

**SECO MEMORANDUM OF UNDERSTANDING**

**LoanSTAR Pilot Program**

**(To be used only when submitting a PEA or Project Assessment Commitment)**

Subject to the conditions listed below, execution of this Memorandum of Understanding (MOU) reserves \$ \_\_\_\_\_ of LoanSTAR Funding for

\_\_\_\_\_ until \_\_\_\_\_  
Borrower Date

The dollar amount listed above is the borrower’s estimated cost based on the Preliminary Energy Assessment (PEA) or Project Assessment Commitment to analyze and implement energy efficiency projects which will be financed through the LoanSTAR Pilot Program.

The funds are reserved subject to the following conditions:

- (1) Upon written NOLFA selection, the borrower’s CFO signs and inserts dates on this MOU, which certifies that the borrower has retained a Professional Engineer to prepare an Energy Efficiency Retrofit Plan (EERP). The EERP must be completed by a Professional Engineer licensed in the State of Texas. EERPs must include Energy Cost Reduction Measure (ECRM) or Utility Cost Reduction Measure (UCRM) that will be completed to reduce utility (energy and water) costs. Project costs and simple paybacks must also be documented for each energy efficiency measures in the EERP.
- (2) The applicant’s CFO certifies by signature of this document that three (3) hard copies and one (1) electronic copy of the completed reports referenced in item 1 will be delivered to the State Energy Conservation Office for review. If these items are not submitted by the date above, the reserved funds will be released to other applicants.
- (3) The sole purpose of this MOU is to reserve LoanSTAR funds for an applicant during the period that its EERP is being prepared. This document should not be construed as a loan agreement and does not authorize the expenditure of funds for LoanSTAR projects. LoanSTAR project expenditures cannot be incurred before the effective date cited in the fully executed loan agreement.

\_\_\_\_\_  
Applicant’s Name

\_\_\_\_\_  
State Energy Conservation Office

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date