Fiscal Year 2027 DIRECT FUND DISTRIBUTION

Key Milestones

Activity	Date	Description
Application Window Opens	November 2, 2026	Special Promotions - Bonneville Power Administration (bpa.gov)
DFD Office Hours	November 10, 1-3pm (PDT) December 16, 1-3pm (PDT) January 6, 9-11am (PDT)	See Special Promotions - Bonneville Power Administration (bpa.gov) for WebEx information
Customer Webinar	November 17, 9-11am (PDT)	See Special Promotions - Bonneville Power Administration (bpa.gov) for webinar information
Application Deadline	January 15, 2027	Application packages should be sent to ET@BPA.gov by 11:59pm PST
Project Selection Process	January 29, 2027	Final ranking and prioritization of application submittals.
Award Notification	February 5, 2027	Award/waitlist/ decline notification to the customer of status. Outlines next steps.
Signature deadline	February 26, 2027	Customer signed agreements due.
Completion Deadline – Custom Project	August 20, 2027	Submit project completion (with completed M&V) into BEETS
Completion Deadline – UES and non-residential lighting	September 3, 2027	Submit project completion into BEETS.

General Questions

1. **What is the purpose of Direct Fund Distribution?**

   Bonneville Power Administration (BPA) Energy Conservation Program seeks to identify and capture additional cost-effective energy conservation occurring within the region. Through this financial assistance opportunity, BPA aims to identify energy conservation projects in small rural areas but will consider all applications.

2. **How does a BPA customer qualify for this funding opportunity?**
   BPA customers with an Energy Conservation Agreement may qualify for the Direct Fund Distribution (DFD) project. However, a customer must demonstrate it has utilized at least 70 percent of its Energy Efficiency Incentive (EEI) budget through BEETS reporting before January 17, 2027 OR provide a plan to show EEI will be exhausted by the end of the rate period, September 30, 2028, to be eligible. BPA will not update Energy Conservation Agreements to reflect the DFD award.

3. **Which types of measures are eligible in this program?**
   Any reportable measure or project that meets Implementation Manual requirements.

4. **Are measures with no savings attributed eligible (i.e. Energy Project Management (EPM))?**
   Yes, customers may apply for any measure in the Implementation Manual. However, one factor applications are scored on is dollar cost per kilowatt hour saved ($/kWh). Adding no savings measures to an application will increase this factor.

5. **Do customers receive credit for the energy savings earned?**
   Yes, customers report the energy savings in BEETS under their account.

6. **How much funding is available and where does the funding come from?**
   Funding is dependent on BPA's Energy Conservation's operations budget infrastructure dollars, which funds the DFD. Any customer may request up to $250,000 per project site. Customers who have an Energy Efficiency Implementation (EEI) of less than $50,000 annually may also choose to request up to $50,000 per project site.

7. **Whom should customers contact for questions?**
   Energy Conservation Account Executives (ECAE) will serve as the primary point of contact for customer questions.

Completing the Application

8. **How do customers apply for Direct Fund Distribution?**
   To apply for Direct Fund Distribution, applications are located on the BPA Special Promotions webpage.
   Any customer may apply using this application.
   Customers who have an Energy Efficiency Implementation (EEI) of less than $50,000 annually may apply using this application.

9. **How many projects can a customer submit on one application?**
   Each project site needs to be submitted on its own application. However, if a customer is submitting an application for a specific number of a single measure (i.e. 64 DHPs), this can go on a single application (see #11 below).

Application Submittals

10. **What does a complete application package entail?**
    A. A signed application with all sections completed.
    B. Documentation showing the calculation for the submitted measure (BPA approved calculators and C1 forms are acceptable but not required).
    C. If applicable, a plan showing how EEI will be fully expended by September 30, 2028.

11. **What is the solicitation window and when is the application deadline?**
    Applications must be submitted during the application window. Applications must be received by 11:59 p.m. PST on January 15, 2027.

12. **What is a project?**
    Energy Conservation Projects must be in compliance with BPA's Implementation Manual. One application must be submitted for each project site (i.e. a commercial building; a multi-family housing project) or incentive program (i.e. a specific number of washers & dryers; a specific number of ductless heat pumps).

13. **Can a customer submit multiple projects?**
    Yes. Any customer may apply for BPA funding of up to $250,000 per project (or as capped by the Implementation Manual). Customers who receive less than $50,000 annually in EEI may apply for BPA funding up to $50,000 per project (or as capped by the Implementation Manual). If a customer submits applications for multiple projects, they may receive more than the $250,00/$50,000.

14. **Can the Direct Funding Distribution be used to match other grants and include self-funding or EEI-funding?**
    Yes. Section F of the application documents the amount requested (not to exceed BPA's willingness to pay) and can include any other sources of funding.

15. **Can projects already be completed? When should projects be completed by?**
    Yes. Projects that have not yet been reported/submitted in BEETS for technical or compliance review are still eligible to apply for DFD. These could be future projects, in-progress projects, and installed/completed projects. Below are the cutoffs for various BEETS reporting programs:

- UES measures: Must be awarded DFD before uploading to BEETS via the bulk UES Measure Upload Template. The upload automatically initiates Compliance Review.
- Non-Res Lighting (OLC): Must be awarded DFD prior to submitting the project from Hancock Cloud to BEETS.
- Custom Projects: Must be awarded DFD before submitting the Completion Report for technical review.

DFD-awarded UES and non-residential lighting projects must be completed prior to the submission deadline of September 3, 2027. DFD-awarded custom projects must complete the final M&V by the invoicing date of September 17, 2027.

16. **When does a utility need to submit a spend plan and how will it be used?**
    Customers must submit a spend plan if they have not reported at least 70% utliization of their

EEI in BEETS by January 16, 2027. An example spend plan is available on the BPA Special Promotions webpage. Spend plans will be reviewed to ensure customers will spend 100% of their EEI by the end of the rate period, September 30, 2028.

17. **How will my project be reviewed, ranked, and evaluated?**

    Applications will be reviewed by a cross-functional BPA team, which will make recommendations on project awards to the Energy Conservation Management Team. Evaluations include but are not limited to small, rural, and residential (SRR) designation, cost per kilowatt-hour/benefit-to-cost ratio, EEI expenditure rates, and BPA resource needs. All customers may submit project applications; however, preference will be given to projects that meet these criteria. Submitted spend plans may increase scoring for the EEI expenditure rate category.

18. **How does partial self-funding impact the competitiveness of an application?**

    Self-funding is not required; however, customers who contribute 10% or more of the project cost through self-funding will receive extra evaluation points.

19. **Does Direct Fund Distribution contribute towards performance payments?**

    Generally, no. However, if a project utilizes EEI and Direct Fund Distribution, performance payments can be claimed on the EEI portion.

20. **If the project is a UES measure, is the funding capped at the UES measure rebate amount?**

    Yes, payment is always based on the Implementation Manual amounts.

Award to Project Closeout

21. **When and how will customers be notified if an application has been selected?**

    In February 2027, customers with selected project(s) will receive an award notification outlining which projects were selected, combined savings, combined funds awarded, and next steps. Depending upon the volume of the awards delivered, an agreement may be part of the award notification or will be sent later. Depending upon volume of applications, some customers may receive waitlist letters and will be notified if funding statuses change. BPA may reject an application based on incompleteness of application, EEI status or if the project represents an unapproved BPA measure.

22. **What is an agreement?**

    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, project requirements, deadlines, and an M&V Plan or other verification report.

23. **What is a Measurement and Verification Plan?**

    A M&V Plan is a statement of how energy savings will be measured and verified by accounting for 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 and leverages existing M&V protocols. BPA expects custom projects to be reviewed by customer service engineers and/or Energy Smart Industrial Partners (ESIP).

24. **What if a selected project changes after an executed agreement?**

    The maximum funding your project may receive is specified in the agreement. BPA encourages 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.

25. **What happens to unallocated demonstration funds after the application deadline?**

    If the total amount of awarded projects is less than the distribution's budget, remaining funds will no longer be available for this funding cycle.

26. **Will customers receive a report for completed projects?**

    Each project will receive a completion report with the final energy savings and disbursement calculations. Agreements representing multiple projects will receive multiple completion reports. If the calculated disbursement(s) exceeds the contracted value of the agreement, a contract modification may be pursued if there are remaining funds in the Direct Fund Distribution budget.