

# AWC Energy Audit Grant Program Request for applications (RFA)

**Response due date:** September 13, 2024, through January 31, 2025

**Eligibility:** Washington cities and towns that own Tier 1 and Tier 2 covered buildings.

**Funding source and method:** State funding administered through the Dept. of Commerce. Payments will be made on a reimbursement basis for deliverables accepted.

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## Purpose and background

The Association of Washington Cities (AWC) is initiating this Request for Applications (RFA) to solicit proposals from cities interested in grant funding for energy audits of city-owned Tier 1 and Tier 2 buildings by qualified energy auditors.

The purpose of the grant funding is twofold:

- To assist cities who own Tier 1 and Tier 2 covered buildings in completing energy audits.
- To collect data on the costs for cities to comply with the state’s Clean Buildings Performance Standard (CBPS).

The Clean Buildings Law was passed in the 2019 legislative session and requires all covered commercial buildings in Washington to comply with the [State Energy Performance Standard](#). This law intends to reduce greenhouse gas emissions and energy consumption in covered large commercial buildings. Mandatory compliance with the standard is sorted by building size.

Tier 1 buildings	Tier 2 buildings
Commercial buildings greater than 50,000 sq. ft.	Commercial buildings 20,000 to 50,000 sq. ft. and multifamily residential buildings greater than 20,000 square feet.
Benchmarking, energy management plan and operations and maintenance program requirements in addition to meeting the investment criteria or energy use intensity target performance metrics of the CBPS.	Benchmarking, energy management plan and operations and maintenance program requirements of the CBPS.
Mandatory compliance begins June 1 of: <ul style="list-style-type: none"> <li>• 2026 for 220,000+ sq. ft.</li> <li>• 2027 for 90,000+ sq. ft.</li> <li>• 2028 for 50,000+ sq. ft.</li> </ul>	Mandatory reporting July 1, 2027
Rules are established and can be found in <a href="#">WAC 194-50</a>	Rules are established and can be found in <a href="#">WAC 194-50</a>

See the [Clean Buildings Performance Standard webpage](#) for more details about compliance and deadlines.

A "Tier 1 covered building" means a building where the sum of nonresidential, hotel, motel, and dormitory floor areas exceed 50,000 gross square feet, excluding the parking garage area.

A "Tier 2 covered building" means a building where the sum of multifamily residential, nonresidential, hotel, motel, and dormitory floor areas exceeds 20,000 gross square feet, but does not exceed 50,000 gross square feet, excluding the parking garage area. Tier 2 covered buildings also include multifamily residential buildings where floor areas are equal to or exceed 50,000 gross square feet, excluding the parking garage area.

[2023-25 Supplemental Capital Budget](#) proviso:

*\$4,000,000 of the appropriation in this section is provided solely for the association of Washington cities to provide funding for energy audits on city-owned tier 1 and tier 2 covered buildings and collect and manage data on the costs for cities to comply with the requirements of RCW 19.27A.210 and 19.27A.250.*

- The association of Washington cities may award grants to cities with qualifying buildings to assess current energy performance and determine the approximate costs of facility and system upgrades to meet state energy performance standards in chapter 19.27A RCW.*
- The association of Washington cities shall submit to the appropriate committees of the legislature no later than December 31, 2025, a report detailing the current energy performance of each city- owned tier 1 and tier 2 building for which an energy audit was completed with the funding provided in this subsection (5), and an estimate of the costs for bringing each building into compliance with the state energy performance standards in chapter 19.27 RCW.*

(c) Up to 12 percent of the amount of the grants awarded in (a) of this subsection may be retained by the association of Washington cities for administrative costs.

## Qualifications

### Applicant qualifications

- Cities and towns that own Tier 1 or Tier 2 covered buildings. See background section for definition of a covered building.

### Project qualifications

- Projects must be located in existing buildings owned by an eligible applicant located in Washington State.
- The auditor must be a qualified energy auditor, per [Commerce’s specifications](#).
- Audits must be completed by May 16, 2025.

## Funding

AWC will fully or partially fund eligible Tier 1 and Tier 2 buildings, based on availability of funding. Funding will be awarded only for the cost of the audit, on a reimbursement basis. AWC will use a scoring rubric to determine awards. View the rubric on the program webpage.

Priority will be given to:

- Applicants who demonstrate a level of preparedness for compliance with the Clean Buildings Act, such as building assessments, planning, and budgeting.
- Buildings that do not qualify for an exemption to the CBPS.

Cities who have contracted for an energy audit between July 1, 2024, and the publication of this RFA may apply for the grant, provided they can meet the reporting requirements specified below. Cities who have conducted an energy audit prior to July 1, 2024, are not eligible for this funding.

## Steps and timeframe

1. City determines the need for an audit of one or more covered buildings.
2. City obtains an audit proposal from a “qualified person” (see Qualifications section for definition) and negotiates the cost of the energy audit. If City has a “qualified person” on staff, they may complete the audit proposal.
3. City applies to AWC for grant funding to cover the cost of the audit.
4. AWC announces “apparent successful applicant”; city enters into a subgrant agreement with AWC.
5. City contracts with auditor or completes the audit in house by a “qualified person” on staff. If contracting out:
  - a. Auditor conducts the audit and submits required reporting to the city.
  - b. City pays the auditor.
6. City submits required reports and invoice for services to AWC with a request for reimbursement.

AWC recommends that cities with Tier 1 buildings follow Commerce’s Early Adopter Incentive Program process, to ensure compliance with the CBPS.

## Estimated schedule

AWC hosts online information session	August 28, 2024
AWC Issues request for applications	September 13, 2024
Applications due (contingent on available funding)	Open September 13, 2024, through January 31, 2025
Application evaluation	Ongoing
Notification of “apparent successful applicant”	Within six weeks from application submission
Audits conducted	Ongoing until May 16, 2025
Required reporting and invoice due to AWC	Within three months from award notice unless award notice is given less than three months from May 16, 2025. Then the audit report and invoice are due to AWC no later than May 16, 2025.

## Application

AWC will accept applications on a rolling basis, between Sept. 13, 2024, and January 31, 2025.

Application components:

1. Completed application form
2. A proposed audit scope of work, including:
  - a. The systems to be evaluated
  - b. The level of audit to be conducted
  - c. The timeline to completion
  - d. The cost, per building, to conduct the energy audit
  - e. For Tier 1 buildings: the chosen compliance (EUI or investment criteria)
3. Certification of assurance
  - a. The form must have a signature of the individual within the organization authorized to bind the organization to the offer.

Applications must be submitted electronically via the program webpage, along with the required documentation (i.e. audit scope of work and certification of assurance).

Contact [awcenergyauditgrant@awcnet.org](mailto:awcenergyauditgrant@awcnet.org) with questions or requests for support.

## Evaluation and contract award

Applications will be reviewed and qualified applications will be awarded as they are received until funding is exhausted. AWC will fully or partially fund eligible Tier 1 and Tier 2 buildings, based on availability of funding. Funding will be awarded only for the cost of the audit, on a reimbursement basis. AWC will use a scoring rubric to determine awards. View the rubric on the program webpage.

Applicants will receive “apparent successful applicant” notification within six weeks of applying.

## Audit requirements

The energy audit must analyze energy efficiency measures (EEMs) for systems such as lighting, HVAC equipment, building envelope, steam, chilled water, hot water systems, building controls, energy generation and distribution, and other energy consuming systems.

The audit will contain a detailed analysis of the existing systems. The audit will include an evaluation of the economic performance and investment value of the EEMs (payback calculation and/or LCCA), which will meet the requirements of the CBPS.

- The auditor must be a qualified energy auditor, per Commerce’s specifications:
  - A person acting as the auditor of record, having training, expertise, and three years professional experience in building energy auditing, and any one of the following:
    - A licensed professional architect or engineer
    - A Building Energy Assessment Professional (BEAP) certified by the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)
    - A Certified Energy Auditor (CEA) certified by the Association of Energy Engineers (AEE)
- The auditor must complete an energy audit in accordance with Section 8 of the Washington State CBPS. The audit must:
  - Include an audit summary in accordance with Normative Annex Z6.4 Form D of the Washington State CBPS.
  - Verify energy savings calculations of each EEM.
  - Verify that the combined savings of multiple EEM accounts for interactive effects.
  - Verify individual EEM costs evaluated by the energy audit.
  - Certify that the energy savings of the package of EEMs meets or exceeds projected energy savings in accordance with Section 9 of the CBPS.
  - For Tier 1 buildings that will not meet the EUI and will be pursuing compliance through the investment criteria, the energy audit shall be an ASHRAE level 2 audit and include a life cycle cost analysis of all evaluated EEMs in accordance with Normative Annex X of the CBPS.

- For Tier 1 buildings, the audit will identify opportunities for EEMs that, if implemented, would either meet the EUIt for the building or meet the investment criteria requirements of Normative Annex X of the CBPS.
- The auditor must complete a building improvement plan that includes:
  - A description of each Tier 1 or Tier 2 covered building and the building's systems including the physical address, building owner authorized representative name and contact information, and, for Tier 1 buildings, the CBPS Building ID.
  - The baseline energy consumption for each facility, including the data, methodology and variables used to compute the baseline, and the baseline calendar period. The calendar period must not be shorter than twelve consecutive months and shall be from within the previous 2 years prior to the energy audit.
  - Recommendations for replacement of existing equipment, along with recommendations for improvements to existing equipment and operating conditions (EEMs).
  - For Tier 1 buildings, the recommended EEMs to be installed in order to achieve compliance with the EUIt or if complying through the investment criteria.
    - The auditor shall check with the utility provider and provide rebate recommendations that align with identified EEMs.
  - The standards of comfort and service appropriate for the facility.
  - The estimated energy savings and energy cost savings that are expected from the installation of the energy efficiency equipment, and an explanation of the method or methods used to make the estimate.
  - The maximum allowable construction cost, itemized in detail.
  - Energy Use Intensity Calculations (Form C). Energy Star Portfolio Manager account for energy benchmarking, except buildings unable to meet Section 5.2, "Building Energy Monitoring" as referenced in Section Z6.3 of the CBPS.
  - For Tier 1 buildings, Energy Audit Forms (Form D) (Z6.4.1) and for buildings seeking compliance through the investment criteria, Annex X, Investment Criteria Tool (Form F) (Z6.5).

The energy auditor will send the city the finalized audit and the building improvement plan.

## Reporting requirements

Within three months of entering into the subgrant agreement with AWC, the city must submit the following to AWC:

Audits of Tier 1 buildings:

- Invoice demonstrating payment for the audit
- A completed building improvement plan for each building included in the audit, including:
  - Compliance pathway, if applicable
  - Performance metric for each building
  - Estimated cost of meeting the Energy Performance Metric
  - Estimated cost of developing and implementing an energy management plan, as required by the CBPS
  - Estimated cost of developing and implementing an operations and maintenance program, as required by the CBPS
- A completed [Form D Audit Report](#)

Audits of Tier 2 buildings:

- Invoice demonstrating payment for the audit
- A completed building improvement plan for each building included in the audit, including:
  - The identified EEMs
  - Range of estimated costs to implement the EEMs
  - Estimated cost of developing and implementing an energy management plan, as required by the CBPS
  - Estimated cost of developing and implementing an operations and maintenance program, as required by the CBPS

If the grant recipient finds that more than three months is needed to complete the audit and submit the required reporting, an extension may be requested. However, all work must be completed, and reports and reimbursement requests submitted no later than May 16, 2025.

## **General terms and conditions**

The apparent successful applicant will be expected to enter into a full subgrant agreement with AWC. The agreement template will be available on AWC's program webpage.

The applicant may submit proposed edits as allowed in the Certification of Assurance form. AWC will review requested edits and accept or reject the same at its sole discretion.

### **Costs to propose**

AWC will not be liable for any costs incurred by the applicant in preparation of an application submitted in response to this RFA, in conduct of a presentation, or any other activities related to responding to this RFA.

### **No obligation to contract**

This RFA does not obligate AWC to contract for services specified herein.

### **Rejection of responses**

AWC reserves the right at its sole discretion to reject any and all applications received without penalty and not to issue a contract as a result of this RFA.

### **Commitment of funds**

The CEO of AWC or the CEO's delegate are the only individuals who may legally commit AWC to the expenditures of funds for a contract resulting from this RFA. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

### **Insurance coverage**

The Subgrantee shall provide insurance coverage as set out in this section or shall provide self-insurance as set forth below. The intent of the required insurance is to protect AWC should there be any claims, suits, actions, costs, damages or expenses arising from any loss, or negligent or intentional act or omission of the Subgrantee or agents of either, while performing under the terms of the Subgrant. Failure to maintain the required insurance coverage may result in termination of the Subgrant.

The insurance required shall be issued by an insurance company authorized to do business within the state of Washington. Except for Professional Liability or Errors and Omissions Insurance, the insurance shall name AWC, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Subgrantee shall provide AWC thirty (30) calendar days' advance notice of any insurance cancellation, non-renewal or modification.

The Subgrantee shall submit to AWC within fifteen (15) calendar days of a written request by AWC, a certificate of insurance which outlines the coverage and limits defined in this insurance section. During the term of the Subgrant, if required or requested, the Subgrantee shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.

The Subgrantee shall provide, at AWC's request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that AWC will be provided thirty (30) days' advance written notice of cancellation.

The Subgrantee shall provide insurance coverage that shall be maintained in full force and effect during the term of this Subgrant, as follows:

**Commercial general liability insurance policy.** Provide a commercial general liability insurance policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of Subgrant activity but no less than \$1,000,000 per occurrence. Additionally, the Subgrantee is responsible for ensuring that any Subgrantees provide adequate insurance coverage for the activities arising out of subgrants.

**Cyber liability insurance.** The Subgrantee shall maintain cyber liability insurance. The Subgrantee shall maintain minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the Subgrantee and licensed staff employed or under contract to the Subgrant. AWC, its agents, officers, and employees need not be named as additional insureds under this policy.

**Automobile liability.** In the event that performance pursuant to this Subgrant involves the use of vehicles, owned or operated by the Subgrantee, automobile liability insurance shall be required. The minimum limit for automobile liability is \$1,000,000 per occurrence, using a combined single limit for bodily injury and property damage.

**Professional liability, errors and omissions insurance.** The Subgrantee shall maintain professional liability or errors and omissions insurance. The Subgrantee shall maintain minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the Subgrantee and licensed staff employed or under Subgrant to the Subgrantee. AWC, its agents, officers, and employees need not be named as additional insureds under this policy.

**Fidelity insurance.** Every officer, director, employee, or agent who is authorized to act on behalf of the Subgrantee for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

- A. The amount of fidelity coverage secured pursuant to the Subgrant shall be \$100,000 or the highest of planned reimbursement for the Subgrant period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name AWC Commerce as beneficiary.
- B. Subgrantees that receive \$10,000 or more per year in funding through the Subgrant shall secure fidelity insurance as noted above. Fidelity insurance secured by Subgrantees pursuant to this paragraph shall name AWC and Commerce as beneficiary.

### **Self-insurance programs**

Subgrantees may maintain a program of self-insurance or participate in a property/liability pool with adequate limits to comply with the Subgrant insurance requirements or as is customary to the contractor or Subgrantee's business, operations/industry, and the performance of its respective obligations under the Subgrant.

AWC may waive the requirement to be specially named as an additional insured on policies, including public liability and business automobile, provided that the Subgrantee provides:

1. A description of its self-insurance program, and
2. A certificate and/or letter of coverage that outlines coverage limits and deductibles.

All self-insured risk management programs or self-insured/liability pools must comply with RCW 48.62, the requirements of the Office of Risk Management and Local Government Self Insurance Program, the Washington State Auditor's reporting requirements and all related federal and state regulations. Subgrantees participating in a joint risk pool shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. AWC, its agents, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

### **Proprietary information**

The Subgrantee acknowledges that AWC is subject to chapter 42.56 RCW, the Public Records Act, and AWC acknowledges that the Subgrantee is subject to Chapter 42.56 RCW, the Public Records Act, and that the Subgrant will be a public record as defined in chapter 42.56 RCW. Any specific information that is claimed by the Subgrantee to be Proprietary Information must be clearly identified as such by the Subgrantee. To the extent consistent with chapter 42.56 RCW, AWC will maintain the confidentiality of the Subgrantee's information in its possession that is marked Proprietary. If a public disclosure request is made to view the Subgrantee's Proprietary Information, AWC will notify the Subgrantee of the request and of the date that such records will be released to the requester unless the Subgrantee obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the Subgrantee fails to obtain the court order enjoining disclosure, AWC will release the requested information on the date specified.

## **Climate Commitment Act funding**

This grant is funded by the Climate Commitment Act (CCA) and administered through the Dept. of Commerce. Commerce requires the grantee and subgrantees to agree that any website, announcement, press release, and/or publication (written, visual, or sound) used for media-related activities, publicity, and public outreach issued by or on behalf of the grantee which reference programs or projects funded in whole or in part with Washington's CCA funds under this Subgrant, shall contain the following statement:

"The Energy Retrofits and Solar Power for Public Buildings program is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at [www.climate.wa.gov](http://www.climate.wa.gov)."

The subgrantee must agree to ensure coordinated CCA branding on work completed by or on behalf of the subgrantee. The CCA logo must be used in the following circumstances, consistent with the branding guidelines posted at CCA brand toolkit, including:

- A. Any project related website or webpage that includes logos from other funding partners;
- B. Any publication materials that include logos from other funding partners;
- C. Any on-site signage including pre-during Construction signage and permanent signage at completed project sites; and
- D. Any equipment purchased with CCA funding through a generally visible decal.

## **Contact information**

For questions about the grant opportunity, contact Brianna Morin, Legislative & Policy Analyst, at [awcenergyauditgrant@awcnet.org](mailto:awcenergyauditgrant@awcnet.org) or 360-753-4137.

For technical assistance related to the performance standard and the energy audit, contact the Clean Buildings team at Dept. of Commerce.

- Submit a request online using the [CBPS Customer Support Form](#) or
- Email [buildings@commerce.wa.gov](mailto:buildings@commerce.wa.gov) or
- Call 360-725-3105