DOCKETED	
Docket Number:	18-MISC-01
Project Title:	Food Production Investment Program
TN #:	224145
Document Title:	Presentation for the Pre-Application Workshop Regarding the Food Production Investment Program GFO-18-901
Description:	Energy Commission staff held a Pre-Application Workshop in Fresno on July 10, 2018 to discuss the solicitation with potential applicants.
Filer:	Cyrus Ghandi
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	7/12/2018 3:57:26 PM
Docketed Date:	7/12/2018

Pre-Application Workshop

Food Production Investment Program

GFO-18-901



Michael Lozano
Energy Efficiency Research Office
July 10, 2018
California Energy Commission

Agenda

Time (PDT)	Topic
10:00 a.m.	Welcome and Introductions Housekeeping Commitment to Diversity Background Solicitation Purpose, Goals, Funding Eligible Applicants Key Dates Targeted Areas Attachment Overview Proposal Approval Process
10:45 a.m.	Questions and Answers
11:30 a.m.	Break – Lunch
12:30 p.m.	Application Forms Walkthrough
02:00 p.m.	Meeting Adjourned



HOUSEKEEPING

- In case of emergency
- Facilities
- Muting of WebEx during presentation
- Q&A protocol
- Updates on Solicitation Documents and today's presentation can be found at:

http://www.energy.ca.gov/contracts/other_research.html



Commitment to Diversity

The Energy Commission adopted a resolution strengthening its commitment to diversity in our funding programs. We continue to encourage disadvantaged and underrepresented businesses and communities to engage in and benefit from our many programs.

To meet this commitment, Energy Commission staff conducts outreach efforts and activities to:

- Engage with disadvantaged and underrepresented groups throughout the state.
- Notify potential new applicants about the Energy Commission's funding opportunities.
- Assist applicants in understanding how to apply for funding from the Energy Commission's programs.
- Survey participants to measure progress in diversity outreach efforts.



We Want to Hear From You!

1-Minute Survey

- The information supplied will be used for public reporting purposes to display anonymous overall attendance of diverse groups.
- In Person: iPads are being passed around the room
- WebEx:

https://www.surveymonkey.com /r/CEC-7-10-2018

Thank you for your time!





Background

 Food Production Investment Program (FPIP) established by Assembly Bill 109 Budget Act of 2017.

Provided \$60 million from the Greenhouse Gas Reduction Fund.

• Purpose:

Accelerate the adoption of advanced energy efficiency and renewable energy technologies that will reduce greenhouse gas emissions at California food processing plants.

FPIP Guidelines:

- Adopted by the Energy Commission Business Meeting on May 9, 2018 and to be updated on July 11, 2018.
- Provides information on how the program will be structured. Solicitation implements the requirements in the guidelines*.

^{*}The guidelines can be found at the following link: http://www.energy.ca.gov/research/fpip/documents/



Policy Drivers

- AB 32 (Global Warming Solutions Act of 2006): reduction of GHG emissions to 1990 levels by 2020
- SB 32 (Global Warming Solutions Act of 2006: Emissions limit): reduction of GHG emissions to 40% below 1990 levels by 2030.
- AB 1550: sets investment minimums for GGRF projects in and benefiting disadvantaged communities and low-income communities (amends SB 535)
- AB 1532: facilitates achievement of GHG reductions using Cap-and-Trade auction proceeds
- SB 862: requires the California Air Resources Board to develop guidance on quantification methodologies for GGRF projects

Other policy drivers are listed in the FPIP guidelines:

http://www.energy.ca.gov/research/fpip/documents/



Purpose of Solicitation

Program Goals:

- Reduce greenhouse gas (GHG emissions)
- Accelerate adoption of commercially available and advanced energy technologies at California food processing plants
- Demonstrate technology reliability and effectiveness
- Benefit priority populations (disadvantaged communities, low income communities, low income households as defined by SB 535 and AB 1550)
- Help California food processors work towards a low carbon future

Project Funding Tiers:

- Tier I: commercially available, energy efficient equipment upgrades that are drop in replacements or additions to existing equipment or processes that provide greater GHG emission reductions than current best practices or industry standard equipment
- Tier II: technologies that are emerging and not widely used in California but have been proven elsewhere to reduce GHG emissions



Eligible Applicants

- Applicants to the FPIP are limited to food processing facilities located in California.
- Food processing facilities are those defined by the North American Industry Classification System (NAICS) codes*
 - 311 (Food Manufacturing)
 - 3121 (Beverage Manufacturing)
- To be eligible for funding, projects must meet all the following requirements:
 - Applicant must be a food processing facility located in California;
 - Proposed projects must reduce GHG emissions as defined in the grant solicitation; and
 - Applicant must meet all eligibility and other criteria specified in this solicitation.

^{*} North American Industry Classification System: https://www.census.gov/eos/www/naics/2017NAICS/2017 NAICS Manual.pdf

Tier I: Installation of Commercially Available, Energy Efficient, and Drop-in Replacements/Additions

All projects must reduce GHG emissions and result in higher efficiency than current industry standards or best practices.

Eligible technologies for Tier I are limited to the following (Solicitation Manual, Section II.B.):

- Compressor controls and system optimization
- Machine drive controls and upgrades
- Mechanical dewatering
- Advanced motors and controls including variable frequency drives
- Refrigeration optimization
- Drying equipment
- Process equipment insulation
- Boilers, economizers
- Steam traps, condensate return, heat recovery
- Evaporators
- Alternatives to natural gas
- Internal metering and software to manage and control electricity, natural gas and/or fossil fuel use if part of a larger project that reduces energy usage
- Controls for compressed air, automatic blow down for boilers
- Additional technologies that are added as a result of comments received during the pre-bid workshop

Tier II: Demonstrate Emerging Technologies Not Widely Used in California

All projects must reduce GHG emissions and:

- Be proven elsewhere to reduce GHG emissions
- Be cutting-edge and emerging technology
- Not be drop-in ready replacements for existing equipment

• Eligible technologies for Tier II limited to the following (see Section II.B):

- Solar thermal
- Renewable energy generation, including biogas production
- Microgrids
- Fuel switching
- Additional technologies that are added as a result of comments received during the pre-bid workshop



Adding Technologies to Tiers I or II

To add technologies not listed in Section II.B. for Tiers I or II:

- Submit suggested technology(ies) in writing as part of the Questions & Answers submission.
- Indicate whether the technology(ies) is for Tier I or Tier II. You must choose only one and cannot be for both.
- Provide justification on why the technology(ies) should be added to Tier I or Tier II by responding to the requirements in Section II.B.

An addendum will provide the updated list of technologies.

Available Funding (Section I.F.)

Project Tier	Available Funding*	Minimum Award Amount**	Maximum Award Amount**	Minimum Match Requirement**
Tier I:	\$33 million	\$100,000	\$3 million	35% of Eligible Costs
Tier II:	\$24 million	\$2 million	\$8 million	15% of Eligible Costs

^{*}The Energy Commission reserves the right to reallocate funding between any of the tiers

^{**} Only applies to eligible cost items



Eligible Costs (Section I.F.)

Tier	Eligible Grant and Match Costs Items
I	 Equipment Measurement and Verification*
II	 Equipment Measurement and Verification* Engineering Design*

No installation costs allowed for either tier.

Technologies eligible for Tier I are not eligible for Tier II and vice versa.

^{*}Only when outside parties are used for this activity. Use of in-house staff is not reimbursable by the grant or by match.



Multiple Applications (Section II.B.3)

- Eligible food processors can submit one or more applications for Tier I and Tier II
- Each application must be for a distinct project with no overlap

Tier	Maximum Award per Entity is \$14 Million Subject to the Following Limits
ı	\$6 million*
II	\$8 million

^{*}The maximum available funding in Tier I could accommodate multiple projects from one entity. Note that the maximum award amount for a Tier I project is still \$3 million.



Bundling and Priority for Funding (Section II.B.3)

Tie	er	Bundling	Priority for Funding*
I		 Allowed: Bundling of technologies within the same facility Bundling of multiple facilities within the same company 	 Priority assigned as follows: 1. Capped facilities** + facilities under the same ownership 2. Facilities required to report GHG emissions*** + facilities under the same ownership
II	I	 Allowed: Bundling of technologies within the same facility Not Allowed: Bundling of multiple facilities 	Priority assigned as follows: 1. Capped facility** 2. Facility required to report GHG emissions***

^{*} Priority for funding will be applied in Technical Scoring Criteria 5, Section IV.F.

^{**} Capped facilities are those emitting ≥25,000 MTCO₂e/yr

^{***} Facilities covered under CARB mandatory reporting that emit between 10,000 and 25,000 MTCO₂e/yr https://ww2.arb.ca.gov/our-work/programs/mandatory-greenhouse-gas-emissions-reporting



Key Dates (Section I.G)

Activity	Action Date
✓ Solicitation Release	June 29 th , 2018
Pre-Application Workshop #1 (Fresno, CA)	July 10 th , 2018
Pre-Application Workshop #2 (Diamond Bar, CA)	July 18 th , 2018
DEADLINE FOR WRITTEN QUESTIONS	July 20 th , 2018 @ 5 p.m. PDT
Anticipated Post Answers to Questions to Website	Week of July 30 th , 2018
DEADLINE TO SUBMIT APPLICATIONS	AUGUST 31st, 2018 @ 5:00 p.m. PDT
Post Notice of Proposed Award	November 2018
Energy Commission Business Meeting Date	January 2019
Anticipated Agreement Start Date	February 2019
Agreement Termination Date or Earlier	March 31, 2023



Attachment Overview

A. Grant Submittal Checklist	4A. Recipient Budget Form
1. Application Form (requires signature)	4B. Subcontractor Budget Form
2. Project Narrative	5. CEQA Compliance Form
2A. Project Narrative Summary Table	6. Contacts List
3. Scope of Work	7. Commitment Letter Form(s) (requires signature)
3A. Project Schedule	8. Emission Factors Form



Project Narrative (Attachment 2)

- Project Narrative form follows proposed Scoring Criteria defined in Section IV of the Solicitation Manual.
- Provide detailed description of the proposed project(s) and provide the information requested in each of the following areas:
 - 1. Technical Merit and Need: justifies the need for the project
 - 2. Technical Approach: what is your approach, risks, and M&V plan
 - 3. Impacts and Benefits: quantitative estimates of GHG emission reductions and other benefits, cost benefit to the state, assumptions
 - 4. Market Potential and Information Sharing: other markets for the technology and information sharing with others
 - 5. Capped and Uncapped Facilities: evaluate the proposals with emphasis on capped facilities and those that need to do mandatory reporting
 - **6. Preference Points:** separate criteria for priority populations and purchases from vendors in CA
- As information in the project narrative will be used to score your proposal, provide enough detail so that reviewers will be able to evaluate the proposal against each of the scoring criteria.



Project Narrative Summary Table (Attachment 2A)

Purpose: Provides a summary of each project and technologies to be installed, grant amount requested and current energy and GHG emissions and estimates after project implementation. Info required:

- 1. Applicant's Legal Name
- 2. Name(s) of Food Processing Plants in the application
- 3. Estimate of energy use and amount of $CO2_e$ emissions annually for each plant
- 4. Check the technologies to be implemented
- 5. Estimate the impacts and benefits (GHG emissions, energy and other) of the implemented technologies for each plant



Scope of Work (Attachment 3)

All of the following tasks are mandatory for both Tiers;

•Task 1: General Project Tasks – do not revise the description on the products

Technical Tasks – starts with Task 2 – provide information in the

"Recipient Shall" section on how you'll implement the following and the
resulting products in the "Recipient Shall" section:

•Task TBD: Project Engineering Design (Tier II only)

•Task TBD: Site Preparation and Equipment Procurement

•Task TBD: Equipment Installation

•Task TBD: Measurement and Verification

•Task TBD: Technology/Knowledge Transfer Activities

- Indicate additional tasks and actions to be performed and resulting products in the "Recipient Shall" section
- "Products" are major documents, plans and reports (tangible items that can be submitted to the Energy Commission)
- "Products" are not equipment and other items that cannot be delivered and stored at the Energy Commission.



Budget (Attachment 4A and 4B)

• All <u>Applicants</u> must fill out Attachment 4A.

Don't delete sheets or rows; use the hide/expand function

- If you are using <u>Major</u> Subcontractors* for M&V (Tiers I and II) and/or Engineering Design (Tier II only), you must complete Attachment 4B.
- Only complete the white cells.

The Applicant must submit information on <u>all</u> budget forms, and this will be deemed the equivalent of a formal Cost Application.

^{*}Major subcontractors are those with a budget exceeding \$100,000 or 25% of CEC funds



Budget (Attachment 4A and 4B)

The table below shows the budget forms required by the prime recipient and major subcontractor(s). For major subcontractor(s), all labor, FB, OH and profit rates are capped and cannot increase during the agreement term.

Prime (Attachment 4A)	Major Subcontractors (Attachment 4B)
Category Budget	Category Budget
Equipment	Direct Labor
Subcontractors	Fringe Benefits
	Subcontractors
	Travel
	Indirect Costs
	Profit



CEQA Compliance (Attachment 5)

- Completion of this form facilitates our evaluation of proposed activities under CEQA
- Requires state and local agencies in California to assess the potential environmental impacts of their proposed actions
- 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 Energy Commission's Notice of Proposed Award may result in the cancellation of a proposed award



Commitment Letter Form (Attachment 7)

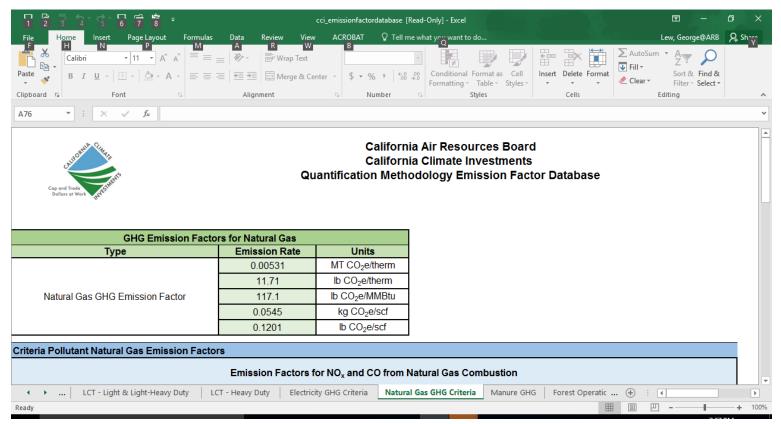
- A commitment letter commits an entity or individual to providing the funding described in the letter
- Letters that are not submitted by the application deadline will not be reviewed and counted towards meeting the requirement specified
- Applicants must submit a match funding commitment letter signed by <u>each</u> representative of the entity or individual that is committing to providing match funding.
- All letters must total to the required match for Tier I or Tier II. Letter(s) must:
 - 1. Identify sources of funds, and
 - 2. Guarantee the availability of the funds for the project

Note: If the match funds are provided by the applicant, a commitment letter from the applicant is needed.



Emission Factors (Attachment 8)

- This attachment is for information only—use these factors in completing Attachment 2 and Attachment 2A.
- Use the Emission Factor Database section located at the following website to determine greenhouse gas emissions: www.arb.ca.gov/cci-quantification





Application Evaluation

Consists of Two Stages

Stage 1 – Application Screening, Section IV.A.1

Stage 2 – Application Scoring, Section IV.A.2



Application Screening

Proposal Screening Process

1. Energy Commission staff screens applications per criteria listed in the Manual Section IV.E.

- 2. Criteria is evaluated on a pass/fail basis.
 - Applicants must pass <u>all</u> screening criteria or the applicant will be disqualified.



Follow These Guidelines

- Read the Application.
- Sign the Application— Attachment 1.
- Submit Application by the due date and time specified in the solicitation (Section 1.G).
- Only request funds within the minimum and maximum range (Section I.F).
- Do <u>not</u> include a statement or otherwise indicate that you will not accept the terms and conditions.
- Provide one or more commitment letter(s) for match funding that meets the minimum match for each Tier specified in Section I.F.1 (Attachment 7).
- Request funds for a technology listed in Section II.B or that was added as an addendum
- Project location is a food processing facility.
- If submitting multiple applications, make sure each application is for a distinct project and not duplicative of another application that you are submitting.



Application Scoring Scale (Section IV.F.)

Refer to **Section IV.F** in the Grant Manual for explanation of the percentage points.

% of Possible Points	Interpretation	
0%	Not Responsive	
10-30%	Minimally Responsive	
40-60%	Inadequate	
70%	Adequate	
75%	Between Adequate and Good	
80%	Good	
85%	Between Good and Excellent	
90%	Excellent	
95%	Between Excellent and Exceptional	
100%	Exceptional	



Scoring Criteria (Section IV.F.)

Maximum points	Technical Scoring Criteria
20	1. Technical Merit
10	2. Technical Approach
40	3. Impacts and Benefits
10	4. Market Potential and Information Sharing
20	5. Capped and Uncapped Facilities
	Preference Points
10	6. Priority Populations
5	7. California-Based Vendors

- the scoring scale to the scoring criteria
- The minimum passing score is 70.00 out of 100 points for criteria 1 - 5.
- Preference Points applied only for those that meet the minimum passing score
 - Applicants must review
 Section IV.F and ensure that
 their application provides a
 clear and complete responses
 to each scoring criteria in the
 project narrative (Attachment
 2 and 2A.

31



Priority Populations (Sections III.D.8 and IV.F)

- Preference points will be provided for projects located in and benefiting priority populations as indicated in Section IV
- For multiple site locations, applicant must address each of the above areas for each location to get preference points. No proration of points if some plants meet the requirement and others do not.
- To obtain preference points, applicant must show efforts to provide direct and meaningful benefits and address important community needs using the following approach:
 - ✓ Identify the priority population. Priority populations include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550. Refer to mapping tool: www.arb.ca.gov/cci-communityinvestments
 - ✓ Address a Need. Approach for determining community need and documentation of broad support from local community based organizations and/or residents. Refer to examples of common needs: www.arb.ca.gov/cci-fundingguidelines
 - ✓ Provide a Benefit. Identify at least one direct, meaningful and assured benefit that the project provides to priority populations. Must meet at least one of those listed in Step 3, on page 22.
- 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-quantification

California-Based Vendors (Sections III.D.9 and IV.F)

 Preference points will be provided for equipment purchased from California-based vendors, defined as:

A vendor that has the equipment manufactured in California or has a distribution center in California

 Preference points to be awarded based on the following formula:

 $\frac{\textit{CEC Funds towards California Based Vendors for Equipment}}{\textit{Total CEC Funds for Equipment}} \times 5 \, \textit{Points}$

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

Total points = (500,000/1,000,000)*5 = 2.5 points



Potential Grounds For Rejection at Any Time (Section IV.C.)

- The Energy Commission reserves the right to reject an application for any of the following reasons:
 - Application contains false or misleading statements
 - Application is intended to mislead the State in its evaluation
 - Application does not comply with the solicitation requirements
 - Applicant has received unsatisfactory evaluations from the Energy Commission or another California state agency
 - Applicant is a business entity that is not in good standing with the California Secretary of State
 - Existence of information demonstrates that the Applicant does not have the financial capability to complete the project
 - Applicant fails to meet CEQA compliance within sufficient time for the Energy Commission to meet the encumbrance deadline



Application Submission Requirements

(for Electronic Submission)

- Preferred method of Delivery is the Energy Commission Grant Solicitation System, available at: https://gss.energy.ca.gov/.
 - Electronic files must be in Microsoft Word (.doc format) and Excel formats, unless originally provided in solicitation in another format.
- Attachments requiring signatures may be scanned and submitted in PDF format.
 Attachment 2A must be in Excel format
- Completed Budget Forms (Attachment 4A and 4B) must be in Excel format.
- First time users must register as a new user to access system.
- Video on how to register and submit application:
 http://www.energy.ca.gov/contracts/GSS/GSS How to Apply Video.mp4

Test system before the due date and don't wait until the last minute to submit.

Application Submission Requirements (for Hard Copy Submittal)

 Submit Applications with all attachments in the order specified by the due date and time listed in Section I.G of the manual.

- Application documents should meet formatting requirements, page limit recommendations, and number of copies specified in Section III.A.
 - One hard copy and one electronic copy.



Connecting With Us























Find Partners Through LinkedIn

The Energy Commission created a user-driven LinkedIn group page to help potential applicants connect, collaborate, and partner on proposals for research funding opportunities.

Participants may subscribe to the "California Energy Commission Networking Hub" on LinkedIn by clicking this link <a href="https://doi.org/by.com/by.





LinkedIn Networking Webinar

The networking webinar is an opportunity for applicants to introduce themselves and their interests in this funding opportunity and discover potential project partners.

A one-hour moderated webinar will be: Tuesday, July 24 at 10 a.m. PDT

Go to energy.webex.com

Enter Meeting Number: 926 282 375

Subscribe to the LinkedIn subgroup:

https://www.linkedin.com/groups/12128572





Other Information

 Solicitation documents and today's presentation, including addendums, responses to questions and answers and the sign up sheet:

http://www.energy.ca.gov/contracts/other_research.html#GFO-18-901

 Sign up for the Listserver by selecting "Opportunity" to find out about other funding opportunities by the Energy Commission:

http://www.energy.ca.gov/listservers/

Information on FPIP:

www.energy.ca.gov/research/fpip/

Next Pre-Application Workshop

Date and time: July 18, 2018 at 10:00 a.m. PDT

Location: South Coast Air Quality Management District

21865 Copley Dr.

Auditorium

Diamond Bar, CA 91765

WebEx:

- Meeting Number: 928 219 708
- Meeting Password: (no password required)
- Topic: FPIP Pre-Application Workshop Diamond Bar, CA



Questions and Answers

Please email all GFO related questions in written form to and indicate GFO-18-901 on subject line:

Angela Hockaday

Commission Agreement Officer

Angela. Hockaday@energy.ca.gov

Deadline to submit questions is 5:00 PM PDT, July 20, 2018!

Read all the GFO Materials and ask questions if you are unclear



Lunch Break

Please return by **12:45 PM PDT** for the in-depth review of each attachment.



Afternoon Session Agenda

Time	Topic	
12:45 p.m.	 Welcome and Introductions Purpose: provide details on completing the specific attachments in the application Finding the Attachments 	
1:00 p.m.	 Attachment A: Application Submittal Checklist Attachment 1: Application Form Attachment 2: Project Narrative Form Attachment 2A: Project Narrative Summary Table Attachment 3: Scope of Work Template Attachment 3A: Scope of Work Template: Project Schedule Attachment 4A: Tier I & Tier II Prime Budget Form Attachment 4B: Tier I & Tier II Major Subcontractor Form Attachment 5: CEQA Compliance Form Attachment 6: Contact List Template Attachment 7: Commitment Letter Form Attachment 8: Emission Factors 	
01:30 p.m.	Questions and Answers	
02:00 p.m.	Meeting Adjourned	



Finding Attachments and Updates

http://www.energy.ca.gov/contracts/GFO-18-901/

Grant Funding Opportunity (GFO-18-901)

Food Production Investment Program

Date Released: June 29, 2018.

Deadline for Written Questions: July 20, 2018, by 5:00 p.m.

Deadline to Submit Application: August 31, 2018, by 5:00 p.m.



The Terms and Conditions, referenced in the solicitation document, are currently being developed. Once finalized, the Terms and Conditions will be posted on the <u>Information for Research Contractors</u> page.

Applications for this solicitation may be submitted electronically through the Grant Solicitation System: https://gss.energy.ca.gov/Application/ApplicationSelectSolicitation.aspx?pon=GFO-18-901
How to Apply using the Grant Solicitation System (MP4 FIIe)

» Pre-Application Workshops:

July 10, 2018

10:00 a m

San Joaquin Valley Air Pollution Control District

1990 E Gettysburg Ave

Governing Board Room

Fresno, CA 93726

Wheelchair Accessible

To join the WebEx meeting, go to https://energy.webex.com and enter meeting number: 920 583 492 (no password required)



Finding Attachments and Amendments

If you're still having trouble accessing a file, send an email with the web page URL and file name to webmaster@energy.ca.gov.

Name	last modified Color dates added today	Size
© 00 GFO-18-901 FPIP Solicitation Manual.docx	Jun 29, 2018	229 kb
	Jun 27, 2018	21.1 kb
	Jun 27, 2018	34.6 kb
© 02 Att2 Project Narrative.docx	Jun 27, 2018	34 kb
02A Att2A ProjectNarrativeSummaryTable.xlsx	Jun 27, 2018	26.2 kb
	Jun 29, 2018	61.2 kb
■ 03A Att3A ProjectSchedule.xlsx	Jun 27, 2018	15.7 kb
04A Att4A Tier I and II Prime BudgetForm.xlsx	Jun 28, 2018	55.1 kb
04B Att4B Tier I and II Subcontractor BudgetForm.xlsx	Jun 28, 2018	58.5 kb
	Jun 27, 2018	31.1 kb
	Jun 22, 2018	18.8 kb
	Jun 27, 2018	20.6 kb
08 Att8 Emission Factors.docx	Jun 27, 2018	19.6 kb

Thank you!

Please email all GFO related questions in written form to and indicate GFO-18-901 on subject line:

Angela Hockaday

Commission Agreement Officer

Angela. Hockaday@energy.ca.gov

Deadline to submit questions is 5:00 PM PDT, July 20, 2018!