

U.S. DEPARTMENT OF  
**ENERGY**

Office of  
ENERGY EFFICIENCY &  
RENEWABLE ENERGY

# AFFECT 2022 Appropriations FAC Webinar

December 15, 2022



# AFFECT 2022 Appropriations FAC Key Dates

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- **FAC Issue Date:** 12/02/2022
- **Informational Webinar:** 12/15/2022
- **Submission Deadline for Applications:** 2/28/2023
- **Expected Date for Selection Notifications:** 05/2023
- **Expected Timeframe for Award Negotiations:** 05/2023 – 07/2023

## 42 USC § 8256 (b) Federal Energy Efficiency Fund (FEEF)

- (3) The Secretary shall award grants from the Fund after a competitive assessment of the technical and economic effectiveness of each agency proposal. The Secretary shall consider the following factors in determining whether to provide funding under this subsection:
  - (A) The cost-effectiveness of the project
  - (B) The amount of energy and cost savings anticipated to the Federal Government
  - (C) The amount of funding committed to the project by the agency requesting financial assistance
  - (D) The extent that a proposal leverages financing from other non-Federal sources
  - (E) Any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government

# AFFECT 2022 Appropriations FAC Priorities

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## **Federal leadership in clean energy, climate, environmental justice and equity**

- **E.O. 14057, Catalyzing America's Clean Energy Economy Through Federal Sustainability**
- **E.O. 14008, Tackling the Climate Crisis at Home and Abroad**
- **Energy Act of 2020**

# AFFECT Grant Eligibility and Funding

- **Available Funding: \$13M**
  - FEMP does not intend to award individual grants under this FAC in excess of \$2 million (Historical average ~\$700,000 per grant)
- **Only U.S. federal agencies (including sub-agencies) are eligible to apply for funding under this FAC. Only facilities that are owned by the U.S. federal government are eligible for funding under this FAC**
- **Eligible Project Costs: AFFECT grant funding may be spent on any of the equipment and/or technical assistance and other services related to the planning, development, or implementation of an eligible project**

# AFFECT 2022 Appropriations FAC Topic Areas

- **Topic Area 1: Projects Under Development Facing Reductions in Scope Due to Adverse Changes in Fiscal/Economic Conditions**
  - Projects that the applicant has not yet awarded to its ESCO/utility, or modifications to existing awards that are:
    - Under development or capable of modification as of the date the FAC is issued
    - At risk of not being implemented as initially scoped in the PA or IGA because of changing monetary conditions (i.e., increased interest rates) and/or economic conditions (e.g., increased equipment costs related to inflation or supply chain problems)
    - Must include ECMs that align with programmatic priorities of EO 14057 such as clean energy supply; load management; storage and resilience; energy efficiency; and/or adaptation to effects of climate change

# AFFECT FY22 Appropriations FAC Topic Areas (cont'd)

## Topic Area 2: Load Management (Energy Performance Contracts)

- Carbon pollution-free electricity (CFE)/Grid interactive efficient buildings (GEB): Supporting early adoption of load management technologies
- Projects that utilize energy performance contracts and will reduce peak demand, shift demand load or provide energy storage that leads to energy savings, cost savings, and/or GHG emission reductions
  - Load management devices, BESS, EVSE, Thermal storage, micro-grid components, GEB, etc.
    - EVSE with managed charging solutions (controls when vehicles are charged or allows for bidirectional charging)
  - Other measures and practices that implement load management, load shifting, and/or peak load reduction that enable the use of utility bill savings through tariff structures and demand response incentives

## Topic Area 3: Load Management (Other Procurement Mechanisms)

- Projects that **do not** utilize energy performance contracts and will reduce peak demand, shift demand load or provide energy storage that leads to energy savings, cost savings, and/or GHG emission reductions (see ECMs under Topic Area 2)
- FEMP intends to allocate  $\leq 10\%$  of the AFFECT 2022 grants to Topic Area 3 projects

# Grant Funding Deliverables and Payment Triggers for Selected Projects

- **Topic Area 1 Deliverables/Grant payment trigger:**
  - submission of the project Proposal from the ESCO/Utility to the agency, and forwarded to FEMP
- **Topic Area 2 Deliverables/Grant payment trigger:**
  - ESPC or ENABLE projects: approved Notice of Opportunity (NOO), Notice of Intent to Award (NOITA), project Proposal provided by the ESCO to the applicant
  - UESC projects: Letter of Interest (LOI) or Sources Sought Request for Proposal (RFP), Notice to Proceed (NTP) to IGA, and project Proposal provided by the utility to the applicant
- **Topic Area 3 Deliverable/Grant payment trigger:** submission of an awarded contract for the acquisition of one or more eligible ECMs



# Technical Review Criteria (1 of 5)

- Reflecting statutory requirements under 42 U.S.C. 8256(b) and align with the AFFECT Application Form questions.

## **Criterion 1: The Viability and Cost Effectiveness of the Project (20%)**

- The extent to which the project demonstrates alignment with agency mission, the feasibility of project execution, and the overall cost effectiveness of energy conservation measures (questions 1.1 – 1.7 in Section 1 of the Form)
  - Status of project: New start or In progress
  - Provide an overview of the project and its impact on agency mission, energy security, and resilience. (2 pages or less)
  - Describe the impact of AFFECT funds on the project and the impact of the AFFECT-funded ECMs on agency mission, energy security, and resilience. (1 page or less)
  - What are the additional energy conservation measures for which you are seeking AFFECT funding? (Use table provided)
  - Describe the extent to which the addition of AFFECT funding would change the scope and cost- effectiveness of the project. (250 words or less)
  - What is the project’s proposed funding and execution plan (e.g., authorities, vehicles, and funding sources)? (250 words or less)
  - Describe the process, tools, and analysis used to identify the project, the feasibility of execution, potential roadblocks, and plans to address them. (250 words or less)

# Technical Review Criteria (2 of 5)

## **Criterion 2: The amount of energy and cost savings anticipated to the federal Government (35%)**

- The extent to which the project achieves energy and cost savings for the Federal Government, (questions 2.1 – 2.2 in Section 2 of the Application Form)
  - For both the total project with AFFECT ECMs and the project without AFFECT ECMs, what are the anticipated total project energy reduction (kWh, BTU, etc.) and energy cost savings (\$)? For the complete project what is the percentage reduction of the energy and cost savings relative to all the facilities in the scope of work for the project? (Use table provided)
  - Describe any other energy or cost savings from the project and explain the degree to which you will obtain the greatest amount of savings (e.g. leveraging operations and maintenance costs, bulk purchasing, bundling) for the Federal Government. (250 words or less)

# Technical Review Criteria (3 of 5)

## Criterion 3: Leverage (15%)

- The extent to which the applicant leverages its agency funding commitment and non-federal financing (cost leverage) as defined in Section II.B (questions 3.1 – 3.2 in Section 3 of the Application Form)
  - What source and amount of agency funding (e.g., appropriations, Bipartisan Infrastructure Law, Inflation Reduction Act) is expected to be committed to the project? (250 words or less)
  - Identify and explain the source and amount of non-Federal funding that is expected to be committed to the project (e.g., utility incentives, performance contracting investment). (250 words or less)

# Technical Review Criteria (4 of 5)

## Criterion 4: Programmatic Priorities and Policy Considerations (30%)

- The extent to which the applicant meets the goals and requirements outlined in E.O. 14008, E.O. 14057, and EA2020 (questions 4.1 – 4.5)
  - For both the total project with AFFECT ECMs and the project without AFFECT ECMs, what are the estimated total and percentage reduction in greenhouse gas emissions? (Use table provided)
  - Describe how the values in 4.1 were derived by showing the associated energy and/or demand being reduced or shifted from peak to off-peak, and the fuels that are affected in the serving electric utility grid. (250 words or less)
  - Explain how the AFFECT ECMs and total project support your agency's overall GHG goals. (250 words or less)
  - For both the complete project and specifically for the AFFECT-supported ECMs, describe the degree to which the project contributes to meeting E.O. 14057, E.O. 14008, and EA2020 goals and requirements. (250 words or less)

# Technical Review Criteria (5 of 5)

## **Criterion 4: Programmatic Priorities and Policy Considerations (30%), cont'd**

- For both the complete project and specifically for the AFFECT-supported ECMs, describe the degree to which the proposed project results are conducive to replication and/or scaling for a larger deployment across multiple facilities within the proposing Agency and/or at other federal facilities. (250 words or less)
- Describe how your agency plans to implement and promote this replication/scalability without additional grant funding in the future. (250 words or less)

# Demonstrating Replicability

- **Applications must actively demonstrate how the proposed project results are conducive to, and how they will be used by the applicant, to promote broader adoption at other federal facilities**
  - Specific requirement (to be negotiated prior to grant award), will include commitment to develop a Government Use Case publication with key project information:
    - general location (City and State)
    - short project description addressing key issue(s) being addressed by the project;\
    - technology(ies) used
    - project costs
    - energy savings and GHG reduction
    - lessons learned
    - other notable features that can help persuade other agencies to undertake similar projects

# Program Policy Factors

- In addition to the above criteria, the Selection Official may consider the following Program Policy Factors (PPFs) in determining which agencies to select for award negotiations:
  - The diversity of technologies and approaches (including the degree to which the proposed project would be complementary to and support the existing portfolio of projects to achieve the overall goals and objectives of FEMP)
  - The geographic distribution of projects
  - The diversity of agencies or sub-agencies in the project portfolio
  - The previous history of Agencies or sub-Agencies receiving AFFECT award
  - The extent to which the project results in positive environmental benefits in economically and/or environmentally disadvantaged communities (To the extent applicable, consideration will be based on the information provided in response to questions 5.1 – 5.2 in Section 5 of the AFFECT Application Form)
    - For each facility encompassed by the proposed AFFECT project, use the Department of Energy's Disadvantaged Communities Reporter Mapping Tool (<https://energyjustice.egs.anl.gov/>) to determine whether the facility's location has been categorized as a disadvantaged community (DAC). Provide facility address(es) requesting AFFECT funding and provide DAC Status. (Use table provided)
    - Describe the extent to which the project results in positive environmental benefits in economically and/or environmentally disadvantaged communities. (250 words or less)
  - The extent to which the project supports American-made products and a diversified workforce within the clean energy economy in construction, skilled trades, and engineering to enhance American infrastructure (To the extent applicable, consideration will be based on the information requested in question 5.3 in Section 5 of the AFFECT Application Form)

# Application Process Checklist

- All applications must conform to the FAC's form and content requirements, including maximum page/word limits
- All applications must be submitted via EERE Exchange at <https://eere-exchange.energy.gov>
- The Technical Volume must be submitted using the AFFECT Application Form found on the EERE Exchange website
- Applicants must submit a separate Letter of Endorsement from the federal site's leadership or the applicant's headquarter official responsible for sustainability, energy management, or procurement, stating that the application has the support of central agency officials and would be allowed to be implemented if an AFFECT 2022 Appropriations FAC grant is awarded



# Application Process Checklist (cont'd)

## Simplified Application Process

- Standardized AFFECT Application Form
- Distinct questions that correlate directly to Technical Review Criteria
- Reduced application length (3-page narrative and questions w/ 250-word response limit)

## Leveraging eProject Builder (ePB)

- ePB Calculating Templates showing scenarios of project scope & financials (project w/o AFFECT grant; project w/ AFFECT grant) – Topic Area 1 only
- ePB GHG emissions worksheet Schedule #4g

# Questions/Additional Information

- FEMP personnel are **prohibited** from communicating (in writing or otherwise) with agencies regarding the FAC except through the established question and answer process as described below
- Questions regarding the content of this FAC must be submitted to: [AFFECT2022Approp@hq.doe.gov](mailto:AFFECT2022Approp@hq.doe.gov). Questions must be submitted by 3 business days prior to the application due date and time. Feedback on individual applications will not be provided through Q&A
- All questions and answers related to this FAC will be posted on EERE Exchange at: <https://eere-exchange.energy.gov>. Please note that you must first select this specific FOA/FAC Number in order to view the questions and answers specific to this FAC. FEMP will attempt to respond to a question within 3 business days, unless a similar question and answer has already been posted on the website

# Thank You

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- **Please note this webinar provided a summary of the AFFECT 2022 Appropriations FAC highlights. Agencies are advised to read the full FAC closely for full details**