

FOCUS ON ENERGY REQUEST FOR PROPOSALS

Commercial & Industrial Competitive Incentive RFP 2021 & 2022 Completion

Proposal Template

Proposal Submission Deadline: Friday, July 16, 2021 at 5:00 p.m. CDT

RFP Release: Friday, June 4, 2021

Focus on Energy is accepting proposals as part of its Commercial & Industrial Competitive Incentive Request for Proposals (RFP). This RFP is available exclusively to commercial and industrial customers in need of financial support to complete natural gas and/or electric savings projects in 2021 and 2022. Applicants should work directly with an Energy Advisor to submit an RFP. Email business@focusonenergy.com if you are not currently working with an Energy Advisor.

Customer Eligibility Requirements

- Project site must be served by a participating Focus on Energy utility.
- Schools, government, and agriculture customers are not eligible.
- New construction projects are not eligible, however projects related to increased production may qualify.

Project Eligibility Requirements

- Project payback must be between 1 to 12 years.
- Requested incentive cannot exceed 100% of the total project cost.
- Annual energy savings must be at least 4,000 MMBtu. The energy savings can be electric, natural gas, or a combination of both. Gas-saving projects with an electric penalty must consider the reduction toward total MMBtu savings.
- Retrocommissioning and renewable energy projects are not eligible.
- An authorized decision maker is required to sign the Program Impact Questionnaire.
- Projects already approved or submitted for preapproval review by Focus on Energy are not eligible.
- Project must be completed, and all completion paperwork received, no later than December 2, 2022.
 - *Completion paperwork should include a signed Project Completion Notice, final invoices and acknowledgment from the Energy Advisor confirming the project has been completed.*
- **A 25% incentive reduction will be incurred if the project is not completed by Estimated Completion Date provided in the Customer and Project Information form**
 - *Project incentives will be cancelled if completion paperwork is not received by February 24, 2023, regardless of project installation status.*
 - *An exception may be considered under mitigating circumstances, but the 25% incentive reduction will be applied.*

PROPOSAL SCORING

A total of 100 points is possible. Cost effectiveness, savings potential, Focus on Energy impact, and the project completion timeframe will be considered as part of the proposal scoring process. See Appendix A for a project example.

| Table 1: Evaluation Criteria | |
|-------------------------------|-----------------|
| Evaluation Criteria | Possible Points |
| Cost Effectiveness (\$/MMBtu) | 40 |
| Savings Potential (MMBtu) | 30 |
| Focus on Energy Impact | 20 |
| Project Completion | 10 |
| Total | 100 |

1. Cost Effectiveness (40 Points)

| Cost Effectiveness Structure | | | | | |
|------------------------------|-------|---------------|--------------|-------------|------|
| \$/MMBtu | ≥\$15 | \$12 to <\$15 | \$9 to <\$12 | \$6 to <\$9 | <\$6 |
| Point Value | 20 | 25 | 30 | 35 | 40 |

2. Savings Potential (30 Points)

| Savings Potential Structure | | | | |
|-----------------------------|---------|-------------------|-------------------|----------|
| MMBtu Savings | <10,000 | 10,000 to <15,000 | 15,000 to <20,000 | ≥ 20,000 |
| Point Value | 15 | 20 | 25 | 30 |

3. Focus on Energy Impact (20 Points)

- A. Implementation likelihood without Focus on Energy incentive (5 pts)
- B. Percentage of total project cost offset by requested incentive (5 pts)
- C. Ability to continue operations without project (5 pts)
- D. Capital budget available for project (5 pts)

4. Project Completion (10 Points)

Projects committing to completion by June 30, 2022 will receive 10 pts.

A timeline identifying dates for key project activities, such as securing financing, ordering equipment, installation, and system commissioning and verification, must be submitted for projects committing to a June 30, 2022 completion date.

APPLICATION SUBMISSION CHECKLIST

Your submittal must contain the following items. Applications received incomplete may be disqualified.

- Customer and Project Information form
- Program Impact Questionnaire
- Supporting Documentation:
 - System specifications
 - Calculation of energy savings, including assumptions (Excel format preferred)
 - Project cost estimate (include vendor proposals/quotes if available)
 - Signed Utility Release Form OR 12 months of utility billing history
 - FOR PROJECTS COMPLETING BEFORE JUNE 30, 2022** - Project timeline for key activities including internal funding approval, equipment ordering, and installation start/end dates.
 - FOR CUSTOMERS EXCEEDING \$400,000 IN INCENTIVES FOR PROJECTS COMPLETED IN 2022** - Comprehensive list of projects to be completed in 2022 including project type, estimated incentive amount, and estimated completion date.
- Submit all required paperwork to business@focusonenergy.com

CUSTOMER AND PROJECT INFORMATION

Complete the information below, including signature by an authorized company representative.

| | | | | | | |
|---|----------------------|--|---|--------------------------|-------|--------------------------|
| <i>Applicant</i> | Applicant's Name | | Tax Identification Number (9-digit FEIN or SSN) | | | |
| | Tax Classification | <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Individual <input type="checkbox"/> Single Member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other <input type="checkbox"/> LLC - Classification - ____ (C - Corp, S - S Corp, P - Partnership) | | | | |
| | Site Address | | | | | |
| | City | | State | Zip | | |
| | Electric Provider | | Electric Acct. #s | | | |
| | Natural Gas Provider | | Natural Gas Acct. #s | | | |
| <i>Customer Primary Contact and Mailing Address</i> | Name | | | | | |
| | Address | | | | | |
| | City | | State | Zip | | |
| | Phone | | Email | | | |
| <i>Technology</i> | Lighting | <input type="checkbox"/> | Compressed Air | <input type="checkbox"/> | HVAC | <input type="checkbox"/> |
| | Process | <input type="checkbox"/> | Heat Recovery | <input type="checkbox"/> | Other | _____ |
| <i>Scope of Work (attach separate document if necessary)</i> | | | | | | |

| | | | |
|--|---|---|--|
| Project Energy Savings | <i>Electric</i> | a) Current electric usage (base usage) (kWh/yr) | |
| | | b) Estimated electric usage after completing project (kWh/yr) | |
| | | c) Electric savings or penalty (a - b) (kWh) | |
| | <i>Natural Gas</i> | d) Current natural gas usage (base usage) (therms/yr) | |
| | | e) Estimated natural gas usage after completing project (therms/yr) | |
| | | f) Gas savings or penalty (d - e) (Therms) | |
| | <i>Total</i> | g) Electric MMBtu Equivalent (c x 0.003412) | |
| | | h) Natural Gas MMBtu Equivalent (f x 0.10) | |
| | | i) Total MMBtu Savings (g+h) (Must exceed 4,000 MMBtu to qualify) | |
| Project and Incentive Summary | Total Requested Incentive | | |
| | Total Project Cost | | |
| | % of Project Cost Covered (<i>Total Project Cost / Total Requested Incentive</i>) | | |
| | <input type="checkbox"/> 0-25% (2 points) <input type="checkbox"/> 26-50% (3 points) <input type="checkbox"/> 51-75% (4 points) <input type="checkbox"/> 76-100% (5 points) | | |
| | Estimated Completion Date | | |
| | If awarded the requested incentive, I expect to receive more than \$400,000 from Focus on Energy in the year this project is complete. <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| <i>If yes, include a list of all projects planned for 2022 with the estimated incentive(s) to be considered as part of your application.</i> | | | |
| Authorized Signature | Signature | Date | |

Vendor/Trade Ally Information (Optional)

| | |
|-----------------|--------|
| Contractor Name | |
| Address | |
| City | County |
| State | Zip |
| Phone | Fax |
| Email | |

PROGRAM IMPACT QUESTIONNAIRE

This offering is intended for energy efficiency projects requiring funding support beyond current Focus on Energy offerings in order to be approved by company management. Focus on Energy retains the right to fund only projects deemed to need funding assistance and have a high likelihood of completion. Answer each of the following questions as completely as possible. The respondent should be a company decision-maker. If needed, a Focus on Energy representative may call the respondent to follow up on the information provided.

1. Are you responsible for making decisions on energy efficiency investments? Yes No
 - a. If not, forward this questionnaire to an authorized decision maker and identify below
 - i. Name of decision maker: _____
 - ii. Telephone Number: _____
 - iii. Email: _____

2. Describe your normal decision-making process. (Who, how, when, etc.)

3. What is your company's current ROI/payback threshold?
 - a. Threshold criteria (e.g. X year payback) _____
 - b. Is the threshold higher or lower for energy projects? Higher Lower

4. Without Focus on Energy support, when would you likely complete this project?
 Within one year Within 2 years Indefinite

5. How likely is this project to move forward without Focus on Energy support?
 0-25% (5 points) 26-50% (4 points) 51-75% (3 points) 76-100% (2 points)

6. Why is an incentive needed for the project?

7. What factors prevent you from doing this project on your own?

8. What additional support from Focus on Energy have you received for this project? (Check all that apply)

- | | | |
|---------------------------------------|------------------------------|-----------------------------|
| a. Energy Advisor technical support | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. Energy Advisor Application support | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. Focus on Energy Trade Ally support | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d. Focus on Energy training | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

9. If project does not move forward, what would be the impact on operations?

- Operations could continue with existing equipment (5 points)
- Project is part of expansion to production or operation (4 points)
- Project is replacing failed equipment (3 points)
- A project with less efficient technology would be pursued (4 points)
- Other (explain in project summary)

10. How will the project be funded?

- Internal funding requiring approval (5 points)
- Internal funding already approved (4 points)
- Internal and external funding (3 points)
- External funding required (2 points)

11. Are there benefits beyond energy savings derived from this project? Yes No

If yes, list below:

a.

b.

c.

d.

Signature of decision maker: _____

Date: _____

APPENDIX A: EXAMPLE PROJECT

The applicant is proposing a process improvement costing \$250,000 with an estimated savings of 60,000 therms per year and 750,000 kWh per year. An incentive of \$21,500 (9% of total project cost) was requested and the project is expected to be completed by November 30, 2022. In the Program Questionnaire, the customer indicated the project had a 50% likelihood of completion without a Focus on Energy Incentive, operations could continue with their existing equipment, and internal funding was available.

| Project Details | |
|---|-------------------|
| Total Project Cost | \$250,000 |
| Requested Incentive | \$21,500 |
| Estimated Completion Date | November 30, 2022 |
| Electric Savings (kWh) | 750,000 |
| Natural Gas Savings (therms) | 60,000 |
| Savings Summary | |
| Electric MMBtu Equivalent (750,000 kWh x 0.003412) | 2,559 |
| Natural Gas MMBtu Equivalent (60,000 therms x 0.10) | 6,000 |
| Total MMBtu Saved (<i>Must exceed 4,000 MMBtu</i>) | 8,559 |

RFP Scoring – See the Proposal Scoring section for more details

1. Program Cost Effectiveness **Points Awarded: 40 points**

$$\text{Requested Incentive} / \text{Total MMBtu Saved} = \$21,500 / 8,559 = \$2.50/\text{MMBtu}$$

2. Savings Potential **Points Awarded: 15 points**

$$\text{Total MMBtu Saved} = 8,559$$

3. Focus on Energy Impact **Points Awarded: 15 points**

| | |
|--|-----------------|
| <i>Implementation likelihood without Focus on Energy incentive (50%)</i> | <i>4 points</i> |
| <i>Total project cost offset by requested incentive (<25%)</i> | <i>2 points</i> |
| <i>Operations can continue with existing equipment</i> | <i>5 points</i> |
| <i>Internal funding available</i> | <i>4 points</i> |

4. Project Completion **Points Awarded: 0 points**

Estimated completion date of November 30, 2022

Total Points Awarded: 70 points