringe benefits, indirect costs and profit) are paid to individuals that pay California state income taxes on wages received for work performed under the agreement. Payments made to out-of-state workers do not count as “funds spent in California.” However, funds spent by out-of-state workers in California (e.g., hotel and food) can count as “funds spent in California.”; AND
  + (2) Business transactions (e.g., material and equipment purchases, leases, and rentals) are entered into with a business located in California.
  + (3) Total should include any applicable, subrecipients, sub-subrecipients, and vendors.
* Airline ticket purchases for out-of-state travel and payments made to out-of-state workers are not considered funds “spent in California.” However, funds spent by out-of-state workers in California (e.g. lodging) and airline travel originating and ending in California are considered funds “spent in California.” A business located in California means: 1) businesses registered with Secretary of State AND 2) transaction is with a location in California that is directly related to the grant project (e.g., direct purchase of material and equipment to be used in the grant) and results in the support of California business and jobs.
  + Example 1: CEC funds will be spent on temperature sensors.  The temperature sensors are manufactured in Washington. The grant recipient orders the temperature sensors directly from a CA based supply house.  The invoice shows that the transaction occurred with the CA based supply house. This transaction is eligible and can be counted as funds spent in CA.
  + Example 2: CEC funds will be spent on temperature sensors. The temperature sensors are manufactured in Washington. The grant recipient orders the temperature sensors directly from Washington.  The manufacturer has training centers in CA that instructs purchasers on how to use the sensors. The invoice shows that the transaction occurred in Washington. This transaction is not eligible and cannot be counted as funds spent in CA.

1. **CEC’s Rights and Remedies**

Any process explained in this solicitation is in addition to, and does not restrict, any other rights and remedies available to the CEC.

# II. Eligibility Requirements

## Applicant Requirements

1. **Eligibility**

This solicitation is open to all public and private entities with the exception of local publicly owned electric utilities.[[31]](#footnote-32) In accordance with CPUC Decision 12-05-037, funds administered by the CEC may not be used for any purposes associated with local publicly-owned electric utility activities.

1. **Terms and Conditions**

Each grant agreement resulting from this solicitation will include terms and conditions that set forth the grant recipient’s rights and responsibilities. By submitting an application in the ECAMS system, each applicant agrees to enter into an agreement with the CEC to conduct the proposed project according to the terms and conditions that correspond to its organization, without negotiation: (1) University of California and California State University terms and conditions; (2) U.S. Department of Energy terms and conditions; (3) Special Terms and Conditions for California Native American Tribes and Tribal Organizations with Sovereign Immunity in addition to the standard terms and conditions; or (4) standard terms and conditions. All terms and conditions are located at https://www.energy.ca.gov/funding-opportunities/funding-resources. Please refer to the applicable EPIC Grant terms and conditions. Failure to agree to the terms and conditions by taking actions such as failing to provide the required authorizations and certifications or indicating that acceptance is based on modification of the terms may result in **rejection** of the application. Applicants **must** **read** the terms and conditions carefully.The CEC reserves the right to modify the terms and conditionsprior to executing grant agreements.

If a California Native American Tribe (Tribe) or California Tribal Organization with sovereign immunity is listed as a proposed awardee in the Notice of Proposed Award, CEC staff must receive the following before bringing the proposed award to a CEC Business Meeting:

1. A resolution or other authorizing document by the governing body of the Tribe or California Tribal Organization authorizing the Tribe or California Tribal Organization to enter into the proposed agreement, including accepting the Special Terms and Conditions for California Native American Tribes and Tribal Organizations with Sovereign Immunity.

2. A limited waiver of sovereign immunity in the form and manner required by tribal law; and

3. A resolution or other authorizing document delegating authority to execute the agreement to an appropriate individual.

The above requirements may be provided in one or more documents. The document(s) will be included as an exhibit to the resulting grant agreement.

Delay in award. Any delay in the Tribe or Tribal Organization’s ability to provide such documentation may result in delayed award of the grant agreement.

Reservation of right to cancel proposed award. Funds available under this solicitation have encumbrance deadlines which the CEC must meet in order to avoid expiration of the funds. In addition to any other rights reserved to it under this solicitation or that it otherwise has, the CEC reserves the right to cancel a proposed award if it determines, in its sole and absolute discretion, that the documentation described above would likely not be provided prior to an encumbrance deadline, and that the CEC’s ability to meet its encumbrance deadline may thereby be jeopardized. In this instance, the CEC may cancel the proposed award and award funds to the next highest scoring applicant.

1. **California Secretary of State Registration**

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 an CEC Business Meeting.  If not currently registered with the California Secretary of State, applicants and project team members (e.g. subrecipients and even match fund partners) are encouraged to 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 proposed for funding).  Applicants should provide the exact legal names of entities included in their applications, along with any fictitious business names. Fictitious business names must be currently valid, i.e., not expired with the Secretary of State. As part of the CEC’s due diligence, particularly during the agreement development phase, CEC staff may request the supporting documentation regarding the above registration requirements.

For more information, contact the Secretary of State’s Office via its website at www.sos.ca.gov.  Sole proprietors do not have to be registered with the California Secretary of State. However, the local government may require a business license and if using a fictitious business name, registration of the name may be required. Sole proprietors must be able to provide evidence of required licenses and/or registration with the appropriate local government, or evidence that such licenses and/or registration is not required, to the CEC prior to the project being recommended for approval at a CEC Business Meeting.

1. **Russia Sanctions**

The budget must NOT identify that CEC 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. Recent legal restrictions may include Russian Sanctions as described below:

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions.

Accordingly, should the State determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

## Project Requirements

1. **Applied Research and Development Stage**

Projects must fall within the “applied research and development” stage, which includes activities that support pre-commercial technologies and approaches that are designed to solve specific problems in the electricity sector. Applied research and development activities include early pilot-scale testing activities that are necessary to demonstrate the feasibility of pre-commercial technologies. By contrast, the “technology demonstration and deployment” stage involves the installation and operation of pre-commercial technologies or strategies at a scale sufficiently large and in conditions sufficiently reflective of anticipated actual operating environments to enable appraisal of the operational and performance characteristics and the financial risks.**[[32]](#footnote-33)**

1. **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 are to provide ratepayer benefits, which is 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.

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; 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.

1. **Technology Transfer Expenditures**

To maximize the impact of EPIC projects and to promote the further development and deployment of EPIC-funded technologies, a minimum of 5 percent of CEC funds requested should go towards technology transfer activities. Appropriate technology transfer activities for this solicitation are listed in the Scope of Work Template Attachment. The Budget Forms Attachment should clearly distinguish funds dedicated for technology transfer.

1. Measurement and Verification Plan

The Project Narrative Form Attachment must include a Measurement and Verification Plan that describes how actual project benefits will be measured and quantified, such as capital costs ($/kW), operational costs ($/kW/yr), LCOE ($/MWh), system efficiency (%), generation (electricity exported to the grid or avoided import by the facility), availability or capacity factor (%), and durability (hours). A Measurement and Verification Plan for a Group 1 project should include metrics appropriate for an HVDC substation conceptual design and analysis as described in Section I.C. A Measurement and Verification Plan for a Group 2 project should include metrics appropriate for an entanglement detection system as described in Section I.C. The activities proposed in the Measurement and Verification Plan must be included in the “Technical Tasks” section of the Scope of Work Template Attachment.

# III. Application Submission Instructions

## Application Format, Page Limits

All items listed below are required as part of the application package. Failure to provide any items may result in disqualification of the application. Attachment requirements are expanded and explained below in this section and in the attachments themselves.

|  |  |  |
| --- | --- | --- |
| **Item** | **Attachment Number** | **Page Limitation** |
| Executive Summary | Attachment 1 | Two pages |
| Project Narrative | Attachment 2 | Twenty pages |
| Project Team | Attachment 3 | Two pages for each resume |
| Scope of Work | Attachment 4 | Thirty pages |
| Project Schedule | Attachment 5 | Four pages |
| Budget | Attachment 6 | None |
| CEQA Compliance Form | Attachment 7 | None |
| Past Project Information | Attachment 8 | Two pages for each project description |
| Commitment and Support Letters | Attachment 9 | Two pages, excluding the cover page |
| Project Performance Metrics | Attachment 10 | None |
| Applicant Declaration | Attachment 11 |  |
| References for Calculating Energy End-Use and GHG Emissions | Attachment 12 | None |

## Method For Delivery

The only method of submitting applications to this solicitation is Energy Commission Agreement Management System (ECAMS), available at: https://ecams.energy.ca.gov.

The CEC is providing a team of technical assistants to support applicants with this new process. Please email ECAMS.SalesforceSupport@energy.ca.gov for support.

ECAMS allows applicants to complete and submit their application to the CEC prior to the date and time specified in this solicitation. Files uploaded to the system must be in Microsoft Word XP (.doc format) or newer and Excel Office Suite formats unless originally provided in the solicitation in another format.  Attachments requiring signatures, such as match funding commitment letters, may be scanned and submitted in PDF format.  Completed Budget Forms, Attachment, must be in Excel format.

The deadline to submit applications through ECAMS system is 11:59 p.m. on the Deadline to Submit Applications date shown in the Key Activities Schedule. ECAMS automatically closes at 11:59 pm. If the full submittal process has not been completed before 11:59 p.m., your application will not be considered.

The CEC strongly encourages Applicants to upload and submit all applications by 5:00 p.m. because CEC staff will not be available after 5:00 p.m. or on weekends to assist with the upload process. And please note that while we endeavor to assist all would-be applicants, we can’t guarantee staff will be available for in-person consultation on the due date, so please plan accordingly.

Please give yourself ample time to complete all steps of the submission process: do not wait until right before the deadline to begin the process. Due to factors outside the CEC’s control and unrelated to ECAMS, upload times may be much longer than expected. For example, unexpected issues could occur, causing long delays that prevent timely submission. Please plan accordingly. For instructions on how to apply using the ECAMS system, please see the How to Apply document available on the CEC website at: **https://www.energy.ca.gov/funding-opportunities/funding-resources**, under General Funding Information, Energy Commission Agreement Management System (ECAMS).

First time users must register as a new user to access the system. There will be two types of user accounts to establish: 1) An organizational account, for the entity applying to the solicitation; and 2) user accounts for individuals who will be submitting the application on behalf of the organization.

Applicants will be required to upload all attachments marked “required” in the system in order for the application to be submitted.

## Application Content

Below is a general description of each required section of the application. Please reference each individual attachment for a detailed description of the information requested by that attachment. Completeness in submitting all the information requested in each attachment will be factored into application scoring.

1. Executive Summary Form (Attachment 1)

The Executive Summary includes: a project description; the project goals and objectives to be achieved; an explanation of how the goals and objectives will be achieved, quantified, and measured; and a description of the project tasks and overall management of the agreement.

1. Project Narrative Form (Attachment 2)

This form includes the majority of the applicant’s responses to the Scoring Criteria in Section IV. The following must also be addressed:

* 1. **Group Specific Questions**
     + Include required group specific information (see Section I.C.) in the specified sections.

1. Project Team Form (Attachment 3)

Identify by name all key personnel[[33]](#footnote-34) assigned to the project, including the project manager and principal investigator (if applicable), and individuals employed by any major subrecipient (a major subrecipient is a subrecipient receiving $100,000 or more of Commission funds). Clearly describe their individual areas of responsibility. Include the information required for each individual, including a resume (maximum two pages).

1. Scope of Work Template (Attachments 4)

Applicants must include a completed Scope of Work for each project, as instructed in the template. The Scope of Work identifies the tasks required to complete the project.

Electronicfiles for the Scope of Work must be in **MS Word** file format**.**

1. Project Schedule (Attachment 5)

The Project Schedule includes a list of all product, meetings, and due dates. All work must be scheduled for completion by the “Key Dates” section of this solicitation manual.

Electronic files for the Project schedule must be in MS Excel file format.

1. Budget Forms (Attachment 6)

Because this solicitation is utilizing the new ECAMS system for submitting applications, applicants have two options for uploading a budget:

1. **Option 1: Prime Applicant’s budget is both keyed directly into ECAMS and uploaded as an MS Excel attachment; the Prime Major Subrecipient(s) budgets are uploaded as MS Excel attachments.** The new ECAMS system allows applicants to build the prime applicant’s budget directly into the system. At this time, there is no way to input major subrecipient budgets directly into the system. Instructions for inputting budget items into the ECAMS system are included at: https://www.energy.ca.gov/funding-opportunities/funding-resources.
2. **Option 2: Upload all budgets (Prime and Major Subrecipients) as MS Excel attachments** and leave the ECAMS budget sections blank.

Instructions for completing the budgets can be found in Budget Category Guidance at the ECAMS Resources page. **Read the instructions tab on the MS Excel attachments Attachment 6 before completing the worksheets**. Complete and submit information on **all** budget worksheets. The salaries, rates, and other costs entered on the worksheets will become a part of the final agreement.

1. All project expenditures (match share and reimbursable) must be made within the Anticipated Agreement Start and End dates listed in the “Key Activities Schedule” of this solicitation manual. Match share requirements are discussed in Part I.D and I.K of this solicitation. The entire term of the agreement and projected rate increases must be considered when preparing the budget.
2. The budget must reflect estimates for **actual** costs to be incurred during the agreement term. The CEC may only approve and reimburse for actual costs that are properly documented in accordance with the grant agreement terms and conditions. Rates and personnel shown must reflect the rates and personnel the applicant would include if selected as a Recipient.
3. The rates proposed, except for Direct Labor and Fringe Benefits, are considered capped and may not change during the agreement term. Except for Direct Labor and Fringe Benefits, the grant recipient will only be reimbursed for actual rates and not to exceed the capped rates. The rates proposed for Direct Labor and Fringe Benefits are treated as estimates; a grant recipient can invoice at higher rates as long as it is only invoicing for actual expenditures it has made. If an applicant, by law, cannot agree to Direct Labor and Fringe Benefits rates being treated as estimates, the applicant can request to modify this term. This modification may be negotiated if the applicant is proposed for award. The CEC retains the sole right to refuse to agree to any requested modifications. The budget must NOT include any grant recipient profit from the proposed project, either as a reimbursed item, match share, or as part of overhead or general and administrative expenses (subrecipient profit is allowable, though the maximum percentage allowed is 10% of the total subrecipient rates for labor, and other direct and indirect costs as indicated in the Category Budget tab). Please review the terms and conditions and budget forms for additional restrictions and requirements.
4. The budget must allow for the expenses of all meetings and products described in the Scope of Work. Meetings may be conducted at the CEC or by conference call, as determined by the CAM.
5. Applicants must budget for permits and insurance. Permitting costs may be accounted for in match share. Permit costs and the expenses associated with obtaining permits are not reimbursable with CEC funds, with the exception of costs incurred by University of California grant recipients.
6. The budget must NOT identify that CEC 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.
7. **Prevailing wage requirement:** Projects that receive an award of public funds from the CEC often involve construction, alteration, demolition, installation, repair or maintenance work over $1,000. For this reason, projects that receive an award of public funds from the CEC are likely to be considered public works under the California Labor Code. See Chapter 1 of Part 7 of Division 2 of the California Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000.

Projects deemed to be public works require among other things the payment of prevailing wages, which can be significantly higher than non-prevailing wages.

By accepting this grant, the grant recipient as a material term of this agreement shall be fully responsible for complying with all California public works requirements including but not limited to payment of prevailing wage. Therefore, as a material term of this grant, the grant recipient must either:

(a) Proceed on the assumption that the project is a public work and ensure that:

1. prevailing wages are paid; and
2. the project budget for labor reflects these prevailing wage requirements; and
3. the project complies with all other requirements of prevailing wage law including but not limited to keeping accurate payroll records, and complying with all working hour requirements and apprenticeship obligations;

or,

(b) Timely obtain a legally binding determination from the Department of Industrial Relations or a court of competent jurisdiction before work begins on the project that the proposed project is not a public work.

1. California Environmental Quality Act (CEQA) Compliance Form (Attachment 7)

The CEC requires the information on this form to facilitate its evaluation of proposed activities under CEQA (California Public Resources Code Section 21000 et. seq.), a law that requires state and local agencies in California to assess the potential environmental impacts of their proposed actions. The form will also help applicants to determine CEQA compliance obligations by identifying which proposed activities may be exempt from CEQA and which activities may require additional environmental review. If proposed activities are exempt from CEQA (such as paper studies), the worksheet will help to identify and document this. This form must be completed regardless of whether the proposed activities are considered a “project” under CEQA.

Failure to complete the CEQA process in a timely manner after the CEC’s Notice of Proposed Award may, in the CEC’s sole discretion and without limiting any of the CEC’s other rights and remedies, result in the cancellation of a proposed award and allocation of funding elsewhere, such as to the next highest-scoring project.

1. Past Projects Information (Attachment 8)

The Past Projects Information Form asks for information about the Applicant and its major subrecipients’ past agreements with the CEC and other entities.

1. Commitment and Support Letter Form (Attachment 9)

A commitment letter commits an entity or individual to providing the service or funding described in the letter. A support letter details an entity or individual’s support for the project. Commitment and Support Letters must be submitted with the application. Letters that are not submitted by the application deadline will not be reviewed and counted towards meeting the requirement specified in the solicitation.

* + 1. Commitment Letters

Applicants must submit a **match funding** commitment letter from each entity that is committing to providing match funding. Each commitment letter must be signed by an authorized representative of the entity or by the individual that is making the commitment. A commitment letter must include all of the following: (1) identification of the source(s) of the funds; (2) a justification of the dollar value claimed; (3) an unqualified (i.e. without reservation or limitation) commitment that guarantees the availability of the funds for the project; and (4) a strategy for replacing the funds if they are significantly reduced or lost.

* If the project involves **pilot testing** activities, the applicant must include a site commitment letter signed by an authorized representative of the proposed test site. The letter must: (1) identify the location of the site (street address, parcel number, tract map, plot map, etc.) consistent with ECAMS and the CEQA Compliance Form (Attachment) or provide justification if the exact site location is presently undetermined; and (2) unconditionally commit to providing the site for the proposed activities if recipient is awarded a CEC grant.
* **Project partners** that are making contributions other than match funding or a test site, and are not receiving CEC funds, must submit a commitment letter signed by an authorized representative that: (1) identifies how the partner will contribute to the project; and (2) unconditionally commits to making the contribution if Recipient is awarded a CEC grant.
  + 1. Support Letters

All applicants must include at least one support letter from a project stakeholder (i.e., an entity or individual that will benefit from or be involved in the project) that: (1) describes the stakeholder’s interest or involvement in the project; (2) indicates the extent to which the project has the support of the relevant industry and/or organizations; and (3) describes any support it intends (but does not necessarily commit) to provide for the project, such as funding or the provision of a test site.

1. Project Performance Metrics (Attachment 10)

The purpose of this questionnaire is to identify and document performance targets for the project. The performance targets should be a combination of scientific, engineering and techno-economic metrics that provide the most significant indicator of the research or technology’s potential success. The metrics should provide constructive targets for the performance of the technology or project and how the metric will be measured and evaluated, during the project and after the project is complete.

1. Applicant Declaration (Attachment 11)

This form requests the applicant make certain declarations under penalty of perjury. This form must be signed by an authorized representative of the applicant’s organization

1. References for Calculating Energy End-Use and GHG Emissions (Attachment 12)

Any estimates of energy savings or GHG impacts described in the application should be calculated as specified on this form, to the extent that the references apply to the proposed project.

# IV. Evaluation and Award Process

## Application Evaluation

Applications will be evaluated and scored based on responses to the information requested in this solicitation and on any other information available, such as past performance of CEC agreements. To evaluate applications, the CEC will organize an Evaluation Committee that consists of primarily, or all CEC staff. The Evaluation Committee may use additional technical expert reviewers to provide an analysis of applications.

1. **Stage One: Application Screening**

The Evaluation Committee will screen applications for compliance with the Screening Criteria in **Section E** of this Part. **Applications that fail any of the screening criteria will be rejected.**

1. **Stage Two: Application Scoring**

Applications that pass Stage One will be submitted to the Evaluation Committee for review and scoring based on the Scoring Criteria in **Section F** of this Part.

* The scores for each application will be the average of the combined scores of all Evaluation Committee members.
* **A minimum score of 70.0 points** is required for criteria 1-7 to be eligible for funding. In addition, the application must receive a minimum score of **52.50 points for criteria 1−4** to be eligible for funding.

## Ranking, Notice of Proposed Award, and Agreement Development

1. **Ranking and Notice of Proposed Award**

Applications that receive at least the minimum required score for all criteria will be ranked according to their score by group.

* CEC staff will post a **Notice of Proposed Award (NOPA)** that includes: (1) the total proposed funding amount; (2) the rank order of applicants; and (3) the amount of each proposed award. The CEC will post the NOPA on its website and will email it to all entities that submitted an application. Proposed awards must be approved by the CEC at a business meeting.

**Debriefings:** Applicants may request a debriefing after the release of the NOPA by e-mailing the CAO listed in Part I. A request for debriefing must be received **no later than 30 calendar days** after the NOPA is released. *The purpose of the debriefing is to provide the applicant feedback on contributing factors to their score and opportunities for improvement on future applications. Debriefings are not intended to be a comprehensive examination of all deficiencies within an application.*

* In addition to any of its other rights, the CEC reserves the right to:
  + Allocate any additional funds to passing applications, in rank order;
  + Aggregate funds from multiple groups to fully fund the highest ranked passing application(s), regardless of group. (if applicable); and
  + Negotiate with successful applicantstomodify the project scope, schedule, project team entity that will receive the award, project location and/or level of funding.

1. **Agreements**

Applications recommended for funding in a NOPA will be developed into a proposed grant agreement to be considered at a CEC Business Meeting. Grant recipients may begin the project only after full execution of the grant agreement (i.e., approval at a CEC business meeting and signature by the grant recipient and the CEC).

* **Agreement Development:** The Contracts, Grants, and Loans Office will send the grant recipient a grant agreement for approval and signature. The agreement will include the applicable terms and conditions and will incorporate this solicitation and the application by reference. The CEC reserves the right to modify the award documents (including the project scope, level of funding and terms and conditions) prior to executing any agreement.
* **Performance Evaluation:** An applicant receiving an award under this solicitation is subject to evaluation of performance under the resulting agreement. The CEC reserves the right to utilize the performance evaluation to screen and score future funding applications.
* **Failure to Execute an Agreement:** If the CEC is unable to successfully execute an agreement with an applicant in a timely manner, it reserves the right to cancel the pending award and use the funds elsewhere, such as to fund the next highest-ranked, eligible application.

## Grounds to Reject an Application or Cancel an Award

Applications that do not pass the screening stage will be rejected. In addition, the CEC reserves the right to reject an application and/or to cancel an award for any reason, including any of the following:

* The application contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the applicant.
* The application is intended to erroneously and fallaciously mislead the State in any way.
* The application does not comply or contains caveats that conflict with the solicitation, and the variation or deviation is material.
* The applicant has previously received funding through an EPIC or Public Interest Energy Research (PIER) agreement, has received the royalty review letter (which the CEC annually sends out to remind past award recipients of their obligations to pay royalties), and has not responded to the letter or is otherwise not in compliance with repaying royalties.
* The applicant has received unsatisfactory agreement performance evaluations from the CEC or another California state agency.
* The applicant is a business entity required to be registered with the California Secretary of State and is not in good standing.
* The applicant has not demonstrated that it has the financial capability to complete the project.
* The applicant fails to meet CEQA compliance within sufficient time for the CEC to meet its encumbrance deadline or any other deadlines, as the CEC in its sole and absolute discretion may determine.
* The applicant has included a statement or otherwise indicated that it will not accept the terms and conditions, or that acceptance is based on modifications to the terms and conditions. If an applicant, by law, cannot agree to certain terms and conditions, the applicant can request a modification. This modification may be negotiated if the applicant is proposed for award. The CEC retains the sole right to refuse to agree to any requested modifications.

## Miscellaneous

1. **Solicitation Cancellation and Amendment**

It is the policy of the CEC not to solicit applications unless there is a bona fide intention to award an agreement. However, if it is in the State’s best interest, the CEC reserves the right, in addition to any other rights it has, to do any of the following:

* Cancel this solicitation;
* Revise the amount of funds available under this solicitation;
* Amend this solicitation as needed; and/or
* Reject any or all applications received in response to this solicitation.

If the solicitation is amended, the CEC will post an addendum on CEC’s website at: https://www.energy.ca.gov/funding-opportunities/solicitations. The CEC will not reimburse applicants for application development expenses under any circumstances, including cancellation of the solicitation.

1. **Modification or Withdrawal of Application**

Applicants may recall or modify a submitted application within ECAMS before the deadline to submit applications. Applications cannot be changed after that date and time. An application cannot be “timed” to expire on a specific date. For example, a statement such as the following is non-responsive to the solicitation: “This application and the cost estimate are valid for 60 days.”.”

1. **Confidentiality**

Though the entire evaluation process from receipt of applications up to the posting of the NOPA is confidential, **all submitted documents will become publicly available records** and property of the State after the CEC posts the NOPA or the solicitation is cancelled. **The CEC will not accept or retain applications that identify any portion as confidential unless the applicant clarifies in writing that marking the material as confidential was a mistake and the material can be made public.**

1. **Solicitation Errors**

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation at any time prior to 5:00 p.m. of the application deadline date, the Applicant should immediately notify the CEC of the error in writing and request modification or clarification of the solicitation. The CEC will provide modifications or clarifications by written notice to all entities that requested the solicitation. The CEC will not be responsible for failure to correct errors.

1. **Immaterial Defect**

The CEC may waive any immaterial defect or deviation contained in an application. The CEC’s waiver will not modify the application or excuse an applicant proposed for funding from full compliance with solicitation requirements.

1. **Tiebreakers**

If the score for two or more applications are tied, the application with a higher score in the Impacts and Benefits for California IOU Ratepayers criterion will be ranked higher. If still tied, an objective tie-breaker (such as a random drawing) will be utilized.

1. **Clarification Interviews**

The Evaluation Committee may conduct optional Clarification Interviews with applicants to clarify and/or verify information submitted in the application. However, these interviews may not be used to change or add to the content of the original application. Applicants will not be reimbursed for time spent answering clarifying questions.

1. **Opportunity to Cure Administrative Errors**

The CEC understands and appreciates the significant time and expense applicants spend preparing applications.  An administrative error that prevents an applicant from submitting a complete application frustrates both the CEC and applicants.  The purpose of this process is to reduce the number of applications screened out or receiving a significantly reduced score for administrative errors while maintaining a fair competition.  This process also ensures better competition and thus better projects to benefit California.

After the application deadline, an applicant might identify, or the Evaluation Committee may find what reasonably appears to be, an administrative error.  For purposes of this solicitation only, an administrative error is defined as an applicant’s inadvertent mistake that prevents materials in existence as of the application deadline from appearing in its submitted application.  Examples include, but are not limited to, accidentally:

* Scanning and submitting every other page in a document instead of every page.
* Submitting the wrong document.
* Leaving out a document.

If the Evaluation Committee find what reasonably appears to be an administrative error, they can communicate with the applicant to confirm.  If an applicant finds an administrative error in its application, it should immediately contact the Commission Agreement Officer listed in the “Contact Information/Questions” section of this solicitation.

If an administrative error has been identified and communicated to the Commission Agreement Officer, the CEC may, but is not required to, allow the applicant a period of time to provide the missing materials.  Reasons why the CEC might NOT allow an applicant to fix an administrative error include, but are not limited to:

* The funds have a deadline that does not allow time to fix the error.
* The application has been screened out or does not receive a passing score for reasons unrelated to the administrative error, making irrelevant any efforts to fix the error.
* The applicant brings the error to the CEC’s attention too late in the solicitation process (e.g., after awards have been approved at a Business Meeting).

If the Evaluation Committee allows an applicant the opportunity to fix an administrative error, the Commission Agreement Officer will communicate in writing to the applicant’s project manager listed the deadline by which the applicant must provide the missing materials.  Reasonable efforts will be made to confirm receipt of the notice, but actual notice cannot be guaranteed, and the obligation is on the applicant to ensure the proper contact(s) are listed and available to respond.  The Evaluation Committee will not consider any materials submitted after the deadline.

This process only allows applicants to submit materials in existence as of the application deadline.  This process does NOT allow applicants to submit material created or modified after the application deadline. The CEC has sole discretion to determine whether materials submitted are eligible for consideration by the Evaluation Committee under this opportunity to cure.

Applicants must include the following certification along with the materials it submits to fix an administrative error and must explain why the materials were not provided due to an inadvertent administrative error:

“I certify on behalf of the applicant that the materials provided herein existed at the time of the application deadline, have not been modified since, and were not originally provided due to an inadvertent administrative error as described herein.”

The Evaluation Committee is not responsible for finding, or communicating with the applicant about, any errors in an application.  Applicants remain solely responsible for submitting applications, including any material submitted to fix an administrative error, that meet all solicitation requirements.

## Stage One: Application Screening

| **Screening Criteria**  *The Application must pass ALL criteria to progress to Stage Two.* | **Pass/Fail** |
| --- | --- |
| 1. The application is received by the due date and time specified in the “Key Activities Schedule” in Part I of this solicitation and is received in the required manner (e.g., no emails or faxes). | Pass  Fail |
| 1. The application addresses only one of the eligible project groups, as indicated by the information the Applicant enters into the ECAMS system. | Pass  Fail |
| 1. If the applicant has submitted more than one application for the same project group, each application is for a distinct project (i.e., no overlap with respect to the technical tasks described in the Scope of Work, Attachment).   *The CEC may conduct a clarification interview with an applicant to clarify and/or verify information in its applications to help CEC determine whether each application is for a distinct project. The final determination shall be made solely by CEC.* | Pass  Fail |
| 1. The Application includes Commitment Letters that total at least the minimum of 10% in match share for Group 1 or 20% in match share for Group 2 of the total requested CEC funds. | Pass  Fail |
| 1. If the project involves technology pilot demonstration/ demonstration/ deployment activities (Group 2)  * The application identifies one or more demonstration/ deployment site locations. | Pass  Fail |

**Screening Criteria for Past Performance**

| **Screening Criteria** |  |
| --- | --- |
| **Applicant Past Performance with Energy Commission**  An applicant may be disqualified under this solicitation due to severe performance issues under one or more prior or active CEC agreements. This past performance screening criterion does not apply to applicants that do not have any active or prior agreements with the CEC.  The applicant—defined for the purpose of this past performance screening criterion as at least one of the following: the business, principal investigator, or lead individual acting on behalf of themselves—received funds from the Energy Commission (e.g., contract, grant, or loan) and entered into an agreement(s) with the Commission and demonstrated **severe performance issues** characterized by significant negative outcomes including:   * Significant deviation from agreement requirements that were caused by factors that are, or should have been, within applicant’s control; * Termination with cause; * Demonstrated poor communication, project management, and/or inability, due to circumstances within applicant’s control, or which should have been within applicant’s control, from materially completing the project; * Deliverables were not submitted to the CEC or were of significantly poor quality. For example, applicant delivered poorly written reports that required significant rework by staff prior to acceptance or publication; and * Severe audit findings not resolved to CEC’s satisfaction. Severe audit findings may include but are not limited to: incomplete or unsatisfactory deliverables; grant funds used inappropriately (i.e., other than as represented); or questioned costs. |  |
| **Must pass to continue with Scoring Criteria** | **Pass/Fail** |

## 

## Stage Two: Application Scoring

Applications that pass ALL Stage One Screening Criteria and are not rejected as described in Section IV.C. will be evaluated based on the Scoring Criteria and the Scoring Scale below (with the exception of criteria 6−7, which will be evaluated as described in each criterion). Each criterion has an assigned number of possible points and is divided into multiple sub-criteria. The sub-criteria are not equally weighted. The Project Narrative Attachment must respond to each sub-criterion, unless otherwise indicated.

**Scoring Scale**

|  |  |  |
| --- | --- | --- |
| **% of Possible Points** | **Interpretation** | **Description** |
| 0% | Not Responsive | Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable. |
| 10-30% | Minimally Responsive | Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable. |
| 40-60% | Inadequate | Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution. |
| 70% | Adequate | Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable. |
| 75% | Between Adequate and Good | Response better than adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable. |
| 80% | Good | Response fully addresses the requirements being scored with a good degree of confidence in the applicant’s response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable. |
| 85% | Between Good and Excellent | Response fully addresses the requirements being scored with a better than good degree of confidence in the applicant’s response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable. |
| 90% | Excellent | Response fully addresses the requirements being scored with a high degree of confidence in the applicant’s response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations. |
| 95% | Between Excellent and Exceptional | Response fully addresses the requirements being scored with a better than excellent degree of confidence in the applicant’s response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations. |
| 100% | Exceptional | All requirements are addressed with the highest degree of confidence in the applicant’s response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution. |

**Scoring CRITERIA**

**The Project Narrative Attachment** must respond to each criterion below. The responses must directly relate to the solicitation requirements and focus as stated in the solicitation. Any estimates of energy savings or GHG impacts should be calculated as specified in the References for Calculating Energy End-Use and GHG Emissions Attachment, to the extent that the references apply to the proposed project.

| **Scoring Criteria** | **Possible Points** |
| --- | --- |
| 1. **Technical Merit** 2. The proposed project provides a clear and concise description of the technological, scientific knowledge advancement, and/or innovation that will overcome barriers to achieving the State’s statutory energy goals. 3. Describes the competitive advantages of the proposed technology over state-of-the-art (e.g., efficiency, emissions, durability, cost). 4. Provides the proposed technical specifications and describes how the project will meet or exceed the technical specifications by the end of the project. 5. Describes the technology readiness level (TRL) the proposed technology has achieved and the expected TRL by the end of the project. 6. Describes at what scale the technology has been successfully demonstrated, including size or capacity, number of previous installations, location and duration, results, etc. (Group 2 projects) 7. Describes how the proposed demonstration will lead to increased adoption of the technology in California. (Group 2 projects) 8. Describe how the proposed model/tool/study will be used by key stakeholders (e.g., policymakers, project developers, other researchers). (Group 1 projects) 9. Describes the advantage of the proposed model/tool/study over that currently being used by key stakeholders. (Group 1 projects) 10. Provides information described in Section I.C. | **15** |
| 1. **Technical Approach** 2. The application describes the technique, approach, and methods to be used in performing the work described in the Scope of Work. 3. The Scope of Work identifies goals, objectives, and deliverables; details the work to be performed; and aligns with the information presented in Project Narrative. 4. The application identifies the reliability that the project and site recommendations as described will be carried out if funds are awarded. 5. Identifies and discusses factors critical for success, in addition to risks, barriers, and limitations (e.g. loss of demonstration site or key subrecipient). Provides a plan to address them. 6. Discusses the degree to which the proposed work is technically feasible and achievable within the proposed Project Schedule and the key activities schedule in Section I.E. 7. Describes the technology transfer plan to assess and advance the commercial viability of the technology. (Group 2 projects) 8. Describes the knowledge transfer plan, including how key stakeholders and potential users will be engaged, and the plan to disseminate knowledge of the project’s results to those stakeholders and users. (Group 1 projects) 9. Provides a clear and plausible measurement and verification plan that describes how energy savings and other benefits specified in the application will be determined and measured. 10. Provides information documenting progress towards achieving compliance with CEQA by addressing the areas in Section I.I and Section III.C.7. (Group 2 projects) 11. Provides information described in Section I.C. | **25** |
| 1. **Impacts and Benefits for California IOU Ratepayers** 2. Explains how the proposed project will benefit California IOU ratepayers and provides clear, plausible, and justifiable (quantitative preferred) potential benefits. Estimates the energy benefits including:    * Energy cost reductions, infrastructure resiliency, and infrastructure reliability.   **In addition, estimates the non-energy benefits including:**   * Increased safety and reduced risk of environmental harm.  1. States the timeframe, assumptions with sources, and calculations for the estimated benefits, and explains their reasonableness. Includes baseline or “business as usual” over timeframe. 2. Explains the path-to-market strategy including near-term (i.e., initial target markets), mid-term, and long-term markets for the technology, size and penetration or deployment rates, and underlying assumptions. 3. Identifies the expected financial performance (e.g., payback period, Return on Investment) of the demonstration at scale. (Group 2 projects) 4. Identifies how outputs of the model/tool/study will benefit key stakeholders (e.g., streamline planning, help eliminate barriers, stimulate growth of applicable market sectors). (Group 1 projects) | **20** |
| 1. **Team Qualifications, Capabilities, and Resources**   Evaluations of ongoing or previous projects, including project performance by applicant and team members, will be used in scoring for this criterion.   1. Identifies credentials of applicant and any subrecipient and sub-subrecipient key personnel, including the project manager, principal investigator, and technology and knowledge transfer lead *(include this information in the Project Team Form Attachment).* 2. Demonstrates that the project has appropriate qualifications, experience, financial stability, and capability to complete the project. 3. Explains the team structure and how various tasks will be managed and coordinated. 4. Describes the facilities, infrastructure, and resources available that directly support the project. 5. Describes the team’s history of successfully completing projects in the past 10 years, including subsequent deployments and commercialization, where applicable. | **15** |
| **Total Possible Points for criteria 1− 4**  **(Minimum Passing Score for criteria 1− 4 is 70% or 52.50)** | **75** |
| 1. **Budget and Cost-Effectiveness** 2. Budget forms are complete for the applicant and all subrecipients, as described in the Budget instructions. 3. Justifies the reasonableness of the requested funds relative to the project goals, objectives, and tasks. 4. Justifies the reasonableness of direct costs (e.g., labor, fringe benefits, equipment, materials & misc. travel, subrecipients). 5. Justifies the reasonableness of indirect costs (e.g., overhead, facility charges (e.g., rent, utilities), burdens, subrecipient profit, other like costs). 6. Justifies how the proposed project, including the amount of match funds, optimizes the use of CEC funds to achieve program objectives. 7. Justifies the appropriateness of match funds with respect to the project’s potential risks and benefits, including level of commitment, type of match (e.g., cash, in-kind), sources, and match funding replacement strategy. | **10** |
| 1. **CEC Funds Spent in California**   Projects that maximize the spending of CEC funds in California will receive points as indicated in the table below (see Funds Spent in California section for more details).   |  |  | | --- | --- | | **Percentage of CEC funds spent in CA vs Total CEC funds requested**  (derived from Budget Attachment) | **Percentage of Possible Points** | | >60% | 20% | | >65% | 30% | | >70% | 40% | | >75% | 50% | | >80% | 60% | | >85% | 70% | | >90% | 80% | | >95% | 90% | | >98% | 100% | | **10** |
| 1. **Ratio of Direct Labor to Indirect Costs**   The score for this criterion will be calculated by the following formula:  This ratio will then be multiplied by the maximum possible points for this criterion and rounded to two decimal places.  NOTE: For the purposes of this criterion, the CEC will include the facility charges (e.g., rent, utilities), burdens, and other like costs that are budgeted as direct costs into the indirect costs in the formula. | **5** |
| **Total Possible Points for Criteria 1-7**  **(Minimum Passing Score for Criteria 1 – 7 is 70% or 70.00 points)** | **100** |

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5. Tajalli Bakhsh T, Monim M, Simpson K, Lapierre T, Dahl J, Rowe J, Spaulding M. 2020. *Potential earthquake, landslide, tsunami, and geohazards for the U.S. offshore Pacific Wind Farms*. US Department of the Interior, Bureau of Ocean Energy Management. OCS Study BOEM 2040-040. [↑](#footnote-ref-6)
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7. Douville, Travis C., et al. 2025. *West Coast Offshore Wind Transmission Study.* Pacific Northwest National Laboratory. Report Number: PNNL-37067. <https://doi.org/10.2172/2500279> [↑](#footnote-ref-8)
8. The term “entanglement” includes abandoned, lost, or discarded fishing gear caught on FOSW infrastructure. [↑](#footnote-ref-9)
9. <https://www.boem.gov/renewable-energy/state-activities/sunrise-wind> [↑](#footnote-ref-10)
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12. See Table 7 in Reeb, Desray and Donna Schroeder. 2022. *Offshore Wind Lease Issuance, Site Characterization, and Site Assessment: Central and Northern California Biological Assessment Endangered and Threatened Species and Essential Fish Habitat Assessment*. Bureau of Ocean Energy Management. <https://www.boem.gov/renewable-energy/state-activities/final-ca-ren-lease-issuance-baefh07222022clean508-compliant-final> [↑](#footnote-ref-13)
13. Entanglement mitigation is defined as the ability to verify the existence of and safely remove entangled ALDFG from FOSW infrastructure. [↑](#footnote-ref-14)
14. Environmental monitoring includes but is not limited to benthic and water column monitoring of marine life using sensors such as optical cameras, imaging sonar, echosounders, and hydrophones. [↑](#footnote-ref-15)
15. Structural integrity monitoring includes but is not limited to measuring platform motion, platform offset, mooring line loads, or vortex induced vibration of electrical cables. [↑](#footnote-ref-16)
16. Pacific Standard Time or Pacific Daylight Time, whichever is being observed. [↑](#footnote-ref-17)
17. This deadline does not apply to non-technical questions (e.g., administrative questions concerning application format requirements or attachment instructions), including questions regarding application submission in the ECAMS system or to questions that address an ambiguity, conflict, discrepancy, omission, or other error in the solicitation. Such questions may be submitted to the CAO listed in Section G at any time prior to 5:00 p.m. of the application deadline date. Please see Section G for additional information. [↑](#footnote-ref-18)
18. Please see Section I.G Questions and Section III.B Method for Delivery for more information. [↑](#footnote-ref-19)
19. This catch-all refers to other types of environmental reviews, such as those prepared under the National Environmental Policy Act (NEPA). [↑](#footnote-ref-20)
20. 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-21)
21. 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.). [↑](#footnote-ref-22)
22. California Public Resources Code, Section 25711.5(a), http://www.leginfo.ca.gov/cgi-bin/displaycode?section=prc&group=25001-26000&file=25710-25712. [↑](#footnote-ref-23)
23. 2021-2025 EPIC Investment Plan, https://efiling.energy.ca.gov/GetDocument.aspx?tn=240609. [↑](#footnote-ref-24)
24. Public Resources Code § 25711.6. [↑](#footnote-ref-25)
25. Public Resources Code § 25711.5. [↑](#footnote-ref-26)
26. Public Resources Code § 25711.6. [↑](#footnote-ref-27)
27. AB 32 (Statutes of 2006, chapter 488) [↑](#footnote-ref-28)
28. SBX 1-2 (Statutes of 2011, first extraordinary session, chapter 1) [↑](#footnote-ref-29)
29. SB 350 (Statutes of 2015, chapter 547) [↑](#footnote-ref-30)
30. AB 525 (Chapter 231, Statutes of 2021) [↑](#footnote-ref-31)
31. A local publicly owned electric utility is an entity as defined in California Public Utilities Code section 224.3. [↑](#footnote-ref-32)
32. See CPUC “Phase 2” Decision 12-05-037 at pp. 90, http://docs.cpuc.ca.gov/PublishedDocs/WORD\_PDF/FINAL\_DECISION/167664.PDF. [↑](#footnote-ref-33)
33. “Key personnel” are individuals that are critical to the project due to their experience, knowledge, and/or capabilities. [↑](#footnote-ref-34)