

EECBG Application Q&As

Definition of a “Project”

Q. We are allowed one application. If our application is for a “project”, does that mean it involves one building, or one type of facility or can it involve more?

A: While the program limits each jurisdiction to one application, a “project” in an application may include a number of retrofit or efficiency activities. For instance, a “project” may include retrofitting one or more city facilities with energy efficient equipment, as well as replacing street lights with new technology. The guiding criterion in selecting component activities for the “project” is that the grant expenditure meets the cost-effectiveness criterion.

Collaborative Application Questions

Q: Do all collaborating cities/counties need to fill out the Financial Management form?

A: For collaborative agencies, the Financial Management Form is an applicant’s form, not from all the participating cities/counties.

Municipal Finance Questions

Q: What calculation tool can we use for Municipal Financing Program?

Are cost-effective calculations needed for the Municipal Financing Program?

A: We are not asking for cost effectiveness calculations for Municipal Financing Programs. We are asking each jurisdiction to submit an explanation of how/why this program would be cost effective. By law, we are required to provide funding for cost-effective projects.

May the Municipal Financing Program option be combined with the Direct Equipment Purchase or the Energy Efficiency Project options?

A: The Municipal Financing Program may be combined with either option. However, the Direct Equipment Purchase and the Energy Efficiency Project options are mutually exclusive.

Q: If a small jurisdiction uses its funds to partner with a larger jurisdiction(s) in a Municipal Financing Program, do monthly reports come from the small jurisdiction or the larger municipality that provides the resolution?

A: If a small jurisdiction collaborates with a large jurisdiction to do a Municipal Financing Program, who would be responsible for reporting?

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A: The agency receiving the grant funds is responsible for reporting. So in this case, the reporting would be required of the small jurisdiction because they are the grant recipients.

Q: In a collaborative application, does Attachment J need to be filled out by the applicant or by each individual jurisdiction?

A: The applicant is the only one that needs to fill out Attachment J, Financial Management Information, not the individual jurisdictions if this is a collaborative application. When we have reviewed the resolution, we will let each applicant know if we need more clarification or information.

Single Audit Requirement Questions:

Q: Under a collaborative effort, are the Single Audit Act requirements applicable for single jurisdictions or for the collaborative entity?"

A: If the Collaborative entity is a public entity, the single Audit Act requirements are applicable to the Collaborative. In any event, the participating public agencies must comply with the single audit act requirements.

Q: What is the procedure for Single Audit Act compliance when the applicant is a non-profit, and therefore does not qualify for SAA compliance?

A: While the Single Audit Act does not apply to non-profits, all cities and counties involved in the collaboration must be in compliance with the Single Audit Act.

Q; How can cities/counties make sure that they are in compliance with the Single Audit Act?

A: The State Controllers' Office (SCO) is reporting to the Energy Commission twice a month on the status of any reports they receive. (1st and 15th) That report shows which agencies are in compliance.

SCO will have a website up and running soon on the Single Audit Act. If cities/counties have specific questions on their status, go to the website. If questions are not answered, e-mail SCO at singleaudits@sco.ca.gov The Energy Commission will call a city/county if they are not in compliance.

Q: The deadline for Single Audit Act package is March 31, but the Energy Commission's EECBG application deadline is January 12. What date should we use for compliance?

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A: If a city/county was in compliance last year, and their due date for this year is in March 2010, then they are considered to be in compliance.

Q: We are a Non-profit 501(c): For Single Audit Act, how do we obtain an exemption letter?

A: The Single Audit Act does not apply to non-profits or school districts/special districts. The Energy Commission is not requiring anything above and beyond what SCO is requiring.

Q: Do applicants need to provide proof of compliance with the Single Audit Act in their application?

A: Applicants only need to indicate that they are in compliance with the Single Audit Act where prompted on their Cover Letter; the Energy Commission will verify their compliance with the State Controllers Board

Funding Questions

Q: Will there be a potential early disbursement of funds?

A: We are working on this issue on Terms and Conditions. While we have some flexibility, given staff constraints, we must minimize advancing funds. We will work with jurisdictions, if they have great needs.

Q: What are the requirements from ARRA, DOE, and the Energy Commission regarding funding in terms of non-competitive bids for contractors that would be engaged with small cities/counties after the application is approved?

A: We refer applicants to 10 Code of Federal Regulations Section 600.236, which defines the procurement standards that apply to the federally funded Energy Efficiency Block Grant Program. These include, among other things, the requirement for competitive solicitations, and the limitations on noncompetitive proposals.

The text of the regulations is available at:

<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=f4c2414ad879c5881db6f63eeac3c0aa&rqn=div8&view=text&node=10:4.0.1.3.9.3.20.23&idno=10>

Q: Will there be future competitive grants opportunities?

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A: The Energy Commission is discussing how to use the remaining balance of the EECBG funds.

Separately, the federal Department of Energy has just announced a competitive program using the EECBG money. We will provide more information on this program. (Search for DE-F08-00148 on www.fedconnect.net)

Resolution Questions

Q: Can California Communities, as a California-wide JPA, including our neighboring large cities, or a local JPA including large cities, provide the resolution needed by the Energy Commission?

A: We need a resolution from the entity who is receiving direct funding from DOE under the EECBG program.

Q: Does the resolution need to be submitted at the time of the application?

A: Yes

Does the Energy Commission have such a sample resolution? If so, may we receive a copy of it?

A: Currently, there is no sample resolution available.

Q: Is the requirement for a council resolution due with the initial application, or may the resolution be provided before entering into a funding award agreement? The initial guidelines made it sound like it just had to be submitted before entering into an agreement, whereas the solicitation document now indicates that it is due with the application.

A: The applicant authorizing resolution should be included with the application if at all possible. However, applications will not be rejected if it is not included, however it may slow the process. The resolution will need to be provided prior to issuing a funding award.

For collaborative applications, resolutions from each eligible city/county participating in the collaborative application MUST be provided at the time of application in order for the Energy Commission to confirm that the applicant has the proper authority to apply on their behalf. Any collaborative application not containing these resolutions will be held for processing until the Energy Commission has received the resolutions.

Reporting Questions

Q: If the California prevailing wage rates are higher than the Davis-Bacon Act wage rates, do we need to use the higher rates?

A: The jurisdictions need to comply with both the California prevailing wage and Davis-Bacon wage requirements.

Q: I am not sure if confirmation of the energy savings for the prior month can be provided by the 3rd of the month. Utility bills come in much later.

A: We understand the concerns and will be working out the reporting requirements.

.Q: Do reporting requirements end when the project is completed? For example, with Direct Equipment Purchase of T-8 lighting, when it is installed, completed, and invoiced in full, do monthly reporting requirements end?

A: Yes. The monthly reporting requirements are during the approved term of the grant agreement until we receive a final report for that project and close it out.

Q: Does a Kick-off meeting have to meet the cost-effectiveness criterion?

A: If the jurisdiction chooses to fund the meeting with the grant funds being received, the cost of the meeting is part of the total costs used to estimate cost-effectiveness. There is no restriction if you choose to fund those activities with your own funds.

Q: Regarding the kick-off meeting, can the date be changed?

A: Yes, we will work with the applicant.

Q: Can grant application writing expenses be included in the overhead?

A: Costs must be incurred during the approved term of your grant award. Any costs incurred prior to that including grant writing or application writing expenses are not reimbursable.

Q: How do you define large jurisdictions under the Municipal Financing Program?

A: Large jurisdictions are those cities and counties receiving the EECBG funds directly from DOE.

Q: Do you cover planning and engineering costs?

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A: Yes, if proposed as part of an energy efficiency project and the overall proposed project still meets the minimum cost effectiveness criterion. These costs may not be incurred until the grant is in effect.

Q: Does the local jurisdiction need to own the building/facility where the energy efficiency retrofits are installed?

A: No. The local jurisdiction may choose where the retrofits are installed within their jurisdiction. If they choose, these facilities do not need to be owned by the jurisdiction. However, the Energy Commission expects that most jurisdictions will utilize the EECBG funding to retrofit their own facilities.

Q: Will EECBG applications be rejected if job creation/retention cannot be demonstrated within the proposal?

A: No. Job creation/retention is not a requirement under this solicitation. However, job creation and retention will need to be tracked and reported during the approved term of the grant award.

Q: How do we determine the number of jobs being created or retained?

A: Job creation/retention is calculated based on the number of hours reimbursed directly by EECBG funds divided by the number of hours in a full-time schedule for each classification of employee. As an example, an employee reimbursed for 4 hours with EECBG funds in a given week who normally works 40 hours per week would result in 0.10 of a job retained (4 hours divided by 40 hours). Fractional jobs can and should be reported. Only hours directly and specifically reimbursed with EECBG funds should be counted and reported under this program.

Q: How do we budget for a project that costs more than the EECBG funding allocation?

A: Projects exceeding EECBG allocation amounts can be supplemented with other funding and be shown as “cost share” in the budget exhibits. This additional funding may come from various source(s), including an Energy Commission loan. However, it is important to segregate all funds and allocate project benefits (i.e., jobs, energy savings, etc.) to each funding source independently so as to not double count benefits.

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Q: What happens if the actual bid for the project differs from the amount proposed in the application?

A: The Energy Commission will provide some flexibility in terms of budgeting for proposed projects. If necessary, we will work with jurisdictions to modify budgets and scopes of work to accurately reflect the actual costs of the funded projects.

Q: For NHPA, CEQA, and NEPA, do applicants need to fill out these forms for EVERY building/facility being proposed for an energy efficiency retrofit?

A: No. One form per applicant covering ALL buildings/facilities should be submitted with the application.

Q: Who should sign the various attachments in the application -- the authorized representative or other appropriate staff?

A: The application cover page must be signed by the applicant's authorized representative. The other forms (such as Attachment J and others) may be signed by the appropriate person who fills out the form.

Q: Will the Energy Commission consider advancing grant funds for jurisdictions that might have cash flow problems.

A: The Energy Commission will consider advanced payments for jurisdictions that have compelling needs. The Energy Commission discourages advances, as there are additional accounting, reporting and reconciliation requirements that make advanced payments more administratively difficult. Requirements may be outlined in the soon-to-be-released draft grant terms and conditions.

Q: Can the EECBG funds be used as leveraged funds for the SEP funding solicitations?

A: The funds should only be used for a municipal finance program, where it is certain that the program will proceed. If it is uncertain that the program will take place, such as when the program's operation depends on receiving a competitive grant, that is not yet awarded, the applicant cannot show cost-effectiveness. This precludes providing a grant for that activity...

Contractor Questions

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Q: Can a subcontract be in place prior to receiving the EECBG grant award and can valid expenditures under that contract be reimbursed with EECBG funds.

A: A subcontractor may be in place prior to funding. However, all expenditures reimbursed with EECBG funds must be incurred after the grant award start date. The start date is the date on which both the Energy Commission and applicant have signed the agreement. Expenditures prior to that start may not be paid from grant funding.

Q: Can a subcontractor incur costs, delay invoicing the County until the EECBG grant award term is valid, and then have the County submit this for reimbursement with EECBG funds?

A: No. All reimbursed costs under the EECBG award must be incurred during the approved term of the grant agreement. No work done prior to the start date of the grant may be paid from grant funds.

Q: Can monitoring and verification expenditures be reimbursed?

A: Yes, if included as part of an energy efficiency project or municipal financing program. However, energy efficiency projects will still need to meet the cost-effectiveness criterion described in the solicitation. The Energy Commission will be conducting monitoring, validation, and evaluation of selected projects as part of the overall EECBG program.

Q: What are the guidelines for subcontracting (i.e., non-competitive bids) for EECBG funds?

A: An applicant must be in compliance with its jurisdiction's procedures for sub-contracting. There are no additional regulations imposed by the Energy Commission.

Feasibility Questions:

Q: Are applicants required to provide this information in the study if the proposed project(s) do not involve improvements to these other areas? ????

A: Yes, a feasibility study is required for non-direct purchase options

Q: Do you only have to do the energy balance calculation if you are doing an HVAC project? You say it is required if they HVAC use exceeds 50% of the electrical usage. If

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the project is just for lighting or boiler work, do you have to do the energy balance calculation?

A: An Energy Balance is not needed in this case.

Q: In reviewing the application materials, I have a question pertaining to the feasibility report. It appears we will be submitting a direct equipment purchase application (Traffic Signal Light replacement/Facility Exterior Lighting replacement). Exhibit 3 in the application calls for the study to include information on HVAC, Domestic Hot Water, and Waste/Wastewater. Do we need to supply other information not related to lighting?

A: **Only information related** to the traffic signals is required, no feasibility study is required with Direct Purchase

Q: Is Exhibit 3 a general template?

A: Yes

Other General Application Questions

Q: Does each applicant need a DUNS number and CCR? Or just for a prime applicant?

A: The prime applicant is required to have a DUNS and CCR. All ARRA fund recipients and sub recipients are required to have a DUNS number.

Q: What attachments are not required from cities/counties that are not prime applicants?

A: Prime applicants need to send in all the forms. The only form from the cities/counties is the authorizing resolution.

Q: On Attachments C and D: For extra tasks, do we have to follow the exact wording?

A: Attachment C is good to go the way it is.

Attachment D: Black texts should remain untouched. Task 3 and beyond need specific task descriptions. Take a look at the template and instructions. We can help you develop work statements

Q: Can privately owned facilities be retrofitted with EECBG funds?

A: Yes, if the local jurisdiction chooses to do so.

Q: We are planning on doing both Direct Equipment Purchases and Energy Efficiency Projects, can we proceed?

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A: Applicants can only apply to one or the other. If you have several projects that are on the Direct Equipment Purchases list, but have some fall out of the list, then everything needs to be rolled over to Energy Efficiency Projects and the jurisdictions need to submit feasibility studies. The Energy Commission's calculations on costs and savings from direct purchase items are available, to simplify that portion of the study.

Q: May EECBG funds be used to upgrade the lighting in a community center that contains a pool if the upgrade is in a room other than the pool room or on the exterior?

May the funds be used in the room in which the pool is contained if it is exclusively for a lighting efficiency upgrade?

A. No, this project would still be considered associated as a pool project by the Federal government, and therefore would not be an eligible project.

Q: Is there an Energy Commission "consultant", available to assist local agencies with selection and development of project(s) that would be eligible for this funding (both formula-based and competitive grants?, or only one?). Where could I find more info? .

A: Please email us at eecbg@energy.state.ca.ca.us We have Technical Assistance available.

Q: We intend to submit a proposal that includes approved lighting and HVAC upgrades/conversions under the Direct Equipment Purchase category. The laundry ozone system retrofit that we want to include is not listed in Exhibit 2 Will that component put the proposal in the Energy Efficiency category?

A: The ozone system retrofit would preclude the project from the Direct Equipment Purchase option and would be considered a retrofit.

Q: If our City chooses a direct equipment purchase of variable frequency drives for lift station pumps, is a feasibility study with costs and energy savings estimates still required?

A: No, the Program will pay up to \$300/hp under the direct install option, with no feasibility study.

Q: When you measure cost effectiveness of a measure, do you include both public and private dollars? E.g., if a measure saves 10 MBTUs and cost only \$500 of EECBG funds but another \$1000 of private funds were used, I assume that would not qualify, correct?

A: Only the EECBG funds are calculated in the measurement.

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Q: I have not been successful in locating your EECBG Q&A section on the <http://www.energy.ca.gov/contracts/> web page listed in the EECBG guidelines/application. Have you begun posting the Q&As?

A: Yes, the link is at: Currently we just have the following Q&A listed:
http://www.energy.ca.gov/recovery/documents/2009-08-12_EECBG_Q+As.PDF

We will regularly add new Q and A's.

Q. One specific question I have is in regards to the Energy Partnership Program. Is that program still accepting applications from cities and counties? For example, could an Energy Partnership Program audit help a city identify a project for this solicitation?

A Yes.

Q: In regards to Exhibit 2: Direct Equipment Purchase List, do you have recommendations for strategies to find competitive vendors of the approved equipment?

A: No, we are not in a position to do recommend a strategy for finding competitive vendors.

Q: Can some of the grant money be used to pay for the application costs? Is the 10% administrative cost allowable only for the cities to complete the reporting, etc. after the grant is approved?

A: The 10% cap on admin is the federal restriction on state government. The grants to small jurisdictions have no administrative cap, as long as they achieve the 10MM Btu savings per \$1K, the admin costs can be used for reporting, etc. as long as it's not for expenses prior to being approved for the grant.

Q: Regarding the Direct Equipment Purchase List (Exhibit 2), what if I am replacing a 400W Metal halide lamp with a T5 high Output lamp (which is not on the list) which includes a Dual Technology Occupancy Sensor (which is on the list). Does this mean the measure is approved as a direct equipment replacement or not?

A: Because T5s are not on the list, the applicant will need to calculate the energy savings (a feasibility study) for the project. This can be a simple calculation using an Excel spreadsheet. The applicant can use the online calculator at <http://www.energy.ca.gov/recovery/blockgrant.html>

The analysis should include:

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Existing/Proposed # of fixtures; Existing/Proposed wattage per fixture; Existing/Proposed operating hours; utility rate schedule; and energy cost used to calculate savings
In short, if the item is not on the direct purchase list, then it must be submitted as an energy efficiency project and accompanied by a feasibility study.

Q: For Direct Equipment Purchase, can we retrofit SOME existing street lights to LED up to our allocated grant \$s or must we retrofit ALL existing street lights to LED? Exhibit E-2 #5 states “LED for all exterior applications including street lighting...”

A; SOME of the existing lights is the correct interpretation. A city can utilize it's total funding for some of the total population of lights

Q: We plan on participating in the direct equipment purchase program regarding traffic signal LED replacement. In the budget can we provide an engineer's estimate as our budget at the time of application submittal? Will we need to go out to bid for this project? We would then submit a revised budget once we know the actual cost?

A: Yes, in the budget submission, you can submit an engineer's estimate, a revised budget can then be submitted, as long as the revision is still below the total allocation.

Q: Will the Energy Commission provide the jurisdictions with energy efficiency calculations for the projects listed on the Direct Equipment Purchase list?

A: Yes, please go to <http://www.energy.ca.gov/recovery/blockgrant.html> or <http://www.energy.ca.gov/contracts/recovery.html>). The file is named "Direct Equipment Purchase List Cost-Effectiveness Calculator."

Q: Regarding Attachment I, we are not sure if registered buildings under the NHPA will be participating in our program. What should we do when submitting our application?

A: Specify the uncertainty as a potential in your application and we will place a special condition on that award that if the program has registered buildings participating, then we would have to take additional steps before proceeding with that project

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Q: The attachment for the scope of work template provides descriptions of the task. When applicants prepare this attachment, do we have to include the wording you have provided, or can we follow that format and fill in our appropriate information?

A: The wording we have provided in Attachment C is intended as guidance for formatting. Please fill in your project specific and appropriate information

Q: Regarding the Direct Equipment Purchase Option as it pertains to the Energy Commission's EECBG guidelines: if equipment must be "used in specific locations and applications," does this influence the ability to acquire equipment for use in implementation of residential or commercial energy efficiency and conservation programs?

A: For Direct Purchase, the location of use must to be within the city or county limits, and the equipment must be from the approved list only. Deviation from the approved list has to go to EE Project Option

Davis-Bacon Questions and Answers,

For Davis Bacon Question and Answers, please refer to the Davis Bacon Question and answers at the Department of Energy, Energy Efficiency and Renewable Energy, State Energy Program, available at http://apps1.eere.energy.gov/state_energy_program/davis_bacon_faqs.cfm.