**2018 Community Pilot Program**

**Instructions for Proposal Narrative, Budget and Metrics**

June 21, 2018

# Introduction

Peninsula Clean Energy (PCE) is very excited to open the Call for Proposals for Community Pilots. As part of PCE’s mission to reduce greenhouse gas emissions, deliver cleaner and greener electricity at lower costs, and provide additional tangible benefits to the community, PCE will be moving forward to implement a number of local programs. This includes initiating a number of pilot programs as identified through these proposals.

The community pilots identified are intended to support PCE strategic objectives by:

• Reducing GHG emissions

• Delivering local community benefits

• Advancing innovation

• Aligning energy supply and load

Funding of up to $75,000 will be offered for pilot projects of up to 18 months in duration. It is anticipated that up to 6 projects may be selected but any strong proposal will be highly considered for current or potentially future support. Successful pilots may be considered for follow-on support based on performance.

Any individual or organization may submit a proposal for consideration. PCE may engage partners to refine proposed concepts and/or may adapt them as deemed necessary. Lead organizations whose projects are selected will be required to enter into contract with PCE to receive funds.

Funds for direct labor and supplies will be supplied up-front to aid execution. Funds for equipment (over $5,000) or major subcontractors (over $20,000) will require a quote for funds to be released. A midterm report (brief) and final report will be required. In addition, PCE will require a site visit to be determined based on the nature of the project. The site visit may be at the office of the applicant or facility where a deployment is occurring.

Questions may be submitted to Programs@peninsulacleanenergy.com with the subject “Proposal Question: …”. Responses will be posted on a continuous basis on the FAQ within 7 to 10 days of receipt.

# Submission Instructions

To submit a proposal for consideration, applicants **must** do the following two things:

1. Fill out this [Proposal Submission Form](https://docs.google.com/forms/d/e/1FAIpQLSc1tNmgidrvkwwrXCy2dyOU_N756ARC3qhWfREZMtCCnI2Ndw/viewform?usp=sf_link): <https://tinyurl.com/PCEPilotSummaries>
2. Email Programs@peninsulacleanenergy.com the following files, with the subject “Proposal - <Organization> <Proposal Title>”. Files must be named as instructed.
	* Proposal Narrative: <Organization>\_Proposal.doc
	* Budget Form: <Organization>\_Budget.xls
	* (OPTIONAL) GHG Emissions Reduction and Cost Effectiveness: <Organization>\_Calcs.xls

Specific instructions for the Proposal Narrative and Budget Form can be found below.

# Evaluation Criteria

Proposals will be evaluated on the basis of the following criteria:

1. Accelerates GHG reductions and renewables

Delivers clear quantifiable GHG reductions and/or renewables in a cost-effective manner. Note that PCE does not plan to pursue programs which are currently delivered through California Public Utility Commission regulated programs but may complement such programs where appropriate. In addition, transportation fuel and natural gas are recognized as the top two contributors to GHGs. Where GHGs associated with electricity are proposed for reduction, applicants should consider that the emissions impact is lower with a cleaner grid, especially during hours when renewables are generating power.

1. Delivers community benefits

The project provides community benefits including delivering tangible benefits to low income communities, develops workforce (including aligning with [PCE workforce policy](https://www.peninsulacleanenergy.com/wp-content/uploads/2017/01/PCE-Policy-10-final-1.pdf)), and/or serves customers across PCE’s geography.

1. Supports PCE’s load serving needs

Supports PCE’s objective to reach 100% renewables by 2025 by matching supply and load.

1. Can be executed within PCE capacity and builds PCE capabilities

Can be managed by PCE staff without undue burden and/or creates valuable expertise or data for ongoing use.

1. Additional benefits

Supports community resilience; is innovative, scalable and replicable; and/or addresses program gaps in the region.

1. Credentials and Approach

The applicant and its partners have the demonstrated capacity to execute the proposed project, the budget is realistic and appropriate, objectives and approach are feasible, and evaluation approach is credible.

# Narrative Instructions

The proposal narrative must be submitted as MS Word documents with a 10 page maximum (excluding cover page), 11 point Arial font, and 1 inch borders. The narrative must include the following:

## Required sections

1. Cover Page
2. Description of the project
3. Outcomes
	1. Accelerates GHG reductions and renewables
	2. Delivers community benefits
	3. Supports PCE’s load serving needs
	4. Additional benefits
4. PCE Implementation Requirements
5. Qualifications
6. Evaluation
7. Metrics and Assumptions

## Section Descriptions

### Cover Page

Include one cover page which includes the project name, applicant organization, key partners, and point of contact (name, title, organization, phone, email). The cover page does not count against the maximum page count.

### Description of Project

Include a complete description of the project. This must include objectives, roles of partners, and sequence of activities to execute the project.

### Outcomes

### Accelerates GHG reductions and renewables

Discuss how the project delivers clear quantifiable GHG reductions and/or renewables in a cost-effective manner. This may include how the project supports PCE’s procurement goals as defined in the PCE board goals:

* Creating 20 MW of new local power by 2025
* 100% GHG-free power for 2021
* 100% renewable energy by 2025.

A PCE local power project is defined as a carbon-free, renewable energy project. Note that PCE does not plan to pursue programs which are currently delivered through California Public Utility Commission regulated programs but may complement such programs where appropriate. In addition, transportation fuel and natural gas are recognized as the top two contributors to GHGs. Where GHGs associated with electricity are proposed for reduction, applicants should consider that the emissions impact is lower with a cleaner grid, especially during hours when renewables are generating power (see [CAISO Emissions website](http://www.caiso.com/TodaysOutlook/Pages/Emissions.aspx)).

The proposal should quantify the GHG reductions and cost effectiveness and include backup calculations.

### b) Delivers community benefits

Discuss how the project provides community benefits including delivering tangible benefits to low income and vulnerable communities, developing the local workforce (including aligning with PCE workforce policy), and/or serving customers across PCE’s geography.

Specify what types of PCE customers (residential, small business, large commercial) can be served and if possible, how many PCE customers can participate in the program given your stated budget. How many could potentially be served during a full-scale implementation? Specify where in San Mateo County eligible customers are located. If your project favors one geographic area over others, please briefly explain why.

All projects should comply with the [PCE workforce policy](https://www.peninsulacleanenergy.com/wp-content/uploads/2017/01/PCE-Policy-10-final-1.pdf), available on the PCE website. Please provide a brief description of how your proposed program meets required standards listed below for any relevant program type. Contractors or subcontractors must make best efforts to utilize local businesses, union labor, multi-trade agreements, apprenticeship programs, and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

San Mateo County (SMC) has developed a screening tool to identify vulnerable communities within the County. The [Community Vulnerability Index](http://cmo.smcgov.org/cvi) (CVI) provides a granular view of vulnerable populations in SMC by looking at health insurance coverage, educational attainment, supplemental security income, gross rent as a percentage of income, poverty, unemployment, and disability status (CVI website: <http://cmo.smcgov.org/cvi> and more information on the data: <https://tinyurl.com/SMCoCVI>). Overall results point to 10 areas within the County as especially burdened (see map below).

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| Census Tract | Board District | City | Value |
| 1 | District 2 | San Mateo | 69.2 |
| 2 | District 4 | North Fair Oaks | 69.1 |
| 3 | District 4 | East Palo Alto | 69.1 |
| 4 | District 4 | Redwood City | 68.2 |
| 5 | District 4 | East Palo Alto | 66.6 |
| 6 | District 4 | Redwood City | 64.3 |
| 7 | District 4 | North Fair Oaks | 64.2 |
| 8 | District 4 | East Palo Alto | 62.7 |
| 9 | District 4 | North Fair Oaks | 61.4 |
| 10 | District 1 | South San Francisco | 61.2 |

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If your proposal includes serving the disadvantaged community, please provide a brief narrative description of how your proposed program will benefit qualifying disadvantaged community members.

### c) Supports PCE’s load serving needs

In the future, PCE may face over-generation of electricity through the middle of the day on weekdays and have excess energy supply during these times. We are looking for programs that may help solve this imbalance. Some examples of how a program might solve this issue include consuming electricity during times of excess supply, generating electricity at times when demand is high, storing electricity during times of excess supply, and creating pricing signals to encourage this behavior. [PCE’s Integrated Resource Plan](https://www.peninsulacleanenergy.com/wp-content/uploads/2018/01/PCE-FINAL-2017-IRP-Updated.pdf), which can be found on our website provides additional details on our current load and supply resources.

Briefly describe if and how your proposed project would work to address these concerns.

### d) Additional Benefits

Discuss how the project supports community resilience; is innovative, scalable and replicable; and/or addresses program gaps in the region.

San Mateo county has a history of being at the forefront of innovation, and PCE’s customer base includes some of the most innovative companies in the nation. PCE should leverage that spirit, along with its unique position in the energy market as an agile and locally governed agency to develop and offer cutting edge programs. Further, to avoid investing in one-off opportunities and limiting market impact, it is preferred that PCE’s programs be both scalable and replicable. Discuss whether the proposed project has been implemented by your organization or other organizations and if yes, what the learnings and results were. If it is the first such program, discuss the implications. Please articulate how this program could be expanded over time throughout PCE’s service area.

Climate change science predicts increasingly severe weather. In California, this includes record storms, heat waves, and wildfires that can cause largescale blackouts on California’s electrical grid. PCE is interested in contributing to the community resilience of San Mateo County by increasing the reliability of electricity service for key institutions (emergency response, health and social services, etc.) and populations that are especially vulnerable to the loss of electrical power. Please articulate if this program can increase community resiliency.

PCE customers are still eligible for PG&E and other state-funded programs such as rebates on efficient appliances and electric cars. This also includes energy efficiency programs offered in San Mateo County through the County Office of Sustainability. PCE may be able to leverage these existing programs to build on or complement them in our service territory. These programs do face regulatory challenges in implementing certain kinds of programs such as incentivizing fuel switching (for example, from gas to electric hot water heaters). PCE’s local program offerings may be most effective if, instead of duplicating existing utility offerings, they complement or fill a gap in programs already available to our customers.

### PCE Implementation Requirements

Specify what PCE’s role is in the project, if any, and what is required from PCE staff to ensure the project’s success. Discuss whether the role and activities can be executed within PCE’s capabilities, how the project will minimize administrative burdens on PCE and how the project helps build PCE capacities. Address any significant external policy changes which may be required to implement.

### Qualifications

Discuss your qualifications for executing the proposed project. Include whether your organization has previously executed similar work, whether the project will be done with existing staff or new staff is required, and the qualifications of your partners. If emerging technology is involved, explain the readiness of the technology, risks and mitigations.

### Evaluation

Explain your approach to evaluating success. This must include quantifying outcomes towards the benefits expected to be delivered to the degree feasible.

### Metrics and Assumptions

Discuss your metrics and the underlying assumptions. Impact data must include impact of the specific project, and may include extrapolated impact across the addressable market. Please use PCE’s data sources and use conservative estimates. Analysis should include immediate and longer-term impacts if a pilot approach is scaled. Note it is understood that some projects may deliver lower cost-benefit for GHGs but are valuable in delivering other community benefits.

For metrics of any complexity, applicants are encouraged to include a separate spreadsheet showing how the metrics are calculated. These should clearly show how the calculations are arrived at and the sources of any foundational data. Including total results and per-unit (project/resident/time period) is helpful. See the sample calculations for one approach to presenting the information.

Below are factors to consider.

* Greenhouse Gas (GHG) Emissions Reductions: Specify the factors in the reductions. These must include direct reductions and may include indirect reductions as well as one-time effects.
* Cost Effectiveness: Estimate of total costs for and any income from the project. Include all administrative and overhead costs in your estimate. How is cost effectiveness being addressed? Specify the primary cost effectiveness driver for evaluation. Cost effectiveness may apply to GHGs or other community benefits or both.

# Budget

List all funding sources, including if a subsidy would be required from PCE, and if you plan to leverage any other funding sources such as external grant programs. If costs are to be shared, please be clear about breakdown of costs to each entity. If there is a projected revenue stream, from the project, please describe how this would be generated and whom it would benefit.

A budget must accompany the proposal. The following [budget template](https://www.peninsulacleanenergy.com/wp-content/uploads/2018/06/PCE-CommunityPilots-Budget-Template-6.xlsx) is recommended. The budget must include:

1. Expenses
	1. Direct labor including key personnel, roles, labor rates (loaded), and approximate hours
	2. Total direct labor cost
	3. Supplies with high level descriptions
	4. Equipment (over $5,000 per unit) with descriptions
	5. Subcontractors with descriptions
2. Income
	1. PCE Funds
	2. Revenues from project
	3. Other Funds