



Powering Our Communities

Grant Guidelines

Powering Our Communities Grant Guidelines

The Northeast Ohio Public Energy Council, Inc. (“NOPEC”) is pleased to invite its electric member communities of The Northeast Ohio Public Energy Council to submit proposals for the Powering Our Communities Grant, funded by First Energy Solutions, Corp.

SECTION 1. OVERVIEW

Eligibility: Any political subdivision that is a current electricity member of The Northeast Ohio Public Energy Council (“Applicant”) may apply for the Powering Our Communities Grant (“Grant”). Eligibility to receive and retain any Grant funding is contingent upon the Applicant’s remaining as a member of The Northeast Ohio Public Energy Council in good standing, participating in The Northeast Ohio Public Energy Council’s electricity program, and enrolling and maintaining enrollment of, all of the Applicant’s eligible electricity accounts in The Northeast Ohio Public Energy Council electric aggregation program until December 31, 2019.

Proposal Process: Interested Applicants should submit a Proposal using the attached forms and any other necessary or relevant attachments. Proposals should be submitted to NOPEC, Inc., Leigh Herington, Executive Director, 31320 Solon Road, Suite 20, Solon, Ohio 44139. Electronic submissions are encouraged and should be submitted to lherington@nopecinfo.org.

Applicants may submit more than one Proposal, using a separate form for each. If more than one Proposal is submitted, Applicants should specify their preference of which Proposal should be considered and funded first, if found to be eligible.

Award Process: NOPEC has formed a Committee consisting of 18 representatives of different Northeast Ohio Public Energy Council member communities. The Committee will review all Proposals and make award recommendations to the NOPEC Board based upon the criteria outlined in these Grant Guidelines. Projects that support NOPEC’s mission of providing lower-cost utility service to Northeast Ohio will be favored.

The Committee reserves the right to:

- Accept or reject any and all Proposals if the Committee determines that it is in the best interest of the Grant program to do so;
- Waive or modify minor irregularities in Proposals received;
- Require the submission of modifications or additions to Proposals as a condition of further participation in the selection process;
- Fund any Proposal in full or in part; and/or,
- Adjust any dates or deadlines for whatever reason the Committee deems appropriate.

Time Table for Applications and Awards: Grant Awards will be made in two rounds. Round I will remain open for applications until February 28, 2011. Every Eligible Member is encouraged to submit a Proposal(s) on or before February 28, 2011. Any Member that has not submitted a proposal or provided any requested revisions or additional information by this date will not be considered for Grant Funds in Round I.

To the extent Grant funds are available after completion of Round I, NOPEC will conduct a Round II of grant awards. All eligible Proposals will be considered for Round II funding regardless of whether the Applicant received funding in Round I. These Grant Guidelines may be modified or amended for Round II of the grant program.

Decisions on Grant awards will be communicated approximately three months after submission of a Proposal that is deemed complete by the Committee. Grant recipients will be required to enter into a Grant Funding Agreement. (Sample attached at Exhibit C.)

SECTION 2. MINIMUM REQUIREMENTS

Only projects that will be installed or carried out in an eligible Applicant's geographic boundaries will be considered. All Applicants must meet the Eligibility requirements outlined in Section 1 above, and must remain a Northeast Ohio Public Energy Council member community until December 31, 2019.

All projects must be promptly started and completed within a reasonable timeframe, generally within twelve months of Grant award, unless the Committee finds a different timeframe to be appropriate. Eligible projects must be appropriately classified as one of the following project types, which are further described below:

1. Energy Conservation
2. Advanced Energy
3. Energy Education
4. Economic Development
5. Financial Distress

All Proposals must include a proposed budget for the entire project, including a detailed budget for use of Grant Funds. No more than 10% of Grant Funds may be used to defray the administrative cost of a project. Examples of administrative costs include: financial, accounting, auditing, general legal services, general liability insurance, costs for internal evaluation, copying, office supplies, equipment, and salaries and fringe benefits incurred in administering a grant.

All Proposals must also provide a description as to how the Applicant will measure the effectiveness of the overall project for which the Grant funds will be used, as well as the effectiveness of the specific uses of the Grant funds, including (a) the purpose of the project and use of grant funds, (b) the specific goals of the project and use of grant funds, (c) how the success or effectiveness in achieving the stated goals of the project and use of grant funds will be measured, and (d) how the effectiveness will be used to evaluate and report the success of the project and use of grant funds.

SECTION 3. PROGRAM SPECIFICATIONS

Eligible projects should meet the general parameters for one or more of the five project categories outlined below. Applicants are encouraged to develop projects that meet the energy needs of their communities, lower utility cost, and/or increase the use of renewable energy sources. The examples listed for each of the five project categories are meant to be guidelines, not limitations, on the Proposals submitted.

1. Energy Conservation Projects. To be eligible, energy conservation projects should demonstrate a significant and measureable reduction in energy usage. Eligible projects may include, but are not limited to:
 - a. Develop an energy efficiency and conservation strategy that incorporates as many energy consumers in the Applicant's jurisdiction as possible.
 - b. Retain technical consultant services to assist in the formulation of energy efficiency, energy conservation, and energy usage goals and identification of strategies to achieve those goals. Technical consultation should include developing methods to measure and report progress made in achieving the goals.
 - c. Conduct residential and commercial building energy audits and create a strategy to use the information gained from such audits.
 - d. Install energy conservation measures, such as the construction, installation, and modification or remodeling of a new or existing building or infrastructure to reduce energy consumption by:
 - Insulation of the building structure and of systems within the building;
 - Windows and doors, multiglazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and other window and door system modifications that reduce energy consumption;
 - Automatic energy control systems;
 - Heating, ventilating, or air conditioning system modifications or replacements;
 - Caulking and weather-stripping;
 - Replacement or modification of lighting fixtures to increase the energy efficiency of a facility;
 - Energy recovery systems;
 - Construction or improvements to a central utility plant;
 - Meter replacement, installation of an automatic meter reading system, or any other construction, modification, installation, or remodeling of water, electric, gas, or any other municipally supplied utility system; or
 - Any other construction, modification, installation, or remodeling that results in a demonstrable reduction of energy usage.
 - e. Develop and implement programs to conserve energy used in transportation, including but not limited to:
 - Incentive programs to reduce commutes by single occupancy vehicles;

- Improvements in operational and system efficiency of the transportation system such as implementation of intelligent transportation system (ITS) strategies or synchronization of traffic signals;
 - Idle-reduction technologies and/or facilities to conserve energy, reduce harmful air pollutants, and greenhouse gas emissions from freight movement; and
 - Installation of solar or wind resources to conserve energy for street signals or lighting in street operations and maintenance activities;
 - Programs or technologies to reduce gasoline consumption by safety vehicles or other fleet vehicles; or
 - Replacement or upgrade of traffic signals and street lighting with energy efficient lighting technologies.
- f. Develop and implement building codes and inspection services to promote increased building energy efficiency.
 - g. Develop and promote zoning guidelines or requirements that promote energy efficient development or renewable energy development.
 - h. Implement activities to increase participation and efficiency rates for material conservation programs, including source reduction, recycling, or recycled content procurement programs.
 - i. Undertake any other project or program that results in a demonstrable reduction in energy use.
2. Advanced Energy Projects: Applicants may implement onsite advanced energy technologies that generate electricity from renewable resources or support the reduction of energy consumption. Proposals should specify the technology to be used, the power generated and an estimate of power or cost savings and emissions or pollutants averted over time. Eligible projects include any project defined as an “advanced energy project” under R.C. Section 3706.25 or any other similar project acceptable to the Committee.
 3. Energy Education Projects: Proposals should explain an education project that will increase overall consumer understanding and acceptance of energy conservation and renewable energy. Proposals should demonstrate a program of consumer advocacy and social marketing, as well as knowledge about energy efficiency and renewable technologies. Tactics used in outreach should reach consumers at a “grassroots” level, as well as reaching diverse audiences.

Examples of the types of activities that Proposals may address include the following:

- a. Successful outreach through the use of unique communications channels that will provide substantive, action-oriented information about the importance of energy conservation, energy savings, and environmental protection in residential, governmental, business or other sectors.
- b. Identify unique methods for disseminating information in a way that compels energy consumers in the Applicant’s jurisdiction to take actions to save energy, make informed choices about incorporating energy-efficient practices and

products in their homes and work places. Programs should demonstrate an ability to create long-term behavior change and increased energy conservation.

- c. Address approaches/channels for disseminating information and what educational tactics will be used (e.g. media, Internet, public meetings, etc.).
 - d. Present a results oriented, phased approach for each year of the project showing goals, considered activities and anticipated results.
 - e. Education about the link between energy use and the environmental impact.
 - f. Education about the link between energy use and the cost savings.
4. Economic Development Projects: Grant funds may be used to support advanced energy projects undertaken by any public or private enterprise that will create or retain jobs in the Applicant's community. Eligible programs should demonstrate:
- a. **Workforce Impact**: Proposals should outline a specific plan for new job creation or job retention. To the greatest extent possible, projects should directly create new jobs. Applicants may also propose indirect creation or retention of additional permanent jobs through an expanding supply chain or support for advanced energy industries. Proposals should give higher priority to jobs located in the community and providing compensation, benefits or training opportunities at or above community averages. New job creation that leads to career paths of increasing skills and opportunity should be considered.
 - b. **Leverage**: Proposals should, wherever practicable, outline ways to leverage Grant funds with an investment from other private and public sources:
 - **Private Investment**: when analyzing the total project, the amount of private investment (equity or debt) should at least match Grant funding, especially if a limited number of employers are the primary beneficiaries of the funds.
 - **Public Investment**: support from other public sources that could include federal, state and local commitments to the project.
 - **Coordination**: Proposals should demonstrate how other incentive programs, job creation programs, education or training programs can be coordinated with the proposed program to maximize effectiveness of Grant funding.
 - c. **Economic Impact**: Applicants are encouraged to consider projects for proposal that make a critical and substantial difference to the project and/or the industry. For example, eligible projects should demonstrate that Grant funds make at least one of the following attributes possible:
 - technology that can advance from pilot to demonstration stage, or from demonstration to the commercial stage.
 - provide a necessary "bridge" for a project from one stage of private investment to the next.
 - allow for subsequent phases of job creation or expansion opportunities in the community.
 - attract new investment by bringing new commercially viable advanced energy companies and technologies to the area.
 - allow area manufacturers to retool, retrain and/or expand to become more competitive in the advanced energy sector.
 - Provide training or internship opportunities in the advanced energy industry.

Examples of eligible projects areas include:

- Increased efficiency in electricity generation through renewable resources;
- Advanced nuclear energy technology of generation III or later;
- Fuel cells;
- Advanced solid waste or construction and demolition debris conversion technologies resulting in electricity generation or measurable greenhouse gas emissions reductions;
- Renewable energy resources including energy derived from sources such as solar, wind, hydroelectric, geothermal, certain fuels derived from solid wastes not derived principally derived from combustion, certain byproducts of the pulping or wood manufacturing process and storage facilities that promote better utilization of a renewable energy resource;
- Any technologies, products, activities or management practices or strategies that reduce or support the reduction of energy consumption or support the production of clean renewable energy.

5. Financial Distress: The Powering Our Communities Grants are intended to further the missions of NOPEC Inc. and First Energy Solutions Inc. to provide electric generation to the Member communities at a lower cost. Proposals that enhance this mission by conserving energy, generating electricity from renewable resources, educating consumers, or supporting economic development in the advanced energy field are encouraged and will receive paramount consideration from the Committee.

NOPEC understands that most member communities, like most communities across the country, are facing financial hardship. However, to be considered for a Grant award under this category, a community must demonstrate that it is in financial distress. A community will be presumed to be in financial distress if it is listed by the Ohio State Auditor's office as being in fiscal emergency or fiscal watch, or if there is a reasonable likelihood that the community may be designated by the Ohio State Auditor's office as being in fiscal emergency or fiscal watch in either of the 2010 or 2011 fiscal years. To be considered, Proposals should include a specific plan, rather than describe a generalized need. Proposals must outline a specific use and purpose for any Grant funds awarded and explain how those Grant funds will help to ameliorate the community's financial distress, contribute to the long term needs of the community, and to the greatest extent possible, include an advanced energy or energy efficiency component.

SECTION 4. AVAILABLE FUNDING

In Round I of the grant program, member communities are eligible for a maximum of \$30.00 per active, enrolled NOPEC customer in the current program, after opt-out and rescission periods are complete, per Proposal. All member communities, regardless of the number of enrolled customers, are eligible for a minimum of \$50,000 in grant awards in Round I. The amount of any Grant Award will be solely within the discretion of the Committee. The maximum grant award available in Round II will be determined for that Round based on the amount of funds remaining after Round I.

Applicants are encouraged to match or leverage any funds awarded through the Grant with other funds that may be available from other sources including, but not limited to, third party financing mechanisms. Cost-sharing or matching is not required as a condition of eligibility. Applicants must assure that any Grant funds are used consistent with the award, and that all restrictions or requirements of any matched or leveraged funds are met.

Funding will be released in phases and on completion of the following milestones:

- 25% upon acceptance of the grant;
- 25% upon commencement of the project;
- 25% when the project is 50% complete; and
- 25% upon project completion.

Applicants can request an alternative schedule for release of funds, which shall be considered by the Committee. Applicants will be responsible for notifying the Committee when milestones have been met and providing any requested information regarding progress of the project.

Applicants must describe the procedures currently in place or that will be in place (by what date), to ensure Grant funds will be used for authorized purposes only and that reasonable measures are in place to prevent waste, error, or abuse.

SECTION 5. REPORTING

Applicants that are awarded Grant funds must report the status of each project on a regular basis. Reports should be provided, at a minimum, upon the completion of the project, and one year after completion. Reports should describe the measurable results or benefits realized from programs implemented with Grant funds to NOPEC. A template reporting form will be provided.

Final reports should include a certification that accurate records were kept and project expenditures made appropriately. Key metrics to be reported will vary by project type, but should include information, where applicable, of the following:

- Description of the project upon completion and variance from the proposal submitted, if any;
- Number of buildings retrofitted and square footage impacted;
- Number or amount of new energy saving technologies purchased and installed;
- Number or amount of advanced energy systems installed;

- Energy Savings (kilowatt-hour (kwh) equivalents);
- Annual reduction in natural gas consumption (million cubic feet (MMcf));
- Annual reduction in electricity consumption (megawatt-hour (MWh));
- Annual reduction in fuel oil consumption (gallons);
- Renewable Energy Capacity and Generation;
- Emissions Reductions (tons) (CO2 equivalents);
- Number of energy users reached through an education program;
- Results from education program;
- Economic Development impact;
- Job Creation/Retention.

SECTION 6. APPENDICES

Appendix A Proposal Application Summary

Appendix B Proposal Detail

- B-1 Application Detail – Energy Conservation
- B-2 Application Detail – Advanced Energy
- B-3 Application Detail – Energy Education
- B-4 Application Detail – Economic Development
- B-5 Application Detail – Financial Distress

Appendix C Sample Grant Agreement