

Inquiries

Michigan Energy Efficiency Grant – Renewables for Local Governments (Request for Proposal dated April 7, 2009)

- Q. There is some confusion as to who the potential recipients of this grant would be. The Request for Proposal (RFP) describes the eligible organizations as, "non-profit or public" organizations. However, on p. 15, it says, "The intent is not to directly fund requests for assistance from individual local governments."**

My reading of the RFP leads me to think that you're looking for some overarching organization that may have the technical or management capability to provide assistance, using the grant, to many local units of government to purchase and install energy saving devices/equipment, and then to mount an ongoing educational campaign for the general public, and other units of government to explain and encourage the use of the devices/equipment.

I am receiving inquiries and requests from departments of our County on how to apply for the funding. I am hoping you can clear this up. Giving me an example or two of the type of organization you had in mind would be helpful.

- A. In the interest of fairness and impartiality, we cannot give specific names of organizations that might apply. Your interpretation of the RFP is correct; however, all eligible organizations are encouraged to apply and should review the Selection Criteria for further clarification.**

Also, anyone can utilize the MPSC's Michigan Renewable Energy Program (MREP) email distribution list to invite communications from eligible organizations. The MREP email distribution list is available on the MPSC's web site at: www.michigan.gov/mpsc. Simply scroll to the bottom of the page and follow the link within the box entitled "Stay Informed." Click on MPSC-MREP to subscribe to the mailing list. Using the following address: MPSC-MREP@listserv.michigan.gov, you may send an email to the MREP distribution list expressing qualifications and inviting contact from parties who are interested in completing an application for this grant.

- Q. We are currently working with a few cities in Michigan on energy efficiency. These cities are not designated as Cities of Promise. Is the RFP targeted towards developments in cities designated as Cities of Promise? How will other cities be evaluated?**

- A. All eligible organizations are encouraged to apply, and should review the RFP, Part VI, Selection Criteria for clarification.**

Q. Is there a local match required? Will applicants with a match have an advantage?

A. A local match is not required. Applicants should refer to the RFP, Part VI, Selection Criteria for clarification.

Q. How might local units of government become the beneficiaries of this project, even if they are not the grantee?

A. You may visit the MPSC web site (www.michigan.gov/mpsc) and subscribe to the MPSC's electronic distribution list(s). Scroll to the bottom of the Home page and follow the link within the box entitled "Stay Informed." The grant(s) will be awarded via a Commission Order and will also be announced in a press release. For this grant, interested parties should subscribe to the "MPSC-MIEE – Michigan Energy Efficiency Grant" distribution list.

Q. Are Indian communities eligible for this grant?

A. Please refer to the RFP, Section I-Section I-B, Eligibility Requirements, and Section III-A, Purpose.

Q. Is there a maximum or minimum grant application amount?

A. It is up to the applicant to determine the amount of funding needed based on the magnitude of the proposed project.

Q. Are feasibility studies eligible projects under this grant?

A. Please refer to the RFP, Section III-A, Purpose for eligible projects.

Q. Is there an electronic form to be filled out for this request for proposal or do we format it ourselves according to Page 23 using V-A, V-B, etc. with the Executive Summary at the beginning?

A. Applicants should format proposals according to the requirements of the Request for Proposal, Part V, Information Required from Applicants.

Q. As a Energy Design professional, who gets the tax-credit created from an energy-efficient designed and installed system for a tax-exempt organization, like a local government entity? If the design professional does, how is this done?

A. The intent of the Request for Proposal is to maximize the number of installations that government entities receive. The 30% tax credit should be utilized for this purpose to the extent possible. As a tax-exempt entity; the government agencies would not qualify, but if a private entity with federal tax liability were to show that they committed and executed funding for renewable energy technologies, then they should be able to receive this credit to reinvest in the program. For more details on the available federal and state tax credits, you may wish to check out the Database of State Incentives for Renewables

and Efficiency (DSIRE) at www.dsireusa.org. The website also provides contact information for questions regarding the specific tax incentives.

- Q. The RFP states that matching funds are not required, but also discusses the timeline for expending matched funds and lists matched funds as one of the five headings required in the proposed budget. Please clarify what percentage of matched funds the MPSC would like to see committed and when the matching funds need to be made available (e.g., at time of initial grant advance). Please also clarify what constitutes a match. For example, if the applicant proposes to use creative financing similar to Michigan Saves wherein the beneficiary pays back the costs of improvements through energy cost savings, does that constitute a match?**
- A. Please refer to the RFP, Section VI, Selection Criteria for a clarification of matched/leverage fund percentages. While matching/leverage funds may be contingent on a grant award, selected applicants should be prepared to report matched/leverage expenditures within the first two to three months of the grant term.
- Q. Please clarify the definition of “procurement transactions.” Does the definition include procurement of both goods and services? We would like to form a partnership agreement with another organization that has competencies different than ours, including more technical knowledge of energy technologies. If that partner provides general project management as well as some direct services to local governments, does that violate the competitive bidding provision?**
- A. Please refer to the RFP, Section I-P, Partner Responsibilities. Goods and services that are provided directly from the partnering organization do not require competitive bidding.
- Q. The RFP selection criteria states that points will be given for the applicant’s ability to leverage additional funding for local governments, achieve economies of scale, or utilize existing financial incentives (Part VI, #5, part C). How will the determination of “ability to leverage” be made? Do applicants need to provide evidence of other grants applied for/received or provide estimates of the amount of potential funds to be leveraged through existing incentives, bulk purchasing, etc.?**
- A. Applicants should provide as much detail as possible when discussing matched/leverage funding.
- Q. The RFP requires: “Design and coordinate a means to facilitate the successful installation and operation of small scale, on-site energy systems using renewable energy sources.” Please provide a definition of small.**
- A. It is up to the applicant to provide its definition of “small-scale” when submitting a proposal. The scale of the project will depend on many criteria and is likely to be different for different local governments.

- Q. Several private companies in the energy field approached us about partnering with them in the submission of a proposal. We have determined we are an eligible applicant and we understand that in this role, under the Prime Applicant Responsibilities clause in the RFP, that we would be the sole point of contact with the MPSC and ultimately responsible for all services offered. We would have a Project Coordinator and would carry out the development and implementation of the educational components of the project; however, the bulk of the work and the bulk of requested funds would go to the industry partners. As private companies that do this kind of work, they are proposing to carry out all of the activities required to assist the local government entities including conducting the energy audits and assisting with the selection and installation of energy systems based on these audits. Does this initiative allow for private companies, as partners, to receive this grant funding to carry out the work that they are in the business of doing.**
- A. Applicants can partner with private organizations for goods and services required for completion of the proposed grant project. Please refer to the RFP, Section I-P, Partner Responsibilities, and Section II-C, Program Income.
- Q. When partner organizations respond to Part V, Information Required from Applicant (as required in RFP, Section I-P, Partner Responsibilities), can they do so in conjunction with the prime applicant's proposal, or do they need to submit a separate proposal? What components would the MPSC like included in the partnership agreement (as required in RFP, Section I-P, Partner Responsibilities)?**
- A. The responses by partnering organizations to Part V, Information Required from Applicant, should be included in the prime applicant's proposal. It is up to the applicant to determine the terms to be included in a partnership agreement based on the role the partnering organization will play in the proposed grant project.