

DOCKETED

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Project Title:	Reliability Reserve Incentive Programs
TN #:	271002
Document Title:	DEBA Prop 4 Tribal Listening Session Presentation Slides 2026-06-25
Description:	Presentation slides for the Proposition 4 DEBA Tribal Listening Session held on June 25, 2026. Purpose of Listening Session: present Prop 4 DEBA program overview and draft solicitation proposals for tribes to review and provide feedback on.
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Proposition 4 Distributed Electricity Backup Assets (DEBA) Grant Program Tribal Listening Session

Draft Solicitation – Distributed Energy Resources

Reliability, Renewable Energy, and Decarbonization Incentives Division

June 25, 2026





Purpose and Agenda

Prop 4 DEBA Grant Program, Draft Solicitation - DERs

Purpose:

- Present draft solicitation proposals and listen to feedback.

Agenda:

- DEBA Program and Proposition 4 overview
- Draft solicitation proposals
- Guiding Questions
- Open Discussion

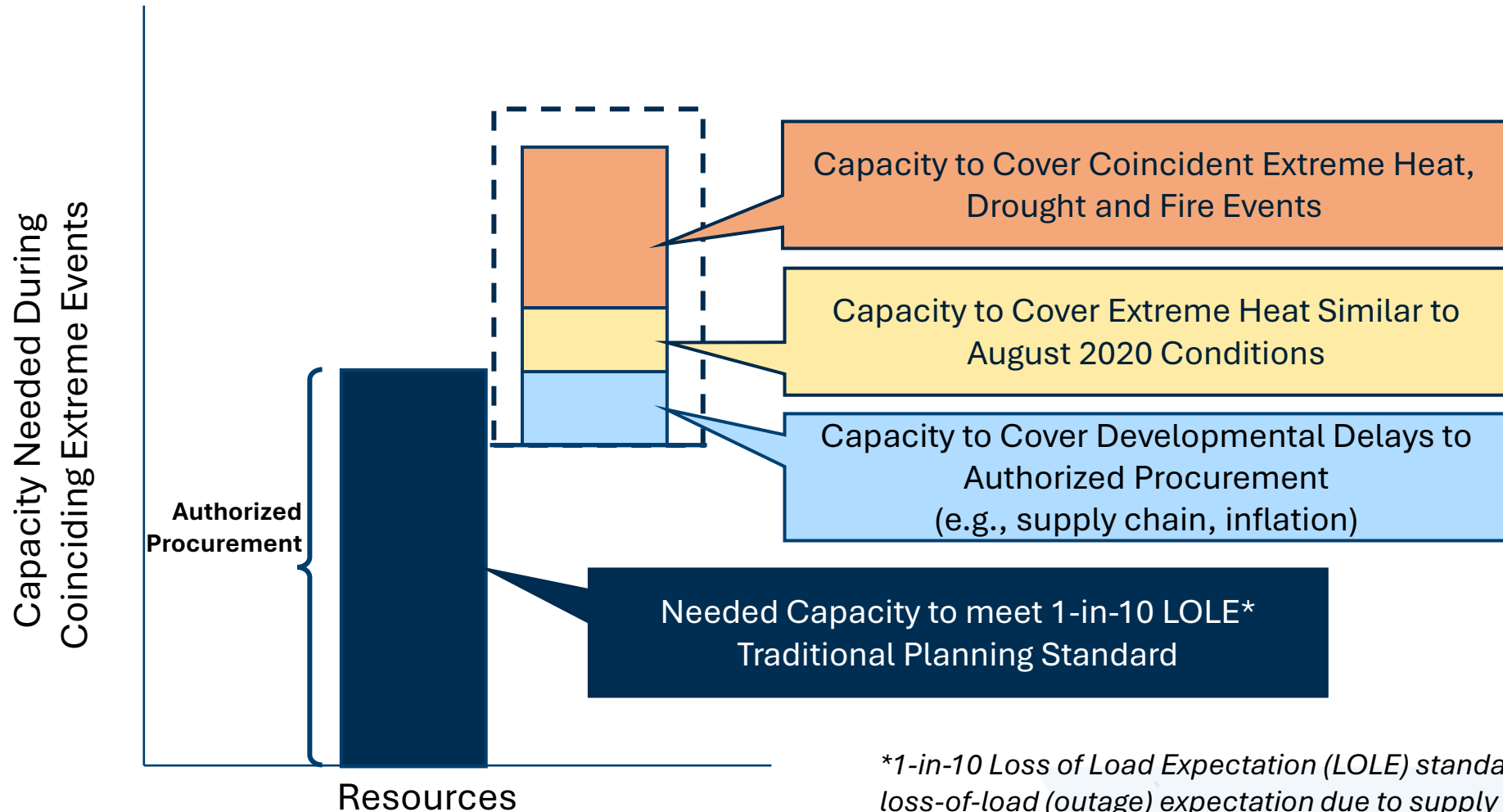


Distributed Electricity Backup Assets (DEBA)

Program Overview



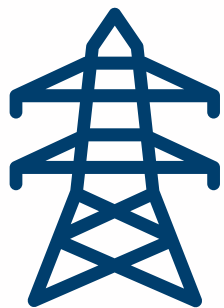
Why a Strategic Reliability Reserve?



**1-in-10 Loss of Load Expectation (LOLE) standard is a loss-of-load (outage) expectation due to supply shortfall maximum of once in ten years.*



Strategic Reliability Reserve Portfolio



**Electricity
Supply
Strategic
Reliability
Reserve**



**Distributed
Electricity
Backup Assets**



**Demand Side
Grid Support**



DEBA Program Overview

DEBA Program	
Authorizing Statute	• Assembly Bill 205 (Ting, Chapter 61, Statutes of 2022). • Public Resources Code sections 25791 and 25791.5.
Program Objective	Purchase of cleaner, more efficient distributed energy assets to serve as emergency supply or load reduction during extreme events.
Project Funding Categories	1. Bulk Grid Assets – <i>not accepting new applications</i> 2. Distributed Energy Resources (DERs) – solicitation in development

Funding recipients must participate as on-call emergency resources during extreme events.



Prop 4 Overview

The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024





Prop 4 Overview

Prop 4	
Total Appropriated Funding	\$46.1 million for grant awards
Encumbrance Deadline	June 30, 2028
Liquidation Deadline	June 30, 2030
Eligible Applicants	Public entities, nonprofits, tribes, public utilities
Eligible Technologies	• Prop 4: Zero-emissions distributed energy backup assets • SB 105: New clean microgrids; new non-residential or aggregated residential distributed clean energy and storage



Prop 4 Directed Priorities

Preferences	Equity Allocations
• Projects leveraging other funding sources to produce the greatest public benefit. • Applications using the CCC or certified community conservation corps. • Projects receiving federal funding that supports critical infrastructure, such as water utilities, if federal funding is secure and in place (SB 105)	• At least 40% of all Prop 4 funds allocated for projects providing meaningful and direct benefits to: ○ Vulnerable Populations (Tribes included) ○ Disadvantaged Communities (DACs) ○ Severely Disadvantaged Communities (SDACs) • Mapping tools are available



Key Activities Schedule

Prop 4 DEBA DER Solicitation

Activity	Anticipated Date
Draft solicitation released	June 12, 2026
Draft solicitation workshop	June 23, 2026
Tribal listening session	June 25, 2026 (today)
Deadline to submit written comments to DEBA docket	July 15, 2026
Anticipated final solicitation release	August/September 2026
Pre-application workshop	~2 weeks after Final Solicitation release
Deadline to submit applications	~90 days after Final Solicitation release
Anticipated Notice of Proposed Award (NOPA) posting date	Spring 2027
Anticipated CEC Business Meeting Award approvals	Summer 2027
Anticipated agreement start date	Summer/Fall 2027
Prop 4 encumbrance deadline (grant funds must be awarded)	June 30, 2028
Deadline to submit CEC-reimbursable invoices	March 2030 (~3 months prior to liquidation)
Prop 4 liquidation deadline (grant funds must be spent)	June 30, 2030



Prop 4 DEBA DER Draft Solicitation



Prop 4 DEBA DER Draft Solicitation



Proposed Parallel Processes for DEBA Awards

SB 105: No less than \$12.5M of appropriated DEBA Prop 4 funds shall provide state cost sharing for water utility projects receiving awards from DOE GRIP...only if that federal funding is secure and in place. CEC may award these funds expeditiously and non-competitively.

Total Available Funding for DEBA projects = \$46.1M

SB 105 – Direct Award Process* (State Cost Share for DOE GRIP)	Competitive Solicitation Process
Available Funding	Available Funding
\$12.5M - \$23.0M	TBD \$23.1M - \$46.1M

*Letter of Interest Deadline: July 6, 2026



Prop 4 DEBA/Draft Solicitation Highlights



- Competitive solicitation focused on:
 - Deployment of new, commercially available, zero-emission DERs that **increase supply** or **reduce (or shift) load**
 - Provide **new capacity** that is **incremental** to the State's Resource Adequacy supplies and existing Strategic Reliability Reserves and improves grid reliability



- Proposed projects must be located in California
- Development and operations must also occur in California, with the finished asset connected to the **distribution grid**
- Successful projects are expected to begin deploying DER resources quickly to meet statutory deadlines





Available Funding

Prop 4 DEBA Draft Solicitation

Total grant funding of \$23M.1 to \$46.1M is anticipated for competitive awards

Available CEC Funding	Minimum Award	Maximum Award	Minimum Match Funding
\$23.1-46.1 million	\$2,000,000	\$8,000,000	25%

- Minimum match funding example: A project requesting \$8,000,000 in CEC funding must contribute an additional minimum of \$2,000,000 in match funds.
- Match funding may be cash or in-kind
 - Must submit commitment letters **at the time of application**
- Up to 5 preference points are available for exceeding minimum match funding



Eligible Applicants

Prop 4 limits eligible applicants to:

- public agency
- local agency
- nonprofit organization
- special district
- joint powers authority
- tribe
- public utility
- local publicly owned utility
- mutual water company

An Eligible Applicant may submit **multiple applications** if each application is for a different combination of eligible technologies or different identifiable project sites.

Find partners!

CEC Empower Innovation:
<https://www.empowerinnovation.net/en/custom/funding/view/53978>



Location and Site

- Both behind-the-meter (BTM) and front-of-the-meter (FTM) DERs are eligible
- Non-Residential and Aggregated Residential sites are eligible
- Single site or multiple distinct sites allowed
- Verified site control documentation required for each site (except residential), including, but not limited to:
 - Executed lease agreement or host site agreement
 - Recorded easement
 - Proof of property
 - Letter of Commitment from project partner, if applicable



Eligible Technologies

Must be new, zero-emission*

1. Energy Storage

- Battery Energy Storage System (BESS), thermal energy storage (TES)
- Other mechanical or gravitational storage equipment, such as pumped hydro
- Stationary storage as part of VGI infrastructure, excluding vehicle equipment

2. Load Flexibility Enabling Technologies

- Smart thermostats and other HVAC controls
- Water heater controllers
- Advanced motor controls like variable frequency drives
- VGI infrastructure used for bidirectional charging, excluding vehicle equipment

3. Zero-Emission Distributed Generation Technologies

- Waste heat-to-power

4. Microgrids

- Components, such as an advanced microgrid controller

*Includes both greenhouse gas (GHG) and criteria pollutants.



Ineligible Technologies

1. Projects relying on occupant behavioral changes
2. Diesel generators
3. Variable renewable resources, such as solar PV (including community solar) and wind turbines
4. Load-only appliances, such as electric water heaters, HVAC, EVs
5. Distributed generation technologies that use chemical fuel and are not zero-emissions



Project Capacity and Duration

- **Nominated Capacity:** Proposed project's incremental capacity to be committed to improving grid reliability.
- Projects will be assessed based on a **4-hour** or “rated” capacity.
 - **Rated Capacity:** the average power output or load shift/reduction level that can be sustained over a 4-hour period.
 - If nominated capacity level can be maintained for 4 or more hours, the nominated and rated capacity will be considered equal.
- **Full Duration:** the maximum duration (hours) nominated capacity can be sustained.

Example:

- Aggregate nominated capacity: 20 MW
- Aggregate storage capacity: 40 MWh
- Full duration: 2 hours
- ➔ Rated capacity: 10 MW



Performance Pathways

Applicants must choose one of the following operational pathways and perform for 3 “**program seasons**”:

- 1. Market-Integrated:** Dispatch in response to the applicable California BA market instructions.
- 2. Market-Aware:** Dispatch in response to the applicable BA’s “market” event.
- 3. Hourly Dynamic Rate:** Dispatch in response to an hourly dynamic retail rate tariff.
- 4. Daily Dispatch:** Dispatch daily in designated hours.

	FTM	BTM Storage	BTM Distributed Generation	BTM Load Flex
Pathway 1: Market-Integrated Dispatch	Yes	Yes	Yes	Yes
Pathway 2: Market-Aware Dispatch	N/A	N/A	N/A	Yes
Pathway 3: Hourly Dynamic Pricing Dispatch	N/A	Yes	Yes	Yes
Pathway 4: Daily Dispatch	N/A	Yes	Yes	Yes

N/A = Not Available

Program season: May 1 – October 31



Dispatch Requirements

Applicable to all performance pathways

- Project operators are expected to make the project resource(s) nominated capacity available every day during Program Hours (4:00 p.m. – 9:00 p.m)
- Project resource(s) must be available for a full duration dispatch, consistent with the selected pathway requirements.
- Resources must be dispatched in response to all **Program Events**, as defined below:

Requirement	Description
1. Day-Ahead Events	• Day-ahead Market events • CAISO day-ahead market price $\geq$ \$200/MWh, or • Load (or net load) exceeds a specified threshold set by the host BA - OR • Day-ahead EEA Watch
2. Day-of Events (EEA)	• If an EEA Watch or above issued for the same day by the host BA
3. Test Events	• In the absence of a full duration day-ahead event in any month during the program season, a full duration dispatch must be conducted as a test event



Measurement Hours

Applicable to all performance pathways

The project's demonstrated capacity for the selected performance pathway will be measured during the applicable **Measurement Hours** as defined below:

1. Any required test events (as applicable for the pathway)
2. Hours in which a day-ahead EEA Watch is called
3. All day-ahead market events up to a maximum of the top 48 hours with the:
 - highest *day-ahead* locational marginal prices (LMPs) (CAISO)or
 - highest load (net load) (Non-CAISO balancing authority area)



Measurement & Verification

1. Dispatch Performance

- Measured generation, discharge, or load impact
 - Applications must include proposed measurement methodology details, such as baseline approach, as applicable

2. Determination of Demonstrated Capacity Performance

- **Non-weather-sensitive projects:** LMP-weighted average of measured hourly dispatch performance
- **Weather-sensitive projects:** LMP-weighted regression of hourly dispatch performance (or load impacts) as a function of temperature



Reporting Requirements

Recipients must develop and submit the following:

1. **Progress Reports** on site construction, operations, and performance, and any benefits to Disadvantaged Communities or Vulnerable Populations.
 2. **Annual Evaluation of Project Performance Report** at the end of each calendar year.
 - Must report on 3 program seasons of performance after project online date.
 - **Project Online Date:** the date the project is considered active and operational consistent with the selected performance pathway
 3. **Final Report** at the conclusion of the agreement term.
- CEC funds cannot be used after the liquidation deadline (June 30, 2030). Match funds may be used.



Project Readiness Requirements

Requirement	Description
CEQA and Land Use Permitting:	Documentation of completed or pending approval of the project by the local land use authority.
	As applicable, documentation of a local agency's determination of CEQA exemption.
Fire Safety Permitting:	As applicable, documentation from the local fire marshal specifying permitting status and safety measures.
Utility Interconnection:	As applicable, documentation of the status of any interconnection studies.

Relevant Application Attachments to Demonstrate Project Readiness:

- Project Narrative (Attachment 02)
- Project Schedule (Attachment 04)
- CEQA Compliance Form (Attachment 07)
- Project Readiness Checklist (Attachment 12)



Environmental Requirements

CEC must make environmental findings, relying on CEQA documentation and/or equivalent environmental assessment from the Lead Agency, when considering a proposed award at a business meeting.

CEC will prioritize projects where there is:

- A local or other state agency serving as the Lead Agency under CEQA;
- Existing environmental documentation that the CEC can rely upon under CEQA to make its own independent findings as a Responsible Agency



Application Content

Attachments	
1. Application Form	7. CEQA Compliance Form (required for <u>each</u> geographically distinct location)
2. Project Narrative Form	8. Past Projects Information
3. Project Team Form	9. Commitment and Support Letters Form
4. Scope of Work	10. Measurement & Verification Form
5. Project Schedule	11. Applicant Declaration
6. Budget	12. Project Readiness Checklist



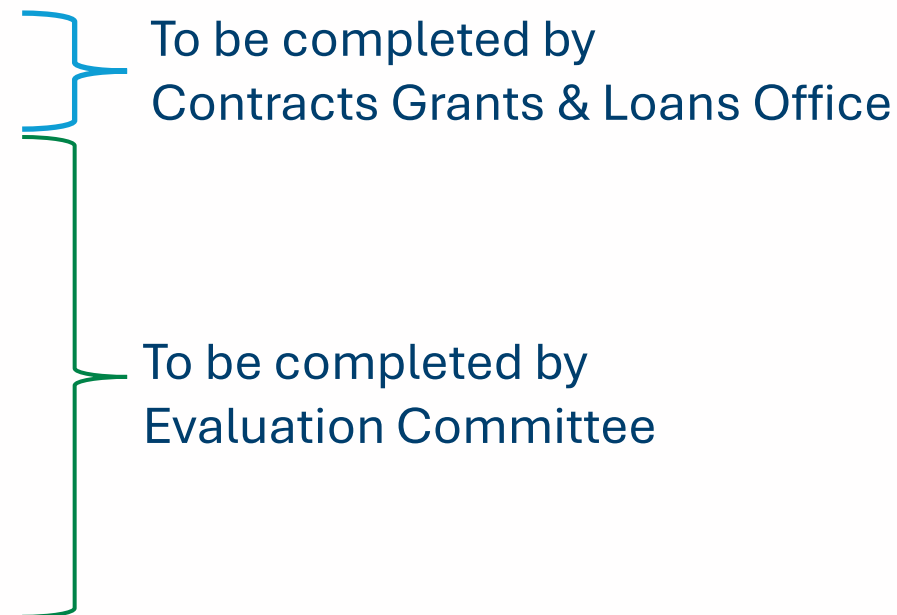
Application Evaluation

Phase One:

- Administrative Screening (Pass/Fail)
- Technical Screening (Pass/Fail)
- Past Performance Screening (Pass/Fail)

Phase Two:

- Technical Evaluation (Scoring Criteria)





Scoring Criteria

Base Points

Applications passing all screening criteria will be submitted to the Evaluation Committee.

- Evaluation Committee applies the scoring scale to the scoring criteria.
- A minimum score of:
 - 70% for Criterion 1,
 - 70% for Criterion 2,
 - 70% for Criterion 3,
 - 70% for Criteria 1-5

is required for the application to be eligible for funding.

Scoring Criteria		Max Points
1	Contribution to Reliability and Other Benefits	25
2	Project Timeline and Management	25
3	Project Readiness	20
4	Funding and Reasonable Budget	15
5	Cost-Effectiveness	15
Total Possible Points		100



Scoring Criteria

Preference Points

Applications must meet all minimum passing Base Points scores to be eligible for additional Preference Points.

An Application can earn a maximum of 25 Preference Points.

Preference Points		Max Points
6	Direct and Meaningful Benefits to Vulnerable Populations and (Severely) Disadvantaged Communities	10
7	Exceeding Minimum Match Funding Requirement	5
8	Received Federal Funding that Supports Critical Infrastructure	5
9	Application Uses Services of Community Conservation Corps	5
Total Maximum Preference Points		25



Scoring Scale

- For each criterion/sub-criterion, an application will be scored on a scale from 0% - 100% based on scale table =>
- For example, if a particular criterion of the application is worth 10 points, the table on this slide will inform how many points are awarded.
- When preparing the application, please carefully review the description of the quality level required in the application's response to achieve a particular 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.



#6 Direct and Meaningful Benefits to Vulnerable Populations and (S)DACs

Preference Points

Maximum Points: 10

Preference points available for projects proposing meaningful and direct benefits to Vulnerable Populations and (Severely) Disadvantaged Communities.

The Applicant must address:

- What benefit(s) will the project provide?
- Who is receiving the benefits?
- Are the anticipated project benefits “meaningful and direct”?

See CNRA “Meaningful and Direct Benefits Assessment” for guidance.

Community Category	Score
Vulnerable Populations	10
Severely Disadvantaged Community (SDAC)	10
Disadvantaged Community (DAC)	5

- The maximum and minimum score possible are 10 and 5.
- Preference points based on the highest scoring category only.
- Categories will not be added or averaged.

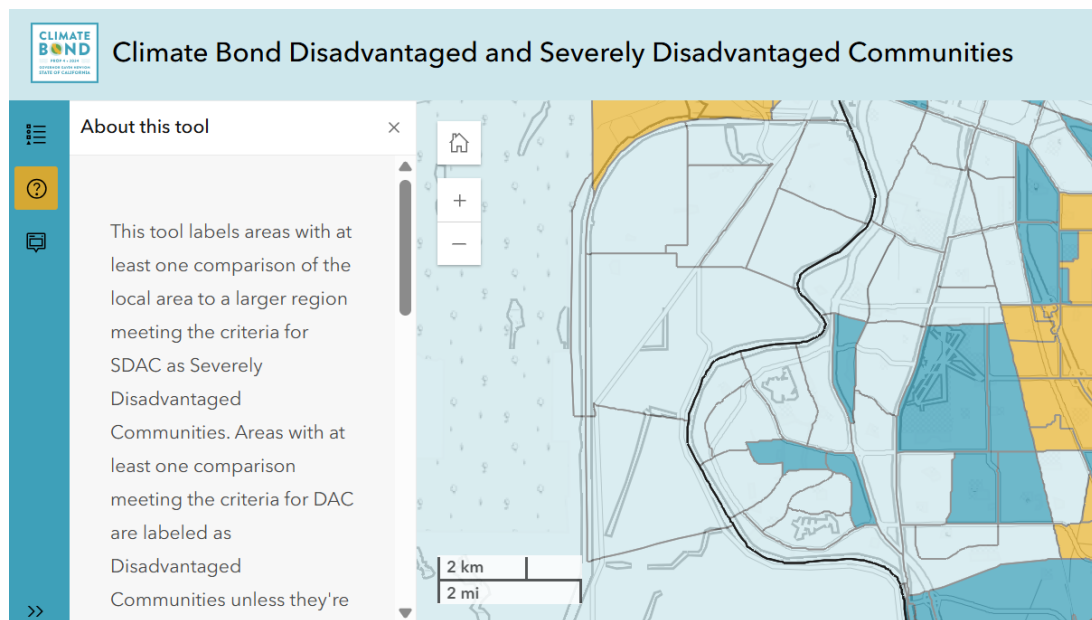


Vulnerable Populations and (S)DACs

Mapping Tools

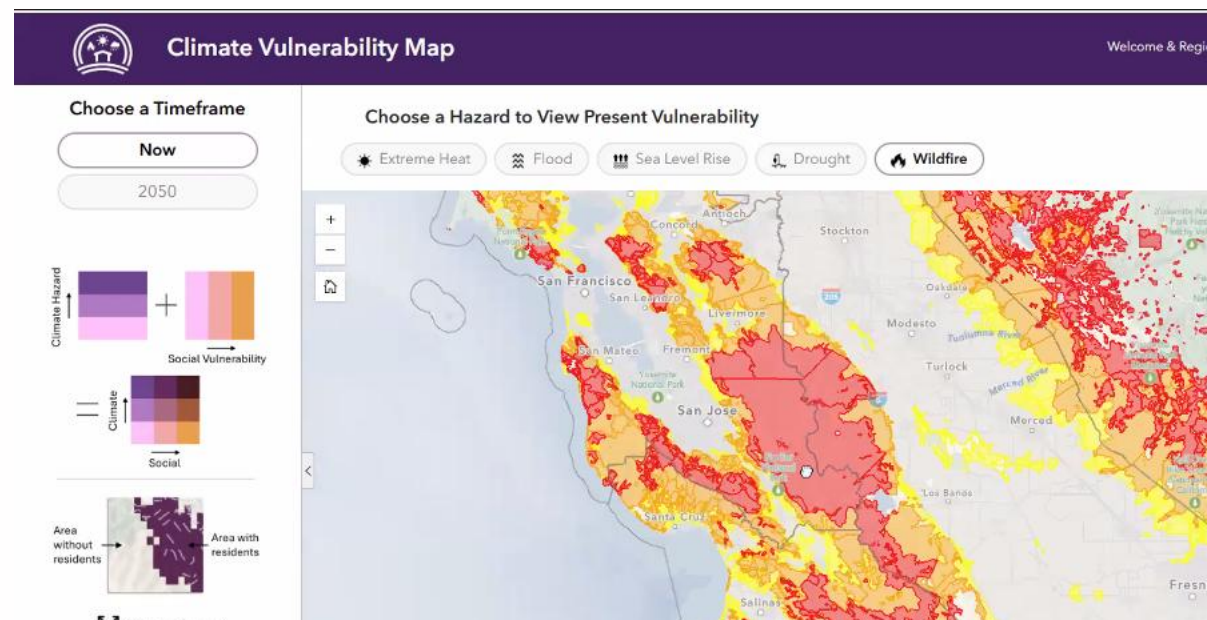
Climate Bond DAC Map:

<https://experience.arcgis.com/experience/aa723fdf521a44c9a428f1a46cd38a09>



Vulnerable Communities Platform:

<https://vcp.lci.ca.gov/>



If seeking points for benefits to vulnerable populations (except tribes), application must include a report (using the VCP Report Generator) demonstrating qualifying communities meet the VCP requirements.



Ranking and Notice of Proposed Awards



Applicants passing administrative, technical, and past performance screening will **compete based on evaluation criteria** and will be scored and ranked based on those criteria.



Applications with a minimum passing score will be recommended for funding in **ranked order** until all funds available are exhausted.



If the funds available are insufficient to fully fund a grant proposal, CEC reserves the right to recommend **partially funding** that proposal.



Projects recommended for funding will be included in a Notice of Proposed Awards (NOPA).



Guiding Questions

Prop 4 DEBA DER Draft Solicitation





Guiding Questions

1. What challenge(s) would your tribe like to address regarding the proposed Proposition 4 DEBA solicitation?
2. How can CEC staff best incorporate tribal priorities into the final solicitation?
3. What types of microgrids or distributed energy resources does your tribe currently have deployed, if any?



Open Discussion

Prop 4 DEBA DER Draft Solicitation





Comments/Feedback

- **General Inquiries:** DEBA@energy.ca.gov
- **DEBA Docket:** Docket No. 22-RENEW-01
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-RENEW-01>
- **DEBA Webpage and email subscription enrollment:**
<https://www.energy.ca.gov/programs-and-topics/programs/distributed-electricity-backup-assets-program>
- **Tribal Affairs Team contact:** Please contact the CEC's Director of Tribal Affairs, Sierra Graves at tribalaffairs@energy.ca.gov.