EECBG PROJECT AND CRITERIA SELECTION

THRESHOLD PROJECT ATTRIBUTES[1]

1. Meets EECBG project and contracting requirements
2. Meets requirements set out in City's request for proposals
3. Minimum size of $___k
4. Can be completed within 18 months
5. Proposer meets City contracting requirements, including requirements for posting performance bonds, for paying living wages, and MBE/WBE/DVBE requirements.
6. In addition to the information requested in the RFP, proposer must be willing to sign an affirmation with the following information regarding how he/she would carry out the project if selected as the contractor:
    a. What percent of services needed for the project would be provided by local businesses and non-profits?
    b. How many jobs would be created within San Diego?
    c. How many of the jobs would offer healthcare benefits?
    d. How many of the jobs would offer retirement benefits?
    e. How many of the jobs would offer other benefits? (Please specify.)
    f. Would a safe and healthy work environment be maintained?
    g. Would all contractors used for the project be state-licensed?
    h. Would job training be offered?
    i. Would hiring preference or additional recruiting be provided to 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?
    j. What funding sources would be used to leverage EECBG dollars?

Note: All Energy Efficiency and Conservation Block Grant fund recipients should make a commitment to safe and healthy work environments, including hiring state-licensed contractors. 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.

[1] Note that links in the following section lead to relevant documents.

CRITERIA FOR RANKING PROJECTS

Criteria	Weighting Factor
Environmental Impact	25%
Local Job Creation & Retention	25%
Financial and Cost Effectiveness	10%
Project Viability and Performance	10%
Sustainability of Benefits	10%
Equity	10%
Leverage Funds	10%

PROCEDURE FOR RANKING PROJECTS

	Procedure	**Example**
1.	For each project, develop all Project Evaluation metrics, as described in the Project Evaluation table below.	For each project, assess the per-dollar lifetime greenhouse gas emissions avoided.
2.	For each metric, rank all projects.	Rank all projects based on the per-dollar level of avoided greenhouse gas emissions.
3.	For each metric, assign a score of 1, 3, or 5 for each project. *Note: Depending on the distribution of results, scores may or may not be evenly distributed. For example, if projects cluster around high and low values for a particular metric, the high scoring projects would all be scored as 5s and the low scoring projects would all be scored as 1s. No project would be scored as a 3.*	Score the projects with the highest per-dollar level of avoided emissions as 5s; score the projects with the lowest per-dollar level of avoided emissions of EECBG funding as 1s; and score the remainder of projects as 3s.
4.	Calculate Category Scores for each project by taking the weighted average of the metric scores within each category.	A project with scores of 5-1-1-5 in the Environmental Impact category would have a Category Score of 3.8.[2]
5.	Calculate a Project Score for each project by taking the weighted average of the Category Scores.	A project with Category Scores of 3.8-2.5-4.5-3.7-1.4-2.9-3.2 would have a Project Score of 23.[3]
6.	Rank projects according to their Project Scores.	

[2] (5*60%)+(1*20%)+(1*10%)+(5*10%)=3.8

[3] (3.8*25%)+(2.5*25%)+(4.5*10%)+(3.7*10%)+(1.4*10%)+(2.9*10%)+(3.2*10%)= 23

PROJECT EVALUATION

Category/Metric	Weight	Calculation or Approach for Assigning Value
1. Environmental Impact – 25%		
Reduction in City's Overall GHG footprint	60%	Avoided GHG emissions over life of project per dollar of EECBG funding received (estimated)
Reduce water usage	20%	Water reduction over life of project per dollar of EECBG funding received (estimated)
Reduce solid waste	10%	Solid waste reduction over life of project per dollar of EECBG funding received (estimated)
Reuse existing sites	10%	Deduction for projects that develop "Greenfield" sites
2. Local Job Creation and Retention – 25%		
Local businesses and non-profits provide services	33%	Percent of services provided by local businesses and non-profits (based on proposer's affirmation and estimate of the availability of local agencies to complete the work)
Creates jobs within the city	33%	Number of jobs created within the city per dollar of EECBG funding (based on proposer's affirmation)
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.	33%	Qualitative assessment based on these factors: • Will project create jobs for skilled/professional labor? • Will project create pathways out of poverty, such as through job training, apprenticeships, or career pathways? • Will project create jobs with healthcare, retirement, and other benefits? (based on proposer's affirmation)
3. Financial and Cost-Effectiveness – 10%		
Cost of energy savings	20%	NPV of EECBG funds plus participants' initial costs and O&M costs ("Project Costs") / MWh saved over life of project

Category/Metric	Weight	Calculation or Approach for Assigning Value
Cost of expected peak demand reductions	20%	NPV of Project Costs / peak kW saved
Indicative cost-effectiveness for City	20%	NPV of energy cost savings to City over life of project / NPV of City costs (including EECBG funds)
Indicative net benefits to City	20%	NPV of [cost savings to City's General Fund – EECBG funds – other costs to City]
Indicative net benefits to participants	20%	NPV of [cost savings to participants (i.e., residents and businesses) – EECBG funds - costs to participants]
4. Project Viability and Performance – 10%		
Developer/proposer experience with proposed project	35%	Qualitative assessment of the availability of experienced developers for the project, based on factors such as: • Number of comparable completed projects overseen/developed by the project proposer • Availability of experienced developers that have completed similar projects
Low risk of failure or delay	25%	Qualitative assessment, based on factors such as: • Is the project one big project or is it made up of modular components? • Does the project require permits that may be hard to obtain? • Does the project require a CEQA analysis?
Proven technology	20%	Qualitative assessment, based on factors such as: • Is the technology commercially available? • Has the technology been used in the context of the proposed project? • Have pilot projects successfully demonstrated the technology?

Category/Metric	Weight	Calculation or Approach for Assigning Value
Low risk of benefits disappearing	10%	Qualitative assessment, based on factors such as: • Are project benefits tied to a specific SDG&E rate design? • Are benefits tied to the continuing involvement of a single company/organization? • Does project rely on a technology that is incompatible with the latest standards? • Does project require the ongoing involvement of residents/business owners? • Do project benefits depend on assumed behavioral changes?
Easy to demonstrate performance	10%	Qualitative assessment of the magnitude of costs for measurement and verification. For example, is an engineering audit required, or can energy generation/reduction be measured directly?
5. Sustainability of Benefits – 10%		
Creates or retains permanent jobs	33%	Number of years that jobs are expected to last *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.*
Provides resource or benefits for at least 10 years	33%	Do benefits continue for at least 10 years?
Provides educational benefits (awareness)	33%	Qualitative assessment of whether the project creates educational benefits
6. Equity – 10%		
Provides broad public benefits	50%	Qualitative assessment of whether project benefits accrue to a large number of citizens, either through direct benefits or by reducing costs for City government

Category/Metric	Weight	Calculation or Approach for Assigning Value
Provides services to hard-to-reach and moderate-income citizens	50%	Qualitative assessment of whether program provides reasonable level of benefits to hard-to-reach or moderate-income citizens
7. Leverage Funds – 10%		
Scalability	33%	Qualitative assessment of scalability of proposed project
Leverages available funding/programs	33%	Qualitative assessment of how EECBG funds could be matched by other funding sources (based on proposer's affirmation)
Risk involved with leveraged funds	33%	Qualitative assessment of the risk involved in obtaining leveraged funding, based on factors such as: • Are the funding sources competitive or non-competitive? • Could the funding source become depleted? • Is there an established partnership with the funding source?