HAWAII ENERGY EFFICIENCY AUCTION FAQS

GENERAL INFO

Q. What is the Hawaii Energy Efficiency Auction?

- The Hawaii Energy Efficiency Auction (Auction) is an offering for the market to compete for incentive funding for cost-effective projects that focus on reducing energy usage for residents and businesses.
- Hawaii Energy is issuing a Request for Project Applications that allows applicants to “compete” on incentive funding for their energy efficiency projects.
- The Hawaii Energy Efficiency Auction is just one of many upcoming energy efficiency initiatives developed under the Hawaii Public Utilities Commission’s guidance and leadership to help electric ratepayers maximize their energy savings.

Q. What are the benefits to participate?

- There are more than $2.1 million in incentive funds designated for the Auction.
  - More than $977,000 is set aside for selected residential projects requiring a minimum incentive commitment of $10,000.
  - More than $1.14 million is earmarked for commercial projects with a minimum incentive requirement of $50,000 per selected project.
- There is an opportunity to showcase your innovation, cost-effectiveness and/or ability to penetrate a hard-to-reach geographic market.

APPLICANT ELIGIBILITY

Q. Who can participate in the Auction?

- The auction is open to contractors, developers, energy efficiency solution providers, energy service companies (ESCOs), energy vendors, and property managers.
- Applicants must possess local market, technical and business knowledge and expertise to deliver the proposed project and must be licensed and insured to do business in the State of Hawaii.
- Applicants with projects that are already contracted do not qualify for the Auction.

Q. Can the proposed projects be installed for any customer?

- The projects can be installed for any customer that is serviced by Hawaii Energy. Those are electric utility ratepayers located on Hawaii, Lanai, Maui, Molokai and/or Oahu. The ratepayers must pay the Public Benefit Fee (PBF) charge on their electric bills.
PROJECT ELIGIBILITY

Q. What types of projects are eligible?

- Projects of interest are those that reduce energy consumption with measured or verifiable savings and that can deliver one or more of the following results:
  1. Innovative projects that are not currently being incentivized by Hawaii Energy
  2. Improved Cost-Effectiveness – More cost-effective projects than existing Hawaii Energy offers (during the first year and lifetime energy savings).
  3. Increased Penetration of Market Segments – Projects that address needs in high energy consumption and/or hard-to-reach geographic areas.
  4. Mass Installations – Projects that involve the mass-installation of an energy-efficient technology.

Q. Are Behavior Modification Projects allowed in the Auction?

- No. All projects must produce energy savings that are measured or verifiable. Pure behavior modification does not qualify. Educational and behavior modification elements can be included in a project but the project must produce measured or verifiable energy savings separate from any savings claims from behavior modification.

Q. Are there project categories?

- There are two project categories: “Targeted” and “Innovative.”
  1. Targeted Projects focus on specific target markets (Residential or Commercial) or technologies
  2. Innovative Projects are any new energy efficiency technologies that are not currently offered by Hawaii Energy.
- When applying, applicants must clearly identify into which category their project falls.

Q. How are Targeted Projects defined?

- The Targeted Projects category clearly identifies specific market sectors and energy-efficient technologies in both the Residential and Commercial rate classes for which Hawaii Energy seeks projects.
- The Residential target markets include renters and hard-to-reach geographic areas. Specific technologies may include solar thermal water heaters for multi-family homes, LED lighting, smart thermostats, occupancy sensors and whole home monitors/energy management systems. See the Request for Applications for more details.
- Residential targeted technologies include the following:
  - Solar thermal water heaters for multi-family homes
  - LED Lighting
  - Smart thermostats
  - Occupancy sensors
  - Whole home monitors/energy management systems
Commercial target markets include professionally managed housing (e.g. privately managed military housing), schools, healthcare, small businesses and restaurants, as well as businesses in hard-to-reach geographic areas.

Commercial target technologies include the following:
- LED lighting
- Controls (e.g. lighting, building management systems, etc.)
- Refrigeration/cold storage
- Kitchen equipment
- Demand response as an energy efficiency initiative
- Business submetering
- Re-commissioning / retro commissioning

Q. How are Innovative Projects defined?

- An Innovative Project is any new energy efficiency technology that is not currently offered by Hawaii Energy.

SUBMITTING AN APPLICATION

Q. How do I apply?

- It’s simple to apply for the Hawaii Energy Efficiency Auction:
  1) Read the Request for Project Applications and download an application
  2) Submit your application (along with an estimated energy savings worksheet and project proposal) via the following methods:
     - Online at http://auction.hawaiienergy.com
     - Email to John Rei at reij@leidos.com
     - Or hard copy to Hawaii Energy at 1132 Bishop Street, Suite 1800, Honolulu, Hawaii 96813.
  3) Applications must be received by Monday, Sept. 29 by 4 p.m. (Hawaii Standard Time).
  4) If your project is selected, Hawaii Energy will notify you by October 17, 2014.

Q. Are there any costs to apply for the Auction?

- No. There are no costs to apply for the Auction.

Q. What’s the deadline for Applications?

- Applications must be received by Monday, Sept. 29, 2014, by 4 p.m. (Hawaii Standard Time).

Q. By when do the projects selected need to be completed?

- Preference will be given to projects that can be completed by May 30, 2015.
However, projects with completion dates during Hawaii Energy’s Program Year 2015 (July 1, 2015 to June 30, 2016) will be considered on a case-by-case basis.

EVALUATION CRITERIA

Q. How will my project be evaluated and awarded?

- Incentives will be awarded based on several factors, including but not limited to the following:
  - Management/staffing approach
  - Implementation plan
  - Project impact to Program goals
  - Cost-effectiveness
  - Past performance
  - Innovation (for proposals submitted in the Innovative Projects category)

INCENTIVE PAYMENTS

Q. If my project is selected, when will I receive my incentive payment?

- All payments are dependent upon satisfactory completion of the overall project as verified by Hawaii Energy inspections in accordance with Program standards.
- For projects with a total cost under $25,000, the incentive will be paid upon project completion.
- For projects with a total cost of $25,000 or more, Hawaii Energy may pay the incentive in progress payments based on Hawaii Energy’s terms and conditions. Applicants can request a payment schedule in their proposal and, if selected, Hawaii Energy will work with the Applicant to finalize an acceptable payment schedule.

ADDITIONAL INFO

Q. How can I get more information about the Hawaii Energy Efficiency Auction?

- For more information and to access the Request for Project Applications, please visit http://auction.hawaiienergy.com.
- You may also contact John Rei via email reij@leidos.com or by calling (808) 848-8523.

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