

**1. Will there be opportunities to apply for enrollment in the ESA Pilot in subsequent years?**

Because the total annual electric EEC contributions that fund the ESA Pilot are capped at \$2M, and the Pilot is expected to hit that cap with participants selected through the current RFP process, it is unlikely that additional participants will be sought in the future.

**2. Will existing Incentive Agreements be honored?**

All fully executed Incentive Agreements between Efficiency Vermont and its customers will be honored. Please note that according to the Agreements' Terms & Conditions:

- Incentive Agreements expire six (6) months after the customer-signed Incentive Agreement has been received by Efficiency Vermont, and
- Unsigned Incentive Agreements expire after 30 days

**3. Act 150 Section 1(j)(4)(A)(D) seems to indicate that there is a minimum annual investment in energy efficiency for ESA Pilot participants.**

**a. Also, which companies are subject to the minimums listed?**

Section 1 of Act 150 pertains to SMEEP, not the ESA Pilot. As such, the minimum annual investments in energy efficiency requirement does not apply to ESA participants.

**4. Scenario: A business currently pays \$25,000 monthly (\$300,000 annually) in EEC contributions. This business would like to use \$300,000 toward one project that has a total cost of \$500,000.**

**a. On what date would the business have the \$300,000 in Customer EEC Funds available for this project?**

Act 150 Section 2(b)(2) states: *The customer may receive payments in advance of project completion from EVT based on the energy management plan submitted under subsection (e) of this section, estimated project costs, and projected energy savings. However, a customer shall not receive advance payments from EVT that exceed the amount of Customer EEC Funds the customer has already paid.*

Customer EEC Funds accrue as a customer pays its electric bill, including the electric EEC. In the scenario described, if the customer wishes to receive a \$300,000 payment for this project, at \$25,000 per month of accruals, \$300,000 will have been accrued after 12 months.

**b. How much energy would this project have to save in order to pass the screening test?**

The current Efficiency Vermont project screening test incorporates quantifiable benefits beyond energy savings to assess projects. The ESA Pilot screening test will incorporate even more factors, such as the benefits of job creation, which are yet to be quantified through regulatory proceedings. Therefore, providing an exact numeric value for energy savings that would allow the project described above to pass the *ESA Pilot* screening test is not possible.

However, using the current Efficiency Vermont screening criteria, a project that costs \$300,000 to implement, with a 10-year measure life would, for example, need to save 200 MWH and 20 Peak KW to pass the current screening test. If the project also had MMBTU savings and/or higher Peak KW reductions, a smaller amount of MWH savings would be needed to pass the screening test.

- c. **If no withdrawals have been made, would the following accrual rate be accurate?**
  - i. **7/1/2019 – ESA account balance \$0**
  - ii. **8/1/2019 – ESA account balance \$25K**
  - iii. **7/1/2020 – ESA account balance \$300K**
  - iv. **8/1/2020 – ESA account balance \$325K**

Customer EEC Funds accrue as a customer pays its electric bill, including the electric EEC. If such payments are made on the schedule outlined above, then the accruals noted would be accurate.

- 5. **When does a business have to withdraw funds from the ESA? If they pay \$300,000 annually in EEC charges, can a business wait until 7/1/2022 to spend \$900K on one project?**

Accrued funds may be requested and disbursed for eligible projects at any time during the three-year term of the Pilot. Act 150 Section 2(h) states: *At the end of the ESA Partnership Pilot, any Customer EEC Funds that have not been expended or committed under the pilot shall revert to use for systemwide energy efficiency programs and measures.*

- 6. **What is the timeline for disbursement of funds? Are funds only available at the end of each year?**

Customer ESA Funds for eligible projects are available as accrued. Act 150 Section 2(b)(2) states: *The customer may receive payments in advance of project completion from EVT based on the energy management plan submitted under subsection (e) of this section, estimated project costs, and projected energy savings. However, a customer shall not receive advance payments from EVT that exceed the amount of Customer EEC Funds the customer has already paid.*

- 7. **What happens if a business completes a project whose costs exceed their available Customer ESA Funds?**

Customer ESA Funds for eligible projects are available as accrued. An ESA Participant may request and receive Customer ESA funds after those funds have accrued.

- 8. **Are companies in the Pilot able to obtain technical assistance from Efficiency Vermont?**

ESA Pilot participants may use their Customer EEC Funds to pay for Efficiency Vermont’s technical assistance.

- 9. **What are the fees to hire Efficiency Vermont staff for EM&V or other services?**

Efficiency Vermont Service Provider	Hourly Rate for ESA Pilot
<b>Energy Consultant</b>	\$75.00
<b>Senior Energy Consultant</b>	\$100.00
<b>Account Manager</b>	\$95.00

Efficiency Vermont staff will provide services as outlined in its Order of Appointment, as stated in Section II.1.1: *Provide information, technical assistance, and/or financial incentives for cost-effective demand-side resources to help overcome market barriers to implementation;* but is prohibited from providing services of licensed professional architects and engineers, as stated in Section II.5: *In providing EEU services, VEIC shall not use its own employees to provide any design, engineering services, or certifications that are required to be provided by licensed professional architects and engineers.*

**10. If a business has two factories within Vermont, can ESA eligibility be based on the combined EEC payment for both accounts? Can the business use the ESA to fund a project in one of the two sites?**

PUC has established (under EEU-2014-02 order of 6/6/14, Attachment A, p.1) that customers are eligible to participate in the Energy Savings Account if they have paid \$5,000 in EEC charges in the 12 months preceding their application. If a single business (or legal entity) has more than one electric account, they may combine the EEC amounts paid by each account to determine eligibility. As such, the June '14 ESA order identifies "funds available" for use in the ESA program based on the total amount paid by the customer. If the customer applies to the ESA Pilot using one or more electric accounts to demonstrate eligibility, the applicant's response to the RFP should also make the intention clear of whether they intend to pool funds across facilities.

**11. What happens if a funded project does not meet the expected energy saving through EM&V?**

All results will be reported annually per Act 150 Section 2(i) and included in a Pilot evaluation per Act 150 Section 2(j).

**12. On the RFP, page 11, paragraph 209(j)(b)(1). Customer shall continue to pay its EEC and be able to receive up to 100% towards a project. Does this mean a business continue to pay the EEC every month and the project funds are supplemental?**

ESA Pilot participants will continue to pay the EEC as part of their regular electric bill payment. As the Customer EEC Funds accrue, they may be used to fund any portion of a participant's eligible project costs. Act 150 Section 2(b)(2) states: *However, a customer shall not receive advance payments from EVT that exceed the amount of Customer EEC Funds the customer has already paid.*

**13. Are recently completed projects eligible for funding through the ESA Pilot?**

Previously completed projects are not eligible for funding through the ESA Pilot.

**14. Do any/all projects need to be submitted with the RFP by June 21st?**

Submittal of a workplan is requested in the RFP. The level of detail included is at the discretion of each respondent.

**15. Can a participant voluntarily withdraw from the Pilot at any time?**

Yes.

**16. Are ESA participants required to use 100% of their Customer EEC Funds during the Pilot?**

Act 150 Section 2(h) states: *At the end of the ESA Partnership Pilot, any Customer EEC Funds that have not been expended or committed under the pilot shall revert to use for systemwide energy efficiency programs and measures.*

**17. Is biomass considered an unregulated fuel?**

Yes.

**a. Are projects saving unregulated fuels such as biomass eligible for funding through the ESA Pilot?**

Yes. Act 150 Section 2(b)(3) states: *The Customer EEC Funds may be used for one or more of the following: electric energy efficiency, thermal energy and process-fuel efficiency for unregulated fuels, energy productivity measures, demand management, and energy storage that provides benefits to the customer and its interconnecting utility.*