GAP III ENERGY GRANT 2022-2023 OPPORTUNITY
Bidder’s Informational Conference

June 2, 2022

HOUSEKEEPING:
- Please keep your line muted
- Include your affiliation/organization next to your name
- Use the chat feature to ask questions or submit to CERP@mass.gov
- This webinar will be recorded
GAP III ENERGY GRANT 2022-2023 OPPORTUNITY

Bidder’s Informational Conference

June 2, 2022

Presented By:
Danah Tench, Michael DiBara - MassDEP

An Innovative Partnership:
The Massachusetts Department of Environmental Protection
The Massachusetts Department of Energy Resources
The Massachusetts Clean Energy Center
AGENDA

Background and Goals

Gap III Energy Grant Opportunity

• Eligible Entities / Facilities
• Eligible Projects, including a Demand Response option
• Facility Ownership & Authorization
• Evaluation Criteria
• On-Line Application Process
• Key Dates

Questions
History of Success

Implement energy efficiency & clean energy projects at water facilities

• Technical & financial assistance resources are available
• Connect energy utility and other funding sources together
• Savings ($) can be reinvested back into facility assets, community benefits
Gap Funding Grants

Drinking water and wastewater treatment systems who have installed energy efficiency and clean energy assets.

Systems Awarded

Round 1

Abington / Rockland Joint Water Works
John F. Hannigan Memorial Drinking Water Plant

Abington / Rockland Joint Water Works
Great Sandy Bottom Water Treatment Plant

City of Cambridge
Walter J. Sullivan Water Treatment Plant

Systems Awarded

Round 2

Bernardston Fire and Water District (BFWD)
Pratt Field Wellhead

Charlemont Sewer District (CSD)
Wastewater Treatment Plant

City of Brockton
Advanced Water Reclamation Facility

City of Chicopee
Water Pollution Control Facility

To see more descriptions click the name of the system awarded or the Town awarded on the map.

https://www.mass.gov/info-details/massachusetts-gap-energy-grant-program
Gap Energy Grant Opportunity

Baker-Polito Administration Makes $7.5 Million in Gap Energy Grants Available to Municipalities, Non-Profits and Small Businesses (press release 4/22/22)

Eligible Entities

- **$5M**
  - Publicly owned drinking water & wastewater treatment facilities (municipal, district or authority)

- **$2.5M**
  - Nonprofit multifamily affordable housing organizations
  - Nonprofit agricultural/food producing organizations and
  - Small businesses engaged in food distribution and processing
Gap Energy Grant Opportunity

Maximum grant
$200,000 per entity

• 10% Minimum facility cost share
• Grants will be distributed on a reimbursement basis
• Simple and streamlined application (online)

*** A completed energy assessment, energy audit, technical evaluation or feasibility study for your project is required to apply
Who’s Eligible?
Publicly-owned drinking water & wastewater treatment facilities

Public Entity: any city, town, special district, or the Massachusetts Water Resources Authority

- Publicly Owned Wastewater and Drinking Water Treatment Facilities are eligible

This includes a drinking water or wastewater system (plant and pumping stations) that is owned by a municipality district or authority. A privately contracted entity for the operation of the plant is eligible, as long as it is owned by a public entity.
Who’s Eligible?
Nonprofit multifamily affordable housing organizations

• Nonprofit Multifamily Affordable Housing: an affordable housing organization that hold a federal 501(c)(3) or 501(c)(4) designation (* see below).

• Such as:
  ▪ A community development corporation (CDC)
  ▪ Other non-profit religious or other housing organizations serving, low or moderate income, elderly or special needs residents.

Please note: A signed Nonprofit Eligibility Attestation Form is required. (See page 22)
Who’s Eligible?
Nonprofit Agricultural / Food Producing Organizations

- Nonprofit Agricultural / Food-Producing Organizations: organizations that hold a 501 (c) (3) designation such as:
  - community food banks and cooperatives ([https://nfca.coop/ma/](https://nfca.coop/ma/))
  - commercial and shared-use kitchens ([https://www.mass.gov/service-details/shared-use-kitchen-space](https://www.mass.gov/service-details/shared-use-kitchen-space))
  - local food and specialty processing, holding, and distribution organizations engaged in the production of agricultural products

Please note: A signed Nonprofit Eligibility Attestation Form is required. (See page 22)
Who’s Eligible?
Small Businesses Engaged in Food Distribution and Processing

- Small Businesses Engaged in Food Distribution and Processing: are small food processing and distribution businesses that support Massachusetts agricultural and seafood industries.

Some Examples:
- co-packers (https://www.mass.gov/service-details/co-packer-businesses)
- specialty food organizations https://www.msfa.net/?s=,
- Craft beverage facilities
- food holding facilities.

Requirements: must be a company or corporation with a facility or facilities located in Massachusetts:

1. that is licensed to do business in the Commonwealth and
2. that has gross revenues reported of $15 million or less from their Massachusetts operations based on a three-year average.

Please note: A signed Small Business Eligibility Attestation Form is required. (See page 20-21)
What’s Eligible?
Energy Efficiency Project Examples

- Building envelope treatments
- Air source heat pumps
- Variable speed drives
- Pump and motor replacements
- HVAC upgrades
- Limited lighting – eligible up to a maximum of 20% adjusted project cost
- Process improvements (aeration, pumping optimization)

LED lighting, sensor and control upgrades must be implemented with other energy-saving measures and will be eligible up to a maximum of 20% of the adjusted project costs (i.e., total lighting cost - energy utility incentive = adjusted project costs)
What’s Eligible?
Clean Energy Project Examples

• Solar photovoltaic (PV) systems
• In-conduit hydropower
• Wind power
• Battery storage systems
• Existing combined heat and power (CHP) projects that utilize biogas from anaerobic digestion (AD)
• Solar thermal rooftop collectors for preheating water
• Water source heat pumps and geothermal systems
• Sewer heat recovery
Project Adder: Demand Response (optional)

Demand Response Services can provide long-term revenue for facilities through energy management

Two Streamlined Pathways for Participation

1. ENE51: Designated Division of Capital Asset Management and Maintenance (DCAMM) Statewide Contract for Demand Response Services
   • Example: Cities, towns, districts, counties, and other political subdivisions…check User Guide for eligibility

2. Mass Save® Connected Solutions Demand Response Program
   • For electric customers served by Mass Save® sponsors: Eversource, National Grid, Unitil, Cape Light Compact)
Demand Response
What is the Connected Solutions Program?

- Program was created in 2016 to help utilities in New England manage peak load across the summer season.
- Basic Program Design includes two distinct program options:

<table>
<thead>
<tr>
<th>Program Option</th>
<th>Participation Season</th>
<th>Event Window</th>
<th>Notification</th>
<th>Maximum Number of Events/Season</th>
<th>Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Dispatch</td>
<td>June - September</td>
<td>2pm-7pm</td>
<td>Day-Ahead</td>
<td>60</td>
<td>$200/kW Summer</td>
</tr>
<tr>
<td>Targeted Dispatch</td>
<td>June - September</td>
<td>2pm-7pm</td>
<td>Day-Ahead</td>
<td>8</td>
<td>$35/kW Summer</td>
</tr>
</tbody>
</table>

Daily Dispatch program focuses on a high level of availability.
Structuring a Customer-Friendly Program

• What benefit does this program provide Energy Users?
  • Multiple avenues available to customer for enrollments
  • Performance based incentive - no penalties for underperformance
  • Align a facility’s ability to the right program(s):
    • Perform as little as 4-8x per season for Targeted Dispatch; OR
    • 40-60x per season for Daily Dispatch
  • Ability to monetize existing or deploy new DER increasing sustainability and resiliency at customer sites
  • Ability to use production curtailment, thermal, Building Management System (BMS) controls, battery
  • Program stacking allows multiple revenue streams
Success Stories

• **Commercial Applications:** Enrolled via new and existing batteries and BMS based curtailment strategies. **Over $2M in incentives generated to date.**

• **Industrial Loads:** Leverage the most comprehensive strategy which includes thermal loads, traditional curtailment, batteries, and process driven loads. **Generated over $500k in incentives.**

• **Higher Education:** Enrolled via BMS systems and traditional curtailment. **Over $2M paid to customers.**
Facility Ownership and Authorization to perform Energy Efficiency and Clean Energy Projects:

Projects may be completed at a Facility that is owned by the Eligible Entity applicant, or at a Facility leased by the applicant with the written consent of Facility owner.

Work proposed at leased Facilities must be accompanied by a letter signed by the Facility owner(s) demonstrating their commitment to pursue the project’s stated energy efficiency or clean energy goals and actions.

NOTE to applicants: Applicants that are leasing Facilities must be in a Long-term lease arrangement (5 years or greater) to be eligible to apply for a Gap III Grant (See Long-term lease definition in the Glossary p.28)
Massachusetts Gap III Energy Grants

MassDEP will be accepting Gap grant applications in two categories, as follows;

(1) for smaller projects, the Gap grant funding award will be up to, but not greater than, $100,000; and

(2) for larger projects, the Gap grant funding award will be up to, but not greater than $200,000.
Gap III Grant Application: Evaluation Criteria

1. Cost-Effectiveness of MassDEP’s Gap III grant (up to 25 points)  
   (simple payback of grant in years)

2. Total estimated annual energy savings or renewable generation in kilowatt-hours (up to 25 points)

3. Environmental Justice benefits (up to 15 points)

4. Total percentage (%) of energy utility incentives and other grant contributions (up to 10 points)
5. Implementing a clean energy technology option (up to 10 points)

6. Implementing Deep Energy Retrofit option (up to 5 points)

7. Implementing an Active Demand Response plan option (up to 5 points)

8. For applicant cost-share contribution: an amount greater than 10% (up to 5 points)
Gap III Grant Online Application: Pre-Registration

Step 1: Pre-register by completing the following form on our website:

https://massgov.formstack.com/forms/2022gapgrantpreregister

Include:
- Entity or organization name*
- Governance*
- Entity type*
- Legal address*
- Contact name*
- Title*
- Email*
- Phone*
Gap III Grant Online Application

Email from Online System

- **Confirmation email**: Identified contact person will receive an email from the online system
  - (header will read “Massachusetts DOER / MassDEP's GAP III Application Workspace”)
  - The message will come from “Jane Pfister via iMeet Central noreply@imeetcentral.com”.

- **Unique link to submit application**: Confirmation email will contain a link that will be unique.
  - Use the link to create your username and password.
  - Each time you return to the workspace, you will first see a login page; you must provide the username and password you created; you will then be redirected to the appropriate workspace.

- See handouts for details
What makes up your grant application?

REQUIRED APPLICATION MATERIALS TO BE SUBMITTED ONLINE

- Project Narrative

- Appendix A: Applicant Information and Funding Overview

- Appendix B: Signed Certification of Application and Financing Certification, Small Business and Nonprofit Eligibility Attestation

- Appendix C: Grant Application Data Table

- Energy Efficiency Assessment / Audits; Clean Energy and Energy Storage Feasibility Studies

- Supporting documentation of contributions from other grant or funding sources
Gap III Grant Online Application:
What makes up your grant application?

Project Narrative:
up to two pages describing the project(s). Please include the added community, social, and environmental justice benefits from your planned energy and cost-saving projects.
Gap III Grant Online Application:
What makes up your grant application?

APPENDIX A: Applicant Information and Funding Overview
**Example:**

- $100,000 project
- $20,000 incentive from National Grid or Eversource
- $80,000 is the total adjusted project costs
- A minimum of 10% cost share = $8,000
- Gap request = $72,000
Gap III Grant Online Application:
What makes up your grant application?

Appendix B: Signed Certification of Application and Financing Certification
APPENDIX B: APPLICATION AUTHORIZATION

MUST BE PROVIDED WITH SCANNED SIGNATURES (pdf)

CERTIFICATION OF APPLICATION

I hereby confirm that I am duly authorized to submit this application on behalf of [Insert type of entity] and that all information contained in this application to the Gap III Funding for Clean Energy Projects at the relevant facilities or buildings is true and accurate.

Name
Date
Title

OWNERSHIP/LEASE CERTIFICATION: I hereby confirm that I am duly authorized to implement these energy efficiency and/or clean energy upgrades to this building on behalf of [Insert type of entity] as I am the legal owner of this Facility as represented in the attached Deed, or based on the attached Letter of Authorization and Support signed by the Facility owner [insert legal owner entity’s name] and that all information contained in this application to the Gap III Funding for Clean Energy Projects at the relevant facilities is true and accurate.

Name
Date
Title

FINANCING CERTIFICATION Applicants that intend to secure financing to implement the energy projects described in this application must also complete this certification:

I hereby confirm that the applicant is duly authorized to apply for financing on behalf of the [Insert type of entity] of [Insert name], located at [Insert address], and that if selected for a grant award the applicant will seek financing for the project as described in Appendix C.

Name
Date
Title

COST SHARE CERTIFICATION

I hereby certify that the applicant for Gap III Funding for clean energy projects at [Insert facility/nonprofit or business name] will satisfy the grant requirement to provide the required minimum cost share contribution of 10% of the total adjusted project costs, as described in Appendix C.

Name
Date
Title
Gap III Grant Online Application:
What makes up your grant application?

Appendix C: Gap III Grant Application Data Table (exceldoc.xls)
## Appendix C: GAP III Grant Application Data Table (XLS)

**Nonprofit and Private Small Business Sample:** Please fill in based on your project parameters.

| Building Name / Location       | Project Name                  | Estimated Project Completion Date | Projected Annual Energy Savings or Renewable Energy Generation (kWh) | Projected Annual Cost Savings ($) | Total Estimated Project Costs ($) | Energy Utility Incentives ($) | Other Grant / Contributions ($) | Total Incentives and Other Grants (Column A - Column B) | Total Adjusted Project Costs (Column A - Column B) | Entity Cost Share ($) Minimum 20% | Gap Grant Funding Request ($) | Other Revenues (SMART, RECS, Demand Response, Solar Agreement) |
|--------------------------------|--------------------------------|----------------------------------|---------------------------------------------------------------------|----------------------------------|----------------------------------|-------------------------------|--------------------------------|---------------------------------------------------|---------------------------------------------------|--------------------------------|-----------------------------|--------------------------------|---------------------------------------------------|
| ABC Food Bank (Main Facility) | Air Source Heat Pumps          | Oct-23                           | 40,000                                                               | 2,000                            | $12,000                          | $10,000                       | $30,000                         | $40,000                            | $12,000                            | $1,200                       | $10,800                     | $2,000                          |
| ABC Food Bank (Distribution Facility) | 15 kW Solar PV System          | Apr-23                           | 18,000                                                               | 0                                | $4,500                           | $6,300                        | $38,700                         | $3,870                             | $34,830                            | $3,600                       | $18,000                     | $5,000                          |
| Craft Beverage (Main Facility #1) | VFD on HVAC Fans               | Dec-22                           | 110,000                                                              | 0                                | $17,000                          | $26,000                       | $20,000                         | $20,000                            | $2,000                             | $18,000                     | $5,000                       | $18,000                     |
| Craft Beverage (Distribution Facility #2) | Weatherization improvements    | Oct-23                           | 40,000                                                               | 1,000                            | $9,000                           | $20,000                       | $5,000                          | $500                               | $4,500                             | $1,000                       | $5,000                       | $1,000                         |
| Nonprofit or Small Business Name | Renewables & Energy Efficiency | Totals                           | 216,000                                                              | 3,000                            | $42,500                          | $56,000                       | $36,300                         | $92,800                            | $25,700                            | $7,570                       | $60,130                     | $11,400                        |

[1] Total funding from the applicant must be at least 10% of the total adjusted project costs = (total project costs – incentives-other grants = adjusted project costs x 10% minimum municipal cost share).
Supporting documentation from other grants or incentives

- For example, incentive support from Mass Save®
- Funding from MLP, MA CEC, USDA, ARPA
- Other funding sources
Gap III Grant Online Application:
What makes up your grant application?

Completed energy audits, assessments or studies describing the proposed energy efficiency and / or clean energy generation projects, include:

- estimated total costs
- estimated annual cost savings
- estimated energy savings or generation (in kilowatt hours)
Key Dates for Gap III Funding

May 26, 2022 – Notice of Grant Opportunity Published on COMMBUYS & MassDEP’s website.
  • **BD-22-1045-BWR00-BWR01-75906** // **DEP-BWR-NOI-FY23-CERP-GAP III GRANT**
  • **Massachusetts’ Gap Energy Grant Program**

June 02, 2022 – Informational Conference #1, 10:00am – 11:30am (via Zoom)
June 14, 2022 – Informational Conference #2, 10:00am – 11:30am (via Zoom)

June 17, 2022 – Deadline to submit written questions, 5 pm
June 24, 2022 – Official Answers to written questions published on the MassDEP website, 5 pm

July 15, 2022 – Deadline for submitting Wastewater and Drinking Water applications
July 29, 2022 – Deadline for submitting Nonprofit and Small Business applications

September 21, 2022 – Notification of Grant Award(s) *Estimated*
2022 Gap III Grant Funding

Questions?
Submit additional questions to CERP@mass.gov
Key Program Contacts

MassDEP:
Danah Tench, Director: danah.tench@mass.gov
Michael DiBara, Project Manager: michael.dibara@mass.gov
Sharon Lee, Climate Analyst: sharon.k.lee@mass.gov

MA DOER: Online Grant Application Technical Issues
Jane Pfister, jane.pfister@mass.gov

Massachusetts’ Gap Energy Grant Program Website:
https://www.mass.gov/info-details/massachusetts-gap-energy-grant-program