

**Low-Income Energy Efficiency  
2004 Request for Proposals  
Questions and Answers**

1. **Will solar photovoltaic (PV) systems (the direct conversion of sunlight into electricity) qualify for the Low Income Energy Efficiency Grant?**

Any private, non-profit, and/or public organization may propose to improve the energy efficiency and/or reduce the energy consumption and expenditures of Michigan's low-income residents in response to this RFP. See PART 1, GENERAL INFORMATION, Paragraph I-A of the RFP, which states that, "The purpose of this Request for Proposal (RFP) is to obtain proposals from private, non-profit, and/or public organizations to improve the energy efficiency and/or reduce the energy consumption and expenditures for Michigan low-income residents." Also see paragraph II-A of the RFP, as well as the opening paragraph of the cover letter to the RFP.

2. **What determines low-income?**

Refer to the Family Independence Agency (FIA) guidelines.

3. **Does the State use a benchmark establishing minimum anticipated energy saving from improvements? If so, what is it?**

No.

4. **What does the State consider a legitimate basis for estimation of average amount of anticipated energy savings, i.e., engineering analysis software programs (please specify), consumption reduction estimates trouted by manufacturers, others?**

Combination of both with reasonable proof of application.

5. **Will the Grant pay for a heath/safety inspection (to include CO testing) with complied reports that may be performed concurrently with an energy use evaluation?**

No.

6. **With authoritative basis, the value of hard material and labor costs of improvement may be quantified against projected saving. Education and inspection fee may be a direct program cost, but does not show direct financial payback. How would the State like prospective vendors to quantify the value of Energy Conservation education as part of a capital up-grade program?**

Education is definitely helpful but very difficult to quantify. Therefore, there is preference for more direct measurable energy savings approach.

7. **Is there an assigned indirect cost rate which is used for Michigan Public Corporate Bodies?**

No.

8. **Is there a match requirement? One was not specifically designated in the proposal packet.**

No.

9. **Does the Public Service Commission have a preference for low-income renters versus low-income owners as program participants?**

The Commission is neutral.

10. **Is there an opportunity to use funds beyond the August 2005 completion date of the program? This question is posed to give the best latitude for the completion of all Low-Income Energy Efficiency Physical Improvements in the community.**

There may be an extension to individual grants. This is done strictly on a case by case basis.

11. **Copyrighted Materials (I-S). Can we be compensated if copyrights are obtained?**

No.

12. **Selected Applicant's Liability (I-T). What will be the gross and ordinary negligence standards? What are the required minimum amounts of public liability, property damage, and worker's compensation insurance that will be allowed?**

Gross and ordinary negligence is as defined by Michigan law. Required insurance should be commensurate with the scope of the project proposed and possible liability.

13. **Indemnification (I-U1). General Indemnification (1). What is referenced regarding tangible property? Is a measurable definition available?**

Tangible property is defined as real or personal property, property that is not intangible.

14. **Indemnification (I-U2). Indemnification Obligation Not Limited. What are the required policy limits for worker's disability, disability benefits, or other employee benefit acts related to this grant?**

Refer to regulations and statutes at the Workers Compensation Agency and the Unemployment Insurance Agency in the Department of Labor and Economic Growth. Websites: <http://www.michigan.gov/wca> and <http://www.michigan.gov/uia>.

15. **Indemnification (I-U3). Continuation of Indemnification Obligation. What will be the time limit for the continuation of this indemnification obligation?**

Actions brought with time limits prescribed in the relevant Michigan statute of limitations.

16. **Cancellation (I-V1). Default of the Grantee. What are the limitations regarding the cancellation? Will a specific number of days other than the range of immediate to 30 days be considered for notification to a grantee?**

No.

17. **Cancellation (I-V3). Lack of Funding. What is the appropriation period?**

October 1, 2004 to September 30, 2005.

18. **Cancellation. Criminal Offense Incident. Felonies and misdemeanors are grouped together in this section. If a staff member commits a misdemeanor and meets the legal requirements for punishment of the crime, can the grant still be maintained?**

If the staff member is a Grantee, an officer of the Grantee, or an owner of a 25% or greater share of the Grantee, the State may immediately cancel the Grant.