

General

1. 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.

2. 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.

3. 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 period.

4. 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.

5. 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, and descriptions of the method(s) used to evaluate energy and water savings.

Applications received before the Open Enrollment and Open Season deadlines may receive an *Award Letter* issued by BPA once projects have been evaluated, ranked and prioritized. An Award Letter is an incentive offer that secures funds for 45 days 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.

6. 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 may be different from what was specified in the original application.

7. 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.

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

8. 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.

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

Yes, however, priority may be given to projects with a complete Application Package. An Agreement will not be issued until project costs are validated through a proposal/bid.

10. When is the application deadline?

Application Packages must be received by July 15 prior to the next fiscal year* during the Open Enrollment Window (**Reserved Power participants only**). Projects submitted during the Open Enrollment Window will be given first priority of the available budget through a competitive evaluation-ranking process.

Open Season for *all eligible participants* begins on July 16 (prior to the next fiscal year) and ends no later than April 30 of the following year. However, Application Packages received by August 31 during the Open Season will be prioritized and will undergo an evaluation-ranking process after the Open Enrollment Window projects have been awarded. Any Application Packages received after August 31 will be awarded on a first-come, first-serve basis but not until prioritized awards have been announced. Typically, awards are announced in September of each year. Open season will close once all funds have been exhausted.

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

11. 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.

12. 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)
- The total of all project costs (Estimated Incentive Calculator – Sum of Column J)

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

13. 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 a *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.

14. 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

15. How will my project be evaluated?

Upon completion of the Open Enrollment Window on July 15, 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* received by August 31 will be evaluated-ranked as a secondary priority and sequential applications 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.

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

BPA typically announces funding recipients by mid-September. Successful applicants will receive an Award Letter outlining the amount of eligible incentives.

17. What is the term of an Agreement?

The term of the ESRP Incentive Agreement is one year and aligns 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.

18. 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.

19. 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.

20. 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 may take up to 90 days to process from the date the final report is received.

21. 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.

22. 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.

23. 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.