

# Institutional Conservation Program

## Grant Cycle XI

### *Pre-Application Deadline*

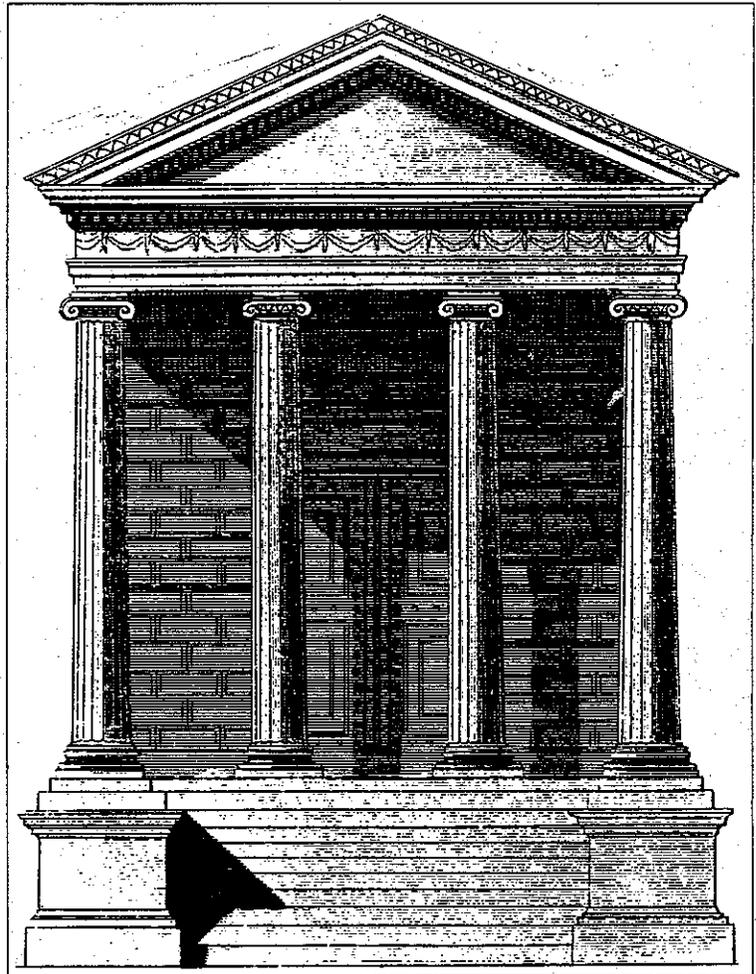
■ February 6, 1989.

### *What's Inside?*

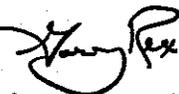
- Information Book and Pre-Application Form.
- Building eligibility information.

### *Questions Answered*

- If you receive a grant, how much paperwork is involved?
- Instructions for completing the one page Pre-Application Form.



STATE OF NEBRASKA  
Nebraska Energy Office, Box 95085, Lincoln, NE 68509-0585, Phone (402) 471-2867

TO: Hospital/School Officials, Engineers & Architects  
FROM: Gary Rex, Director   
SUBJECT: Pre-Application and Informational Meetings  
DATE: December 15, 1988

The Nebraska Energy Office is seeking applicants for the latest grants under the federally-funded Institutional Conservation Program. Funds are available for 50/50 matching grants for energy efficient building improvements and technical analyses, and must be applied for by February 6, 1989.

Inside this booklet are the instructions for filling out the one-page pre-application. If, after reviewing your pre-application, the Energy Office is reasonably confident that you will be selected, then you will be sent the full federal application.

If you have questions or require assistance in completing an application for the Institutional Conservation Program, please attend one of the meetings listed below:

January 10, 1989  
1:00 p.m.CST  
State Office Building  
Room 151  
200 South Silber Street  
North Platte

January 11, 1989  
10 a.m.MST  
Kelly's Restaurant  
417 Box Butte  
Alliance

January 12, 1989  
10:00 a.m.CST  
Northeast Tech College  
Main Information Bldg.  
Room 100B  
801 Benjamin Avenue  
Norfolk

January 13, 1989  
10:00 a.m.CST  
State Office Building  
Lower Level  
Room B  
301 Centennial Mall South  
Lincoln

If you have any questions about the program, just contact John Osterman at (402) 471-2867.

## INTRODUCTION

This booklet is the first stage in your application for a grant under the Institutional Conservation Program, which is designed to promote energy efficiency in public and non-profit schools and hospitals. On the following pages, you will find answers to typical questions about the program and a one-page Pre-Application form which you should complete and return to the Nebraska Energy Office by February 6, 1989. Under the Institutional Conservation Program, cost-sharing grants of up to 50 percent (up to 90 percent in hardship cases) of the project cost are available for technical analyses and energy efficiency improvements.

The Nebraska Energy Office will rank the Pre-Applications, and if yours appears to have a good chance of being funded, we will mail you a complete set of federal application forms. Note that the information entered on the complete set of forms must be the same as that entered on your Pre-Application, unless our review indicates that changes are necessary. In these cases we will discuss the changes with you prior to your completion of the full application. If you have questions about the program or the application process, contact:

John Osterman  
Chief, Energy Financing Division  
Nebraska Energy Office, 9th Floor, State Capitol  
P.O. Box 95085, Lincoln, NE 68509-5085  
Tel. (402) 471-2867

## DEFINITIONS

### • What is a Technical Analysis?

A technical analysis is an in-depth study of your building and its energy systems performed by a licensed professional engineer or architect-engineer team to identify cost-effective energy conservation measures. For more information on performing a technical analysis contact the Nebraska Energy Office for our "Guide to a Technical Assistance Study".

### • What is an Energy Conservation Measure?

An energy conservation measure is an energy saving capital improvement such as building insulation, storm windows, energy management systems, high efficiency replacement boilers and air-conditioners, renewable energy equipment and lighting system modifications. Eligible energy conservation measures have a simple payback period of more than two and less than ten years.

## ELIGIBILITY

Is your building eligible for a Technical Assistance or Energy Conservation Measure grant?

To be eligible for either a Technical Assistance or Energy Conservation Measure grant your building must have:

- Been constructed on or before April 20, 1977
- Be owned and operated by a public or nonprofit school or hospital
- If a school building, not be used primarily for administration.

To be eligible for a Technical Assistance study grant:

- Your building must have received an Energy Audit. If your building has not been audited, you must send for a Preliminary Energy Audit Form and undertake an audit at your own expense. Call us for additional information regarding the Energy Audit.
- You must complete the Preliminary Energy Audit form.
- You must have implemented or have a plan to implement all energy conserving modifications to your operating and maintenance procedures which were recommended in the Energy Audit, or provide written justification for not doing so.

To be eligible for an Energy Conservation Measure grant you must fulfill the above requirements, plus:

- You must have completed a Technical Assistance study of the building.
- You must have implemented or have a plan to implement all low-cost and no-cost operations and maintenance changes recommended in the Energy Audit and Technical Assistance study.
- The estimated life of the building must be greater than the simple payback period of the energy conservation measure.
- You must not intend to dispose of the building within the measure's simple payback period.

$$\text{Simple payback period} = \frac{\text{Total Project Cost}}{\text{Annual Dollar savings from avoided energy costs}}$$

Note that **building additions** completed subsequent to April 20, 1977 are not eligible for assistance. Therefore, a project which will apply to the entire building, such as a boiler modification, must be prorated. Contact the Energy Office for more information on this point.

- What types of capital improvements are eligible for grants?

Any energy efficiency improvements with a simple payback period of more than two and less than ten years. Examples: wall, roof, pipe and duct insulation, window modifications, automated energy management systems, solar water heating, heat recovery equipment, cogeneration systems, and lighting system modifications.

## FUNDING

- How much money can your institution receive?

An institution can receive funding for several energy conservation measures and/or technical assistance studies in one or more buildings. During each grant cycle, no institution is allowed to receive grants which exceed a proportion of the funds we have available. However, if the applicants do not request all the available funds, then grants will be allowed to exceed the limit. Because of the funding limit, the funds available for a very costly project may be less than 50 percent of the project's cost.

Costs for Technical Assistance studies cannot exceed 12 cents per square foot unless justification is provided. Typical study costs are between 5 and 10 cents per square foot.

## APPLICATION REVIEW AND RANKING

Technical assistance and energy conservation measure applications are handled on a building-by-building basis. Each building's energy conservation measure application contains one or more projects chosen from the technical assistance report. The ranking of applications is based primarily on the cost-effectiveness of the project(s). The entire application may or may not rank high enough to be eligible for funding—we do not fund some projects in the application and reject others.

## TECHNICAL ASSISTANCE CREDIT

- What if you have already paid for a Technical Assistance study?

You may be allowed a credit of up to 50 percent of the cost of the Technical Assistance study towards your match in applying for an energy conservation measure grant. To be eligible for Technical Assistance credit, your technical analysis must meet all program requirements, as if it had been funded by a

Technical Assistance grant. An example of a Technical Assistance credit calculation is shown here:

Cost of technical analysis  
paid by your institution. . . . . \$4,000

Cost of energy conservation  
measures applied for. . . . . \$60,000

Total amount of energy conservation  
measure application (including  
technical assistance credit). . . . . \$64,000

Federal share (50 percent of  
amount applied for). . . . . \$32,000

Institution's share (50 percent of  
amount applied for). . . . . \$32,000

Minus technical assistance credit. . . . . \$4,000  
(cost of technical analysis already paid for by your  
institution)

Amount to be paid by the institution . . . . . \$28,000

If you request Technical Assistance credit, you must include a copy of your invoice and cancelled check to verify payment with your Pre-Application.

## TECHNICAL ASSISTANCE STUDY UPDATE

- What if you are interested in an Energy Conservation Measure which has not been analyzed in the Technical Assistance report?

Institutions wishing to add an ECM to their TA reports must formally update their TA reports. Such updates must be signed by a licensed professional engineer and impressed with the engineer's seal, and must include, but are not limited to, the following:

- Assurance that the TA analyst reviewed the **entire building again**, including the building envelope as well as the heating, ventilating and air conditioning system.
- Assurance that ECM's previously analyzed but not installed or recommended for funding were considered again.
- Assurance that operating and maintenance (O & M) procedures identified in the original TA report have been implemented, and identification of any additional O & M procedures.
- Costs and savings calculations for any additional ECM's considering interaction with the ECM's in

the initial report. Analyses of ECM's may not be prepared by a manufacturer's representative.

## ENERGY CONSERVATION MEASURE CREDIT

- What if you have already completed some energy conservation work on your own?

The cost of energy conservation measures undertaken independently may be applied toward your match for any additional energy conservation measures. You may request credit for up to 50 percent of the total cost of a completed energy conservation measure if:

- The measure for which you are requesting credit was recommended in a Technical Assistance report completed before the energy conservation measure was undertaken.
- The Technical Assistance study recommending the measure was conducted after November 8, 1978.
- The measure for which you are requesting credit is included in your application. It will be included in the factors upon which your application is ranked.
- The measure for which you are requesting credit qualifies as an eligible Energy Conservation Measure and meets program requirements.

If you request Energy Conservation measure credit, you must include copies of invoices and cancelled checks with your Pre-Application.

## HARDSHIP FUNDING

- What if you are unable to pay the full 50 percent application match?

Ten percent of all money available is reserved for grants of up to 90 percent of the total project cost. These awards are provided to schools and hospitals which face severe hardship because of long-term need or their inability to pay the full 50 percent application match. Financial assistance is available to the extent necessary to allow your institution to participate in the program and hardship applications must rank high enough to be eligible for a 50 percent grant. For more information on hardship funding contact the Nebraska Energy Office.

## PRE-GRANT COSTS

- Can you be reimbursed for project costs incurred before you receive a grant?

You may start a project as early as the pre-application submittal date (February 6, 1989) and still be reimbursed for 50 percent of the costs if your application is funded. This is particularly useful if there is an energy conservation measure that you must do regardless of whether you receive a grant. Note that if your application fails to rank high enough and is not funded, you will be responsible for all project costs incurred. If you decide to undertake a project before the grant is awarded, you must comply with all Institutional Conservation Program requirements; failure to do so can result in some pre-award costs being disallowed. If you are considering starting a project before the grant award, contact us for assistance.

## REPORTS AND RECORDKEEPING

- If you receive a grant, how much paperwork is involved?

You must maintain records which document:

- the amount of financial assistance and its disposal
- total cost of the project
- source and amount of non-federal funds
- procedures used to select contractors and/or technical assistance analysts

The Department of Energy will have access to these records for three years after project completion. If you receive a grant you must also complete:

- Two-page Semi-Annual Reports to be submitted while your project is in progress. These reports show the financial status of your grant and the status of your project.
- A three-page Final Report to be submitted once your technical analysis or energy conservation measure is complete.
- A one-page summary of energy consumption to be filed annually for three years following project completion.

## APPLYING FOR A GRANT

- How do you apply?

To apply for a grant simply complete both sides of the one-page Pre-Application form for each building for which you are requesting funds. Photocopy the form (contained in the back of this booklet) if necessary. Completed Pre-Applications are due to the Nebraska Energy Office by February 6, 1989.

**If you are applying for a Technical Assistance grant, include a copy of your building's Energy Audit.**

**If you are applying for an Energy Conservation Measure grant, include copies of the Technical Assistance report and the Energy Audit.**

Your project will be ranked on the basis of cost and energy and dollar savings. If your project appears likely to receive a grant or be listed as an alternate project, you will be sent a full set of federal application forms. If you would like a set of the federal rules governing the program or any additional information, contact the Energy Office at the address on the first page of this booklet.

## **INSTRUCTIONS FOR COMPLETING YOUR PRE-APPLICATION FORM**

This Pre-Application form is designed to save you time and to avoid unnecessary paperwork. If after preliminary ranking, your Pre-Application appears to rank high enough to be funded or be listed as an alternate project, we will mail you the full federal application.

**The information on the full application must agree exactly with the information contained in your Pre-Application unless we direct you to make specific modifications; projects cannot be added or dropped, and all savings and cost figures must remain the same.**

A separate Pre-Application form must be completed for each building for which you are requesting a grant. Make photocopies of the Pre-Application form if necessary.

- What if you are applying for a Technical Assistance grant?

If you are applying for a Technical Assistance grant, first contact several registered engineers or architectural-engineering firms to obtain a range of cost estimates for a study of your building.

Once you have estimated a reasonable cost, complete Section A of the Pre-Application and mail it to the Nebraska Energy Office **with a copy of your Energy Audit.**

- What if you are applying for an Energy Conservation Measure grant?

If you are applying for an Energy Conservation Measure grant, complete Sections A and B of the Pre-Application. To complete Section B, refer to your Technical Assistance study. **Copies of your Technical Assistance study and energy audit must be mailed to the Energy Office with your Pre-Application.**

If you think that the cost of your project(s) has changed, or if changing utility rates have altered the savings generated by your project(s), contact your analyst to see if changes in your Technical Assistance study are necessary.

**If you have any questions regarding the Pre-Application, feel free to call John Osterman at the Nebraska Energy Office, (402) 471-2867.**

# Institutional Conservation Program Cycle XI Pre-Application

• Please Keep a Copy For Your Records.  
 Complete Section A if applying for a Technical Assistance Grant. Complete Sections A and B if applying for an Energy Conservation Measure Grant.

SECTION A		BUILDING DATA
Institution		
Mailing Address		
City	State	Zip Code
Contact Person		
Telephone No. (area code )		
Signature		
	<input type="checkbox"/> Public School <input type="checkbox"/> Non Public School	<input type="checkbox"/> Postsecondary School <input type="checkbox"/> Hospital
	Hours Occupied per Year _____	
	Size in Sq. Ft. _____	
	Original Construction Date _____	
	Dates of Additions _____	
	What portion, if any, of the measures below will affect any additions built after 4/20/77 ? _____	

SECTION B — ENERGY CONSERVATION MEASURE SUMMARY					
Energy Conservation Measure Description (Including any for which credit is claimed)	Annual BTU Savings in Millions (a)	Annual Dollar Savings (b)	Estimated Project Cost (c)	Simple Payback in Years (d)	Useful Life (e)
1.		\$	\$		
2.		\$	\$		
3.		\$	\$		
4.		\$	\$		
5.		\$	\$		
6.		\$	\$		
<b>PROJECT TOTALS</b>					

REMEMBER TO COMPLETE ENERGY CONSUMPTION HISTORY ON THE BACK OF THIS FORM



Nebraska Energy Office  
State Capitol  
Box 95085  
Lincoln, NE 68509-5085

Bulk Rate  
U.S. Postage  
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ADDRESS CORRECTION REQUESTED

*Informational Meetings  
on the  
Institutional Conservation Program*

- North Platte, 1:00 p.m. Tuesday, January 10, 1989  
State Office Building, Room 151, 200 South Silber Street
- Alliance, 10:00 a.m. Wednesday, January 11, 1989  
Kelly's Restaurant, 417 Box Butte
- Norfolk, 10:00 a.m. Thursday, January 12, 1989  
Northeast Tech College, Main Information Bldg., Room. 100B, 801 Benjamin Ave.
- Lincoln, 10:00 a.m. Friday, January 13, 1989  
State Office Building, Lower Level, Room B, 301 Centennial Mall South

*This is your Institutional Conservation Program Pre-Application.  
It must be submitted by February 6, 1989.*