

# **GRANT FUNDING OPPORTUNITY**

## **Advanced Grid Technology Acceleration Projects**

### **EPIC Program**



**GFO-24-312**

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

**State of California**

**California Energy Commission**

**June 20, 2025**

## Table of Contents

<b>I.</b>	<b>INTRODUCTION .....</b>	<b>1</b>
A.	PURPOSE OF SOLICITATION.....	1
B.	KEY WORDS/TERMS .....	2
C.	PROJECT FOCUS .....	5
D.	FUNDING .....	7
E.	KEY ACTIVITIES SCHEDULE.....	7
F.	NOTICE OF PRE-APPLICATION WORKSHOP.....	8
G.	QUESTIONS .....	9
H.	APPLICANTS' ADMONISHMENT .....	10
I.	ADDITIONAL REQUIREMENTS REGARDING ENVIRONMENTAL REVIEW .....	10
J.	BACKGROUND.....	12
K.	MATCH FUNDING .....	20
L.	FUNDS SPENT IN CALIFORNIA.....	21
M.	CEC'S RIGHTS AND REMEDIES .....	21
<b>II.</b>	<b>ELIGIBILITY REQUIREMENTS.....</b>	<b>23</b>
A.	APPLICANT REQUIREMENTS.....	23
B.	PROJECT REQUIREMENTS.....	25
<b>III.</b>	<b>APPLICATION SUBMISSION INSTRUCTIONS.....</b>	<b>27</b>
A.	APPLICATION FORMAT, PAGE LIMITS .....	27
B.	METHOD FOR DELIVERY .....	27
C.	APPLICATION CONTENT .....	28
<b>IV.</b>	<b>EVALUATION AND AWARD PROCESS.....</b>	<b>33</b>
A.	APPLICATION EVALUATION.....	33
B.	RANKING, NOTICE OF PROPOSED AWARD, AND AGREEMENT DEVELOPMENT .....	33
C.	GROUND TO REJECT AN APPLICATION OR CANCEL AN AWARD .....	34
D.	MISCELLANEOUS .....	35
E.	STAGE ONE: APPLICATION SCREENING .....	38
F.	STAGE TWO: APPLICATION SCORING.....	40

## 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 ( <i>requires signature</i> )
10	Project Performance Metrics
11	Applicant Declarations ( <i>requires signature</i> )

# I. Introduction

## A. PURPOSE OF SOLICITATION

The purpose of this solicitation is to fund technology demonstration projects that validate the performance and benefits of advanced grid technologies while informing future deployments. These advanced grid technologies can be a combination of hardware and software solutions that increase the capacity, visibility, flexibility, reliability, and/or resilience of grid assets as an alternative to conventional infrastructure enhancements like construction of new lines in new rights of way. Examples of advanced grid technologies<sup>1</sup> include, but are not limited to, solid state and hybrid transformers, advanced power flow controllers, and near-real-time measurement and signaling of circuit and feeder capacity to distributed energy resources (DERs). This solicitation supports the 2021-2025 EPIC Investment Plan's strategic objective to create a more nimble grid to maintain reliability as California transitions to 100 percent clean energy through the Grid Modernization Initiative.<sup>2</sup>

California is at the forefront of the transition to a clean energy future, with ambitious goals for achieving 100 percent zero-carbon renewable retail sales of electricity by 2045 while concurrently electrifying end uses, such as transportation and building heating, that have been traditionally powered by fossil fuels. The electric grid is foundational to achieving these goals. However, the pace and scale of clean resource deployment and end-use electrification are increasingly straining the existing processes for planning, operating, upgrading, and paying for electricity infrastructure. This is illustrated by challenges, including, but not limited to, long timelines for energizing and interconnecting new clean loads and resources,<sup>3</sup> congestion,<sup>4</sup> growing curtailments of renewable generation,<sup>5</sup> and more dynamic and complex operational requirements, such as steep ramp rates that have exceeded 18 GW over three hours.<sup>6</sup>

At the same time, California is facing electricity affordability concerns with increases in utility rates continuing to outpace inflation, largely driven by wildfire mitigation investments.<sup>7</sup> Adapting to

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<sup>1</sup> U.S. Department of Energy (DOE). 2024. [Pathways to Commercial Liftoff: Innovative Grid Deployment](https://liftoff.energy.gov/wp-content/uploads/2024/05/LIFTOFF_Innovative-Grid-Deployment_Updated-2.5.25.pdf). [https://liftoff.energy.gov/wp-content/uploads/2024/05/LIFTOFF\\_Innovative-Grid-Deployment\\_Updated-2.5.25.pdf](https://liftoff.energy.gov/wp-content/uploads/2024/05/LIFTOFF_Innovative-Grid-Deployment_Updated-2.5.25.pdf)

<sup>2</sup> Lew, Virginia, Anthony Ng, Mike Petouhoff, Jonah Steinbuck, Erik Stokes, and Misa Werner. 2023. [The Electric Program Investment Charge 2021–2025 Investment Plan: EPIC 4 Investment Plan](https://efiling.energy.ca.gov/GetDocument.aspx?tn=251159&DocumentContentId=86103). California Energy Commission. Publication Number: CEC-500-2021-048-CMFREV, page 111. <https://efiling.energy.ca.gov/GetDocument.aspx?tn=251159&DocumentContentId=86103>

<sup>3</sup> Bailey, S. et al. 2023. [2023 Integrated Energy Policy Report](https://efiling.energy.ca.gov/GetDocument.aspx?tn=254463). <https://efiling.energy.ca.gov/GetDocument.aspx?tn=254463>

<sup>4</sup> Shreve, N. et al. 2024. [2023 Transmission Congestion Report](https://gridstrategiesllc.com/wp-content/uploads/Grid-Strategies_2023-Transmission-Congestion-Report.pdf). [https://gridstrategiesllc.com/wp-content/uploads/Grid-Strategies\\_2023-Transmission-Congestion-Report.pdf](https://gridstrategiesllc.com/wp-content/uploads/Grid-Strategies_2023-Transmission-Congestion-Report.pdf)

<sup>5</sup> U.S. Energy Information Administration. 2023. [Solar and Wind Power Curtailments are Rising in California](https://www.eia.gov/todayinenergy/detail.php?id=60822). <https://www.eia.gov/todayinenergy/detail.php?id=60822>

<sup>6</sup> California ISO. 2023. [Presentation at CEC Grid Modernization Research Scoping Workshop](https://efiling.energy.ca.gov/GetDocument.aspx?tn=251428). <https://efiling.energy.ca.gov/GetDocument.aspx?tn=251428>

<sup>7</sup> California Public Utilities Commission (CPUC). 2024. [2024 Senate Bill 695 Report: Report to the Governor and Legislature on Actions to Limit Utility Cost and Rate Increases Pursuant to Public Utilities Code Section 913.1](https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2024/2024-sb-695-report.pdf). <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2024/2024-sb-695-report.pdf>

climate change is making it more expensive to safely and reliably operate electricity infrastructure, and mitigating climate change will require investments of tens of billions of dollars<sup>8</sup> to upgrade and expand existing grid infrastructure.

Advanced grid technologies can play a critical role in reaching California's climate and energy goals, increasing the resilience and reliability of electricity infrastructure, and addressing affordability concerns. Increased visibility, situational awareness, and controllability of electricity infrastructure can enable more efficient utilization of grid assets and allow more rapid interconnection and energization of clean energy resources and loads. This solicitation aims to validate the performance and benefits of advanced grid technologies and accelerate future deployments by informing how advanced grid technologies can be incorporated into regulatory, planning, and capital investment processes.

Applicants may submit multiple applications. If an applicant submits multiple applications, each application must be for a distinct project (i.e., no overlap with respect to the tasks described in the Scope of Work).

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

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)

## B. KEY WORDS/TERMS

Word/Term	Definition
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.
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	<i>Commission Agreement Manager</i> , the person designated by the CEC to oversee the performance of an agreement resulting from this

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<sup>8</sup> See, for example, the CPUC Public Advocates Office [Distribution Grid Electrification Model and Findings](https://www.publicadvocates.cpuc.ca.gov/press-room/reports-and-analyses/distribution-grid-electrification-model-findings) and recent California ISO [Transmission Plans](https://www.caiso.com/generation-transmission/transmission/transmission-planning).

<https://www.publicadvocates.cpuc.ca.gov/press-room/reports-and-analyses/distribution-grid-electrification-model-findings>

<https://www.caiso.com/generation-transmission/transmission/transmission-planning>

Word/Term	Definition
	solicitation and to serve as the main point of contact for the grant recipient.
CAO	<i>Commission Agreement Officer</i> , 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	<i>Community Based Organization</i> , a public or private nonprofit organization of demonstrated effectiveness that: <ul style="list-style-type: none"> <li>a) 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.</li> <li>b) Has an official mission and vision statements that expressly identifies serving disadvantaged and/or low-income communities.</li> <li>c) 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.</li> </ul>
CEC	State Energy Resources Conservation and Development Commission or the California Energy Commission.
CEC funds	<i>CEC funds</i> 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.
Days	<i>Days refers to calendar days.</i>
DERs	<i>Distributed Energy Resources</i> , a diverse category of devices and technologies that connect to the electric grid at the distribution level, either directly connected to a distribution utility’s wires or on an end-use customer’s premises behind the utility meter. Examples include distributed generation and storage, electric vehicles and charging stations, grid-interactive buildings and microgrids, and more traditional demand response or load flexibility resources.
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. ( <a href="https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40">https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40</a> )
Energy Equity	The fair distribution of benefits and burdens from energy production and consumption.
EPIC	<i>Electric Program Investment Charge</i> , the source of funding for the projects awarded under this solicitation.
GETs	<i>Grid-Enhancing Technologies</i> , a collection of hardware or software technologies that improve the efficiency of the electrical grid.
IOU	<i>Investor-owned utility</i> , an electrical corporation as defined in California Public Utilities Code section 218. For purposes of this solicitation, it

Word/Term	Definition
	includes Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison Co.
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. ( <a href="https://www.hcd.ca.gov/grants-and-funding/income-limits">https://www.hcd.ca.gov/grants-and-funding/income-limits</a> )
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	<i>Notice of Proposed Award</i> , 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
TRL	<i>Technology readiness levels</i> , a method for estimating the maturity of technologies during the acquisition phase of a program.

Word/Term	Definition
	Source: U.S. Department of Energy, "Technology Readiness Assessment Guide". <a href="https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf">https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf</a>
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.

## C. PROJECT FOCUS

Projects must demonstrate advanced grid technologies in real-world utility operations. Demonstration sites must be located in the service territory of a California investor-owned utility (IOU). Alongside demonstration and validation of technology performance and benefits, projects must include development of one or more decision support tool(s) that inform regulatory, planning, capital allocation, and/or market or business model decisions in support of future larger-scale deployment.

Advanced grid technology demonstration areas of interest include, but are not limited to, the following:

- Advancements in distributed energy resource management systems combined with customer-owned power controls systems and/or smart inverters that allow DERs to dynamically adjust electricity consumption and/or production based on near-real-time grid conditions.
- Front-of-the-meter microgrids or substation-sited energy storage systems operated to provide distribution or transmission services as an alternative to conventional infrastructure enhancements.
- Distribution system operator pilots that explore development of market and/or other mechanisms for DERs to provide grid services such as flattening circuit/feeder demand.
- High-performance conductors that increase the capacity of transmission and distribution lines and allow more electricity to flow through existing rights of way.
- Medium- and high-voltage DC delivery equipment that allows for efficient point-to-point transfer of large amounts of power.
- Hybrid and solid-state transformers that use power electronics to provide improved control, flexibility, and power quality.
- Grid-enhancing technologies, including:
  - Dynamic line rating solutions that provide more real-time ratings of grid capacity based on local conditions.
  - Advanced power flow controllers that enable grid operators to direct power flows away from overloaded or stressed lines.
  - Topology optimization software that allows flexible reconfiguration of the transmission network to operate more efficiently.

Eligible technologies must be at a technology readiness level (TRL) of 7 to 9.<sup>9</sup> Some advanced grid technologies such as high-performance conductors and power flow controllers are already in use in California. Projects demonstrating technologies that have been previously deployed by a California IOU are encouraged to focus on novel applications or to deploy suites of technologies to inform understanding of how they interact and what additional benefits can be derived for ratepayers when used together in operations.

The Project Narrative (Attachment 02) must address the following prompts in the identified section.

- Description of the demonstration project including site location(s), how the technology and project site(s) were selected, and details on the grid need or infrastructure replacement need addressed by the project including if the need has been previously identified in the distribution or transmission planning processes.
- Description of the existing assets and/or facilities, including relevant characteristics (e.g., rated capacity, peak and average utilization, voltage profile and thermal constraints, reliability metrics) and how the demonstration project will enhance the performance and capabilities of these assets/facilities.
- Description of the advanced grid technology being demonstrated, including applicable performance metrics, demonstration project goals, and a quantitative comparison to conventional infrastructure enhancements (e.g., cost and timeline for construction of new lines/circuits or transformer replacement/upsizing) to address identified asset replacement or grid needs.
  - Example performance metrics include, but are not limited to, reduced interconnection and energization timeline [days], increased DER or load hosting capacity [MW or %], and increased capacity utilization [%] calculated as ratio of average load to peak rating.
  - The performance metrics and goals should align with those provided in the Project and Performance Metrics (Attachment 10).
- Description of the modeling/decision support tool(s) developed and how /they relate to existing planning and regulatory processes, investment, or business model decisions.
- Description of how the demonstration project will build from, or be integrated with, ongoing improvement efforts such as utility grid modernization plans<sup>10</sup> and the project's alignment with planning processes and relevant CPUC proceedings.
- Description of the project team, which must include a California investor-owned utility (IOU) as well as an advanced grid technology developer or vendor. Projects are also encouraged to include a community-based organization (CBO) from communities directly served or impacted by the infrastructure improved in the project. Relevant experience should be summarized in the Project Team Form (Attachment 03).

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<sup>9</sup> U.S. DOE. 2011. Technology Readiness Level Assessment Guide.  
<https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf>

<sup>10</sup> All three IOU grid modernization progress reports are [available online](https://gridworks.org/initiatives/california-future-grid-study/)  
<https://gridworks.org/initiatives/california-future-grid-study/>

## D. FUNDING

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

There is **up to \$24,000,000** available for grants awarded under this solicitation. The minimum funding amount for each project is **\$4,000,000**. The maximum funding amount is **\$12,000,000**.

	Available CEC funding	Minimum CEC award	Maximum CEC award	Minimum total match share percentage
<b>Advanced grid technology acceleration projects</b>	\$24,000,000	\$4,000,000	\$12,000,000	30%

### 2. Match Funding Requirement

Applications must include a minimum 30% 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:

$\frac{\text{Total Match Share Contributions}}{\text{CEC Funds Requested} + \text{Total Match Share Contributions}} \times 100 = \text{Total Match Share percentage}$
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For the definition of match funding see Section I K.

### 3. 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.
- 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.

## E. 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 <sup>11</sup>
Solicitation Release	June 27, 2025	
<b>Pre-Application Workshop</b>	<b>July 11, 2025</b>	<b>10:00 a.m.- 12:00 p.m.</b>
<b>Deadline for Written Questions<sup>12</sup></b>	<b>July 18, 2025</b>	<b>5:00 p.m.</b>
Anticipated Distribution of Questions and Answers	Week of August 4, 2025	
<b>Support for Application Submission in ECAMS</b>	<b>September 5, 2025</b>	<b>5:00 p.m.<sup>13</sup></b>
<b>Deadline to Submit Applications</b>	<b>September 5, 2025</b>	<b>11:59 p.m.</b>
Anticipated Notice of Proposed Award Posting Date	Week of October 27, 2025	
Anticipated Energy Commission Business Meeting Date	February 11, 2026	
Anticipated Agreement Start Date	March 16, 2026	
Anticipated Agreement End Date	March 31, 2030	

## F. 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

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<sup>11</sup> Pacific Standard Time or Pacific Daylight Time, whichever is being observed.

<sup>12</sup> 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.

<sup>13</sup> Please see Section I.G Questions and Section III.B Method for Delivery for more information.

CEC's website at [www.energy.ca.gov/contracts/index.html](http://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:** July 11, 2025 at 10:00am

### **Zoom Instructions:**

To join the Zoom meeting, go to <https://zoom.us/join> and 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:** 874 7647 8160

**Meeting Password:** 583 192

**Topic:** GFO-24-312: Advanced Grid Technology Acceleration Projects

### **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/adizKUXvoy>. 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.

## **G. 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:

Natalie Johnson, Commission Agreement Officer  
California Energy Commission  
715 P, MS-18

Sacramento, California, 95814  
E-mail: [Natalie.Johnson@energy.ca.gov](mailto:Natalie.Johnson@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](mailto: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.**

## H. 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.**

## I. ADDITIONAL REQUIREMENTS REGARDING ENVIRONMENTAL REVIEW

- Time is of the essence. CEC funds available under this solicitation have encumbrance deadlines as early as June 30, 2030. This means that the CEC must

approve proposed awards at a business meeting (usually held monthly) prior to June 30, 2030 in order 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<sup>14</sup> 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.

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<sup>14</sup> This catch-all refers to other types of environmental reviews, such as those prepared under the National Environmental Policy Act (NEPA).

- 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.

## J. 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.<sup>15</sup> 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.<sup>16</sup> 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.<sup>17</sup> 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 Plan<sup>18</sup> and within one or more specific focus areas

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<sup>15</sup> See CPUC "Phase 1" Decision 11-12-035, December 15, 2011, [http://docs.cpuc.ca.gov/PublishedDocs/WORD\\_PDF/FINAL\\_DECISION/156050.PDF](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/156050.PDF)

<sup>16</sup> 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](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).)

<sup>17</sup> California Public Resources Code, Section 25711.5(a), <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=prc&group=25001-26000&file=25710-25712>.

<sup>18</sup> 2021-2025 EPIC Investment Plan, <https://efiling.energy.ca.gov/GetDocument.aspx?tn=240609>.

(“**funding initiatives**”) identified in the plan. This solicitation targets the following program area, strategic objective, and funding initiative:

#### **Electric Program Investment Charge 2021-2025 Investment Plan (EPIC 4)**

- **Program Area:** Technology Demonstration and Deployment
- **Strategic Objective:** Create a More Nimble Grid to Maintain Reliability as California Transitions to 100 Percent Clean Energy
  - **Funding Initiative:** Grid Modernization
    - **Topic 10:** Technology Demonstrations to Address Grid Congestion in a Decarbonized California
    - **Topic 11:** Demonstrate Technologies to Maintain Reliability and Power Quality in the Inverter centric Grid of the Future
    - **Topic 12:** Furthering Cybersecurity With Highly Modulatable Grid Resources

#### **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.<sup>19</sup> The CEC in administering EPIC must also take into account adverse localized health impacts of proposed projects to the greatest extent possible,<sup>20</sup> and give preference for funding to clean energy projects that benefit residents of low-income or disadvantaged communities.<sup>21</sup>

Disadvantaged Communities are those designated pursuant to Health and Safety Code section 39711 as representing the 25% highest scoring census tracts in CalEnviroScreen or other areas with high amounts of pollution and low populations as identified by CalEPA. Please see <https://calepa.ca.gov/envjustice/ghginvest/> for the most current CalEPA designations.

“Low-income communities” are defined as communities within census tracts with median household incomes at or below either of the following levels:

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<sup>19</sup> Public Resources Code § 25711.6.

<sup>20</sup> Public Resources Code § 25711.5.

<sup>21</sup> Public Resources Code § 25711.6.

- a) Eighty percent of the statewide median income.
- b) The applicable low-income threshold listed in the state income limits updated by the Department of Housing and Community Development (HCD) and filed with the Office of Administrative Law pursuant to subdivision (c) of Section 50093 of the Health and Safety Code.

Please see California Air Resources Board's latest California Climate Investments Priority Populations map to view communities defined as low-income at: <https://gis.carb.arb.ca.gov/portal/apps/experiencebuilder/experience/?id=6b4b15f8c6514733972cabdda3108348>. Also visit the California Department of Housing & Community Development site for the current HCD State Income Limits at: <https://www.hcd.ca.gov/grants-and-funding/income-limits>.

Another resource is the Healthy Places Index Tool for California, located at: <https://healthyplacesindex.org/>

- **Assembly Bill (AB) 32<sup>22</sup> - Global Warming Solutions Act of 2006**

AB 32 created 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=200520060AB32http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb\\_0001-0050/sb\\_32\\_bill\\_20160908\\_chaptered.htm](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200520060AB32http://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](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32)

Applicable Law: California Health and Safety Code § 38566.

- **Senate Bill (SB) X1-2<sup>23</sup> - Renewables Portfolio Standard,**

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<sup>22</sup> AB 32 (Statutes of 2006, chapter 488)

<sup>23</sup> SBX 1-2 (Statutes of 2011, first extraordinary session, chapter 1)

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 % by the end of 2013, 25 % by the end of 2016, and 33 % by the end of 2020, 50 percent by the end of 2026, and 60 percent by then end of 2030.

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

- **AB 3232 Zero-Emissions Buildings and Sources of Heat Energy,**

AB 3232 requires the CEC by January 1, 2021, to evaluate the possibility of the state to reduce greenhouse gas emissions from the state's residential and commercial building stock by at least 40% below 1990 levels by January 1, 2030. It also requires the commission to include in the 2021 edition of the integrated energy policy report and all subsequent integrated energy policy reports a report on the emissions of greenhouse gases associated with the supply of energy to residential and commercial buildings.

Additional information:  
[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201720180AB3232](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB3232)

- **SB 350<sup>24</sup> - 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://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 % of retail sales of electricity to California end-use customers and 100 % 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

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<sup>24</sup> SB 350 (Statutes of 2015, chapter 547)

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](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% of all retail sales of electricity to California end-use customers by December 31, 2035, 95% of all retail sales of electricity to California end-use customers by December 31, 2040, 100% of all retail sales of electricity to California end-use customers by December 31, 2045, and 100% 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](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1020)

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

- **SB 410 – Powering Up Californians Act**

SB 410 requires the CPUC to establish, on or before September 30, 2024, reasonable average and maximum target energization time periods and a procedure for customers to report energization delays to the CPUC. The bill requires the CPUC to require the electrical corporation to take remedial actions necessary to achieve the CPUC's targets and would require all reports to be publicly available, among other reporting requirements.

Additional information: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB410](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB410)

Applicable Law: Public Utilities Code, Chapter 4 of Part 1 of Division 1

- **SB 1006 – Electricity: transmission capacity: reconductoring and grid-enhancing technologies**

SB 1006 requires each transmission utility, on or before January 1, 2026, and every 2 years thereafter, to prepare a study of the feasibility of projects using grid-enhancing technologies to achieve, among other purposes, increased capacity to connect new renewable energy and zero-carbon resources, as provided. The bill requires each transmission utility, on or before January 1, 2026, and at least every 4 years thereafter, to prepare a study of which of its transmission lines can be reconductored with advanced conductors to achieve, among other purposes, increased capacity to connect new renewable energy and zero-carbon resources, as provided. Upon completion of those studies, the bill requires each transmission utility to submit the studies to the CAISO to review the results of the studies as part of the annual transmission planning process for economic, reliability, and policy goals.

Additional information: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB1006](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1006)

Applicable Law: Public Utilities Code § 454.58

- **AB 50 – Public utilities: timely service: customer energization**

AB 50 requires the CPUC to determine the criteria for timely service for electric customers to be energized, including, categories of timely electric service through energization. The bill requires each electrical corporation that energized less than 35% of customers with completed applications exceeding 12 months in duration by January 31, 2023, to submit

a report to the CPUC on or before December 1, 2024, demonstrating that the electrical corporation has energized 80% of customers with applications deemed complete as of January 31, 2023.

Additional information:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB50](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB50)

Applicable Law: Public Utilities Code § 933.5

- **AB 2779 – Independent System Operator: transmission planning**

AB 2779 requires the CAISO, upon approval of each transmission plan, to report to the CPUC and to the relevant policy committees of each house of the Legislature any new use of any grid enhancing technology that is deemed reasonable by the CAISO in that plan and the cost and efficiency savings of the deployment of that grid enhancing technology.

Additional information: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB2779](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2779)

Applicable Law: Public Utilities Code § 350

- **AB 3264 – Energy: cost framework: residential rates: demand-side management programs report: electrical transmission grid study**

AB 3264 requires the CPUC, in consultation with the CEC, to develop a framework for assessing, tracking, and analyzing total annual energy costs paid by residential households in California. The bill authorizes the CPUC to use the framework for purposes of evaluating any request by an electrical corporation and gas corporation to track new spending eligible for recovery or to adjust a revenue requirement and requires the CPUC to submit a report to the Legislature containing the framework and certain information.

Additional information:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB3264](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB3264)

Applicable Law: Public Utilities Code § 913.5, 369.5, 455.7, and 913.10

- **California Energy Code**

The Energy Code is a component of the California Building Standards Code, and is published every three years through the collaborative efforts of state agencies including the California Building Standards Commission and the CEC. The Code ensures that new and existing buildings achieve energy efficiency and preserve outdoor and indoor environmental quality through use of the most energy efficient technologies and construction.

Additional information: <http://www.energy.ca.gov/title24/>

Applicable Law: California Code of Regulations, Title 24, Part 6 and associated administrative regulations in Part 1

### Policies/Plans/Proceedings

- **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.

- **2019 California Energy Efficiency Action Plan**

The Energy Efficiency Action Plan expands on the Existing Buildings Energy Action Plan and includes topics related to existing buildings' energy efficiency, low-income barriers to energy efficiency, and doubling energy efficiency by 2030. The SB 350 Doubling of Energy Efficiency by 2030 report expands beyond existing buildings to include agriculture, industry, newly constructed buildings, conservation voltage reduction, and electrification. This report combines these topics with the Existing Buildings Energy Efficiency Action Plan to create a comprehensive statewide energy efficiency action plan.

Additional information: <https://www.energy.ca.gov/programs-and-topics/programs/energy-efficiency-existing->

- **California's Clean Energy Transition Plan**

California's Clean Energy Transition Plan outlines how California is implementing the vision of a clean electric grid to meet the 100 percent clean electric future by 2045 as required by SB 100 and addresses the reliability challenges of extreme events driven by climate change to equitably deliver a clean, safe, reliable, and affordable energy transition for all Californians.

Additional information: <https://www.gov.ca.gov/wp-content/uploads/2023/05/CAEnergyTransitionPlan.pdf>

- **CPUC DER Action Plan 2.0**

The Distributed Energy Resources Action Plan (DER Action Plan, or DER Action Plan 2.0) ensures that DER policy implementation is in support of SB 100 and that California's energy and climate goals are coordinated across proceedings related to grid planning, affordability, load flexibility, market integration, and customer programs. The DER Action Plan 2.0 seeks to align the CPUC's vision and actions to maximize ratepayer and societal value of an anticipated high-DER future, while ensuring affordable and equitable rates.

Additional information: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M467/K470/467470758.PDF>

- **Rulemaking to Modernize the Electric Grid for a High Distributed Energy Resources Future (R.21-06-017)**

The Rulemaking to Modernize the Electric Grid for a Higher DER Future is the successor to the Distribution Resources Plan proceeding and seeks to prepare the grid for a future with a high number of distributed energy resources. The proceeding is organized into three tracks covering 1) the distribution planning process, 2) distribution system operator roles and responsibilities and distribution system operator models, and 3) smart inverter operationalization and grid modernization.

Additional information: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/distribution-planning>

- **Rulemaking to Establish Energization Timelines (R.24-01-018)**

The Rulemaking to Establish Energization Timelines implements provisions of AB 50 and SB 410 for the CPUC to establish reasonable average and maximum target energization time periods as well as a procedure for customers to report energization delays to the CPUC.

Additional information: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/energization>

- **Rulemaking on Transportation Electrification Policy and Infrastructure (R.23-12-008)**

The Rulemaking on Transportation Electrification Policy and Infrastructure continues CPUC oversight of the development of infrastructure to support the acceleration of transportation electrification, succeeding R.18-12-006. The scope of the rulemaking includes timely energization of EV charging, grid planning to support deployment of charging infrastructure, and vehicle-grid integration, among other topics.

Additional information: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/transportation-electrification>

- **Rulemaking to Advance Demand Flexibility Through Electric Rates (R.22-07-005)**

The Rulemaking to Advance Demand Flexibility Through Electric Rates aims to establish demand flexibility policies and modify electric rates to (a) enhance the reliability of California's electric system; (b) make electric bills more affordable and equitable; (c) reduce the curtailment of renewable energy and greenhouse gas emissions associated with meeting the state's future system load; (d) enable widespread electrification of buildings and transportation to meet the state's climate goals; (e) reduce long-term system costs through more efficient pricing of electricity; and (f) enable participation in demand flexibility by both bundled and unbundled customers.

Additional information: <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-costs/demand-response-dr/demand-flexibility-rulemaking>

- **Rulemaking Regarding Building Decarbonization (R.19-01-011)**

The Rulemaking Regarding Building Decarbonization investigates alternatives that lead to the reduction of greenhouse gas emissions associated with energy use in buildings. The rulemaking consists of three phases addressing 1) implementation of SB 1477 by establishing two pilot building decarbonization pilot programs, 2) adoption a statewide Wildfire and Natural Disaster Resiliency Rebuild program among other guidance to utilities on data sharing of customer and other information, and 3) elimination of subsidies for gas line extension for all customers not otherwise granted a special exemption and elimination of electric line subsidies for new mixed fuel construction.

Additional information: <https://www.cpuc.ca.gov/about-cpuc/divisions/energy-division/building-decarbonization>

Refer to the links 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>

## K. MATCH FUNDING

- **“Match funds”** includes 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.**

## L. 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.

## **M. 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

### A. APPLICANT REQUIREMENTS

#### 1. Eligibility

This solicitation is open to all public and private entities with the exception of local publicly owned electric utilities.<sup>25</sup> 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.

#### 2. 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 conditions prior 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,

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<sup>25</sup> A local publicly owned electric utility is an entity as defined in California Public Utilities Code section 224.3.

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.

### **3. 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](http://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.

### **4. 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.

## **B. PROJECT REQUIREMENTS**

### **1. Technology Demonstration and Deployment Stage**

Projects must fall within the “technology demonstration and deployment” stage, which 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 operational and performance characteristics, and of financial risks.<sup>26</sup>

### **2. Ratepayer Benefits, Technological Advancements, and Breakthroughs**

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

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

EPIC's mandatory guiding principle 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.

### **3. 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.

### **4. 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 by demonstrating increased capacity utilization, reduced interconnection and energization timeline, and/or increased renewable or load hosting capacity. The activities proposed in the Measurement and Verification Plan must be included in the “Technical Tasks” section of the Scope of Work Template Attachment

### **5. Community Based Organizations**

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<sup>26</sup> See CPUC “Phase 2” Decision 12-05-037 at pp. 39-40 and 90, [http://docs.cpuc.ca.gov/PublishedDocs/WORD\\_PDF/FINAL\\_DECISION/167664.PDF](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

In TD&D solicitations with set aside funding for proposed projects located in and benefiting low-income and/or disadvantaged communities within IOU service territories, the project must allocate appropriate funding for CBO engagement for relevant tasks under the scope of work.

Community Based Organizations (CBO) should meet, and will be evaluated on the following criteria for this solicitation:

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. Have 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.

## **6. Subrecipient and vendor requirements**

This solicitation is seeking applications demonstrating advanced grid technologies in utility operations and requires that a California IOU serve as a prime or subrecipient on the agreement and that at least one advanced technology developer or vendor is included as a subrecipient or vendor.

### III. Application Submission Instructions

#### A. 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	

#### B. 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](mailto: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.

## **C. 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.

### **2. Project Narrative Form (Attachment 2)**

This form includes the majority of the applicant's responses to the Scoring Criteria in Section IV and the specific information in Section I.C. in the specified sections.

### **3. Project Team Form (Attachment 3)**

Identify by name all key personnel<sup>27</sup> 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).

### **4. Scope of Work Template (Attachments 4)**

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<sup>27</sup> "Key personnel" are individuals that are critical to the project due to their experience, knowledge, and/or capabilities.

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.

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

## 5. 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.

## 6. Budget Forms (Attachment 6)

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

- a. **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>.
- b. **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:
  - (i) prevailing wages are paid; and
  - (ii) the project budget for labor reflects these prevailing wage requirements; and

- (iii) 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.

## 7. 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.

## 8. 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.

## 9. 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 **demonstration** activities, the applicant must include a site commitment letter signed by an authorized representative of the proposed

demonstration 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 demonstration 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.

2) 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 demonstration site.

## 10. 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.

## 11. 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

## IV. Evaluation and Award Process

### A. 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.**

#### 2. 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 Evaluation Committee may consist of CEC staff or staff of other California state entities. The Evaluation Committee may use additional technical expert reviewers to provide an analysis of applications.

- 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.

### B. 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.

- 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 e-mail 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 applicants to modify the project scope, schedule, project team entity that will receive the award, project location and/or level of funding.

## 2. 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.  
If proposed for an award, the CEC reserves the right to request information it deems appropriate to evaluate the financial condition of a proposed awardee, a subrecipient, or a vendor prior to approval of a grant award. If CEC, in its sole discretion, determines that a proposed awardee's, a subrecipient's, or a vendor's financial condition may materially impact its ability to complete the proposed project, CEC reserves the right to cancel the proposed award.
- **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.

## C. 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.
- The CEC, in its sole discretion, determines the Applicant's, a subrecipient's, or a vendor's financial condition may materially impact its ability to complete the proposed project.

## D. 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.

### 2. 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."

### 3. 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.**

### 4. 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.

## **5. 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.

## **6. Tiebreakers**

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

## **7. 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.

## **8. 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.

## E. STAGE ONE: APPLICATION SCREENING

<b>SCREENING CRITERIA</b> <i>The Application must pass ALL criteria to progress to Stage Two.</i>	<b>Pass/Fail</b>
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).	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
2. The Application includes Commitment Letters that total the minimum of 30% in match share of the total requested CEC funds.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
3. If the project involves technology pilot demonstration/ demonstration/ deployment activities <ul style="list-style-type: none"><li>○ The application identifies one or more demonstration/ deployment site locations.</li><li>○ All demonstration/ deployment sites are located in a California electric IOU service territory (PG&amp;E, SDG&amp;E, or SCE).</li></ul>	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

## SCREENING CRITERIA FOR PAST PERFORMANCE

Screening Criteria	
<p><b>Applicant Past Performance with Energy Commission</b></p> <p>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.</p> <p>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 <b>severe performance issues</b> characterized by significant negative outcomes including:</p> <ul style="list-style-type: none"> <li>• Significant deviation from agreement requirements that were caused by factors that are, or should have been, within applicant’s control;</li> <li>• Termination with cause;</li> <li>• 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;</li> <li>• 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</li> <li>• 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.</li> </ul>	
<b>Must pass to continue with Scoring Criteria</b>	<b>Pass/Fail</b>

## F. 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

<b>% of Possible Points</b>	<b>Interpretation</b>	<b>Description</b>
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.
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## 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
<p><b>1. Technical Merit</b></p> <ul style="list-style-type: none"> <li>a. 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.</li> <li>b. Describes the competitive advantages of the proposed technology over state-of-the-art (e.g., efficiency, emissions, durability, cost).</li> <li>c. Provides the proposed technical specifications and describe how the project will meet or exceed the technical specifications by the end of the project.</li> <li>d. Describes the technology readiness level (TRL) the proposed technology has achieved and the expected TRL by the end of the project.</li> <li>e. Describes at what scale the technology has been successfully demonstrated, including size or capacity, number of previous installations, location and duration, results, etc.</li> <li>f. Describes how the proposed demonstration will lead to increased adoption of the technology in California.</li> <li>g. Describe how the proposed decision support tool(s) will be used by key stakeholders (e.g. policy-makers, project developers, other researchers, etc.).</li> <li>h. Describes the advantage of the proposed decision support tool(s) over that currently being used by key stakeholders.</li> <li>i. Provides information described in Section I.C.</li> </ul>	<p><b>15</b></p>
<p><b>2. Technical Approach</b></p> <ul style="list-style-type: none"> <li>a. The application describes the technique, approach, and methods to be used in performing the work described in the Scope of Work.</li> <li>b. The Scope of Work identifies goals, objectives, and deliverables, details the work to be performed, and aligns with the information presented in Project Narrative.</li> <li>c. The application identifies the reliability that the project and site recommendations as described will be carried out if funds are awarded.</li> </ul>	<p><b>25</b></p>

Scoring Criteria	Possible Points
<ul style="list-style-type: none"> <li>d. Identifies and discusses factors critical for success, in addition to risks, barriers, and limitations (e.g. loss of demonstration site, key subrecipient). Provides a plan to address them.</li> <li>e. 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.</li> <li>f. Describes in the technology transfer plan to assess and advance the commercial viability of the technology. The plan should also include 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.</li> <li>g. 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.</li> <li>h. Provides information documenting progress towards achieving compliance with the California Environmental Quality Act (CEQA) by addressing the areas in Section I.I and Section III.C.7.</li> <li>i. Provides information described in Section I.C.</li> </ul>	
<p><b>3. Impacts and Benefits for California IOU Ratepayers</b></p> <ul style="list-style-type: none"> <li>a. Explains how the proposed project will benefit California Investor-Owned Utility (IOU) ratepayers and provides clear, plausible, and justifiable (quantitative preferred) potential benefits. Estimates the energy benefits including: <ul style="list-style-type: none"> <li>• electricity cost reductions, peak load reduction and/or shifting, infrastructure resiliency, infrastructure reliability.</li> </ul> <p><b>In addition, estimates the non-energy benefits including:</b></p> <ul style="list-style-type: none"> <li>• greenhouse gas emission reductions and/or increased safety.</li> </ul> </li> <li>b. States the timeframe, assumptions with sources, and calculations for the estimated benefits, and explains their reasonableness. Include baseline or "business as usual" over timeframe.</li> <li>c. 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.</li> <li>d. Identifies the expected financial performance (e.g. payback period, ROI) of the demonstration at scale.</li> <li>e. Identifies the specific programs which the technology intends to leverage.</li> <li>f. Identifies how outputs of the decision support tool(s) will benefit key stakeholders (e.g., streamline planning, help eliminate barriers, stimulate growth of applicable market sectors).</li> </ul>	<b>20</b>
<b>4. Team Qualifications, Capabilities, and Resources</b>	<b>15</b>

Scoring Criteria	Possible Points
<p>Evaluations of ongoing or previous projects including project performance by applicant and team members will be used in scoring for this criterion.</p> <ol style="list-style-type: none"> <li>Identifies credentials of applicant and any subrecipient and sub-subrecipient key personnel, including the project manager, principal investigator and technology and knowledge transfer lead (<i>include this information in the Project Team Form Attachment</i>).</li> <li>Demonstrates that the project team <i>including Community Based Organization</i>, if applicable, has appropriate qualifications, experience, financial stability and capability to complete the project.</li> <li>Explains the team structure and how various tasks will be managed and coordinated.</li> <li>Describes the facilities, infrastructure, and resources available that directly support the project.</li> <li>Describes the team's history of successfully completing projects in the past 10 years including subsequent deployments and commercialization.</li> </ol>	
<p><b>Total Possible Points for criteria 1– 4</b>  <b>(Minimum Passing Score for criteria 1– 4 is 70% or <u>52.50</u>)</b></p>	<p><b>75</b></p>
<p><b>5. Budget and Cost-Effectiveness</b></p> <ol style="list-style-type: none"> <li>Budget forms are complete for the applicant and all subrecipients, as described in the Budget instructions.</li> <li>Justifies the reasonableness of the requested funds relative to the project goals, objectives, and tasks.</li> <li>Justifies the reasonableness of direct costs (e.g., labor, fringe benefits, equipment, materials &amp; misc. travel, and subrecipients).</li> <li>Justifies the reasonableness of indirect costs (e.g., overhead, facility charges (e.g., rent, utilities), burdens, subrecipient profit, and other like costs).</li> <li>Justifies how the proposed project, including the amount of match funds, optimizes the use of CEC funds to achieve program objectives.</li> <li>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.</li> </ol>	<p><b>10</b></p>
<p><b>6. CEC Funds Spent in California</b></p> <p>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).</p>	<p><b>10</b></p>

Scoring Criteria		Possible Points																				
<table><tr><th>Percentage of CEC funds spent in CA vs Total CEC funds requested (derived from Budget Attachment)</th><th>Percentage of Possible Points</th></tr><tr><td>&gt;60%</td><td>20%</td></tr><tr><td>&gt;65%</td><td>30%</td></tr><tr><td>&gt;70%</td><td>40%</td></tr><tr><td>&gt;75%</td><td>50%</td></tr><tr><td>&gt;80%</td><td>60%</td></tr><tr><td>&gt;85%</td><td>70%</td></tr><tr><td>&gt;90%</td><td>80%</td></tr><tr><td>&gt;95%</td><td>90%</td></tr><tr><td>&gt;98%</td><td>100%</td></tr></table>		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%	
Percentage of CEC funds spent in CA vs Total CEC funds requested (derived from Budget Attachment)	Percentage of Possible Points																					
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<p><b>7. Ratio of Direct Labor to Indirect Costs</b></p> <p>The score for this criterion will be calculated by the following formula:</p> $\frac{\text{Total Direct Labor}}{\text{Total Direct Labor} + \text{Total Fringe} + \text{Total Indirect} + \text{Total Profit}}$ <p>This ratio will then be multiplied by the maximum possible points for this criterion and rounded to two decimal places.</p> <p>NOTE: For the purposes of this criterion, the CEC will include the facility charges (e.g., rent, utilities, etc.), burdens and other like costs that are budgeted as direct costs into the indirect costs in the formula.</p>		5																				
<p><b>Total Possible Points for Criteria 1-7</b> <b>(Minimum Passing Score for Criteria 1 – 7 is 70% or <u>70.00 points</u>)</b></p>		100																				
<p><b>Preference Points</b> Applications must meet all minimum passing scores (Scoring Criteria 1-4, 1-7, to be eligible for preference points.</p>																						

Preference Points	
Scoring Criteria	Possible Points
<p><b>8. Disadvantaged &amp; Low-Income Communities</b></p> <p>Applications proposing projects located in and benefiting low-income and/or disadvantaged communities within IOU service territories may qualify for additional preference points. In order to receive or qualify for additional points, the proposed project must demonstrate benefits to the disadvantaged and/or low-income communities by describing the following:</p> <ul style="list-style-type: none"> <li>a. Identifies how the proposed project, will lead to increased deployment of the technology or solution to benefit disadvantaged and/or low-income communities, including specific entities that will receive these benefits (e.g., businesses, local government, homeowners, residents).</li> <li>b. Identifies how the proposed project will have a positive economic impact on low-income and/or disadvantaged communities including customer bill savings, job creation, partnering and contracting with micro- and small-businesses, and economic development.</li> <li>c. Describes potential negative impacts or risks of the proposed technology or solution to disadvantaged and/or low-income communities and how they will be assessed and mitigated.</li> <li>d. Describes how the proposed project will increase access to clean energy or sustainability technologies within disadvantaged and/or low-income communities and how the project activities will benefit the communities.</li> <li>e. Identifies and describes how community input will be solicited and considered in the design of the project, and how outreach and engagement will be conducted during project implementation.</li> <li>f. Includes letters of support from technology partners, community based organizations, environmental justice organizations, or other partners that demonstrate their belief that the proposed project will lead to increased equity, and is both feasible and commercially viable in the identified low-income and/or disadvantaged communities.</li> </ul>	10
<b>Total Possible Points</b>	<b>110</b>