

Energy Retrofits for Public Buildings – Solar 2022 Q&A

Submit all questions to the RFA Coordinator at energyretrofits@commerce.wa.gov. Commerce will post answers periodically through May 19, 2022. Questions must be submitted by May 17, 2022.

Questions received through 4/11/2022

1) Q: Does this apply to personal or rental properties as well?

A: Properties owned by individuals, for-profit, or non-governmental organizations do not qualify for this program. This program provides grants to local agencies, public higher education institutions, school districts, federally recognized Tribal governments, and state agencies for publicly owned buildings. Publically owned affordable housing may qualify.

2) Q: If a Tribal Housing Authority applied, would their application be accepted? Or, would the Tribe need a Tribal resolution or something to allow the THA to apply.

A: Tribal Housing Authorities are eligible entities, if the Tribal Housing Authority belongs to a federally recognized Tribal Government.

3) Q: Currently, [a] Housing Authority is working on developing a Resource Center with community organizations in [location]. [Housing Authority] is the landlord now, however we plan on transferring the site to a community development association after rehabilitation. We are acting as a technical support through construction and as a grantee to support funding administration. This multi-resource center will provide human services such as health, education, and economic development much needed in the neighborhood, so it will be very similar to other public facilities in other neighborhood but technically not owned by a public entity but by a non-profit organization (CDA) in the long-run.

Is this project type eligible for these two funding?

A: This project does not appear to meet the primary purpose of the solicitation stated in RFA Section 1.2, because it does not result in cost savings for the public entity:

The primary purpose of grants funded under this solicitation must be to install net-metered solar photovoltaic (PV) systems connected to publicly-owned facilities, which result in cost savings for a public entity from onsite energy production.

Q: Have you ever funded a solar canopy over an existing Park and Ride lot for a Transit agency?

A: No, this program has not previously funded a solar canopy at a park and ride facility, but solar canopies are eligible. The project must still be net metered with a public facility, so there would need to be enough electricity usage onsite to use the solar generation (or aggregated meters according to utility policy). Additionally, solar canopy projects tend to cost more, so it may be less competitive than typical ground-mounted projects.

4) Q: Is a roof replacement to accommodate solar be considered an eligible expenditure? In section 3, Application Contents under 3.1.2b. It looks like it assumes we have already selected a contractor to perform the work, is that correct? In our case we won't start our procurement process until after we know whether we will get a grant. So, should I just put the name of the contractor who is helping us complete the energy production estimates?

A: Roof replacement is not an eligible expense. You do not need to select a contractor prior to completing the application. You do need to provide information about who completed the energy production estimate in question 9 and attach their qualifications.

Questions Received at 4/6/22 pre-application conference:

5) Q: Is \$59,020 State Median Income or 80% of the Median Income?

A: \$59,020 is 80% of the state median income. If your community's income is lower than that, then they would qualify. May increase later.

6) Q: If it's a vacant existing building that's not in operations but holding for rehab, does that qualify for the certificate of occupancy requirement?

A: Yes, this building would qualify, however, you will need either utility bill history or energy modeling. Please also include the extent of renovation work and timeline in the project narrative.

7) Q: Is cost/watt AC or DC?

A: We are using AC system size for all the scoring calculations, but we ask for DC system size as well. Technical evaluators will consider DC system size for general feasibility and reasonableness of cost.

8) Q: What is the average score of the award recipients last year?

A: Average (mean) score of award recipients was 52 in the Solar 2021 round. However, scoring has changed significantly in this round compared to the previous round. This opportunity is smaller, so it is likely to be more competitive.

9) Q: Even if the utility rate is \$.05kWh, we still use \$.09 for the simple payback?

A: Yes, you will use the state average utility rate as listed in the RFA (\$0.0941/kWh), not your local rates. Additionally, demand charges are not considered.

10) Q: Where/when will the information about solar equipment made in WA be posted

A: The information will be posted on the program website. The manufacturers are able to send us responses by April 15, but some responses have been received and we hope to post them this week (week of April 11).

Update: The information we received is now posted on the program website.

11) Q: How is the Made in WA Equipment scoring split between solar panels, inverters and racking?

A: We will leave that up to our technical evaluators, we have not determined a specific split. It may depend which components are included in the application pool.

12) Q: Is the grant for future solar project in planning? Is agency with project under construction eligible for the grant?

A: No, planning without constructing the project is not eligible for this grant. If the solar project is under construction, it does not qualify. Work cannot begin until the award letter is returned, at the earliest.

13) Q: Could the WA manufacturer be for just the structural component?

A: We encourage you to submit that information and the technical evaluators will determine scoring. Please include the manufacturer's information sheet for the components.

14) Q: If a facility has multiple meters, can energy credits be aggregated between meters? For example, one meter may have little to no electrical usage but be a more feasible point of interconnection.

A: Yes, aggregated meters can be included, as long as the utility's net metering policy allows the proposed aggregation. Include utility bills for all proposed meters in the application documents—we will only count usage that can be verified by submitted bills.

15) Q: For payback period, do we use the price of the entire project or just the portion of funding that will be provided by funds other than the grant? Is the grant money excluded from the calculations for the payback period?

A: Payback period is calculated using the total project cost, excluding contingency funds.

16) Q: Do we use an escalation rate for the cost of energy over time or is it fixed at the state average as it currently stands?

A: We will use the current state average for the payback calculation, with no escalation.

17) Q: If it is a solar project in construction phase this year, does the project qualify?

A: See question 13.

Questions Received at 4/14/22 pre-application conference:

18) Q: What is the Rural Community URL?

A: <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=rbs>

19) Q: How is ownership defined? I work for a nonprofit that owns and operates affordable rentals that have loans from local entities and they have liens on the properties. *Note: the local entity loan holder would submit the application, not the nonprofit

A: The owner is the property owner of record with the county.

20) Q: We can submit multiple applications for a single owner correct? Just that each application will be evaluated independently correct?

A: Yes, you may submit multiple applications with different projects, and each application will be evaluated independently.

21) Q: Can the cost for a new roof on the public building for a new solar array be included in the grant?

A: See answer to question 13.

22) Q: Can you please define previous awards? Is this Biennium or is it more than that? How long of a period?

A: Any previous solar award under this program for the history of the program will count as a previous award. Energy efficiency awards will not count. Note the program was formerly called Energy Efficiency and Solar Grants and was also previously administered by the local government division at Commerce. If you are unsure whether your organization has received an award, you may contact us to check.

23) Q: Does a project only need to meet one of the 4 priority community's criteria to be eligible for the 33% lower match?

A: Yes, a project only needs to qualify under one of the four priority community definitions to be eligible for the 33% match requirement. For example, if you qualify as rural, you are eligible for the 33% match, whether or not you qualify as lower-income, Highly Impacted, or as a Tribe.

24) Q: Right now, manufacturers and contractors are not holding prices for very long. Sometimes only a week. What happens when the price goes up by the end of July?

A: Your budget may reflect reasonable price increases above what a current quote shows, according to your expectations for price increases by the time you order equipment (likely August at the earliest). Ensure that your budget is well reasoned and well documented. Keep in mind that if your budget shows higher estimated costs, it will be less competitive. Additionally, if your final costs are lower than the budget, you will only receive the percentage of costs submitted in the budget. Your budget should reflect your best estimate for the project, so that the project is most competitive while also being feasible for you to complete.

We also recommend that you provide sufficient contingency, although Commerce does not have a minimum level nor will contingency affect your score. Contingency is not included in the match calculation nor the payback calculation, and Commerce will not reimburse for contingency costs.

25) Q: If the energy production, site plan, site photos, and equipment list are all in the proposal, can we just submit that one document?

A: You do have to upload a document for each required document in ZoomGrants, but you can submit the same document multiple times. It is helpful but not required to separate the document into the relevant sections (for example, just the pages with site photos) to upload, or to note where in the document the requested information can be found.

26) Q: Is the current list of manufactured in WA on your site somewhere?

A: See question 10.

27) Q: Do we need to have a contractor selected prior to grant award? We won't procure a contractor until we know if we get a grant

A: See question 4.

28) Q: For smaller systems it may be very difficult to meet the 35 year payback especially a 10kw to 20kw system since some of the fixed costs don't change even on a smaller system. Is there an opportunity for Commerce to review this requirements and expand on that payback maybe systems at 10kw-20kw require x payback and systems larger than 20kw require x payback. This is more realistic with the current costs we are seeing in the market

A: Thank you for this feedback, and we will take it into consideration in future rounds, but we are unlikely to change it for this round.

29) Q: How do we meet the DBE requirement, when we do not yet have a vendor and vendor selection is subject to competitive bidding (public work)

A: You must complete the DBE form (Exhibit B) but it will not affect the evaluation of the application. If you don't have a vendor selected, you may use any goals your organization has developed or estimates for the project.

30) Q: How many applications do you anticipate funding?

A: Using the average awarded system cost and size from the previous round, excluding projects that would no longer qualify, the available funding would result in 9-10 awards. This funding opportunity has about one third the funding of the previous solar round, so it will likely be more competitive. Commerce may be able to fund some projects with future funding if they apply and are not selected.

31) Q: Will buildings currently under construction that are designed to be solar ready be eligible?

A: The building has to be completed with a certificate of occupancy by the application deadline.

32) Q: Do the 12 months of utility bills have to be the most recent past 12 months or can the most recent bill be 6 months old (for example)?

A: Yes, you do need to include the most recent 12 months of bills that are available. If the most recent 12 months do not represent typical usage, then you can also include older bills from 12 month period of typical use, *in addition* to the most recent bills. In that case, you should also explain in the narrative or utility bill attachments why the recent year is different from typical years.

33) Q: So material cost increases are not a part of contingency?

A: You may include reasonable material cost increases that are likely to occur in the project cost. You should also include a contingency budget to cover additional unexpected cost increases. See question 24 for more information.

34) Q: Can your review the project requirements around multiple buildings/meters? If three buildings had solar arrays, two buildings had a meter, and the other one was metered separately, it would be ineligible?

A: You may submit one project per application, and a project is defined as either a single building (which may include multiple meters) or a single meter (which may include multiple buildings). This scenario would be two projects (two building on one meter is one project, and the one building on a separate meter is a separate project), which can be submitted as two separate applications that will be evaluated separately.

35) Q: Do you know of any grants that a roof replacement of a public building might qualify for?

A: We do not know of specific, broadly applicable grants, but you can visit <https://www.wafunddirectory.wa.gov/> to search for various programs. Specific programs may include certain areas (for example rural) or sectors (affordable housing, recreational facilities, etc.).

36) Q: I want to clarify scoring for priority communities. Applications will receive 6 points per qualifying category, up to how many points? Could you give an example?

A: An application may receive up to 24 points if the qualify for all four categories, and will receive 6 points for each category. For example, a project of a federally recognized Tribal government in a rural, lower-income and Highly Impacted community would receive 24 points.

37) Q: Will scoring alone be used to determine awards?

A: Scoring is the primary factor used to determine awards among qualifying applications. In rare cases, we may consider serious feasibility concerns, existing grants that are not in good standing, or other unusual factors that make a project unlikely to succeed or not in the best interest of the state, as determined by Commerce and the evaluators.

38) Q: If it is a solar project in construction phase this year, does the project qualify?

A: See the answer to question 12.

Questions received through 4/26/2022:

39) Q: Do Indian housing authorities qualify as an eligible applicant--a local agency independent of the federally-recognized Tribal government?

A: Yes, Tribal housing authorities which are designated by a federally recognized Tribal government qualify as Tribal governments (and will be evaluated as Tribal governments for the purpose of match, etc.). Commerce will use HUD's [list of Tribally Designated Housing Entities](#) for verification.

40) Q: In calculating the organization's match; can staff time to support the project be used as part of the match?

A: You may include reasonable project management costs in the total project cost. These costs should be reflected in the budget under Eligible Costs. Please provide additional details in the budget narrative about how project management costs were estimated if they are not reflected in the budget documentation. The total project cost will be used to calculate match, payback, and cost per watt. When you include additional project management costs, the match percentage will be higher, but the payback and cost per watt will also increase.

Questions received through 5/3/2022:

41) Q: Would staff time to directly support the project be considered an eligible source of matching funds; such as project inspection by Public Works staff; project management, etc?

A: See the answer to question 40.

42) Q: Diverse Business Inclusion Plan. Who competes this form? If the contractor has been selected would they provide the plan % ? The applicant is the Town so we compete it for all the employees of the Town and out subs?

A: This form should be completed by the applicant, describing the contractors and subcontractors the applicant will hire to complete the work. It should not describe the applicant's staff. See also the answer to question 29.

43) Q: How do I get the actual application for the energy retrofit for public buildings? The link on the webpage takes you to a document, but is there an actual separate application available to download?

A: The RFA document includes a link to the online application. Applicants will complete and submit the application in ZoomGrants. When you follow the link, you can also see a preview of the application.

Questions received through 5/10/2022:

44) Q: Could you provide clarification on how the "calculated payback" is scored in this round of grant applications? Is there a linear formula of some kind or are all the applications ranked highest to lowest and awarded the 30 points that way?

A: The project will be scored using a linear formula, with the project with the lowest payback value receiving 30 points and projects with a 35 year payback receiving 0 points. Commerce may elect to choose a different benchmark for 30 points if lowest payback value is unusually low or otherwise not representative. For reference, the lowest payback value in the previous round was 22 years, however, the market has changed significantly since those applications were submitted in August 2021.

45) Q: How would I be able to determine if [Town] would be considered a priority community? We are a rural community but shown as a 4 on the Environmental Health Disparities Map

A: A project location that meets the rural definition is eligible for the lower match, whether or not it meets Highly Impacted Community or other priority community definitions. For scoring, the project will receive 6 points for each priority community definition it meets.

46) Q: We are renting a county-owned building. Does this grant apply to our building?

A: The county may apply for the grant if the project meets the primary purpose of the solicitation:

The primary purpose of grants funded under this solicitation must be to install net-metered solar photovoltaic (PV) systems connected to publicly-owned facilities, which result in cost savings for a public entity from onsite energy production.

47) Q: Just to clarify, buildings eligible must be OWNED by the public? A 1921 building that houses businesses OPEN to the public is not eligible?

A: Yes, see answer to question 1.

48) Q: We are building new facilities at [College]. Our hope is to have them as energy efficient as possible. We have no authority or skilled staff to guide this process. Can we add an FTE position to this application so that we can have a knowledgeable person in the lead as we convert and build?

A: Staff costs are eligible expenses as defined in the RFA Sec. 1.2 and directly attributable to the project. There is no restriction on whether staff costs include a new position. See the answer to question 40.

Please note, this grant is not available for new construction; the facility must receive a certificate of occupancy prior to the application deadline.

49) Q: Will there be another round in the Fall or is the grant just starting/ending early this year?

A: This program is not currently offering solicitations at the same time each year. The current funding round may award up to \$1,261,355.92, which includes all the funds appropriated for the 2021-2023 biennia, as well as funds from past rounds that are still available. No other funding has been appropriated for this program, so any additional funding would be appropriated in future biennia.

50) Q: [Center Name] Child Advocacy Center is a 501c3 nonprofit, which does not align with the eligibility requirements for the Solar Energy Grants. However, there are three public agencies located within our Child Advocacy Center:

- Child Protective Services (DCYF)
- [County Name] Sheriff's Office, Special Investigation Unit (SIU)
- [County Name] Prosecuting Attorney's Office, Special Assault Unit (SAU)

Does having those public agencies in our building make [Center Name] eligible?

A: No, the facility must be owned by the public entity, regardless of whether eligible public entities are renting or otherwise using the facility.

51) Q: Are applications still being accepted for this grant?

A: Applications are due May 25th at 4:00PM Pacific time. No late applications will be accepted.

52) Q: We would like to install an array on a school that will finish a rebuild and reopen in a few months. One of the questions on the FAQ stated that applicants must have a certificate of occupancy and a finished building at the time of submission. I'm wondering if this is the case with our school situation. We currently have occupancy of the school where students are attending and that will be demolished this summer. We would like to install the array on the new building, which will open in August 2022. The

timing of this grant is ideal in the sense that we would be able to install the array just after the building is complete and open to students in the Fall of 2022.

A: This project is not eligible; the certificate of occupancy for the newly constructed building must be issued by the application deadline.

53) Q: Considering the Made-in-WA requirement is 6 points it is hard to walk away from. However, as you are aware there is only one manufacturer we can use and only their residential format solar panels. These panels are at a higher price point and the lower wattage of residential models necessitates more optimizers and racking that commercial format modules to install the same capacity. This significantly inflates the cost of the project, and leaves us at the mercy of any future price hikes (for reference, I've had three price hikes on that component since starting to bid this project). Do we have the ability to submit 2 options to the DoC, one using Made-in-WA panels and one using BAA compliant panels? While still restrictive, there are far more options in the market at better price points if only BAA compliance is required. The judgement that is hard to make here is whether the significant cost savings from buying outside the WA market is worth 6 points or more. If both options were presented the DoC could make the decision on which project they would rather fund.

A: Commerce is unable to consider and score alternative scopes for the same project. However, if manufactured in Washington equipment is proposed and later becomes unaffordable, the grantee may request a scope change to use non-Washington made equipment. Commerce may rescore the project with the proposed scope change at that point, to determine whether non-Washington equipment may be substituted.

Please also see the answer to question 44 for more information on how payback value will be scored.

54) Q: Would you like us to use the warranted degradation of the solar panels per the datasheets when calculating the cost recovery period?

A: No, do not include degradation in calculating payback, nor other factors not mentioned in section 4.2 of the RFA.

55) Q: We have a ~100 kW solar installation project that we are hoping to install in the next year. The project in mind would be at a new facility of ours that is being constructed to be solar-ready, but it will not open until later this year. I believe we will be applying for occupancy in August or September. In reading through the RFA project requirements, it sounds like this project would not qualify due to this, but I wanted to just email to make sure I was understanding correctly?

A: Correct, see answer to question 52.

Questions Received through 5/17/22

56) Q: As long as we wait to start the installation until the award date (if we receive the grant), then we should not run into any issues receiving the entirety of the award?

In a previous conversation, I heard that expenses incurred prior to executing the contract are at our own risk and it may take another few months to start the contract. What contributes to increased risk in beginning an installation in between the award date and contract start? Is it possible to know if this risk could be eliminated with a project?

A: The earliest date expenses can be reimbursed is the award date, however, there is no guarantee that Commerce will be able to reimburse expenses prior to contract execution. “At your own risk” means that Commerce is under no obligation to reimburse expenses until the contract is executed, so the grantee is taking on the risk that they will not be reimbursed, and all other contract terms do not go into force until the contract is executed.

Also be aware that the award date is estimated, and there are various reasons the decisions may be delayed. Awards are also contingent until any protests have been resolved, a process that can take several weeks or more.

Additionally, “expenses incurred” includes design work, ordering equipment, etc. that is under contract and completed prior to the award, even if the grantee does not pay these expenses until after the award date. The grantee must also comply with Executive Order 21-02 before beginning any onsite construction work, which includes providing up to 30 days for Tribes to respond.

57) Q: Could a roof replacement & solar panel reinstallation on a new metal roof be a qualifying Emergency Repair Application?

A: The emergency repair project refers to another grant, the State Project Improvement Grants, which does not fund solar. Under this program, only new solar installations may be funded.

58) Q: [Applicant’s] Maintenance Office at [Address] was constructed in 1975 and has some issues of its own (roof leaks & metal siding corrosion), and I am hopeful it will be eligible for an emergency repair or standalone grant to make the following improvements:

- replace the original windows with energy efficient windows
- replace the fairly flat metal roof with a roof that has greater pitch
- install solar panels on a new roof
- replace existing siding and increase insulation within the exterior walls

A: The solar panel installation is eligible for this grant program, but not the other elements of this project. Some other elements may be eligible for the Energy Efficiency grant program.

59) Q: After reviewing Commerce's RFA, we see that 24 of the available 95 points (25%) are given to 'Projects Located in Priority Communities'. In reading Commerce's definition, this is either a Highly Impacted Community, a Lower Income Community, a Rural Community, or Tribal Lands. For our application, the campus location would not qualify as a Priority Community. Would this mean we would receive 0 of 24 available points or can we make a case that our location should be considered a Priority Community?

A: The Priority Community is determined by the site location (or applicant type, for Tribes) only, so if your site is not in those locations, you will not receive any points under the Priority Community criteria. If your project will benefit and/or engage vulnerable communities (which is not defined by geography, see definition in Section 1.7 of the RFA), you may discuss those benefits in questions 32 and 33 and receive up to 6 points.

60) Q: We are planning to submit an application for [High School]. For question #4, does our previous solar project at [Elementary School] under the Energy Efficiency and Solar program count as having received funding "under this grant program in the past"?

A: Yes, previous solar project at the elementary school counts as having received funding under this program in the past.