

# Clean Energy Fund Building Electrification Grant Program

Pre-Application Conference 1

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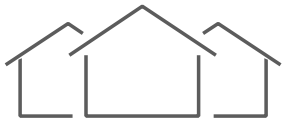
10/24/2022



Washington State  
Department of  
**Commerce**

# We strengthen communities

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**HOUSING  
HOMELESSNESS**



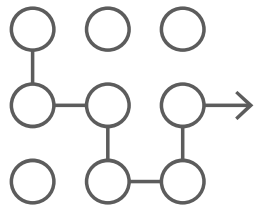
**INFRASTRUCTURE**



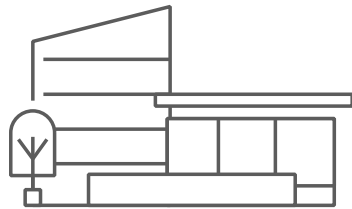
**BUSINESS  
ASSISTANCE**



**ENERGY**



**PLANNING**



**COMMUNITY FACILITIES**



**CRIME VICTIMS &  
PUBLIC SAFETY**



**COMMUNITY  
SERVICES**

# Conference logistics

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- This webinar is being recorded
- Please mute your microphones
- Submit questions via text chat during the presentation
- Answers to questions, slides and the recording will be posted to the program webpage:  
<https://www.commerce.wa.gov/growing-the-economy/energy/clean-energy-fund/building-electrification-grant/>
- Confirm attendance: Name and organization to [cef@commerce.wa.gov](mailto:cef@commerce.wa.gov)

# Conference agenda

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- Program and solicitation overview
- Minimum qualifications
- Application
- Funding and awards
- Program timeline
- Q&A

# Overview



# Program overview

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- **Advance the goals of the 2021 State Energy Strategy**
  - Decarbonize the buildings sector
- **Desired outcomes include:**
  - Reducing greenhouse gas emissions from buildings
  - Accelerating the path to zero-energy buildings
  - Demonstrating early adoption of grid integration technology
- **Eligible projects include but are not limited to:**
  - Shifting from fossil fuels to high-efficiency electric heat pumps and other electric equipment
  - Control systems that enable grid integration or demand control
  - On-site renewable generation and efficiency measures that significantly reduce building energy loads

# Program objectives and scope of work

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- **Building electrification projects that:**
  - Demonstrate innovative approaches to deploying and increasing access to grid integration technology
  - Reduce energy use and greenhouse gas emissions from new and existing residential and commercial buildings
  - Advance technology solutions to accelerate the deployment of zero-energy, all-electric buildings
  - Support the integration of distributed energy resources

# Program project tracks

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- Applications will be evaluated under two tracks
  - Grid-Interactive Buildings
  - Electric Equipment and Fuel Switching
- Each applicant can only submit **one** application for a Track 1 project and **one** application for a Track 2 project
- See RFA Section 1.2 for more information



# Program project tracks

Track 1: Grid-Interactive Buildings	Track 2: Electric Equipment and Fuel Switching
<ul style="list-style-type: none"><li>• Install grid-interactive control systems that allow building or electric grid operators to reduce, shift or modulate building energy use</li><li>• Must partner with the local retail electric utility to demonstrate, or enroll in, a grid-integration utility program</li><li>• New or existing buildings</li></ul>	<ul style="list-style-type: none"><li>• Install high-efficiency electric heat pumps or other equipment to replace or reduce use of existing fossil fuel systems or inefficient equipment or systems</li><li>• Projects may install other measures to reduce energy use to accompany high-efficiency electric equipment or systems</li><li>• Existing buildings</li></ul>

# Program project tracks – eligible expenses

Track 1: Grid-Interactive Buildings	Track 2: Electric Equipment and Fuel Switching
<ul style="list-style-type: none"><li>• Grid-interactive control systems and other smart technologies</li><li>• Labor costs to install, commission or distribute such technologies</li><li>• Defined percentage of program administration costs for program administrators</li></ul>	<ul style="list-style-type: none"><li>• High-efficiency electric equipment or systems</li><li>• Other measures to reduce energy use to accompany high-efficiency electric equipment or systems</li><li>• Labor costs to install, commission or distribute such equipment and technologies; or decommission or remove existing equipment</li><li>• Defined percentage of program administration costs for program administrators</li></ul>

# All track requirements

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- Grants funded under both tracks **must** meet the following:
  - Projects completed within 24 months of execution of the contract
  - Provide workforce development opportunities
  - Submit rent increase schedule for applicants with low-income tenants
  - Provide all tenants with information about the project and the option to opt out or receive mitigation if energy costs increase

# All track priorities

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- **Commerce prioritizes projects that achieve the following:**
  - Reduce energy burden
  - Located in highly impacted communities
  - Reduce GHG emissions – reduce cost per ton of GHG emissions
  - Demonstrate meaningful community engagement or co-creation
  - Include letter of support from a low income weatherization program
  - Demonstrate hard-to-electrify technology solutions, new technology or other innovative approaches
- **See RFA Section 1.2 for more information**

# All track ineligible activities

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- Fleet electrification or standalone EVSE
- Energy efficiency measures or on-site renewable energy systems that are not installed as part of the minimum scope of work
- Acquisition or development of off-site renewable energy systems or purchasing RECs or carbon offsets
- Project site acquisition or selection activities
- Grant proposal development for future state or other funding applications

# Minimum Qualifications



# Who can apply?

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- **Primary eligible applicant must be one of the following:**
  - **Building owner or tenant** of a multifamily residential or commercial building
    - Tenants must occupy at least 50% of the units or gross square footage of the building, with a letter of support from the building owner
    - Owner or tenant must not participate in a program administered by another eligible applicant receiving funding under this solicitation
  - **Program administrator** serving multiple retail electric utility customers in Washington

# Who can apply?

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- **Building owner or tenant includes:**

- State and local government
- Federally recognized tribal government
- Housing authority
- 501(c)(3) non-profit
- For-profit company
- Individual owner of multifamily residential or commercial building

- **Program administrator includes:**

- 501(c)(3) non-profit
- Local government
- Federally recognized tribal government
- Housing authority
- Retail electric utility



# Who can apply?

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- **Licensed to do business in the state of Washington**
  - Commit to becoming licensed within 30 calendar days of selection as the Apparently Successful Grantee
- **In good standing with all applicable federal, state and local laws and requirements, including with Commerce**
- **See RFA Section 1.3 for definitions**

# Minimum project qualifications

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- Located at one or more new or existing single-family, multifamily, or commercial buildings owned or leased by an eligible applicant located in Washington
  - Include at least 50% of the total units or gross square footage
- Administer a program that serves multiple retail electric utility customers in Washington
  - Work performed at one or more new or existing single-family, multifamily, or commercial buildings

# Minimum project qualifications

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- Projects proposed for existing buildings must agree to not increase rents for existing tenants due to improvements funded by this program
- Demonstrate commitment to completing the minimum scope of work for the corresponding application track, as defined in RFA Section 1.2

# Minimum qualifications and your application

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- All of the listed minimum qualifications must be met to advance to application scoring
- Application must be complete with all mandatory attachments and complete the application form for your application track
- See RFA Section 1.3 for more information

# Application



# Overview

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- Due by **4 p.m. January 9, 2023**
- Submitted via email (PDF or Word) to the RFA coordinator at [cef@commerce.wa.gov](mailto:cef@commerce.wa.gov)
- Application materials available on the program website
- Please review RFA Section 2.4 for more information

# Application contents

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Mandatory	Optional	Scored
<ul style="list-style-type: none"><li>• Must be included in the application</li></ul>	<ul style="list-style-type: none"><li>• Not required, but some materials are scored as part of the evaluation</li></ul>	<ul style="list-style-type: none"><li>• Awarded points as part of the application evaluation</li><li>• Both Mandatory and Optional materials</li></ul>

Refer to RFA Section 3 for a complete list of application contents

# Application contents

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- **Applicant summary**
  - Information about the applicant and proposed subcontractors
- **Project summary**
  - Information about the proposed project
- **Technical proposal**
  - Technical information, including emissions reductions
- **Equity narrative**
  - Energy burden reduction, community engagement and rent provisions
- **Management proposal**
  - Work plan, estimated schedule and risks
- **Cost proposal**
  - Match, identification of costs and budget narrative



# Application contents

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- **Additional documents**
  - Certifications and assurances (Mandatory)
  - Diverse business inclusion plan (Mandatory)
  - Workers' rights certification (Mandatory, Scored)
  - Project site information (Mandatory, Scored)
  - Partner letters of support (Optional, Scored)
  - Owner's letter of support (Mandatory, Not scored)
  - Letter from retail electric utility (Mandatory) (*Track 1 only*)
  - Low-income weatherization program provider letter of support (Optional, Scored)
  - OMWBE Certification (Optional, Not scored)
- **See RFA Section 3 for more information**

# Equity narrative

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- **Describe how the project ...**
  - Reduces energy burden, including specific project cost figures dedicated to priority communities
  - Meaningfully addresses barriers to equity and inclusion in adoption of building electrification technology
  - Provides workforce development opportunities during and after project deployment
  - Has or will engage priority communities
- **Applicant agrees to not increase rents for existing tenants**
- **Tenant provisions to mitigate increases to tenant energy costs**

# Evaluation of applications

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- **Policy priorities**
  - Commerce prioritizes project that align with state policy goals
- **Workers' rights certification**
  - 3% bonus to overall score
- **RFA sections**
  - Policy Priorities – Section 1.2
  - Scoring Criteria – Section 4.2

## Scoring categories:

Category	Points available
Equity & Energy Burden Reduction	120
Technical Innovation	60
Emissions Reductions	90
Management Proposal	40
Total Points Available	310

# Funding



# Available funding

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- **\$9.7 million total across both tracks**
  - \$4,850,000 initially reserved for Track 1
  - \$4,850,000 initially reserved for Track 2
  - Commerce may choose to allocate funding for one track to the other if funding remains after reviewer recommendations
- **Only 1 award per applicant per application track**
- **Minimum award: \$50,000 / Maximum award: \$1 million**
  - Applications not within these amounts will not be evaluated
- **Refer to RFA Section 1.4 for more information**

# Match

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- Applicants must have minimum match funding from other, non-state sources
  - Program administrators may use program participant matching funds
- Match funds must be secured before contract execution
- Commerce will adjust the award to meet the minimum match requirements

# Match

- Reduced match based on the percent of total project costs dedicated to reducing energy burden for priority communities, low-income/affordable housing, low-income households, or organizations or businesses serving these populations

Eligible applicant	Match ratio	Match based on percent of total project costs dedicated to energy burden reduction		
		Match ratio with 10% - 25%	Match ratio with 26% - 75%	Match ratio with more than 75%
Federally recognized tribal government	1:10	1:10	1:10	1:10
K-12 public school districts (local government)	1:5	1:5	1:5	1:10
All other eligible applicants	1:3	1:4	1:5	1:10

# Estimated timeline

Question & answer period	Oct. 17 – Dec. 19, 2022
Answers to Q&A posted	Weekly, through Dec. 23, 2022
Pre-Application Conference 1	2 p.m. PST Oct. 24, 2022
Pre-Application Conference 2	10 a.m. PST Nov. 1, 2022
<b>Applications due</b>	<b>4 p.m. PST Jan. 9, 2023</b>
Evaluate applications	Jan. 10 – Feb. 21, 2023
Conduct oral interviews with finalists, if required	Scheduled as needed
<b>Announce “Apparent successful grantees” and send notification via e-mail to unsuccessful applicants</b>	<b>Feb. 28, 2023</b>
Hold debriefing conferences (if requested)	Feb. 28 – March 7, 2023
Negotiate contract	March 13 – June 30, 2023
<b>Begin contract work</b>	<b>No later than June 30, 2023</b>



# Conclusion

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- Refer to the Request for Application (RFA)
- Program website
  - Weekly Q&A updates
  - Webinar recording
  - Application materials
- Submit questions to RFA Coordinator at [cef@commerce.wa.gov](mailto:cef@commerce.wa.gov)
- Applications due 4 p.m. January 9, 2023

**Questions?**



# Thank you!

Aaron Dumas

PROGRAM MANAGER

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Department of  
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