

**Sustainable Investment Evaluation Program**

**for State Agencies and School Districts**

**PROGRAM DESCRIPTION**

**SCOPE OF WORK AND APPLICATION SUBMISSION:**

Scanned electronic copies of the Scope of Work and signed Application sheet should be sent to:

**Tony DePrima**

**E-mail: (**Tony.DePrima@deseu.org**)**

Include SIE Program in the subject line. Alternatively, you may submit a hard copy to:

**Tony DePrima**

**Delaware Sustainable Energy Utility**

**500 West Loockerman Street, Suite 400**

**Dover, DE 19904**

Applicants, Service Providers, or Consultants with SIE Program questions should contact:

**Delaware Sustainable Energy Utility**

**Phone: (302) 883 - 3038**

**I. INTRODUCTION**

The Delaware Sustainable Energy Utility’s Sustainable Investment Evaluation Program provides Delaware government and public education agencies with objective and customized information to help applicants make informed energy decisions.

**ELIGIBLE PARTICIPANTS**

Eligible participants include: public colleges and universities, state government buildings, and public school districts (K-12) across Delaware.

**SERVICE PROVIDER SELECTION**

Applicants may select their own service provider. Potential service providers include, but are not limited to: Energy Service Companies (ESCOs), energy consultants, and engineering companies.

Applicants who are in need of a service provider may choose from a DESEU qualified list comprised of firms under contract who have been competitively selected to provide a statewide geographic distribution of needed technical services.

**ENERGY INVESTMENT FEASIBILITY STUDIES**

Feasibility studies aim to assist applicants in making more informed energy decisions at their facilities. The Energy Service Provider does this by performing what is called an energy audit, or assessment. This service may include comprehensive equipment replacement or upgrade recommendations, comprehensive energy analysis in campus-type settings, energy-related design assistance through computer-assisted building modeling, or engineering support and other analysis requested by the applicant and approved by the DESEU. The objective of the audit, or energy assessment, is to determine and develop measures that will provide a reduction in the energy use or cost of operating the building, or buildings, in question. There are two different levels of energy audits, or assessments that the DSEU will assist:

1. ASHRAE Level II: Energy Survey and Engineering Analysis Audits identify no-cost and low-cost energy saving opportunities, and a general idea of potential capital improvements to the site. This analysis also provides EEM\* recommendations in line with your financial plans and potential capital-intensive energy savings opportunities. Level II audits include an in-depth analysis of energy costs, energy usage and building characteristics and a more refined survey of how energy is used in your building.
2. ASHRAE Level III: Detailed Analysis of Capital-Intensive Modification Audits (often referred to as an “investment grade” audit) provide solid recommendations and financial analysis for major capital investments. In addition to Level II activities, Level III audits include monitoring, data collection and an engineering analysis.

\*EEM – Energy Efficiency Measure – adjustments to building systems and controls, or equipment installations that result in lower energy use.

You can expect the following steps to be taken during the course of a typical energy audit, or assessment:

1. Collect and analyze historical energy use data.
2. Study the building and gather data on its operational characteristics and indoor environmental quality.
3. Identify potential measures that will reduce the energy use and/or cost and/or will improve the occupants’ indoor environmental quality.
4. Perform an engineering and economic analysis of potential modifications.
5. Prepare a list of appropriate measures and group measures into bundles that will capitalize on potential synergies and cost reductions.
6. Prepare a report to document the analysis process and results.

The audit may also include additional steps toward implementation of the recommended measures. For example, these steps might include additional engineering and design. The DESEU and others involved in the energy audit, or assessment will work with you to understand your project goals and available budget so that you may maximize your savings.

**DESEU PAYMENT & REPAYMENT**

The DESEU will reimburse the Applicant the percentage of the actual SIE Program study as provided in the issued Letter to Proceed and documented by invoices, cancelled checks, etc. proving full study cost payment to their service provider. When appropriate, the DESEU may issue progress payments based on documented work delivered, up to the maximum allowable percentage of 50% of the study cost, or $150,000. These progress payments bear no interest but are to be paid back to the SEU under certain circumstances that can be found in the General Conditions portion of this document.

**DEADLINE FOR STUDY COMPLETION**

The study must be completed within six (6) months from the date of DESEU’s Letter to Proceed.

**II. PROGRAM REQUIREMENTS AND LIMITATIONS**

**MATCHING CONTRIBUTIONS/FUNDING LIMITS**

All projects must include cost-sharing in the form of matching cash support from the applicant. In-kind contributions of any type are not allowed as matching funds. For most studies, the DESEU will contribute fifty percent (50%) of the eligible study costs, up to $150,000 of the audit. If all parties involved agree to move forward with the project, the study cost is then rolled into project financing.

Incomplete submissions will be returned.

Applicants, Service Providers, or DESEU Consultants with any questions about the SIE Program should contact: Tony DePrima, (302-883-3038), Tony.DePrima@deseu.org

To submit to this program:

1. Send a complete Scope of Work (as defined in Appendix A-1) and signed Application to the attention of Tony DePrima at the e-mail or building address previously listed.

**III. AWARDS**

**ENERGY EFFICIENCY PROJECTS**

When the DESEU receives a completed Scope of Work as defined in Appendix A-1, the project scope will be reviewed to verify that it meets the requirements of this document and the format set forth in the Guidelines for Scopes of Work (Appendix A-1). The DESEU will issue comments to the applicant and service provider requesting revisions and clarification of the Scope of Work as necessary. Comments will also address missing project package components.

Upon approval of a Scope of Work and receipt of the signed Application, the DESEU will issue a Letter to Proceed for the project. Applicants and their service providers may begin study execution upon the DESEU’s receipt of the Scope of Work at their own risk. Cost-share amounts are not agreed upon until a Letter to Proceed is issued.

Final reports must comply with the requirements in Appendix A-2. Upon receipt and approval of a hard copy and electronic copy of the Final Report, the DESEU will require a copy of the service provider’s invoice(s) to the applicant indicating the total study cost, a copy of the metering equipment/software invoice(s), if applicable, and an invoice from the applicant to the DESEU. The service provider’s invoice(s) should be broken out by non-labor costs, individuals, titles, hourly rates, dates and hours worked on each task. At the DESEU’s discretion, a copy of the canceled check(s) from the applicant to the service provider showing the total study cost and a copy of the lump-sum invoice may be accepted in lieu of a detailed invoice. All invoices and other reimbursement documentation must be sent to lisa.gardner@deseu.org. The DESEU will reimburse the applicant the percentage of the actual study cost incurred, subject to the maximum dollar amount as provided in the issued Letter to Proceed. When appropriate, the DESEU may issue progress payments up to the allowable percentage of the study cost.

**IV. REPORTING**

A primary goal of this program is to share project successes with others who may gain from the transfer of technical information. In order to achieve this goal, the DESEU needs your help! For this reason, in order to receive reimbursement, applicants awarded funding will be required to provide a Final Report to the DESEU. These reports must meet the requirements in Appendix A-2.

A required one-page Project Summary Sheet (Appendix A-3) will be provided to the applicant by the DESEU with the Letter to Proceed and must be completed by the applicant and returned to the DESEU as part of its Final Report. A case study must also be submitted for all projects, along with copyright permissions for the pictures used in the project case study.

**V. GENERAL CONDITIONS**

**PROPRIETARY INFORMATION**

Careful consideration should be given before confidential information is submitted to the DESEU as part of your proposal. Review should include whether it is critical for evaluating a proposal, and whether general, non-confidential information, may be adequate for review purposes. Information submitted to the DESEU that the proposer wishes to have treated as proprietary and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure.

The issuance of this document does not commit the DESEU to award a Letter to Proceed, pay any costs incurred in preparing a project package, or to procure or contract for services or supplies. The DESEU reserves the right to accept or reject any or all proposals received, to negotiate with all qualified sources, or to cancel in part or in its entirety the solicitation when it is in the DESEU's best interest.

**DISCLOSURE REQUIREMENT**

The proposer shall disclose any indictment for any alleged felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States, and shall describe circumstances for each. When a proposer is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similarly governing body. If an indictment or conviction should come to the attention of the DESEU after the award of a contract, the DESEU may exercise its stop-work right pending further investigation, or terminate the agreement; the contractor may be subject to penalties for violation of any law which may apply in the particular circumstances.

**PROJECT PAYMENTS**

The DESEU will reimburse successful applicants using independent service providers for the DESEU’s share of the actual study cost provided in the issued Letter to Proceed at the conclusion of the SIE Program project and upon receipt of the required documentation as outlined previously. Reimbursement will be based on services actually provided as defined in the Scope of Work and as documented by the approved final report, invoices and other documentation deemed necessary by the DESEU. In the case that the Applicant is using a service provider not under contract to the DESEU, payments will be sent to the applicant address provided in the application or the scope of work. If the Applicant is using a service provider under contract with the DESEU, the DESEU will pay the service provider the agreed upon share and the Applicant will pay the remaining fees directly to the service provider. Progress payments are available at the discretion of the DESEU. Such progress payments will not bear interest and shall be repaid to the DESEU if either (i) a Loan is approved by the DESEU and accepted by the Applicant, on the date of closing of the Loan or (ii) no Loan is approved and or accepted during the Development Period, on or before the end of the Development period.

**VI. ATTACHMENTS**

Included:

Application:

 Part 1

 Part 2

Appendix A-1: Scope of Work

Appendix A-2: Final Report Requirements

Appendix A-3: Project Summary Sheet

| Sustainable investment evaluation program**APPLICATION** |
| --- |
| Applicant InformationThe information listed should be the information of the entity or person paying for the services. SIE Program study reimbursement will be sent to this location, unless otherwise arranged. |
| Applicant (Organization) |  |
| Applicant Contact and Title |  |
| Address, City, State, and Zip Code |  |
| Phone and Fax |  |
| E-mail Address |  |
| Facility InformationThe information listed should be the information of the facility (or facilities) where the study is taking place. |
| Facility |  |
| Facility Contact and Title |  |
| Address, City, State, and Zip Code |  |
| Phone and Fax |  |
| E-mail Address |  |
| Service provider information |
| Service Provider Name |  |
| SEU Qualified ESCO?(Please answer Yes or No) |  |
| Contact and Title |  |
| Address, City, State, and Zip Code |  |
| Phone and Fax |  |
| E-mail Address |  |
| Facility description |
| Electric Distribution Provider (Company Name) |  |
| Electricity Costs and Consumption | Annual $:Annual kWh: Peak Summer kW: |
| Natural Gas Utility (Company Name) |  |
| Natural Gas Costs and Consumption | Annual $:Annual Therms: |
| Other Energy Costs and Consumption (Please List Fuel Type) | Annual $:Annual Usage: |
| Total Energy Cost | Annual $:  |

**SIE PROGRAM APPLICATION—CONTINUED**

Applicant Certification

*Please check the appropriate box:*

□ **Terms for applicants using a service provider not under contract to DESEU:**

I, the Applicant, certify that the facility or facilities named in the Scope of Work are under the control and management of the organization and I am the Chief Executive Officer or authorized by the Chief Executive Officer to make this application requesting that the DESEU provide to the organization reimbursement for certain eligible costs, as outlined in the Scope of Work, in pursuing a [Program Name] project. I certify that the information provided is true and correct to the best of my knowledge.

As part of this agreement, the DESEU will monitor the Service Provider’s progress and results in completing the Scope of Work, provide technical review of any applicable report, and be available to address any questions or concerns which arise during the course of this project.

□ **Terms for applicants using a service provider under contract to DESEU:**

I, the Applicant, certify that the facility or facilities named in the Scope of Work are under the control and management of the organization and I am the Chief Executive officer or authorized by the Chief Executive Officer to make this application for technical assistance and request that the DESEU set aside funds to contribute towards the allowable DESEU Consultant fees, as outlined in the Scope of Work. I, the Applicant will pay the remaining Consultant fees directly to the Consultant under terms and conditions to be negotiated by the Applicant and the Consultant. The DESEU’s contribution will be paid directly to the Consultant, provided the work is acceptable to the Applicant and the DESEU.

As part of this agreement, the DESEU will monitor the Service Provider’s progress and results in completing the Scope of Work, provide technical review of any applicable report, and be available to address any questions or concerns which may arise during the course of this project.

I, the Applicant, also certify that the DESEU does not provide any endorsement of the Consultant’s capabilities to provide services outside of the agreed upon Scope of Work. The Applicant acknowledges that neither the DESEU nor its consultant is responsible for assuring that the design, engineering or installation of any recommendation of the technical service is proper or complies with any applicable laws (including patent laws), codes, or industry standards.

**Overall**

The DESEU does not make representations of any kind so far as the results to be achieved or the adequacy or safety of any recommendation. The DESEU does not endorse or guarantee any particular manufacturer or product, and the DESEU provides no expressed or implied warranties for any product of service. Payments will not bear interest and shall be repaid to the SEU if either (i) a Loan is approved by the DESEU and accepted by the Applicant, on the date of closing of the Loan or (ii) no Loan is approved and or accepted during the Development Period, on or before the end of the Development period.

**APPLICANT**

**(INDIVIDUAL OR ENTITY PAYING FOR THE STUDY)**

SIGNATURE:

NAME AND TITLE:

ORGANIZATION AND PHONE:

FEDERAL ID1:

Federal ID # should match company/organization paying for energy study services

**Appendix A-1**

**SCOPE OF WORK**

The Scope of Work is an important document, integral not only to the application process but also to the success of the project. The applicant should seek to provide the most comprehensive Scope of Work possible. In general, a Scope of Work should range from four to eight pages. The service provider doing the work should be noted. After review of the Scope of Work, it should be clear where opportunities exist and why a study is needed.

1. **FACILITY:** The first page of the Scope of Work should contain a detailed description of the applicant’s facility and the service provided. The Scope of Work should at a minimum include:

a. Applicant Contact information

i. Please include the contact information for the entity associated with the Federal ID number provided in the Application if different from the facility contact. As noted in the Application, the applicant address will be the address used for study reimbursements unless otherwise noted.

b. Contractor contact info

c. Applicant utility information (utility company, consumption, and costs)

d. Description of building size, age, and occupancy type

 It is not necessary to reiterate information in this portion that is covered in sufficient detail in the Application.

2. **PROJECT BACKGROUND:** The first page should also include a one or two paragraph description of the project, making clear the need for the study. This should include:

a. A description of the current systems and methods of operation

b. Total amount of space to be evaluated (whole facility or specific space i.e. office, classroom, common space) and what will be evaluated to replace or change these systems or methods so that they may become more efficient. This paragraph should also include any method of data collection (metering, motor nameplate etc.) and energy savings calculation (i.e. computer modeling, spreadsheets or manually etc.).

3. **TASK LIST:** The next pages should divide the project into numbered tasks. Each energy efficiency measure evaluated should be a single task. Each task should include a description of:

a. What specifically is being evaluated

b. The current condition of the equipment or operation to be evaluated (if not included in section above)

c. Potential replacement or upgrade options

d. The method of data collection (data loggers, meters, nameplate information, etc.)

e. The method to calculate energy savings (spreadsheet, modeling, etc.)

Energy efficiency measures are considered those that will provide measurable and verifiable energy savings for the facility. Please note, energy savings must be presented as savings at the applicant’s utility meter(s), and not at the individual building or tenant space. For example, self-generated steam or chilled water savings should be reported back to the source of generation (i.e. natural gas).

4. **EXPECTATIONS:** Following the Tasks section should be a paragraph detailing current expectations between involved parties, if necessary. Examples might include the expectation that the applicant’s facility would provide a knowledgeable guide to the consultants as they review the facilities, or note any information the applicant has promised to provide the consultant for the completion of the study.

5. **DELIVERABLES:** Following the Expectations section should be a one-paragraph section describing the Deliverables. This should state that a draft Final Report will be forwarded to the DESEU addressing all of the tasks described and will follow the correct format as defined in Appendix A-2 of the Program Description. The Deliverables also include a Project Summary Sheet and a Case Study.

6. **SCHEDULE:** Following the Deliverables description should be a task completion schedule. The schedule should correspond to the individual tasks and budget. Schedule should be formatted such that entries are listed with consideration of time elapsed since receiving the Letter to Proceed. For example: Kick-off meeting within two weeks of Letter to Proceed; Task 1.0 completed within four weeks of Letter to Proceed, etc.

7. **BUDGET:** Finally, a detailed project budget broken out by task should be attached. For each task, the number of hours and dollars per personnel title to be spent should be clearly indicated. This will provide all parties involved a clear understanding of how much emphasis is being placed on each task and therefore, the level of detail that can be expected. Please include a separate line item for travel and expenses. The budget should include the total study cost, as well as the DESEU cost-share and applicant contribution.

The ultimate goal of the Scope of Work is to eliminate any ambiguity about the project. It should be clear what the current status of the facility is, what will be evaluated in the study and in what detail the study will be done. The Scope of Work will be used as the basis for reimbursement by the DESEU. The final report will be compared to this document to determine if it has met the requirements of the Sustainable Investment Evaluation Program. The Scope of Work should be as comprehensive as possible. Overall, the Scope of Work will help all parties involved understand what is expected of them and what they can expect of the other participants.

**Appendix A-2**

**FINAL REPORT REQUIREMENTS**

**Executive Summary** - Concisely summarize the SIE project’s intent, findings, recommendations, and economics of the recommendations in narrative format.

**Background** - Provide information about the applicant and the project, such as type of business or organization, average number of employees, students and customers per location, annual energy costs by fuel type, electric and gas suppliers, and rate tariff.

**Description** - Include a description of the project intent, approach, and tasks performed as defined in the project scope.

**Project Results/Recommendations** - Describe the project findings here. Include reasons for recommendations on cost effective, electrical energy efficiency measures and capital improvements. At a minimum, the recommendations and related economics must be presented. Life-cycle cost or other analyses may also be included, if desired. Final reports should include information on additional potential project benefits, such as increased productivity, job creation or retention, and environmental benefits. Include a qualitative description of other project benefits, such as increased knowledge or information base, comfort, competitiveness, product quality, or energy affordability. Describe the role of the DESEU funding in making this project possible. For projects where computer modeling is used, reports must also include: 1) a brief presentation of the manipulations which the program performed; 2) input data for the building and for each EEM should be presented in a manner which allows easy identification of input parameters; 3) clear and precise presentation of the results in both tabular and narrative forms, and; 4) verification that interaction effects were taken into account.

**Appendices** - This section will include supporting documentation for all recommendations not included in the previous section, along with historical energy costs, sample calculations for all EEM’s reviewed, assumptions, conversion factors, items included in project implementation costs, and sources of cost estimates, etc. Energy savings calculations must be presented as savings at the applicant’s utility meter(s), and not at the individual building or tenant space. For example, self-generated steam or chilled water savings should be reported back to the source of generation (i.e. natural gas).

**Project Summary Sheet** - This one page summary outline is required for all projects (see Appendix A-3). Copies are available online. This form provides a simple matrix of the project by summarizing the payback, costs and savings in dollars, therms, MMBtu’s, and kWh and kW where appropriate.

**Case Study** - This one to three page report should include photos and a brief description of the applicant, project background, summary results, and benefits. You should consider highlighting components of the study that you think peers would find interesting or usual. Photos must be provided in digital and hard copy forms. The Applicant must also supply copyright permissions so that the DESEU may re-use the pictures in promotional material for the program. The Applicant agrees that the DESEU may use the case study and the Final Report to promote successes of this SIE Program for replication throughout Delaware.

**Appendix A-3**

**PROJECT SUMMARY SHEET**

Applicants Name and Address:

Applicants Contact and Title:

Telephone No.:

**STRATEGY OF ENERGY SAVINGS**

|  |  |  |  |  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |  |  |  |  |
|  | Measure | Measure | Fuel Type | Energy | Energy | Energy | Annual | Est. Costs for | Simple |  |
|  | Description | Status | Saved | Saved in | Saved in | Saved in | Dollars | Implementation | Payback |  |
|  |  | (See | (See notes) | kWh | kW | mmBTUs | Saved |  | Period |  |
|  |  | notes) |  |  |  |  |  |  | (Years) |  |
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|  |  |  |  |  |  |  | $ | $ |  |  |
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|  |  |  |  |  |  |  | $ | $ |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  | **TOTAL:** |  |  |  |  |  | $ | $ |  |  |
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|  |  |  |  |  |  |  |  |  |  |  |

Please fill in applicable boxes. You should add columns to accommodate other fuel types and their common measures.

*Notes:*

Measure Status: Implemented (I); Recommended (R); Further Study Recommended (RS); Not Recommended (NR).

Fuel Saved: Elec, NGas, Oil2, Oil4, Oil6, Coal, LPG. MMBtu = 1,000,000 Btu

Energy savings must be presented as savings at the applicant’s utility meter(s), and not at the individual building or tenant space.