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DRAFT GRANT FUNDING OPPORTUNITY

Equitable Building Decarbonization Program

Direct Install



GFO-24-XXX

www.energy.ca.gov/contracts/index.html

State of California
California Energy Commission
TBD 2024

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I. Introduction

A. PURPOSE OF SOLICITATION

The purpose of this grant funding opportunity (Solicitation) is to award three regional administrators (Recipients) with funding to implement the Equitable Building Decarbonization (EBD) Direct Install Program. The program will be administered separately in Northern, Central, and Southern California to better ensure a broad distribution of funds. The Recipients will implement the program in their awarded region to install energy-efficient electric appliances, energy efficiency measures, and related upgrades directly to low-income households living in single-family, multifamily, and manufactured homes in underresourced communities. Applications are required to (1) include community-based organizations (CBOs) for culturally appropriate outreach, education, and support for participating households and communities, and (2) include expertise in decarbonization of single-family homes, multifamily buildings, and manufactured housing.

Pending the United States Department of Energy (DOE) approval of the California Energy Commission's (CEC) application to incorporate funding from the Inflation Reduction Act (IRA) Home Efficiency Rebates (HOMES) Program into the EBD Direct Install Program, this Solicitation may also provide Recipients with federal HOMES funding for EBD Direct Install Program implementation, in addition to state funding. Projects and program activities supported by HOMES funding will be required to comply with the HOMES Program Guidance,¹ CEC's forthcoming application to DOE, and Federal Award Terms and Conditions.

Entities looking for partnering opportunities for this funding opportunity may register and seek partnering opportunities on the [CEC's Empower Innovation website](https://www.empowerinnovation.net/en/custom/funding/view/38760) at: <https://www.empowerinnovation.net/en/custom/funding/view/38760>.

B. KEY WORDS/TERMS

Table 1: Key Words and Terms Used in this Solicitation

| Word/Term | Definition |
|------------------|---|
| Agreement | Contract between CEC and each Recipient selected through this Solicitation. |

¹ <https://www.energy.gov/scep/home-energy-rebates-programs-guidance>. Due to federal and state objectives to integrate new funding into existing programs, the CEC reserves the right to incorporate additional federal, state, ratepayer, or non-public funding into the award. Potential applicants should take into consideration that there may be an additional award augmentation in the future.

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| Applicant | An entity that submits an application to this Solicitation. |
| Application | An applicant’s formal written response to this Solicitation. “Application” may be used interchangeably with “proposal.” |
| Building Decarbonization | Activities that reduce or eliminate greenhouse gas emissions in buildings, including replacing fossil fuel burning appliances with efficient electric appliances, improving energy efficiency, incorporating demand flexibility, and reducing refrigerants or switching to climate-friendly refrigerants. |
| CAM | Commission Agreement Manager |
| CAO | Commission Agreement Officer |
| CCA | Community Choice Aggregators. Cities, counties, or other governmental entities that purchase and/or generate electricity for their residents and businesses. A list of California CCAs is available at: https://www.energy.ca.gov/data-reports/energy-almanac/california-electricity-data/electric-load-serving-entities-lses . |
| CEC | California Energy Commission |
| CBO | Community-Based Organization. As defined in the EBD Direct Install Guidelines, “CBOs include nonprofit organizations, tribal entities, or governmental entities with demonstrated effectiveness representing underresourced or tribal communities and providing support and services to individuals in the community.” |
| Commission | California Energy Commission |
| CPUC | California Public Utilities Commission |
| Disadvantaged Community | An area identified as disadvantaged by the California Environmental Protection Agency per Senate Bill 535 (Chapter 830, Statutes of 2012) based on geographic, socioeconomic, public health, and environmental hazard criteria. View a map of disadvantaged communities at: https://calepa.ca.gov/EnvJustice/GHGInvest/ . |
| DOE | United States Department of Energy |
| EBD Direct Install Program | Equitable Building Decarbonization Direct Install Program |
| GGRF | Greenhouse Gas Reduction Fund. California Climate Investments is funded by proceeds from the sale of state-owned allowances from quarterly Cap-and-Trade auctions that are deposited into GGRF. The California Legislature appropriates money from the GGRF to agencies to administer California Climate Investments programs. For more information visit About California Climate Investments at: https://www.caclimateinvestments.ca.gov/about-cci . |

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| GHG | Greenhouse gas |
| Guidelines | The Equitable Building Decarbonization Direct Install Program Guidelines developed and adopted by the CEC to be utilized as the overarching objectives for program design, implementation, and administration of the Equitable Building Decarbonization Direct Install Program, including an outline of the rules and requirements for the program, funding allocations, household and property eligibility requirements, and eligible measures. For this Solicitation, the most recently adopted Guidelines will apply. The current version of the Guidelines is available at: https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines . |
| HCD | California Department of Housing and Community Development |
| HOMES | Inflation Reduction Act-funded Home Efficiency Rebates Program |
| HOMES Award | DOE's \$292 million formula award to the CEC and all the associated terms and conditions of that award. |
| HOMES Program Guidance | DOE-issued guidance which includes 1) Administrative and Legal Requirements Document (ALRD) for the Home Efficiency Rebates & Home Electrification and Appliance Rebates, 2) Program Requirements and Application Instructions for the Home Energy Rebates, which describes programmatic and project-level requirements, and 3) Data and Tools Requirement Guide for the IRA Home Energy Rebates. This Manual refers to version 1.1 of these guidance documents, released by DOE on October 13, 2023. DOE amends its guidance from time to time. Recipients must comply with the guidance as amended and any new guidance issued. |
| Initial Community Focus Areas | Underresourced communities that will be served in the first phase of the EBD Direct Install Program. |
| IOU | Investor-Owned Utility. A large electric distributor that issues stock owned by shareholders. A list of California IOUs is available at: https://www.energy.ca.gov/data-reports/energy-almanac/california-electricity-data/electric-load-serving-entities-lses . |
| IRA | Inflation Reduction Act. Pub. L. 117-160 https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf |

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|----------------------|---|
| Low-Income Community | A census tract with a median household income at or below 80 percent of the statewide median income, or a census tract with a median household income at or below the threshold designated as low-income by the California Department of Housing and Community Development. |
| Low-income household | A household at or below 80 percent Area Median Income (AMI), per Guidelines. For HOMES funded projects, low-income household is defined as a household below 80 percent AMI. |
| Multifamily building | A residential building consisting of at least five housing units, per Guidelines. |
| Priority Population | For the purpose of California Climate Investments, priority populations include disadvantaged communities, low-income communities, and low-income households. A map of Priority Populations is available at webmaps.arb.ca.gov/PriorityPopulations . |
| Project | A residential building decarbonization retrofit, including installation of energy efficient electric appliances, flexible demand enabling equipment, energy efficiency improvements, and related upgrades such as remediation and electrical work. A project may be for a single building or multiple buildings in a community depending on how installations are bundled. |
| POU | Publicly Owned Utility. A non-profit corporation furnishing electric services which is managed by locally elected officials or public employees. Subject to local public control and regulation. POU's are organized in various forms including municipal district, city department, irrigation districts, or rural cooperatives. A list of California POU's is available at: https://www.energy.ca.gov/data-reports/energy-almanac/california-electricity-data/electric-load-serving-entities-lses . |
| Recipient | An Applicant receiving an award under this Solicitation, also referred to as a regional administrator. With regard to federal funds as part of this agreement, this term is equivalent to "Subrecipient" as defined under 2 Code of Federal Regulations 200.1. With regard to the Greenhouse Gas Reduction Fund, this term is equivalent to "Funding Recipient." |
| Retrofit Awardee | Property owner of a building receiving benefits under the program. |
| Subcontractor | An entity contracted by the Recipient to assist in aspects of implementing the EBD Direct Install Program. |

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|--------------------------|--|
| Terms and Conditions | Refers to Equitable Building Decarbonization Direct Install Program Terms and Conditions (Attachment 9) and HOMES Federal Award Terms and Conditions (Attachment 10) |
| Underresourced community | A disadvantaged community or a low-income community. |

C. BACKGROUND

California is committed to a just and equitable transition to carbon neutrality by 2045. Residential and commercial buildings account for about 25 percent of California’s greenhouse gas emissions. In September of 2022, Governor Newsom signed Assembly Bill (AB) 209 (Chapter 251, Statutes of 2022), which directed the CEC to develop and implement an EBD Program, including two primary components: a direct install program focused on decarbonizing the homes of low-to-moderate income residents and a statewide incentive program to accelerate deployment of low-carbon building technologies.

Funding identified for the program includes the General Fund and the Greenhouse Gas Reduction Fund (GGRF) administered by California Climate Investments. All GGRF-funded programs must advance AB 32 (Chapter 488, Statutes of 2006) and Senate Bill (SB) 32 (Chapter 249, Statutes of 2016) by providing real and quantifiable greenhouse gas emission reductions, and must meet minimum levels of investment in projects that benefit residents of Priority Populations. All households served in the EBD Direct Install Program will be located in Priority Populations.

In October of 2023, the CEC adopted the Equitable Building Decarbonization Direct Install Program Guidelines (Guidelines) to direct the implementation and administration of the program in alignment with the authorizing statute and GGRF requirements. The Guidelines are available in Attachment 11 and at: <https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines>.

In August of 2022, President Biden signed the Inflation Reduction Act, Pub. L. 117-160, which allocated \$292 million to California through the Home Efficiency Rebates (HOMES) Program to support clean energy and address climate change. The goals of HOMES are to help households save money on energy bills, improve energy efficiency, reduce greenhouse gas emissions, and improve indoor air quality.

The DOE HOMES Program Guidance are available in Attachment 12 and at: <https://www.energy.gov/scep/home-energy-rebates-programs-guidance>.

CEC is developing an application to DOE proposing to incorporate a portion of HOMES funding into the EBD Direct Install Program and to deploy HOMES funding in

accordance with the EBD Direct Install Guidelines. While the HOMES funding is formula driven (non-competitive), HOMES funding is subject to DOE review of CEC's application. CEC's application to DOE is phased and initially includes an application narrative and multiple budget worksheets, which is then followed by six detailed plans: a Community Benefits Plan, an Education and Outreach Strategy, a Consumer Protection Plan, a Utility Data Access Plan, a Privacy and Security Risk Assessment for State Systems, and a Market Transformation Plan. CEC will work with the Recipients to develop the plans, particularly the Consumer Protection Plan and Market Transformation Plan (see Scope of Work Task 4).

D. REGIONS

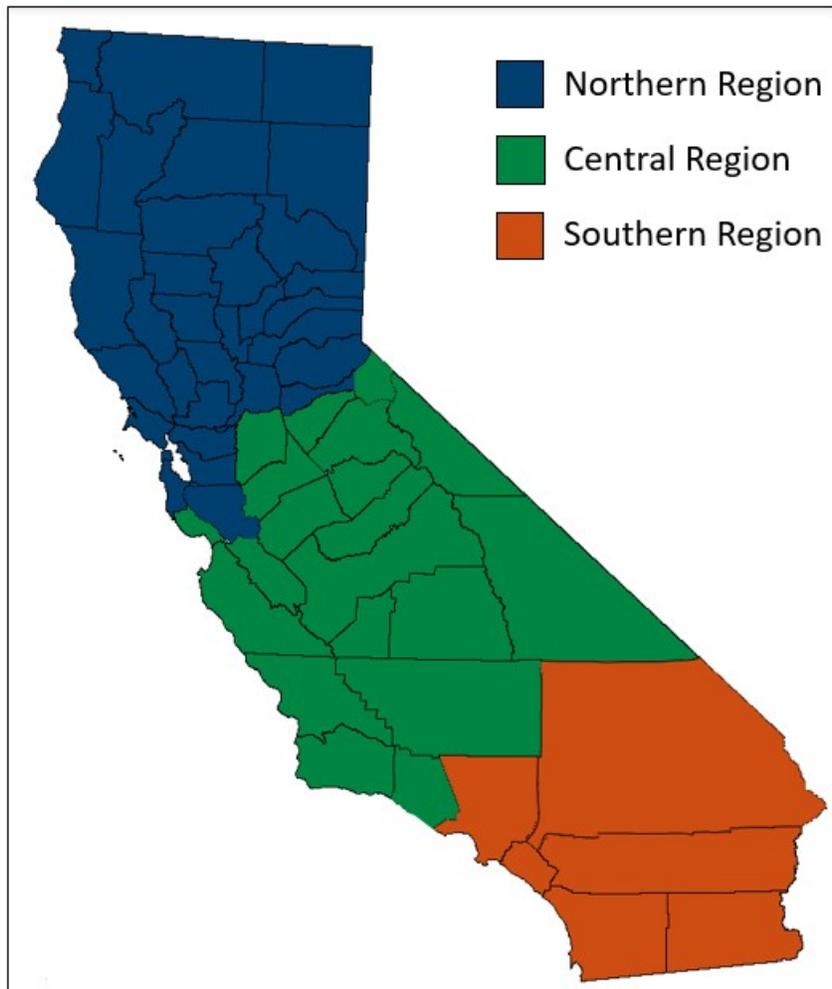
The EBD Direct Install Program will be administered separately in three regions: Northern, Central, and Southern California. Each of the state's 58 counties is designated to one region as listed below and shown in Figure 1.

Northern Region: Alameda, Amador, Butte, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Francisco, San Mateo, Santa Clara, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, Yuba

Central Region: Alpine, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, Monterey, San Benito, San Joaquin, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Tulare, Tuolumne, Ventura

Southern Region: Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego

Figure 1: Map of Northern, Central, and Southern California Regions



E. KEY ACTIVITIES AND DATES

Key activities including dates and times for this Solicitation are presented below. An addendum will be released if there are changes to any of these dates.

Table 2: Key Activities and Dates

| Activity | Date |
|--|------|
| Solicitation Release | DATE |
| Pre-Application Workshop | DATE |
| Deadline for Written Questions | DATE |
| Anticipated Distribution of Questions/Answers | DATE |
| Deadline to Submit Applications by 11:59 p.m. | DATE |

| | |
|---|------|
| Anticipated Notice of Proposed Award Posting Date | DATE |
| Anticipated CEC Business Meeting Date | DATE |

F. AVAILABILITY OF FUNDS

State funding allocations for the three regions in the EBD Direct Install Program are shown in Table 3. As described in the Guidelines, funds are allocated according to the relative population of underresourced communities in each region.

Pending DOE approval of CEC’s HOMES application to allocate HOMES funding to the EBD Direct Install Program, the federal funding will be allocated to the three regions as shown in Table 4.

Table 3. EBD Direct Install Funding Amounts

| Region | Project and Project-Related Funds | Administrative Funds (Maximum) | Total Available Funds |
|---------|-----------------------------------|--------------------------------|-----------------------|
| North | \$150,721,300 | \$7,935,700 | \$158,654,000 |
| Central | \$124,508,900 | \$6,553,100 | \$131,062,000 |
| South | \$380,079,800 | \$20,004,200 | \$400,084,000 |
| TOTAL | \$655,310,000 | \$34,490,000 | \$689,800,000 |

Table 4. HOMES Funding Amounts

[TO BE DETERMINED]

Project funds must be used for **Project Costs** which are equipment and labor to conduct home assessments and building decarbonization retrofits, including permitting.

Project-related funds may be used for **Project-Related Costs** which are costs for activities directly related to delivery of projects for eligible Retrofit Awardees. These costs include activities such as household income verification and initial enrollment, execution of Program Participation Agreements, quality assurance/quality control, and follow-up surveys. For HOMES funding, pending DOE approval of CEC’s application, a maximum of 5 percent of available funding may be spent by Recipient on Project-Related costs. This includes a DOE-mandated \$200 incentive to contractors for every dwelling unit with a completed installation located in a disadvantaged community.

Administrative funds may be used for **Administrative Costs** which are all other costs necessary for the effective administration of the program. A maximum of 5 percent of available EBD Direct Install funding and a maximum of 5 percent of available HOMES funding may be spent by Recipient on Administrative Costs.

The Agreements with the Recipients will initially be for five years.

The regional funding amounts are subject to change (increase or decrease) based on the amount of funding authorized by the California Legislature and Governor over the lifetime of the program and the availability and appropriation of federal, ratepayer, or other funds to this program. In addition, the CEC reserves the right to transfer funds from one regional administrator to another in the event of a termination or other administrator performance issues.

The federal HOMES funding is pending approval by DOE.

If additional funding becomes available, the CEC may augment regional funding amounts. For example, CEC could add new funds that later become available for similar type of activities or objectives as the program. The timeline to encumber, spend, or liquidate new funds may extend the end date of the agreements with the Recipients through a formal amendment to the agreements.

G. NUMBER OF APPLICATIONS

Applicants are eligible to submit one application per region as the primary applicant under this Solicitation. If more than one application for a region is received, the application that was received last will be considered.

Applicants may apply to be the regional administrator for one or more regions. If applying to multiple regions, Applicants must submit separate applications for each region, must demonstrate how their team would have the capability to administer the program concurrently in two or more regions, and describe any synergies or economies such an approach could provide.

H. PRE-APPLICATION WORKSHOP

There will be one Pre-Application Workshop; participation in this meeting is optional but encouraged. The Pre-Application Workshop will be held remotely through Zoom, which is the CEC's online meeting service, at the date and time listed below. To confirm the date and time, call (916) XXX-XXXX and speak to the CEC's assigned Commission Agreement Officer (CAO) or refer to [CEC's Solicitations website](https://www.energy.ca.gov/contracts/index.html) at: <https://www.energy.ca.gov/contracts/index.html>

DATE TBD
Remote Access Only

Participation Through Zoom: Remote access is available by computer or phone via Zoom. When attending remotely, presentations will appear on your computer/laptop/mobile device screen, and audio may be heard via the device or telephone. Please be aware that the pre-application workshop will be recorded.

Zoom Instructions: To join this workshop, go to Zoom at LINK. You may also access the workshop by going to the [Zoom webpage](https://zoom.us/join) at <https://zoom.us/join> and enter the unique meeting ID and password below:

Meeting Number: TBD

Meeting Password: TBD

Topic: EBD Direct Install Program Grant Funding Opportunity - Pre-Application Workshop

Telephone Access Only:

Call +1 (669) 219-2599 or (888) 475-4499 (toll free). When prompted, enter the unique meeting ID number above. To comment over the telephone, dial *9 to "raise your hand" and *6 to mute/unmute your phone line.

Technical Support: For assistance with problems or questions about joining or attending the meeting, please call Zoom Technical Support at (888) 799-9666 ext. 2, or contact the CEC's Public Advisor's Office at publicadvisor@energy.ca.gov, or (800) 822-6228.

I. QUESTIONS AND COMMUNICATION RESTRICTIONS

After the Solicitation is publicly posted, the CEC's solicitation process has commenced and only the CEC's assigned CAO may respond to questions. CEC technical staff and leadership are unable to discuss or respond to any questions related to the Solicitation until the Notice of Proposed Awards (NOPA) are posted. All questions or clarification about this Solicitation must be directed to the CAO listed in the following section. Questions may be submitted at the Pre-Application Workshop, via email to the CAO, or through the EBD docket electronic commenting system. All questions must be received by 5:00 pm on the date listed in Table 2: Key Activities and Dates.

After the Pre-Application Workshop, the CAO will work with technical staff to develop written responses to questions posed. Question and answer sets will be posted on the following CEC websites:

- CEC [Solicitations](https://www.energy.ca.gov/contracts/index.html): <https://www.energy.ca.gov/contracts/index.html>
- EBD [Docket](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-DECARB-03) (22-DECARB-03): <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-DECARB-03>.

CEC subscription topics lists receive an automatic message of newly filed information. If you want to receive this automatic message, please subscribe to the Decarbonization Topics list on the [Equitable Building Decarbonization Program](https://www.energy.ca.gov/programs-and-topics/programs/equitable-building-decarbonization-program) website at: <https://www.energy.ca.gov/programs-and-topics/programs/equitable-building-decarbonization-program>.

Any written or oral communication with a CEC employee concerning this Solicitation is not binding on the state and shall in no way alter a specification, term, or condition of the Solicitation. All communication must be directed in writing to the CAO assigned to the Solicitation.

J. CONTACT INFORMATION

TBD, Commission Agreement Officer
California Energy Commission
715 P Street, MS-18
Sacramento, California 95814
Telephone: **TBD**
E-mail: **TBD**

K. REFERENCE DOCUMENTS

Applicants responding to this Solicitation may want to familiarize themselves with the following documents:

1. Equitable Building Decarbonization Direct Install [Program Guidelines](https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines) (Adopted October 18, 2023)
<https://www.energy.ca.gov/publications/2023/equitable-building-decarbonization-direct-install-program-guidelines>
2. [Assembly Bill 209](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB209) (Chapter 251, Statutes of 2022)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB209
3. [Assembly Bill 179](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB179) (Chapter 796, Statutes of 2022)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB179
4. [Senate Bill 101](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB101) (Chapter 12, Statutes of 2023)
https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB101
5. [Assembly Bill 103](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB103) (Chapter 33, Statutes of 2023)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB103
6. [Assembly Bill 102](#) (Chapter 38, Statutes of 2023)

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB102

7. [Senate Bill 306](#) (Chapter 387, Statutes of 2023)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB306
8. [Assembly Bill 32](#) (Chapter 488, Statutes of 2006)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200520060AB32
9. [Senate Bill 32](#) (Chapter 249, Statutes of 2016)
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB32
10. [2021 Building Decarbonization Assessment](#)
<https://www.energy.ca.gov/publications/2021/california-building-decarbonization-assessment>
11. 2021 Integrated [Energy Policy Report](#) Volume I – Building Decarbonization
<https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2021-integrated-energy-policy-report>
12. Staff Workshop: Quantifying Exposure to Indoor Air Pollutants in Multifamily Homes that Cook with Gas or Alternatives (March 4, 2022)
 - a. [Staff Workshop](#) information located here:
<https://www.energy.ca.gov/event/workshop/2022-03/staff-workshop-quantify-indoor-air-pollutants-multifamily-homes-cook-gas>
 - b. [Docket](#) containing public comments located here:
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-ERDD-01>
13. [Home Energy Rebates Program Requirements & Application Instructions](#)
<https://www.energy.gov/scep/home-energy-rebates-programs-guidance>
14. [Home Energy Rebates Program Funds Administrative and Legal Requirements Document](#)
<https://www.energy.gov/scep/home-energy-rebates-programs-guidance>
15. [Home Energy Rebates Data & Tools Requirements Guide](#)
<https://www.energy.gov/scep/home-energy-rebates-programs-guidance>
16. [Inflation Reduction Act Pub. L. 117-160](#)
<https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf>

17. [CEC Style Manual](https://www.energy.ca.gov/funding-opportunities/funding-resources/formatting-reports-and-writing-style-consultants-california) for Preparing Contract and Consultant Reports for the CEC
<https://www.energy.ca.gov/funding-opportunities/funding-resources/formatting-reports-and-writing-style-consultants-california>

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II. Eligibility Requirements

A. APPLICANT REQUIREMENTS

1. Eligibility

This Solicitation is open to all public and private entities. Applicants must have qualifications relevant to residential building decarbonization, including decarbonization of single-family homes, multifamily buildings, and manufactured housing as outlined in the Program Narrative.

Applicants are required to include CBOs within their teams to provide culturally appropriate outreach, education, and support for participating households and communities. Proposals may be led by CBOs as primary applicants, include CBOs as subcontractors, or both. For this program, CBOs include nonprofit organizations, tribal entities, or governmental entities that have demonstrated effectiveness representing underresourced or tribal communities and providing support and services to individuals in those communities.

2. Terms and Conditions

The resulting agreement from this Solicitation will include terms and conditions that set forth the Recipients' rights and responsibilities. By providing the required authorizations and certifications, Applicants, if awarded, agree to enter into an agreement with the CEC to conduct the proposed program according to the final terms and conditions that correspond to its organization, without negotiation, to receive CEC funds: (1) EBD Direct Install Program Terms and Conditions (Attachment 9) and (2) HOMES Federal Award Terms and Conditions (Attachment 10). If a University of California (UC) entity is awarded, the UC terms and conditions will apply.

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 will result in rejection of the application. Applicants must read the terms and conditions carefully.

The CEC reserves the right to modify the terms and conditions prior to executing the grant agreement. The terms and conditions included in this Solicitation are subject to change based on, in addition to other potential reasons, modifications to federal program requirements or terms and conditions by DOE, feedback and guidance the CEC receives from DOE, and any project specific special terms and conditions the CEC deems appropriate for a particular award.

3. California Secretary of State Registration

All corporations, limited liability companies (LLCs), limited partnerships (LPs) and limited liability partnerships (LLPs) that conduct intrastate business in California are required to be registered and in good standing with the California Secretary of State prior to being recommended for approval as Recipients at a CEC Business Meeting. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the proposed program (should the application be successful). For more information, contact the [Secretary of State's Office](http://www.sos.ca.gov) via its website at: www.sos.ca.gov. Sole proprietors using a fictitious business name must be registered with the appropriate county and provide evidence of registration to CEC prior to being recommended for approval as Recipients at a CEC Business Meeting.

B. PROGRAM REQUIREMENTS

The Recipients, in collaboration with the CEC, will be responsible for implementing a direct install program consistent with this Solicitation and the resulting Agreement. See the Scope of Work (Attachment 2), Guidelines (Attachment 11), HOMES Program Guidance (Attachment 12), and HOMES Energy Rebates Program Guidance webpage (<https://www.energy.gov/scep/home-energy-rebates-programs-guidance>) for additional details. The Recipients must comply with any future revisions the CEC may make to the Guidelines, or the federal government may make to HOMES guidance.

Project and Project-Related funds must be allocated according to the following requirements to fulfill Guidelines and HOMES requirements:

- At least 65 percent of funds to households in disadvantaged communities
- At least 5 percent of funds to households outside but within one half-mile of a disadvantaged community
- At least 5 percent of funds to manufactured or mobile homes
- At least 10 percent of funds to low-income multifamily households

Recipients for all three regions will be required to coordinate with each other to subcontract to select or develop a single software tool for project management and data collection (see Scope of Work Task 3).

1. Additional HOMES Project and Program Requirements

Pending DOE acceptance of CEC's application to incorporate HOMES funding into the EBD Direct Install Program, Recipients will be responsible for coordinating with the Commission Agreement Manager (CAM) and ensuring program activities and projects funded by HOMES funding also comply with HOMES Program Guidance and the CEC's application to DOE. The Recipients must comply with any future revisions that DOE may make to HOMES Program Guidance.

CEC plans to include in its HOMES application a proposal to utilize HOMES funding in combination with EBD funding to cover 100 percent of equipment, installation, and any other costs for the resident, consistent with the EBD Direct Install Program Guidelines, and to utilize the Guidelines definition of Disadvantaged Community.

For this allocation of HOMES funds, CEC plans to utilize the Modeled Savings Approach as defined in the DOE HOMES Program Requirements & Application Instructions. For projects supported by HOMES Funds:

- The Recipient will be responsible for using DOE-approved modeling software to estimate energy savings prior to conducting retrofits. Subject to approval by DOE, modeling may include an alternative baseline for homes that lack adequate cooling prior to the retrofit.
- Modeled energy savings must equal or exceed 20 percent in order for HOMES funds to be applied to a project.
- For all projects, CEC expects Recipient to fully pay contractors (installers) on a timely basis, in alignment with DOE HOMES Program Guidance Section 3.1.5. Recipient may choose to offer progress or advance payments to contractors to the extent permitted by law, but may only invoice the CEC for completed projects that have met Quality Assurance and Quality Control requirements.
- The CEC will conduct, or procure through a separate contract, measurement of actual energy savings for participating homes for a 12-month post-installation period.
- When paying Recipient invoices, the CEC will retain a performance retention equal to 5 percent of project costs, which is independent of the 10 percent standard retention. The performance retention will be released to the Recipient after the CEC has confirmed that actual energy savings equaled or exceeded 80 percent of modeled energy savings. The CEC may permanently withhold the performance retention for any project in which actual energy savings are less than 80 percent of modeled energy savings.
- The CEC will consider future modifications to the EBD/HOMES program design to incorporate performance-based incentives for program administrators and participating contractors, based on measured savings.

For more details, see Section F. Availability of Funds; Attachment 2: Scope of Work; Attachment 10: Federal Award Terms and Conditions; and DOE's HOMES Program Guidance, available in Attachment 12 and at <https://www.energy.gov/scep/home-energy-rebates-programs-guidance>.

C. ELIGIBLE PROGRAM COSTS

See Availability of Funds section for information about eligible and maximum costs. For a cost to be allowable, it must be included in the approved agreement budget and

allowable pursuant to the Guidelines and/or terms and conditions of the resulting agreement.

III. Application Organization and Submission Instructions

A. REQUIRED FORMAT FOR AN APPLICATION

This section contains the format requirements and instructions on how to submit an application. The format is prescribed to assist the Applicant in meeting state requirements and to enable CEC to evaluate each application uniformly and fairly. Applicants must follow all application format instructions, answer all questions, and supply all requested data.

Table 5 summarizes the application formatting and page limit requirements. Any pages beyond the maximum number listed in the table will not be reviewed or scored.

Table 5: Formatting Requirements

| | |
|---------------------------------------|---|
| <p>Format</p> | <ul style="list-style-type: none"> • Font: 11-point, Arial (excluding original template headers and footers, and commitment or support letters) • Margins: No less than one (1) inch on all sides (excluding headers and footers) • Spacing: Single spaced, with a blank line between each paragraph • Page Numbers: Page numbers on the bottom of each page • File Format: Microsoft Word version 2007 or later (.doc or .docx format), excluding Microsoft Excel spreadsheets, documents requiring signatures, and commitment or support letters. PDF files are acceptable for the documents requiring signatures and letters. • Signatures: Wet or certified electronic signatures (PDF files) |
| <p>Maximum Number of Pages</p> | <ul style="list-style-type: none"> • Program Narrative: Forty (40) pages • Project Team Form (Attachment 5): Two (2) pages for each resume • Letters of Commitment/Support: Two (2) pages for each letter |

B. METHOD FOR DELIVERY

The **only** method of delivery for this Solicitation is the CEC’s [Grant Solicitation System \(GSS\)](https://gss.energy.ca.gov/), available at: <https://gss.energy.ca.gov/>. This online tool allows Applicants to submit their electronic documents to CEC prior to the date and time specified in this Solicitation. Electronic files must be in Microsoft Word or Microsoft Excel formats unless

originally provided in the Solicitation in another format. Attachments requiring signatures may be scanned and submitted in PDF format. Commitment and support letters shall be submitted in PDF format. Completed Budget Forms (Attachment 4) must be in Microsoft Excel format.

The deadline to submit applications through the GSS system is before 11:59 p.m. on the due date provided. The GSS system will automatically close at 11:59 p.m. and will not allow applications to be submitted after the due date and time. If the full submittal process has not been completed before 11:59 p.m., the applications will not be considered. NO EXCEPTIONS will be entertained.

The CEC strongly encourages Applicants to upload and submit all applications by 5:00 p.m. because CEC staff is only available during regular, non-holiday business hours Monday-Friday, 8:00 a.m. to 5:00 p.m.

Due to factors outside the CEC's control and unrelated to the GSS system, upload times may be much longer than expected. For example, some past Applicants experienced unexpected issues on their end, causing long delays that prevented timely submission. Significant time and resources were spent on applications the CEC did not consider. Please plan accordingly. For instructions on how to apply using the GSS system, please see the [How to Apply document](#) available on the CEC website at: <https://www.energy.ca.gov/media/1654>.

First time users must register as a new user to access the system. Applicants will receive a confirmation email after all required documents have been successfully uploaded. A tutorial of the system will be provided at the Pre-Application Workshop, and you may contact the CAO identified in the Contact Information section of the Solicitation for more assistance.

C. MODIFYING OR WITHDRAWAL OF APPLICATION

Applicants may, by letter to the CAO at the CEC, withdraw or modify any submitted application before the deadline identified in Table 2: Key Activities and Dates. Applications cannot be changed after the submittal deadline.

A submitted application or term cannot be "timed" to expire on a specific date. For example, a statement such as the following, "This application and the cost estimate are valid for 60 days" is considered non-responsive to the Solicitation and will be scored as such.

D. APPLICATION ORGANIZATION

Below is a description of each required section of the Application. Reference each individual attachment for more detailed information. Completeness in submitting all the

information requested will be factored into application scoring. Failure to provide any attachments may result in disqualification of the application. Table 6 describes the order in which the application documents must be submitted. Items that have “N/A” reflected in the “Attachment Number” column are required to be submitted as part of the application package, but do not have an associated attachment provided in the Solicitation package.

Table 6: Application Documents

| Item | Attachment Number (if applicable) |
|--|-----------------------------------|
| Application Form | Attachment 1 |
| Program Narrative | N/A |
| Scope of Work | Attachment 2 |
| Schedule of Products and Due Dates | Attachment 3 |
| Budget Forms | Attachment 4 |
| Project Team Form and Resumes | Attachment 5 |
| Contact List | Attachment 6 |
| Letters of Commitment/Support | N/A |
| Past Performance Reference Form(s) | Attachment 7 |
| California Environmental Quality Act Compliance Form | Attachment 8 |

1. Application Form (Attachment 1)

The Application Form includes certifications to which an authorized representative of the Applicant must agree, including authorizing CEC to make any inquiries necessary to verify the information presented in the application. When Applicants electronically submit their applications through the GSS, by checking the “I Agree” box and clicking the “I Agree & Submit” button, they are providing the required authorizations and certifications.

2. Program Narrative

The Program Narrative must include a detailed description of the proposed program implementation for the region and explanation for how the program goals and objectives will be achieved through the tasks described in the Scope of Work (Attachment 2). Applicants must address each of the criteria described in this section in sufficient and unambiguous detail to be scored by the evaluation committee.

Program Narratives must be in Microsoft Word, and must respond directly to each criterion with the headings as titled below (bold font).

a. TEAM EXPERIENCE AND QUALIFICATIONS

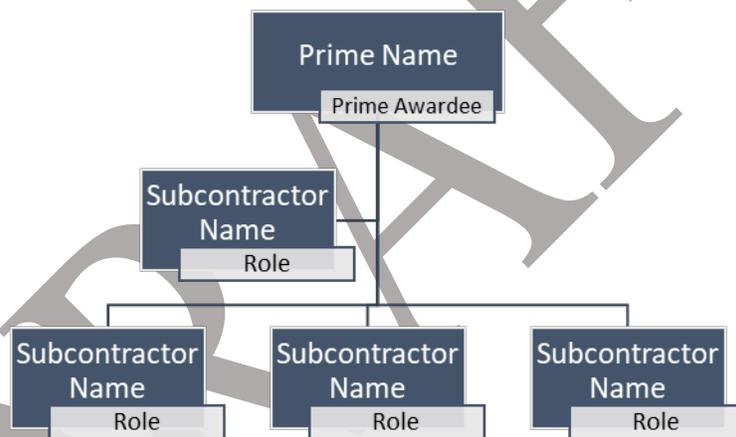
- 1) Identify the team on the Project Team Form (Attachment 5) including individual members, organizations, and organizations' physical and mailing address. Teams must include two or more CBOs and may also include other public or private entities including, but not limited to, local governments, utilities, community choice aggregators, etc.
- 2) Describe the team's experience with implementing residential building decarbonization (including energy efficiency, efficient electrification, load shifting) programs. Include experience:
 - A. Providing direct install services.
 - B. Providing decarbonization services to single-family, multifamily, and manufactured homes.
 - C. Contracting or working with state or federal agencies.
 - D. Contracting or coordinating with utilities and/or community choice aggregators.
 - E. Working directly with residents of underresourced communities and conducting culturally-appropriate outreach and engagement with homeowners and occupants.
 - F. Pre-screening properties and assessing likely energy savings and utility bill impacts from program activities.
 - G. Verifying income eligibility of potential participants.
 - H. Conducting home assessments to identify and recommend building decarbonization measures in line with greenhouse gas reduction and/or energy savings goals. Include team's related qualifications and expertise, such as certifications or trainings.
 - I. Coordinating and working with contractor workforce to conduct building decarbonization retrofits, including ensuring completion of required permitting and Home Energy Rating System (HERS) field verification and diagnostic testing.
 - J. Handling large amounts of funding, accurately tracking and accounting for funds from multiple sources, providing accurate and real-time data on program status, and ensuring projects are cost effective and adhere to realistic and aggressive timelines.
- 3) Describe the team's experience, expertise, skills, and resources related to project data collection, management, transmission and maintenance of large datasets, including handling personally identifiable information, collaborating with a third-party data manager, and coordinating with federal and state agencies.
- 4) Describe the team's knowledge, familiarity, and experience with Building Energy Efficiency Standards (Title 24), local building energy efficiency standards throughout California, statewide and local health

and safety requirements for buildings, California Department of Housing and Community Development requirements for manufactured housing alterations, and the National Manufactured Home Construction and Safety Standards.

- 5) Describe the team’s experience utilizing multiple funding sources to implement a program and complete residential retrofit projects.
- 6) Describe the team’s experience collaborating with cross-functional teams to meet program goals.

b. TEAM ROLES AND INTERNAL CONTROLS

- 1) Clearly describe the roles of all team members. For examples of CBOs’ potential roles in the program, see the Guidelines (Chapter 2B, Selection of Administrators). Include an organization chart like the one below.



- 2) Demonstrate that the project team has appropriate financial stability and capability to implement the program effectively. It is appropriate to summarize or reference, rather than repeat, previously detailed information on qualifications or experience.
- 3) Describe the available facilities, infrastructure, processes, coordination, and resources that would directly support the program.
- 4) Describe the team’s approach to establishing and maintaining internal controls, processes, and procedures to receive, handle, and account for program funding from multiple sources; evaluate payment requests; effect payment for valid payment requests; and provide monthly fiscal accounting and reporting. See Scope of Work (Task 2) for details.

- 5) If an organization is applying to more than one region, describe how the organization has the capability to concurrently administer the program if two or more of their applications were awarded, and any anticipated synergies and/or economies of such an approach.

C. PROGRAM IMPLEMENTATION

- 1) Propose Initial Community Focus Areas. These are specific identified communities the Applicant plans to serve in the initial phase of the program, as described in the Guidelines (Chapter 2D, Initial Community Focus Areas). All Initial Community Focus Areas must meet the Community Eligibility requirements described in the Guidelines (Chapter 2C, Community Eligibility). The set of proposed Initial Community Focus Areas must demonstrate diversity in terms of geography, climate zone, urban/rural, type of housing stock, and other characteristics. The information may be submitted in Microsoft Excel and/or Microsoft Word. Maps may also be included in Microsoft Word, Microsoft Excel, or PDF.
 - A. For each proposed Initial Community Focus Area, identify CBOs and partners that will be part of the project team. The specific role of each participating organization must be described in the Team Roles and Internal Controls section above.
 - B. Justify the selection of each proposed Initial Community Focus Area with reference to one or more of the criteria listed below.
 - Communities in which households are most likely to experience utility bill savings as a result of decarbonization.
 - Communities vulnerable to extreme heat, high fire risk, drought, or other climate risks.
 - Communities with high levels of ambient air pollution.
 - Communities underserved by existing programs that fund building decarbonization, weatherization, and related measures.
 - Communities in which households experience higher than average energy burdens.
 - Communities that have been identified as strong candidates for decarbonization retrofits by the CEC, California Public Utilities Commission, Housing and Community Development, California Air Resources Board, tribes, local governments, utilities, air districts, or another relevant entity.
 - Areas that have been identified as strong candidates for gas decommissioning, such as through the CEC-funded Tactical Gas Decommissioning Project.

- Communities in proximity to once-through-cooling gas-fired power plants or other large fossil fuel infrastructure.
- C. Applicants are strongly encouraged to identify at least one Initial Community Focus Area that is 'shovel-ready,' which may be accomplished by partnering with an existing direct install program that has the capacity to begin EBD-funded building retrofits within 6-9 months following the effective date of Agreement. Shovel-ready communities are **not exempt** from EBD program requirements as described in the Guidelines, relevant aspects of the HOMES Program Guidance, and this Solicitation, including but not limited to workforce standards and tenant protections.
- D. Resources that may be used to support the identification of Initial Community Focus Areas (Applicants may also make use of other resources not listed here):
- [U.S. Department of Energy Lead Income Energy Affordability Data \(LEAD\) Tool:](https://www.energy.gov/scep/slsc/lead-tool)
<https://www.energy.gov/scep/slsc/lead-tool>
 - [Cal-Adapt:](https://cal-adapt.org/)
<https://cal-adapt.org/>
 - [CalEnviroScreen 4.0 and SB 535 Disadvantaged Communities Map:](https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40)
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>
 - [Tactical Gas Decommissioning Project:](https://gridworks.org/2022/06/tactical-gas-decommissioning-project-overview/)
<https://gridworks.org/2022/06/tactical-gas-decommissioning-project-overview/>
 - [Decision 18-12-015 Approving San Joaquin Valley Disadvantaged Communities Pilot Projects:](https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M252/K052/252052725.PDF)
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M252/K052/252052725.PDF>
- 2) Describe the team's approach to establishing an application process to allow communities not identified as Initial Community Focus Areas to apply for inclusion in the program. See Scope of Work (Task 5.2) for details.
- 3) Describe the team's approach to developing and implementing a Workforce Plan to enroll contractors who will install eligible measures in homes, in accordance with the Workforce Standards and Requirements identified in the Guidelines (Chapter 4D) and HOMES Program Guidance. See Scope of Work (Task 5.3) for details.

- 4) Describe the team's approach to developing standard packages of eligible measures to be applied to participating homes. See Guidelines (Chapter 2I, Eligible Measures) and Scope of Work (Task 5.4) for details.
- 5) Describe the team's approach to developing and implementing mechanisms to control the costs of building decarbonization retrofits conducted through the program, and to meet the average cost caps for electrical and remediation work. See Guidelines (Chapter 2J, Pricing and Cost Caps) and Scope of Work (Task 5.5) for details.
- 6) Describe the team's approach to developing a Household Identification and Screening Plan to identify households that are the most viable candidates for the EBD program in Community Focus Areas that will not be covered by the EBD screening dashboard. See Guidelines (Chapter 2F, Household/Property Targeting) and Scope of Work (Task 5.6) for details.
- 7) Propose an approach to serve manufactured and mobile homes as part of the program. At least five (5) percent of program funding must be allocated to these building types. The proposed approach may involve coordinating with other programs that serve manufactured and mobile homes, such as the California Public Utilities Commission's Mobilehome Park Utility Conversion Program. See Guidelines (Chapter 2H, Set-Aside for Manufactured Homes) and Scope of Work (Task 5.7) for details.
- 8) Describe the team's approach to conducting outreach and engagement within each Community Focus Area. See Guidelines (Chapter 2G, Outreach and Engagement) and Scope of Work (Task 5.8) for details.
- 9) Describe the team's approach to confirming household eligibility and initiating enrollment for eligible households. Include the proposed income verification process and procedures for securing confidential information. See Scope of Work (Task 5.9) for details.
- 10) Describe the team's approach to conducting home assessments, identifying recommended measures to be installed in each participating home, and projecting energy savings and bill impacts associated with the recommended measures. See Scope of Work (Task 5.10) for details.
- 11) Describe the team's approach to executing Program Participation Agreements with participating property owners and occupants and providing required project information to property owners and

occupants. See Guidelines (Chapter 4C, Tenant Protections) and Scope of Work (Task 5.11) for details.

- 12) Describe the team's approach to conducting building decarbonization retrofits in participating homes. See Guidelines (Chapter 2I, Eligible Measures) and Scope of Work (Task 5.12) for details.
- 13) Describe the team's approach to Quality Assurance and Quality Control. See Guidelines (Chapter 2I, Eligible Measures) and Scope of Work (Task 5.13) for details.
- 14) Describe the team's approach to developing and implementing participant surveys. See Scope of Work (Task 5.14) for details.
- 15) Describe the team's approach to ensuring continuous program improvement. See Scope of Work (Task 6) for details.
- 16) Describe the team's approach to coordination and layering with other decarbonization, energy efficiency, public interest research, or other related programs (beyond HOMES). See Guidelines (Chapter 4A, Program Coordination and Incentive Layering) and Scope of Work (Tasks 7 and 8) for details.

d. BUDGET NARRATIVE

- 1) Justify the reasonableness of the proposed budget included in Budget Forms (Attachment 4) relative to the program goals, objectives, and tasks. Include justification of all elements of Attachment 4 as described in the attachment instructions.
- 2) Provide the projected number of retrofitted homes (detailing each building type) within 6-12 months of program launch and per year thereafter.
- 3) Discuss expected efficiencies or economies of scale related to the program and budget impact.
- 4) Describe and discuss known or expected risks or budget contingencies and how those risks or contingencies will be addressed.

3. Scope of Work (Attachment 2)

Applicants must include a completed Scope of Work utilizing the document contained in Attachment 2. As described above, the description of activities proposed in the Program Narrative must conform to the tasks described in the Scope of Work. Electronic files for the Scope of Work must be in Microsoft Word.

The awarded Applicant, one per region, will work with the CAM to finalize the Scope of Work.

4. Schedule of Products and Due Dates (Attachment 3)

Applicants must include a completed Schedule of Products and Due Dates (Attachment 3), and instructions are included in the attachment. Electronic files for the Schedule of Products and Due Dates must be in Microsoft Excel.

5. Budget Forms (Attachment 4)

The Budget Forms (Attachment 4) are in Microsoft Excel format and detailed instructions for completing them are included in the attachment. **Read the instructions before completing the worksheets.** Complete and submit information on **all** budget worksheets. The salaries, rates, and other costs entered on the worksheets will become a part of the final agreement. The CEC will discuss the proposed budget with Recipients, suggest amendments, and reserves the right to determine the initial and subsequent funding levels for the agreement resulting from this Solicitation. If there is no agreement on the budget, CEC reserves right to cancel the award.

- CBOs and other proposed subcontractors must be included where indicated in the Budget Forms.
- All Administrative, Project, and Project-Related expenditures must be made within the allocations detailed in the Availability of Funds section and approved agreement terms. 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 terms and conditions. Rates and personnel shown must reflect the rates and personnel the applicant would include if selected as a Recipient.
- The proposed rates are considered capped and may not change during the agreement term. The Recipient will only be reimbursed for **actual** rates up to the rate caps.
- The budget must NOT include any Recipient profit from the proposed project, either as a reimbursed item, match share, or as part of overhead, general and/or administrative expenses (subcontractor profit is allowable, though the maximum percentage allowed is ten (10) percent of the total subcontractor rates for labor, and other direct and indirect costs as indicated in the Category Budget form). Please review the terms and conditions and budget forms for additional restrictions and requirements.

- The budget must allow for the expenses of all meetings, products, and activities described in the Scope of Work. Meetings may be conducted at the CEC or by conference call, as determined by the CAM.
- Equipment and measures installed in homes will be the property of the homeowner or property owner. Administrative equipment purchased by the Recipient with CEC funds will typically remain the property of the Recipient subject to the conditions described in the Terms and Conditions. This applies to items with a unit cost greater than \$5,000 and a useful life of greater than one (1) year.
- **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. Applicants are encouraged to consult with their attorneys regarding prevailing wage requirements. Applicants should assume that prevailing wages requirements would apply to the CEC-funded activities, and factor this into cost estimates. Note that the Department of the Industrial Relations (DIR) and/or the courts determine what is a public works project and what is not. The CEC is not the evaluator of such questions.²

By accepting this 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, Recipient must either:

- (a) Proceed on the assumption that the project is a public work and ensure that:
 - (i) prevailing wages are paid; and
 - (ii) the project budget for labor reflects these prevailing wage requirements; and

² Note that although the CEC will engage in oversight as a steward of state funds, the CEC and chosen regional administrators are not “agents” of the other and the CEC does not negotiate subcontracts on behalf of the chosen regional administrator.

(iii) the project complies with all other requirements of prevailing wage law including but not limited to keeping accurate payroll records, and complying with all working hour requirements and apprenticeship obligations;

or,

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

6. Project Team Form and Resumes (Attachment 5)

Applicants must complete the Project Team Form (Attachment 5) and include resumes (maximum of 2 pages per resume) for key personnel, subcontractors, and partners listed on the form.

7. Contact List (Attachment 6)

Applicants must include a completed Contact List (Attachment 6). CEC points of contact will be finalized during agreement development.

8. Letters of Commitment/Support

Applicants must submit letters of commitment from proposed subcontractors and may choose to submit letters of support from other entities. Letters must include sufficient contact information, so CEC is able to contact the letter writer. Letters are limited to 2 pages each.

a. Letters of Commitment (required): Subcontractors identified in the proposal must provide letters demonstrating their commitment to the proposed program, their role, and their ability to fulfill their identified role.

b. Letters of Support (optional): Applicants are encouraged to seek and submit letter(s) of support that substantiate the value of the proposal from key partners or other entities who will not be members of the team receiving CEC funds. Letters of support may be provided by state or federal agencies, tribes, local governments, non-governmental organizations, air districts, utilities, community choice aggregators, or any other relevant organizations.

9. Past Performance Reference Form(s) (Attachment 7)

Applicants must use the Past Performance Reference Form(s) (Attachment 7) to address performance under current or prior agreements (contracts, grants, or loans), using public or ratepayer funding including agreements with the CEC, other public

agencies, tribes, or load serving entities in California (such as, investor-owned utilities, publicly owned utilities, or community choice aggregators). This must include all CEC agreements (contracts, grants, or loans) within the past ten (10) years (if any) and the five (5) most recent agreements with tribes, other public agencies or load serving entities within the past ten (10) years (if any).

If a team member's experience and qualifications described in the Program Narrative include a project(s) under current or prior agreements with public or ratepayer funding (e.g., contract, grant, or loan), the Applicant must also submit a Past Performance Reference Form(s) for that team member and project(s), even if the team member is not the primary Applicant.

Applicants may submit as many Past Performance Reference Forms as necessary to comply with this section.

10. California Environmental Quality Act Compliance Form (Attachment 8)

The CEC requires the information on this form to facilitate its evaluation of proposed activities under the California Environmental Quality Act (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 NOPA 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.

IV. Evaluation Process and Scoring Criteria

A. APPLICATION EVALUATION AND AWARD PROCESS

Under this Solicitation, the CEC expects to make three regional administrator awards, one for each region. Applications will be evaluated and scored based on responses to the information requested in this Solicitation. Applications must pass the administrative and technical screening to be further evaluated and scored.

Through the evaluation process - from receipt of applications up to the posting of the NOPA - all documents are confidential. After the release of the NOPA or the Solicitation is cancelled, submitted documents are no longer considered confidential and will become publicly available records. **The CEC will not accept, evaluate, or retain applications that identify any portion as confidential.**

1. Evaluation Committee

CEC will organize an Evaluation Committee to review and score applications. The Evaluation Committee will consist of CEC staff and may include staff of other California agencies.

The Evaluation Committee reserves the right to schedule an interview with Applicants for clarifying and verifying information provided in the application. The Evaluation Committee will send a list of questions to the Applicant prior to the call. Applicants may not change or add to the contents of the original application during the interview. Applicants will not be reimbursed for their participation in the interview. Interviews may be held via Microsoft Teams or Zoom video conference call.

The total score for each application will be the average of the combined scores of all Evaluation Committee members. Applications will be ranked according to their score. A minimum score of 70 percent is required for an application to be eligible for funding. If no application receives 70 percent, the CEC will not make an award and will consider revising and reissuing the Solicitation. CEC will recommend the awards to the highest scoring application for each region. If the score for two or more applications are tied, the application with a higher score in the Program Implementation section of the evaluation criteria will be ranked higher. If still tied, an objective tiebreaker (such as a random drawing) will be utilized.

2. Grounds to Reject an Application

In addition to the Screening Criteria identified within this Solicitation, CEC reserves the right to reject an application and/or cancel an award if at any time during the application or agreement process the following circumstances are discovered:

- a.** The application contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Applicant.
- b.** The application is intended to erroneously and fallaciously mislead the state in its evaluation of the application and the attribute, condition, or capability is a requirement of this Solicitation.
- c.** The application does not comply with, or contains caveats that conflict with, the Solicitation and the variation or deviation is material, or it is otherwise non-responsive.

3. Notice of Proposed Awards

The results of the evaluation will be posted in a NOPA and will include the recommended rank order of Applicants. CEC will post the NOPA on the CEC's website and send an email notification to Applicants and to the public through the CEC's distribution email list as described in the Questions and Communication Restrictions section.

4. Debriefings

Unsuccessful Applicants may request a debriefing after the release of the NOPA. A request for debriefing should be received no later than 15 calendar days after the NOPA is released.

5. Agreements

Applications recommended for funding will be developed into a proposed grant agreement to be considered at a CEC Business Meeting. Any changes to the Scope of Work, Budget, or Schedule will be discussed. If there is no agreement on the changes, CEC reserves right to cancel the award.

CEC will send the Recipient a grant agreement for approval and signature. The agreement will include the applicable terms and conditions and will incorporate this Solicitation and the Recipient's application by reference. The CEC reserves the right to modify the award documents (including the terms and conditions) prior to executing any agreement. Recipients that are public agencies must provide an authorizing resolution approved by their governing authority to enter into an agreement with CEC and designating an authorized representative to sign.

The Recipient must sign and return the agreement within 30 calendar days of receipt. Once the Recipient signs the agreement, CEC will fully execute the agreement at a CEC Business Meeting through a majority approval vote of CEC Commissioners. No agreement between CEC and the successful Applicant is in effect until the agreement is signed by the Recipient, approved at a CEC Business Meeting, and signed by the CEC representative.

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.

The executed agreement may be amended by mutual consent of the CEC and the Recipient. The agreement may require amendments as a result of project reviews, progress, changes in project scope, and/or availability in funding.

B. SCREENING CRITERIA

Applications must pass all screening criteria listed in Table 7 to be considered.

1. Administrative Screening Criteria

The CEC Contracts, Grants and Loans Office will screen Applications for compliance with the Administrative Screening Criteria listed in Table 7. Applications failing any of the criteria will be disqualified and eliminated from further evaluation.

2. Technical Screening Criteria

- a. Inclusion of CBOs:** Applicant teams are required to include a minimum of two CBOs for culturally appropriate outreach, education, and support for participating households and communities. Proposals may be led by CBOs, include CBOs as subcontractors, or both. Pursuant to the Guidelines, CBOs include "nonprofit organizations, tribal entities, or governmental entities that have demonstrated effectiveness representing underresourced or tribal communities and providing support and services to individuals in those communities."
- b. Past Performance:** If Applicants received funds from the CEC and entered into an agreement(s) (e.g., contract, grant, or loan) with the CEC prior to this Solicitation, Applicants must submit Past Performance Reference Form(s) (Attachment 7). Applicants that do not have an active or prior agreement with the CEC automatically pass this screening criteria.

Applications may be disqualified due to severe performance issues with one or more CEC agreement(s) within the last 10 years. "Severe performance issues" are characterized by significant negative outcomes under an agreement and may include:

1. Agreement terminated with cause.
2. CEC filed litigation against the Applicant.
3. 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.
4. Project or program objectives not met and caused by factors that were, or should have been, within the Applicant's control.
5. Delays in project or program completion of one year or more from the original proposed schedule, caused by factors within the Applicant's control.

6. Deliverables not submitted to the CEC or of poor quality. For example, the Applicant delivered poorly written reports that required significant rework by staff prior to acceptance or publication.
7. Demonstrated and documented poor or delayed communication when significant issues or setbacks were experienced that materially and negatively impacted the project or program. For example, delays in informing the CEC when the Applicant experiences loss of a key project partner or site control may be considered significant.

Table 7. Administrative and Technical Screening Criteria

| <i>The Application must pass ALL screening criteria.</i> | Pass/Fail |
|--|---|
| Administrative Screening Criteria | |
| 1. The application is received by the CEC Contracts, Grants and Loans Office by the deadline specified in the "Key Activities Schedule" in Section I of this Solicitation. | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |
| 2. The Applicant provides the required authorizations and certifications. | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |
| 3. The Applicant has not included a statement that is contrary to the required authorizations and certifications. | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |
| 4. The Applicant has not identified any sections or attachments as confidential items. | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |
| Technical Screening Criteria | |
| 1. Inclusion of CBOs | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |
| 2. Past performance with CEC | <input type="checkbox"/> Pass <input type="checkbox"/> Fail |

C. SCORING SCALE

Using this Scoring Scale, the Evaluation Committee will give a score for each criterion described in the Evaluation Criteria.

| Possible Points Percent | Interpretation | Explanation for Percentage Points |
|--------------------------------|-----------------------|---|
| 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. |

| Possible Points Percent | Interpretation | Explanation for Percentage Points |
|--------------------------------|-----------------------------------|---|
| 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. |

D. EVALUATION CRITERIA

| Criterion | Possible Points |
|--|------------------|
| <p>TEAM EXPERIENCE AND QUALIFICATIONS</p> <ol style="list-style-type: none"> 1. Team’s experience with residential building decarbonization programs, including experience: <ol style="list-style-type: none"> A. Providing direct install services. B. Providing decarbonization services to single-family, multifamily, and manufactured homes. C. Contracting or working with state or federal agencies. D. Contracting or coordinating with utilities or community choice aggregators. E. Working directly with residents of underresourced communities and conducting culturally-appropriate outreach and engagement with homeowners and occupants. F. Pre-screening properties and assessing likely energy savings and bill impacts from program activities. G. Verifying income eligibility of potential participants. H. Conducting home assessments to identify and recommend building decarbonization measures in line with greenhouse gas reduction and/or energy savings goals. Include team’s related qualifications and expertise, such as certifications or trainings. I. Coordinating and working with contractor workforce to conduct building decarbonization retrofits, including ensuring completion of required permitting and Home Energy Rating System (HERS) field verification and diagnostic testing. J. Handling large amounts of funding, accurately tracking and accounting for funds from multiple sources, providing accurate and real-time data on program status, and ensuring projects are cost effective and adhere to realistic and aggressive timelines. 2. Team’s experience, expertise, skill, and resources related to project data collection, management, transmission, and maintenance of large datasets, including handling personally identifiable information, collaborating with a third-party data manager, and coordinating with federal and state agencies. 3. Team’s knowledge, familiarity, and experience with Building Energy Efficiency Standards (Title 24), local building energy efficiency standards throughout California, statewide and local health and safety requirements for buildings, California Department of Housing and Community Development requirements for manufactured housing alterations, and the National Manufactured Home Construction and Safety Standards. 4. Team’s experience utilizing multiple funding sources to implement a program and complete residential retrofit projects. 5. Team’s experience collaborating with cross-functional teams to meet program goals. | <p>25</p> |

| Criterion | Possible Points |
|--|------------------------|
| <i>Minimum Passing Score for This Section (70%)</i> | <i>17.5</i> |
| <p>TEAM ROLES AND INTERNAL CONTROLS</p> <p>6. Proposed roles of each organization included in the team are appropriate for successful program management and implementation. Proposed roles of CBOs are meaningful.</p> <p>7. Project team has appropriate financial stability and capability to implement the program effectively.</p> <p>8. Available facilities, infrastructure, processes, coordination, and resources are sufficient to support the program.</p> <p>9. Team’s approach to establishing and maintaining internal controls, processes, and procedures to receive, handle, and account for program funding from multiple sources; evaluate payment requests; effect payment for valid payment requests; and provide monthly fiscal accounting and reporting.</p> <p>10. If an organization is applying to more than one region, their organization has demonstrated capability to concurrently administer the program if two or more of their applications were awarded.</p> | 25 |
| <i>Minimum Passing Score for This Section (70%)</i> | <i>17.5</i> |
| <p>INITIAL COMMUNITY FOCUS AREAS</p> <p>11. Proposed Initial Community Focus Areas:</p> <ul style="list-style-type: none"> • Meet community eligibility requirements. • Demonstrate diversity in terms of geography, climate zone, urban/rural, type of housing stock, and other characteristics. • Are identified strategically with reference to one or more of the specified criteria: <ul style="list-style-type: none"> ○ Communities in which households are most likely to experience utility bill savings as a result of decarbonization. ○ Communities vulnerable to extreme heat, high fire risk, drought, or other climate risks. ○ Communities with high levels of ambient air pollution. ○ Communities underserved by existing programs that fund building decarbonization, weatherization, and related measures. ○ Communities in which households experience higher than average energy burdens. | 15 |

| Criterion | Possible Points |
|---|------------------------|
| <ul style="list-style-type: none"> ○ Communities that have been identified as strong candidates for electrification by the CEC, California Public Utilities Commission, Housing and Community Development, California Air Resources Board, tribes, local governments, utilities, air districts, or another relevant entity. ○ Areas that have been identified as strong candidates for gas decommissioning, such as through the CEC-funded Tactical Gas Decommissioning Project. ○ Communities in proximity to once-through cooling gas-fired power plants or other large fossil fuel infrastructure. <p>12. Team includes local partner organizations in each Initial Community Focus Area.</p> | (cont.) |
| <p>13. One or more proposed Initial Community Focus Areas are 'shovel-ready,' meaning the community could be served by an existing direct install program that has the capacity to retrofit homes within 6-9 months after the execution of the Agreement.</p> | 5 |
| <p><i>Minimum Passing Score for This Section (70%)</i></p> | 14 |
| <p>PROGRAM IMPLEMENTATION</p> <p>14. Team's approach to establishing an application process to allow communities not identified as Initial Community Focus Areas to apply for inclusion in the program.</p> <p>15. Team's approach to developing and implementing a Workforce Plan to enroll and maintain list of contractors who will install eligible measures in homes.</p> <p>16. Team's approach to developing standard packages of eligible measures to be applied to participating homes.</p> <p>17. Team's approach to developing and implementing mechanisms to control the costs of building decarbonization retrofits conducted through the program, and to meet the average cost caps for electrical and remediation work.</p> <p>18. Team's approach to developing a Household Identification and Screening Plan for Community Focus Areas that will not be covered by the EBD screening dashboard.</p> <p>19. Team's approach to serve manufactured and mobile homes as part of the program. At least 5 percent of program funding must be allocated to these building types. The proposed approach may involve coordinating with other programs that serve manufactured and mobile homes.</p> | 50 |

| Criterion | Possible Points |
|---|------------------------|
| <p>20.Team’s approach to conducting outreach and engagement within each Community Focus Area.</p> <p>21.Team’s approach to confirming household eligibility and conducting initial enrollment of eligible households, including proposed income verification process.</p> <p>22.Team’s approach to conducting home assessments, identifying recommended measures to be installed in each participating home, and projecting energy savings and bill impacts associated with the recommended measures.</p> <p>23.Team’s approach to executing Program Participation Agreements with property owners and occupants and providing required project information to property owners and occupants.</p> <p>24.Team’s approach to conducting building decarbonization retrofits in participating homes.</p> <p>25.Team’s approach to Quality Assurance and Quality Control.</p> <p>26.Team’s approach to developing and implementing participant surveys.</p> <p>27.Team’s approach to continuous program improvement.</p> <p>28.Team’s approach to coordination and layering with other programs (beyond HOMES).</p> | <p>(cont.)</p> |
| <i>Minimum Passing Score for This Section (70%)</i> | 35 |
| <p>BUDGET AND SCHEDULE</p> <ul style="list-style-type: none"> • Reasonableness of the proposed budget (Budget Forms Attachment 4) relative to the program goals, objectives, and tasks. • Justification of all elements of Attachment 4 including labor, fringe benefits, equipment, materials, travel, subcontractors’ budgets, and indirect costs. • Projected number of retrofitted homes (detailing each building type) within 6-12 months of program launch and per year thereafter. • Expected efficiencies or economies of scale related to the program and budget impact. • How budget risks or contingencies will be addressed. • Reasonableness of the proposed schedule (Schedule of Products and Due Dates Attachment 3), including schedule for “shovel-ready” communities and timeliness of program launch, relative to the program goals, objectives, and tasks. | 30 |

| Criterion | Possible Points |
|---|------------------------|
| <i>Minimum Passing Score for This Section (70%)</i> | <i>21</i> |
| Total Possible Points | 150 |
| Minimum Passing Score (70%) | 105 |

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V. Administration

A. COST OF DEVELOPING APPLICATION

Applicants are responsible for the cost of developing an application, and this cost cannot be charged to the state.

B. CONFIDENTIAL INFORMATION

CEC will not accept or retain any applications that have any portion marked confidential. Applications including confidential information will fail administrative review and not be evaluated.

C. SOLICITATION CANCELLATION AND AMENDMENTS

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

- Cancel this Solicitation.
- Revise the amount of funds available under this Solicitation.
- Amend this Solicitation as needed.
- Reject any or all applications received in response to this Solicitation.

If the Solicitation is amended, CEC will send an addendum to all parties who requested the Solicitation, distribute it through the email list as described in the Questions and Communication Restrictions section, and post it on [CEC's website](http://www.energy.ca.gov/contracts) at: www.energy.ca.gov/contracts.

D. ERRORS

If Applicants discover any ambiguity, conflict, discrepancy, omission, or other error in the Solicitation, the Applicants shall immediately notify CEC of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice of all parties who requested the Solicitation, without divulging the source of the request for clarification. CEC shall not be responsible for failure to correct errors.

E. IMMATERIAL DEFECT

CEC may waive any immaterial defect or deviation contained in an Applicants' application. CEC's waiver shall in no way modify the application or excuse the successful Applicants from full compliance.

F. APPLICANTS' ADMONISHMENT

This Solicitation contains the instructions governing the requirements for a firm quotation to be submitted by interested Applicants, the format in which the technical information is to be submitted, the material to be included, the requirements which must be met to be eligible for consideration, and Applicants responsibilities. Applicants must take the responsibility to carefully read the entire Solicitation, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, and make sure all procedures and requirements of the Solicitation are followed and appropriately addressed.

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