

Webinar – 11/14/2013

**Notice of Loan Fund Availability (NOLFA)
and
Request for Application (RFA)**



Agenda

- Common Misconceptions
- Basics
- Announcement Details
- Key Deadlines
- NOLFA/RFA Documents
 - Loan Application Form
 - Project Assessment Commitment
 - Memorandum of Understanding
 - Sample Contract

Common Misconceptions

- LoanSTAR is out of money
- Must use ESPC
- Maximum loan amount is too small
- I have an existing loan so I am ineligible
- Prepayment penalties
- I can't afford the investment grade audit
- Timing of my project does not match the LoanSTAR fund availability
- LoanSTAR is only for rural areas

"Energy Efficiency: Texas' Newest Energy Resource."

 **Susan Combs** Texas Comptroller of Public Accounts

Site Search

[Home](#) | [Energy Sources](#) | [Energy Efficiency](#) | [Funding & Incentives](#) | [SECO Programs](#) | [Resources](#)

As the state energy office, SECO partners with Texas consumers, businesses, educators and local governments to reduce energy costs and maximize efficiency.

Targeted Tips and Tools:

[Residential Consumers](#)



[State and Local Government](#)



[Business and Industry](#)



[Schools and Teachers](#)



 [Sign Up for Energy News & Updates](#)

SECO
Funding & Incentives

Texas Building Energy Code
[Attend online IECC training >>](#)

Senate Bill 898
[Submit Energy Report to SECO >>](#)

Funding and Incentives

Funding Opportunities

 Sign up to receive
Funding and
Incentives e-mail
updates

October 2013 Opportunities

[Notice of Loan Fund Availability \(NOLFA\) – LoanSTAR Program](#)

Posted October 25, 2013 – The Comptroller of Public Accounts (Comptroller) State Energy Conservation Office (SECO) will provide low interest loans to assist selected public entities in financing their energy-related cost-reduction efforts utilizing the LoanSTAR revolving loan program.

April 2013 Opportunities

[Notice of Loan Fund Availability \(NOLFA\) – LoanSTAR Program](#)

Posted April 26, 2013 – The Comptroller of Public Accounts (Comptroller) State Energy Conservation Office (SECO) will provide low interest loans to assist selected public entities in financing their energy-related cost-reduction efforts utilizing the LoanSTAR revolving loan program.

[Notice of Loan Fund Availability \(NOLFA\) – “5-FIVE-25” Program](#)

Posted April 26, 2013 – The Comptroller of Public Accounts (Comptroller) State Energy Conservation Office (SECO) will provide low interest loans to selected non-profit community based organizations and Houses of Worship for the purposes of implementing energy-related cost-reduction retrofits at owner owned and occupied facilities utilizing the LoanSTAR revolving loan program

[Alternative Fuels Initiatives Grant Program \(SEP Program 2.2\)](#)

"Energy Efficiency: Texas' Newest Energy Resource."

 **Susan Combs** Texas Comptroller of Public Accounts

Site Search

- Home
 - Energy Sources
 - Energy Efficiency
 - Funding & Incentives
 - SECO Programs
 - Resources
- Residential Consumers
 - State and Local Governments
 - Business and Industry
 - Schools and Teachers

Notice of Loan Fund Availability (NOLFA) and Request for Application (RFA)

LoanSTAR Program

Purpose of Loan Funding: The Texas LoanSTAR (Saving Taxes and Resources) revolving loan program provides low interest rate loans to assist Texas public institutions by financing their energy-related cost-reduction retrofit projects.

Qualifying Public Institutions: Loan recipients can be cities, counties, independent school districts, state agencies, public institutions of higher education, and tax-district supported public hospitals.

Qualifying Facilities: The public institutions must own and occupy the facilities where the retrofit projects will take place.

Loan Fund Disbursements: All loan disbursements are on a reimbursement basis.

Repayment of Loans: Borrowers repay the loans through the stream of energy cost savings realized from the retrofit projects.

Budget Allocation (Amount Available to Award): Approximately \$51 million

Maximum loan size per application: \$7.5 million

Loan interest rate: 2.0% per annum

Loan Application Orientation Webinar SECO conducted a loan application orientation webinar to provide interested applicants information about the program and instruction on completing the application.

RFA Posted

NOLFA/RFA Materials:

Loan Application Background Information ([PDF](#))

Loan Application Form ([Word](#))

Memorandum of Understanding ([Word](#))

Sample Contract ([PDF](#))

Project Assessment Commitment ([Word](#))

To open the PDFs, download the latest reader from Adobe. To open .doc files, download MS Word viewer.

Key Deadlines	Date*
Notice of Request for Applications Posted: Texas Register Electronic State Business	Oct. 25, 2013 after 10 a.m. CT

Basics

- Purpose of Loan Funding
- Qualifying Public Institutions
- Qualifying Facilities
- Loan Fund Disbursements
- Repayment of Loans

NOLFA/RFA Announcement Details

- Amount Available to Award
- Maximum Loan Size Per Application
- Loan Interest Rate
- Selection Process

NOLFA/RFA Key Deadlines

Key Deadline	Date
Submission of Questions	Nov. 18, 2013 - 2 p.m. CT
Official Responses to Questions Posted	Nov. 22, 2013, or as soon thereafter as practical
Application Deadline	Dec. 13, 2013 at 2 p.m. CT
Grant Award/Contract Execution	As soon as practical

Loan Application Submittal Packet

- One (1) original, five (5) bound copies, and one (1) electronic copy
- Completed loan application form
- One of the following
 - Project Assessment Commitment;
 - Preliminary Energy Assessment (PEA);
 - Energy Assessment Report (EAR), Design-Bid-Build and Design-Build projects;
 - Utility Assessment Report (UAR); Energy Savings Performance Contracts; or
 - Commissioning Report for Commissioning projects.
- Project Assessment Commitment and the PEA will qualify the project for potential funding
- Approved EAR, UAR or Commissioning Report is required prior to execution of a loan agreement

NOLFA/RFA Documents

- Loan Application Background Information
 - Program Summary
 - Loan Background
 - Application Summary
 - Application Eligibility Requirements
 - Application Review Process
 - Successful Applicant Next Steps

NOLFA/RFA Documents

- Loan Application Form
- Project Assessment Commitment
- Memorandum of Understanding
- Sample Contract

Loan Application Form

■ Attachment A - 6 Parts

1. General Information
2. Project Information
3. Project Financial Information
 - a. Design-Bid-Build or Design-Build Projects
 - b. Energy Savings Performance Projects
4. Public Viewing
5. Project Geographical Location and Population
6. Signature and Certification

Attachment A

1. General Information

Part 1A: Applicant (Borrower)			
Name of Eligible Public Entity		Federal Tax ID	Application Date
Mailing Address		City	State Zip Code
County Name	Total Amount Requested		
	\$		

Part 1B: Chief Executive Officer (Signing Authority)			
First Name	Initial	Last Name	Title
Telephone	Extension	Fax	Email Address

Part 1C : Applicant Primary Contact (Project Director)			
First Name	Initial	Last Name	Title
Telephone	Extension	Fax	Email Address

Part 1D : Applicant Secondary Contact (Energy Manager)			
First Name	Initial	Last Name	Title
Telephone	Extension	Fax	Email Address

Part 1E: Administrative Contact for Accounting (Financial Contact)			
First Name	Initial	Last Name	Title
Mailing Address		City	State Zip Code
Telephone	Extension	Fax	Email Address

Part 1F: Signature and Certification by Applicant Chief Executive Officer or Chief Financial Officer		
I certify that I am the Chief Executive Officer and that I have reviewed this application and that I will agree to abide by the terms of the contract.		
Signature	Printed Name and Title	Date

2. Project Information

PART 2: PROJECT INFORMATION

2A. Place a check on the type of report that is submitted with the application. One (1) original and five (5) bound copies of the report are required.

- Energy Assessment Report (EAR) for design-bid-build or design-build projects
- Utility Assessment Report (UAR) for Energy Savings Performance Contracts
- Commissioning Report
- Preliminary Energy Assessment (PEA)
 - EAR/UAR to be completed in less than 100 days
 - EAR/UAR to be completed in less than 120 days
 - EAR/UAR to be completed in less than 140 days
- Project Assessment Commitment
 - EAR/UAR to be completed in less than 100 days
 - EAR/UAR to be completed in less than 120 days
 - EAR/UAR to be completed in less than 140 days

If EAR/UAR cannot be completed in less than 140 days after notice is received that funding is committed from project, do not proceed. The project is disqualified from further loan consideration.

2B. Do you agree to accept the terms and conditions of the sample contract.

Yes No

PART 3: PROJECT FINANCIAL INFORMATION

3B. Complete the following table for Energy Savings Performance Projects. If any information changes in the table prior to loan document preparation, an updated table is required in order to complete the loan application.

UCRM No.	UCRM Title	Annual Savings						Project Cost (\$)	Payback (yrs.)	Estimated Project Useful Life (yrs.)
		Electric Energy (kWh/yr)	Demand (kW/yr)	Electric (\$/yr)	Natural Gas (Mcf/yr)	Natural Gas (\$/yr)	Water (kGal/yr)			
1										
2										
3										
4										
5										
6										
7										
8										
Utility Assessment Report Cost										
Initial Measurement & Verification Cost										
Construction Bonding Cost										
Owner's Administration, Management, Training & Other Costs										
Buy Down										
TOTAL LOAN AMOUNT (IMPLEMENTATION TOTAL) (Simple Payback)										
Required On-going Monitoring Service Cost										
Guaranteed Rebate Savings										
Financing Cost										
TOTAL PROJECT PAYBACK (Project Payback)										

* Individual energy efficiency measure payback must be less than or equal estimated useful life of the measure.

How long will it take to complete the project? _____ (months)

Is the **TOTAL PROJECT PAYBACK** less than 10 years? (Total Project Payback / Annual Savings (\$)) Yes No

If No, then project is disqualified from further loan consideration.

Is the simple payback for each UCRM less than the Estimated Useful Life (EUL) of the UCRM? Yes No

If No, then project is disqualified from further loan consideration.

PART 4: PUBLIC VIEWING

Describe where monthly energy savings information will be made available for public viewing.

PART 5: PROJECT GEOGRAPHIC LOCATION AND POPULATION

Use the following URL to determine the county population, <http://quickfacts.census.gov/qfd/states/480001k.html>

County Name

County Population

PART 6: SIGNATURE AND CERTIFICATION

Signature and Certification by Applicant Chief Financial Officer

I certify that I am the Chief Financial Officer and that I have reviewed this application, including commitment of "buy-down" funds. The information provided is accurate to the best of my knowledge and in my best professional judgment.

Signature

Printed Name and Title

Date



Loan Application Form

- **Attachment B**
Evaluation Form (Self Scoring)
- Qualification Requirements – 4 questions
- Description – 4 questions
- **Applicant Self-score Total**

Attachment B – Evaluation Form

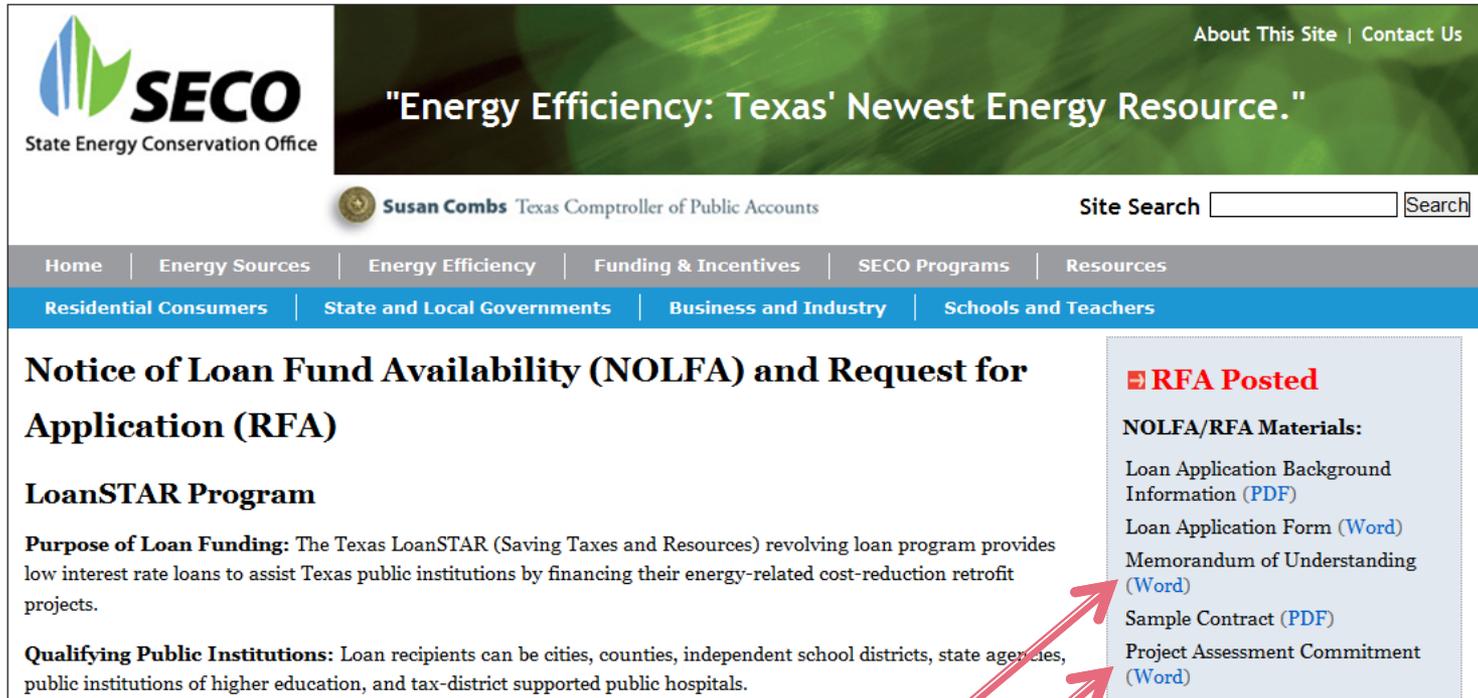
Applications will be evaluated under the general criteria outlined below. The Comptroller will make the final decision. The Comptroller reserves the right to accept or reject any or all applications submitted. The Comptroller is not obligated to execute a loan agreement on the basis of this NOLFA / RFA. The Comptroller shall not pay for any costs incurred by any entity in responding to this NOLFA / RFA. Comptroller and SECO may request additional information at any time if deemed necessary for further evaluation. General evaluation criteria are as follows and as set forth in the application instructions:

Qualification Requirements	
1. Has the applicant stated they agree to the terms and conditions of the sample contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. This question relates only to <u>Design-Build (DB) and Design-Bid-Build (DBB) projects</u> : Is the Total Loan payback for the project energy cost reduction measures (ECRMs) less than ten years?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not a DB or DBB
3. This question relates only to <u>Energy Savings Performance Contracts (ESPCs)</u> : Is the Total Project Payback less than ten years?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not an ESPC
4. Is the simple payback for each ECRM/UCRM less than Estimated Useful Life (EUL) of that measure?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If the answer to any of the questions is "No", do not proceed. Project is disqualified from further loan consideration. Either Question 2 or 3 must have a "Yes" response to be considered for loan consideration.	

Description	Possible Base Points	Applicant Self-Score
<p>5. Which of the following reports are submitted with this application?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Energy Assessment Report (EAR) for design-bid-build or design-build projects – 45 points <input type="checkbox"/> Utility Assessment Report (UAR) for Energy Savings Performance Contracts – 45 points <input type="checkbox"/> Commissioning Report – 45 points <input type="checkbox"/> Preliminary Energy Assessment (PEA) (Maximum 40 points) If EAR/UAR can be completed in less than: <ul style="list-style-type: none"> • 100 days after MOU execution – 40 points • 120 days after MOU execution – 35 points • 140 days after MOU execution – 30 points <input type="checkbox"/> Project Assessment Commitment (PAC) (Maximum 40 points) If EAR/UAR can be completed in less than: <ul style="list-style-type: none"> • 100 days after MOU execution – 40 points • 120 days after MOU execution – 35 points • 140 days after MOU execution – 30 points <hr/> <p>Do not proceed, if EAR/UAR cannot be completed in less than 140 days after notice is received that funding is committed from project (Memorandum of Understanding (MOU)). The project is disqualified from further loan consideration.</p> <p>Do not proceed, if no EAR/UAR/PEA/PAC is submitted, the project is disqualified from further loan consideration.</p>	45	_____

Description	Possible Base Points	Applicant Self-Score
<p>6. What is the name of the county and the county population (http://quickfacts.census.gov/qfd/states/48000lk.html) where project retrofit activities will take place?</p> <p>County Name: _____ County Population: _____</p> <ul style="list-style-type: none"> • County population less than 10,000 - 2 points • County population between 10,001 to 100,000 – 1 point • County population greater than 100,000 – 0 points 	2	_____
<p>7. Will the energy savings information, updated monthly, be available for public viewing?</p> <ul style="list-style-type: none"> • If yes, how will the applicant make this information available for public viewing <ul style="list-style-type: none"> ○ Via an internet portal or ○ Via detailed signage at the facility entrance - 1 point • If this information will not be made available for public viewing- 0 points 	1	_____
<p>8. In the previous (last announced) NOLFA/RFA, did you submit a NOLFA/RFA application which was <u>not</u> funded due to lack of available funding?</p> <ul style="list-style-type: none"> • Yes (Insert date of application _____) - 2 points • No - 0 points 	2	_____
Applicant Self-Score Total	50 max	_____

Other Documents



The screenshot shows the SECO website header with the logo and tagline "Energy Efficiency: Texas' Newest Energy Resource." Below the header is a navigation menu with categories like Home, Energy Sources, and Funding & Incentives. The main content area features a large heading for a Notice of Loan Fund Availability (NOLFA) and Request for Application (RFA) for the LoanSTAR Program. To the right, a sidebar lists various materials available for download, including background information, application forms, and contracts. Two red arrows point to the "Loan Application Form (Word)" and "Sample Contract (PDF)" links.

SECO
State Energy Conservation Office

About This Site | Contact Us

"Energy Efficiency: Texas' Newest Energy Resource."

Susan Combs Texas Comptroller of Public Accounts

Site Search Search

Home | Energy Sources | Energy Efficiency | Funding & Incentives | SECO Programs | Resources

Residential Consumers | State and Local Governments | Business and Industry | Schools and Teachers

Notice of Loan Fund Availability (NOLFA) and Request for Application (RFA)

LoanSTAR Program

Purpose of Loan Funding: The Texas LoanSTAR (Saving Taxes and Resources) revolving loan program provides low interest rate loans to assist Texas public institutions by financing their energy-related cost-reduction retrofit projects.

Qualifying Public Institutions: Loan recipients can be cities, counties, independent school districts, state agencies, public institutions of higher education, and tax-district supported public hospitals.

RFA Posted

NOLFA/RFA Materials:

- Loan Application Background Information ([PDF](#))
- Loan Application Form ([Word](#))
- Memorandum of Understanding ([Word](#))
- Sample Contract ([PDF](#))
- Project Assessment Commitment ([Word](#))

Project Assessment Commitment

RFA# BE-G10-2013

TEXAS LoanSTAR PROGRAM

PROJECT ASSESSMENT COMMITMENT

_____ (Applicant) requests that \$ _____ of LoanSTAR Funding be reserved for a proposed energy efficiency, commissioning project or energy savings performance contract (ESPC).

The Applicant certifies that the energy efficiency or commissioning project shall comply with LoanSTAR Technical Guidelines (<http://seco.cpa.state.tx.us/lsguidelines>) and that the ESPC shall comply with the Performance Contracting Guidelines (<http://seco.cpa.state.tx.us/perf-contract>). The Applicant dollar amount listed above is the borrower's estimated cost to analyze and implement energy efficiency projects which will be financed through the LoanSTAR Program.

LoanSTAR funds, if reserved, will be subject to the following conditions:

- (1) Applicant agrees to retain a Professional Engineer, licensed in the State of Texas, to prepare an Energy Assessment Report (EAR), a Commissioning Report, or an Utility Assessment Report (UAR) that complies with the LoanSTAR Technical Guidelines (<http://seco.cpa.state.tx.us/lsguidelines>) or with Performance Contracting Guidelines (<http://seco.cpa.state.tx.us/perf-contract>). The Professional Engineer shall meet the technical analyst qualifications listed in Volume I, Section I, Paragraph C of the LoanSTAR Technical Guidelines Program Guidebook.
- (2) Applicant agrees to complete an EAR for design-bid-build or design-build contracts, a Commissioning Report for commissioning projects, or an UAR for ESPCs within Application calendar. On or before the date listed below the applicant agrees to submit three (3) original hard copies and one (1) electronic copy of the completed EAR, Commissioning Report, or UAR to the State Energy Conservation Office (SECO). If reports are not received by SECO by the date below, the funds may be released to other applicants.

Place "x" in box below for latest date of report submittal:

- EAR/UAR can be completed in less than 100 days after Memorandum of Understanding (MOU) execution
- EAR/UAR to be completed in less than 120 days after MOU execution
- EAR/UAR to be completed in less than 140 days after MOU execution
- (3) The sole function of a Project Assessment Commitment (PAC) is to request reservation of LoanSTAR funds for an applicant during the period that the EAR, Commissioning Report, UAR are being prepared. This document shall 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

Applicant Name (printed)

Title

Applicant Signature

Date

Memorandum of Understanding

SECO MEMORANDUM OF UNDERSTANDING

RFA# BE-G10-2013

(To be used only when submitting a Preliminary Energy Assessment or Project Assessment Commitment)

Subject to the conditions listed below, execution of this Memorandum of Understanding (MOU) reserves

\$ _____ of LoanSTAR Funding for _____
(Amount) (Borrower)

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 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 Assessment Report (EAR) or Utility Assessment Report (UAR). The EAR shall be prepared in accordance with the guidelines and formats provided in the Texas LoanSTAR Program Guidebook: Guidelines, Formats, Program Requirements and Documents (<http://seco.cpa.state.tx.us/is/guidelines/>). The UAR shall be prepared in accordance with the SECO Performance Contracting Guidelines (http://seco.cpa.state.tx.us/perf-contract/docs/ESPC_Guidelines_Part5_UTILITYAssessmentReport.pdf).
- (2) The applicant's CFO certifies by signature of this document that three (3) original 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 EAR or UAR 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

State Energy Conservation Office

Applicant Name (printed)

SECO Program Manager Name (printed)

Title

SECO Program Manager Signature

Applicant Signature

Date

Date

End Date for Commitment

Loan Application Submittal Packet

- One (1) original, five (5) bound copies, and one (1) electronic copy
- Completed loan application form
- One of the following
 - Project Assessment Commitment;
 - Preliminary Energy Assessment (PEA);
 - Energy Assessment Report (EAR), Design-Bid-Build and Design-Build projects;
 - Utility Assessment Report (UAR). Energy Savings Performance Contracts; or
 - Commissioning Report for Commissioning projects.
- Project Assessment Commitment and the PEA will qualify the project for potential funding
- Approved EAR, UAR or Commissioning Report is required prior to execution of a loan agreement

Questions

- Email questions to:
 - contracts@cpa.state.tx.us
- Email Subject:
 - Notice of Loan Fund Availability (NOLFA) and Request for Application (RFA)

