



**Ohio Energy Loan Loss Reserve (LLR) Program
Request for Qualifications (RFQ)
Pre-Qualifications Meeting
April 8, 2014
Frequently Asked Questions**

Q1. Will projects be subject to compliance with the National Environmental Policy Act (NEPA)? What are the categorical exclusions under NEPA (page 10, VIII)?

A1. Yes, and the categorical exclusions are outlined in the attached document (NEPA Categorical Exclusions).

Q2. Do prevailing wage requirements apply to Energy Projects financed through leveraged funds?

A2. No, per Department of Energy SEP Program Notice 10-008D:

“LLR funds are used to protect the third-party lender in the event of default. The third-party lender obtains reimbursement from a LLR fund only in the event of a default by the borrower, and only after legal efforts have been exhausted to obtain additional repayment from the borrower. LLR funds are not used for the construction alteration, maintenance or repair of a public building or public work. Therefore, the DBA and Buy American provisions of the Recovery Act do not apply to LLR funds”

Q3. Does the Davis Bacon Act (DBA) apply to the entire project or just the portion financed by funds that will be backed by the Loan Loss Reserve (LLR)?

A3. DBA does not apply to LLR funds.

Q4. Are the administrative costs of starting/maintaining the portfolio of Eligible Loans an allowable expenditure (page 8, V, 8)? Are any funds available to assist with costs incurred as a result of ARRA requirements (page 10, VIII)?

A4. Department of Energy (DOE) Program Notice 10-008D (attached) allows that “interest earned may be rolled back into the LLR account or used for another approved, eligible activity”. Administrative costs would be an eligible activity and could be considered at the director’s discretion, upon approval from the DOE project officer.

Q5. How will Eligible Ports facilitate working outside of their current jurisdiction (page 7-8, V, 6)?

A5. Port Authorities can enter into a cooperative agreement or memorandum of understanding with each other to outline this process. The intent of this portion of the program is to ensure that all Ohioans, regardless of geographic location, are allowed the opportunity to participate in the program.

Q6. Can loan repayment be made via an assessment agreement?

A6. Yes

Q7. What kinds of items are allowable as other expenses, as referenced in the definition of Energy Project (page 4, II, 7)?

A7. This references expenses that are necessary for the completion of the project. Ports should outline expenses incurred that are included in loans under their programs. Any information submitted through the RFQ will be considered. Note: application fees, commitment fees and costs associated with energy audits are not included in loans under ODSA's Energy Loan Fund.

Q8. What is the meaning of "uncommitted funds" as used in the RFQ (page 8, V, 13)?

A8. Uncommitted funds are those in the Additional Reserve that are not backing an Eligible Project. When repayment of Eligible Loans causes the Additional Reserve to go above 100 percent coverage of the leveraged funds the remainder of funds in the Additional Reserve are considered uncommitted.

Q9. How is the 15 percent energy reduction measured (page 9, VI, 4)?

A9. Energy reduction should be calculated as 15 percent reduction from existing conditions. Note: ODSA's Energy Loan Fund uses both dollar savings and energy savings (MMBTU or kWh) to define project eligibility and 15 percent reduction.

Q10. Is there a standard format provided for reporting?

A10. Yes, this will be done electronically through Salesforce, an online customer relationship management program.

Q11. What are items that will be considered an Eligible Port request increase on the maximum \$500,000 draw per project to the Additional Reserve (page 6-7, V)?

A11. An example of the items that will be considered are the project's economic and environmental impact, size of investment, energy savings, effect on other projects, etc. and if the Eligible Port's energy program has been proven to be robust.

Q12. If a project includes items that are not allowable under SEP-ARRA, can the LLR be used (page 9-10, VII)?

A12. Yes, with approval from ODSA. The Energy Project must be clearly defined. For example, in a case where there is a retrofit project being completed in conjunction with the expansion of a building only the retrofit portion would be allowable. Title XVI of the Recovery Act states the following: *SEC. 1604. None of the funds appropriated or otherwise made available in this Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course or swimming pool.*

Q13. Does the budget section of the submitted qualifications need to include information on Common Bond Fund and other staff (page 6, IV, 3)?

A13. Yes, information on any staff that will be dedicated in whole or in part to administration of the program should be included. Any consultation services for technical or financial review should be included as well.

Q14. What constitutes a stakeholder as it relates to the marketing plan (page 6, IV, 4)?

A14. Existing customers with which the Port has a business relationship.

Q15. If a port has submitted forms in Appendix A to ODSA for other programs will they need to re-submit these forms as part of this RFQ (page 6, IV, 5)?

A15. Yes

Q16. Should ports submit information on Common Bond Fund projects only, or on all types of financing capabilities and experience (page 6, IV, 1)?

A16. All types of financing. This section's intent is to show the Port's capacity to implement an energy loan program.

Q17. Should the staffing section include information on outside staff working on behalf of the Port (page 6, IV, 2)?

A17. Yes, anyone working on the Port's behalf for administration of the energy loan program should be included here.

Q18. Are future uses of the LLR funded through SEP-ARRA subject to federal requirements (page 10, VIII)?

A18. The funds available through this program retain their federal character in perpetuity.

Q19. Can I identify reasonable costs for program start-up in my proposal?

A19. Yes, and this is encouraged.

Q20. Can leveraged funds backed by the Additional Reserve be purchased/capitalized by a bond issue or other method?

A20. Yes

Q21. Are NAICS codes required for government agencies (page 9, VI, 2)?

A21. Yes

Q22. In the case of a default where funds from the Additional Reserve are used, what happens with those funds (page 8, V, 12)?

A22. The funds would be considered spent and no longer available if used to cover a loan default.

Q23. What is ODSA's process for reviewing Energy Projects for approval of a draw to the Additional Reserve (page 6-8, V)?

A23. ODSA will review projects and respond in writing to the Eligible Port within 10 business days of receipt of documentation required.

Q24. Can ODSA authorization be assumed upon no response within a time frame to be determined?

A24. No.

NEPA Categorical Exclusions Applicable to the Ohio Energy Loan Loss Reserve Program April 8, 2014

The Ohio Office of Energy and Redevelopment has received authorization that the following building retrofit activities undertaken with American Recovery and Reinvestment Act- State Energy Program (ARRA-SEP) funds be categorically exempt from National Environmental Policy Act (NEPA) review:

- Insulation
- LED Lighting
- Energy efficient lighting technologies, including day-lighting
- Efficient equipment
- HVAC upgrades
- Weather sealing
- ENERGY STAR appliances
- Replacement of windows and doors
- Motors
- Process heat equipment
- Process equipment
- Steam traps
- Other industrial systems
- Implementing demand reduction practices for industrial operations at existing facilities
- Installing demand reduction equipment for industrial operations at existing facilities
- Development, implementation and installation of onsite renewable energy technology that generates electricity from renewable sources, provided that; Projects are limited to:
 - Ground source heat pumps - 5.5 tons of capacity or smaller, horizontal / vertical, ground, closed-loop system.
 - Combined heat and power system - boilers sized appropriately for the buildings in which they are located.
 - Installation of solar electricity / Photovoltaic's - appropriately sized systems or units on existing rooftops and parking shade structures; or a 60kW system or smaller installed on the ground within the boundaries of an existing facility (This CX determination does not apply to any installations on brownfields).
 - Wind turbines - 20kW or smaller.
 - Solar thermal hot water - appropriately sized for residences or small commercial buildings.

These activities comprise actions to conserve energy; therefore they are categorized under CX B5.1.

The following activities are conditioned pending further NEPA review:

- Installation of geothermal equipment
- Siting / construction / operation of new geothermal wells
- Any EE/RE measures not listed above
- District heat and cooling systems
- Combined heat and power systems
- Cogeneration systems
- Absorption chillers
- Desiccant humidifiers

Ohio will ensure that any waste generated by these activities is disposed of properly by a licensed contractor and they will consult with Ohio's State Historic Preservation prior to implementing any activities on historic buildings or buildings that are on the registry and prior to implementing activities that may impact cultural resources.