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**CALIFORNIA
ENERGY COMMISSION**



California Energy Commission

PROPOSED PROGRAM GUIDELINES

Distributed Electricity Backup Assets (DEBA) Program Guidelines, First Edition

(Assembly Bill 205, 2022)

Please Note: Proposed language changes appear in formatted text. Please refer to the Preface for details of the formatted text key codes that indicate modifications to the text.

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California Energy Commission

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DISCLAIMER

These proposed guidelines are anticipated to be considered by the California Energy Commission (CEC or Energy Commission) at a future business meeting after considering public comments. The requirements in these guidelines are based on applicable law, including Public Resources Code Section 25791. As a staff proposal, the proposed guidelines do not represent the views of the CEC or of the State of California. This draft document has not been approved or disapproved by the CEC, nor has the CEC passed upon the accuracy or adequacy of the information in this document.

PREFACE

This *Distributed Electricity Backup Assets Program: Proposed Guidelines First Edition*, includes changes to the guideline language from the Distributed Electricity Backup Assets Program: Proposed Draft Guidelines First Edition, posted on August 11, 2023 (Draft, TN 251593). Proposed language appears in bold underline (**example**) and proposed deletions appear in strikethrough (~~example~~).

To effectively include access to the formatted text for all users, please refer to the following key codes, which are included for all formatted text changes.

- “(bbu)” means begin bold underline text.
- “(ebu)” means end bold underline text.
- “(bst)” means begin strikethrough text.
- “(est)” means end strikethrough text.

ABSTRACT

Created by Assembly Bill (AB) 205 (Ting, Chapter 61, Statutes of 2022) as part of the Strategic Reliability Reserve, the Distributed Electricity Backup Assets (DEBA) Program offers incentives for building cleaner and more efficient distributed energy assets. These distributed energy assets will serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events. These program guidelines for the DEBA Program establish the rules for the program, including eligibility requirements, participation process, and incentive structure.

Keywords: AB 205, DEBA, distributed resource, bulk grid assets, extreme event, demand response, backup generation, load reduction, Strategic Reliability Reserve

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TABLE OF CONTENTS

Page

Abstract	i
Table of Contents.....	iii
List of Tables	iv
CHAPTER 1: Program Overview	1
A. Summary of Key Program Design Elements	1
B. Background	1
C. Program Budget.....	1
CHAPTER 2: Program Design	3
A. Project Selection Requirements.....	3
1. Eligibility Requirements	3
2. Funding.....	4
3. Key Funding Deadlines.....	5
4. Solicitation Process	5
B. Project Evaluation and Administrative Screening	6
C. Project Implementation Requirements.....	9
D. Project Performance and Reporting Requirements.....	10
E. Disbursement of Awarded Grant Funds	10
CHAPTER 3: Administrative Requirements	11
A. DEBA Guideline Authority	11
B. Effective Date of the DEBA Program Guidelines	11
C. California Environmental Quality Act.....	11
D. Prevailing Wage.....	12
E. Authorized Third Parties	12
F. Audits and Access to Facilities.....	12
G. Record Retention	12
H. Use and Disclosure of Information and Records and Confidentiality.....	13
I. Enforcement.....	13
J. Severability.....	14
K. Waiver	14
Reference Documents	15
Glossary	16
Key Words and Terms	16

LIST OF TABLES

	Page
Table 1: DEBA Program Budget Allocation	2
Table 2: Anticipated DEBA Funding Allocation	4
Table 3: Screening Criteria	6
Table 4: Example Technical Scoring Criteria for Bulk Grid Assets.....	7
Table 5: Example Technical Scoring Criteria for Distributed Resources	8

CHAPTER 1:

Program Overview

A. Summary of Key Program Design Elements

Created by Assembly Bill (AB) 205 (Ting, Chapter 61, Statutes of 2022) as part of the Strategic Reliability Reserve, the Distributed Electricity Backup Assets (DEBA) Program provides incentives for constructing cleaner and more efficient distributed energy assets. These distributed energy assets will serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events (as defined in Public Resources Code [PRC] Section 25790.5[b]). Eligible projects include (1) efficiency upgrades, maintenance, and capacity additions to existing power generators and (2) new zero- or low-emission technologies at existing or new facilities. Initial funding for the DEBA Program will be awarded through one or more grant funding opportunity (GFO) solicitation processes. (bbu) **DEBA solicitations will be designed to attract clean resources into the Strategic Reliability Reserve while not inadvertently discouraging clean resources from participating in the state's Resource Adequacy program.** (ebu)

B. Background

(bbu) **AB 205 created the Strategic Reliability Reserve to support the state's electric grid reliability during extreme events. PRC Section 25790(c) states, "As California transitions to a clean energy future and contends with climate impacts and other challenges, sufficient capacity of new and existing generation assets will be required to maintain reliability during extreme events."** (ebu)

AB 205 requires the CEC to implement and administer the DEBA Program, codified in PRC Sections 25791 and 25791.5. The DEBA Program will provide incentives for constructing cleaner and more efficient distributed energy assets and efficiency upgrades, maintenance, and capacity additions to existing power generators that will serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events, such as heat waves.

PRC Section 25791(c) directs the CEC to develop guidelines for the DEBA Program. The guidelines shall include a loading order that aims to achieve electricity reliability and prioritizes feasible, cost-effective demand response and efficiency resources; then feasible, cost-effective renewable and zero-emission resources; and then feasible, cost-effective conventional resources. The guidelines shall also consider the anticipated useful life of the resources in relation to the state's climate and air quality requirements.

C. Program Budget

DEBA Program funding is authorized under Assembly Bill 180 (Ting, Chapter 44, Statutes of 2022) and Assembly Bill 102 (Ting, Chapter 38, Statutes of 2023) with a program

budget of \$595 million. About \$545,000,000 was authorized in Fiscal Year 2021–2022 and the remainder in future years.

Table 1: DEBA Program Budget Allocation

Fiscal Year	2021–22	2022–23	2023–24	2024–25	2025–26
Program Funding in Millions	\$545	--	--	\$25	\$25

Source: California Energy Commission

CHAPTER 2:

Program Design

A. Project Selection Requirements

1. Eligibility Requirements

a. Eligible Applicants

The DEBA Program is available to all public and private entities. Applicants must intend to own or operate the eligible project.

b. Eligible Projects

The DEBA Program seeks to offer incentives for the construction of cleaner and more efficient distributed energy assets and efficiency upgrades, maintenance, and capacity additions to existing power generators that will serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events.

Eligible projects must be located in California (bst), ~~interconnected to California's electrical grid,~~ (est) and provide expected electricity supply or load reduction that will be available to California during extreme events.

The enabling statute of the DEBA Program authorizes funding for two categories of projects: (1) efficiency upgrades, maintenance, and capacity additions to existing power generators and (2) new zero- or low-emission technologies, including, but not limited to, fuel cells or energy storage, at existing or new facilities.

Eligible projects under each project funding category are outlined below:

- **Category 1: Bulk Grid Assets:** Efficiency upgrades, maintenance, and capacity additions to existing power generators.

Eligible bulk grid projects must increase the nameplate capacity of an existing power generator or the power output of an existing facility (bbu) **that is interconnected in California to the bulk transmission grid** (ebu).

Examples of eligible projects in this category include:

- Efficiency upgrades at existing power generators.
 - Clean back-up generation or storage sited at existing power generators.
 - Waste heat to power integrated with existing power generators.
- **Category 2: Distributed Resources:** New zero- or low-emission technologies, including, but not limited to, fuel cells or energy storage, at existing or new facilities (bbu) **in California with the first point of interconnection that is not on the bulk transmission grid. Projects in**

this category may be located either behind the meter or in front of the meter.¹(ebu)

Examples of eligible projects in this category include:

- Load flexibility controls, supervisory control and data acquisition (SCADA) systems, demand-response aggregation software.
- Fuel cells.
- (bst) Battery (est) (bbu) **Energy** (ebu) storage.
- Linear generators.
- Microgrids.
- Microturbines.
- Vehicle-to-grid integration.
- Battery-backed electric vehicle charging.
- Pumped hydroelectric storage.
- Combined heat and power systems.

c. Ineligible Projects

The following projects are ineligible to receive funding from the DEBA Program:

- New diesel backup generators regardless of fuel (diesel, biodiesel, or renewable diesel or a combination)
- Variable renewable resources, such as solar photovoltaics or wind turbines, without paired energy storage devices

2. Funding

The DEBA Program funding may be awarded through one or more GFO solicitation processes, subject to budget availability, as described in these Guidelines. The DEBA Program may release several GFO solicitations, depending on identified electrical grid reliability needs in the state, project opportunities, and available funding. The CEC may also choose to allocate funding through other state administrative processes after the initial phase.

Table 2: Anticipated DEBA Funding Allocation

Funding Category	Funding Allocation
Bulk Grid Assets	Up to \$100 million
Distributed Resources (bst) [±] (est) (bbu) [±] (ebu)	Up to \$445 million

Source: California Energy Commission

(bbu) **1 This includes microgrids that can provide grid services at the transmission level.** (ebu)

(bst) [±] (est) (bbu) **2** (ebu) This includes CEC administrative costs and funding to be used in the Climate Heat Impact Response Program as required by Public Resources Code section 25791.5.

At least 25 percent of the funding shall be awarded to projects located in local publicly owned electric utility service territory (bst) ~~and at least 25 percent of distributed resource project funding shall be awarded to projects located in or benefiting disadvantaged communities.~~ (est) (bbu) **Additionally, the DEBA Program will seek to award at least 50 percent of distributed resource project funding to projects located in or benefiting disadvantaged communities.** (ebu) DEBA funding may also be directed to leverage federal funding opportunities.

If all funding originally allocated to a particular funding category or funding round is not disbursed at the conclusion of that funding round, undisbursed funds may be reallocated to a future funding round. This reallocation will vary depending on existing and projected applicant demand and the state's grid reliability needs. The CEC may conduct additional funding cycles if funds are available or additional funds are allocated to the program.

3. Key Funding Deadlines

All funds appropriated to the DEBA Program in the FY 21–22 budget cycle must be encumbered (committed) in grant awards no later than June 30, 2026. Grant funds must be liquidated (spent by the grant recipient and reimbursed by the CEC) no later than June 30, 2030.

If additional funds are allocated to the DEBA Program in the future, funding encumbrance and liquidation requirements will be delineated in future GFOs or guidelines or both.

4. Solicitation Process

A [GFO solicitation](http://www.energy.ca.gov/contracts/) will be posted on the CEC website at <http://www.energy.ca.gov/contracts/>.

Information necessary to submit an application shall be provided in the GFO solicitation and shall be consistent with these guidelines. The GFO solicitation shall include solicitation objectives, eligibility requirements, schedule, scoring criteria, application forms, and other required templates, along with the terms and conditions included in agreements for all awarded projects.

CEC staff shall hold a preapplication workshop reviewing the GFO solicitation process with potential applicants. Workshop attendance may be in person or via remote access. Participation is optional but strongly encouraged. The workshop shall provide an opportunity for potential applicants to ask questions on the solicitation and the application process. Following the workshop, CEC staff shall provide an opportunity for interested parties to submit written questions about the solicitation. A response to all questions shall be posted on the CEC website as indicated in the solicitation. Any revisions, corrections, and clarifications on the solicitation shall also be posted on the CEC website and announced through the appropriate email subscription topics.

All applications shall be scored according to a set of selection criteria. When scoring for the solicitations is complete a notice of proposed award (NOPA) shall be released

providing the rank of each applicant based on overall score. The GFO solicitation will specify if the funding will be awarded competitively or based on passing scores.

After the NOPA is released, all applicants shall be notified of the results, and a CEC representative shall begin working with each awardee to develop an agreement for the awarded project. Once the agreements are finalized, they shall be presented and approved at an Energy Commission business meeting. After approval at an Energy Commission business meeting, the grant agreement shall be signed by all parties.

B. Project Evaluation and Administrative Screening

Applications shall be evaluated and scored based on responses to the information requested in the solicitation. To evaluate applications, the CEC shall organize an evaluation committee consisting of CEC staff possessing applicable energy operations or electrical grid reliability expertise or both. Proposals shall be evaluated in two stages: application screening and technical scoring.

Application screening is a series of pass/fail administrative requirements as described in Table 3 below. All applications not passing all the administrative screening requirements are disqualified and shall not move on to the scoring stage. The following screening criteria shall be used for all funding categories in the DEBA Program:

Table 3: Screening Criteria

Screening Criteria
<i>The applications must pass ALL screening criteria to progress to Stage 2.</i>
<ul style="list-style-type: none"> • The application is received by the due date and time specified in the solicitation.
<ul style="list-style-type: none"> • The application is submitted and, if a signature is required, the form is signed.
<ul style="list-style-type: none"> • The requested funding falls within the minimum and maximum range specified in the solicitation.
<ul style="list-style-type: none"> • The proposed project meets any required minimum MW or MWh amounts specified in the solicitation
<ul style="list-style-type: none"> • If the applicant has submitted more than one application, each application is for a distinct project.
<ul style="list-style-type: none"> • If applicant is the property owner, the proposal identifies and provides evidence of property ownership for all affected parcels. • If the applicant will own, but not operate, the asset in question, they must provide details on the third party that will operate the asset and guarantee its ability to perform during emergency events. • If the applicant is a third-party provider (vendor or installer) submitting the application on behalf of the intended owner/operator of the resource, a signed letter of authorization from the DEBA Program participant is included as part of the application package specifying any authority or responsibility delegated to the third party.

Source: California Energy Commission

Proposals passing the application screening process are then scored by an evaluation committee. The technical scoring criteria will be tailored with each GFO solicitation based on program funding targets and the state’s grid reliability needs.

The following are examples of the technical scoring criteria that may be used for DEBA Program GFO solicitations for bulk grid assets:

Table 4: Example Technical Scoring Criteria for Bulk Grid Assets

Technical Scoring Criteria	
1. Applicant and Project Eligibility	a. Proposal demonstrates the applicant and project have met all eligibility requirements as specified in the solicitation manual.
2. Resource Longevity	a. Proposal describes the anticipated useful life of the project in relation to the state’s climate and air quality requirements.
3. Capacity and Availability	<ul style="list-style-type: none"> a. Total amount of additional power (in MW and MWh) that the project would provide to the state. b. Maximum hours available for dispatch during peak load (between the hours of 4 p.m. to 10 p.m.). c. Proposal describes a clear and reasonable measurement and verification plan that describes how performance during an emergency electrical grid event, including additional power generated, will be metered, documented, and reported to the CEC for verification.
4. Cost	<ul style="list-style-type: none"> a. Cost-effectiveness of dollar value of DEBA funding per MW of additional power. b. Proposal provides a detailed budget proposal, including the dollar value of DEBA funding per MW of additional power.
5. Readiness:	<ul style="list-style-type: none"> a. Estimated project completion date in relation to immediate electrical grid needs and program funding timelines. b. Proposal provides justifiable and reasonable estimation of the project completion date and when the resource will be fully operational. c. Proposal describes a reasonable approach to performing the work with a clear description of all project task and subtasks, with identified outcomes and deliverables. d. Proposal identifies and discusses factors critical for success, such as risks, barriers, environmental permitting and California Environmental Quality Act (CEQA), utility or balancing authority interconnection studies and/or approval,

supply chain issues, schedules for operations, climate or weather considerations, and other limitations, and how these will be addressed to successfully complete the project within the grant term.

Source: California Energy Commission

The following are examples of the technical scoring criteria that may be used for DEBA Program GFO solicitations for distributed resources:

Table 5: Example Technical Scoring Criteria for Distributed Resources

Technical Scoring Criteria	
1. Applicant and Project Eligibility	a. Proposal demonstrates the applicant and project have met all eligibility requirements as specified in the solicitation manual.
2. Loading Order	a. Project is higher in the loading order identified in Assembly Bill 205 (Ting, Chapter 61, Statutes of 2022), which prioritizes feasible, cost-effective demand response and efficiency resources, then feasible, cost-effective renewable and zero-emission resources, and then feasible, cost-effective conventional resources.
3. Resource Longevity	a. Proposal describes the anticipated useful life of the project in relation to the state’s climate and air quality requirements.
4. Capacity and Availability	<p>a. Total amount of load reduction or additional power or both (in MW and MWh) that the project would provide to the state.</p> <p>b. Maximum hours available for dispatch during peak load (between the hours of 4 p.m. to 10 p.m.).</p> <p>c. Proposal provides a clear and reasonable measurement and verification plan that describes how performance during an emergency electrical grid event, such as total amount of load reduction or additional power generated, will be metered, documented, and reported to the CEC for verification.</p>
5. Cost	<p>a. Cost-effectiveness of dollar value of DEBA funding per MW of additional power.</p> <p>b. Project is supported by federal funding.</p> <p>c. Proposal provides a detailed budget proposal, including the dollar value of DEBA funding per MW of additional power.</p>
6. Readiness:	a. Estimated project completion date in relation to immediate electrical grid needs and program funding timelines.

<ul style="list-style-type: none"> b. Proposal provides justifiable and reasonable estimation of the project completion date and when the resource will be fully operational. c. Proposal describes the approach to performing the work with a clear description of all project task and subtasks, with identified outcomes and deliverables. d. Proposal identifies and discusses factors critical for success, such as risks, barriers, environmental permitting and CEQA, utility, or balancing authority interconnection studies or approval or both, supply chain issues, schedules for operations, climate or weather considerations, and other limitations, and how these will be addressed to successfully complete the project within the grant term.
<p>7. Equity</p> <ul style="list-style-type: none"> a. Project is located in or benefiting a disadvantaged community. b. Project replaces or displaces fossil fueled generation.
<p>8. Resiliency (bst) Co-benefits (est) (bbu) <u>Cobenefits</u> (ebu)</p> <ul style="list-style-type: none"> a. Proposal describes how the project offers benefits beyond statewide grid reliability, such as offering resilience to critical infrastructure, including, but not limited to, emergency services, healthcare facilities, potable water (bbu) (ebu) and wastewater treatment.
<p>9. Resource Portfolio Diversity</p> <ul style="list-style-type: none"> a. Project enhances the overall diversity of the portfolio of projects participating in the state's Strategic Reliability Reserve.

Source: California Energy Commission

C. Project Implementation Requirements

Upon notification of the grant award, a grant agreement is developed establishing a business relationship between the CEC and the recipient of the DEBA award. The grant agreement includes a scope of work, project budget, project schedule, and general terms and conditions. A commission agreement manager (CAM) shall be assigned to the project and be responsible for coordinating with funding recipients to guide agreement development, provide project oversight, and serve as the CEC's point of contact for stakeholders interested in receiving more information about the project.

All recipients shall be required to:

- Participate in a kickoff meeting to establish deliverable expectations, roles and responsibilities, accounting procedures, and reporting requirements.
- Submit periodic progress reports to ensure the recipient is complying with the task schedule specified in the grant agreement.
- Provide required deliverables as specified in the scope of work.

Some DEBA projects may include one or more critical project review meetings at a predesignated milestone(s) in which the CAM shall review the progress to date and

determine whether the progress to date justifies proceeding to the next phase of the project or making necessary corrections to ensure project success. For all projects, CAMs may call a critical project review at any time during the project (bst) 7 (est) if the CAM believes there is a significant issue with the progress or administration of the project that needs to be discussed and could result in a change to the project or termination.

Periodic project progress reports are required describing project progress to date. These reports are generally required quarterly. The CEC CAM shall identify the necessary reporting frequency. A final report, which will document total performance for the project, shall be due before the agreement end date.

D. Project Performance and Reporting Requirements

All incentivized equipment and projects will be required to participate as an on-call emergency electrical grid resource for the state during extreme events as required in Public Resources Code Section 25791(f). Specific performance and reporting requirements, including reports on performance during extreme events, (bst) are dependent (est) (bbu) **depend** (ebu) on the projects or technology types selected and will be tailored with each GFO solicitation. CEC may also require reporting and data to inform program evaluations.

Public Resources Code Section 25791(e) requires funding recipients for bulk grid assets to comply with regulations adopted following Part 2 (commencing with Section 3850) of, and Part 5 (commencing with Section 35870) of, the California Global Warming Solutions Act of 2006 (Division 25.5 (bst) 6 (est) (bbu) 1 (ebu) commencing with Section 38500 (bbu) 1 (ebu) (bst) 7 (est) of the Health and Safety Code), including, but not limited to, the mandatory reporting of emissions of greenhouse gasses and compliance market-based mechanism.

E. Disbursement of Awarded Grant Funds

Awarded grant funds typically are disbursed in arrears upon the demonstration of project completion by a grant recipient. In addition, the CEC anticipates that a portion of each grant award for Distributed Resource projects will be disbursed over a set period of years and released upon a grant recipient's demonstration that load reduction or emergency supply was provided during extreme events within a given year, based on the specific on-call emergency performance requirements detailed in the GFO solicitation. The disbursement approach will be dependent on the projects or technology types selected and will be tailored with each GFO solicitation.

CHAPTER 3:

Administrative Requirements

A. DEBA Guideline Authority

These program guidelines are adopted under Public Resources Code (PRC) Section 25791(c), which directs the CEC to develop guidelines to implement the DEBA Program. Under AB 180, Section 18(3)(a) and Section 19(2)(a), the Administrative Procedure Act (Chapter 3.5 [commencing with Section 11340] of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to the adoption these guidelines.

B. Effective Date of the DEBA Program Guidelines

The DEBA Program Guidelines will take effect only after they have been approved at a CEC business meeting. Once finalized, the CEC will post the adopted DEBA Program Guidelines on the [DEBA Program website](https://www.energy.ca.gov/programs-and-topics/programs/distributed-electricity-backup-assets-program), available at <https://www.energy.ca.gov/programs-and-topics/programs/distributed-electricity-backup-assets-program>.

Applicants and interested persons may also obtain the program guidelines by contacting DEBA@energy.ca.gov.

C. California Environmental Quality Act

In general, the CEC must comply with California Environmental Quality Act (CEQA),³ which requires public agencies to identify and consider potential environmental impacts of proposed projects when the CEC supports proposed projects with grants or other subsidies.⁴

The CEC has made an initial determination that the development of these guidelines is not a project for purposes of CEQA. However, if the guidelines are a project, the CEC has made an initial finding that they are exempt from CEQA under California Code of Regulations, Title 14, Sections 15307 and 15308. These provisions exempt actions taken by a regulatory agency pursuant to state law to “assure the maintenance, restoration, or enhancement of a natural resource” and actions taken to “assure the maintenance, restoration, enhancement, or protection of the environment” where the action involves procedures for protection of the environment. The CEC has also made an initial determination that the guidelines are exempt from CEQA under the common-sense exemption, California Code of Regulations, Title 14, Section 15061(b)(3), because there is no possibility that the guidelines may have a significant effect on the environment, as defined by CEQA.

³ Public Resources Code Section 21000 et seq.; see also California Code of Regulations, Title 14, Section 15000 et seq.

⁴ Public Resources Code Section 21065(b).

D. Prevailing Wage

Projects receiving an award of public funds from the CEC often involve construction, alteration, demolition, installation, repair, or maintenance work more than \$1,000. For this reason, projects receiving an award of public funds from the (bst) Energy Commission (est) (bbu) **CEC** (ebu) 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. Public works projects require the payment of prevailing wages. Prevailing wage rates can be significantly higher than non-prevailing wage rates. If the recipient does not believe the project is a public works project, the recipient is responsible for obtaining 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. The recipient is fully responsible for complying with all California public works requirements, including [bbu] , [ebu] but not limited to [bbu] , [ebu] payment of prevailing wage.

If outside contractor labor is used, the contractor shall be paid at the prevailing wage for their particular trade as established by the California Department of Industrial Relations. Projects must comply with any applicable laws pertaining to prevailing wage and labor compliance.

E. Authorized Third Parties

Authorized third parties may complete applications on behalf of an eligible DEBA Program participant but may not sign attestations on their behalf. A signed letter of authorization from the DEBA Program participant specifying any authority or responsibility delegated to the third party is required as part of the application package.

F. Audits and Access to Facilities

Upon written request from the CEC, applicants and recipients must:

- Provide all project documents, including detailed documentation of all planned and paid expenses.
- Allow the (bst) Energy Commission (est) (bbu) **CEC** (ebu) or its designee access to project facilities and records.
- Allow the (bst) Energy Commission (est) (bbu) **CEC** (ebu) or its designee to collect project-related data, including the data required to measure and verify generation or load reduction data or both.

Further, if requested, the applicant or recipient must provide the CEC or its designee associated data from a period before the start of the project as necessary to establish baseline data, such as energy usage. Audits or program reviews may occur at any time during program implementation or after projects are completed.

G. Record Retention

Recipients must retain all project records (including financial records, progress reports, payment requests, electricity generation or load reduction data or both, and fuel use

documentation) for a minimum of three years from the date of the final payment. Recipients must include the above audit, record retention, and access rights in any subcontract or subgrant.

H. Use and Disclosure of Information and Records and Confidentiality

With very few exceptions, all project documents submitted to the CEC or its technical consultant(s), including as part of any audit, are considered public records subject to disclosure under the California Public Records Act. The CEC or other state agencies may also use any of these documents or information for any purpose, including to determine eligibility and compliance with the DEBA Program, applicable law, or a particular solicitation or guideline document; evaluate related or relevant programs or program elements; or prepare reports. These documents and information include, but are not limited to, applications for funding, the agreement itself, invoices and any documentation submitted in support of applications, all agreement deliverables, final project report, and documents prepared for other reporting requirements, materials and documents developed as part of technology transfer activities.

If the CEC requires an applicant or recipient to provide copies of records that the recipient believes contain confidential/proprietary information entitled to protection under the California Public Records Act or other law, the recipient may request that such records be designated confidential according to the CEC's regulations for confidential designation, Title 20, California Code of Regulations, Section 2505.

Applicants considering confidentiality should note that DEBA Program funds are subject to information disclosure requirements to ensure transparency. Information concerning the identity of recipients and the grant amount is public information and will be disclosed according to the California Public Records Act. This information, as well as other public information, may also be disclosed through the CEC's website, another State of California agency website, or through other means.

The CEC can disclose confidential information and records to other governmental entities and policing authorities for civil and criminal investigation and enforcement.

I. Enforcement

In addition to any other rights the CEC has, the CEC can take any of the following actions necessary to enforce the CEC's rights and program requirements.

1. Recovery of Overpayment

The CEC may direct its chief counsel to commence formal legal action against any applicant, former applicant, or recipient to recover any portion of a payment under a grant agreement that the executive director determines the applicant, former applicant, or recipient was not otherwise entitled to receive, retain (that is, advanced funds), or spend in the manner it was spent.

2. Fraud and Misrepresentation

The executive director may initiate an investigation of any applicant that the executive director has reason to believe may have misstated, falsified, or misrepresented information in submitting an application, payment request, or any reporting or other information required under the program. Based on the results of the investigation, the executive director may take any action deemed appropriate, including, but not limited to:

- Cancellation of the reservation of funds.
- Termination of the award or award agreement.
- Recovery of any overpayment.
- With the concurrence of the CEC, recommending the Attorney General initiate an investigation and prosecution under Government Code Section 12650, et seq., or other provisions of law.

3. Noncompliance With Agreement

The CEC may seek remedies for noncompliance with agreement terms, work scope, and project milestones, including, but not limited to, stop work, termination, withholding requested payments, recovery of funds, or any other administrative or civil action.

J. Severability

If any provision of these guidelines is unenforceable or held to be unenforceable, all other provisions of these guidelines will remain in full force and effect.

K. Waiver

No waiver of any breach of these guidelines constitutes waiver of any other breach. All remedies in these guidelines will be taken and construed as cumulative, meaning in addition to every other remedy provided in the guidelines or by law.

REFERENCE DOCUMENTS

[Assembly Bill 205 \(Committee on budget, Stats. 2022, Ch. 61\)](#)

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB205

GLOSSARY

Key Words and Terms

Word/Term	Definition
AB	Assembly Bill
CalEPA	California Environmental Protection Agency
CAM	Commission agreement manager
CARB	California Air Resources Board
CEC	State Energy Resources Conservation and Development Commission, commonly called the California Energy Commission, the Energy Commission, or the CEC
CEQA	The California Environmental Quality Act found in California Public Resources Code Section 21000 et seq., and the CEQA Guidelines, promulgated by the California Natural Resources Agency, California Code of Regulations Title 14, Section 15000 et seq. CEQA generally requires state and local government agencies to inform decision makers and the public about the potential environmental impacts of proposed projects, and to reduce those environmental impacts to the extent feasible.
(bst) DEBA (est)	(bst) Distributed electricity backup assets (est)
Disadvantaged communities	Disadvantaged communities are those designated under Health and Safety Code Section 39711 as representing the 25% highest scoring census tracts in CalEnviroScreen 4.0, census tracts previously identified in the top 25% in CalEnviroScreen 3.0, census tracts with high amounts of pollution and low populations as identified by CalEPA, and federally recognized tribal areas as identified by the Census in the 2021 American Indian Areas Related National Geodatabase. Please see https://calepa.ca.gov/envjustice/ghginvest/ for the most current CalEPA designations.
GFO	Grant funding opportunity
Grant recipient	Those that receive an award under the DEBA Program
Guidelines	Distributed Electricity Backup Assets Program Guidelines

Extreme event	<p>An extreme event is defined in Public Resources Code Section 25790.5(b) to mean either of the following:</p> <ul style="list-style-type: none"> • An event occurring at a time and place in which weather, climate, or environmental conditions, including temperature, precipitation, drought, fire, or flooding, present a level of risk that would constitute or exceed a one-in-ten event, as referred to by the North American Electric Reliability Corporation, including when forecast in advance by a load-serving entity or local publicly owned electric utility. • An event where emergency measures are taken by a California balancing authority, including when forecast in advance by the California balancing authority.
Load reduction	A decrease in electric demand as measured at a customer site relative to a counterfactual baseline. Load reductions include behind-the-meter generation or storage discharge that result in negative demand ((bbu) that is (ebu) (bst) i.e. (est), exports) except where otherwise prohibited.
NOPA	Notice of (bst) Proposed Award (est) (bbu) proposed award (ebu)
Project	A technology or a portfolio of technologies installed to provide emergency electricity supply or load reduction that is contained in a grant application.
Local publicly owned electric utility (POU)	Local publicly owned electric utility means a municipality or municipal corporation operating as a “public utility” furnishing electric service as provided in Section 10001, a municipal utility district furnishing electric service formed pursuant to Division 6 (commencing with Section 11501), a public utility district furnishing electric services formed (bbu) under (ebu) (bst) pursuant to (est) the Public Utility District Act set forth in Division 7 (commencing with Section 15501), an irrigation district furnishing electric services formed pursuant to the Irrigation District Law set forth in Division 11 (commencing with Section 20500) of the Water Code, or a joint powers authority that includes one or more of these agencies and that owns generation or transmission facilities, or furnishes electric services over its own or its member’s electric distribution system. (Public Utility Code section 224.3.)
PUC	Public Utilities Code
Solicitation	The document that requests grant applications from interested parties and includes all attachments, exhibits, any addendum and written notices and questions and answers; may be used interchangeably with grant funding opportunity.