**EFFICIENCY MAINE**

**COMMERCIAL & INDUSTRIAL PRESCRIPTIVE PROGRAM**

**FUNDING OPPORTUNITY NOTICE (FON)**

**HOSPITALITY RETROFITS**

**FON-005-2021**

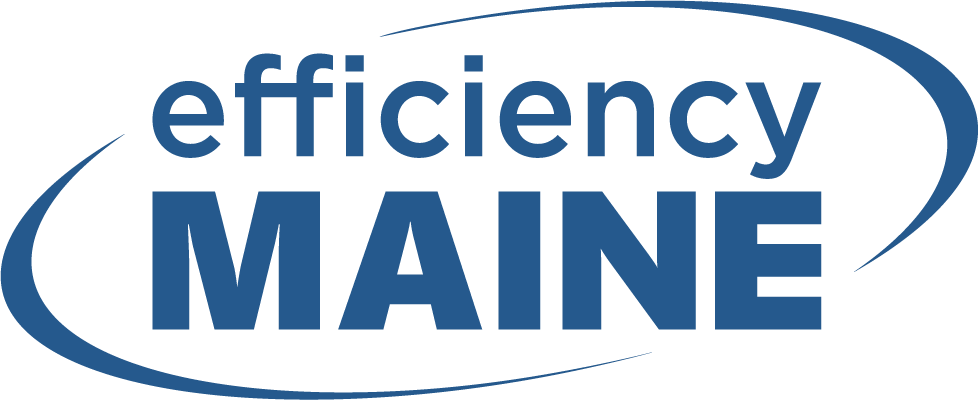
**Opening: April 1, 2021**

**Applications Due: July 1, 2021**

**~~June 1, 2021~~**

**Closing: September 3, 2021**





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**SECTION 1: FUNDING OPPORTUNITY NOTICE INFORMATION AND INSTRUCTIONS**

**1.1 Purpose of Application Request**

Through this Funding Opportunity Notice (FON) Efficiency Maine is seeking applications for heating, ventilation, and air conditioning (HVAC), LED lighting, and refrigeration projects in Maine’s hospitality industry. This initiative falls under the Commercial and Industrial Prescriptive (CIP) program, funded by Efficiency Maine. The CIP program will refer to this opportunity as the Hospitality Retrofits FON. The FON offers enhanced incentives to accelerate the conversion to high-efficiency equipment in the hospitality industry.

**1.2 Funding Description**

Efficiency Maine is seeking applications for HVAC, LED lighting, and refrigeration upgrade projects with the principal goal of reducing grid-supplied kilowatt hour (kWh) consumption and carbon emissions from the hospitality industry in Maine. See the charts below for incentive information on the qualifying equipment. LED retrofit lighting projects will have an incentive of $0.32 per estimated kWh saved in the first year, capped at 80% of total measure cost.

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| **High-Performance Heat Pumps** |  |  |  | **Package Terminal Heat Pumps** |  |  |
| **Measure Code** | **Minimum HSPF** | **Incentive** |  | **Measure Code** | **Cooling Capacity**  **Btu per Hour** | **FON Incentive** |
| DHP1L | 12.0 | $675 | PTHP | < 7,000 | $690 |
| DHP2L | 10.0 | $1,000 | ≥ 7,000 and ≤ 15,000 | $720 |
| DHP3L | 10.0 | $1,300 | > 15,000 | $770 |
| DHP4L | 10.0 | $1,600 | Incentives are capped at total material costs of the units (without labor). | | |
| Incentives are capped at 100% of the total material cost of the indoor and outdoor units (without labor). | | |

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| **Vertical Package Terminal Heat Pumps** |  |  |  | **Energy Recovery Ventilators** |  |  |
| **Measure Code** | **Cooling Capacity**  **Btu per Hour** | **FON Incentive** |  | **Measure Code** | **Sensible Heat Recovery** | **Incentive per CFM** |
| VPTHP | < 7,000 | $1,100 | ERV | ≥ 55% to < 65% | $2.25/CFM |
| ≥ 7,000 and ≤ 15,000 | $1,350 | ≥ 65% to < 75% | $2.50/CFM |
| > 15,000 | $1,600 | ≥ 75% to < 85% | $2.75/CFM |
| Incentives are capped at total material costs of the units (without labor). | | | ≥ 85% | $3.00/CFM |

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| **Refrigeration Measures** |  | | | |
| **Measure Code** | **FON Incentive** |  | **Measure Code** | **FON Incentive** |
| R10 | $416 |  | R52 | $787 |
| R20 | $240 |  | R70 | $320 |
| R40 | $115 |  | R71 | $420 |
| R41 | $115 |  | R72 | $480 |
| R42 | $94 |  | R73 | $800 |
| R50 | $414 |  | R74 | $1,040 |
| R51 | $587 |  | R25 | $10/sq ft |

**1.3 Parties Informational Webinar**

Efficiency Maine will conduct three webinar presentations to inform interested parties on the specifics of this FON. It is not mandatory, but recommended, that the applicant attend. The webinar schedule appears below. To participate, please register using the link attached to your desired date.

* April 13, 2021 at 8:00 AM - TO REGISTER, [CLICK HERE](http://www.anymeeting.com/PIID=E053DD80894B3D)
* April 15, 2021 at 1:00 PM - TO REGISTER, [CLICK HERE](http://www.anymeeting.com/PIID=E053DD80894B3C)
* April 21, 2021 at 8:00 AM - TO REGISTER, [CLICK HERE](http://www.anymeeting.com/PIID=E053DD80894B3E)

**1.4 FON Schedule**

Efficiency Maine will accept applications for the Hospitality Retrofits FON starting on April 1, 2021 and continue through July 1, 2021 ~~June 1, 2021~~. Efficiency Maine will review the applications and issue incentive offers in the form of a pre-approval offer email to applicants who meet the criteria within this FON, and as funding allows. Applicants must accept their pre-approval offers by July 15, 2021 ~~June 15, 2021~~. All projects must be completed, and final documentation submitted by September 3, 2021 in order to be eligible for the enhanced incentives.

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| **FON issue date:** | **4/1/2021** |
| **Informational webinars:** | **4/13/2021 - 8:00 AM** |
| **4/15/2021 - 1:00 PM** |
| **4/21/2021 - 8:00 AM** |
| **Final applications submittal date:** | **7/1/2021 - 3:00 PM** |
| **Offer acceptance deadline:** | **7/15/2021** |
| **Project completion deadline:** | **9/3/2021** |

**SECTION 2: PROJECT ELIGIBILITY**

**2.1 Eligible High-Performance Heat Pump Projects**

An eligible heat pump retrofit project includes the heat pump measures listed in section 2.5, which cover high-performance heat pumps for businesses, package terminal heat pumps (PTHPs), and vertical package terminal heat pumps (VPTHP). There is a minimum installation requirement of five PTHP units per application. These measures must be installed in a building type listed in section 2.6. Eligible building types represent some of the most cost-effective areas for upgrading HVAC systems. Section 2.7 lists building types that are ineligible. In all cases, projects must pass the CIP program’s cost-effectiveness test. In addition, all projects must be completed by an Efficiency Maine Qualified Partner (QP) or licensed self-installer on staff; a Qualified Partner can be found by using the QP locator at https://www.efficiencymaine.com/at-work/qualified-partners/. To use the locator simply enter your ZIP code and desired radius before selecting “Heat Pumps and Cooling Solutions” in the “Services” menu.

**2.2 Eligible Energy Recovery Ventilator Projects**

In a commercial setting, such as hospitality businesses, ERVs are used to condition outside air that ventilates into a building, taking the load off of a heating or cooling system and making them more efficient. There are several types of ERVs depending on the needs of a building:

* Rotary heat exchanger – plastic or metal wheels that rotate between the exhaust and incoming airflow, picking up heat from one airstream and transferring it to another.
* Plate heat exchanger – a fixed core allows air to flow through channels, heating or cooling down material within the channels and allowing energy to transfer.
* Heat pipe heat exchanger – heat pipes, which are filled with refrigerant, are used to transport air between the exhaust and the outside airflow. One channel heats the refrigerant to cause evaporation while another cools the pipe to cause condensation.
* Runaround coil heat exchanger – a water coil is used in the exhaust and in the incoming ventilation air stream. Two coils are filled with a water and glycol mix to keep it operational. Heat is moved from one tube to the other.

For this FON, an eligible ERV project includes the ERV measure and criteria listed in section 2.5.

**2.3 Eligible Lighting Projects**

An eligible lighting project includes only the interior and exterior LED measures listed in section 2.5 for the building types listed in section 2.6. A total of 13 measure types can be used for

this funding opportunity. The selected spaces represent some of the most cost-effective areas for

lighting upgrades. Lighting products must be certified under the applicable ENERGY STAR® or

DesignLights Consortium standards for each measure type. In all cases, projects must pass the CIP

program’s cost-effectiveness test. Specifically, as described in Section 3, applications must include a

completed Hospitality Lighting Retrofit Cost-effective Lighting Investment Calculator, Attachment B , which will help guide applicants towards the creation and planning of an eligible measure(s) under this FON. In addition, all projects must be completed by an Efficiency Maine Qualified Partner (QP) or identified self-installer; a list of Qualified Partners can be found by using the QP locator at https://www.efficiencymaine.com/at-work/qualified-partners/. To use the locator simply put in your ZIP code and desired radius before selecting “Lighting Solutions” in the “Services” menu. The QP

installer or product supplier will be able to fill out the CLIC tool.

**2.4 Eligible Refrigeration Projects**

An eligible refrigeration project includes only the measures listed in section 2.5 for the building types listed in section 2.6. A total of 14 refrigeration measure types can be used for this funding opportunity. All refrigeration measures are retrofit opportunities.

**2.5 Eligible Measures**

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| **High Performance Heat Pumps** | | |
| **Measure Code** | **Minimum HSPF** | **Description** |
| **DHP1L**  **1 Zone** | **12.0** | **High-Performance Mini-Split Heat Pump System**   * First zone must have a minimum HSPF of 12.0, additional zones in a multi-head system must have an HSPF of 10.0 or higher. |
| **DHP2L**  **2 Zones** | **10.0** |
| **DHP3L**  **3 Zones** | **10.0** |
| **DHP4L**  **4 or more Zones** | **10.0** |

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| **Packaged Terminal Heat Pumps** | | | |
| **Measure Code** | **Cooling Capacity** | **Criteria\* Cooling (EER)\*\*** | **Criteria\* Heating**  **(COP)\*\*** |
| **PTHP** | < 7,000 | 13 | 4 |
| ≥ 7,000 and ≤ 15,000 | 11.5 | 3.5 |
| > 15,000 | 10.8 | 3.4 |
| \*Retrofit only. Must replace existing packaged terminal air conditioners (PTACs). PTHP systems must have active (reverse cycle) defrost or be able to run in heat pump mode below freezing temperatures.  \*\*EER is Energy Efficiency Ratio. COP is heating Coefficient of Performance.    **Minimum of 5 units is required** | | |

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| **Vertical Packaged Terminal Heat Pumps** | | | |
| **Measure Code** | **Cooling Capacity** | **Criteria\* Cooling (EER)\*\*** | **Criteria\* Heating**  **(COP)\*\*** |
| **VPTHP** | < 7,000 | 11.0 | 3.3 |
| ≥ 7,000 and ≤ 15,000 | 11.0 | 3.3 |
| > 15,000 | 11.0 | 3.3 |
| \*Retrofit only. VPTHP systems must have active (reverse cycle) defrost or be able to run in heat pump mode below freezing temperatures.  \*\*EER is Energy Efficiency Ratio. COP is heating Coefficient of Performance. | | |

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| **Energy Recovery Ventilators** | |
| **Measure Code** | **Sensible Heat Recovery** |
| **ERV** | ≥ 55% to < 65% |
| ≥ 65% to < 75% |
| ≥ 75% to < 85% |
| ≥ 85% |

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| **Interior Lighting** | | |
| **Measure Code** | | **Description** |
|  | **S21** | **Recessed, Surface and Pendant-Mounted LED Downlight**   * Includes recessed, surface or pendant-mounted ceiling and downlights. * Must be qualified by ENERGY STAR® - See the following link for a complete list of qualified products:   [www.energystar.gov/productfinder/product/certified-light-fixtures/results](http://www.energystar.gov/productfinder/product/certified-light-fixtures/results) |
|  | **S51** | **LED Interior Luminaires**   * Common recessed, suspended, or surface-mounted fixtures intended to provide ambient lighting in settings such as office spaces, schools, retail stores, and other commercial environments. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of 1x4, 2x2 and 2x4 Luminaires for Ambient Lighting of Interior Commercial Spaces – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S52** | **LED Retrofit Kits for Interior Luminaires**   * Integrated-style kits are troffer retrofit kits that replace all reflectors and optical systems of existing luminaries. * Linear-style kits are tube-shaped or strip-style retrofit kits for troffers. These products do not replace the optical systems and leave the basic form of the existing luminaire intact. * Does not include tube-style, linear replacement lamps in settings such as office spaces, schools, retail stores, and other commercial environments. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Linear or Integrated Retrofit Kits for 1x4, 2x2 and 2x4 Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S61** | **LED High/Low Bay Fixtures**   * Pendent or surface-mounted fixtures specific for indoor high ceiling spaces. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of High-bay, Low-bay or High-bay Aisle Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S62** | **LED Retrofit Kits for High/Low Bay Fixtures**   * Integrated-style kits that replace all reflectors and optical systems of existing luminaries. Does not include screw-in lamps intended as HID replacements. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Retrofit Kits for High-bay or Low-bay Luminaires for Commercial and Industrial Buildings – see the following list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S71** | **LED Stairwell/Passageway Luminaires**   * Corner- or surface-mounted luminaires that provide lighting in stairwells and passageway. * Luminaires must include integral controls or operate off of remote sensors. * Controls must revert luminaires to lower-power, lower-light output state when no occupants are in the vicinity. |
|  | **S81** | **LED Linear Ambient Luminaires**   * Recessed, suspended, or surface-mounted fixtures, no wider than 12", intended to provide ambient lighting in indoor spaces. May be designed to be installed end-to-end to create long chains. * May be described as direct, indirect, semi-direct, semi-indirect, or general ambient. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Direct Linear Ambient Luminaires or Linear Ambient Luminaires w/Indirect component – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S82** | **LED Retrofit kits for Linear Ambient Luminaires**   * Retrofit kits for "strip" luminaires and other types of linear ambient luminaires. * Do not employ existing lamp holders for "pin" bases. * Must be listed on the DesignLights Consortium's Qualified Products List with a minimum Standard classification – with the Primary Use of Retrofit Kits for Direct Linear Ambient Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |

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| **Exterior Lighting** | | |
|  | **S8** | **LED Retrofit Kits for Exterior Luminaires**   * Integrated-style kits that replace all reflectors and optical systems of existing luminaires Does not include screw-in lamps. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Retrofit Kits for Outdoor Pole/Arm-mounted Area, Roadway or Decorative Luminaires, Full-Cutoff Wall-Mounted Area Luminaires, Parking Garage or Fuel Pump Canopy Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S11** | **LED Outdoor Area Fixture**   * Typical street lights or parking lot lights. Does not include utility pole-mounted fixtures. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Outdoor Pole/Arm-mounted Area and Roadway or Decorative Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S13** | **LED Wall Packs**   * Typical walkway or security lights, affixed to a building wall. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Outdoor Full-Cutoff and Semi-Cutoff Wall-mounted Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S17** | **LED Canopy Flood**   * Canopy luminaires for vehicular and pedestrian areas. * Ceiling mounted luminaires for use outdoors or in locations open to elements. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Parking Garage or Fuel Pump Canopy Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |
|  | **S23** | **Spot Lights**   * Directional luminaires intended to highlight objects and areas in outdoor lighting. Does not include LED screw-in lamps. * Must be listed on the DesignLights Consortium’s Qualified Products List with a minimum Standard classification with the Primary Use of Landscape/Accent Flood and Spot or Architectural Flood and Spot Luminaires – see the following link for a complete list of qualified products: [www.designlights.org/search](http://www.designlights.org/search) |

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| **Refrigeration Retrofit** | |
| **Measure Code** | **Description** |
| **R10** | **Evaporator Fan Motor Control for Cooler or Freezer**   * Systems equipped with ECM evaporator fan motors are not eligible for evaporator fan motor control incentives. |
| **R20** | **Door Heater Controls for Cooler or Freezer** |
| **R40** | **High-Efficiency Evaporator Fan Motors – Walk-in Coolers/Freezers** |
| **R41** | **High-Efficiency Evaporator Fan Motors – Refrigerated Warehouses** |
| **R42** | **High-Efficiency Evaporator Fan Motors – Merchandise Cases** |
| **R50** | **Floating-Head Pressure Controls – Controlling 1 Coil** |
| **R51** | **Floating-Head Pressure Controls – Controlling 2 Coils** |
| **R52** | **Floating-Head Pressure Controls – Controlling 3 Coils** |
| **R70** | **New Scroll Compressors – 2 HP** |
| **R71** | **New Scroll Compressors – 3 HP** |
| **R72** | **New Scroll Compressors – 4 HP** |
| **R73** | **New Scroll Compressors – 5 HP** |
| **R74** | **New Scroll Compressors – 6 HP** |
| **R25** | **Strip Curtains for Cooler or Freezer** |

**2.6 Eligible Buildings**

* Restaurants
* Hotels
* Motels
* Inns
* Bed and Breakfasts

**2.7 Ineligible Buildings**

* Air bnb
* Camps/Cabins/Cottages
* Non-permanent structures

**SECTION 3: APPLICATION REQUIREMENTS**

Each applicant must submit the documentation listed below to be considered for project funding under this opportunity. This includes a material price quote obtained by the applicant from their Qualified Partner. Material quotes should include the make and model of each product used in the energy efficiency measure requesting an incentive, the quantity of each and represent the costs to the customer. Businesses may apply for more than one solution (HVAC, lighting, refrigeration) but each project type will need all attachments. The list of required documentation follows:

***HVAC Projects***

1. Attachment A: FON Project Application and Commitment Form
2. Qualified Partner Material Price Quote to Customer

***Lighting Projects***

1. Attachment A: FON Project Application and Commitment Form
2. Attachment B: Hospitality Lighting Retrofit CLIC tool
3. Qualified Partner Material Price Quote to Customer

***Refrigeration Projects***

1. Attachment A: FON Project Application and Commitment Form
2. Qualified Partner Material Price Quote to Customer

**SECTION 4: SUBMITTAL INSTRUCTIONS**

Project applications must include all materials (appropriate attachments) as requested in Section 3 and are to be emailed to CIP@efficiencymaine.com by the program applicant. The email subject line must include “CIP FON-005-2021”.

For questions throughout the process, applicants are encouraged to speak with a Qualified Partner (using the locator tool described in section 2.1) or to contact the Program Team at (207) 213-6247 or [CIP@efficiencymaine.com](mailto:CIP@efficiencymaine.com).

**SECTION 5: PROJECT APPROVAL AND INCENTIVE OFFER PROCESS**

For applications received by the deadline listed in section 1.4, Efficiency Maine will review the data submitted to ensure accuracy. Efficiency Maine reserves the right to conduct pre-inspections at project sites and/or to request additional information during the review process. A representative from Efficiency Maine may schedule site inspection visits through the point of contact listed in the FON Project Application and Commitment Form (Attachment A), during the pre-approval period as listed in section 1.4.

Once Efficiency Maine completes its review, it will make a formal incentive pre-approval offer through an “Approved Scope of Work” emailed to the applicant and the installer. The Approved Scope of Work and Terms and Conditions will be sent to the applicant and will indicate the approved project incentive, pending project completion. Incentives received by the applicant may be taxable by the federal, state, and local government. A W9 will be sent with the Approved Scope of Work to ensure correct tax information. If the applicant wishes to accept this incentive offer, the applicant and the installer (QP) must sign the Approved Scope of Work and Terms and Conditions and return them with the completed W9 for the applicant via email to the contact listed in Section 4. Section 1.4 indicates the deadline for accepting the Approved Scope of Work with the pre-approval incentive offer.

Efficiency Maine will confirm receipt of an applicant’s acceptance of the pre-approval incentive offer via email to the contacts listed on Project Application and Commitment Form (Attachment A) and include the Customer Project Acceptance Form detailing the scope of work. Only at this point the applicant may proceed with material ordering/purchasing and installation in accordance with the Approved Scope of Work.

**SECTION 6: PROJECT COMPLETION PROCESS**

Upon completion of all work as outlined in the Approved Scope of Work (see section 1.4 for project completion deadline), the applicant and the installing contractor must sign and return the Customer Project Acceptance Form to the email address listed in Section 4. Efficiency Maine will conduct a final project review and process the applicant’s incentive(s). Once the final project review has been completed, payment will be processed to the customer. Efficiency Maine reserves the right to conduct a post-installation inspection during the final project review. A representative from Efficiency Maine will schedule site inspection visits through the point of contact listed in the FON Project Application and Commitment Form (Attachment A). Efficiency Maine will conclude all approved incentive payments by October 15, 2021.

**APPENDIX A: Project Application Sample**

Included in Appendix A is a sample of a completed Attachment A: Project Application and Commitment Form, an Approved Scope of Work with Terms and Conditions, and a Project Completion Form. Note that the project Scope of Work and Project Completion Form for lighting projects are created by the Hospitality Retrofits CLIC tool.

