

*Request for Proposals
State Energy Program (SEP)
State Facilities Retrofit Program
June 15, 2009*



**Application for State Agency
Stimulus Funds Projects**

**Georgia Environmental Facilities Authority
State Property Officer
Board of Regents
Office of Planning & Budget**

American Recovery and Reinvestment Act (ARRA)



**Georgia Environmental Facilities Authority
Energy Division
233 Peachtree St. NE, 9th Floor
Atlanta, GA 30303**

Date: June 15, 2009

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PART I - FUNDING OPPORTUNITY DESCRIPTION

INTRODUCTION

This Request for Proposals (RFP), details the submission requirements for proposed renewable energy and energy efficient technology projects to the Georgia Environmental Facilities Authority (GEFA). Funding for this opportunity has been allocated to GEFA from the U. S. Department of Energy (DOE) State Energy Program (SEP) Formula Grants, *American Recovery and Reinvestment Act (ARRA) of 2009*. Non-energy projects are NOT allowed.

American Recovery and Reinvestment Act (ARRA)

President Barack Obama signed into law the ARRA on February 17, 2009. The ARRA appropriates funding for DOE to issue formula-based grants under SEP.

DOE is responsible for overseeing and managing the allocation and the use of ARRA funds distributed to the states through the State Energy Office (GEFA). The results achieved with SEP ARRA funds will be assessed according to the following performance metrics:

- Jobs created
- Energy (kWh/therms/gallons/BTUs/etc.) saved
- Renewable energy installed capacity and generated
- GHG emissions reduced (CO2 equivalents)
- Energy cost savings
- Funds leveraged

A working group was created to assist GEFA in developing the best plan for the state to meet the criteria of ARRA. Participants are the State Property Office, Board of Regents of the University System and the Governor's Office of Budget and Planning. This committee established project priorities for Georgia which promote economic recovery in the state that will create jobs, save energy and reduce greenhouse gas emissions.

IN ORDER TO ENSURE TRANSPARENCY AND ACCOUNTABILITY FOR THE DISBURSEMENT OF ARRA FUNDS, INFORMATION ABOUT THE PROJECTS WILL BE POSTED ON THE GEFA WEBSITE AT WWW.GEFA.ORG.

BACKGROUND

- Historically, GEFA receives congressionally appropriated funding from the DOE for SEP. Funds are distributed according to a formula that depends on the state's size, population, energy use, etc. States must submit an annual plan that describes energy conservation, efficiency and renewable energy goals including proposed project activities while meeting both mandatory and optional activities set by DOE. The mission of SEP is to:
 1. Increase energy efficiency to reduce energy costs and consumption for consumers, businesses and government.
 2. Reduce reliance on imported energy.
 3. Improve the reliability of electricity and fuel supply and the delivery of energy services.
 4. Reduce the impacts of energy production and use on the environment.

GEFA has allocated \$65,000,000 of \$82,500,000 in SEP ARRA funds for the State Facilities Retrofit Program. Shown below is the projected funding and event timetable:

GEFA SEP ARRA Funding and Event Timetable		
Date	Amount	Funding / Event
3/12/2009	N/A	Issue date of U.S. DOE Funding Opportunity Announcement for SEP ARRA Formula Grants. Funding # DE-FOA-0000052.
Estimated 4/22/2009	\$6,500,000	Initial Award of total SEP ARRA funds (10% of eligible funds) from DOE to GEFA SEO.(State Facilities Retrofit allocation only)
5/12/2009	N/A	GEFA application submitted for SEP ARRA Formula Grants Comprehensive Application to DOE.
May	N/A	Meetings of State Facilities Retrofit Committee to develop Guidance Document and Application Form
6/1/2009	N/A	Request sample projects to test program criteria
6/8/2009	N/A	Complete review of sample projects
6/15/2009	N/A	Guidance document/application sent to agencies
Estimated 7/12/2009	\$26,000,000	Second allocation of SEP ARRA funds (40% of eligible funds) to GEFA upon DOE approval of GEFA SEP plan.
7/15/2009	N/A	Deadline for Project Ideas to GEFA/SFRP Committee
7/31/2009	N/A	Recommended Initial Project Ideas
8/14/2009	N/A	Governor's Office Review of Projects
Estimated 8/21/2009	N/A	GEFA enters into Grant Agreement with first phase of projects funded by SEP ARRA
(pending)	\$13,000,000	Third allocation of SEP ARRA funds (20% of eligible funds) to GEFA when GEFA demonstrates that is has obligated 50% of SEP ARRA funds awarded previously, complying with all requirements, and that jobs are being created.
(pending)	N/A	GEFA enters into Grant Agreement with Second phase of projects funded by SEP ARRA
(pending)	\$19,500,000	Final allocation of SEP ARRA funds (30% of eligible funds) to GEFA when GEFA demonstrates continued progress in obligating SEP ARRA funds previously provided, complying with all reporting requirements and creating jobs.
(pending)	N/A	GEFA enters into Grant Agreement with Third and final phase of projects funded by SEP ARRA
3/31/2012	N/A	End date of GEFA SEP ARRA funding. Close out of grants.

PART II - AWARD INFORMATION

TYPE OF AWARD INSTRUMENTS

GEFA will be awarding grant agreements under this program announcement. All recipients will be required to comply with the provisions identified in the grant documentation.

ESTIMATED FUNDING

Of the \$65,000,000 dedicated to state facilities, GEFA will use approximately \$2 million for statewide programs of benefit to multiple agencies, e.g. energy audit teams and implementation of the Sustainable Construction Act. \$63,000,000 will be awarded to agencies, subject to the availability of funds and the quality of applications received.

Approximately 65 percent of the funding will be available for agencies of the State Property Officer; the remaining 35 percent will be for institutions of the Board of Regents of the University System. GEFA will be funding all projects in a phased process in coordination with the timeline established by DOE (as shown in table on page 4).

AWARDS

Applications for project funding of at least \$1 million in federal funds are encouraged. Agencies are allowed to submit multiple energy conservation measures for optimal administrative efficiency. The on-line Application Form found at www.gspc.ga.gov has project input features to accommodate this option.

PERIOD OF PERFORMANCE

The estimated project period for the first round of awards resulting from this solicitation should begin by September 2009. The other dates are unknown at this time and dependent on both performances by recipients and GEFA and DOE approval. The end date for invoicing GEFA for all projects funded by SEP ARRA is March 31, 2012.

BASIS FOR PAYMENT

As consideration for the services rendered by the recipient under the terms of the grant agreement, GEFA shall pay the recipient on a **cost reimbursement** basis an amount not to exceed the awarded amount, e.g. recipient must submit invoice/proof of payment in order to claim reimbursement.

PROJECT SCALE

Larger scale, higher return on investment projects are preferred. Multiple energy conservation measures, as typically identified by investment grade audits by energy services companies are encouraged for project submissions.

AWARD NOTICES

GEFA will announce projects selected for funding by August 17, 2009. Projects will be funded when GEFA receives the phased allocations from DOE. The anticipated timeframe is shown in the table on page four (4) of this document.

PART III – ELIGIBILITY INFORMATION

ELIGIBLE APPLICANTS

Eligible applicants include agencies of the State of Georgia with property owned by the State Property Office and institutions of the Board of Regents of the University System of Georgia.

WHAT IS A PROJECT: ELIGIBLE ACTIVITIES?

A project can be composed of one or more eligible energy improvement activities. Recipients are encouraged to bundle together high-energy saving activities which could include any combination of the following: energy audits/assessments, commissioning/retro-commissioning, capital expenditures for high efficiency lighting, high efficiency heating and air conditioning, efficient motors and variable speed drives or centralized energy management systems, and metering/measurement equipment. A project may be at a single location or may include multiple activities at multiple sites within an agency/institution or group of agencies/institutions.

As previously stated, an advisory committee was selected to assist GEFA in establishing project priorities for the State of Georgia which promote economic recovery in the state by creating jobs, saving energy and reducing greenhouse gas emissions. Members of this committee included GEFA, the State Property Office, the Board of Regents of the University System and the Governor's Office of Planning and Budget.

Discussion and consideration was given to various sectors and needs within the State. It was the consensus of the group that the priorities for the State of Georgia are the activities listed below:

Demand Management: Implementation of solutions to cut or decrease energy consumption or demand.

Building Energy Efficiency: Energy efficiency retrofits of state-owned buildings and facilities. Eligible buildings are institutions of higher education, and state government facilities. Activities could include installation of energy efficient lighting, HVAC units, and thermal energy efficiency. **Projects must provide records of energy saved from the energy efficient improvements made.**

Renewable Energy Projects: Renewable energy applications including wind energy, biomass power, geothermal, solar power, hydropower, demand reduction, combined heat and power, fuel cells and distributed energy generation or other renewable sources relating to the generation of electricity, etc.

PROHIBITED USE OF FUNDS

In accordance with federal regulations SEP applicants are prohibited from using SEP financial assistance:

- For construction, such as construction of mass transit systems and exclusive bus lanes, or for the construction or repair of buildings or structures (funds may be used only to upgrade the energy efficiency of a building or structure);
- To purchase land, a building or structure or any interest therein;
- To subsidize fares for public transportation;
- To subsidize utility rate demonstrations or State tax credits for energy conservation or renewable energy measures; or
- To conduct or purchase equipment to conduct research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available.
- DO NOT SUBMIT NON-ENERGY RELATED PROJECTS

LEVERAGE

Federal guidelines strongly encouraged the leverage of ARRA funds with other fund sources. To meet this guidance, **GEFA will evaluate projects on the basis of how well projects use ARRA funds to enhance the energy efficiency of projects, e.g. increase projects from standard to high efficiency. Moreover, GEFA will provide more credit to projects that demonstrate higher percentages of leverage for their project cost.**

SUPPLANTING OF FUNDS

Federal guidelines prohibit the supplanting of existing state funds with ARRA funds. However, ARRA funds may be used to supplement a currently budgeted state project.

SELECTION PROCESS

Applications must be submitted to the GEFA by July 15, 2009. Once the application is received and GEFA determines all appropriate documentation has been submitted, GEFA shall convene an advisory group comprised of the State Property Officer, the Board of Regents of the University System, the Governor's Office of Planning and Budget. The advisory group shall review all the applications deemed complete by GEFA; evaluate using the criteria set forth herein and make recommendations to GEFA for funding. The list shall then be finalized and submitted to the Governor for approval. Upon final approval of project ideas, agencies will then receive confirmation to proceed with projects.

PART IV - APPLICATION AND SUBMISSION INFORMATION

SUBMISSION INFORMATION

Submit an electronic copy of the completed application electronically through the following website: www.gspc.ga.gov. All applications must be submitted no later than 4:30 p.m. EST on **July 15, 2009**. Agencies are encouraged to make and save hard copies for their files.

In addition, we require applicants to:

- Organize the application in the sequence outlined in instructions.
- Include all components noted.
- Adhere to the font size, format, and length.
- Do not submit any other supplementary materials such as annual reports, videos, brochures, letters of support, or any supplementary material not requested in the application.

GEFA will not review applications that arrive after the posted deadline.

QUESTIONS

If you have questions concerning the forms or application process, please contact the appropriate office as listed below. Applicants are encouraged to visit the website at www.gefa.org in case changes are made to this funding announcement.

Submit Project Questions (Criteria, Eligibility, etc.)To:

Georgia Environmental Facilities Authority
Energy Division
233 Peachtree Street, NE, 9th Floor
Atlanta, GA 30303

David Godfrey at 404-584-1091 dgodfrey@gefa.ga.gov or
P.J. Newcomb at 404-584-1089 pjnewcomb@gefa.ga.gov

Submit Website/Application (Password, Technical Difficulty, etc.) Questions To:

State Properties Commission
47 Trinity Avenue, SW
Suite G-02
Atlanta, Georgia 30334
info@gspc.ga.gov

PART V - APPLICATION REVIEW INFORMATION

PROJECT SELECTION

Project evaluation and selection is guided by the criteria as established by U.S. DOE including the criteria listed below, as well as state goals established for the Governor's Energy Challenge:

- Immediate job creation (USDOE definition equals one job per \$92,000 expended. This document will be revised if federal guidelines are revised.)
- Preference for use of Georgia companies
- Reduce energy costs
- Promote renewable and alternative energy
- Emphasize carbon reduction
- Use of current technology
- Promote energy efficiency
- Demonstrate state commitment to sustainability and public education

Activities carried out and results achieved with SEP ARRA funding will be assessed according to the following performance metrics:

Energy Savings (kWh equivalents)

- Annual reduction in natural gas consumption (mmcf) by sector and end-use category
- Annual reduction in electricity consumption (MWh) by sector and end-use category
- Annual reduction in electricity demand (MW) by sector and end-use category
- Annual reduction in fuel oil consumption (gallons) by sector and end-use category
- Annual reduction in propane consumption (gallons) by sector and end-use category
- Annual reduction in gasoline and diesel fuel consumption (gallons) by sector and end-use category

Job Creation/Retention

- Number
- Type
- Duration

Renewable Energy Capacity and Generation

- Amount of wind-powered electric generating capacity installed (MW)
- Amount of electricity generated from wind systems (MWh)
- Amount of photovoltaic generating capacity installed (MW)
- Amount of electricity generated from photovoltaic systems (MWh)
- Amount of electric generating capacity from other renewable sources installed (MW)
- Amount of electricity generated from other renewable sources (MWh)

Emissions Reductions (tons) (CO2 equivalents)

- Methane
- Carbon
- Sulfur dioxide
- Nitrogen oxide
- Carbon monoxide

REVIEW CRITERIA

Applications will be evaluated using the following review criteria:

Project Details

Projects will be funded based on the project details, which include the following. The application will ask you to include back-up information on how these details were determined (e.g., an energy audit, a proposal, an in-house estimation).

- **Energy Savings:** Projects that significantly contribute to cost savings and energy efficiency.
- **Renewable Technologies:** The degree to which renewable energy technologies are incorporated in the project.
- **Greenhouse Gas Reduction:** The degree to which the project significantly contributes to a reduction in Greenhouse Gas emissions.
- **Duration & Timeline:** Project duration and timeline for expenditures.

PERFORMANCE MEASURES

- **Effectiveness:** As measured by the Btus saved per dollars expended (Btu/\$).
- **Simple Payback:** The amount of time to recover project costs based on annual energy cost savings (savings/installation).
- **Leveraging:** The amount of non-federal funds (state/utility/etc) as a percentage of total project costs (non-federal funds/total project costs)

OTHER REQUIREMENTS UNDER ARRA

Section 1605, Buy American

Under Section 1605 of the ARRA, no funds appropriated by the Act may be used for a public buildings/works project unless “all iron, steel and manufactured goods used are produced in the U.S.”

Exceptions are allowed for cases

- where the head of the federal agency concerned determines adherence would be “inconsistent with the public interest”,
- where iron/steel/manufactures are not produced in the U.S. in sufficient and available quantities, or
- inclusion of U.S. products would increase overall project cost by 25%

Notice of a waiver of the ARRA Buy American requirements must be noticed and justified in *Federal Register*.

Federal Wage Rate Requirements (Davis-Bacon Act)

The ARRA requires payment of federal prevailing wages. Specifically, Davis-Bacon Act wage rules apply to all assistance agreements made in whole or in part with ARRA funds.

Information on the current wages for Georgia can be found on the Davis Bacon Wage Determinations website at <http://www.gpo.gov/davisbacon/>

Reporting Requirements

President Obama has committed to transparency and accountability in the use of funds provided through ARRA. Activities carried out and results achieved with ARRA funds will be tracked carefully, reported clearly and quantifiably.

In an effort to meet this requirement, Gov. Sonny Perdue ordered the creation of a state Web site to help track the use of GEFA stimulus funds. This site will provide the citizens of Georgia access to clear and concise information about the federal stimulus initiative. Project information will be posted at www.gefa.org.

Applicants will be responsible for submitting financial and management progress reports to GEFA. **Reports will be due on a quarterly and annual basis and must meet the special reporting requirements set forth under ARRA.**

GEFA will be responsible for submitting multiple reports to DOE on the SEP ARRA funds. Please be advised that grantees in receipt of these funds must submit reports on projects to meet DOE requirements. Multiple reports that will be due are as follows:

- Jobs Created or Retained
- Special Status Report
- Financial Reporting
- ARRA Performance Progress Report
- Closeout Reports

Recipients of funding appropriated by the Act shall comply with requirements of applicable Federal, State and local laws, regulations, DOE policy and guidance.

HELPFUL RESOURCES

HELPFUL RESOURCES

PROGRAM REGULATIONS

The federal regulations for this program include the Code of Federal Regulations **Title 10 – Energy, Part 420** – State Energy Program; **Title 10 – Energy, Part 600** – Financial Assistance Rules; and the Office of Management and Budget **OMB Circulars**. To review these provisions, please refer to the links provided.

http://www.access.gpo.gov/nara/cfr/waisidx_01/10cfr420_01.html

http://www.access.gpo.gov/nara/cfr/waisidx_01/10cfr600_01.html

<http://www.whitehouse.gov/omb/circulars/>

APPLICABILITY & FLOWDOWN OF ADMINISTRATIVE REQUIREMENTS FROM OMB CIRCULARS

Type of recipient	Must comply with
State, unit of local government or Indian tribal government	<p>OMB Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments</p> <p>OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments</p> <p>OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations.</p>
nonprofit organization	<p>OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit organizations.</p> <p>OMB Circular A-122, Cost Principles for Nonprofit Organizations</p> <p>OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations</p>
educational institution	<p>OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations</p> <p>OMB Circular A-21, Cost Principles for Education Institutions</p> <p>OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations</p>

Energy Star Portfolio Manager: Portfolio Manager is an interactive energy management tool that allows you to track and assess energy and water consumption across your entire portfolio of buildings in a secure online environment.

<http://www.energystar.gov/benchmark>

International Performance Measurement & Verification Protocol: This document issued by the Energy Efficiency and Renewable Energy Clearinghouse contains concepts and options for determining energy and water savings.

<http://www.nrel.gov/docs/fy02osti/31505.pdf>

Davis Bacon Wage Determinations (can browse by state): <http://www.gpo.gov/davisbacon/>

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