

# FINANCIAL ASSISTANCE FUNDING OPPORTUNITY ANNOUNCEMENT

**OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY (EERE)**

## **ASSISTING FEDERAL FACILITIES WITH ENERGY CONSERVATION TECHNOLOGIES (AFFECT)**

**Funding Opportunity Announcement (FOA) Number: DE-FOA-0000901**

**FOA Type: Initial**

**CFDA Number: 81.117**

<b>FOA Issue Date:</b>	November 5, 2013
<b>Submission Deadline for Letter of Intent:</b>	December 10, 2013, 5:00pm EST
<b>Submission Deadline for Full Applications:</b>	February 18, 2014, 5:00pm EST
<b>Expected Date for EERE Notifications of Applicants Selected for Award Negotiations:</b>	April 29, 2014
<b>Expected Date for Negotiation Completion and Award Initiation:</b>	June 10, 2014

- Applicants must submit a Letter of Intent by the due date listed above to be eligible to submit a Full Application.
- To apply to this FOA, Applicants must register with and submit application materials through EERE Exchange at <https://eere-exchange.energy.gov>, EERE's online application portal. Frequently asked questions for this FOA and the EERE Application process can be found at <https://eere-exchange.energy.gov/FAQ.aspx>.
- Applicants must designate primary and backup points-of-contact in EERE Exchange with whom EERE will communicate to conduct award negotiations. If an application is selected for award negotiations, it is not a commitment to issue an award. It is imperative that the Applicant/Selectee be responsive during award negotiations and meet negotiation deadlines. Failure to do so may result in cancellation of further award negotiations and rescission of the Selection.

*Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.*

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Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

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## EXECUTIVE SUMMARY

<b>Means of Submission</b>	Letters of Intent and Full Applications must be submitted through EERE Exchange at <a href="https://eere-exchange.energy.gov">https://eere-exchange.energy.gov</a> , EERE's online application portal. EERE will not review or consider applications submitted through other means. The Users' Guide for Applying to the Department of Energy EERE Funding Opportunity Announcements is found at <a href="https://eere-exchange.energy.gov/manuals.aspx">https://eere-exchange.energy.gov/manuals.aspx</a> .
<b>Total Amount to be Awarded</b>	Up to \$5,000,000 EERE Share, subject to availability of appropriated funding.
<b>Average Award Amount</b>	EERE anticipates making awards up to \$1,000,000, with an anticipated average award size of \$500,000.
<b>Types of Funding Agreements</b>	Grant awards through Interagency Agreements, Intra-agency Agreements, Work Authorizations or other appropriate funding mechanisms.
<b>Period of Performance</b>	EERE anticipates making awards with periods of performance up to 24 months.
<b>Eligible Applicants</b>	U.S. Federal Agencies, Sub-agencies, and National Laboratory Contractors, subject to the definitions and requirements described in Sections III.A and III.B.
<b>Cost Leverage Requirement</b>	≥ 50% of Total Project Costs.
<b>Submission of Multiple Applications</b>	Applicants may submit more than one application to this FOA, provided that each application describes a unique and distinct project.
<b>Program Summary</b>	The AFFECT FOA will provide direct funding to U.S. Federal agencies for the development of combined heat and power or renewable energy capital projects at agency facilities.

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# **I. FUNDING OPPORTUNITY DESCRIPTION**

## **A. DESCRIPTION/BACKGROUND**

Section 152 (f) of the Energy Policy Act of 1992 (EPA 1992), Public Law 102-486, as codified in 42 USC § 8256 (b), authorized the Secretary of Energy to establish a fund with the stated purpose of providing competitive grants to agencies to assist them in meeting the energy and water conservation requirements of the National Energy Conservation Policy Act (NECPA), 42 USC § 8253 (a)-(b).<sup>1</sup>

The U.S. Department of Energy (DOE) Federal Energy Management Program (FEMP), within the Office of Energy Efficiency and Renewable Energy (EERE), works with key individuals to accomplish energy change within organizations by bringing expertise from all levels of project and policy implementation to enable Federal agencies to meet energy-related goals and to provide energy leadership to the country. The Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) Funding Opportunity Announcement (FOA) will provide direct funding to Federal agencies for the development of capital projects to initiate, supplement, improve or otherwise increase the viability and deployment of energy efficiency and renewable energy investments at U.S. Federal government-owned facilities. The intent of the AFFECT FOA is for these capital projects to help facilitate the wider adoption of these technologies at other Federal facilities. Using the authority provided in Public Law 102-486, funding provided under the AFFECT FOA will implement FEMP's continuing efforts to promote widespread energy efficiency and renewable energy technology deployment in the Federal sector. Projects selected for funding under the AFFECT FOA will support FEMP's ongoing effort to build agency capacity through project implementation, encourage energy cost savings, and promote significant recipient involvement through cost leveraging from both Federal and non-Federal sources.

Pursuant to 42 USC § 8256 (b) (3), selections and awards under the AFFECT FOA will be made after a competitive assessment of each application, as evaluated pursuant to the criteria set forth in Section V.A.1

## **B. TOPIC AREAS/TECHNICAL AREAS OF INTEREST**

There are two topic areas to which an application may be submitted under this FOA: 1) Combined Heat and Power (CHP) and 2) Renewable Energy. In both topic areas, Applicants will develop capital projects at Federal facilities. The focus of this FOA is to facilitate the successful execution of individual CHP or renewable energy projects at Federal facilities that will accelerate the adoption and installation of these technologies at other Federal facilities.

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<sup>1</sup> For more information on energy management requirements for Federal agencies outlined by Federal statutory laws and regulations, please reference <https://www1.eere.energy.gov/femp/regulations/regulations.html>.

To apply to this FOA, an application must at minimum provide an identification and preliminary analysis of a technically and economically viable capital project or set of projects at a specific Federally-owned site or set of sites that implements a CHP (Topic Area 1) or renewable energy (Topic Area 2) technology.<sup>2</sup> Successful projects will culminate in the development and implementation of CHP or renewable energy technologies at the Federal site or sites. In conjunction with funds from this FOA, agencies must use appropriated funds or alternative project financing mechanisms such as Energy Savings Performance Contracts (ESPC), Utility Energy Service Contracts (UESC), or Power Purchase Agreements (PPA) to complete the projects.

Funding from this FOA may only be applied to activities related to the development of a CHP or renewable energy system at Federal facilities. Both early and mature projects are encouraged to submit applications to this FOA, as EERE recognizes that each proposal will be at a unique stage of development. Ancillary activities that facilitate the successful installation and operation of a CHP or renewable energy system (e.g. site infrastructure upgrades) may also qualify if an Applicant can clearly demonstrate to EERE's satisfaction that the proposed activities are necessary for the successful implementation of a CHP or renewable energy project.

### **1. TOPIC AREA 1: COMBINED HEAT AND POWER**

Combined heat and power (CHP) is an efficient and clean approach to generating electric power and useful thermal energy from a single fuel source. CHP is used either to replace or supplement conventional separate heat and power (SHP). Instead of purchasing electricity from the distribution grid and burning fuel in an on-site furnace or boiler to produce thermal energy, a Federal site or facility can use CHP to provide both energy services in one energy-efficient step. The use of CHP involves the recovery of thermal energy that would otherwise be wasted to produce additional power or useful thermal energy; as such, CHP can provide significant energy efficiency and environmental advantages over SHP. It is reasonable to expect a CHP system to operate at 65%–75% efficiency, a large improvement over the national average of 45% for these services when separately provided.<sup>3</sup>

CHP represents a proven, effective, and under-utilized near-term energy solution to help the United States enhance energy efficiency, improve environmental quality, promote economic growth, and maintain a robust energy infrastructure. The U.S. currently has an installed capacity of 82 gigawatts (GW) (8% of generating capacity) of CHP at over 3,700 facilities, with 87% in manufacturing plants around the country. Already used by many industrial facilities and

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<sup>2</sup> For more information on what a preliminary analysis may entail, please reference <http://www.midwestcleanenergy.org/support/feasibility.aspx> and <https://www1.eere.energy.gov/femp/technologies/distributed-scalere.html#res>.

<sup>3</sup> Combined Heat and Power: A Clean Energy Solution. August 2012. US DOE and US EPA. [http://www1.eere.energy.gov/manufacturing/distributedenergy/pdfs/chp\\_clean\\_energy\\_solution.pdf](http://www1.eere.energy.gov/manufacturing/distributedenergy/pdfs/chp_clean_energy_solution.pdf).

a growing number of commercial and institutional entities, CHP is a commercially available clean energy resource that is immediately deployable.

CHP may be configured either as a topping or bottoming cycle. In a topping cycle, fuel is combusted in a prime mover such as a gas turbine or reciprocating engine, generating electricity or mechanical power. Energy normally lost in the prime mover's hot exhaust and/or cooling systems is recovered to provide process heat, hot water, or space heating/cooling for the site. In a bottoming cycle, also referred to as waste heat to power, fuel is combusted to provide thermal input to a furnace or other industrial process and some of the heat rejected from the process is then used for power production. For optimal efficiency, CHP systems are typically designed and sized to meet a facility's baseload thermal demand.

CHP is a distributed energy resource that is, by definition, strategically located at or near the point of energy use. Such on-site generation avoids the transmission and distribution (T&D) losses associated with electricity purchased via the grid from central stations and defers or eliminates the need for new T&D investment. CHP's inherent higher efficiency and elimination of transmission and distribution losses from the central station generator results in reduced primary energy use and lower greenhouse gas (GHG) emissions.

Current CHP installations in the United States use a diverse set of fuels, although natural gas is by far the most common fuel at 72% of installed CHP capacity. Biomass, process wastes and coal make up the remaining CHP fuel mix. Compared to the average fossil-based electricity generation, the entire existing base of CHP saves 1.8 Quads of energy annually and eliminates 240 million metric tons of CO<sub>2</sub> emissions each year (equivalent to the emissions of over 40 million cars).<sup>4</sup>

## **2. TOPIC AREA 2: RENEWABLE ENERGY**

For the purposes of this FOA, renewable energy includes electric or thermal energy generated from solar, wind, geothermal, biomass, landfill gas, municipal solid waste, and hydropower/ocean energy. Applications for renewable energy for this FOA must fall under one of these technology types. Definitions of these renewable technologies, as outlined by Federal regulation<sup>5</sup>, are set forth below:

- **Solar:** Solar energy provides electricity, heating, and cooling for Federal facilities through four primary technology types: photovoltaics, concentrating solar power, solar hot water, and solar ventilation preheat. Solar energy can be used for electricity production or thermal energy.

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<sup>4</sup> Ibid.

<sup>5</sup> For more information on renewable energy technologies and resources with regard to Federal facilities, please reference [https://www1.eere.energy.gov/femp/technologies/renewable\\_technologies.html](https://www1.eere.energy.gov/femp/technologies/renewable_technologies.html).

- **Wind:** Federal agencies can harvest wind energy to generate electricity or mechanical power (e.g., windmills for water pumping). To generate electricity, wind rotates large blades on a turbine, which spin an internal shaft connected to a generator. The generator produces electricity, the amount of which depends on the size and scale of the turbine. Multiple wind turbine sizes are available and widely implemented across the Federal sector.
- **Geothermal:** Geothermal energy is produced from heat and hot water found within the earth. Federal agencies can harness geothermal energy for heating and cooling air and water, as well as for electricity production. The geothermal resource can be drawn from at or near the surface or miles deep. Geothermal systems move heat from these locations where it can be used more efficiently for thermal or electrical energy applications. The three typical uses include: geothermal heat pumps, direct-use applications, and power plant electricity.
- **Biomass:** Biomass energy is fuel, heat, or electricity produced from organic materials such as plants, residues, and waste. These organic materials span several sources, including agriculture, forestry, primary and secondary mill residues, urban waste, landfill gases, wastewater treatment plants, and dedicated energy crops. Biomass energy takes many forms ranging from: direct firing to produce electricity, co-firing with fossil fuels for electricity, direct firing of boiler for heating, direct firing for CHP, gasification for CHP, and converted into liquid fuels.
- **Landfill Gas:** Landfill gases are a viable energy resource created during waste decomposition. Landfills are present in most communities. These resources can be tapped to generate heat and electricity. As organic waste decomposes, bio-gas is produced made up of roughly half methane, half carbon dioxide, and small amounts of non-methane organic compounds. The methane can be collected, converted, and used as an energy source instead of releasing it into the atmosphere or flaring it. The collected methane can be burned to generate thermal energy for heating. It can also be burned to create steam, which can then be used to drive a turbine that generates electricity. Using methane in these ways helps keep it out of the atmosphere, reducing air pollution.
- **Municipal Solid Waste:** Municipal solid waste, also known as waste to energy, generates electricity by burning solid waste as fuel. This generates renewable electricity while also incinerating landfill and other municipal waste products such as trash, yard clippings and debris, furniture, food scraps, and other discarded items. The U.S. currently uses two waste-to-energy facility designs: mass burn and refuse-derived fuel. Incinerating municipal solid waste generates energy while reducing waste volumes by as much as 90% with ash disposal and air polluting emissions as the primary environmental impacts. Effective environmental management is needed to remove toxins prior to combustion to minimize pollutants.



- **Hydropower and Ocean:** Hydropower has been used for centuries to power machinery, but the use most commonly associated with hydropower is electricity production through dams. Hydrokinetic energy technology extracts energy from moving water without relying on dams to create hydrostatic energy potential. Hydrokinetic energy is also known as ‘run of river.’ Ocean energy refers to various forms of renewable energy harnessed from the ocean. Ocean energy includes but is not limited to energy from tidal, wave, current, and thermal.

### **C. APPLICATIONS SPECIFICALLY NOT OF INTEREST**

The following types of applications will be deemed nonresponsive and will not be reviewed or considered (See Section III.E of the FOA):

- Applications that fall outside the technical parameters specified in Section I.B of the FOA.
- Applications that do not meet the minimum required cost leverage.
- Applications that include research and development activities.
- Applications that have not identified implementation sites.

### **D. PROJECT PERFORMANCE TARGETS**

**Final Deliverable.** The timing of funding for projects selected under this FOA will be based on the Recipient’s execution of a Final Deliverable. Accordingly, applications must clearly define a proposed Final Deliverable, which will ultimately be negotiated with EERE prior to grant award. The Final Deliverable must be a decision point in the project development process that ensures with a high degree of confidence that the project will ultimately be executed. It is anticipated that the Final Deliverable for this grant award will occur prior to the construction/installation phase of the project; therefore, the proposed Final Deliverable for this grant award should NOT include activities related to the installation, construction, commissioning, operation, data collection, or maintenance of the proposed system. Examples of potential Final Deliverables for a proposed CHP or renewable energy system include, but are not limited to, a contract or task order award; an equipment purchase order; or the receipt, review, and acceptance of a final proposal.

**Project Reviews.** Project continuation will be contingent upon the Recipient’s satisfactory performance and EERE’s critical milestone reviews. Critical milestones will be initially proposed in the application and finalized during award negotiations. Critical milestones must represent significant decision points along the project development pathway. Appropriate critical milestones may include, but are not limited to, detailed feasibility analysis; project developer/vendor selection; final design completion; equipment selection; notice of intent to

award; or investment grade audit. A critical milestone must occur at least once every six months over the duration of the grant award.

At the milestone review points, EERE will evaluate factors including, but not limited to, project performance, project schedule adherence, the extent to which the Recipient has met milestone objectives, the Recipient's compliance with reporting requirements, and the project's overall contribution to the program goals and objectives. As a result of this evaluation, EERE may make a determination to continue supporting the project, re-direct the project, or discontinue supporting the project. Only those projects demonstrating a high probability of successfully meeting the program targets will be continued.

**Project Schedule.** It is the Applicant's responsibility to propose a project schedule that is both challenging and achievable. An overly aggressive and unrealistic schedule should be avoided because funds will not be made available until the Final Deliverable has been accomplished and verified in accordance with the schedule negotiated between EERE and the Recipient. Furthermore, awards may be terminated, cancelled, and/or payments may be withheld if the Final Deliverable is not met in accordance with the project schedule. Conversely, an overly conservative schedule is not desirable because of the potential negative impact for completing the project in a timely manner. The project schedule will be based on the content of the Full Application and finalized during award negotiations.

**Project Impact.** All proposed projects must demonstrate that the experience gained through the proposed project will serve as an example that can lend itself to similar efforts at other Federal sites. Proposed projects will be evaluated not only in terms of the merits of the proposed project itself, but also on the ability of the proposed project to facilitate the enhanced consideration and implementation of similar technologies at additional Federal sites. Thus, an application must not only describe the proposed project, but also demonstrate how the lessons learned from the proposed project can be applied to future projects.<sup>6</sup> Project impact may be further demonstrated through the reporting of screening results (or planned screenings) for additional relevant facilities/sites.

**Life-Cycle Cost Analysis.** Projects must demonstrate that they are life-cycle cost-effective through a life-cycle cost analysis (LCCA) that adheres to 10 CFR 436, Subpart A, which "establishes a methodology and procedures for estimating and comparing the life cycle costs of Federal buildings, for determining the life cycle cost effectiveness of energy conservation measures and water conservation measures, and for rank ordering life cycle cost effective measures in order to design a new Federal building or to retrofit an existing Federal building."<sup>7</sup>

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<sup>6</sup> If applicable, project impact should include a discussion of how the proposed project assists the Federal agency in getting to or staying "green" on their OMB Sustainability and Energy Scorecard (<http://www.whitehouse.gov/administration/eop/ceq/sustainability/omb-scorecards>).

<sup>7</sup> <http://www.law.cornell.edu/cfr/text/10/436/subpart-A>

Applicants are required to calculate life-cycle cost-effectiveness in accordance with 10 CFR 436, Subpart A using the Building Life-Cycle Cost (BLCC) software program or equivalent.<sup>8</sup>

LCCA is an economic method of project evaluation in which all costs arising from owning, operating, maintaining, and disposing of a project are considered important to the decision. The LCCA method takes into account first costs, including capital investment costs, purchase, and installation costs; future costs, including energy costs, operating costs, maintenance costs, capital replacement costs, financing costs; and any resale, salvage, or disposal cost, over the life-time of the project. LCCA is well suited to the economic evaluation of design alternatives that satisfy a required performance level but may have differing investment, operating, maintenance, or repair costs, and possibly different life spans. It is particularly relevant to the evaluation of investments where high initial costs are traded for reduced future cost obligations. To determine the total LCC of a project, sum the present values of each kind of cost and subtract the present values of any positive cash flows such as a resale value. Thus, the following formula applies:

$$\text{Life-cycle cost} = \text{first cost} + \text{maintenance and repair} + \text{energy} + \text{water} + \text{replacement} - \text{salvage value},$$

where all dollar amounts are converted to present values by discounting.<sup>9</sup>

A project is considered cost-effective if 1) life-cycle costs are estimated to be lower compared to the baseline system, 2) net savings are estimated to be positive, 3) the savings-to-investment ratio is estimated to be greater than one, or 4) the adjusted internal rate of return is estimated to be greater than the discount rate.

**Bundled Projects.** CHP or renewable energy projects proposed under this FOA may be “bundled” with other energy conservation measures; for example, through an ESPC or agency initiative. **Note, however, that funds provided under this FOA may only be used for the CHP or renewable energy portions of these larger efforts. Furthermore, the cost basis for determining the associated cost leverage must be representative of only the CHP (Topic Area 1) and/or renewable energy (Topic Area 2) portions of these larger efforts.** For example, if an ESPC includes \$10M in energy conservation measures, but only \$2M is related to CHP and/or renewables, and \$0.5M in EERE funds are being requested, only \$1.5M can be counted as cost leverage to be applied to the project proposed under this FOA.

<sup>8</sup> BLCC can be downloaded at no cost at [https://www1.eere.energy.gov/femp/information/download\\_blcc.html](https://www1.eere.energy.gov/femp/information/download_blcc.html).

<sup>9</sup> For more information on LCCA, please reference FEMP’s *Guidance on Life-Cycle Cost Analysis* ([http://www1.eere.energy.gov/femp/pdfs/lcc\\_guide\\_05.pdf](http://www1.eere.energy.gov/femp/pdfs/lcc_guide_05.pdf)).

## **II. AWARD INFORMATION**

### **A. AWARD OVERVIEW**

#### **1. ESTIMATED FUNDING**

EERE expects to make up to \$5 million of Federal funding available for new awards under this FOA subject to the availability of appropriated funds. EERE anticipates making approximately 5-10 awards under this FOA. EERE may issue one, multiple, or no awards.

Individual awards under each Topic Area may vary between approximately \$50,000 and \$1,000,000, with an anticipated average award size of \$500,000.

#### **2. PERIOD OF PERFORMANCE**

EERE anticipates making awards that will run up to 24 months in length, subject to the availability of appropriations. The period of performance for each award will be proposed in the application by the Applicant and finalized during award negotiations between EERE and the Applicant.

After the grant award closeout process, Recipients may be contacted by FEMP for project updates, data collection, interviews, case studies, best practices, articles, online publications, or other documentation. Although participation in these post-award activities is strictly voluntary, FEMP would appreciate the Recipient's cooperation.

#### **3. PAYMENT**

**EERE will use deliverable-based payments for awards issued under this FOA. Specifically, the Recipient will receive FOA funds only after the Final Deliverable has been accomplished in accordance with the schedule negotiated between EERE and the Recipient. Payment will be made after the Final Deliverable is met and verified. EERE or a designated representative must review and approve the Final Deliverable before payment is made. If the Final Deliverable is not met by the specified deadline, the award may be terminated, cancelled, and/or payment(s) may be withheld at the sole discretion of EERE.**

Exceptions to this final deliverable-based payment schedule may be made if a Recipient clearly demonstrates to EERE's satisfaction that a portion of the EERE funding is required at an earlier time to successfully facilitate the project. The request and justification for such an exception should be clearly stated and described in the application and will be finalized during award negotiations.

#### **4. NEW APPLICATIONS ONLY**

EERE will accept only new applications under this FOA. EERE will not consider applications for renewals of existing EERE-funded awards through this FOA.

### **B. EERE FUNDING AGREEMENTS**

#### **1. INTERAGENCY AGREEMENTS AND OTHER FUNDING MECHANISMS**

Because 42 USC § 8256 (b) requires the award of grants directly to Federal agencies, it is anticipated that funding for projects selected under this FOA will be provided through Interagency Agreements, Intra-agency Agreements, Work Authorizations or other appropriate funding mechanisms under the Federal Energy Efficiency Fund (FEEF) statutory authority. Any proposals, resulting terms (including payment terms), schedules, and deliverables will be incorporated and described in the funding agreement.

If a project submitted by a National Laboratory Contractor is selected for award, it is anticipated that the award funding will be provided to the sponsoring Federal agency in the manner described above, and the proposed work will be authorized by the sponsoring Federal agency through an appropriate funding mechanism, which may include but is not limited to: (i) an Interagency Agreement (if the sponsoring Federal agency is non-DOE); or (ii) an Intra-agency Agreement, Work Authorization or other funding mechanism (if the sponsoring Federal agency is DOE).

## **III. ELIGIBILITY INFORMATION**

### **A. ELIGIBLE APPLICANTS**

Only U.S. Federal Agencies, Sub-Agencies, and National Laboratory Contractors are eligible to apply for funding under this FOA. A domestic or overseas facility (existing or new) must be owned by the U.S. Federal government to be eligible.

### **B. OTHER ELIGIBILITY REQUIREMENTS**

For purposes of this FOA, a “National Laboratory Contractor” is defined as an organization responsible for the operation of a Federally-owned national laboratory (e.g., a Government Owned, Contractor Operated facility). A National Laboratory Contractor is eligible to apply for funding under this FOA, on behalf of its sponsoring Federal agency, subject to the following requirements:

1. The cognizant Federal Contracting Officer must provide written authorization for the National Laboratory Contractor to submit an application, which authorization shall be submitted with the application

2. In addition to any points of contact the National Laboratory Contractor provides for itself, the application shall also provide the name of the sponsoring Federal agency, as well as the name, phone number and e-mail address of the cognizant Federal Contracting Officer and the agency's technical/project point of contact.

3. If a project submitted by a National Laboratory Contractor is selected for award, the award funding will be provided to the sponsoring Federal agency, and the proposed work will be authorized through an appropriate funding mechanism, which may include but is not limited to: (i) an Interagency Agreement (if the sponsoring Federal agency is non-DOE); or (ii) an Intra-agency Agreement, Work Authorization or other funding mechanism (if the sponsoring Federal agency is DOE). Accordingly, the sponsoring Federal agency will be responsible for executing any required documentation between itself and the Contractor and will also be responsible for payment of awarded funding to the National Laboratory Contractor.

4. In accordance with the foregoing requirements, the following wording is acceptable for the sponsoring agency's authorization:

Authorization is granted for the <insert National Laboratory Contractor name> to submit an application in response to DOE Funding Opportunity Announcement DE-FOA-0000901 on behalf of the <insert Sponsoring Federal Agency name>. The project and work proposed by <insert National Laboratory Contractor Name> is consistent with <insert Sponsoring Federal Agency name> objectives for this facility. It is understood that if the submitted project is selected for funding, the award funding will be provided to the <insert Sponsoring Federal Agency name> and the proposed work will be authorized under an appropriate funding mechanism. It is also understood that <insert Sponsoring Federal agency name> will execute the appropriate documentation between itself and the <insert National Laboratory Contractor name> to assure payment of awarded funding and project compliance.

Sponsoring Federal Agency: \_\_\_\_\_

Contracting Officer – Name: \_\_\_\_\_

Contracting Officer – Phone Number: \_\_\_\_\_

Contracting Officer – E-mail Address: \_\_\_\_\_

Agency Project Contact – Name: \_\_\_\_\_

Agency Project Contact – Phone Number: \_\_\_\_\_

Agency Project Contact – E-mail Address: \_\_\_\_\_

## C. COST LEVERAGING

### Cost Leveraging 50%

The agency requesting financial assistance must provide **at least 50%** of the total allowable costs for the project (i.e., the sum of the EERE share and the Recipient share of allowable costs equals the total allowable cost of the project). Pursuant to the considerations identified in 42 USC 8256 (b) (3) (c)-(d), such cost leveraging may come from either Federal or non-Federal sources. Private sector cost leveraging through an alternative financing mechanism—such as an ESPC or UESC contract—is strongly encouraged.

EERE will make the final determination regarding whether the Applicant has proposed appropriate cost leveraging based on the information above.

**Cost leveraging above the minimum required will be considered during the merit review process and will increase the likelihood that an Applicant will be selected for funding.**

To assist Applicants in calculating proper cost leverage amounts, EERE has included a cost leverage information sheet and sample cost leverage calculation as Appendix B to this FOA.

#### **1. COST LEVERAGE ALLOWABILITY**

Every cost leverage contribution must be allowable under the applicable Federal cost principles and this FOA. Recipients may not use the same contributions to meet cost leverage requirements for more than one project or program.

For the purposes of this FOA, cost leverage is essentially the total cost of developing and implementing the CHP or renewable energy project minus the EERE share.

Cost leverage contributions must be specified in the project budget and necessary and reasonable for proper and efficient accomplishment of the project. As all sources of cost leverage are considered part of total project cost, the cost leverage dollars will be scrutinized under the same Federal regulations as EERE dollars to the project.

#### **2. COST LEVERAGE VERIFICATION**

Applicants should provide written assurance of their proposed cost leverage contributions in their Full Applications.

Upon selection for award negotiations, Applicants may be required to provide additional information and documentation regarding their cost leverage contributions.

## D. COMPLIANCE CRITERIA

To be considered for substantive evaluation, an applicant submission must meet the Compliance criteria set forth below. **Letters of Intent and Full Applications must meet all Compliance criteria listed below or they will be considered noncompliant. EERE will not review or consider noncompliant submissions**, including Letters of Intent and Full Applications that were: submitted through means other than EERE Exchange; submitted after the applicable deadline; and/or submitted incomplete. EERE will not extend the submission deadline for Applicants that fail to submit required information due to server/connection congestion.

### 1. COMPLIANCE CRITERIA

#### *i. Letters of Intent*

Letters of Intent are deemed compliant if:

- The Applicant entered all required information and clicked the “Create Submission” button in EERE Exchange by the deadline stated in the FOA.

#### *ii. Full Applications*

Full Applications are deemed compliant if:

- The Applicant submitted a compliant Letter of Intent;
- The Full Application complies with the content and form requirements in Section IV.A of the FOA, and the eligibility, cost leverage, and other mandatory requirements of the FOA;
- The proposed project is responsive to the objectives of the FOA; and
- The Applicant entered all required information necessary for a meaningful review, successfully uploaded all required documents, and clicked the “Submit” button in EERE Exchange by the deadline stated in the FOA.

## E. RESPONSIVENESS CRITERIA

EERE performs a preliminary review of Full Applications. Any “Applications Specifically Not of Interest,” as described in Section I.C of the FOA are deemed nonresponsive and are not reviewed or considered.



## F. LIMITATION ON NUMBER OF FULL APPLICATIONS ELIGIBLE FOR REVIEW

Applicants may submit more than one Full Application to this FOA, provided that each application describes a unique and distinct project.

## G. QUESTIONS REGARDING ELIGIBILITY

EERE will not make eligibility determinations for potential applicants prior to the date on which applications to this FOA must be submitted. The decision whether to submit an application in response to this FOA lies solely with the applicant.

# IV. APPLICATION AND SUBMISSION INFORMATION

## A. APPLICATION PROCESS

The application process will include two phases: a Letter of Intent phase and a Full Application phase. **Only applicants who have submitted a Letter of Intent will be eligible to submit a Full Application.** At the Full Application phase, EERE performs an initial eligibility review of the applicant submissions to determine whether they meet the eligibility requirements of the FOA. EERE will not review or consider noncompliant and/or nonresponsive submissions. All submissions must conform to the following form and content requirements, including maximum page lengths, described below and must be submitted via EERE Exchange at <https://eere-exchange.energy.gov/>, unless specifically stated otherwise. **EERE will not review or consider submissions submitted through means other than EERE Exchange, submissions submitted after the applicable deadline, or incomplete submissions.** EERE will not extend deadlines for Applicants who fail to submit required information and documents due to server/connection congestion. A control number will be issued when an Applicant begins the Exchange application process. This control number must be included with all Application documents, as described below.

The Full Application must conform to the following requirements:

- Must be submitted in Adobe PDF format.
- Must be written in English
- All pages must be formatted to fit on 8.5 x 11 inch paper with margins not less than one inch on every side. Use Times New Roman typeface, a black font color, and a font size of 12 point or larger (except in figures or tables, which may be 10 point font). A symbol font may be used to insert Greek letters or special characters, but the font size requirement still applies. References must be included as footnotes or endnotes in a font size of 10 or larger. Footnotes and endnotes are counted toward the maximum page requirement.

- The Control Number must be prominently displayed on the upper right corner of the header of every page. Page numbers must be included in the footer of every page.
- Must not exceed the specified maximum page limit, including cover page, charts, graphs, maps, and photographs when printed using the formatting requirements set forth above and single spaced. If Applicants exceed the maximum page lengths indicated below, EERE will review only the authorized number of pages and disregard any additional pages.

Applicants are responsible for meeting each submission deadline. **Applicants are strongly encouraged to submit their Letters of Intent and Full Applications at least 48 hours in advance of the submission deadline.** Under normal conditions (i.e., at least 48 hours in advance of the submission deadline), Applicants should allow at least 1 hour to submit a Letter of Intent or Full Application. Once the Application is submitted in EERE Exchange, Applicants may revise or update their application until the expiration of the applicable deadline.

EERE urges Applicants to carefully review their Letters of Intent and Full Applications and to allow sufficient time for the submission of required information and documents. All Full Applications that pass compliance review will undergo comprehensive merit review according to the criteria identified in Section V.A.1 of the FOA.

## **B. CONTENT AND FORM OF THE LETTER OF INTENT**

To be eligible to submit a Full Application, Applicants must submit a 1-page Letter of Intent by the specified due date. Letters of Intent will be used by EERE to plan for the merit review process. The letters should not contain any proprietary or sensitive business information. The letters will not be used for down-selection purposes and do not commit an applicant to submit a Full Application.

Each Applicant must provide the following information as part of the 1-page Letter of Intent:

- Project Title;
- Project Location(s);
- Lead Organization;
- Anticipated Project Budget (EERE and Cost Leverage);
- Anticipated Project Duration;
- The Project Team, including:
  - The Principal Investigator (PI) for the Applicant; and
  - Key Participants (i.e., individuals who contribute in a substantive, measureable way to the execution of the proposed project);
- Technical Topic or Area; and

- Abstract – The abstract provided must be no longer than 200 words in length, and must provide a truncated explanation of the proposed project.

A control number will be issued when an Applicant submits their Letter of Intent. This control number must be included with the Full Application documents, as described below.

**C. CONTENT AND FORM OF THE FULL APPLICATION**

Applicants must submit a Full Application by the specified due date to be considered for funding under this FOA. All Full Application documents must be marked with the Control Number issued to the Applicant. Applicants will receive a control number upon submission of their Letter of Intent, and must include that control number in the file name of their Full Application submission (i.e., *Control number\_Applicant Name\_Full Application*).

**1. FULL APPLICATION CONTENT REQUIREMENTS**

EERE will not review or consider ineligible Full Applications (see Section III of the FOA).

Each Full Application must be limited to a single project or set of related projects. Unrelated projects must not be consolidated in a single Full Application.

Full Applications must conform to the following requirements:

SUBMISSION	COMPONENTS	FILE NAME (IF NECESSARY)
<b>Full Application (PDF, unless stated otherwise)</b>	Project Narrative (See Chart in Section IV.C.2)	ControlNumber_LeadOrganization_ProjectNarrative
	SF-424	ControlNumber_LeadOrganization_SF424
	Life-Cycle Cost Analysis Calculation	ControlNumber_LeadOrganization_LCCACalculation
	Organizational Letters of Commitment (1-page maximum per letter)	ControlNumber_LeadOrganization_OrgLettersofCommitment
	Project Partner Letters of Commitment (1-page maximum per letter)	ControlNumber_LeadOrganization_PPLettersofCommitment
	Cost Leverage Verification (1-page maximum per letter)	ControlNumber_LeadOrganization_CostLeverageVerification

**Note:** The maximum file size that can be uploaded to the EERE Exchange website is 10MB. Files in excess of 10MB cannot be uploaded, and hence cannot be submitted for review. If a file exceeds 10MB but is still within the maximum page limit specified in the FOA it must be broken into parts and denoted to that effect. For example:

Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

**ControlNumber\_LeadOrganization\_Project\_Part\_1**  
**ControlNumber\_LeadOrganization\_Project\_Part\_2**, etc.

**EERE will not accept late submissions that resulted from technical difficulties due to uploading files that exceed 10MB.**

EERE provides detailed guidance on the content and form of each component below.

**2. PROJECT NARRATIVE**

The Project Narrative must be submitted in Adobe PDF format. The Project Narrative must conform to the following content and form requirements, including maximum page lengths. If Applicants exceed the maximum page lengths indicated below, EERE will review only the authorized number of pages and disregard any additional pages. This narrative must address the Merit Review Criteria as discussed in Section V.A.1 of the FOA. Save the Project Narrative in a single file titled “ControlNumber\_LeadOrganization\_ProjectNarrative”.

The Project Narrative may not be more than 10 pages (excluding the cover page), including all citations, charts, graphs, maps, photos, or other graphics, and must include all of the information in the table below:

SECTION	DESCRIPTION
<b>Cover Page</b> (1 page)	Applicant must provide the project title, topic area, lead organization, project location, Principal Investigator (PI) and team members, project budget (EERE and cost leverage), project duration, and any statements regarding confidentiality on this page.
<b>Project Description</b>	The Project Description is the portion of the Full Application in which an Applicant must describe and clearly demonstrate the viability of its proposed project, and must contain the following information:  Background <ul style="list-style-type: none"> <li>• The Applicant should discuss the history, prior efforts, successes, and current development status of the proposed project.</li> <li>• This section should identify an established, well-defined baseline/current system that the proposed project will replace, supplement, or enhance, including facility descriptions, energy loads, current energy costs, and impacted equipment.</li> </ul> Technical Overview <ul style="list-style-type: none"> <li>• The proposed Final Deliverable and expected outcomes of the project.</li> <li>• A narrative discussion of the project goals and objectives that will be pursued under this effort over its duration. This section should explicitly identify targeted performance improvements and economic benefits to the baseline system and critical success factors. Project specifications, such as the technology to be employed, target level of performance, energy and cost savings estimates, project size, and project site(s) should be included.</li> </ul>

Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

	<p>Applicants should specifically explain why the project is feasible, viable, and has a high probability of achieving the cost and performance targets, Final Deliverable, and project goals.</p> <ul style="list-style-type: none"> <li>• The key risks/issues associated with the project and associated mitigation strategies.</li> </ul> <p><b>Economic Overview</b></p> <ul style="list-style-type: none"> <li>• The life-cycle cost effectiveness of the project per 10 CFR 436, Subpart A. The LCCA calculation (such as the “Comparative Analysis Report” from BLCC), including relevant supporting data and assumptions, must be included as a separate attachment per Section IV.C.1.</li> <li>• The proposed budget of the project and how the project will be funded.</li> <li>• The proposed budget requested from FEMP and how the FEMP funds will be spent, including justification if FEMP funds are being requested prior to the Final Deliverable.</li> <li>• The proposed cost leverage budget and how the cost leverage funds will be spent, including Cost Leverage Verification if available. Cost Leverage Verification must be included as a separate file per Section IV.C.1.</li> </ul> <p><b>Impact</b></p> <ul style="list-style-type: none"> <li>• The direct and indirect impacts that this project would have on similar follow-on efforts at other Federal facilities.</li> <li>• The direct and indirect impacts that this project would have on meeting Federally-mandated energy management requirements for Federal facilities as reflected in reporting requirements such as the OMB Sustainability and Energy Scorecard.</li> <li>• The impact that EERE funding would have on the proposed project. Applicants should specifically explain how EERE funding, relative to prior, current, or anticipated funding from Federal or non-Federal sources, is necessary to achieve the project objectives.</li> </ul>
<p><b>Proposed Work Plan</b></p>	<p>The Proposed Work Plan must fully describe how the Applicant will achieve the project objectives. It must provide a clear, concise description of all activities to be conducted over the period of performance. A complete Work Plan will contain the following information:</p> <ul style="list-style-type: none"> <li>• A high-level statement of the Final Deliverable(s).</li> <li>• The general approach to be utilized to execute the project (e.g. in-house, contractors, vendors, ESCOs).</li> <li>• A detailed description of specific activities and key, verifiable metrics demonstrating project performance, progress, and completion, including:             <ul style="list-style-type: none"> <li>○ Tasks (e.g. 1.1, 2.2) with distinctive title and date range of activity in months (e.g. m1-m4). Tasks describe the most general themes of work that will be completed to meet the project’s objectives and should be a few sentences to one paragraph. Tasks are enabled by a collection of Subtasks.</li> <li>○ Subtasks (e.g. 1.1.1, 1.2.2) offer a detailed breakdown of the work to be done to complete a Task and should be one to two sentences. Subtasks are specific activities required to execute a given Task.</li> <li>○ Critical Milestones (e.g. M1, M2) are schedule-driven, verifiable milestones that demonstrate achievement of Tasks/Subtasks and project progress. The successful achievement of milestones</li> </ul> </li> </ul>

	<p>determines whether or not a project is on track to meet the Final Deliverable on time and to specification. At least one critical milestone must be proposed every six months.</p> <p>If selected for an award, the Proposed Work Plan will form the basis for award negotiations, during which EERE may require revisions to establish the Final Work Plan.</p>
<p><b>Team and Resources</b></p>	<p>In the Team and Resources section of the Project Narrative, the Applicant must describe the Project Team’s qualifications, expertise, equipment, and/or facilities that will facilitate the successful completion of the proposed project. The description must clearly and succinctly describe:</p> <ul style="list-style-type: none"> <li>• The Applicant’s capability to successfully complete the project on time and to specification. This section should also include previous work efforts and how these enable the Applicant to achieve the project objectives.</li> <li>• The site infrastructure, resources, facilities, and equipment necessary for project implementation, including whether the site is ready as-is or requires modifications/upgrades.</li> <li>• A description of the Project Team, including Letters of Commitment for any project partners if available. Letters of Commitment must be included as a separate attachment per Section IV.C.1.</li> <li>• The team’s proposed management plan, including the roles of and relationships between each Project Team member.</li> <li>• The organizational commitment to the development and successful execution of the project, including Letters of Commitment. Letters of Commitment must be included as a separate attachment per Section IV.C.1.</li> </ul>

**3. SF-424: APPLICATION FOR FEDERAL ASSISTANCE**

Complete all required fields in accordance with the instructions on the form. The list of certifications and assurances in Field 21 can be found at <http://energy.gov/management/office-management/operational-management/financial-assistance/financial-assistance-forms>, under Certifications and Assurances. Note: The dates and dollar amounts on the SF-424 are for the complete project period and not just the first year, first phase or other subset of the project period. Save the SF-424 in a single file titled “ControlNumber\_LeadOrganization\_App424”.

**D. POST-AWARD INFORMATION REQUESTS**

If selected for award, EERE reserves the right to request additional or clarifying information for any reason deemed necessary, including but not limited to:

- Additional budget information;
- Additional Commitment Letters from third parties contributing to cost leverage, if applicable; or
- Information addressing potential project impacts to the human or natural environment, including but not limited to EERE’s Environmental Questionnaire.

Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

## E. SUBMISSION DATES AND TIMES

Letters of Intent and Full Applications must be submitted no later than 5:00 p.m. EST on the dates provided on the cover page of this FOA.

## F. FUNDING RESTRICTIONS

### 1. ALLOWABLE COSTS

All expenditures must be allowable, allocable, and reasonable in accordance with the applicable Federal cost principles and this FOA.

# V. APPLICATION REVIEW INFORMATION

## A. TECHNICAL REVIEW CRITERIA

### 1. FULL APPLICATIONS

Applications will be evaluated against the merit review criteria shown below.

Criteria	Weighting
Project Impact	30%
Cost Leverage and Budget	25%
Technical and Economic Merit	25%
Project Management Plan	20%

### Criterion 1: Project Impact (30%)

#### Project Impact

- Degree to which the proposed project results are conducive to broader adoption at other Federal facilities and will impact the direction, strategy, and thinking of the agency to engage in similar efforts at other Federal facilities.
- Potential and likelihood of the proposed project to substantially move the site and/or agency toward the achievement of energy-related goals as set forth by Federal statute as reflected in annual reporting requirements such as the OMB Sustainability and Energy Scorecard.

### Criterion 2: Cost Leverage and Budget (25%)

#### Cost Leverage

- Extent to which and efficiency with which the project leverages EERE funds under this award with committed agency-appropriated funds and/or financing from other non-Federal sources.

#### Budget

- Reasonableness and appropriateness of the proposed budget.

Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

- Impact that EERE funding would have on the proposed project.

### **Criterion 3: Technical and Economic Merit (25%)**

#### Technical and Economic Merit

- Extent to which the Application specifically and convincingly identifies, describes, and analyzes the proposed project, including its projected probability of success in reaching the Final Deliverable and project goals.
- Adequacy of the description of the proposed site(s), baseline system(s), and project development history and current status.
- Degree of technical and economic benefit of the project as compared to the current baseline system at the proposed site(s).
- Extent to which the the proposed project is technically and economically viable, including energy and cost savings, cost-effectiveness, relevant supporting data, reasonable assumptions, and discussion of prior efforts that support the validity of the project.
- Adequacy of life-cycle cost analysis per Section I.D.
- Discussion and demonstrated understanding of the project through the identification of key project risk areas (including but not limited to technical, financial, system integration, and environmental risks) and the quality of the mitigation strategies to address them.

### **Criterion 4: Project Management Plan (20%)**

#### Approach and Proposed Work Plan

- Degree to which the approach has been clearly described and thoughtfully considered.
- Quality of a clear, detailed, complete, timely, and reasonable Proposed Work Plan, including a schedule with interrelated tasks and milestones that leads to the successful completion of the project goals.
- Relevance, viability, and clear definition of a proposed Final Deliverable for the project.

#### Team

- The capability of the Project Team to develop a successful project on time and to specification.
- Clarity, adequacy, and completeness of explanation of the appropriate roles of and relationships between each Project Team member.

#### Resources

- Adequacy (quality, availability, and appropriateness) of infrastructure, resources, facilities, and equipment to support achievement of the proposed project objectives.
- Organizational commitment to developing and successfully completing the project.



## **B. STANDARDS FOR APPLICATION EVALUATION**

Applications that are determined to be compliant will be evaluated in accordance with this FOA, by the standards set forth in EERE's Notice of Objective Merit Review Procedure (76 Fed. Reg. 17846, March 31, 2011) and the guidance provided in the "Department of Energy Merit Review Guide for Financial Assistance," which is available at: <http://energy.gov/sites/prod/files/meritrev.pdf>.

## **C. OTHER SELECTION FACTORS**

### **1. PROGRAM POLICY FACTORS**

In addition to the above criteria, the Selection Official may consider the following program policy factors in determining which Applicants to select for award negotiations:

- Whether the proposed project is likely to lead to a high level of benefit to the U.S. economy (e.g., use or enhancement of U.S. domestic supply chain; use or enhancement of U.S. domestic technologies; increased employment and manufacturing in the U.S).
- The diversity of technologies, approaches, and agencies (including the degree to which the proposed project would be complementary to and support the existing portfolio of projects to achieve the overall goals and objectives of FEMP).
- The geographic distribution of projects.

## **D. MERIT REVIEW AND SELECTION PROCESS**

### **1. OVERVIEW**

The Merit Review process will consist of (1) an initial compliance review of the Full Applications; and (2) a technical merit review of the Full Applications.

### **2. PRE-SELECTION CLARIFICATION**

EERE may determine that pre-selection clarifications are necessary from one or more Applicants. The pre-selection clarifications may occur before, during or after the merit review evaluation process. Information provided by an Applicant that is not necessary to address the pre-selection clarification question will not be reviewed or considered. Typically, a pre-selection clarification will be carried out through either written responses to EERE's written clarification questions or video or conference calls with EERE representatives.

The information provided by Applicants to EERE through pre-selection clarifications is incorporated in their applications and contributes to the merit review evaluation and EERE's selection decisions. If EERE contacts an Applicant for pre-selection clarification purposes, it does not signify that the Applicant has been selected for negotiation of award or that the Applicant is among the top ranked applications.

EERE will not reimburse Applicants for expenses relating to the pre-selection clarifications.

### **3. PRE-SELECTION INTERVIEWS**

As part of the merit review process, EERE may invite one or more of the top ranked Applicants to participate in a final phase of the merit review evaluation process: Pre-Selection Interviews. Pre-Selection Interviews are distinct from and more formal than pre-selection clarifications (See Section V.D.2 of the FOA). The top ranked Applicant(s) will meet with the Merit Review Panel to allow the Merit Review Panel to seek clarification on the contents of the Full Applications and otherwise ask questions regarding the proposed project. The information provided by applicants to EERE through Pre-Selection Interviews contributes to EERE's selection decisions.

EERE will arrange to meet with the invited applicants in person at EERE's offices or a mutually agreed upon location. EERE may also arrange pre-selection site visits at certain Applicants' facilities. In the alternative, EERE may invite the top-ranked Applicants to participate in a one-on-one conference with EERE via webinar, videoconference, or conference call.

EERE will not reimburse Applicants for travel and other expenses relating to the Pre-Selection Interviews.

EERE may obtain additional information through Pre-Selection Interviews and site visits that will be used to make a final selection determination. EERE may select applications for funding and make awards without Pre-Selection Interviews and site visits. Participation in Pre-Selection Interviews or site visits with EERE does not signify that Applicants have been selected for award negotiations.

### **4. SELECTION**

The Selection Official may consider the merit review recommendation, program policy factors, and the amount of funds available.

## **VI. AWARD ADMINISTRATION INFORMATION**

### **A. ANTICIPATED NOTICE OF SELECTION AND AWARD DATES**

EERE anticipates notifying applicants selected for negotiation of award by April 2014 and making awards by June 2014.

## **B. AWARD NOTICES**

### **1. REJECTED SUBMISSIONS**

Noncompliant and nonresponsive Letters of Intent and Full Applications are rejected by the Contracting Officer and are not reviewed or considered. The Contracting Officer sends a notification letter by email to the technical and administrative points of contact designated by the Applicant in EERE Exchange. The notification letter states the basis upon which the Letter of Intent or Full Application was rejected.

### **2. FULL APPLICATION NOTIFICATIONS**

EERE notifies Applicants of its determination via a notification letter to the technical and administrative points of contact designated by the Applicant in EERE Exchange. The notification letter may inform the Applicant that its Full Application was selected for award negotiations, or not selected. Alternatively, EERE may notify one or more Applicants that a final selection determination on particular Full Applications will be made at a later date, subject to the availability of funds or other factors.

### **3. SUCCESSFUL APPLICANTS**

A notification letter selecting a Full Application for award negotiations does not authorize the Applicant to commence performance of the project. If an application is selected for award negotiations, it is not a commitment to issue an award. Applicants do not receive an award until award negotiations are complete and the Contracting Officer executes the funding agreement.

The award negotiation process will take approximately 45 days. Applicants must designate a primary and a backup point-of-contact in EERE Exchange with whom EERE will communicate to conduct award negotiations. The Applicant must be responsive during award negotiations (e.g., provide requested documentation) and meet the negotiation deadlines. If the Applicant fails to do so or negotiations are otherwise unsuccessful, EERE will cancel award negotiations and rescind the Selection. EERE reserves the right to terminate award negotiations at any time for any reason.

### **4. POSTPONED SELECTION DETERMINATIONS**

A notification letter postponing a final selection determination until a later date does not authorize the Applicant to commence performance of the project. EERE may ultimately determine to select or not select the Full Application for award negotiations.

### **5. UNSUCCESSFUL APPLICANTS**

EERE shall promptly notify in writing each applicant whose application has not been selected for award or whose application cannot be funded because of the unavailability of appropriated funds.

## C. ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

### 1. REGISTRATION REQUIREMENTS

There are several one-time actions before submitting an Application in response to this Funding Opportunity Announcement (FOA), and it is vital that applicants address these items as soon as possible. These requirements are as follows:

#### *i. EERE Exchange*

Register and create an account on EERE Exchange at <https://eere-exchange.energy.gov>. This account will then allow the user to register for any open EERE FOAs that are currently in EERE Exchange. Applicants should also designate backup points of contact so Applicants may be easily contacted if deemed necessary. **This step is required to apply to this FOA.**

#### *ii. Grants.gov*

Register in Grants.gov (<http://www.grants.gov>) to receive automatic updates when Amendments to this FOA are posted. However, please note that Letters of Intent and Full Applications will not be accepted through Grants.gov. This step is optional and is not required to apply to this FOA.

#### *iii. Electronic Authorization of Applications and Award Documents*

Submission of an application and supplemental information under this FOA through electronic systems used by the Department of Energy, including EERE Exchange, constitutes the authorized representative's approval and electronic signature.

### 2. NATIONAL POLICY REQUIREMENTS

The National Policy Assurances that are incorporated as a term and condition of award are located at: <http://energy.gov/management/downloads/national-policy-assurances-be-incorporated-award-terms>.

### 3. ENVIRONMENTAL REVIEW IN ACCORDANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

EERE's decision whether and how to distribute federal funds under this FOA is subject to the National Environmental Policy Act (42 USC 4321, *et seq.*). NEPA requires Federal agencies to integrate environmental values into their decision-making processes by considering the potential environmental impacts of their proposed actions. For additional background on NEPA, please see DOE's NEPA website, at <http://nepa.energy.gov/>. All Recipients selected for an

Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.

award may be required to assist in the timely and effective completion of the NEPA process in the manner most pertinent to their proposed project.

#### **4. REPORTING**

Periodic project status reports, calls, and meetings may be required.

#### **5. INTELLECTUAL PROPERTY PROVISIONS**

Intellectual property rights for non-Federal contractors, such as ESPC contractors, will be set forth in the contracts between the Recipient and the contractor(s). If the funding agreement is issued by a National Laboratory Contractor, the intellectual property terms of the National Laboratory Contractor's Management and Operating (M&O) Contract will apply.

## **VII. QUESTIONS/AGENCY CONTACTS**

Questions regarding the content of this FOA must be submitted to [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov) not later than 3 business days prior to the application due date.

All general questions and answers related to this FOA will be posted on EERE Exchange at: <https://eere-exchange.energy.gov>. **Please note that you must first select this specific FOA Number in order to view the questions and answers specific to this FOA.** EERE will attempt to respond to a question within 3 business days, unless a similar question and answer has already been posted on the website.

Questions related to the registration process and use of the EERE Exchange website should be submitted to: [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov).

## **VIII. OTHER INFORMATION**

### **A. FOA MODIFICATIONS**

Amendments to this FOA will be posted on the EERE Exchange website and the Grants.gov system. However, you will only receive an email when an amendment or a FOA is posted on these sites if you register for email notifications for this FOA in Grants.gov. EERE recommends that you register as soon after the release of the FOA as possible to ensure you receive timely notice of any amendments or other FOAs.

### **B. GOVERNMENT RIGHT TO REJECT OR NEGOTIATE**

EERE reserves the right, without qualification, to reject any or all applications received in response to this FOA and to select any application, in whole or in part, as a basis for negotiation and/or award.

*Questions about this FOA? Email [AFFECT@go.doe.gov](mailto:AFFECT@go.doe.gov). Problems with EERE Exchange? Email [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov). Include FOA name and number in subject line.*

### **C. COMMITMENT OF PUBLIC FUNDS**

The Contracting Officer is the only individual who can make awards or commit the Government to the expenditure of public funds. A commitment by anyone other than the Contracting Officer, either express or implied, is invalid.

### **D. TREATMENT OF APPLICATION INFORMATION**

In general, EERE will use data and other information contained in applications for evaluation purposes only unless such information is generally available to the public.

Applicants should not include information that is privileged or confidential in their application unless such information is necessary to convey an understanding of the proposed project or to comply with a requirement in the FOIA. Applications containing information that is privileged or confidential, which the Applicant does not want disclosed to the public or used by EERE for any purpose other than application evaluation, must be marked as described in this section.

The cover sheet of the application must be marked as follows and identify the specific pages containing trade secrets or commercial or financial information that is privileged or confidential:

Notice of Restriction on Disclosure and Use of Data:

Pages [list applicable pages] of this document may contain information that is privileged or confidential, and is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with a financial assistance or loan agreement between the submitter and EERE. EERE may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source.

[End of Notice]

The header and footer of every page that contains information that is privileged must be marked as follows: "May contain information that is privileged or confidential and exempt from public disclosure."

In addition, each line or paragraph containing information that is privileged or confidential must be enclosed in brackets.

The above markings enable EERE to follow the provisions of 10 CFR 1004.11 (d) in the event a Freedom of Information Act (FOIA) request is received for information submitted with an application. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under a FOIA request or otherwise. EERE is not liable for the disclosure or use of unmarked information, and may use or disclose such information for any purpose.

When a FOIA request covers information submitted to EERE by an applicant and the cognizant EERE FOIA Officer cannot make an independent determination regarding the suitability of public release with respect to this information, the cognizant EERE FOIA Officer will contact the submitter (the Applicant) and ask for comment regarding the redaction of information under one or more of the nine FOIA exemptions. However, the cognizant EERE FOIA Officer will make the final decision regarding FOIA redactions. Submitters are given a minimum of 7 days to provide redaction comments. If EERE disagrees with the submitter's comment, EERE will notify the submitter of the intended public release no less than seven (7) days prior to the public disclosure of the information in question. (10 CFR Part 1004.11).

#### **E. EVALUATION AND ADMINISTRATION BY NON-FEDERAL PERSONNEL**

In conducting the merit review evaluation, EERE may seek the advice of qualified non Federal personnel as reviewers. EERE may also use non-Federal personnel to conduct routine, nondiscretionary administrative activities. The Applicant, by submitting its application, consents to the use of non-Federal reviewers/administrators. Non-Federal reviewers must sign conflict of interest and non-disclosure agreements prior to reviewing an application. Non-Federal personnel conducting administrative activities must sign a non-disclosure agreement.

#### **F. NOTICE REGARDING ELIGIBLE/INELIGIBLE ACTIVITIES**

Eligible activities under FEMP include those which enable Federal agencies to meet their energy-related goals, but not those which encourage or support political activities such as the collection and dissemination of information related to potential, planned or pending legislation.

#### **G. NOTICE OF POTENTIAL DISCLOSURE UNDER FREEDOM OF INFORMATION ACT**

Applicants should be advised that identifying information regarding all Applicants, including Applicant names and/or points of contact, may be subject to public disclosure under the Freedom of Information Act, whether or not such Applicants are selected for negotiation of award.

#### **H. REQUIREMENT FOR FULL AND COMPLETE DISCLOSURE**

Applicants are required to make a full and complete disclosure of all information requested. Any failure to make a full and complete disclosure of the requested information may result in:

- The rejection of a Full Application;
- The termination of award negotiations;
- The modification, suspension, and/or termination of a funding agreement;

- The initiation of debarment proceedings, debarment, and/or a declaration of ineligibility for receipt of EERE contracts, subcontracts, and financial assistance and benefits; and
- Civil and/or criminal penalties.

#### **I. RETENTION OF SUBMISSIONS**

EERE expects to retain copies of all Letters of Intent, Full Applications, and other submissions. No submissions will be returned. By applying to EERE for funding, Applicants consent to EERE's retention of their submissions.

#### **J. RIGHTS IN TECHNICAL DATA**

Data rights differ based on whether data is first produced under an award or instead was developed outside the award.

EERE will not normally require delivery of confidential or trade secret-type technical data developed solely prior to issuance of an award, except as necessary to monitor technical progress and evaluate the potential of proposed projects to reach specific technical and cost metrics.

EERE normally retains unlimited rights in technical data produced under EERE financial assistance awards, including the right to distribute to the public. However, pursuant to special statutory authority, certain categories of data generated under EERE awards may be protected from public disclosure for up to five years after the data is generated ("Protected Data"). For awards permitting Protected Data, the protected data must be marked as set forth in the awards intellectual property terms and conditions and a listing of unlimited rights data (i.e., non-protected data) must be inserted into the data clause in the award.

#### **K. PROTECTED PERSONALLY IDENTIFIABLE INFORMATION**

In responding to this FOA, Applicants must ensure that Protected Personally Identifiable Information (PII) is not included. PII is defined by the Office of Management and Budget (OMB) and EERE as:

Any information about an individual maintained by an agency, including but not limited to, education, financial transactions, medical history, and criminal or employment history and information that can be used to distinguish or trace an individual's identity, such as their name, social security number, date and place of birth, mother's maiden name, biometric records, etc., including any other personal information that is linked or linkable to an individual.

This definition of PII can be further defined as: (1) Public PII and (2) Protected PII.



**Public PII:** PII found in public sources such as telephone books, public websites, business cards, university listing, etc. Public PII includes first and last name, address, work telephone number, email address, home telephone number, and general education credentials.

**Protected PII:** PII that requires enhanced protection. This information includes data that if compromised could cause harm to an individual such as identity theft.

Listed below are examples of Protected PII that Applicants must not include in the files listed above to be evaluated by the Merit Review Committee.

- Social Security Numbers in any form
- Place of Birth associated with an individual
- Date of Birth associated with an individual
- Mother's maiden name associated with an individual
- Biometric record associated with an individual
- Fingerprint
- Iris scan
- DNA
- Medical history information associated with an individual
- Medical conditions, including history of disease
- Metric information, e.g. weight, height, blood pressure
- Criminal history associated with an individual
- Employment history and other employment information associated with an individual
- Ratings
- Disciplinary actions
- Performance elements and standards (or work expectations) are PII when they are so intertwined with performance appraisals that their disclosure would reveal an individual's performance appraisal
- Financial information associated with an individual
- Credit card numbers
- Bank account numbers
- Security clearance history or related information (not including actual clearances held)

Listed below are examples of Public PII that Applicants may include in the files listed above to be evaluated by the Merit Review Committee:

- Phone numbers (work, home, cell)
- Street addresses (work and personal)
- Email addresses (work and personal)
- Digital pictures
- Medical information included in a health or safety report
- Employment information that is not PII even when associated with a name
- Resumes, unless they include a Social Security Number

- Present and past position titles and occupational series
- Present and past grades
- Present and past annual salary rates (including performance awards or bonuses, incentive awards, merit pay amount, Meritorious or Distinguished Executive Ranks, and allowances and differentials)
- Present and past duty stations and organization of assignment (includes room and phone numbers, organization designations, work email address, or other identifying information regarding buildings, room numbers, or places of employment)
- Position descriptions, identification of job elements, and those performance standards (but not actual performance appraisals) that the release of which would not interfere with law enforcement programs or severely inhibit agency effectiveness
- Security clearances held
- Written biographies (e.g. to be used in a Technology Office describing a speaker)
- Academic credentials
- Schools attended
- Major or area of study
- Personal information stored by individuals about themselves on their assigned workstation or laptop unless it contains a Social Security Number

## **APPENDIX A – DEFINITIONS**

**“Applicant”** means the legal entity or individual signing the Application. This entity or individual may be one organization or a single entity representing a group of organizations (such as a Consortium) that has chosen to submit a single Application in response to a FOA.

**“Application”** means the documentation submitted in response to a FOA.

**“Award”** means the written documentation executed by a Contracting Officer, after an Applicant is selected, which contains the negotiated terms and conditions for providing Financial Assistance to the Applicant. A Financial Assistance Award may be a Grant, Cooperative Agreement, or Interagency Agreement.

**“Budget”** means the cost expenditure plan submitted in the Application, including both the EERE contribution and the Applicant Cost leverage.

**“Compliance”** is an eligibility determination that refers to the non-technical requirements outlined in a FOA (e.g., formatting, timeliness of submission, or satisfaction of prerequisites).

**“Contracting Officer”** means the EERE official authorized to execute Awards on behalf of EERE and who is responsible for the business management and non-Technology Office aspects of the Financial Assistance process.

**“Cost Leveraging”** means the respective share of Total Project Costs to be contributed by the Applicant. The percentage of Applicant cost leverage is to be applied to the Total Project Cost (i.e., the sum of Applicant plus EERE shares) rather than to the EERE contribution alone.

**“EERE Exchange”** is the Department of Energy, Energy Efficiency and Renewable Energy’s web system for posting Federal FOAs and receiving applications.

**“Final Deliverable”** is a decision point in the project development process that ensures with a high degree of confidence that the project will ultimately be executed. Under this FOA, the Recipient will receive FOA funds only after the Final Deliverable has been accomplished in accordance with the schedule negotiated between EERE and the Recipient.

**“Financial Assistance”** means the transfer of money or property to an Applicant or Participant to accomplish a public purpose of support authorized by Federal statute.

**“Funding Opportunity Announcement (FOA)”** is a publicly available document by which a Federal agency makes known its intentions to award discretionary grants or cooperative agreements, usually as a result of competition for funds. FOAs may be known as FOAs, notices of funding availability, solicitations, or other names depending on the agency and type of program.

**“Grant”** means a Financial Assistance instrument used by EERE to transfer money or property when the principal purpose of the transaction is to accomplish a public purpose of support or stimulation authorized by Federal statute, and no Substantial Involvement is anticipated between EERE and the Applicant during the performance of the contemplated activity.

**“Grants.gov”** is the “storefront” web portal which allows organizations to electronically find grant opportunities from all Federal grant-making agencies. Grants.gov is THE single access point for over 900 grant programs offered by the 26 Federal grant-making agencies. It can be accessed at <http://www.grants.gov>.

**“Key Personnel”** mean the individuals who will have significant roles in planning and implementing the proposed Project on the part of the Applicant and Participants, including FFRDCs.

**“Modification”** means a revision to a FOA.

**“Principal Investigator”** refers to the technical point of contact/Project Manager for a specific project award.

**“Project”** means the set of activities described in an Application or other document that is approved by EERE for Financial Assistance (whether such Financial Assistance represents all or only a portion of the support necessary to carry out those activities).

**“Project Team”** means the team performing or otherwise supporting work under an EERE funding agreement.

**“Proposal”** is the term used to describe the documentation submitted in response to a FOA. Also see Application.

**“Recipient”** means the organization or other entity that receives a Financial Assistance Award from EERE (i.e., is the signatory on the award), is financially accountable for the use of any EERE funds or property provided for the performance of the Project, and is legally responsible for carrying out the terms and condition of the award.

**“Responsiveness”** is an eligibility determination that refers to the objective technical requirements (not goals or targets) outlined in a FOA, such as a technology type or technical parameters. For example, submission of a photovoltaic solar panel design in response to a FOA calling for innovative geothermal drilling technologies should be found nonresponsive. Likewise, an application with a design that incorporates rare earth materials to a FOA that prohibits the use of rare earth materials should be found nonresponsive. Conversely, the belief that a technology will not achieve the technical targets of the FOA will never be used as a proper basis for a rejection as nonresponsive.

**“Selection”** means the determination by the EERE Selection Official that negotiations take place for certain Projects with the intent of awarding a Financial Assistance instrument.

**“Selection Official”** means the EERE official designated to select Applications for negotiation toward Award under a subject FOA.

**“Total Project Cost”** means all the funds to complete the effort proposed by the Applicant, including EERE funds plus all other funds that will be committed by the Applicant as Cost leveraging.

## **APPENDIX B – COST LEVERAGE INFORMATION**

### **How Cost Leveraging Is Calculated**

As stated above, cost leveraging is calculated as a percentage of the Total Project Cost. Following is an example of how to calculate cost leveraging amounts for a project with \$1,000,000 in EERE funds with a minimum 20% non-EERE cost leveraging requirement:

Formula: EERE share (\$) divided by EERE share (%) = Total Project Cost

Example: \$1,000,000 divided by 80% = \$1,250,000

Formula: Total Project Cost (\$) minus EERE share (\$) = Non-EERE share (\$)

Example: \$1,250,000 minus \$1,000,000 = \$250,000

Formula: Non-EERE share (\$) divided by Total Project Cost (\$) = Non-EERE share (%)

Example: \$250,000 divided by \$1,250,000 = 20%

Funds from this FOA may only be used for CHP or renewable energy efforts. If a CHP or renewable energy project is “bundled” together with other energy conservation measures (for example, through an ESPC or agency initiative), the cost basis for determining the proposed cost leverage must be representative of only the CHP and renewable portions of these larger efforts. For example, if an ESPC includes \$10M worth of energy conservation measures, but only \$2M is related to CHP and/or renewables, and \$0.5M in EERE funds are being requested, only \$1.5M can be counted as cost leverage.

## **APPENDIX C – FEDERAL ENERGY EFFICIENCY FUND**

Section 152 (f) of the Energy Policy Act of 1992 (EPAAct 1992), Public Law 102-486, as codified in 42 USC § 8256 (b), authorized the Secretary of Energy to establish a Federal Energy Efficiency Fund (FEEF) with the stated purpose to provide financial assistance to agencies to assist them in meeting the energy and water conservation requirements of the National Energy Conservation Policy Act (NECPA), 42 USC § 8253(a)-(b). Since 1992, these goals have been amended and additional goals have been established by Executive Order and the Energy Independence and Security Act of 2007.

The law states the following:

### (b) Federal Energy Efficiency Fund

- (1) The Secretary shall establish a Federal Energy Efficiency Fund to provide grants to agencies to assist them in meeting the requirements of section 8253 of this title.
- (2) Not later than June 30, 1993, the Secretary shall issue guidelines to be followed by agencies submitting proposals for such grants. All agencies shall be eligible to submit proposals for grants under the Fund.
- (3) The Secretary shall award grants from the Fund after a competitive assessment of the technical and economic effectiveness of each agency proposal. The Secretary shall consider the following factors in determining whether to provide funding under this subsection:
  - (A) The cost-effectiveness of the project.
  - (B) The amount of energy and cost savings anticipated to the Federal Government.
  - (C) The amount of funding committed to the project by the agency requesting financial assistance.
  - (D) The extent that a proposal leverages financing from other non-Federal sources.
  - (E) Any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government.
- (4) There are authorized to be appropriated, to remain available to be expended, to carry out this subsection not more than \$10,000,000 for fiscal year 1994, \$50,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal years thereafter.