

# Fiscal Year 2026 DIRECT FUND DISTRIBUTION

## Project Timeline

Activity	Date	Description
Application Window Opens	May 1, 2026	<a href="#">Special Promotions on bpa.gov</a>
Application Deadline	May 31, 2026	Application packages should be sent to <a href="mailto:et@bpa.gov">et@bpa.gov</a> by 11:59pm PST.
Project Selection Process	June 1-15, 2026	Final ranking and prioritization of application submittals.
Award Notification	June 17- 19, 2026	Utilities will receive notification of award status, waitlist status, or declination, along with next steps.
Signature deadline	June 30, 2026	Customer signed agreements due.
Completion Deadline – Custom Project	Aug. 15, 2026	Submit project completion with completed M&V into BEETS.
Completion Deadline – UES & Non-Residential Lighting	Sept. 1, 2025	Submit project completion into BEETS.
Invoice Deadline	Sept. 15, 2025	Utility submits invoice by the deadline.
Final Payments	10 days after invoicing	Final payments will be processed upon successful M&V, if applicable.

## General Questions

### 1. What is the purpose of the 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 incentive funding opportunity, BPA aims to identify energy conservation projects in small rural utilities but will evaluate all applications.

### 2. How does a utility qualify for this funding opportunity?

BPA customer utilities (utility or utilities) with an Energy Conservation Agreement may qualify for the Direct Fund Distribution (DFD) project. However, a utility must demonstrate it will utilize at least 30 percent of its Energy Efficiency Incentive (EEI) before May 31, 2026, or provide a detailed plan to show EEI will be exhausted by the end of the rate period, Sept. 30, 2028, to be eligible. BPA will not update Energy Conservation Agreements to reflect the Direct Fund Distribution award.

**3. Which types of measures are eligible in this program?**

Any reportable measure or project that meets Implementation Manual requirements.

**4. 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. Utilities may request up to \$250,000 per application.

**5. Who is the point of contact for questions?**

Energy Conservation Account Executives (ECAE) will serve as the primary point of contact. Utilities may email their ECAE with questions.

## Application Submittals

**6. How do utilities apply for Direct Fund Distribution?**

The application is located on [BPA Special Promotions](#) website

**7. What does a complete application package entail?**

- 1) A signed application with all sections and fields completed.
- 2) Documentation showing the calculation for the submitted measure (BPA approved calculators and C1 forms are acceptable but not required).
- 3) If applicable, a plan showing how EEI will be fully expended by Sept. 30, 2028.

**8. 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 May 31, 2026.

**9. What is a project?**

An Energy Conservation Project is the installation or implementation of one or more BPA approved conservation measures at a stationary source, including custom projects in accordance with BPA Measurement and Verification (M&V) protocols, and not otherwise required by law or regulation. Projects must result in measurable energy savings at a facility located in BPA's service territory. For the purposes of this application, a project may represent multiple customers or sites when unit energy savings (UES) measures are bundled together.

**10. Can a utility submit multiple projects?**

Yes. Each project must adhere to the \$250,000 project cap for BPA funding. If a utility submits applications for multiple projects, utility may receive more than \$250,000.

**11. Can the Direct Fund 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.

**12. Can projects already be completed? When should projects be completed by?**

Yes. The project must represent savings that have not been reported and have been completed after Oct. 1, 2024. UES and non-residential lighting projects must be completed prior to the submission deadline of Sept. 1, 2026. Custom projects must complete the final M&V by the invoicing date of Sept. 15, 2026.

**13. 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. Evaluation criteria include but are not limited to small, rural, and residential (SRR) designation, cost per kilowatt-hour, EEI spending history, and BPA resource needs. For fiscal year 2026, projects in the Commercial sector will be prioritized to meet Energy Conservation's Action Plan goals. All utilities may submit project applications; however, preference will be given to projects that meet these criteria.

**14. When looking at the historical spending of EEI, are bilateral transfers considered as using all funds?**

Not necessarily. Utilities should provide an explanation in the application. This information will help BPA's evaluation and decision making.

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

Self-funding is not required; however, projects acquired lower than BPA's willingness to pay may impact scoring and ranking.

**16. 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. Utilities may propose incentive rates above or below BPA's willingness to pay. Utilities are encouraged to account for administrative costs and end-user incentives through their proposed incentive rate as part of the application submittal. The project selection process is competitive; therefore, projects with a lower acquisition rate will receive higher priority.

**17. 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

**18. When and how will utilities be notified if an application has been selected?**

In June 2026, utilities 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 utilities 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.

**19. 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.

**20. 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).

**21. 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.

**22. 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.

**23. Will I 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 demonstration budget.

