

# Recovery *Through* Retrofit

OCTOBER 2009

MIDDLE CLASS TASK FORCE

COUNCIL ON ENVIRONMENTAL QUALITY



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## Executive Summary

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Making American homes and buildings more energy efficient presents an unprecedented opportunity for communities throughout the country. The Recovery Through Retrofit Report builds on investments made in the American Recovery and Reinvestment Act of 2009 (Recovery Act) to expand the home energy efficiency and retrofit market. Home retrofits can potentially help people earn money, as home retrofit workers, while also helping them save money, by lowering their utility bills. By encouraging nationwide weatherization of homes, workers of all skill levels will be trained, engaged, and will participate in ramping up a national home retrofit market.

There are almost 130 million homes in this country. Combined, they generate more than 20 percent of our nation's carbon dioxide emissions, making them a significant contributor to global climate change. Existing techniques and technologies in energy efficiency retrofitting can reduce home energy use by up to 40 percent per home and lower associated greenhouse gas emissions by up to 160 million metric tons annually by the year 2020. Furthermore, home energy efficiency retrofits have the potential to reduce home energy bills by \$21 billion annually, paying for themselves over time.

By implementing Recovery Through Retrofit's recommendations, the Federal Government will lay the groundwork for a self-sustaining home energy efficiency retrofit industry. This Report provides a roadmap of how the Federal Government can use existing authorities and funds to unlock private capital and mobilize our communities.

### Barriers to a National Retrofit Market

Despite the economic and environmental benefits of improving home energy efficiency, a series of barriers have prevented a self-sustaining retrofit market from forming, including:

1. **Access to Information:** Consumers do not have access to straightforward and reliable information on home energy retrofits that they need to make informed decisions.
2. **Access to Financing:** Homeowners face high upfront costs and many are concerned that they will be prevented from recouping the value of their investment if they choose to sell their home. The upfront costs of home retrofit projects are often beyond the average homeowner's budget.
3. **Access to Skilled Workers:** There are currently not enough skilled workers and green entrepreneurs to expand weatherization and efficiency retrofit programs on a national scale.

## **Recommendations Summary**

The Recovery Act provides a unique opportunity to address these barriers. The Recovery Act allocates about \$80 billion to projects related to energy and the environment, and much of this money is targeted toward improving the energy efficiency in buildings, both Federal and non-Federal. Under the Recovery Act, state and local governments have an unprecedented opportunity to expand investments in energy retrofits and develop community-based programs on a large scale. These investments will put our country on a path to real reductions in greenhouse gases, and contribute to the economic recovery our country needs. The recommendations and actions in this Report have been carefully designed by eleven Departments and Agencies and six White House Offices to ensure that the energy efficiency market will thrive long after the Recovery Act money is fully spent.

By coordinating Recovery Act funds, Federal Departments and Agencies and resources; through building strong partnerships with states and local communities; and by targeting government policy changes, a foundation for self-sustaining energy efficiency retrofit market will be built. Through implementation of the Recovery Through Retrofit recommendations, the Federal Government will leverage private capital, streamline the retrofitting process, and reduce energy costs for homeowners.

### ***Provide American Homeowners with Straightforward and Reliable Home Energy Retrofit Information***

#### **Develop Energy Performance Label for Homes**

We propose to do for homes what ENERGY STAR<sup>®</sup> has done for appliances, helping consumers identify energy efficient products. New homes can already earn the ENERGY STAR<sup>®</sup> label – but no such label is available for existing homes. The Department of Energy and the Environmental Protection Agency are working together to develop an energy performance label for these homes. The end result will be an easily recognizable benchmark that energy auditors, retrofitters, lenders, realtors, and consumers can use to compare home energy performance and identify the most energy efficient homes.

#### **Develop a National Home Energy Performance Measure**

Before we can develop an energy performance label for existing homes, we must establish a standardized home energy performance measure applicable to every home in America. This measure will make it much easier for consumers to understand how much they can save by retrofitting their home. It will also give lenders the information they need to work with homeowners who are looking to invest in home energy improvements.

### ***Reduce High Upfront Costs and Make it Easy for Homeowners to Borrow Money for Home Energy Retrofits***

#### **Support Municipal Energy Financing**

Property tax or municipal energy financing allows the costs of retrofits to be added to a homeowner's property tax bill, with monthly payments generally lower than utility bill savings. This arrangement attaches the costs of the energy retrofit to the property, not the individual, eliminating uncertainty about

recovering the cost of the improvements if the property is sold. Federal Departments and Agencies will work in partnership with state and local governments to establish standardized underwriting criteria and safeguards to protect consumers and minimize financial risks to the homeowners and mortgage lenders. The Department of Energy will support model financing programs to provide much needed upfront capital utilizing Recovery Act funding provided for the Department's Energy Efficiency Conservation Block Grant and State Energy Programs.

### **Improve Energy Efficient Mortgages**

Expanding the use of Energy Efficient Mortgages will simplify the process of obtaining and financing energy retrofits at a home's point of sale. This effort will also work to lower the cost of home energy audits as well as the monthly financing payments, and ensure that retrofits are accurately valued in the appraisal process. Federal Departments and Agencies will work collaboratively to: advance a standard home energy performance measure and more uniform underwriting procedures; develop procedures for more accurate home energy appraisals; and streamline the energy audit process.

### **Expand State Revolving Loan Funds**

Expanding state revolving loan funds from 16 states to all 50 states will leverage private capital and achieve economies of scale necessary to produce consistent and affordable loan products. This will allow consumers to borrow money for home energy retrofits from private firms at lower interest rates. In addition to funding new programs through the Recovery Act, the Federal Government will work to provide examples of successful revolving loan programs and technical assistance to states without revolving loan programs in order to encourage their adoption.

### ***Mobilize a Well-Trained National Energy Retrofit Workforce and Expand Good, Green Job Opportunities for All American Workers***

#### **Establish National Workforce Certifications and Training Standards**

A uniform set of national standards to qualify energy efficiency and retrofit workers and industry training providers will establish the foundation of consumer confidence that work will be completed correctly and produce the expected energy savings and benefits. Consistent high-level national standards will spur the utilization of qualified training providers that offer career-track programs for people of all skill levels, promote and expand green jobs opportunities, and facilitate the mobilization of a national home retrofit workforce. Federal Departments and Agencies (including the Department of Labor, the Department of Energy, the Department of Housing and Urban Development, and the Environmental Protection Agency) will work in collaboration to assess existing standards and training programs and develop consistent models, guides, and best practices for training and certification. The Department of Education, the Department of Commerce, and the Small Business Administration will assist in implementing the best practices developed by the other Departments and Agencies.

These recommendations do not involve spending large new sums of Federal dollars in our fiscally-constrained environment. Rather, they focus on removing information barriers, transaction costs,

liquidity constraints, and other market failures that often prevent homeowners from making investments that have both private and social benefits.

### **Moving Forward**

To ensure that the recommendations in this Report are implemented, CEQ will convene an interagency Energy Retrofit Working Group, which will be chaired by the Department of Energy, the Department of Housing and Urban Development, the Department of Agriculture, the Department of Labor, and the Environmental Protection Agency. In addition to implementing the recommendations and proposed actions of this Recovery Through Retrofit effort, the Working Group will track its progress and operate as the single point of contact for the successful implementation of this effort. Within thirty days, the Working Group will submit an implementation plan to the Vice President. Additional strategies will also be developed to expand the retrofit market to rental housing. Moreover, the Working Group will report to the Vice President regularly on its progress towards implementing each of the recommendations identified in this Report.

## Introduction

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On Tuesday, May 26, 2009, at a Middle Class Task Force meeting, Vice President Biden charged the White House Council on Environmental Quality (CEQ) with developing a proposal for Federal action that will grow green job opportunities and boost energy savings by retrofitting homes for energy efficiency. In response to this charge, CEQ has facilitated an interagency process with the Office of the Vice President to develop this Report—involving eleven Departments and Agencies and six White House Offices. This Report contains a set of recommendations for specific Federal actions, which address the market and non-market barriers that have prevented the home retrofit market from achieving national-scale. The following Departments and Agencies contributed to this Report and participated in drafting the recommendations:

- Office of the Vice President
- Department of Agriculture
- Department of Commerce
- Department of Education
- Department of Energy
- Department of Housing and Urban Development
- Department of Labor
- Department of Treasury
- Environmental Protection Agency
- Equal Employment Opportunity Commission
- General Services Administration
- Small Business Administration
- Executive Office of the President
  - Council of Economic Advisers
  - Domestic Policy Council
  - National Economic Council
  - Office of Management and Budget
  - Office of Public Engagement and Intergovernmental Affairs
  - Office of Science and Technology Policy

## A Strategic Plan for Recovery Through Retrofit

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### ***Market Barrier 1: Consumers need reliable home retrofitting information to make informed decisions***

Consistent, accessible, and trusted information is a critical element to building a robust, energy efficient home retrofit market in the United States. This information must provide consumers with a reliable benchmark for energy efficiency and sound estimates of the costs and benefits of home energy retrofits. Currently, there are a variety of energy performance rating tools in the home retrofit market, each one supplying different information and performance predictions. The lack of a standard rating causes great confusion for consumers. Without some level of standardization combined with an effort to increase recognition and awareness, energy efficiency retrofits will likely remain a niche product, keeping consumer demand low and investors out of the market.

## ***Solution 1: We must provide straightforward and credible information to American homeowners on the costs and benefits of home energy retrofits***

The Federal Government already promotes an energy efficiency measure that helps consumers save money by identifying appliances and other household products that use less energy. The ENERGY STAR<sup>®</sup> program is a proven solution that has helped to revolutionize the market for cost-effective, energy efficient products. With the help of ENERGY STAR<sup>®</sup> Americans saved \$19 billion on their utility bills last year. We propose to do for homes what ENERGY STAR<sup>®</sup> has done for appliances so homeowners know that retrofits will bring their home to a recognized and trusted standard of energy efficiency and home buyers, lenders, and realtors have an easy way to understand the energy performance of homes. To get there, we must take two steps:

### **Develop Energy Performance Label for Homes**

When consumers see the ENERGY STAR<sup>®</sup> label on a dishwasher or a refrigerator, they know they are getting an energy efficient product and they can take the savings into account as they decide what to purchase. New homes can qualify for an ENERGY STAR<sup>®</sup> label but there is no similar label for existing homes that have undergone retrofits. The Federal Government will develop a home performance label for existing homes. The label will be based on the national home energy performance measure described below, and it will be developed in partnership with industry leaders, realtors, and efficiency advocates to promote widespread adoption. The end result will be an easily recognizable benchmark that auditors, retrofitters, lenders, realtors, and consumers can use to compare home energy performance and identify the most efficient homes.

The new home performance label should be accompanied by a national marketing campaign to increase consumer awareness and expand the demand for home energy retrofits. This campaign should build on the marketing that Federal Government already does in conjunction with the ENERGY STAR<sup>®</sup> label on products and the Home Performance with ENERGY STAR<sup>®</sup> program for whole-home retrofits. The national marketing campaign will help homeowners find reliable sources of information on how to improve their homes and quality, skilled contractors to do the work.

### **Develop a Standardized Home Energy Performance Measure**

We cannot develop an energy performance label for existing homes without first developing a standardized home energy performance measure that is applicable to every home in America. The measure will make it much easier for consumers to understand how much they can save by investing in retrofitting. A uniform and nationally-recognized measure could be incorporated in home appraisals at the point of sale and utilized in energy retrofit transactions, which would spur new interest in the retrofit industry from large-scale suppliers and institutional lenders.

The Department of Energy (DOE) is currently working with the Department of Housing and Urban Development (HUD), the Environmental Protection Agency (EPA) and other Agencies to design a standard energy performance measure and related tools to meet this need. The Federal Housing Administration (FHA) will work to link the new energy performance measure to its redesigned Energy



Efficient Mortgage products. DOE will promote adoption of a national energy performance measure through its advisory role to States and will encourage the use of a common national standard.

***Market Barrier 2: The costs of home retrofit projects are beyond the average homeowner's budget***

High upfront costs and a lack of credit and financing options dissuade many homeowners from completing or even considering energy efficiency home retrofits. Many homeowners are understandably concerned with how to fund these key improvements. The Recovery Act began to address these issues by extending and expanding a 30% tax credit for investment in residential energy efficiency property, up to a cap of \$1,500 per primary residence over 2 years. Other existing financing tools, while successful in some local markets, have not succeeded in making significant inroads in the market at large. Because home buyers lack information about the payoffs associated with increasing a home's energy efficiency and because the industry does not properly incentivize retrofits that pay-off over long periods of time, homeowners often do not recoup the actual value of their energy efficiency investments when they sell. The solution is to make financing more transparent, more accessible, repayable over a longer time period, and overall, more consumer-friendly.

***Solution 2: We must make it easy for homeowners to identify and access home energy retrofit financing tools and products***

Today, the Recovery Act is already making it easier for homeowners to access home energy retrofit financing. A number of states are currently leveraging the Department of Energy's Recovery Act funds to support long lasting job creation and the deployment of renewable energy and energy efficiency technologies. For example, the State Energy Program (SEP) offers states the opportunity to encourage renewable energy and energy efficiency projects through their state's financing mechanisms, such as revolving loan funds. For example, Kansas plans on spending over \$34 million to establish a low-interest revolving loan fund to finance cost-effective energy efficiency improvements in homes and small commercial and industrial buildings. In addition, Nebraska plans on spending \$11 million to create a revolving loan fund to provide low-interest financing to deploy energy efficient building technologies to the residential, public, commercial and industrial building sectors. Lastly, Florida plans on spending \$10 million to create a low-interest solar loan program that will provide capital to deploy commercially available solar water heaters to Florida residents. These are just a few examples of how Recovery Act funding is currently creating green jobs and reducing greenhouse gas emissions, at the state level.

## **Support Municipal Energy Financing**

The high turnover rate of housing in the United States has proven to be a significant problem when it comes to financing home retrofits. The debt accrued by a retrofit is tied to the individual making the investment, rather than the home itself, even though the savings are passed on to the next owner of the home. This means that retrofits frequently don't pay for themselves before the homeowner who took the initiative moves. As a result, people are less inclined to invest in home retrofitting. In recent years, a number of innovative financing mechanisms have been implemented by municipalities that permit property owners to request financing for energy retrofits or renewable energy systems secured by a special tax assessment on the property. These mechanisms tie the retrofitting loan to the property instead of the individual, permitting the energy retrofit assessment to be paid off in annual installments as part of the property's usual property tax bill.

The Property Assessed Clean Energy (PACE) financing programs enable the costs for energy efficiency retrofits to be added to an owner's property tax bill as part of a municipal property tax assessment, which takes the same priority as traditional property tax liens and assessments.

PACE programs are designed to overcome several barriers that may otherwise impede property owners from making energy investments. These barriers include: (1) limited access to capital; (2) high transaction costs; (3) lack of information on the part of home buyers that leads them to undervalue efficiency investments; and (4) potential downstream home sale, all of which may dissuade property owners from taking on debt that might not be fully recovered by energy savings before the property is sold.

PACE programs address these barriers by providing access to capital that might be otherwise limited to homeowners. PACE provides beneficial financial terms, streamlines the application process with lower application and transaction fees relative to other lending options, and establishes a financing mechanism in which that debt obligation is tied to the property and the owners receiving the energy savings benefits.

Along with the exciting potential of PACE programs for energy retrofits, homeowners and mortgage lenders can encounter certain risks if the programs are not implemented correctly. Building on the expertise of the Federal Government, the Department of Energy, the Department of Housing and Urban Development, and the Department of the Treasury will announce new principles for PACE program design. Moving forward, Federal Agencies will work in partnership with state and local governments to establish standardized underwriting criteria and safeguards to protect consumers and minimize financial risks to homeowners and mortgage lenders.

A Federal role to encourage PACE pilot programs will also facilitate the collection of data, objectively measure and evaluate the performance of PACE programs, and speed the adoption of more detailed, uniform "Best Practices" that include robust and effective homeowner and lender protections. Further research can then assess the efficacy of PACE programs, including the cost-effectiveness of energy retrofits, reductions in greenhouse gases, and economic impacts on community spending and green job creation.

DOE will be funding model PACE projects, which will incorporate the new principles for PACE program design. Under the State Energy Program, DOE has received approximately \$80 million of applications for PACE-type programs to provide upfront capital, out of nearly \$3.1 billion in total funding available. Smaller PACE-like programs may also be funded through the Energy Efficiency Conservation Block Grant Programs. Funding at these levels will encourage pilots of PACE programs, with more developed homeowner and lender protections than have been provided to date.

### **Improve Energy Efficient Mortgages**

Energy Efficient Mortgages (EEMs) enable home buyers and homeowners refinancing their properties to add energy efficiency upgrades and improvements to their properties as part of the underlying mortgage financing transaction. This permits the energy retrofits to be financed over a longer period of time, with lower monthly payments. Energy improvements are typically identified as part of a Home Energy Rating or energy audit and must be cost effective, generating energy savings that are equal to or greater than the costs of the improvements over the useful life of the improvement.

Historically, there have been significant barriers to widespread utilization of Energy Efficient Mortgages. A four-part solution is proposed to expand and increase the effectiveness of Energy Efficient Mortgages:

1. To lower transaction costs, EPA and DOE will advance a standard home energy performance measure that can be used to easily rate the energy performance of a home;
2. Federal Agencies will work with the home energy rating and home performance industries, as well as states, municipalities and utilities to streamline the energy audit and the home energy ratings process, and expand consumer education and lender awareness of the product;
3. To the extent feasible, HUD will work with Fannie Mae and Freddie Mac to establish uniform procedures for Energy Efficient Mortgage products; and
4. Federal Agencies will work with the home appraisal industry to develop procedures for appraisals to more accurately reflect energy efficiency.

These enhancements are aimed at boosting the volume of Energy Efficient Mortgages. States, cities, or counties can also use their Recovery Act funds to provide credit enhancements and implement other initiatives to boost EEMs.

### **Expand State Revolving Loan Funds**

A Revolving Loan Fund is a funding mechanism that enables loans to be provided to pay for an energy retrofit project's upfront capital costs. Once the energy retrofit is completed, the principal and interest on the loan, along with any financed transaction costs, are paid from the energy savings generated from the project. As energy retrofit loans are paid off, the funds are constantly "revolving" – being used, earned back, and reinvested, thus sustaining the fund over time.

Revolving Loan Funds for energy efficiency retrofits in homes already exist in 16 states. However, they are presently too diverse for private sector suppliers, installers, retail lenders and secondary loan markets to realize economies of scale, which would lower transaction costs. Conforming efficiency loans will be required to bring down capital costs and create sustainable secondary loan funding. Such conforming measures should require: (1) similar loan lengths up to 15 years, so monthly payments are greatly reduced; (2) standard approved products linked to ENERGY STAR®; (3) common procedures with product tiers installed in logical order, linked via Home Performance with ENERGY STAR®; and (4) standardized home energy performance measures and data protocols, so that both loan performance and retrofit performance can be measured accurately over time.

The Federal Government will also work to encourage the development of revolving loan funds in all 50 states. State revolving loan funds produce consistent and affordable loan products, allowing consumers to borrow money for home energy retrofits at lower interest rates. These efforts will create reliable, easy to close, unsecured loan products in every jurisdiction and mobilize private sector funds and achieve economies of scale in installation costs, transaction costs, and persuasive marketing efforts. In order to encourage development of state revolving loan funds in all 50 states, the Department of Energy will also provide technical assistance to states without revolving loan programs in order to encourage their adoption. Finally, existing funding through the Recovery Act can be used to expand current and create new revolving loan fund programs throughout the country.

### ***Market Barrier 3: Increase the number of skilled workers and green entrepreneurs to successfully expand efficiency retrofit programs on a national-scale***

To achieve the desired scale of efficient and healthy home retrofits, a sizable increase in the number of well-trained green retrofit workers is needed. Many states and localities are looking for guidance and information on how to both streamline and rapidly expand quality training opportunities for those looking to enter the home energy retrofit industry. Furthermore, there is no clear guideline or standard to assure consumers of the quality of the work being done on their home. A consistent set of standards will increase consumer confidence in energy retrofit workers, promote good green job opportunities and training opportunities for people of all skill levels, and facilitate the mobilization of a national home retrofit workforce.

In addition, a lack of business skills training has been a barrier to the widespread success of efficiency retrofits programs. Business skills training and business development must therefore be a key component of any large-scale efficiency retrofit workforce capacity development initiative to ensure that a commercially viable effort can be maintained by small- and medium-sized businesses in the open market over the long-term. Developing a workforce equipped with both technical and business skills will improve the rate of success for small efficiency retrofit businesses and increase the ability to respond to rising retrofit demand. This will enable sustained economic and green job growth while achieving further energy savings and healthy homes.

### ***Solution 3: Mobilize a skilled national energy retrofit workforce and expand good, green job opportunities for all American workers***

#### **Develop Consistent Workforce Certifications and Training Standards**

To rapidly expand retrofit capacity, a national effort is needed to conclusively identify required job skills upon which certification standards will be based, and develop standard training goals or methods. The availability of model training programs based around best practices will lower the barriers to entry for programs needed to train workers, allowing an expanded offering of quality training opportunities. The widespread adoption of model training approaches will also facilitate the development of a well-trained workforce across the country, which will improve energy and environmental outcomes, enable worker mobility, and enhance career opportunities. In addition, as outlined in the *Surgeon General's Call to Action To Promote Healthy Homes*,<sup>[1]</sup> healthy and environmentally friendly housing education should be incorporated in weatherization training programs. Proper certification and training standards will ensure that retrofitted homes are healthy homes.

To facilitate consistent, high-quality training of a green retrofit workforce, the Federal Government will:

1. Advance a nationally recognized worker certification standard for comprehensive training that provides evidence that a worker is well qualified to properly complete efficiency and healthy home retrofits.
2. Promote a nationally recognized training accreditation standard to enable students to identify trainers with a demonstrated capacity to provide quality instruction.
3. Develop and deploy model training programs for workers, including pre-apprenticeship and other programs that serve as onramps for lower skilled workers, provide clear pathways to career track jobs, and assist training providers in ramping up training capacity efficiently and effectively.
4. Leverage existing workplace training, labor management partnerships, and other public-private partnerships and the local presence of Federal Agencies in communities to link workforce training to job opportunities.
5. Provide business development support and business skills training to improve the rate of success for small efficiency retrofit businesses and to engage both small businesses and larger contractors in entering the retrofit market to build an industry at scale. This support should also include a focus on making sure small businesses and minority and/or women owned businesses have a seat at the table.

To ensure that efficiency retrofit training programs translate into thriving efficiency retrofit businesses, the Federal Government will use its resources to make business skills a critical component of efficiency retrofit training. By combining industry-specific business skills training with industry-specific jobs skills training, the Federal Government can help provide a steady stream of skilled retrofit workers, and a steady stream of healthy small and medium-sized retrofit businesses ready to hire these workers.

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<sup>[1]</sup> For the full report, see: <http://www.surgeongeneral.gov/topics/healthyhomes/index.html>

Federal Departments and Agencies, including: the Department of Labor, the Department of Energy, the Department of Housing and Urban Development, and the Environmental Protection Agency will work in collaboration to assess existing standards and training programs and develop consistent models, guides, and best practices for training and certification. The Department of Education, the Department of Commerce, and the Small Business Administration will assist in implementing the best practices developed by the other Departments and Agencies.

## **Implementation**

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CEQ will convene an interagency Energy Retrofit Working Group chaired by the Department of Energy, Department of Housing and Urban Development, Department of Agriculture, the Department of Labor, and the Environmental Protection Agency, to implement the recommendations and proposed actions of this Recovery Through Retrofit effort and track its progress. The Working Group will operate as the single point of contact for the successful implementation of this effort. Within thirty days, the Working Group will submit an implementation plan to the Vice President. In addition, the Working Group will report to the Vice President regularly on the progress towards implementing each of the recommendations identified in this Report. Additional strategies will also be developed to expand the retrofit market to rental housing.

Further, Federal Agencies will collaborate with local communities to test business models and develop best practices for encouraging energy efficiency programs that address the three key market failures identified in this Report.

## **Conclusion**

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Coordinated and principled Federal actions, like those described in this Report, in partnership with states, cities, counties, and the existing home energy industry, may be able to tackle the challenges faced by the current retrofit market. These recommendations can pave the way for a self-sustaining retrofit market, a market that can reliably cut energy bills while also creating good green jobs and saving consumers money. We can build on the foundation of the Recovery Act to jumpstart a thriving, private market for energy efficient and healthy home retrofitting that will put thousands of people back to work while also reducing our impact on the environment.

**FINANCIAL ASSISTANCE  
FUNDING OPPORTUNITY ANNOUNCEMENT**



**U.S. Department of Energy  
DOE Environmental Management  
Consolidated Business Center (EMCBC), Cincinnati, OH  
on behalf of  
Office of Energy Efficiency and Renewable Energy**

**Recovery Act: Energy Efficiency and Conservation Block Grants:  
Competitive Solicitation: Retrofit Ramp-up and General Innovation Fund  
Programs**

**Funding Opportunity Announcement Number: DE-FOA-0000148**

**Announcement Type: Initial**

**CFDA Number: 81.128 Energy Efficiency and Conservation Block Grant  
Program (EECBG)**

<b>Issue Date:</b>	<b>10/19/2009</b>
<b>Voluntary Letter of Intent Due Date:</b>	<b>11/19/2009</b>
<b>Application Due Date:</b>	<b>12/14/2009, 11:59 PM Eastern Time</b>

## REGISTRATION AND APPLICATION SUBMISSION REQUIREMENTS

### **Registration Requirements: Allow at least 21 days to complete registrations.**

To submit an application under this announcement, complete the following registrations:

- A. Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number, at <http://fedgov.dnb.com/webform>.
- B. Register in the Central Contractor Registration (CCR) system, at <https://www.ccr.gov/>. Designating an E-Business Point of Contact (EBiz POC) and obtaining a special password called an MPIN are important steps in CCR registration. These items are needed to submit applications in Grants.gov. Update your CCR registration annually.
- C. Register in Grants.gov at <http://www.grants.gov/>. See the Organization Registration User Guide at <http://www.grants.gov/assets/OrgRegUserGuide.pdf>. The Applicant User Guide is at <http://www07.grants.gov/assets/ApplicantUserGuide.pdf>.
- D. Register in FedConnect at <https://www.fedconnect.net/>; use "Register as a Vendor" link. To create an organization account, your organization's CCR MPIN is required.

### **Where to Download the Application Package:**

Download the Application Package for this announcement at <http://www.grants.gov/>. Click on the "Apply for Grants" link; then, click on the "Download a Grant Application Package" link and follow the instructions. Insert the announcement number to download the Application Package.

### **Where to Submit the Application Package:**

**APPLICATIONS MUST BE SUBMITTED THROUGH GRANTS.GOV TO BE CONSIDERED FOR AWARD.** Follow instructions in the User's Guide for application submissions. Applicants are responsible for verifying successful transmission, prior to the Application due date and time.

### **Where to Ask Questions About the Funding Opportunity Announcement Content:**

To ask questions about the Funding Opportunity Announcement, use FedConnect at <https://www.fedconnect.net/>. You must be a registered user in the system and submit questions by sending messages in your FedConnect email box. Part VII of this announcement explains how to submit questions to the Department of Energy (DOE).

### **Where to Submit Questions About the Registrations or Systems:**

DUNS & Bradstreet: [govt@dnb.com](mailto:govt@dnb.com)

Central Contractor Registration (CCR) system: <https://www.bpn.gov/ccr/contactccr.aspx>  
By phone: 866-606-8220 or 334-206-7828 (8:00 a.m. to 8:00 p.m., Eastern Time)

Grants.gov: [support@grants.gov](mailto:support@grants.gov)  
By phone: 1-800-518-4726 (7:00 a.m. to 9:00 p.m., Eastern)

FedConnect: [support@FedConnect.net](mailto:support@FedConnect.net)  
By phone: 1-800-899-6665 (8:00 a.m. to 8:00 p.m., Eastern)



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## **SECTION I – FUNDING OPPORTUNITY DESCRIPTION**

### **A. Introduction: American Recovery and Reinvestment Act of 2009**

Projects under this FOA will be funded, in whole, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act or Act). The Recovery Act's purposes are to stimulate the economy and to create and retain jobs. The Act gives preference to activities that can be started and completed expeditiously. Accordingly, special consideration will be given to projects that promote and enhance the objectives of the Act, especially job creation, preservation and economic recovery, in an expeditious manner.

Be advised that special terms and conditions may apply to projects funded by the Act relating to:

- Reporting, tracking and segregation of incurred costs;
- Reporting on job creation and preservation;
- Publication of information on the Internet;
- Access to records by Inspectors General and the Government Accountability Office;
- Prohibition on use of funds for gambling establishments, aquariums, zoos, golf courses or swimming pools;
- Ensuring that iron, steel and manufactured goods are produced in the United States;
- Ensuring wage rates are at least equal to those prevailing on projects of a similar character;
- Protecting whistleblowers and requiring prompt referral of evidence of a false claim to an appropriate inspector general; and
- Certification and Registration.

These special terms and conditions will be based on provisions included in Titles XV and XVI of the Act. The exact terms and conditions will be provided as soon as possible. The currently available Special Provisions are located at:

[http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm).

The Office of Management and Budget (OMB) has issued several guidance documents regarding implementation of Recovery Act programs, available on line at

[http://www.whitehouse.gov/omb/recovery\\_default/](http://www.whitehouse.gov/omb/recovery_default/). Applicants should consult the DOE website, <http://www.energy.gov>, the OMB website <http://www.whitehouse.gov/omb/>, and the Recovery website, <http://www.recovery.gov>, regularly to keep abreast of guidance and information as it evolves.

Recipients of funding appropriated by the Act shall comply with requirements of applicable Federal, State, and local laws, regulations, DOE policy and guidance, and instructions in this FOA, unless relief has been granted by DOE. Recipients shall flow down the requirements of applicable Federal, State and local laws, and regulations, DOE policy and guidance, and

instructions in this FOA to subrecipients at any tier to the extent necessary to ensure the recipient's compliance with the requirements.

Be advised that Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related OMB Guidance. Applicants for projects funded by sources other than the Recovery Act should plan to keep separate records for Recovery Act funds and ensure those records comply with the requirements of the Act. Funding provided through the Recovery Act that is supplemental to an existing grant is one-time funding.

Applicants should begin planning activities for their first tier subawardees, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration (CCR). The extent to which subawardees will be required to register in CCR will be determined by OMB at a later date.

### **B. Energy Efficiency and Conservation Block Grant Program Background**

In passing the Recovery Act, the Congress established and expanded new and existing financial assistance programs intended to foster economic prosperity and job creation; reduce emissions from fossil fuels; and to continue on the pathway to a clean, secure and sustainable energy future.

The Energy Efficiency and Conservation Block Grants (EECBG) Program (<http://www.eecbg.energy.gov/>), funded for the first time by the Recovery Act, represents a Presidential priority to deploy the cheapest, cleanest, and most reliable energy technologies we have - energy efficiency and conservation - across the country. The Program, authorized in Title V, Subtitle E of the Energy Independence and Security Act (EISA) and signed into law on December 19, 2007, is modeled after the Community Development Block Grant program administered by the Department of Housing and Urban Development.

Through formula and competitive grants, the Program empowers local communities to make strategic investments to meet the nation's long-term goals for energy independence and leadership on climate change. Funding for the EECBG Program under the Recovery Act totals \$3.2 billion. Of this amount, over \$2.7 billion will be awarded through formula grants. In addition, up to \$453.72 million will be allocated through competitive grants, which will be awarded through this Funding Opportunity Announcement (FOA). The remaining funds will be used to provide a suite of technical assistance tools to state, local, and tribal grantees.

The purposes of the EECBG Program are to serve as a deployment mechanism for energy efficiency, conservation and renewable energy technologies and to assist eligible entities to create and implement strategies to:

- Reduce fossil fuel emissions in a manner that is environmentally sustainable and, to the maximum extent practicable, maximizes benefits for local and regional communities;
- Reduce the total energy use of the eligible entities;
- Improve energy efficiency in the building sector, the transportation sector, and other appropriate sectors.
- Create and retain jobs; and

- Stimulate the economy.

These stated purposes describe the overall intent of the EECBG Program. Each entity is required to use the funds in a cost-effective manner that is of maximum benefit to the population of that entity and in a manner that will yield continuous benefits over time in terms of energy and emission reductions.

### **C. Funding Opportunity Announcement Objectives**

DOE is releasing this funding opportunity announcement (FOA) seeking innovative state, local government and Indian tribe programs funded under the Recovery Act. This FOA will use up to \$453.72 million in Recovery Act EECBG funds for these competitive grants awarded in two (2) topic areas. Topic 1, the Retrofit Ramp-up Program, provides up to \$390.04 million for programs of \$5 to \$75 million for 8 to 20 awards. Topic 2, The General Innovation Fund, is for competitive grants that are reserved for units of local government and state-recognized tribes not eligible for direct formula grants, as per EISA 2007 requirements. Topic 2 provides up to \$63.68 million (approximately 2 percent of \$3.2 billion) for projects of \$1 to \$5 million for 15 to 60 awards.

The goal of this competitive FOA is to stimulate activities that move beyond traditional public awareness campaigns, program maintenance, demonstration projects, and other “one-time” strategies and projects. DOE seeks to stimulate activities and investments which can:

- 1) Fundamentally and permanently transform energy markets in a way that make energy efficiency and renewable energy the options of first choice; and
- 2) Sustain themselves beyond the grant monies and the grant period by designing a viable strategy for program sustainability into the overall program plan.

In this FOA, DOE is seeking applications which:

- Leverage the participation and support of multiple local jurisdictions, regional planning agencies, and state energy offices;
- Prioritize energy efficiency and/or energy conservation as first in the loading order before investments are made in new generation; however, DOE is interested in applications that integrate cost-effective renewables with efficiency.
- Move beyond the planning stage and ready for implementation;
- Clearly articulate and demonstrate the ability to achieve measurable stretch goals and that have the potential to make an impact at the regional or national level; and
- Maximize the creation and/or retention of jobs in the United States.

The following sections describe the two (2) topics identified in this FOA. Applicants may submit multiple applications to a topic area and/or apply to multiple topic areas, however, separate stand-alone applications must be submitted.

## **D. Topic Area 1: The Retrofit Ramp-up Program Description**

The goal of Topic 1: The Retrofit Ramp-up Program aims to stimulate activities and investments which can:

- Deliver verified energy savings from a variety of projects in the local jurisdiction of the applicant, with a particular emphasis on efficiency improvements in residential, commercial, industrial and public buildings;
- Achieve broader market participation and greater efficiency savings from building retrofits;
- Highly leverage grant funding in order to significantly enhance the resources available for supporting the program;
- Sustain themselves beyond the grant monies and the grant period by designing a viable strategy for program sustainability;
- Serve as pilot building retrofit programs that demonstrate the benefits of gaining economy of scale; and
- Serve as examples of comprehensive community-scale energy-efficiency approaches that could be replicated in other communities across the country.

Pursuant to the Energy Efficiency and Conservation Block Grant Program (EECBG), DOE plans to award up to \$390.04 million for innovative programs that accomplish the economic, energy and environmental goals of the Recovery Act and the EECBG Program, and are highly leveraged (i.e. goal of at least 5:1 per dollar awarded from this FOA), are broadly replicable and scalable, achieve economy of scale benefits, and are likely to be self-sustaining beyond the funding period.

DOE is specifically targeting these funds for high-impact awards that will enable large-scale programs of ongoing energy efficiency retrofits on residential, commercial, industrial and public buildings in geographically focused areas. These programs should result in high-quality retrofits resulting in significant efficiency improvements to a large fraction of buildings within targeted neighborhoods, technology corridors or communities (i.e. "whole-neighborhood" retrofits). DOE anticipates making 8 to 20 awards under this topic, with award sizes of \$5 million to \$75 million (DOE contribution). No recipient cost share is required for Topic 1.

### **Recovery through Retrofit**

DOE is issuing this FOA in conjunction with the White House Middle Class Task Force (<http://www.whitehouse.gov/strongmiddleclass/>) and its Recovery through Retrofit strategy. DOE strongly encourages applicants to be aware of guidance and other information about this strategy, which is available at <http://www.whitehouse.gov/administration/eop/ceq/>.

### **Eligibility under Topic 1**

The following entities may apply under Topic 1:

1. States;
2. Formula-eligible units of local government;

3. Formula-eligible Indian tribes;
4. Entities eligible under Topic 2; and
5. Governmental, quasi-governmental, or non-governmental not-for-profit organizations authorized by and on behalf of entities described in 1 through 4.

PLEASE NOTE: Only one application may be submitted by or on behalf of an entity listed in 1 through 4 above. If an entity listed in 1 through 4 intends to use Recovery Act funding to support projects performed by different parts of the entity, the projects must be consolidated into a single application.

## **DEFINITIONS**

“State” means the 50 United States, the District of Columbia and the following Territories of the United States: Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

“Formula-eligible unit of local government” means a unit of local government that was eligible for direct funding under the EECBG formula. A list of formula eligible local governments can be found on the program website, <http://www.eecbg.energy.gov>.

“Formula-eligible Indian tribe” means an Indian tribe that was eligible for direct funding under the EECBG formula. A list of formula eligible Indian tribes can be found on the program website, <http://www.eecbg.energy.gov>.

“Indian tribe that is not an eligible entity” means a State recognized Indian tribe that was not eligible for direct funding under the EECBG formula.

“Unit of local government that is not an eligible entity” means a city or county that –

- Is listed in the 2007 Governments Integrated Directory (GID) as an incorporated entity;
- Is identified by the 2007 Census of Governments as having a governance structure consisting of an elected official and governing body;
- Has a governing structure,
  - as indicated by the 2007 Census of Governments publication, with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, or
  - with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, as demonstrated by the applicant; and
- Was not eligible for direct funding under the EECBG formula.

## **Program Structure**

**Geographic focus.** Under this Topic, DOE is interested in programs that reach a large fraction of buildings within targeted neighborhoods or areas. Note that the geographic area is not necessarily contiguous and may be urban, suburban or rural. The objective is to encourage programs that cover geographic areas that are sufficient to demonstrate economy of scale or critical mass in deployment of energy efficiency and conservation building retrofits. Programs

that achieve these benefits not exclusively relying on geographic focus are acceptable (e.g. by targeting specific delivery channels, market segments, or pockets of geographic focus in a regional area). DOE emphasizes the importance of programs that demonstrate the benefits of economy of scale and critical mass and also provide high visibility to communicate success to potential new adoptees of this approach for energy efficiency and conservation savings.

Program design. Under this Topic, DOE is seeking applications that target innovative, “game-changing” ideas that create a comprehensive framework for building retrofits, including processes for financing, marketing/education, delivery, monitoring and verification measurement that can serve as templates for other communities across the country. DOE has designed merit review criteria that emphasize programs that address key obstacles (e.g., upfront cost, lack of consumer confidence), are long-term, replicable, scalable, and enable continued energy efficiency investment beyond the grant period. **Applicants should clearly address how their application addresses all the merit review criteria.** DOE has intentionally left the structure of financing, marketing, delivery and monitoring of building retrofit programs open in order to encourage innovation in these areas, and intends to use this Topic to allow different models of comprehensive, community-scale retrofit programs to be demonstrated and tested.

Revenue and sustainability models. DOE believes there are multiple viable approaches to developing revenue streams from building efficiency improvements that can be used to ensure program sustainability after federal grant monies are exhausted. These may include revolving loan funds, utility on-bill payment and/or financing, the sale of carbon and other offsets, the sale of white tags to meet efficiency mandates, and the sale of efficiencies into forward capacity markets. Under this Topic, DOE will place significant emphasis on the sustainability of the program after the grant period, but intends to allow maximum flexibility to applicants to innovate program models that will achieve this goal.

Leveraging. DOE intends to achieve high (5 to 1) leveraging of grant funds awarded through this FOA, and will place significant emphasis on total project funds availability. This leveraging ratio goal is not a cost share. Instead, DOE seeks to have recipients secure 5 additional dollars for each dollar awarded by DOE under this FOA to meet the total project expenses. For the purposes of this FOA, DOE considers this leveraging to include building owner contributions, partner contributions, in-kind contributions, project revenues, other federal funds (including other DOE funds), and state funds. For example, programs that leverage DOE Weatherization Assistance Program funds and associated resources could constitute one example of a source of leveraged funds.

Partners. DOE strongly encourages applications that plan innovative and creative teams that leverage the participation and support of multiple partners, including utilities, regional planning agencies, businesses, financial institutions, universities, non-governmental organizations, and State energy offices.

Evaluation. DOE intends to address a number of research questions about building retrofit program structures through this FOA. To that end, applicants must agree that, if awarded funds, they will cooperate with DOE on a federally sponsored research and data-gathering exercise designed to evaluate the effectiveness of different approaches to marketing, delivery, installation, monitoring and financing of retrofits, including the impacts on energy savings and consumer debt. This exercise will employ rigorous statistical methodology based on actual fuel consumption data. Applicants are encouraged to consider this when designing proposed program



structures in order to make them as amenable as possible to evaluation, and highlight such design elements in their application materials. DOE intends to provide further guidance regarding best practices for enabling a rigorous evaluation.

Generic examples. The following examples broadly illustrate how comprehensive building retrofit programs might be structured. They are not intended to be prescriptive or to indicate any preference on the part of DOE for particular approaches, but rather to convey the type of comprehensive program design DOE is seeking.

**Example 1:** Partnering with a bank and a large construction-related retailer, a community develops a retrofit program based on Property Assessed Clean Energy (PACE) loans for homeowners. These loans are used to pay for energy efficiency retrofits delivered by contractors coordinated by the retailer. Project funds are used to leverage additional 5:1 outside funds, and the program is marketed to homeowners by the community, who agree to add a line item on their property tax bill to repay the loans. In designing the program, the community follows federal best practices as outlined in the “Policy Framework for PACE Financing Programs” documents available at <http://www.whitehouse.gov/administration/eop/ceq/>.

**Example 2:** Partnering with a local utility and a Home Performance with ENERGY STAR (HPwES) partner, a community develops a retrofit program funded by a revolving loan fund. Project funds are used to leverage additional 5:1 outside funds, with an on-bill repayment mechanism for homeowners receiving retrofit services. Working with the HPwES partner and the utility, the community publicizes the program and begins door-to-door “neighborhood sweeps” to audit homes and arrange scheduling for retrofit work with homeowners. Work is delivered through a variety of contractors coordinated by the HPwES partner, and the energy impact is monitored through utility bills reported by the utility.

**Example 3:** Partnering with a large appliance retailer, a home service contract provider, and the state energy office, a community develops a program to audit homes during the delivery and servicing of appliances and other home systems, working through the servicer and retailer’s network and capabilities. Project funds are used to leverage additional 5:1 outside funds, with loan repayment through service contracts. In order to expand resources available to the program and ensure sustainability, deemed savings from appliances are captured and sold by the community as carbon offsets.

**Example 4:** Partnering with the state department of commerce and an energy services company (ESCO), a community develops a program to retrofit retail buildings in its downtown district and industrial buildings in a separate district. Project funds are used to leverage additional 5:1 outside funds, and the program is marketed to local businesses by the state department of commerce, with retrofits delivered through the ESCO. Energy savings from retrofits are displayed on signs placed in store windows, and community leaders initiate a campaign to encourage residents to shop at stores, and buy products from industrial facilities, that achieved the greatest energy reductions.

**Example 5:** Partnering with several local banks and a large construction firm, a community develops a program to retrofit homes and retail buildings in a mixed-used neighborhood. Project funds are used to leverage additional 5:1 outside funds, and the program is marketed to customers of the banks through the automatic teller machine (ATM) networks and monthly statements, with retrofits delivered by contractors coordinated by the construction firm. Recipients of retrofits are able to check their energy savings online or at local ATMs. To ensure

the program's sustainability and enhance its funds for future retrofit work, efficiency savings from retrofits are aggregated and sold to forward capacity markets.

**Example 6:** Partnering with a large construction-related retailer and a local cable and internet service provider, a community develops a program to bundle energy audits with cable and internet installation and servicing. Outreach and advertising is also provided by the cable/internet provider. Project funds are used to leverage additional 5:1 outside funds, and the program delivers retrofit services through the retailer, using a repayment mechanism based on cable bills. The program allows owners receiving retrofit services to monitor and track their building's performance with online tools hosted by the cable/internet provider, and participate in community-wide comparisons of savings.

**Example 7:** Partnering with a local utility, a community develops a program to retrofit private, commercial, industrial and public buildings in several neighborhoods. The utility contracts with for-profit and not-for-profit providers to conduct energy audits and install retrofits. The local unit of government uses its bonding authority to pay up-front costs of the program, and the utility collects on-bill payments from building owners and remits to the local government. Federal funds are used to subsidize retrofits of low-income homes and as credit enhancement to support the financing of the program. The overall program is fully coordinated with all other federal, state, local and private programs that support efficiency retrofits in the community.

NOTE: The above examples are intended only to illustrate the types of comprehensive program design DOE is seeking, and should not be taken to indicate a preference for any particular approach.

What not to propose. DOE is *not* seeking the following for Topic 1:

- Projects that are authorized by 42 U.S.C. 17154(1)-(2),(14): Development and implementation of an energy efficiency and conservation strategy; technical consultant services to assist the eligible entity in the development of the energy efficiency and conservation strategy; and any other appropriate activity, as determined by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Transportation and the Secretary of Housing and Urban Development.
- Programs for the design and construction of new energy-efficient buildings;
- Technology demonstration programs without market transformation;
- Programs which focus exclusively or largely on renewable energy technologies for buildings (although DOE will consider cost-effective renewable integration with efficiency); and
- Programs which take existing policies and make incremental improvements over business as usual efforts;

Applications that propose projects that are under 42 U.S.C. 17154(1)-(2),(14) above, programs for the design and construction of new energy-efficient buildings, technology demonstration programs without market transformation, and programs which focus exclusively on renewable generation **will be deemed non-responsive during the initial compliance review and eliminated from full Merit Review.**

Applications should include, to the extent practicable, at least the following key elements:

1. A description of **how many and what kinds of buildings** will be targeted by the retrofit program, and their **geographic location**. This may be a map of zones/neighborhoods that will be targeted, or a detailed text description. (Please provide program related information; NEPA related information should be included in form located in Appendix C.)
2. A description of how the program will conduct **outreach, advertising and marketing** to building owners in the targeted zones to inform them of the program and convince them to agree to participate. This should include a discussion of the value proposition being offered to building owners, and why owners are likely to agree to participate.
3. A description of **how the retrofits will be delivered**, including who will do the audits and contract work.
4. A description of how energy and cost savings from retrofits will be **monitored and verified, and how those results will be communicated to the owner/occupant of the building**.
5. A description of **how the program will be financed**, including leveraged funds and alternate revenue streams as discussed above. This section of the application should also include a discussion of the sustainability of the program after the grant monies are exhausted.
6. An **implementation plan** describing the overall execution of the program, including a detailed timeline and milestones at each stage.
7. **Letters of support** from all major partners contributing leveraged funds and significant in-kind contributions, and **project support letters** from an executive officer from all key partners (included as an appendix to the Narrative file and not included in the Narrative file page limit).
8. **Project Impact Table** (see Appendix G) with estimates of project impact including number of buildings retrofitted per project year (and out years), utilities savings and jobs created/retained.

Additionally, applications must contain a clear description of **why federal funds are needed** to implement the retrofit program described in the application (if this is not included in the elements above). Finally, applicants are encouraged to add further discussion as necessary, including an analysis of key market barriers to retrofits in their local jurisdiction, local resources other than funding, a description of the applicant's historical work in energy efficiency programs, and any other relevant information.

Property Assessed Clean Energy (PACE) programs. The innovative Property Assessed Clean Energy (PACE) approach attaches the obligation to repay an energy-upgrade loan to a property, not an individual borrower. This ensures that the loan is paid by the owner of the upgraded property, which has reduced utility bills, even if the property is sold. An applicant could use funding from this FOA to pay for the administrative costs, reserve funds, software development, or reduced interest rates under a PACE program, or in support of federal research about the effects of PACE programs. PACE programs supported by funds awarded under this FOA are required to follow the best practices outlined in the "Policy Framework for PACE Financing Programs" documents created by an interagency team as part of the Vice President's Middle

Class Task Force Recovery through Retrofit strategy, available at <http://www.whitehouse.gov/administration/eop/ceq/>.

Home Performance with ENERGY STAR. DOE and the Environmental Protection Agency (EPA) offer a program strategy for encouraging comprehensive home energy improvements, called Home Performance with ENERGY STAR. Applicants could use this program strategy as a component of a retrofit program that addresses residential retrofits. More information is available at <http://www.energystar.gov/>.

Building Codes. DOE has included as a program policy factor for the adoption of updated building codes. Entities that have adopted these updated building codes as of the close date of this FOA will be given special consideration. This applies only to prime applicants that have the authority to adopt building codes and have adopted the following:

- 1) A building energy code (or codes) for residential buildings that meets or exceeds the most recently published International Energy Conservation Code, or achieves equivalent or greater energy savings; and
- 2) A building energy code (or codes) for commercial buildings that meets or exceeds the most recently published ANSI/ASHRAE/IESNA Standard 90.1, or achieves equivalent or greater energy savings.

#### **Limitations on the use of funds on Topic 1**

#### **ALL APPLICANTS**

In accordance with EISA Sec. 548(b), EECBG funds shall supplement (and not supplant) other Federal funding provided under the State Energy Program or the Weatherization Assistance Program.

#### **STATES**

States must subgrant at least 60 percent of their allocation to units of local government that are not formula eligible entities.

State applicants may expend for payment of reasonable administrative and planning costs not more than 10 percent of amounts provided under the program including the cost of reporting.

#### **FORMULA-ELIGIBLE UNITS OF LOCAL GOVERNMENTS AND FORMULA-ELIGIBLE INDIAN TRIBES**

Up to 10 percent or \$75,000, whichever is greater, of grant funds may be used for administrative expenses, excluding the cost of meeting the reporting requirements of the Program. Administrative costs are the allowable, reasonable, and allocable direct and indirect costs related to overall management of the awarded grant.

Up to 20 percent or \$250,000, whichever is greater, of the grant funds may be used to finance a revolving loan fund.

	<b>State</b>	<b>Formula-eligible unit of local government and Formula-eligible Indian tribe</b>	<b>Formula-ineligible unit of local government or Indian tribe</b>
Limit on administrative expenses including the cost of the reporting requirements	Not more than 10% of the amounts provided to the State	Not more than the greater of a. 10% of the amount provided to the eligible unit of local gov't (or eligible Tribe); or b. \$75,000	None
Limit on the amount for establishing a revolving loan fund	None	Not more than the greater of a. 20% of the amount provided to the eligible unit of local gov't (or eligible Tribe); or b. \$250,000	None
Amount required to be provided as subgrants to units of local government that are not eligible units of local government	Not less than 60% of the amount provided to the State (subgrantees must be within the jurisdiction of the State)	None	None

**E. Topic Area 2: The General Innovation Fund for Local Governments and State-Recognized Tribes Not Eligible for Direct Formula Grants: Work Description**

Pursuant to the EECBG and EISA 2007, Topic 2 eligibility (as a prime applicant) for the up to \$63.68 million is restricted for local governments (e.g. cities, counties) and State-recognized Indian Tribes not eligible to receive direct funding allocations from the Energy Efficiency and Conservation Program formula grants. The entities found at the following link are not eligible for Topic 2, see [www.eecbg.energy.gov](http://www.eecbg.energy.gov). To establish State-recognized Indian Tribe eligibility, an applicant must submit verifiable documentation from one or more individual States in which

it resides that it is formally recognized as having self-governance authority. DOE plans to award from 15 to 60 awards that are between \$1 million and \$5 million (DOE contribution) each. No recipient cost share is required for Topic 2. In accordance with EISA 2007, Title V, Subtitle E, Sec. 546, special consideration in the form of a program policy factor will be given to local governments proposing projects in states with populations of less than 2 million people, or that plan to carry out projects that would result in significant energy efficiency improvements or reductions in fossil fuel use.

### **Eligibility under Topic 2**

In accordance with Section 546 of EISA 2007, only the following entities may apply for financial assistance under Topic 2: Unit of local government (or State-recognized Indian tribe) that is not an eligible entity; a governmental, quasi-governmental, or non-governmental, not-for-profit organization authorized by and on behalf of a unit of local government (or State-recognized Indian tribe) that is not an eligible entity; or a consortia of units of local governments (or State-recognized Indian Tribes) that are not eligible entities. States, formula-eligible units of local government, and formula-eligible Indian tribes are **not** eligible to apply for Topic 2.

PLEASE NOTE: Only one application may be submitted by or on behalf of a unit of local government (or State-recognized Indian tribe) that is not an eligible entity. If a unit of local government (or State-recognized Indian tribe) that is not an eligible entity intends to use Recovery Act funding to support projects performed by different parts of the entity, the projects must be consolidated into a single application.

### **DEFINITIONS**

“State” means the 50 United States, the District of Columbia and the following Territories of the United States: Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

“Formula-eligible unit of local government” means a unit of local government that was eligible for direct funding under the EECBG formula.

“Formula-eligible Indian tribe” means an Indian tribe that was eligible for direct funding under the EECBG formula.

“Indian tribe that is not an eligible entity” means a State-recognized Indian tribe that was not eligible for direct funding under the EECBG formula.

“State-recognized Indian Tribe” means a Native American tribe located within the contiguous 48 States or Alaska that is not Federally recognized pursuant to section 4 of the Indian Self-Determination and Education Assistance Act (42 USC 450b), but is formally recognized as having self-governance authority by one or more individual States in which it resides.

“Unit of local government that is not an eligible entity” means a city or county that –

- Is listed in the 2007 Governments Integrated Directory (GID) as an incorporated entity;
- Is identified by the 2007 Census of Governments as having a governance structure consisting of an elected official and governing body;

- Has a governing structure,
  - as indicated by the 2007 Census of Governments publication, with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, or
  - with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, as demonstrated by the applicant; and
- Was not eligible for direct funding under the EECBG formula.

### **Program Structure**

Topic 2 of this FOA provides financial assistance to units of local governments (and State-recognized Indian tribes) that are not formula-eligible entities to implement programs that:

1. Contribute to meaningful and sustainable market transformation (are broadly replicable and scalable and/or bring a significant benefit to other units of local government and State-recognized Indian tribes through the successful execution of an outcome or deliverable)
2. Highly leverage DOE financial assistance to achieve significant energy and cost savings and create jobs;
3. Result in a new or innovative approaches to the purposes of the EECBG program which are to reduce fossil fuel emissions, reduce total energy use, and increase energy efficiency; and
4. Are capable of being financially self-sustaining beyond the funding period.

**Leveraging.** The leveraging that DOE is seeking is not a cost share requirement. For the purposes of this FOA, DOE considers leveraging to include partner contributions, in-kind contributions, project revenues, other federal funds (including other DOE funds), and state funds. For example, programs that leverage DOE Weatherization Assistance Program funds and associated resources could constitute one example of a source of leveraged funds.

The following activities under 42 U.S.C. 17154 are allowed under Topic 2 consideration:

- (3) Building Energy Audits
- (4) Financial Incentive Programs for Energy Efficiency Improvements
- (5) Energy Efficiency Retrofits
- (6) Energy Efficiency and Conservation Programs for Buildings and Facilities
- (7) Development and Implementation of Transportation Programs to Conserve Energy
- (8) Building Codes and Enforcement
- (9) Energy Distribution Technologies for Energy Efficiency
- (10) Material Conservation Programs including source reduction, recycling, and recycled content procurement programs
- (11) Reduction and Capture of Methane and Greenhouse Gases
- (12) Replacement of Traffic Signals and Street Lighting with Energy Efficient

## Lighting Technologies

### ○ (13) Renewable Energy Technologies on Government Buildings

DOE has intentionally left Topic Area 2 broad to allow for innovation in program design and delivery across a wide variety of market sectors. Successful applications will propose ideas that have the potential to demonstrate significant long-term benefits beyond those directly received by the recipient entity. Specifically, DOE wishes to support program approaches that prove the value of investment in energy efficiency and renewable energy so that future funding to support similar efforts by other local governments can be confidently provided by those governments or private sources as good investments. Simple equipment replacement efforts (e.g. CFL replacement or give-away programs, boiler replacements, LED traffic light replacements) that do not provide a roadmap for replication by other entities will not likely be considered for award. Programs that include a broad and cohesive partnership structure that effectively leverages DOE financial assistance will be considered more favorably by DOE. DOE seeks to fund programs that have moved well beyond the planning stage and are ready for implementation.

The following examples are provided to illustrate potential areas of activity and are not intended to be comprehensive:

#### **Example 1:** Innovative fiscal and financial strategies to promote energy efficiency:

There are numerous examples of strategies using financial and fiscal policy to foster the use of energy efficiency, including revolving loans, Energy Saving Performance Contracts (ESPCs), guaranteed loans and other strategies. DOE seeks to replicate these and other innovative financing models for energy efficiency, and also to fund improvements that amplify their reach or effectiveness. For example, strategies that require point-of-sale energy audits could allow new owners to fold the cost of retrofits into mortgages or home equity loans, lowering monthly energy bills to a greater extent than the monthly amortized cost of such retrofits. These approaches do two important things: they tie energy investments to the home or building, not the owner, and thus extend the window of acceptable investment beyond a single owner's payback expectations. They also amortize the loan over a longer time period. Combining point-of-sale energy audits with on-bill financing, developed in partnership with electric and natural gas utilities, could increase the efficacy of both.

#### **Example 2:** Whole neighborhood building energy efficiency retrofits:

A consortia of small towns, villages and/or tribes, and rural area governments commits to implementing whole neighborhood building efficiency retrofits, through a joint partnership. A consortia of local governments would then prepare and submit a joint application to provide comprehensive energy efficiency services to multiple communities within a region. Applications could be coordinated through an existing regional planning process, such as a regional council, council of governments, or regional planning district. Partners could include rural electric cooperatives, municipal utilities, and businesses within the region that could provide energy efficiency services. Programs would be designed to leverage and coordinate with existing programs and resources offered by federal, state and local agencies (e.g., Qualified Energy Conservation Bonds, utility energy efficiency programs, weatherization and low-income housing assistance). The program could include 'Quick Start Programs' that are straightforward to implement; easily integrated into initiatives already underway; result in significant energy and



cost savings; have a strong business case; and are highly educational for elected officials, staff and/or the community. These programs may include distributed renewables as part of a larger conservation/energy efficiency program.

**Example 3:** Reduction in fossil fuel emissions through innovative transportation programs:

Many innovative strategies exist for reducing fossil fuel consumption and emissions in the transportation sector including planning, zoning, and policies to encourage walking, biking, and the use of public transportation systems; evaluating and performing energy audits on transportation systems; and incentives for reductions in vehicle miles traveled or high-occupancy vehicles. There are numerous benefits to transportation planning at the regional level, with adjacent units of government collaborating to address issues affecting the participating governments. A consortia of local governments can work together through a regional transportation planning organization, and can integrate plans and programs into those of other neighboring regional transportation organizations.

**Partners**

Proposed programs that involve creative and innovative teams that leverage the participation and support of multiple partners are strongly encouraged, including other eligible local jurisdictions, regional planning agencies, businesses, utilities, non-governmental organizations, and state energy offices.

What not to propose. DOE is *not* seeking the following for Topic 2:

- Programs that fall under uses of funds as described in 42 U.S.C. 17154(1)-(2),(14): Development and implementation of an energy efficiency and conservation strategy; Technical consultant services to assist the eligible entity in the development of the energy efficiency and conservation strategy; and any other appropriate activity, as determined by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Transportation and the Secretary of Housing and Urban Development.
- Programs for the design and construction of new energy-efficient buildings;
- Technology demonstration programs without market transformation;
- Programs which focus exclusively or largely on renewable energy technologies for buildings (without integrating comprehensive energy efficiency and conservation activities)
- Programs which take existing policies and make incremental improvements over business as usual efforts;
- Programs that are in planning stages and are not ready for implementation.

**The following proposed activities will be deemed non-responsive during the initial compliance review and eliminated from full Merit Review:**

- Programs that fall under uses of funds as described in 42 U.S.C. 17154(1)-(2),(14): Development and implementation of an energy efficiency and conservation strategy; Technical consultant services to assist the eligible entity in the development of the energy

efficiency and conservation strategy; and any other appropriate activity, as determined by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Transportation and the Secretary of Housing and Urban Development.

- Programs for the design and construction of new energy-efficient buildings.
- Technology demonstration programs without market transformation.
- Programs which focus exclusively on renewable generation.

Applications should include, to the extent practicable, at least the following key elements:

1. Narrative description of project concept – including a description of the issue/problem/opportunity you are seeking to address and the expected qualitative and quantitative impact. Applicants are also requested to identify how the proposed program affects economically hard hit communities and to describe expected outcomes.
2. Project implementation plan describing the overall execution of the program, including a detailed project schedule, major tasks, milestones at each stage, and deliverables.
3. Description of anticipated barriers and approach to overcome them.
4. A description of how energy and cost savings (and other Recovery Act metrics) from the project will be monitored and verified, and how those results will be communicated to relevant stakeholders and the strategy for feedback and continuous improvement of the program during its operation.
5. A description of how the program will be financed, including leveraged funds and alternate revenue streams. This should also include a discussion of the sustainability of the program after the grant monies are exhausted.
6. Description of the innovative and creative partnership structure, roles & responsibilities, and capabilities of individuals/organizations.
7. Letters of support from all key project partners as an attachment to Narrative Section (not included in Narrative page limit)
8. Project Impact Table (see Appendix G) with estimates of project impact including utilities savings and jobs created/retained and other project metrics. (not included in Narrative page limit)

Additionally, applications must contain a clear description of **why federal funds are needed** to implement the program described in the application (if this is not included in the elements above). Finally, applicants are encouraged to add further discussion as necessary, including an analysis of key market barriers to implementation, local resources other than funding, a description of the applicant's historical work in energy efficiency programs, and any other relevant information.

#### **Limitations on the use of funds for Topic 2.**

**UNIT OF LOCAL GOVERNMENT (OR STATE-RECOGNIZED INDIAN TRIBE)  
THAT IS NOT A FORMULA-ELIGIBLE ENTITY**

In accordance with EISA Sec. 548(b), EECBG funds shall supplement (and not supplant) other Federal funding provided under the State Energy Program or the Weatherization Assistance Program.

## SECTION II – AWARD INFORMATION

### A. Type of Award Instrument

#### Grants

- DOE anticipates awarding grants under this funding opportunity announcement.

### B. Estimated Funding

#### Amount New Awards

- Approximately up to \$390.04 million is expected to be available for new awards under Topic 1 and up to \$63.68 million under Topic 2 of this announcement,.

### C. Maximum and Minimum Award Size

- Ceiling (i.e., the maximum amount for an individual award made under this announcement):  
Topic 1: \$75 million; Topic 2: \$5 million
- Floor (i.e., the minimum amount for an individual award made under this announcement):  
Topic 1: \$5 million; Topic 2: \$1 million

### D. Expected Number of Awards

#### Number of Awards per Program/Topic Area

- Under this announcement, DOE expects to make the following number of awards for each Program/Topic Area:

Program/Topic Area	Number of Awards
Topic 1: Retrofit Ramp-up Program	8 to 20
Topic 2: General Innovation Fund for entities ineligible for EECBG formula grants	15 to 60

### E. Period of Performance

The period of performance for these grants will be 36 months. In keeping with the agenda of the Recovery Act, and supporting the goal of immediate investment in the economy, entities are required to obligate/commit all funds within eighteen (18) months from the effective date of the award. In the event funds are not obligated/committed within eighteen (18) months, DOE reserves the right to deobligate the funds and cancel the award.

#### Number of Years

- DOE anticipates making awards that will run for up to three years.

## **F. Type of Application**

### **New Applications Only**

- DOE will accept only new applications under this announcement (i.e., applications for renewals of existing DOE funded projects will not be considered).

## **G. Authorization**

- The activities described in this FOA are authorized authorized in Title V, Subtitle E of the Energy Independence and Security Act (EISA) 2007.

## **H. General Information**

Awards under this FOA will be funded, in whole or in part, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act or Act). Be advised that special terms and conditions may apply to projects funded by the Act relating to:

- Reporting, tracking and segregation of incurred costs;
- Reporting on job creation and preservation;
- Publication of information on the Internet;
- Access to records by Inspectors General and the Government Accountability Office;
- Prohibition on use of funds for gambling establishments, aquariums, zoos, golf courses or swimming pools;
- Ensuring that iron, steel and manufactured goods are produced in the United States;
- Ensuring wage rates are comparable to those prevailing on projects of a similar character;
- Protecting whistleblowers and requiring prompt referral of evidence of a false claim to an appropriate inspector general; and
- Certification and Registration.

These special terms and conditions will be based on provisions included in Titles XV and XVI of the Act. These Special Provisions are located at:

[http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm).

## SECTION III - ELIGIBILITY INFORMATION

### **A. Eligible Applicants**

#### **Eligibility under Topic 1**

The following entities may apply under Topic 1:

1. States;
2. Formula-eligible units of local government;
3. Formula-eligible Indian tribes;
4. Entities eligible under Topic 2; and
5. Governmental, quasi-governmental, or non-governmental not-for-profit organizations authorized by and on behalf of entities described in 1 through 4.

**PLEASE NOTE:** Only one application may be submitted by or on behalf of entity listed in 1 through 4 above. If an entity listed in 1 through 4 intends to use Recovery Act funding to support projects performed by different parts of the entity, the projects must be consolidated into a single application.

#### **Eligibility under Topic 2**

In accordance with Section 546 of EISA 2007, only the following entities may apply for financial assistance under Topic 2: Unit of local government (or Indian tribe) that is not an eligible entity; a governmental, quasi-governmental, or non-governmental, not-for-profit organization authorized by and on behalf of a unit of local government (or Indian tribe) that is not an eligible entity; or a consortia of units of local governments (or Tribes) that are not eligible entities. States, formula-eligible units of local government, and formula-eligible Indian tribes are **not** eligible to apply for Topic 2.

**PLEASE NOTE:** Only one application may be submitted by or on behalf of a unit of local government (or Indian tribe) that is not an eligible entity. If a unit of local government (or Indian tribe) that is not an eligible entity intends to use Recovery Act funding to support projects performed by different parts of the entity, the projects must be consolidated into a single application.

#### **DEFINITIONS**

“State” means the 50 United States, the District of Columbia and the following Territories of the United States: Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

“Formula-eligible unit of local government” means a unit of local government that was eligible for direct funding under the EECBG formula.

“formula-eligible Indian tribe” means an Indian tribe that was eligible for direct funding under the EECBG formula.

“Indian tribe that is not an eligible entity” means a State recognized Indian tribe that was not eligible for direct funding under the EECBG formula.

“State-recognized Indian Tribe” means a Native American tribe located within the contiguous 48 States or Alaska that is not Federally recognized pursuant to section 4 of the Indian Self-Determination and Education Assistance Act (42 USC 450b), but is formally recognized as having self-governance authority by one or more individual States in which it resides.

“Unit of local government that is not an eligible entity” means a city or county that –

- Is listed in the 2007 Governments Integrated Directory (GID) as an incorporated entity;
- Is identified by the 2007 Census of Governments as having a governance structure consisting of an elected official and governing body;
- Has a governing structure,
  - as indicated by the 2007 Census of Governments publication, with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, or
  - with the capabilities and jurisdiction necessary to carry out the broad range of EECBG programs, as demonstrated by the applicant; and
- Was not eligible for direct funding under the EECBG formula.

## **B. Cost Sharing**

### **Cost Sharing Not Required**

- Cost sharing is not required for Topic 1 or Topic 2.

### **C. Other Eligibility Requirements**

None.

## SECTION IV – APPLICATION AND SUBMISSION INFORMATION

### A. Address to Request Application Forms

Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>, select “Apply for Grants,” and then select “Download Application Package.” Enter the CFDA and/or the funding opportunity number located on the cover of this announcement and then follow the prompts to download the application package. (Also see Section H of this Part below.)

### B. Letter of Intent and Pre-Application

#### 1. Letter of Intent Requested

Applicants are requested to submit a letter of intent by November 19, 2009 for applications submitted to both Topic 1 and Topic 2. This letter should include the name of the applicant, proposal to Topic 1 or 2, the title of the project, the name of the Project Director, an estimate of the amount of funds requested, and a brief one-paragraph abstract. Letters of intent and accompanying abstracts will be used by DOE to organize and expedite the merit review process. They should not contain any proprietary or sensitive business information. Failure to submit such letters will not negatively affect a responsive application submitted in a timely fashion. The letter of intent should be sent by E-mail to FOA148@emcbc.doe.gov. DOE will not respond to the Letters of Intent.

#### 2. Pre-application

##### Pre-applications Not Required

A pre-application is not required for Topic 1 or for Topic 2.

### C. Content and Form of Application

You must complete the mandatory forms and any applicable optional forms, in accordance with the instructions on the forms and the additional instructions below, as required by this FOA. **Files that are attached to the forms must be in Adobe Portable Document Format (PDF) unless otherwise specified in this announcement.**

Once the forms below have been completed, save the Application Package in a single file, using up to 10 letters of the Applicant’s Organization Name as the file name (e.g., Company). If your organization is submitting more than one Application, you must identify an application number at the end of each file name (e.g., City-1). If your organization is submitting more than one Application to different topic areas, you must identify an application number and the Topic Area Number at the end of each file name (e.g., City-1-Topic1).

#### 1. SF 424 - Application for Federal Assistance



Complete this form first to populate data in other forms. Complete all required fields in accordance with the instructions on the form. The list of certifications and assurances referenced in Field 21 can be found at [http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm), under Certifications and Assurances.

## **2. Project/Performance Site Location(s)**

Indicate the primary site where the work will be performed. If a portion of the project will be performed at any other site(s), identify the site location(s) in the blocks provided. **Note that the Project/Performance Site Congressional District is entered in the format of the 2 digit state code followed by a dash and a 3 digit Congressional district code; for example, VA-001.** In the form, hover over this field for additional instructions.

Use the “Next Site” button to expand the form to add additional Project/Performance Site Locations.

## **3. Other Attachments Form**

Submit the following files with your application and attach them to the Other Attachments Form. Click on “Add Mandatory Other Attachment” to attach the Project Narrative. Click on “Add Optional Other Attachment,” to attach the other files.

### **a. Project Summary/Abstract File**

The project summary/abstract must contain a summary of the proposed activity suitable for dissemination to the public. It should be a self-contained document that identifies the name of the applicant, the project director(s), the project title, the objectives of the project, a description of the project, including methods to be employed, the potential impact of the project (i.e., benefits, outcomes), and major participants (for collaborative projects). This document must not include any proprietary or sensitive business information, as the Department may make it available to the public. The project summary must not exceed 1 page when printed using standard 8.5” by 11” paper with 1” margins (top, bottom, left and right), single spaced, with font not smaller than 11 point. Save this information in a file named “Summary.pdf,” and click on “Add Optional Other Attachment” to attach.

### **b. Project Narrative File - Mandatory Other Attachment**

For **Topic 1** applications, the project narrative must not exceed 20 pages, including charts, graphs, maps, photographs, and other pictorial presentations, when printed using standard 8.5” by 11” paper with 1 inch margins (top, bottom, left, and right), single spaced, 11 point font. The appendix of letters of commitment and the Project Impact Table document (see Appendix G) do not count towards the narrative page limit.

For **Topic 2** applications, the project narrative must not exceed 10 pages, including charts, graphs, maps, photographs, and other pictorial presentations, when printed using standard 8.5” by 11” paper with 1 inch margins (top, bottom, left, and right), single spaced, 11 point font. The appendix of letters of commitment and the Project

Impact Table document (see Appendix G) do not count towards the narrative page limit.

EVALUATORS WILL REVIEW ONLY THE NUMBER OF PAGES SPECIFIED IN THE PRECEDING SENTENCES. The font must not be smaller than 11 point. Do not include any Internet addresses (URLs) that provide information necessary to review the application. See Section VIII.D for instructions on how to mark proprietary application information. Save the information in a single file named "Project.pdf," and click on "Add Mandatory Other Attachment" to attach.

The project narrative must include:

- Project Objectives.  
This section should provide a clear, concise statement of the specific objectives/aims of the proposed project.
  - Define the goals and objectives of the project.
  - Describe how the proposed work plan will successfully meet the project goals and objectives.
- Merit Review Criteria Discussion.  
The section should be formatted to address each of the merit review criteria and sub-criteria listed in Part V. A. below. Provide sufficient information so that reviewers will be able to evaluate the application in accordance with these merit review criteria. **DOE WILL EVALUATE AND CONSIDER ONLY THOSE APPLICATIONS THAT ADDRESS SEPARATELY EACH OF THE MERIT REVIEW CRITERIA AND SUB-CRITERIA.**
- Project Plan and Timetable:  
This section should outline as a function of time, year by year, all the important activities or phases of the project, including any activities planned beyond the project period. Successful applicants must use this project timetable to report progress.
  - Describe the project work breakdown structure including major task descriptions, major milestones, decision points, deliverables and outcomes and a project schedule.
  - Include a high level quarterly spend plan associated with the activities/tasks that distinguishes between EECEBG grant funds and leveraged funds.
  - Describe how the the proposed project organization and approach will facilitate success.
- Relevance and Outcomes/Impacts:  
This section should explain the relevance of the effort to the objectives in the program announcement and the expected outcomes and/or impacts. The

justification for the proposed project should include a clear statement of the importance of the project in terms of the utility of the outcomes and the target community of beneficiaries.

- **Roles of Participants:**

For multi-organizational projects, describe the roles and the work to be performed by each participant, business agreements between the applicant and participants, and how the various efforts will be integrated and managed. Describe the relevant experience of each major organization and key project directors/managers' experiences in performing and implementing similar programs.

- **American Recovery and Reinvestment Act of 2009, P.L. 111-5 (Recovery Act) Information:**

This section should address how the project will promote and enhance the objectives of the Recovery Act, especially job creation and/or preservation, and economic recovery in an expeditious manner. The response must include quantitative data supporting the number of jobs created and/or preserved, as well as data supporting any other direct economic recovery impacts attributable to the performance and conduct of the project.

All the components of your Project Narrative (listed above) must be within the Narrative page limit specified in paragraph b. above. Documents listed below may be included as clearly marked appendices to your Narrative and will not count towards the Project Narrative page limit. Please note that some of the required documents listed below may have their own page limits to which you must adhere.

**c. Resume File**

Provide a resume for each key person proposed, including subawardees and consultants if they meet the definition of key person. A key person is any individual who contributes in a substantive, measurable way to the execution of the project. Save all resumes in a single file named "resume.pdf" and click on "Add Optional Other Attachment" to attach. The biographical information for each resume must not exceed 2 pages when printed on 8.5" by 11" paper with 1 inch margins (top, bottom, left, and right), single spaced, with font not smaller than 11 point and should include the following information, if applicable:

**Education and Training.** Undergraduate, graduate and postdoctoral training; provide institution, major/area, degree and year.

**Professional Experience:** Beginning with the current position list, in chronological order, professional/academic positions with a brief description.

**Synergistic Activities.** List no more than 5 professional and scholarly activities related to the effort proposed.

- Of the key personnel identified in this file, indicate the Principal

Investigator(s) (PI).

- For Multiple Principal Investigators:

The applicant, whether a single organization or team/partnership/consortium, must indicate if the project will include multiple PIs. The decision to use multiple PIs for a project is the sole responsibility of the applicant. If multiple PIs will be designated, the application must identify the Contact PI/Project Coordinator and provide a "Coordination and Management Plan" that describes the organization structure of the project as it pertains to the designation of multiple PIs. This plan should, at a minimum, include:

- Process for making decisions on scientific/technical direction;
- Publications;
- Intellectual property issues;
- Communication plans;
- Procedures for resolving conflicts; and
- PIs' roles and administrative, technical and scientific responsibilities for the project.

The resume file does not have a page limitation.

#### **d. Budget File**

##### **SF 424 A Excel, Budget Information – Non-Construction Programs File**

You must provide a separate budget for each year of support requested and accumulative budget for the total project period. Use the SF 424 A Excel, "Budget Information – Non Construction Programs" form on the DOE Financial Assistance Forms Page at [http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm).

You may request funds under any of the Object Class Categories as long as the item and amount are necessary to perform the proposed work, meet all the criteria for allowability under the applicable Federal cost principles, and are not prohibited by the funding restrictions in this announcement (see Section IV, G). Save the information in a single file named "SF424A.xls," and click on "Add Optional Other Attachment" to attach.

#### **e. Budget Justification File**

You must justify the costs proposed in each Object Class Category/Cost Classification category (e.g., identify key persons and personnel categories and the estimated costs for each person or category; provide a list of equipment and cost of each item; identify proposed subaward/consultant work and cost of each subaward/consultant; describe purpose of proposed travel, number of travelers and number of travel days; list general categories of supplies and amount for each category; and provide any other information you wish to support your budget).

Provide the name of your cognizant/oversight agency, if you have one, and the name and phone number of the individual responsible for negotiating your indirect rates. If cost share is required, you must have a letter from each third party contributing cost share (i.e., a party other than the organization submitting the application) stating that the third party is committed to providing a specific minimum dollar amount of cost share. In the budget justification, identify the following information for each third party contributing cost share: (1) the name of the organization; (2) the proposed dollar amount to be provided; (3) the amount as a percentage of the total project cost; and (4) the proposed type of cost share – cash, services, or property. By submitting your application, you are providing assurance that you have signed letters of commitment. Successful applicants will be required to submit these signed letters of commitment.

Save the budget justification information in a single file named “Budget.pdf,” and click on “Add Optional Other Attachment” to attach.

### **Adequacy of Cost Proposal or Application Budget Submission for Audit**

The work contemplated under an award made pursuant to this Funding Opportunity Announcement is in support of the Department of Energy’s American Recovery and Reinvestment Act programs and represents a Departmental priority. In order to facilitate timely and efficient evaluation of cost proposals or indirect rate proposals, there is a need to ensure that the applicant’s initial cost proposal/budget is adequate and complete for purposes of performing the pre-award audit. Accordingly, the applicant and major proposed subrecipients or subcontractors are strongly encouraged to review their cost proposals/budgets using the Defense Contract Audit Agency “Criteria for Adequate Contract Pricing Proposals” guidance in Appendix F prior to submitting their cost proposals/budgets or indirect rate proposals in order to facilitate the audit of its cost proposal/budget. Appendix F is provided for applicants to perform reviews of their cost proposal/budget, and is not a required document for submission with the application.

f. **American Recovery and Reinvestment Act of 2009, P.L. 111-5 (Recovery Act)**  
**Additional Budget Justification Information for Davis-Bacon Act**

Applications shall provide information which validates that all laborers and mechanics on projects funded directly by or assisted in whole or in part by and through funding appropriated by the Recovery Act are paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by Subchapter IV of Chapter 31 of Title 40, United States Code (Davis-Bacon Act). For guidance on how to comply with this provision, see <http://www.dol.gov/esa/whd/contracts/dbra.htm>.

Save the Davis-Bacon Act Justification in a single file named “Davis\_Bacon.pdf,” and click on “Add Optional Other Attachment” to attach.

**g. Letters of Commitment for Cost Share**

Letters of commitment for Cost Share are not required.

- h. Subaward Budget File(s) You must provide a separate budget** (i.e., budget for each budget year and a cumulative budget) for each subawardee that is expected to perform work estimated to be more than \$100,000 or 50 percent of the total work effort (whichever is less). Use the SF 424 A Excel for Non Construction Programs or the SF 424 C Excel for Construction Programs. These forms are found on the DOE Financial Assistance Forms Page at [http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm). Save each Subaward budget in a separate file. Use up to 10 letters of the subawardee's name (plus 424.xls) as the file name (e.g., company424.xls or energyres424.xls). Click on "Add Optional Other Attachment" to attach each file.

A budget justification for the subaward budget is also required. The budget justification must include the same justification information described in paragraph e. above.

First-Tier Subawardee American Recovery and Reinvestment Act of 2009, P.L. 111-5 (Recovery Act) Additional Budget Justification Information

First-Tier Subawardee Budget Justifications shall provide information which validates that all laborers and mechanics on projects funded directly by or assisted in whole or in part by and through funding appropriated by the Recovery Act are paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by Subchapter IV of Chapter 31 of Title 40, United States Code (Davis-Bacon Act). For guidance on how to comply with this provision, see <http://www.dol.gov/esa/whd/contracts/dbra.htm>.

**i National Environmental Policy Act (NEPA)**

Applicants must complete the environmental summary for DOE review, providing information addressing environmental issues, concerns, and impacts potentially associated with proposed plans, programs, and projects (See Appendix C). DOE will consider environmental impacts during the Merit Review process. If selected for award, DOE may require the submittal of additional environmental information for its review prior to authorizing the expenditure of funds. Save the completed Appendix C, NEPA Form, in a single file named "NEPA.pdf" and click on "Add Optional Other Attachment" to attach.

**j. Project Impact Table**

Applicants for both Topic 1 and Topic 2 should provide, to the extent practicable, projections for benefits given in the Project Impact Table in Appendix G. The applicant can also provide additional metrics as indicated. High level assumptions should be included in the relevant section.

Save the completed Appendix G, Project Impact Table, in a single file named "Impact\_Table.pdf," and click on "Add Optional Other Attachment" to attach.

**k. Certification of State-Recognized Indian Tribes (TOPIC 2 ONLY)**

As applicable, State Recognized Indian Tribes shall submit documentation to certify that they are State-recognized entities and are therefore eligible to apply for funding under Topic 2 of this Announcement. Save the Certification of State-Recognized Indian Tribes in a single file named "State RecognizedTribes.pdf," and click on "Add Optional Other Attachment" to attach.

**Summary of Required Forms/Files**

Your application must include the following documents:

Name of Document	Format	File Name
SF 424 - Application for Federal Assistance	Part of Adobe Application Package	
Project/Performance Site Location(s)	Part of Adobe Application Package	
Other Attachments Form: Attach the following files to this form:	Part of Adobe Application Package	See Instructions
Project Summary/Abstract File	PDF	Summary.pdf
Project Narrative File, including required appendices (Letters of Commitment)	PDF	Project.pdf
Resume File	PDF	Resume.pdf
SF 424A Excel – Budget Information for Non-Construction Programs File	Excel	SF424A.xls
Budget Justification File	PDF	See Instructions
Davis-Bacon Justification	PDF	Davis_Bacon.pdf
Subaward Budget File(s), if applicable Budget Justification(s), if applicable	Excel for Budget PDF for Justification	See Instructions
Appendix C. NEPA Summary Table	PDF	Nepa.pdf
Appendix G. Project Impact Table	PDF	Impact_table.pdf
Certification of State-Recognized Indian Tribes (Topic 2 only)	PDF	StateRecognizedTribes.pdf

#### **D. Submissions from Successful Applicants**

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

- Indirect cost information
- Other budget information
- Statement of Project Objectives
- Environmental Questionnaire
- Project Management Plan for Topic 1 awardees
- Because Recovery Act funds apply to awards under this announcement, additional certification requirements will be required for state or local governments. See Special Provisions located at:  
[http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm).

#### **E. Submission Dates and Times**

##### **1. Voluntary Letters of Intent Due Date: November 19, 2009**

Applicants are requested to submit a letter of intent by November 19, 2009 for applications submitted to both Topic 1 and Topic 2. Letters of intent should be sent to the following email address: FOA148@emcbc.doe.gov.

##### **2. Application Due Date**

###### **Application Due Date, 11:59 PM**

- Applications must be received by December 14, 2009 not later than 11:59 PM Eastern Time. You are encouraged to transmit your application well before the deadline. **APPLICATIONS RECEIVED AFTER THE DEADLINE WILL NOT BE REVIEWED OR CONSIDERED FOR AWARD.**

#### **F. Intergovernmental Review**

##### **Program Not Subject to Executive Order 12372**

- This program is not subject to Executive Order 12372 – Intergovernmental Review of Federal Programs.

#### **G. Funding Restrictions**

Cost Principles. Costs must be allowable in accordance with the applicable Federal cost principles referenced in 10 CFR Part 600. The cost principles for commercial organization



are in FAR Part 31.

**Pre-award Costs.** Recipients may charge to an award resulting from this announcement pre-award costs that were incurred within the ninety (90) calendar day period immediately preceding the effective date of the award, if the costs are allowable in accordance with the applicable Federal cost principles referenced in 10 CFR part 600. Recipients must obtain the prior approval of the contracting officer for any pre-award costs that are for periods greater than this 90 day calendar period.

Pre-award costs are incurred at the applicant's risk. DOE is under no obligation to reimburse such costs if for any reason the applicant does not receive an award or if the award is made for a lesser amount than the applicant expected.

If recipients are State or Local Governments, they may not incur pre-award costs prior to award, without prior approval of the DOE contracting officer.

## H. Submission and Registration Requirements

### 1. Where to Submit

**APPLICATIONS MUST BE SUBMITTED THROUGH GRANTS.GOV, TO BE CONSIDERED FOR AWARD UNDER THIS ANNOUNCEMENT.** You cannot submit an application through Grants.gov unless you are registered. Please read the registration requirements below carefully and start the process immediately. Submit electronic applications through the "Apply for Grants" function at [www.Grants.gov](http://www.Grants.gov).

If you have problems completing the registration process or submitting your application, call Grants.gov at 1-800-518-4726 (7:00 a.m. to 9:00 p.m., Eastern) or send an email to [support@grants.gov](mailto:support@grants.gov). It is the responsibility of the applicant to verify successful transmission, prior to the Application due date and time.

### 2. Registration Process Requirements

To submit an application in response to this FOA, Applicants must be registered with Grants.gov. Register in Grants.gov at <http://www.grants.gov/>. See the Organization Registration User Guide at <http://www.grants.gov/assets/OrgRegUserGuide.pdf>. The Applicant User Guide is at <http://www07.grants.gov/assets/ApplicantUserGuide.pdf>. Allow at least 21 days to complete all registration requirements.

Before you can register with Grants.gov, you will need the following:

- a. Your organization's Dun and Bradstreet Data Universal Numbering System (DUNS) (including plus 4 extension if applicable). To check whether your organization has a DUNS or if your organization requires a DUNS, search for the number or request one at <http://fedgov.dnb.com/webform/displayHomePage.do>.
- b. A federal Central Contractor Registration (CCR) account. If your organization is not currently registered with CCR, please register at [www.ccr.gov](http://www.ccr.gov) before continuing with your Grants.gov registration. Designating an Electronic Business Point of Contact

(EBiz POC) and obtaining a special password called an MPIN are important steps in CCR registration. These items are needed to submit applications in Grants.gov. Update your CCR registration annually.

- c. Registration in FedConnect at <https://www.fedconnect.net/>; use “Register as a Vendor” link. To create an organization account, your organization’s CCR MPIN is required; obtain the MPIN from your organization’s Electronic Business Point of Contact. Refer to the FedConnect Quick Start guide at the website

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

Submission of an application and supplemental information under this announcement through electronic systems used by the Department of Energy, including Grants.gov and FedConnect, constitutes the authorized representative’s approval and electronic signature.

Submission of award documents, including modifications, through electronic systems used by the Department of Energy, including FedConnect, constitutes the authorized representative’s approval and acceptance of the terms and conditions of the award. Award acknowledgement via FedConnect constitutes the authorized representative’s electronic signature.

## SECTION V - APPLICATION REVIEW INFORMATION

### A. Criteria

#### 1. Initial Review Criteria

##### **Application Award Eligibility for both Topic 1 and 2**

- Prior to a comprehensive merit evaluation, DOE will perform an initial review to determine that (1) the applicant is eligible for an award; (2) the information required by the announcement has been submitted; (3) all mandatory requirements are satisfied; and (4) the proposed project is responsive to the objectives of the funding opportunity announcement. If an application fails to meet these requirements, it may be deemed non-responsive and eliminated from full Merit Review.

The following proposed activities will be deemed non-responsive during the initial compliance review and eliminated from full Merit Review:

- Programs that fall under uses of funds as described in 42 U.S.C. 17154(1)-(2),(14): Development and implementation of an energy efficiency and conservation strategy; Technical consultant services to assist the eligible entity in the development of the energy efficiency and conservation strategy; and any other appropriate activity, as determined by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Transportation and the Secretary of Housing and Urban Development
- Programs for the design and construction of new energy-efficient buildings.
- Technology demonstration programs without market transformation.
- Programs which focus exclusively or largely on renewable energy technologies for buildings (without integrating comprehensive energy efficiency and conservation activities).
- For Topic 1 only, programs that do not specifically target building retrofits.

#### 2. Merit Review Criteria

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

##### Topic 1

##### **Criterion 1: Leveraging and Sustainability**

**Weight: 25%**

- The extent to which the proposed activity leverages EECBG grant dollars, especially through innovative financial and fiscal tools and strategies.
- The extent to which the proposed project will create meaningful and sustainable market transformation, particularly after grant monies are exhausted.

##### **Criterion 2: Project Impact**

**Weight: 25%**

- The extent to which the proposed project achieves the goal of benefiting from economies of scale and critical mass in a focused building retrofit program, while mitigating possible risks of increased mortgage defaults or foreclosures through measures such as those outlined in the “Policy Framework for PACE Loan Programs” documents (see <http://www.whitehouse.gov/administration/eop/ceqf/>).
- The expected quantitative impact of the proposed project in terms of energy saved and emissions avoided. The reasonableness of projections of number of buildings retrofitted in the project period and in the outyears (past project completion, plus years 1 to 3) in light of the EECBG budget requested. The reasonableness of projections of average utility savings. (See Impact Table in Appendix G.)
- The extent to which the program or project strategy can be adopted or replicated by other communities.

**Criterion 3: Project Approach**

**Weight: 25%**

- The soundness of the project’s management strategy, including specifics of the outreach/marketing strategy, the funding structure, the implementation/delivery plan, the monitoring/verification plan and the strategy for feedback and continuous improvement of the program during its operation.
- The extent to which the proposal contains clear goals, well-defined tasks and methods, objective deliverables, and realistic milestones.
- The extent to which institutional, regulatory, or market barriers have been identified and the project includes reasonable approaches to overcoming those barriers.
- The degree to which the application demonstrates a plan to address all environmental, health and safety, permitting, and compliance issues, sufficient to support DOE's review and analysis in accordance with the National Environmental Policy Act (NEPA).

**Criterion 4: Partnership Structure and Capabilities**

**Weight: 25%**

- The extent of involvement from a broad range of entities/organizations representing government agencies, private sector entities, and other organizations.
- The extent to which roles and responsibilities of each partner/team member have been identified and are reasonably matched to their ability to successfully manage and implement the proposed project.
- The ability of the project team to complete the work successfully, including qualifications and relevant experience of key organizations and personnel.

**Topic 2**

**Criterion 1: Project Impact**

**Weight: 50%**

- The expected quantitative impact of the proposed project in terms of energy saved and emissions avoided as reported in the Project Impact Table in the project period and in the outyears (past project completion, plus years 1 to 3) in light of the EECBG budget requested and the reasonableness of assumptions made.
- The extent to which the proposed activity leverages EECBG grant dollars.
- The extent to which the proposed project will create meaningful and sustainable market transformation (e.g. project is scaleable and replicable), particularly after grant monies are exhausted.

- The extent to which the proposed activity is innovative or represents a new approach to the purposes of the EECBG program.

**Criterion 2: Project Approach**

**Weight: 25%**

- The soundness of the project’s management strategy, including specifics of the outreach/marketing strategy, the funding structure, the implementation/delivery plan, and the monitoring/verification plan and the strategy for feedback and continuous improvement of the program during its operation.
- The degree to which the proposal contains clear goals, well-defined tasks and methods, realistic milestones, schedule and achievable deliverables and outcomes.
- The extent to which institutional, regulatory, or market barriers have been identified and the project includes reasonable approaches to overcoming those barriers.
- The application demonstrates a plan to address all environmental, health and safety, permitting, and compliance issues, sufficient to support DOE's review and analysis in accordance with the National Environmental Policy Act (NEPA).

**Criterion 3: Partnership Structure and Capabilities**

**Weight: 25%**

- The extent of involvement from a broad range of entities/organizations representing government agencies, private sector entities, and other organizations.
- The extent to which roles and responsibilities of each partner/team member have been identified and are reasonably matched to their ability to successfully manage and implement the proposed project
- The adequacy of the credentials, capabilities and experience of key personnel/team members.

**3. Other Selection Factors**

**Program Policy Factors**

The selection official may consider the following program policy factors in the selection process:

**Topic 1**

- Diversity of awards, including multiple locations, climates, and program structures.
- Impact on reducing property owners’ risk of loan default by reducing energy bills.
- Adoption of updated building codes. This applies only to prime applicants that have the authority to adopt building codes and have adopted the following by the close date of the FOA:
  - A building energy code (or codes) for residential buildings that meets or exceeds the most recently published International Energy Conservation Code, or achieves equivalent or greater energy savings; and
  - A building energy code (or codes) for commercial buildings that meets or exceeds the most recently published ANSI/ASHRAE/IESNA Standard 90.1, or achieves equivalent or greater energy savings.

- Selection of Applications which promote and enhance the objectives of the American Recovery and Reinvestment Act of 2009, P.L. 111-5, especially job creation, and/or preservation and economic recovery in an expeditious manner.
- Consideration of the impact on, and benefits to, a diversity of communities, including low-income and rural communities.

## **Topic 2**

- Diversity of awards, including multiple locations, climates, and program structures.
- Selection of Applications from local governments located in states with populations of less than 2 million people, or that plan to carry out projects that would result in significant energy efficiency improvements or reductions in fossil fuel use.
- Selection of Applications which promote and enhance the objectives of the American Recovery and Reinvestment Act of 2009, P.L. 111-5, especially job creation, and/or preservation and economic recovery in an expeditious manner.
- Consideration of the impact on, and benefits to, a diversity of communities, including low-income and rural communities.

## **B. Review and Selection Process**

### **1. Merit Review**

#### **Applications Subject to Merit Review**

Applications that pass the initial review will be subjected to a merit review in accordance with the guidance provided in the "Department of Energy Merit Review Guide for Financial Assistance". This guide is available at:  
<http://www.management.energy.gov/documents/meritrev.pdf>.

It is very important the Project Abstract and Project Narrative files not contain any Personally Identifiable Information, as described in Appendix B.

### **2. Selection**

#### **Selection Official Consideration**

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

### **3. Discussions and Award**

#### **Government Discussions with Applicant**

The Government may enter into discussions with a selected applicant for any reason deemed necessary, including, but not limited to: (1) the budget is not appropriate or

reasonable for the requirement; (2) only a portion of the application is selected for award; (3) the Government needs additional information to determine that the recipient is capable of complying with the requirements in 10 CFR part 600; and/or (4) special terms and conditions are required. Failure to resolve satisfactorily the issues identified by the Government will preclude award to the applicant.

**C. Anticipated Notice of Selection and Award Dates**

**Selection and Award Date**

DOE anticipates notifying applicants selected for award by **March 15, 2010** and making awards by **May 15, 2010**.

## SECTION VI - AWARD ADMINISTRATION INFORMATION

### A. Award Notices

#### 1. Notice of Selection

##### **Selected Applicants Notification**

DOE will notify applicants selected for award. This notice of selection is not an authorization to begin performance. (See Section IV.G with respect to the allowability of pre-award costs.)

##### **Non-selected Notification**

Organizations whose applications have not been selected will be advised as promptly as possible. This notice will explain why the application was not selected.

#### 2. Notice of Award

A Financial Assistance Award or Assistance Agreement issued by the contracting officer is the authorizing award document. It normally includes, either as an attachment or by reference: (1) Special Terms and Conditions; (2) Applicable program regulations, if any; (3) Application as approved by DOE; (4) DOE assistance regulations at 10 CFR part 600; (5) National Policy Assurances To Be Incorporated As Award Terms; (6) Budget Summary; and (7) Federal Assistance Reporting Checklist, which identifies the reporting requirements.

For grants and cooperative agreements made to universities, non-profits and other entities subject to OMB Circular A-110, the Award also includes the Research Terms and Conditions and the DOE Agency Specific Requirements located at: <http://www.nsf.gov/bfa/dias/policy/rtc/index.jsp>.

### B. Administrative and National Policy Requirements

#### 1. Administrative Requirements

The administrative requirements for DOE grants and cooperative agreements are contained in 10 CFR part 600 (See: <http://ecfr.gpoaccess.gov>). Grants and cooperative agreements made to universities, non-profits and other entities subject to OMB Circular A-110 are subject to the Research Terms and Conditions located on the National Science Foundation web site at: <http://www.nsf.gov/bfa/dias/policy/rtc/index.jsp>.

#### 2. Special Terms and Conditions and National Policy Requirements

The DOE Special Terms and Conditions for Use in Most Grants and Cooperative Agreements are located at [http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm)  
<http://www.management.energy.gov/documents/specialtermsandcondition308.pdf>.

The National Policy Assurances To Be Incorporated As Award Terms are located at



[http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm)  
[http://management.energy.gov/business\\_doe/1374.htm](http://management.energy.gov/business_doe/1374.htm).

### 3. Intellectual Property Provisions

The standard DOE financial assistance intellectual property provisions applicable to the various types of recipients are located at

[http://www.gc.doe.gov/financial\\_assistance\\_awards.htm](http://www.gc.doe.gov/financial_assistance_awards.htm).

### 4. American Recovery and Reinvestment Act 2009 Award Administration Information

- Special Provisions relating to work funded under American Recovery and Reinvestment Act of 2009, Pub. L. 111-5 shall apply. (Special Provisions are located at: [http://management.energy.gov/business\\_doe/business\\_forms.htm](http://management.energy.gov/business_doe/business_forms.htm).) Also, the Office of Management and Budget may be promulgating additional provisions or modifying existing provisions. Those additions and modifications will be incorporated into the Special Provisions as they become available.
- The Special Notices and current award provisions from OMB's guidance for implementing the Recovery Act at 2 CFR Part 176 are incorporated in this FOA in Appendix E.

## C. Reporting

Reporting requirements are identified on the Federal Assistance Reporting Checklist, DOE F 4600.2, attached to the award agreement. For a sample Checklist, see <http://management.energy.gov/documents/DOEF46002PolicyVersion.pdf>.

Awards under this FOA will be funded, in whole or in part, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act or Act). Be advised that Recovery Act reporting requirements may apply to projects funded by the Act. The reporting requirements will be specified in the DOE F 4600.2 or other related Recovery Act guidance as they become available.

## SECTION VII - QUESTIONS/AGENCY CONTACTS

### A. Questions

**Questions regarding the content of the announcement must be submitted through the FedConnect system.** You must register with FedConnect to respond as an interested party to submit questions, and to review responses to questions. It is recommended that you register as soon after release of the FOA as possible to have the benefit of all responses.

More information is available at:

[https://www.fedconnect.net/Fedconnect/PublicPages/FedConnect\\_Ready\\_Set\\_Go.pdf](https://www.fedconnect.net/Fedconnect/PublicPages/FedConnect_Ready_Set_Go.pdf).

DOE will try to respond to a question within 3 business days, unless a similar question and answer have already been posted on the website.

Questions pertaining to the **submission of applications through Grants.gov** should be directed by e-mail to [support@grants.gov](mailto:support@grants.gov) or by phone to 1-800-518-4726. The Grants.gov Helpdesk is available 7:00 a.m. to 9:00 p.m. Eastern Time.