

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Request for Applications for Building Energy Efficiency and Retrofit Grants Program of the Texas Comptroller of Public Accounts (RFA# BE-G10-2013)

Official Responses to Questions from Potential Applicants (November 22, 2013)

1. **Are our auxiliaries eligible (profit centers such as housing facilities)? To be precise, are they ineligible because they are profit centers? Are only E&G facilities eligible?**

RESPONSE: SECO does not know recognize the term “E&G facilities.” Cities, counties, independent school districts, state agencies, public institutions of higher education, and tax-district supported public hospitals are eligible for loans under this RFA. (<http://www.seco.cpa.state.tx.us/funding/nolfa/102513/>). Loan recipients must own and occupy the facilities where the retrofits will take place.

2. **Is M&V required?**

RESPONSE: If the applicant utilizes an Energy Performance Savings (ESPC) contracting mechanism for the project, the Energy Services Company (ESCO) is required to provide a guarantee that the estimated savings in utility costs resulting from the measures will offset the cost of the measures over a specified period, which under this RFA is the loan term (<http://www.seco.cpa.state.tx.us/perf-contract/>). The ESCO generally will not provide this guarantee without an ongoing Measurement and Verification program (M&V) to validate savings.

If the applicant utilizes a Design-Bid-Build or Design-Build contracting mechanism for the project, it is the applicant’s decision whether or not to require an M&V program.

3. **For controls upgrade projects: May worn valves, dampers, positioners and so forth be replaced with new devices of original design, or must they be enhanced in some way to be regarded as upgrades?**

RESPONSE: The litmus test will be energy savings. If worn valves, dampers, positioners, etc. are replaced with new devices of original design, will there be resulting energy savings and will the energy savings have a simple payback within the estimated useful life of the HVAC retrofit measure? Additionally, will the total project have a simple payback of 10 years or less? If the answer to both of those questions is “Yes,” then the control retrofits can be financed thru LoanSTAR.

4. **At one time we thought that a 15-year payback was allowed if more than 50% of the projects were HVAC projects. Is this no longer the case?**

RESPONSE: The LoanSTAR revolving loan program has a project simple payback requirement of 10 years or less. There has never been a 15-year payback allowance in the LoanSTAR program.

5. **If an applicant is sending in a Project Assessment Commitment, is the applicant still required to fill in Part 3 of the Application?**

RESPONSE: Yes

6. **Can you post the slides from the webinar?**

RESPONSE: Yes. The webinar slides can be found at <http://seco.cpa.state.tx.us/funding/nolfa/102513/>. Left-hand click on the webinar announcement and you will be able to download or view the slides. The slides may also be found on the Electronic State Business daily by clicking on “Package 6” at the following link: http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=108680.

7. What is the format of the Preliminary Energy Assessment (PEA)?

RESPONSE: There is no particular format required for the Preliminary Energy Assessment.

8. Is there a sample Preliminary Energy Assessment (PEA) available for download? If so, please provide the Word Document or PDF.

RESPONSE: Preliminary Energy Assessment reports that can be used as examples can be found at <http://www.seco.cpa.state.tx.us/sch-gov/pea.php>. Look for the “Related Links” section on the top right-hand section of that webpage.