



**State Energy Program (SEP)
Strengthening Building Retrofit
Markets and Stimulating Energy
Efficiency Action
DE-FOA-0000251**

**Stimulating Energy Efficiency Action
from State Public Utility Commissions
DE-FOA-0000266**

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State Energy Program (SEP) Strengthening Building Retrofit Markets and Stimulating Energy Efficiency Action

[DE-FOA-0000251](#)

Issue Date: 04/09/2010

Application Due Date: 05/24/2010 11:59:59 pm Eastern Time

Eligible Entities: State Energy Offices



Stimulating Energy Efficiency Action from State Public Utility Commissions

DE-FOA-0000266

Issue Date: 04/27/2010

Application Due Date: 06/07/2010 11:59:59 pm Eastern Time

**Eligible Entities: Public Utility Commissions
(or equivalent state regulatory agency)**



Registration Requirements

- Applicants must obtain a DUNS number at <http://fedgov.dnb.com/webform>
- Applicants must be registered with CCR at <http://www.ccr.gov>
- Applicants must be registered at Grants.gov: <http://grants.gov>
- Applicants must register with FedConnect to submit questions: www.fedconnect.net



Grants.gov

- The application “package” is available on grants.gov
- Click on “Apply for Grants”
- Click on “Download a Grant Application Package”
- Enter Funding Opportunity Number
- Click on “Download”



FedConnect.net

- The FOA, any amendments, and the message center are available on FedConnect
- Direct link to the FOA on FedConnect:
- Or search by “reference number”
 - Reference number is FOA number
- To see the message center, you must be signed in to FedConnect and you must join the response team for the FOA

SEP FOA

<https://www.fedconnect.net/fedconnect?doc=DE-FOA-0000251&agency=DOE>

OE FOA

<https://www.fedconnect.net/fedconnect?doc=DE-FOA-0000266&agency=DOE>



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SEP FOA



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Area of Interest 1 – Strengthening Building Retrofit Markets

- **Objective**

- Develop programs/strategies to retrofit residential and/or commercial properties in markets with little or no retrofit activity and/or to increase the market penetration of existing whole-building retrofits

- **Target**

- Retrofit at least 2 percent of the buildings of a defined market annually by 2013.

- **Project Metrics**

- Buildings retrofitted, energy saved, GHG emissions avoided, individuals trained/certified, funds leveraged, teaming with stakeholders, and others as listed in FOA



“Whole-Building Retrofit”

- **Evaluate major energy-consuming systems and building components with diagnostic tools**
 - Analyze building systems/components
 - Shell/thermal envelope, heating, cooling, ventilation, water heating, energy control systems, major appliances/plug loads
 - Determine if conditions present major health and safety risk
 - carbon monoxide, rot/mold, asbestos, lead, etc.
 - Identify occupant behaviors that lead to excessive energy consumption
 - Provide actionable work scope
- **Perform retrofits to resolve identified issues**
 - Target of $\geq 20\%$ reduction in energy consumption
- **Perform post-retrofit evaluation**



Market Defined by Applicant

- **Some key points:**
 - Defined market must be broad enough to require the retrofit of a substantial number of buildings to reach the 2% annual goal
 - Markets can cross city and state boundaries
 - Multiple states encouraged to partner together to strengthen the building retrofit ecosystem
- **“Substantial”**
 - Minimum market of 50,000 residential buildings
 - Retrofit annual goal of 1,000 homes
 - Minimum market of 12,500 commercial buildings
 - Retrofit annual goal of 250 buildings



What Is DOE Looking For?

- **Regional strategies**
 - Number of states can partner to serve a market
- **Replicable programs**
- **Collaboration with appropriate organizations**
 - Public utility commissions, power authorities, utilities, program sponsors, local governments, retailers, manufacturers, trade organizations, financial institutions, regional organizations, etc.
- **Leveraging of resources (private capital) to greatest possible extent**
- **Strategies to address barriers to widespread adoption of retrofits**
- **Sustainable programs beyond period of funding for the agreement**



Example Strategies

- **Building performance benchmarking and disclosure**
- **Home Performance with ENERGY STAR®**
- **Finance programs that leverage private capital**
 - PACE, Utility On-Bill Financing, Revolving Loan Funds, and other innovative financing mechanisms
- **Innovative Organizational Structures**
 - Energy Efficiency Utilities, Power Authority, etc.

Use Portfolio of Programs to Strengthen the Market

More than one program or strategy may be necessary to address barriers



Strategies That Do Not Meet DOE's Objectives

- **Programs that make new construction energy-efficient**
- **Programs that target a majority of funding and/or program focus on renewable technology**
- **Direct install programs that subsidize a majority of the cost of measures installed and do not focus on transforming the market**



Merit Review Criteria (1 of 2)

Criterion 1 : Project Strategy (35%)

- *Wide-spread adoption of building retrofits and energy savings*
- *Regional strategies, innovative, changes consumer behavior*
- *Clear goals, methods, metrics, schedule, budget*
- *Stakeholders involved to facilitate effort*
- *Sustainability, future resources*
- *Risk management approach*
- *Cost-effectiveness measure development and validation*

Criterion 2 : Potential Project Impact (25%)

- *Increases energy savings and reduces GHG emissions*
- *Develops new or strengthens existing retrofit markets*
- *Program can be replicated*
- *Transforms market and encourages consumer adoption*
- *Addresses markets with little or no retrofit activity and/or increases market penetration of existing whole-building retrofits*



Merit Review Criteria (2 of 2)

Criterion 3: Partnership Structure and Capabilities (25%)

- *Clear roles, responsibilities, level-of-effort defined for project team members*
- *Stakeholder credentials, capabilities, experience*
- *Stakeholder ability to ensure leaders work together to develop legal, regulatory and statutory frameworks to support investment in energy efficiency*
- *Funds leveraged with other resources*
- *Project member commitment is demonstrated*

Demonstration of commitment is an executed agreement or a memorandum of understanding that an agreement is planned between the applicant and another organization that describes the roles and responsibilities and financial/resource commitments of each

Criterion 4: Evaluation, Measurement & Verification (15%)

- *Quality assurance*
- *Strategy for accurately quantifying energy savings and tons CO₂ equivalent avoided and ensuring quality of program implementation*



Area of Interest 2 – Stimulating Energy Efficiency Action

- **Objective**

- Stimulate ground-level development of results-based policies and programs to decrease electricity consumption and improve annual energy savings

- **Target**

- Electricity savings of $\geq 1\%$ through energy efficiency

- **Focus**

- States with $< 0.5\%$ savings relative to electricity sales
- States with $< 1\%$ total electricity or gas revenues invested in energy efficiency
 - Above based on 2007 data, but states can be below thresholds using data from 2008 or 2009



Phased Approach: Phase I

- **Develop process to establish an energy savings goal**
 - Natural gas and transportation fuel savings are in addition to the minimum 1% electricity savings
- **Phase I Action Plan**
 - Review/evaluate goals and steps in “Vision for 2025”
 - Outline collaborative stakeholder process to set annual savings target
 - List activities/benchmarks
 - Stakeholder meetings, public comment periods, target calculation methods, strategies for measurement and verification
 - Schedule/Deliverables
 - Phase I final report on process and goal established
 - Plan for Phase II



Phased Approach: Phase II

- **Implement framework to achieve established energy savings target from Phase I by end of calendar year 2013**
 - Phase II funding contingent upon progress toward benchmarks outlined in Phase I Action Plan
- **Phase II Implementation Plan**
 - Outlines programs and frameworks to be put in place by end of CY 2013 to achieve target savings
 - To be reviewed and approved by DOE
 - Remaining funding provided upon DOE approval



Example Strategies to Establish/Meet Goal

- **Modification of Electricity Market**
- **Energy Efficiency Resource Standard**
- **Integrated Resource Plan**
- **Public Benefit Fund**
- **Other savings strategies....**



Goal Development Process

- **Electricity Savings Target**
 - At least 1% per year through ratepayer funded programs excluding savings from building codes and appliance standards
- **Market Actor Integration**
 - How / what extent / timeframe of engaging stakeholders to establish goal
 - ESCOs, contractors, financial institutions, retailers, manufacturers, auditors, educational institutions, government agencies, etc.



Merit Review Criteria (1 of 2)

Criterion 1 : Goal Development Process (35%)

- *Collaborative stakeholder involvement*
- *Role of utilities, consumer behavior, energy efficiency investment, long-term plans for state(s), and implementation goals in National Action Plan for Energy Efficiency*
- *Standard protocols for data collection and reporting*
- *Opportunities for leveraging investments*

Criterion 2 : Phase I Action Plan (25%)

- *Feasibility and justification for benchmarks and activities*
- *National Action Plan used as basis*
- *Clear goals, methods, metrics, deliverables, schedule and budget*
- *Sustainability / future funding resources and plans*
- *Risk management approach*



Merit Review Criteria (2 of 2)

Criterion 3: Potential Project Impact (15%)

- *Impact on energy efficiency and long-term goals of and planning for state(s)*

Criterion 4: Partnership Structure and Capabilities (25%)

- *Clear roles, responsibilities, level-of-effort defined for project team members*
- *Stakeholder credentials, capabilities, experience (Is PUC participating?)*
- *Project member commitment is demonstrated*

Demonstration of commitment is an executed agreement or a memorandum of understanding that an agreement is planned between the applicant and another organization that describes the roles and responsibilities and financial/resource commitments of each



Multi-State Applications: DE-FOA-0000251

- **Area of Interest 1: Building Retrofit Markets**
 - States may submit both a state-specific application and a multi-state application.
 - A state could potentially be awarded both a state-specific award(s) and a multi-state award (provided each award differs in scope).
- **Area of Interest 2: Energy Efficiency Action**
 - States may submit either a state-specific application or a multi-state application.
 - A state cannot be awarded both a state-specific award(s) and a multi-state award



Multi-State Applications: DE-FOA-0000251

- **Instructions**

- States submit separate applications

- Project Title should indicate it is a collaborative effort

- Contain same identical Project Narrative File

- Describe overall coordinated effort

- Outline integrated activities for each state involved

- Demonstrate value of partnership vs. individual applications

- Identify total project cost

- All other files are to be specific to individual state

- Budget file to provide individual state funding requirements

- Individual awards will be made with each of the participating states



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PUC/REGULATORY AGENCY FOA



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Energy Efficiency Action Addressed in 2 FOAs

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- Addressed in Area of Interest 2
- Open to SEOs
- Requires Demonstrations of Commitment
 - Will allow letters of support but Demonstrations of Commitment are required prior to receiving the award

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- Single area of interest
- Open to PUCs or other regulatory equivalent
- Encourages Demonstrations of Commitment



Summary & Wrap Up

- **How to submit questions**
- **Where/when responses will be posted**

- **This presentation was recorded and is available on**
 - Fedconnect
 - and
 - DOE/EERE OWIP website
<http://www1.eere.energy.gov/wip/financial.html>



Thank you.....

END

