**GRANT FUNDING OPPORTUNITY**

**FOOD PRODUCTION INVESTMENT PROGRAM**

**2025**



**GFO-24-311 – ADDENDUM 02**

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

**State of California**

**California Energy Commission**

June 2025

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| **Attachments**

| Attachment Number | Title of Section |
| --- | --- |
| 1 | Project Overview Form |
| 2 | Project Narrative Form |
| 3 | Scope of Work Template |
| 4 | Project Schedule |
| 5 | Budget  |
| 6 | CEQA Compliance Form  |
| 7 | Commitment and Support Letters Form ***(requires signature)*** |
| 8 | FPIP Benefits Calculator |
| 9 | Applicant Declarations ***(requires signature)*** |

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# I. Introduction

## Purpose of Solicitation

Food manufacturing, specifically processing and production, is energy- and carbon-intensive and significantly contributes to greenhouse gas (GHG) emissions. Food manufacturing is a critical area of opportunity to advance industrial decarbonization and electrification efforts, but it faces unique barriers and challenges due to the diversity of products produced.

Food processing and production costs are often higher in California, potentially making it difficult for in-state companies’ products to compete with similar products produced outside of the state. Investing in updates and improvements to food production facilities with technologies that are energy efficient, decarbonizing, or both will reduce operating costs and GHG emissions. This support will help ensure California’s food processing industries remain competitive, operational, and within California.

The Food Production Investment Program (FPIP) invests in projects across California that accelerate the adoption of advanced energy efficiency and decarbonization technologies that support electrical grid reliability and reduce GHG emissions. FPIP’s goals are to:

* Showcase the reliability, effectiveness, and economic viability of advanced energy and decarbonization technologies in California’s food processing industry;
* Strengthen the electrical grid by enhancing its resilience during peak demand periods;
* Benefit or improve public health and protect the environment, with a focus on disadvantaged[[1]](#footnote-2) and low-income communities[[2]](#footnote-3).

The technologies funded by this Grant Funding Opportunity (GFO) will help reduce energy costs, maintain product quantity and quality, and reduce GHG emissions associated with food production. This program is open to all California food processors and related support facilities.[[3]](#footnote-4) FPIP only funds projects located in California. Projects must also support electrical grid reliability, reduce GHG emissions, and further the purposes of Assembly Bill (AB) 32 (Nunez, Global Warming Solutions Act of 2006, Chapter 488, 2006) and Senate Bill (SB) 32 (Pavley, California Global Warming Solutions Act of 2006, Chapter 249, 2016).

FPIP will assist California food producers and supporting facilities in achieving the following:

* **Energy Efficiency**: Support the adoption of commercially available (“drop-in ready”) and emerging energy-efficient equipment upgrades that are replacements or additions to existing equipment or processes that provide greater GHG emission and energy reductions than current best practices or industry-standard equipment.
* **Grid Reliability:** Support the adoption of commercially available and emerging technologies needed to support grid reliability, especially during net peak periods.

Projects must fall within the following project groups:

* **Group 1**: Industrial Heat Pump
* **Group 2**: Other Eligible Technologies

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

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

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

## Key Words/Terms

| **Word/Term** | **Definition** |
| --- | --- |
| 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-Based Vendor(s) | A vendor with equipment manufactured in or has a distribution center in California. |
| California Native American Tribe | A Native American Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004 (Pub. Resources Code, § 21073). |
| California Tribal Organization | A corporation, association, or group controlled, sanctioned, or chartered by a California Native American tribe that is subject to its laws, the laws of the State of California, or the laws of the United States. |
| CAM | *Commission Agreement Manager,* the person designated by the CEC to oversee the performance of an agreement resulting from this solicitation and to serve as the main point of contact for the grant recipient. |
| CCI | *California Climate Investments,* a statewide initiative that puts billions of Cap‑and‑Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, improving public health and the environment, and providing meaningful benefits to the most disadvantaged communities and low‑income communities and households, collectively referred to as priority populations. |
| CARB | California Air Resources Board |
| CAO | *Commission Agreement Officer*, the person designated by the CEC to oversee the internal administrative processes and to serves as the main point of contact for solicitation applicants. |
| CEC | State Energy Resources Conservation and Development Commission or, the California Energy Commission. |
| CEC funds | *CEC funds* are FPIP grant funds awarded under this solicitation and also referred to as grant funds. |
| CEQA | California Environmental Quality Act, California Public Resources Code Section 21000 et seq. |
| Commercially available technology | Equipment that is readily available for procurement for installation, has been widely used, and has performance and energy savings well documented. This equipment should be drop-in ready for replacement of existing equipment. Equipment must be fully developed and operational, not in a research or demonstration phase. |
| Community-Based Organization | A public or private nonprofit organization of demonstrated effectiveness that: 1. Has deployed projects and/or outreach efforts within the region (e.g., air basin or county) of the proposed disadvantaged or low-income community or similar community.
2. Has an official mission and vision statements that expressly identifies serving disadvantaged and/or low-income communities.
3. Currently employs staff member(s) who specialized in and are dedicated to – diversity, or equity, or inclusion, or is a 501(c)(3) non-profit.
 |
| Days | *Days refers to calendar days.* |
| DER | *Distributed Energy Resource.* Assets connected to the distribution of grid including generation, energy efficiency, and demand response. |
| Disadvantaged Community | Communities designated pursuant to Health and Safety Code section 39711 as representing the top 25% scoring census tracts from CalEnviroScreen along with other areas with high amounts of pollution and low populations as identified by the California Environmental Protection Agency. (<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>) |
| FPIP | *Food Production Investment Program,* the administrator of funding for the projects awarded under this solicitation. |
| GFO | Grant Funding Opportunity |
| GGRF | Greenhouse Gas Reduction Fund |
| GHG | Greenhouse Gas |
| Low Income Community | Communities within census tracts with median household incomes at or below 80 percent of the statewide median income or the applicable low-income threshold listed in the state income limits updated by the Department of Housing and Community Development. (<https://www.hcd.ca.gov/grants-and-funding/income-limits>)  |
| Major Subrecipient  | A Subrecipient that is budgeted to receive $100,000 or more of CEC funds, not including any equipment or match funds that may be provided by the Subrecipient.  |
| M&V | Measurement and Verification |
| NOPA | *Notice of Proposed Award,* a public notice by CEC staff that identifies proposed grant recipients. |
| 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.  |
| Priority Populations  | Priority populations include residents of (1) census tracts identified as disadvantaged by the California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) low-income households per AB 1550.  |
| Project  | A technology or a portfolio of technologies installed in one or more food processing or supporting facilities that is contained in a grant application.  |
| Project Manager | The person designated by the applicant to oversee the project and to serve as the main point of contact for the CEC. |
| 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. |
| State | State of California |
| TRL | Technology readiness level, a method for estimating the maturity of technologies during the acquisition phase of a program.Source: U.S. Department of Energy, “Technology Readiness Assessment Guide”.<https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf>  |
| Vendor | A person or entity that sells goods or services to the grant Recipient, Subrecipient, or any lower-tiered level of Sub-Subrecipient, in exchange for some of the grant funds and does not make decisions about how to perform the grant’s activities. The Vendor’s role is ministerial and does not involve discretion over grant activities. |

## Project Focus

This solicitation focuses on projects that will install and demonstrate:

* **Group 1: Industrial Heat Pump with an option to include Microgrid**

Group 1 projects must install at least one industrial heat pump and may choose to include a microgrid.

* **Group 2: Other Eligible Technologies**

Group 2 projects may install any other eligible technology or technologies listed in Section II.B.2.

Group 1 and Group 2 projects **must** install and demonstrate technologies that fall under one of the categories below:

* **Commercially available technologies** that are drop-in-ready replacement equipment or an addition to the current systems and that have higher efficiencies than current best practices and industry standards.
* **Cutting-edge emerging technologies** with a minimum technology readiness level[[4]](#footnote-5) (TRL) 8 or greater that are not widely used in California and are not drop-in ready replacement equipment or an addition. Technologies must be commercially proven in food processing applications with independent verification of benefits, such as energy reduction, GHG emissions reductions, and improved air quality.

Group 1 and 2 projects **must** include two or more of these goals:

* Maximize GHG emissions reductions;
* Maximize energy reductions;
* Provide benefits to support grid reliability; or
* Provide benefits to priority populations.

For further descriptions of eligible technologies, see Section II.B.2.

## Funding

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

There is **up to $10,000,000** available for grants awarded under this solicitation. The total, minimum, and maximum funding amounts for each project group are listed below.

| Project Group | Available CEC funding | Minimum CEC award  | Maximum CEC award  | Minimum total match share percentage  |
| --- | --- | --- | --- | --- |
| Group 1: Industrial Heat Pump | $5,000,000 | $1,000,000 | $2,500,000 | 25% of eligible costs |
| Group 2: Other Eligible Technologies | $5,000,000 | $1,000,000 | $2,500,000 | 25% of eligible costs |

Eligible costs for FPIP’s grant funding are limited to three areas:

* Equipment costs, not including installation or labor. Equipment must result in reductions in GHG emissions, benefit the electrical grid, or both. Eligible technologies are defined in Section II.B.2.
* Third-party subrecipient costs for project-related design and engineering.
* Third-party subrecipient costs for measurement and verification (M&V) of project performance.

Please note that the grant will reimburse subrecipients' costs up to a maximum of $99,999 **per entity or per task** with FPIP funds, while any remaining subrecipient costs will be eligible to be accounted for under the match fund requirement. Use of the grant recipient’s in-house staff is not reimbursable.

1. **Match Funding Requirement**

For this solicitation, applications must include a minimum 25 percent total match share percentage. Match funds are limited to only the eligible costs defined in Section I.D.1.

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

$\frac{Total Match Share Contributions}{CEC Funds Requested+ Total Match Share Contributions}$ X 100 = Total Match Share percentage

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

1. **Change in Funding Amount**

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

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

## Key Activities Schedule

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

| ACTIVITY | DATE | TIME[[5]](#footnote-6)  |
| --- | --- | --- |
| Solicitation Release | June 6, 2025 |  |
| **Pre-Application Workshop** | **June** [~~19~~] **26, 2025** | **10:00 a.m. – 12:00 p.m.** |
| **Deadline for Written Questions[[6]](#footnote-7)** | ~~[June 27]~~ **July 3, 2025** | **5:00 p.m.** |
| Anticipated Distribution of Questions and Answers | Week of **July** [~~21~~] **28, 2025** |  |
| **Support for Application Submission in ECAMS** | **September 11, 2025** | **5:00 p.m.[[7]](#footnote-8)** |
| **Deadline to Submit Applications** | **September 12, 2025** | **11:59 p.m.** |
| Anticipated Notice of Proposed Award Posting Date | Week of October 13, 2025 |  |
| Anticipated Energy Commission Business Meeting Date | November 12, 2025 |  |
| Anticipated Agreement Start Date | 45 days after the Business Meeting |  |
| Anticipated Agreement End Date  | No later than June 30, 2030 |  |

## Notice of Pre-Application Workshop

CEC staff will hold one Pre-Application Workshop to discuss this solicitation with potential applicants. Participation is optional but encouraged. The Pre-Application Workshop will be held remotely. Applicants may attend the workshop via the internet (Zoom, see instructions below), or via conference call on the date and at the time and location listed below. Please refer to the CEC's website at [www.energy.ca.gov/contracts/index.html](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:** [~~Monday~~] **Thursday**, June [~~19~~] **26**, 2025, at 10:00 am

**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:** 837 1992 5103

**Meeting Password:** FPIP2025

**Topic:** Pre-Application Workshop – GFO-24-311 – Food Production Investment Program 2025

**Telephone Access Only:**

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

**Access by Mobile Device:**

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

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

* For assistance with problems or questions about joining or attending the meeting, please call Zoom Technical Support at **1-888-799-9666 ext. 2.** You may also contact the CEC’s Public Advisor’s Office at publicadvisor@energy.ca.gov, 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>.

* To request interpreting services, reasonable modifications and accommodations, or other assistance, call (916) 957-7910 or email publicadvisor@energy.ca.gov as soon as possible but at least five days in advance. The CEC will work diligently to meet all requests based on availability.

## Questions

During the solicitation process, for questions only related to the submission of application in the new ECAMS system, please contact 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 the submission of applications in the ECAMS system, please contact the Commission Agreement Officer listed below:

Chester Hong, Commission Agreement Officer

California Energy Commission

715 P, MS-1

Sacramento, California, 95814

E-mail: [Chester.Hong@energy.ca.gov](file:///C%3A%5CUsers%5Cchong%5CAppData%5CLocal%5CMicrosoft%5CWindows%5CINetCache%5CContent.Outlook%5CSP184EX3%5CChester.Hong%40energy.ca.gov)

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

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

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

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

## Applicants’ Admonishment

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

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

## Additional Requirements regarding environmental review

* Time is of the essence. CEC funds available under this solicitation have encumbrance deadlines as early as June 30, 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 the 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[[8]](#footnote-9) has already been completed by another state agency or a local jurisdiction, serving as the lead agency, the applicant must ensure that such an analysis covers the work in the proposed project, or must obtain a revised analysis and determination from the lead agency reviewing the proposed project.
	+ Example 4: If the proposed project clearly falls under a statutory or categorical exemption, or is project for which another state agency or local jurisdiction has already completed its environmental review and adopted CEQA findings that the project will cause no significant effect on the environment, the project will likely have greater success in attaining rapid completion of CEQA requirements.

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

## Background

1. **Food Production Investment Program (FPIP)**

FPIP was established in 2018 and initially funded by AB 109 (Ting, Chapter 249, Statutes of 2017) and SB 856 (Chapter 30, Statutes of 2018). In 2022 and 2023, FPIP received additional funding from AB 209 (Chapter 251, Statutes of 2022) and the Budget Act of 2023, as amended by Ting (Chapter 38, Statutes of 2023)[[9]](#footnote-10) to continue program implementation. The program uses Greenhouse Gas Reduction Funds (GGRF) from the California Climate Investment Program (CCI) and General Fund monies to further the purposes of reducing GHG emissions, reducing energy use, and sustaining grid reliability.

FPIP provides funding to California food processors to help accelerate the adoption of advanced energy efficiency and decarbonization technologies that support electric grid reliability and achievement of the state’s GHG emissions reduction goals while maximizing other co-benefits. The CEC prioritizes investing in projects that achieve significant GHG and energy reductions, reduce demand during net peak periods, maximize benefits to priority population communities, and are necessary to meet the State’s climate goals. The CEC administers the program in coordination with the California Air Resources Board (CARB).

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

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

Laws/Regulations

* **AB 32[[10]](#footnote-11) - Global Warming Solutions Act of 2006**

AB 32created a comprehensive program to reduce 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 CARB as the state agency charged with monitoring and regulating sources of GHG emissions and requires CARB to develop a Scoping Plan that describes the approach California will take to reduce GHGs. CARB must update the plan at least once every five years.

Additional information: <https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200520060AB32>

<http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb_0001-0050/sb_32_bill_20160908_chaptered.htm>

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

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

* **SB 32 - California Global Warming Solutions Act of 2006: emissions limit**

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

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

Applicable Law: California Health and Safety Code § 38566.

* **Assembly Bill (AB) 1550 – The Climate Investments for California Communities Act**

AB 1550 (Gomez, Chapter 369, Statutes of 2016) amends existing SB 535 (DeLeon, Chapter 830, Statutes of 2012) to set investment minimums for GGRF projects in and benefiting disadvantaged communities and low-income communities and includes the following requirements:

* A minimum of 25 percent of the proceeds to be invested in projects located within and benefitting individuals living in disadvantaged communities;
* Additional minimum of 5 percent be invested in projects located within and benefitting individuals living in low-income communities or benefitting low-income communities statewide; and
* An additional minimum of 5 percent be invested in projects that are located within and benefitting individuals living in low-income communities or benefitting low-income households that are within one-half mile of a disadvantaged community.

Additional Information:

<https://calepa.ca.gov/envjustice/ghginvest/>

* **Assembly Bill 209**10 **- Energy and Climate Change Act**

AB 209 requires the California Energy Commission toestablish and administer clean energy programs to provide financial incentives to California-headquartered companies for developing and commercializing technologies that can either help California meet its GHG reduction targets and achieve its climate goals or enable the state to be more resilient to the impacts of climate change. Specified specifically, the FPIP will provide incentives for the implementation of projects to accelerate the adoption of advanced energy technologies and other decarbonization technologies at facilities to support electrical grid reliability and reduce the emissions of GHGs from those facilities.

Additional Information: <https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB209>

* **SB X1-2**[[11]](#footnote-12) **- Renewables Portfolio Standard,**

SB X1-2 expanded California’s Renewables Portfolio Standard (RPS) goals and requires retail sellers of electricity and local publicly owned electric utilities to increase their procurement of eligible renewable energy resources to 20 percent by the end of 2013, 25 percent by the end of 2016, and 33 percent by the end of 2020, 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 GHG emissions from the state’s residential and commercial building stock by at least 40 percent 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 GHG associated with the supply of energy to residential and commercial buildings.

Additional information: <https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB3232>

* **AB 2514[[12]](#footnote-13) - Energy Storage Systems,**

AB 2514 requires the California Public Utilities Commission (CPUC) to determine targets for the procurement of viable, cost-effective energy storage systems by load-serving entities. The CPUC adopted the procurement targets in Decision 13-10-040, issued on October 17, 2013 (see the summary of Decision 13-10-040 in the “Policies/Plans” section below).

Additional information: <https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=200920100AB2514>

Applicable Law: California Public Utilities Code §§ 2835 et. seq., and § 9620

* **SB 100 - The 100 Percent Clean Energy Act of 2018**

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

Additional information: <https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB100>

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

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

Additional information:

<https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1020>

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

Policies/Plans

* **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. 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->

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

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

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

* <http://www.energy.ca.gov/research/>
* <https://www.energy.ca.gov/showcase/energize-innovation>

## 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: FPIP funds received from current/previous agreements or sub-agreements, future/contingent awards from other entities (public or private), any other CEC awards, the cost or value of the project work site, 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), or the cost or value of any non-eligible project cost, such as labor, permitting, and overhead. If the applicant is leveraging or pursuing funding from multiple sources of the GGRF, the applicant must describe all existing or potential GGRF sources in their application materials.

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.
* 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:

* **“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.
1. **CEC’s Rights and Remedies**

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

# II. Eligibility Requirements

## Applicant Requirements

1. **Eligibility**

Applicants to the FPIP are limited to food processing and related support facilities located in California. The applicant must own or operate one or more food processing facilities where grant-funded equipment will be installed. .For this program, food processing facilities are those defined by the North American Industry Classification System (NAICS)[[13]](#footnote-14) codes 311 (Food Manufacturing), 3121 (Beverage Manufacturing), [~~and~~] 493120 (Refrigerated Warehousing and Storage)**, and 115114 (Postharvest Crop Activities [except Cotton Ginning])**. To be eligible for grant funding, projects must meet all the following minimum requirements:

* Applicant must be an existing facility located in California;
* Proposed projects must reduce GHG emissions, enhance and benefit the electrical grid, especially during net peak periods, or both; and
* Applicant must meet all eligibility and other criteria specified in this solicitation.

Food and beverage industries and related support facilities that are receiving funding for the same project, or portions of the same project, from the CEC’s Industrial Decarbonization and Improvement of Grid Operations (INDIGO)[[14]](#footnote-15) Program or CARB’s F-gas Reduction Incentive Program (FRIP)[[15]](#footnote-16) are ineligible for funding from FPIP.

1. **Terms and Conditions**

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

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

* 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.
* A limited waiver of sovereign immunity in the form and manner required by tribal law; and
* A resolution or other authorizing document delegating authority to execute the agreement to an appropriate individual.

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

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

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

1. **California Secretary of State Registration**

All corporations, limited liability companies (LLCs), limited partnerships (LPs) and limited liability partnerships (LLPs) that conduct intrastate business in California are required to be registered and in good standing with the California Secretary of State prior to its project being recommended for approval at an CEC Business Meeting.  If not currently registered with the California Secretary of State, applicants and project team members (e.g. subrecipients and even match fund partners) are encouraged to contact the Secretary of State’s Office as soon as possible to avoid potential delays in beginning the proposed project(s) (should the application be proposed for funding).  Applicants should provide the exact legal names of entities included in their applications, along with any fictitious business names. Fictitious business names must be currently valid, i.e., not expired with the Secretary of State. As part of the CEC’s due diligence, particularly during the agreement development phase, CEC staff may request the supporting documentation regarding the above registration requirements.

For more information, contact the Secretary of State’s Office via its website at [www.sos.ca.gov](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.

1. **Priority Populations**

For food processing and supporting facilities located in disadvantaged or low-income communities, FPIP projects could result in reduced criteria air pollutant emissions and other benefits.

Projects claiming to benefit priority populations must be designed to avoid substantial burdens (e.g., displacement of low-income, disadvantaged community residents and businesses or increased exposure to toxins or other health risks). The interactive mapping tool to identify disadvantaged and low-income communities is posted at the following: <https://www.caclimateinvestments.ca.gov/priority-populations>.

Preference points will be provided for projects located in and benefiting priority populations as indicated in Section IV, Evaluation and Award Process (see Section IV.F. Stage Two application scoring for specific technical scoring criteria). Applicants must describe their efforts to determine and meaningfully address common needs in disadvantaged communities and low-income communities. Preference points will be awarded based on whether the project meets the requirements indicated in CARB guidance, which is posted at the following: [www.arb.ca.gov/cci-fundingguidelines](http://www.arb.ca.gov/cci-fundingguidelines). Priority population benefits criteria are subject to change, so the latest versions can be found on the Priority Population Benefits Criteria Table on the CCI Quantification, Benefits, and Reporting Materials webpage at [http://www.caclimateinvestments.ca.gov/tools.](http://www.caclimateinvestments.ca.gov/tools)

1. **Russia Sanctions**

The budget must NOT identify that CEC funds will be spent outside of the United States or for out-of-country travel. However, match funds may cover these costs if there are no legal restrictions. Recent legal restrictions may include Russian Sanctions as described below:

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

## Project Requirements

* 1. **Eligibility**

This solicitation will fund projects that install and implement:

* Commercially available technologies that are drop-in-ready replacement equipment or additions to current systems and will provide greater reductions in GHG emissions and energy usage and increases to grid support than current best practices or industry-standard equipment.
* Cutting-edge emerging technologies that are not widely used in California and not drop-in ready replacement equipment or additions but have been commercially proven in food production facilities to reduce GHG emissions, reduce energy usage, provide grid support, or a combination of these. Documentation and evidence of emerging minimum TLR[[16]](#footnote-17) of 8 or greater at actual food production facilities is required.

FPIP defines TRL 8 and 9 based on the U.S. Department of Energy’s definition:

* A technology at TRL 8 “has been proven to work in its final form and under expected conditions. In almost all cases, this TRL represents the end of true system development.”
* A technology at TRL 9 is “in its final form and operated under the full range of operating mission conditions.”
	1. **Technologies**

For this solicitation, technologies that support gas efficiency will not be eligible for funding.

Eligible technologies for Group 1 are limited to the following:

| **Eligible Technology**  | **Description[[17]](#footnote-18)** |
| --- | --- |
| Industrial Heat Pumps | Installation of Industrial Heat Pumps that recycle otherwise wasted thermal energy for reuse in the facility (for heating or cooling). The option to combine a microgrid system with the heat pump equipment is eligible if the microgrid meets the technology definition described below. |

Eligible technologies for Group 2 are limited to the following:

| **Eligible Technology**  | **Description** |
| --- | --- |
| Microgrids | A microgrid system (e.g., solar photovoltaic system with battery energy storage and a microgrid controller) is a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that act as a single controllable entity with respect to the grid. Additionally, a microgrid can connect and disconnect from the grid to enable it to operate in both grid-connected or island-mode. Finally, microgrids can also manage customer critical resources and provide the customers, utilities, and grid system operators different levels of critical services and support as needed.  |
| Mechanical dewatering | Retrofit or replacement of existing, inefficient mechanical dewatering systems with high-efficiency systems (e.g., filter presses, centrifuges, membrane-based separation). |
| Advanced motors and controls, including variable frequency drives | Retrofit or replacement of existing, inefficient motor-driven systems (e.g., conveyors, pumps, fans, packing equipment, air compressors), including variable frequency drive systems, electronically commutated motors, advanced programmable logic controllers, and the installation of metering and controls software that reduces energy use. |
| Refrigeration system optimization – Ultra Low Global Warming Potential (GWP) Refrigerants   | Retrofit or replacement of existing refrigeration systems (e.g., floating head pressure controls, leak detection, and abatement). Refrigeration system replacement must use ultra-low-GWP refrigerants with a GWP of less than 10 (e.g., trans-critical carbon dioxide, ammonia, and hydrocarbons).  |
| Process equipment insulation | Replacement of existing insulation with advanced, highly efficient insulation (e.g., advanced material insulation, advanced functional coatings for insulation). |
| Waste heat to power | Installation of waste heat to power systems that capture waste heat and convert it to electricity for on-site use (e.g., pressure reduction turbines, organic Rankine cycles). Applicants proposing waste heat to power projects must provide a description of the project economics that includes departing load charges to be assessed by the local utility, as well as any other associated costs and benefits, and how they would impact the project.*Waste Heat* refers to heat that is present downstream of an industrial process and is typically vented into the atmosphere and wasted. Sources of waste heat may include heat generated to support thermal processes, heat rejected from mechanical processes, and heat from exothermic chemical processes. |
| Onsite wastewater treatment | Retrofit or replacement of existing, inefficient onsite wastewater treatment systems with high efficiency energy alternatives. Biogas projects are not eligible. |
| Fuel switching | Projects involving the replacement of existing fossil-fueled equipment with electric-powered equipment (e.g., conversion of gas dryers to electric dryers). Applicants must submit a description of the economics for fuel switching projects. |

**Ineligible energy efficiency projects** are those that are dependent on continued fossil fuel use and will be redundant when the facility converts to electrified processes. Energy efficiency projects that can work with both fossil fuel and electrification processes are eligible.

Additional technologies could be added as a result of comments received during the written questions period (see Section I.E., Key Activities Schedule). However, these technologies must be consistent with the purposes of the solicitation. Any added technologies will be posted in an addendum to the solicitation.

* 1. **Measurement and Verification Plan**

Applicants must include estimates of GHG emissions and energy reductions, and the actual reductions must be verified after the installation of the funded equipment. The costs of producing baseline estimates submitted as part of the application process are not reimbursable by the grant. However, once an agreement is executed, the detailed measurements to verify GHG emissions and energy reductions are eligible for reimbursement if performed by a subrecipient. The following process will be used during the application process and after project implementation:

1. **Baseline information as part of the grant application is not reimbursable by the grant.** Each applicant must first develop an energy baseline for the project based on specific characteristics of the targeted equipment to be retrofitted or replaced, operating conditions at the food processing or supporting facility, and other factors. The estimate of baseline energy consumption can be derived from an energy assessment conducted by the applicant’s facility staff, private consultants, equipment vendors, or others. There are several ways in which to conduct an energy assessment of the targeted equipment and systems. The choice of the specific assessment protocol used is left to the applicant, but all assumptions and calculation methodologies to justify baseline energy and GHG emissions must be submitted with the application. All targeted equipment and systems for retrofits must reduce GHG emissions through on-site reductions in the use of electricity, fossil fuels, or both; the use of low-GWP refrigerants; or a combination of these. The CEC will evaluate the estimates and assumptions of GHG emissions reductions and energy savings provided by each applicant in scoring proposals submitted for funding. The scoring criteria will favor projects with the most potential to cost-effectively reduce GHG emissions along with other factors such as project cost share and benefits to priority populations. Estimates of GHG emissions reductions must use the FPIP Benefits Calculator Tool (Attachment 8) posted on the CARB website.[[18]](#footnote-19)
2. **Post-grant award information and efforts are reimbursable by the grant.** Projects awarded funding will be required to monitor and verify pre- and post-installation energy performance. Each applicant may choose the preferred M&V method as long as it is robust enough to evaluate and validate GHG emissions and energy reductions at the equipment and system or facility levels. The minimum period of measurement required is as follows:
* **Pre-installation:**
	+ Year-round and seasonal facilities: minimum of 3 months pre-installation on the equipment and systems to be retrofitted/replaced.
* **Post-installation:**
	+ Year-round facilities: minimum 12 months post-installation on the equipment/systems installed.
	+ Seasonal facilities: the total length of two complete seasons post-installation on the equipment/systems installed. For example, if a seasonal operation is 3 months, the facility must collect two 3-month periods of data (such as seasons 2026 and 2027). If a seasonal operation is 6 months, the facility must collect two 6-month periods of data (such as seasons 2026 and 2027).

Verification must be provided for pre- and post-equipment/systems installation through actual on-site measurements. Estimates of GHG emission reductions must use the FPIP Benefits Calculator (Attachment 8) posted on CARB’s website. The CEC grant provides funding to contract with independent third-party subcontractors. Self-certification using in-house staff is also acceptable but will not be reimbursable by the grant. The CEC or its consultant reserves the right to conduct an audit of a sample of the projects to verify assumptions and estimates of energy savings and GHG emissions reductions.

**Load flexibility projects** may include time-of-use cost optimization, utility or third-party demand response programs, or both. Measurements will be based on load reduced during the net peak period for the facility’s electric utility, and the pre- and post-installation periods must include the peak demand months of June through September. M&V impact calculations must not account for fossil-based backup generators.

* 1. **Bundling of Technologies for Multiple Facilities**

**Bundling of technologies and facilities under the same ownership can be included in one application.** The entire bundle of technologies and facilities under the same organization will be evaluated as discussed in Section IV.F, Criterion 6. Criterion 6 discusses priority consideration for facilities that reduce their electrical load and support the grid.

# III. Application Submission Instructions

## Application Format, Page Limits

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

|  |  |  |
| --- | --- | --- |
| **Item** | **Attachment Number** | **Page Limitation** |
| Project Overview Form | Attachment 1 | None |
| Project Narrative | Attachment 2 | Twenty pages |
| Scope of Work | Attachment 3 | Thirty pages |
| Project Schedule | Attachment 4 | Four pages |
| Budget | Attachment 5 | None |
| CEQA Compliance Form | Attachment 6 | None |
| Commitment and Support Letters | Attachment 7 | Two pages, excluding the cover page |
| FPIP Benefits Calculator | Attachment 8 | None |
| Applicant Declaration | Attachment 9 | None |

## Method For Delivery

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

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

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

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

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

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

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

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

## Application Content

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

1. Project Overview Form (Attachment 1)

The form requests basic information about the applicant and the project. The application must include an original Project Overview Form with all requested information.

1. Project Narrative Form (Attachment 2)

The Project Narrative 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.

This form includes the majority of the applicant’s responses to the Scoring Criteria in Section IV, including the following:

* **Technical Merit and Need**
* **Technical Approach**
* **Impacts and Benefits**
* **Market Potential and Information Sharing**
* **California-Based Vendor**
* **Preference Points – Priority Populations and Electric Grid Benefits**
1. **California-Based Vendors**

Applicants must describe how the vendors meet the requirements of being a California-based vendor. A California-based vendor is a vendor with equipment manufactured in or with a distribution center in California. Scoring will be determined by whether some or all equipment selected for installation is purchased from a California-based vendor—the more equipment purchased from California vendors, the higher the points. The points will be calculated by using the following formula: (“CEC funds to CA-Based Vendors for Equipment” divided by “Total CEC funds for Equipment”) multiplied by “Maximum Points for this criterion” as indicated in Section IV.F., Criterion 5.

For example, if the total equipment cost is $1,000,000 and $500,000 is purchased from California vendors, the points will be 50% of the total points possible for this criterion.

1. **Documentation of Benefits to Priority Populations**

Applications will receive preference points for projects located within identified disadvantaged or low-income communities that benefit individuals living within that community. Applicants must describe their efforts to provide direct, meaningful, and assured benefits and address important community needs using the following evaluation approach (Note: applicants must review the CARB’s guidance at <http://www.caclimateinvestments.ca.gov/tools> for any updates to the following list):

* **Step 1: Identify the Priority Population**. The entire project must be located within the priority population(s) that benefit from the project. Visit the California Climate Investment Resources Portal for the Priority Populations Map at [www.caclimateinvestments.ca.gov/resource-portal-priority-populations/#map](http://www.caclimateinvestments.ca.gov/resource-portal-priority-populations/#map).
* **Step 2: Identify a Need.** The project must identify an important community need for the priority population. The community needs for the population identified in Step 1 can be achieved by one of the following methods:
	+ Engage with local residents and community groups in meetings, workshops, or other opportunities as part of the planning process to identify community or household needs, and document how the engagement informed the design and/or selection of projects to address those needs.
	+ Receive documentation of broad support from local community-based organizations and/or residents (e.g., letters, emails) identifying a need that the project addresses or confirm the project furthers the goals identified in a local plan or initiative designed to address local needs (e.g., regional sustainability plan, local transit agency plan, community needs assessment) that was developed through, or as a result of, a robust community engagement process.
	+ Refer to one of the following tools provided at <https://www.caclimateinvestments.ca.gov/benefit-assessment-guide/#step2>, and confirm that the project will reduce the impacts related to at least one of the factors or indicators:
		- CalEnviroScreen 4.0 to identify communities disproportionately burdened by multiple sources of pollution and with population characteristics that make them more sensitive to pollution, and confirm that the project will reduce the impacts of at least one of the individual factors that are most impacting an identified disadvantaged or low-income community (i.e., factors that score at or above the 75th percentile).
		- California Health Places Index, a data and policy platform created to advance health equity through open and accessible data. Users can evaluate project areas for vulnerabilities or ways projects can benefit priority populations. Look at the individual indicators that are most impacting an identified priority population (i.e., indicators that score 25 or below on the Healthy Place Index Percentile Ranking) and confirm that the project will reduce the impacts of at least one of those indicators.
* **Step 3: Provide a Benefit.** The project must provide one of the direct, meaningful, and assured benefits. The benefit must be to the priority population identified in Step 1 and must directly address the need identified in Step 2. Identify at least one direct, meaningful, and assured benefit that the project provides to priority populations. Projects must meet at least one of the following benefit criteria:
	+ Project provides direct energy cost savings or reduces energy cost burden to priority population(s).
	+ Project reduces on-site criteria air pollutant or toxic air contaminant emissions through the reduction of fossil fuel consumption.
	+ Project improves energy or community resilience or provides grid outage mitigation.
	+ Project provides increased access to clean and reliable energy.

For applications with multiple locations, the applicant must address and discuss each of the three steps for each location, along with the amount of CEC funds to be spent in each location. Preference points will be awarded only if all facilities identified in the application meet the requirements indicated in CARB guidance, which is posted at the following: [www.arb.ca.gov/cci-fundingguidelines](http://www.arb.ca.gov/cci-fundingguidelines). **No preference points will be awarded if any facility fails to meet the requirements**.

1. **Electrical Grid Benefits**

If applicable, applicants must describe how the project will impact and benefit California’s electrical grid. Examples include how the measures will reduce annual electricity (kilowatt-hours, kWh) during peak periods; impact energy costs; reduce peak load; and result in load shedding/shifting (demand response) to off-peak periods, improvements to grid infrastructure resiliency, and increased reliability. Applicants must state the timeframe, assumptions with sources, the baseline or “business as usual,” and calculations for the estimated benefits and must explain their reasonableness. Applicants must also include any specific programs the technology intends to leverage (e.g., feed-in tariffs, investor-owned utilities (IOU) rebates, demand response, storage procurement) and the extent to which the technology meets program requirements.

1. Scope of Work Template (Attachments 3)

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

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

1. Project Schedule (Attachment 4)

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

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

1. Budget Forms (Attachment 5)

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

1. **Option 1: The Applicant’s budget is both keyed directly into ECAMS and uploaded as an MS Excel attachment.** The new ECAMS system allows applicants to build the applicant’s budget directly into the system. Instructions for inputting budget items into the ECAMS system are included at: <https://www.energy.ca.gov/funding-opportunities/funding-resources>.
2. **Option 2: Upload the budgets as an MS Excel attachment** 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 5 before completing the worksheets**. Complete and submit information on **all** budget worksheets. The costs entered on the worksheets will become a part of the final agreement.

* Category Budget, which is a summary of all eligible expenditures and match.
* Equipment Budget, which itemizes the cost for all items purchased and installed as part of the project.
* Subrecipient Budget, which itemizes all M&V and engineering design subrecipient costs. **M&V and/or engineering design subrecipient costs cannot exceed grant funds of $99,999 each per entity or per task**. Note: M&V and engineering costs will be reimbursed by the grant only when outside parties are used. Use of in-house staff for these activities is not reimbursable.

The information provided in these budget forms becomes a part of the final agreement.

* 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.
* 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.
* 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.
* 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.
* 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.
* 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.
* **Prevailing wage requirement:** Projects that receive an award of public funds from the CEC often involve construction, alteration, demolition, installation, repair or maintenance work over $1,000. For this reason, projects that receive an award of public funds from the CEC are likely to be considered public works under the California Labor Code. See Chapter 1 of Part 7 of Division 2 of the California Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000.

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

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

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

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

or,

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

1. California Environmental Quality Act (CEQA) Compliance Form (Attachment 6)

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

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

1. Commitment and Support Letter Form (Attachment 7)

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 (**Mandatory** and will be used to screen applications)

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.

* + 1. Support Letters (**Optional, but highly encouraged** and may be considered in scoring)

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.

1. FPIP Benefits Calculator (Attachment 8)

Applicants must fill out the FPIP Benefits Calculator Tool. The tool estimates the GHG emission reductions and selected co-benefits of each proposed project type. The FPIP Benefits Calculator Tool uses methods described in the supporting FPIP Quantification Methodology. CARB and the CEC developed the Quantification Methodology consistent with the guiding principles of CCI, including ensuring transparency and accountability. The latest FPIP Benefits Calculator Tool and FPIP Quantification Methodology are available for download at <https://www.caclimateinvestments.ca.gov/tools>.

1. Applicant Declaration (Attachment 9)

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

## Application Evaluation

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

1. **Stage One: Application Screening**

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

1. **Stage Two: Application Scoring**

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

* The scores for each application will be the average of the combined scores of all Evaluation Committee members.
* **A minimum score of 70.00 points for criteria 1-5** is required to be eligible for funding.

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

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

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

* CEC staff will post a **Notice of Proposed Award (NOPA)** that includes: (1) the total proposed funding amount; (2) the rank order of applicants; and (3) the amount of each proposed award. The CEC will post the NOPA on its website and will 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 applicantstomodify the project scope, schedule, project team entity that will receive the award, project location and/or level of funding.
1. **Agreements**

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

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

## Grounds to Reject an Application or Cancel an Award

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

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

## Miscellaneous

1. **Solicitation Cancellation and Amendment**

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

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

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

1. **Modification or Withdrawal of Application**

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

1. **Confidentiality**

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

1. **Solicitation Errors**

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

1. **Immaterial Defect**

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

1. **Tiebreakers**

If the scores for two or more applications are tied, the application with a higher score in Criterion 6 will be ranked higher. If still tied, an objective tie-breaker (such as a random drawing) will be used.

1. **Clarification Interviews**

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

1. **Opportunity to Cure Administrative Errors**

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

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

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

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

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

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

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

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

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

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

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

## Stage One: Application Screening

| **Screening Criteria** *The Application must pass ALL criteria to progress to Stage Two.* | **Pass/Fail** |
| --- | --- |
| 1. The application is received by the due date and time specified in the “Key Activities Schedule” in Part I of this solicitation and is received in the required manner (e.g., no emails or faxes).
 | [ ]  Pass [ ]  Fail |
| 1. The application addresses only one of the eligible project groups, as indicated by the information the Applicant enters into the ECAMS system.
 | [ ]  Pass [ ]  Fail |
| 1. If the applicant has submitted more than one application for the same project group, each application is for a distinct project (i.e., no overlap with respect to the technical tasks described in the Scope of Work, Attachment).

*The CEC may conduct a clarification interview with an applicant to clarify and/or verify information in its applications to help CEC determine whether each application is for a distinct project. The final determination shall be made solely by CEC.* | [ ]  Pass [ ]  Fail |
| 1. The Application includes Commitment Letters that total the minimum of 25% in match share of the total requested CEC funds as specified in Section I.D. The match funding commitment letter(s) is signed and received by the due date listed in the schedule.
 | [ ]  Pass [ ]  Fail |
| 1. The application includes only the eligible technology(ies) listed for its associated Group in Section II.B.2.
 | [ ]  Pass [ ]  Fail |
| 1. The project location is a food processing or eligible supporting facility located in California and meets the requirements in Section II.A.
 | [ ]  Pass [ ]  Fail |

**Screening Criteria for Past Performance**

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

## Stage Two: Application Scoring

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

**Scoring Scale**

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

**Scoring CRITERIA**

**The Project Narrative Attachment** must respond to each criterion below. The responses must directly relate to the solicitation requirements and focus as stated in the solicitation. Any estimates of energy savings or GHG impacts should be calculated as specified in the FPIP Benefit Calculator (Attachment 8), to the extent that the references apply to the proposed project.

| **Scoring Criteria** | **Possible Points** |
| --- | --- |
| 1. **Technical Merit and Need**

For each proposed technology:1. Justifies that the proposed technology is commercially available, is a drop-in replacement or addition to current systems, and will provide greater GHG emission reductions, energy efficiency, and grid support than current best practices or industry-standard equipment. The proposed project provides a clear and concise description of the technological or scientific knowledge advancement, innovation, or both that will overcome barriers to achieving the State’s statutory energy goals.

**OR**1. Justifies why the proposed technology is a commercially available, cutting-edge emerging technology, not widely used in California, not drop-in ready replacement equipment or addition, and how it will lead to technological advancement and lead to reduction of GHG emissions, energy efficiency, and/or grid support at the applicant’s food processing or related support facility. Must be a technology readiness level of 8 or higher and commercially proven at similar food processing facilities with documented results of continued performance of at least 12 months.
 | **20** |
| 1. **Technical Approach**
	1. Describes the technique, approach, and methods to be used in performing the work described in the Scope of Work, including demonstrated ability to successfully implement the proposed project.
	2. Includes a Scope of Work that identifies goals, objectives, and deliverables; details the work to be performed; and aligns with the information presented in Project Narrative.
	3. Identifies and discusses factors critical for success in addition to risks, barriers, and limitations, and provides a plan to address them. Factors critical for success include:
* Risks, barriers, and other limitations, including those related to environmental permitting, CEQA, and food processing scheduling, and how these will be mitigated to successfully complete the project within the grant term. Discuss any outstanding permitting issues (e.g., local air districts), local community issues, or equipment performance tests to be completed prior to equipment installation at the facility(ies) and how and when these matters will be resolved.
* How the facility(ies) will handle and deal with events such as COVID-19, including their impacts on energy use, operating schedule and budgets, staffing, volume and type of products produced, and any other impacts that could affect the successful implementation of the proposed project. Discuss how these impacts have been handled in the past or will be mitigated to improve the chance of project success.
* How the facility(ies) plans to overcome potential issues with equipment supply chain, installer availability, cost changes, and other impacts.
	1. Provides a clear and plausible M&V plan that describes how GHG emission reductions, energy savings, grid support, and other benefits specified in the application will be determined and measured.
	2. Describes the team qualifications, capabilities, and resources:
	+ Explains the team structure and how various tasks will be managed and coordinated. Ensures all prime and subrecipients key personnel and M&V key members are included.
	+ Describes the facility’s(ies’) infrastructure and resources available that directly support the project.
	+ If the applicant is the operator of the food processing facility(ies) but not the building owner, explains the relationship to the building owner and the disposition of any grant funded equipment.

**Note:** Evaluations of ongoing or previous CEC-funded projects, including project performance by applicant and team members, will be considered in scoring this criterion.  | **25** |
| 1. **Impacts and Benefits**
2. Provides justifiable and reasonable quantitative estimates of potential benefits:
* Annual GHG emission reductions at the applicant’s food processing facility(ies).
* Annual electricity reductions (kWh), energy cost reductions, peak load reduction and/or shifting (kW or kWh), infrastructure resiliency, and infrastructure reliability at the applicant’s food processing facility(ies).
* Other potential benefits for California, including additional air emission reductions (e.g., NOx), water savings, additional cost savings (thermal and BTUs), increased safety, and water reduction/reuse.
1. States the timeframe, assumptions with sources, and calculations for the estimated benefits, and explains their reasonableness. Includes baseline or “business as usual” over timeframe.
2. Provides cost-benefit analysis comparing CEC funds requested relative to estimated GHG emission reductions and energy savings (e.g., CEC dollars requested/ton of GHG emissions reduced).
3. Responds to the items listed in the technology description column in Section II.B.2, such as an economics/costs plan with the requested information.
 | **40** |
| 1. **Market Potential and Information Sharing**
	1. Identifies other market segments in California that can use the technology demonstrated, including size and penetration or deployment rates, with underlying assumptions.
	2. Discusses how the applicant has previously shared information on energy projects implemented with other food processors, such as meetings and workshops.
	3. Describes how the knowledge gained will be shared with other food processors and interested parties.
 | **10** |
| 1. **California-Based Vendor**

The score for this criterion will be calculated on a sliding scale based on the percentage of equipment funds spent with a California-based vendor and will be calculated using the following formula: $$\frac{CEC Funds towards California Based Vendors for Equipment}{Total CEC Funds for Equipment}×5 points$$ | **5** |
| **Total Possible Points for criteria 1− 5****(Minimum Passing Score for criteria 1− 5 is 70% or 70.00)** | **100** |
| **Preference Points** – Applications must meet the minimum passing score (Scoring Criteria 1 – 5) to be eligible for the additional points. |  |
| 1. **Priority Populations**

Proposals that meet the requirements of being located in and benefiting priority populations, as referenced in Section III.C.2.b, will receive the maximum points. **Proposals that do not meet the requirements will receive zero points**. | **10** |
| 1. **Electric Grid Benefits**

To receive additional points, the proposed project must reduce overall electric usage (kWh) during the facility’s utility rate peak periods. These reductions can result from implementing energy efficiency, load management, or electric generation projects. If multiple facilities are bundled under one application, an analysis must be provided for each individual facility. Additionally, explain whether these reductions result from energy efficiency or load flexibility projects. Preference points will be awarded based on the table below using the facility with the highest percentage reduction: $$\frac{Electrical energy \left(\frac{kWh}{yr}\right)Reduced+Electrical Energy \left(\frac{kWh}{yr}\right)Generated}{Total Facility Energy Usage (\frac{kWh}{yr})} X 100$$

|  |  |
| --- | --- |
| Facility Electrical Usage Reduction Percentage During Facility’s Utility Rate Peak Periods | Percentage of Possible Points (10) |
| ≥15% | 100% |
| ≥10% to <15% | 80% |
| ≥5% to <10% | 60% |
| ≥1% to <5% | 40% |

 | **10** |

1. Communities designated pursuant to Health and Safety Code section 39711 as representing the top 25% scoring census tracts from CalEnviroScreen along with other areas with high amounts of pollution and low populations as identified by the California Environmental Protection Agency. (<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>) [↑](#footnote-ref-2)
2. Communities within census tracts with median household incomes at or below 80 percent of the statewide median income or the applicable low-income threshold listed in the state income limits updated by the Department of Housing and Community Development. (<https://www.hcd.ca.gov/grants-and-funding/income-limits>) [↑](#footnote-ref-3)
3. Food processors and supporting facilities must also meet the requirements defined in Section II.A. [↑](#footnote-ref-4)
4. Technology readiness levels are a method for estimating the maturity of technologies during the acquisition phase of a program. Source: U.S. Department of Energy, “Technology Readiness Assessment Guide” https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf [↑](#footnote-ref-5)
5. Pacific Standard Time or Pacific Daylight Time, whichever is being observed. [↑](#footnote-ref-6)
6. This deadline does not apply to non-technical questions (e.g., administrative questions concerning application format requirements or attachment instructions), including questions regarding application submission in the ECAMS system or to questions that address an ambiguity, conflict, discrepancy, omission, or other error in the solicitation. Such questions may be submitted to the CAO listed in Section G at any time prior to 5:00 p.m. of the application deadline date. Please see Section G for additional information. [↑](#footnote-ref-7)
7. Please see Section I.G Questions and Section III.B Method for Delivery for more information. [↑](#footnote-ref-8)
8. This catch-all refers to other types of environmental reviews, such as those prepared under the National Environmental Policy Act (NEPA). [↑](#footnote-ref-9)
9. The FPIP program is authorized by Public Resources Code §§ 25663 – 25663.6. The guidelines adopted for the previous GGRF-funded FPIP do not apply to this FPIP program funded. [↑](#footnote-ref-10)
10. AB 32 (Statutes of 2006, chapter 488) [↑](#footnote-ref-11)
11. SBX 1-2 (Statutes of 2011, first extraordinary session, chapter 1) [↑](#footnote-ref-12)
12. AB 2514 (Statutes of 2010, chapter 469) [↑](#footnote-ref-13)
13. North American Industry Classification System is the standard used by Federal statistical agencies in classifying business establishments for the purposes of collecting, analyzing, and publishing statistical data related to the U.S. business economy. [↑](#footnote-ref-14)
14. https://www.energy.ca.gov/programs-and-topics/programs/industrial-decarbonization-and-improvement-grid-operations-indigo [↑](#footnote-ref-15)
15. <https://ww2.arb.ca.gov/our-work/programs/FRIP> [↑](#footnote-ref-16)
16. Technology readiness levels are a method for estimating the maturity of technologies during the acquisition phase of a program. Source: U.S. Department of Energy, “Technology Readiness Assessment Guide” <https://www2.lbl.gov/dir/assets/docs/TRL%20guide.pdf> [↑](#footnote-ref-17)
17. The examples provided are not intended to be all-inclusive. Applicants who are unsure if a project is eligible should submit a written question prior to the Deadline for Written Questions and project eligibility will be determined through the Questions and Answers Document. [↑](#footnote-ref-18)
18. California Air Resources Board CCI Quantification, Benefits, and Reporting Materials, <http://www.caclimateinvestments.ca.gov/tools> [↑](#footnote-ref-19)