

**FEMP “AFFECT FOA” for Assisting Federal Facilities with Energy Conservation Technologies (AFFECT)
Webinar Transcript
November 12, 2013**

[Speaker: Courtney Kendall]

Slide 1: Good afternoon, my name is Courtney Kendall from the National Renewable Energy Lab and I'd like to welcome you to today's webinar on the FEMP “AFFECT FOA” for Assisting Federal Facilities with Energy Conservation Technologies. We're excited to have you with us today!

We'll give folks a few more minutes to call in and log on, so while we wait I will go over some logistics and then we'll get going with today's webinar.

I want to mention that this webinar will be recorded, and everyone today is on listen-only mode. You have two options for how you can hear today's webinar. In the upper right corner of your screen, there is a red arrow. If you click on it, it opens a box that says “Audio Mode” – this will allow you to choose whether or not you want to listen to the webinar through your computer's speakers or a telephone. As a rule, if you can listen to music on your computer, you should be able to hear the Webinar. Select either “Use telephone” or “Use mic and speakers”. If you select “Use telephone” use the telephone number listed when you log in or it is in the box with a specific audio PIN you should use to dial in. If you select “Use mic and speakers” you might want to click on “Audio Setup” to test your audio.

We will have a question and answer session at the end of the presentation. You can participate by submitting your questions electronically during the webinar. Please do this by going to the questions pane in the box showing on your screen. This is accessible by clicking the red arrow again, and the questions box is in the list. You can open it to type in your questions that you have during the course of the webinar. Our speakers will address as many questions as time allows after the presentation.

Before we get started with today's presentation, I'd like to introduce David Boomsma. He will be presenting the webinar today. David is a Senior Program Analyst for Federal Energy Management Program within the U.S. Department of Energy. He has a Ph.D. in Economics with over 20 years of experience in the field of energy. In the past 10 years, David has focused on the deployment of clean energy technologies which include four years with the FEMP program. He specializes in providing technical assistance for clean energy management at Federal agencies.

Also with us today is Brad Gustafson. Brad is the supervisor for the Federal Energy Management technical services and grant programs. Brad has 20 years of experience providing engineering services for the Federal government. He is a licensed Professional Engineer and a LEED Accredited Professional. Brad will be available to answer questions at the end of the webinar.

Now let's go ahead and get started with today's presentation.

David...

[Speaker: David Boomsma]

Slide 2: Thank you Courtney for that introduction. I'm David Boomsma. Myself and Brad Gustafson will be your go-to experts for this FOA which is entitled Assisting Federal Facilities with Energy Conservation Technologies – AFFECT is its acronym. It will provide direct funding to U.S. Federal agencies for the development of combined heat and power or renewable energy capital projects at agency facilities.

Slide 3: The FOA was issued on November 5th, and there are two important deadlines. December 10th for the letter of intent, and February 18th for the application deadline, both at 5:00 p.m. Eastern Time. The award notification will be on April 29th, 10 weeks after the application deadline.

Slide 4: The EERE exchange website, the first link shown here, is the portal you must use to submit your application. The second link on this slide is the User's Guide, and I highly recommend you review it to make the process easier.

Slide 5: The funding available is \$5 million. The number of awards will depend on the award size. Also, the individual awards will vary between approximately \$50,000 and \$1,000,000, with a typical award size of \$500,000 of a large project.

Slide 6: This slide has three items to note: 1) The grants are awarded through interagency funding agreements. 2) The grantees have two years to meet the final deliverable. 3) Only U.S. Federal agencies or sub-agencies are eligible to apply for funding under this FOA. Please note that a domestic or overseas facility (existing or new) must be owned by the U.S. Federal government to be eligible.

Slide 7: This slide covers additional grant award information. The AFFECT grant applicant must provide at least 50% of the total allowable costs for the project. This is referred to as cost leveraging, or as some call it matching funds or cost sharing. For example, the sum of the EERE share and the recipient share of allowable costs equals the total allowable cost of the project. Leveraged funds may come from either Federal or non-Federal sources. Private sector cost leveraging through an alternative financing mechanism—such as an ESPC or UESC contract—is strongly encouraged. The applicant may submit multiple applications, provided that each application describes a unique and distinct project. The AFFECT FOA will provide direct funding to U.S. Federal agencies only, for the development of CHP or renewables at agency facilities.

Slide 8: The letter of intent is due on December 10th, 2013. The letter will be used by EERE to plan for the merit review process. The letter will not be used for down-selection purposes and does not commit an applicant to submit a full application.

Slide 9: The letter of intent can only be one page, and it must have all of the information listed on this slide including, project title, project location(s), lead organization, anticipated project budget (EERE and Cost Leverage), anticipated project duration, the project team (including the principal investigator or PI for the applicant, key participants like individuals who contribute in a substantive, measureable way to the execution of the proposed project), technical topic or area, and the abstract. The abstract provided must be no longer than 200 words in length, and must provide a truncated explanation of the proposed project.

Slide 10: The "Full Application" is due on February 18th, 2014, at 5 p.m. Eastern Time. This is 15 weeks after the November 5th release, or 14 weeks from today.

Slide 11: This is a list of all application content requirements, and I will detail the 5 sections in the upcoming slides. The five sections include project narrative, the SF-424 form, the life-cycle cost analysis calculation, letters of commitment with one page maximum per letter, and cost leverage verification with one page maximum per letter.

Slide 12: The project narrative. Formatting of the narrative must be submitted in Adobe PDF format, with specific detail provided on pages 12 and 13 of the FOA. The Narrative must be a maximum of 10 pages, including cover page, charts, graphs, maps, and photographs. EERE will disregard any additional pages. The narrative must also include the control number on each page and be single spaced. The control number is issued after the letter of intent is submitted.

Slide 13: The project narrative must contain all information in the table on pages 15-17. There are four parts to the project narrative, with the first two on this slide. On the cover page, the applicant must provide the project title, topic area, lead organization, project location, principal investigator (PI) and team members, project budget (EERE and cost leverage), project duration, and any statements regarding confidentiality on this page.

The project description must demonstrate viability; include background, technical overview and economic overview; and demonstrate impact.

Needs to include a sentence each on the below:

1. In background , that application should identify an established, well-defined baseline/current system
2. In tech overview, application should explicitly identify targeted performance improvements and economic benefits to the baseline system and critical success factors.
3. In economic overview, the lifecycle cost effectiveness and proposed cost leveraging should be identified.
4. Impact would include the direct and indirect impacts that this project would have on similar follow-on efforts at other Federal facilities.

Slide 14: The proposed work plan of the project narrative must fully describe how the applicant will achieve the project objectives. It is essentially the scope of work. It must provide a clear, concise description of all activities to be conducted over the period of performance. A complete work plan will contain the following information:

- A final deliverable statement
- An approach to execute the project including naming as many partners as possible
- Describe action items and verifiable metrics that demonstrate performance, progress and completion
- Break action items into tasks, subtasks and intermediate milestones
- The proposed work plan can be found on pages 16and 17 of the FOA.

Slide 15: The fourth and final section of the project narrative is the team and resources section. The applicant must describe the project team's qualifications, expertise, equipment, and/or facilities that will facilitate the successful completion of the proposed project. The description must clearly and succinctly describe:

- The applicant's capability to successfully complete the project on time and to specification. This section should also include previous work efforts and how these enable the applicant to achieve the project objectives.
- This section should describe the site infrastructure, resources, facilities, and equipment necessary for project implementation, including whether the site is ready as-is or requires modifications or upgrades.
- A description of the project team and letters of commitment for any project partners should be attached. Letters of commitment must be included as a separate attachment per Section IV.C.1. Inclusion of a management plan and organizational commitment letter are also required.

Slide 16: Only the SF-424 is needed. This particular FOA does not require the SF-424A or SF-424C. This is a mandatory form.

Slide 17: For a project to be considered, the Life Cycle Cost Analysis must adhere to 10 CFR 436, Subpart A, which is the first link on this slide. The link guides applicants to "established a methodology and procedure for estimating and comparing the life cycle costs of Federal buildings, for determining the life

cycle cost effectiveness of energy conservation measures and water conservation measures, and for rank ordering life cycle cost effective measures in order to design a new Federal building or to retrofit an existing Federal building.”

This first link on this slide (<http://www.law.cornell.edu/cfr/text/10/436/subpart-A>) lays out a methodology to do a Life Cycle Cost Effectiveness and is required for any federal project.

The second link on this slide is the link applicants MUST use for the Building Life-Cycle Cost (BLCC) software program or equivalent - https://www1.eere.energy.gov/femp/information/download_blcc.html.

Slide 18: Letters of commitment from the applicant’s organization are required. Examples include a senior management or a site manager. If a project is far along, then we want letters from the ESCO or other external partners in the project, if available. Keep letters to one page; include the control number and the applying lead organization’s name on the letter.

Slide 19: Leveraging for your application should be the total cost of developing the project minus the EERE grant. Leveraging must be a minimum 50% of total estimated project cost, but greater cost sharing will factor into the merit review. See the section on Economic Overview of the FOA on page 16. For example, the sum of the EERE grant and the recipient share of allowable costs equal the total allowable cost of the project. Leveraged funds may come from either Federal or non-Federal sources. Private sector leveraging through an ESCO or a UESC contract is strongly encouraged.

Slide 20: The next four slides will define the merit criteria as found on pages 18-20 of the FOA. The criteria includes, project impact, cost leverage and budget, technical and economic merit, and the project management plan.

Slide 21: Project impact is weighted at 30%. Projects will be evaluated on the terms of its merits but also on the ability of the project to be conducive to a broader adoption at other Federal facilities, to impact energy efficiency thinking at other Federal facilities, and to move the site or agency toward achievement of energy-related goals.

Slide 22: Cost leveraging, weighted at 25% will be selected based on the extent and efficiency with which the project leverages EERE funds under this award with committed agency-appropriated funds and/or financing from other non-Federal sources. The budget will be evaluated on its reasonableness and appropriateness, and on the impact that EERE funding would have on the proposed project.

Slide 23: The project management plan will be weighted at 20%. The specific weighting will be based on the scope of work or how each project is approached and proposed, the team value, and the project resources.

Slide 24: The technical and economic merit section will be weighted at 25% and based on the ability of the project to describe and analyze its projected probability of success by describing the site, the baseline systems, and the project history or current status. The economic benefit as compared to the current baseline system and the energy cost savings with supporting data, reasonable assumptions, and discussion of prior efforts that support the validity of the project. An adequate life-cycle cost analysis, and, the key project risk areas and the strategies to address them.

Slide 25: Project performance targets start on page six of the FOA. Much of this is covered in other parts of FOA, but we want to emphasize the following five components. The list here will be partially defined in upcoming slides:

- Final Deliverable
- Project Reviews
- Project Schedule
- Project Impact
- Life-Cycle Cost Analysis
- Bundled Projects

Slide 26: It is important to note that funding is based on the demonstration of the final deliverable. Funding will not be released until the final deliverable is achieved to the satisfaction of EERE. Also, if the final deliverable is not met, the award may be terminated.

Slide 27: It is important to distinguish between the final deliverable and the actual work. The final deliverable should occur prior to the actual installation, construction and operation of the project. The deliverable is defined as getting a project under contract or assigning a task work order. A final deliverable may include an equipment purchase order; or the receipt, review or acceptance of a final proposal. Note that final negotiations of an accepted proposal will determine and define the deliverables.

Slide 28: Another performance target is project schedules. Schedules should be challenging and achievable. Overly aggressive and unrealistic schedules should be avoided since awards may terminate or be cancelled if not on schedule. On the other hand an overly conservative schedule is discouraged...the project must be timely. The project schedule will be finalized during award negotiations and must be achievable.

Slide 29: On this slide, we discuss the project impact. Projects must demonstrate that the experience gained through the proposed project will serve as an example that can lend itself to similar efforts at other Federal sites. Projects will be evaluated on the merits of the proposed project and the ability of the project technology and lessons learned to be utilized at other Federal sites. Projects must demonstrate how lessons learned can be applied to future projects.

Slide 30: That concludes our presentation on the FEMA AFFECT grant application. We will have a question and answer session now, but first let me bring your attention to this slide that has two sources for you. If you have questions about this FOA, email us at AFFECT@go.doe.gov. This mailbox will be monitored daily and you will have a response within three business days.

If you have problems with the application website, send an email to EERE Exchange-Support at hq.doe.gov.

[Speaker: Courtney Kendall]

Slide 31: That is all the time we have today for our Q&A session. We would like to thank our speakers David Boomsma and Brad Gustafson for their time today. I would also like to extend a special thank you to FEMP at DOE for making this webinar on the Funding Opportunity Announcement happen. We will be posting the presentation slides and audio on the Department of Energy FEMP webpage.

This concludes today's webinar. Thank you for attending and goodbye!