

Program Updates

1. How will this solicitation be different from the last solicitation?

	2022 Solicitation	2023 Solicitation	Explanation
Number of funding cycles	One (FY23)	Two (FY24 & FY25)	Typically, the ESRP program initiates an annual solicitation for the next funding cycle prior to the start of BPA's fiscal year (Oct. 1). To account for energy efficiency projects with longer planning lead times, BPA is opening the next two funding cycles simultaneously. During the solicitation, participants must select which funding cycle the project will be completed in (FY24 or FY25).
Open Enrollment Window timing	June 1 to July 15	March 13 to June 30	The ESRP program has moved up and extended the number of days for the Open Enrollment window to align with irrigation district's capital expenditure budgeting approval process.
Term of agreement	One year	One year or Two years	Executable agreements will have an effective date and termination date based on the year the project will be completed. Projects completed outside of these dates are subject to budget availability. FY24 projects must be closed in between Oct 1, 2023 to Sep 30, 2024 and FY23 projects must be closed in between Oct. 1, 2024 to Sept. 30, 2025. Multi-year projects will have a 2 year term with project milestones indicating which portion of the project will be completed in which funding cycle.
Priority deadlines	Two	One	During the FY23 Solicitation, participants had two priority deadlines (July 15 and Aug 31) prior to first-come first-serve project selection. FY24 will only have one priority deadline prior first-come first-serve project selection. The ESRP program reserves the right to temporarily suspend new applications for a funding cycle at any time and may change incentive levels through limited time promotions.

2. Does ESRP still offer the same measures at the same incentive rate?

BPA periodically retires measures, updates measure requirements and changes incentives rates. Current versions of the Measure Reference Guide and the ESRP Incentive Rate Reference Table are located underneath Getting Started of the Resources and Tools section of [BPA's ESRP website](#). These resources are intended to provide a short list of commonly installed measures and do not represent all of BPA's offerings.

Effective October 1, 2023, the incentive rates for new efficient pumps and variable frequency drives have increased.

3. Can I use the application from last year?

It is recommended that the most current version of the application is completed. A new version of the Program Application is located underneath Getting Started of the Resources and Tools section of [BPA's ESRP website](#). The latest version of the application indicates which funding cycle the participant is applying for.

- 4. If the project is selected for FY24 funding but the project actually completes in FY25 will the agreement automatically carryover into the next fiscal year?**
No, funding is not automatically carried over from one fiscal year to the next without a contract modification and is subject to budget availability.

- 5. Can an application represent a multi-year project?**
Multi-year projects can be submitted on one application. Multi-year projects are characterized as an energy efficiency project that has distinct and quantifiable energy savings in consecutive funding cycles. The application must indicate which portion of the project will be completed in which funding cycle and estimate the energy savings and incentives for each funding cycle.

General

- 6. What is the ESRP Program?**
BPA's Energy Smart Reserved Power (ESRP) Program is an energy efficiency program that directly acquires energy savings from irrigation districts who purchase energy through Reserved Power and federally owned facilities that consume Station Service energy directly from the grid. In turn, qualified energy efficiency measures may be eligible for financial incentives to offset the cost to implement energy saving capital expenditure projects.
- 7. Which types of measures are eligible in this program?**
Any measure which saves reserved or station service energy from the Federal Columbia River Power System, or FCRPS, is eligible. Examples include— but are not limited to — upgrading to more efficient irrigation pumps, installing variable frequency drives, canal lining, HVAC improvements and LED lighting upgrades and controls.
- 8. How much funding is available?**
The ESRP Program's budget is typically between \$2M to \$2.5M per year, though subject to change. Additionally, the amount is not definite until the end of the Open Enrollment window.
- 9. Does BPA provide technical assistance for the ESRP Program?**
Yes. The Program provides turnkey technical assistance from project identification to application assistance, and will perform measurement and verification analyses. BPA engineers can provide advice and assistance to help you develop an Application. Please email esrp@bpa.gov to request assistance.
- 10. What is the difference between an Application, Award Letter, Letter of Intent and Agreement?**
An *Application* is submitted by the participant during the Open Enrollment Window or Open Season. The application requires a full description of the project, including its location, energy-efficiency measures to be installed, energy and water savings estimates, other cost savings, project cost estimate, expected completion dates and descriptions of the method(s) used to evaluate energy and water savings.

Applications received during the Open Enrollment window may receive an *Award Letter* issued by BPA once all projects have been evaluated, ranked and prioritized. An *Award Letter* is an incentive offer that secures funds until an *Agreement* is executed. A *Letter of Intent* is available upon request before an *Award Letter* is issued. *Letters of Intent* are intended to provide documentation to third-parties that the project is in the process of being evaluated and is under consideration for funding.

An *Agreement* is a legal document that is signed by both parties, which outlines the terms and conditions of the project's incentive. The agreement will specify the maximum amount of funding, deadlines for the milestone and final reports, and Measurement and Verification Plan.

- 11. What is a Measurement and Verification (M&V) Plan?**
An M&V Plan is a statement of how the energy (and water) savings will be measured and verified by taking into account the project's baseline and proposed energy-efficient measures. Since a project may have multiple measures the plan may have distinct components to calculate savings for each measure. This plan serves as the basis for BPA's incentive payment. BPA engineers can help you develop an M&V plan that

works for your project. The final plan that's accepted by BPA will be outlined in the agreement and may be different from what was specified in the original application.

12. What are Milestone and Final Reports?

The *Milestone Report* will indicate the status of the project and provide an estimated project completion date. Requirements for this report are outlined in the agreement. There is not a standardized template for Milestone Reports and the report may be prepared as an email.

The *Final Report* is submitted upon project completion. The report is a bundle of documents and typically includes copies of the final invoices, installation costs, equipment specifications, technical performance documentation and photos. Requirements for this report are outlined in the agreement and must be received by the terms of the contract.

Application Process

13. How do I apply?

Follow the steps outlined in Getting Started, found on the Energy Smart Reserved Power website. Submit the Application Package to esrp@bpa.gov on or before the deadline. The Application Package includes a completed and signed [ESRP Program Incentive Application](#) (Word version available [here](#)) and a proposal/bid for the proposed project.

14. Can I submit an application without a proposal/bid?

Yes, a proposal/bid may be requested as part of the project selection process. Not all application submittals require a proposal/bid. If a proposal/bid was requested and documentation cannot be provided, priority may be given to projects with a complete Application Package.

15. When is the application deadline?

Application Packages must be received by the Open Season deadline. Projects submitted by federally-charted irrigation districts during the Open Enrollment Window will be given first priority of the available budget through a competitive evaluation-ranking process. BPA Transmission facilities and/or dams and hatcheries operated by the USACE and USBR are eligible to apply during the Open Enrollment window but will not be prioritized until awards are accepted.

The Open Season period ends no later than April 30 of the funding cycle year. Application Packages received during the open season will be awarded on a first-come, first-serve basis. Open season will close once all funds have been exhausted.

**BPA's fiscal year is October 1 through September 30.*

16. How do I submit multiple projects?

Applicants are encouraged to bundle related measures onto one *Application*; therefore, *Applications* with multiple measures will be evaluated as a single project. For example, an irrigation system improvement project that changes the water source may have a measure to reduce system lift in addition to energy efficient pumps and VFDs. Whereas, a piping project and a LED lighting project should be submitted as two different *Applications*. Each *Application* is evaluated independently as a project and subject to a \$500,000 annual cap. The total cost-effectiveness (\$/kWh saved) for each application is critical; projects with a higher cost per kWh (energy and water savings) achieved may make your application less competitive.

17. How much funding can I receive?

It varies on the energy efficiency measure type(s) and the total project cost. The Project Financials section of the application assists with determining how much funding is available for your project. This section is broken out into two parts. The first part estimates the incentive based on savings; whereas, the second part takes into account project costs and additional funding. ESRP incentives are capped at the *lesser of*:

- The total calculated incentive using incentive rates from the Incentive Rate Reference Table (Estimated Incentive Calculator – Sum of Column G)

- o The total of all project costs (Estimated Incentive Calculator – Sum of Column J)

Additionally, ESRP incentives are capped at \$500,000 annually per project (application) for each participant. Agreements may represent multiple energy efficiency projects (applications), therefore, an agreement may request more funds than the \$500,000 project cap.

18. Can Program funds be used to match other incentives, rebates, or grants?

Yes, projects may receive funding from outside sources from both federal and non-federal entities. These outside funds, plus BPA ESRP Program funding, must be less than or equal to the total incremental or net project cost. The Project Financials section of the application provides guidance on how to report other monies. Column I (Part II) requires applicants to report outside monies for each measure.

Applications received prior to application deadlines for other programs may be eligible to receive *Letter of Intent* to award funding, which can be used for matching other programs. If other monies are awarded in addition to ESRP Program funding after an agreement is signed, a modification to the ESRP agreement may occur when it impacts the estimated incentive value.

19. What are allowable project costs?

Project costs include any required engineering and environmental studies, in-house labor, materials, contracted work, and other charges associated with the project. *These costs are captured for each measure in Column H of Part*

II. BPA understands that project costs will differ and the ESRP Incentive Application requires applicants to identify the Resource Opportunity Type (Column B of Part I). The total or entire cost of the project associated with the energy- efficiency measures is included in retrofit projects; whereas, costs incremental over standard construction costs are included in new construction or major renovation projects. Please refer to the Measure Reference Guide for additional guidance.

Award to Project Closeout

20. How will my project be evaluated?

Upon completion of the Open Enrollment Window, applications* will be evaluated, ranked and selected for award based on best incentive/kWh and cost-benefit ratio. This competitive application period will be followed by an Open Season provided there are remaining funds. Open Season projects* will be reviewed on a first-come first-serve basis once priority awards have been announced. Once funds have been depleted, the Open Season will close.

*Multiple measures may be submitted on one application. Each application will be evaluated as a single project and subject to a \$500,000 project cap. Projects with distinct components or timelines may be submitted on multiple applications.

21. When will I know if my application has been successful?

Successful applicants will receive an Award Letter outlining the amount of eligible incentives within 4 to 6 weeks after the Open Enrollment window deadline.

22. What is the term of an Agreement?

The term of the ESRP Incentive Agreement is typically one year but may be two years for some multi-year projects. Agreements are aligned with BPA's fiscal year (October 1 through September 30 of the following year). All projects are expected to be completed and the Final Report submitted by the end of the fiscal year, or September 30.

23. When can projects be started?

Projects can be started at any time without prior BPA approval, but BPA strongly recommends engagement with the ESRP Program staff before project kickoff of any projects that may qualify for an ESRP Program incentive. Early engagement will ensure the potential project meets the criteria for program participation and includes a successful savings M&V plan can be implemented.

24. When do projects need to be completed?

Final reports are due by the end of the fiscal year or September 30. Through special approval, projects may be extended beyond the fiscal year in which the Agreement is executed; however, the incentive funding is subject to availability and program requirements at the time of completion and verification.

25. When will I be paid?

In most cases, payment will be made after the project's completion, receipt of the final report, verification of the savings, and satisfaction of any other requirements listed in the executed Incentive Agreement. If the project completion is in phases, it must be pre-approved by BPA. Subsequently, payments would occur in phases after the energy savings for each phase has been verified. Incentive payments take 30 days to process from the date of the invoice date.

26. How will I be paid?

Payments will be made via electronic fund transfers. Most participants will have to be registered in BPA's financial system. BPA staff will contact you to set up the payment process.

27. What about multi-year projects?

BPA will accept applications for projects with completion dates in future fiscal years; however, incentive payments will be subject to future budget availability. BPA will apply applicable program requirements at the time of completion. With program approval, partial payments may be available for projects that have clearly defined components or phases written within your Agreement.

28. What if my project changes after we have an executed agreement?

The maximum funding your project may receive is specified in the agreement. BPA appreciates advance notification of all significant changes to your project. If the changes substantially increase or decrease the funding eligibility of the project, contact BPA as soon as possible to request consideration of a modification to your Agreement. Modifications to increase the incentive associated with your Agreement must occur prior to project completion.