

THRESHOLD ATTRIBUTES, SCORING CRITERIA, AND METRICS

(Adopted at 7/10/2009 Committee Meeting)

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THRESHOLD PROJECT ATTRIBUTES

1. Meets EECBG requirements
2. Meets requirements set out in request for proposals
3. Minimum size of \$____k
4. Can be completed within 18 months
5. Proposer meets City contracting requirements

THRESHOLD PORTFOLIO ATTRIBUTES

1. Consists of no more than X projects (X=6?)
2. Uses up all available EECBG funds (approx. \$10 million)
3. Does not exceed available EECBG funding by more than Y% (Y=10?)

CRITERIA FOR RANKING PROJECTS

1. Financial and Cost-Effectiveness
 - a. Cost of energy savings (or generation): NPV of project costs¹ (i.e., EECBG funds plus participants' initial costs and O&M costs) / MWh saved over life of project
 - b. Cost of expected peak demand reduction: NPV of project costs / peak kW saved
 - c. Indicative cost effectiveness for City: NPV of energy cost savings to City over life of project / NPV of City costs (including EECBG funds)
 - d. Indicative net benefits to City: NPV of cost savings to City's General Fund – EECBG funds – costs to City
 - e. Indicative net benefits to participants: NPV of cost savings to participants (i.e., residents and businesses) – EECBG funds - costs to participants
2. Environmental
 - a. Reduction in City's GHG footprint
 - b. Reduction in usage of fossil fuels
 - c. Reduce solid waste
 - d. Reduce water usage
 - e. Reuse existing sites (where applicable)
3. Project Viability and Performance
 - a. Developer/proposer experience with proposed project
 - b. Willingness to post performance bond
 - c. Low risk of failure (e.g., modular projects rather than one big project)
 - d. Low risk of benefits disappearing (e.g., tied to specific rate design is risky)
 - e. Low risk of delay (e.g., hard to get permits)
 - f. Proven technology (for non-pilot programs only?)
 - g. Easy to demonstrate performance (e.g., low M&V costs)
4. Sustainability of Benefits
 - a. Creates permanent jobs
 - b. Provides energy benefits for at least X years (X = 10?)
 - c. Provides educational benefits to the population (e.g., creates public awareness of need to save energy)
5. Equity
 - a. Provides broad public benefits (i.e., to citizens of City, non-profits, and City government)
 - b. Meet City goals for MBE/WBE/DVBE
 - c. Provides services to hard-to-reach citizens

¹ Leveraged funds are not included as project costs for these calculations.

6. Local Job Creation and Retention

- a. Local businesses and non-profits provide services
- b. Creates jobs within the City
- c. Create local sustainable jobs that are well-paying family wage jobs, include healthcare, retirement and benefits and create career pathways out of poverty by offering training through joint apprenticeship programs.
 - i. Energy Efficiency and Conservation Block Grant dollars should be focused on projects with potential for significant high quality job placement, creation and retention. There should be as much emphasis placed on *retention*, in order to prevent layoffs, as there is on new job creation.
 - ii. All Energy Efficiency and Conservation Block Grant fund recipients should make a commitment to safe and healthy work environments, including hiring state-licensed contractors.
 - iii. Energy Efficiency and Conservation Block Grant fund recipients should commit, when possible, to hiring contractors who employ local people from geographical areas that have been hardest hit by environmental degradation including low-income communities where residents bear significant environmental, public health and economic impacts.

7. Leverage Funds

- a. Leveraging funds (i.e., percent of stimulus funds match from other sources)
- b. Scalable projects

CRITERIA FOR RANKING PORTFOLIOS

1. Some EE, peak load reduction, and renewable energy projects
2. One or two pilot projects (\$250k max per project)
3. One or two projects that are highly visible and demonstrate new or innovative technology
4. Benefits are spread geographically around the City
5. High total score for projects

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