

EFFICIENCY MAINE

COMMERCIAL & INDUSTRIAL PRESCRIPTIVE INITIATIVES

FUNDING OPPORTUNITY NOTICE (FON)

**Multifamily Building Retrofits [Pilot]
Weatherization and HVAC Electrification
CIPI FON-012-2023**

Opening: June, 2023

Application Deadline: June 1, 2024

Project Completion Deadline: December 31, 2024

Revised: September 14, 2023



<u>CONTENTS:</u>	Page
Section 1: Overview and Instructions	3
Section 2: Project Eligibility	6
Section 3: Application Requirements	12
Section 4: Submittal Instructions	13
Section 5: Project Approval and Incentive Offer Process	13
Section 6: Project Completion Process	14

APPLICATION DOCUMENTS:

- 1) Attachment A: FON Project Application and Commitment Form**
- 2) Attachment B: Weatherization Project Application**
- 3) Application C: HVAC Project Application**
- 4) Qualified Partner Material Price Quote**

APPENDIX A: Sample Documents

- Scope of Work Sample**
- Project Acceptance Form Sample**

SECTION 1: OVERVIEW AND INSTRUCTION

1.1 Purpose

Through this Funding Opportunity Notice (FON or “opportunity”) Efficiency Maine is seeking applications for energy efficiency projects involving heating, ventilation, and air conditioning (HVAC), weatherization, and water heating in Maine’s multifamily buildings with three (3) - fifteen (15) apartments and currently heat using oil, kerosene, propane, or electricity. This initiative falls under Efficiency Maine’s Commercial and Industrial Prescriptive Initiatives (CIPI) and is referred to as the Multifamily Retrofits Funding Opportunity Notice. This FON offers higher incentives than Efficiency Maine typically provides, with the intent to accelerate the conversion to **whole building** high-efficiency **air-source heat pump HVAC** equipment in multifamily buildings across the state.

1.2 Funding Description

This FON provides enhanced incentives for qualifying projects to upgrade HVAC, weatherization, and water heating. See the charts below for incentive information on the qualifying equipment and see section 2.9 for a description of the criteria that will be used to determine which equipment (or “measures”) qualifies for these incentives.

Single- or Multi-Zone Heat Pumps			
Zone(s)	Min. HSPF	Min. HSPF2	FON Incentive
1	12.5	9.5 ductless/8.1 ducted	\$10.00/Sq.Ft.
2-3	10.0	8.5	
Heat pump retrofit projects must be sized and configured, informed by the current heating system capacity or a Manual J calculation. The heat pump must be configured as the primary heating system. Buildings that heat with natural gas are not eligible. Incentives are capped at 90% of total material costs (without labor).			

Energy Recovery Ventilators (ERV)		
Measure Code	Sensible Heat Recovery	FON Incentive
ERV	≥ 55% to < 65%	\$2.25/CFM
	≥ 65% to < 75%	\$2.50/CFM
	≥ 75% to < 85%	\$2.75/CFM
	≥ 85%	\$3.00/CFM
Incentives are capped at 90% of total material costs (without labor).		

Package Terminal Heat Pumps		
Measure Code	Heating Capacity Btu per Hour	FON Incentive
PTHP	< 7,000	\$690
	≥ 7,000 and ≤ 15,000	\$720
	> 15,000	\$770
Incentives are capped at 90% of total material costs (without labor).		

Vertical Packaged Terminal Heat Pumps		
Measure Code	Heating Capacity Btu per Hour	FON Incentive
VPTHP	< 7,000	\$1,100
	≥ 7,000 and ≤ 15,000	\$1,350
	> 15,000	\$1,600
Incentives are capped at 90% of total material costs (without labor).		

Multifamily Retrofits
CIPI FON-012-2023

Heat Pump Rooftop Units (Ventilation)		
Required Heat Pump RTU* Heating Capacity (MBh)	Minimum Required Efficiency Criteria (Heating)	Incentive per Unit
24	8.5 HSPF or 7.2 HSPF2	\$4,800
36		\$7,200
48		\$9,600
60		\$12,000
90		\$18,000
120		\$24,000
132	2.0 COP	\$24,000
*AHRI Heating Capacity at 17°F. RTU must be all electric including supplemental heat. Incentives are capped at 90% of total material costs (without labor).		

Variable Refrigerant Flow (VRF) Systems					
Measure Code	Measure	Heating Capacity Btu per Hour	Criteria (SEER, IEER or HSPF)	If Existing Oil & Propane Heating	
VRF	Single-Phase VRF Air-Cooled Heat Pump <u>with or without</u> Heat Recovery	< 65,000	≥ 17 SEER or 16.2 SEER2 ≥ 10 HSPF or 8.5 HSPF2	\$8.00/sq.ft.	
	VRF Air-Cooled Heat Pump <u>without</u> Heat Recovery	≥ 65,000 and < 135,000	≥ 22.8 IEER or 21.7 IEER2	\$8.00/sq.ft.	
		≥ 135,000 and < 240,000	≥ 21.9 IEER or 20.9 IEER2		
		≥ 240,000	≥ 19.7 IEER or 18.8 IEER2		
	VRF Air-Cooled Heat Pump <u>with</u> Heat Recovery	≥ 65,000 and < 135,000	≥ 22.6 IEER or 21.7 IEER2	\$10.00/sq.ft.	
		≥ 135,000 and < 240,000	≥ 21.1 IEER or 20.9 IEER2		
		≥ 240,000	≥ 20.3 IEER or 18.8 IEER2		
	VRF system must be configured as the primary heating system and will meet the required building heating load. Incentives are capped at 90% of total material costs (without labor).				

**Multifamily Retrofits
CIPI FON-012-2023**

Weatherization (Insulation and Air Sealing)		
Measure	Criteria	Incentive
Attic Insulation	Attic must be insulated to one of the following levels: a. Open attic insulated to at least R49 b. Enclosed cavities filled to capacity with dense-pack insulation c. A minimum of 5” of closed-cell spray foam d. Closed-cell spray foam applied to within 1.5” of the surface of cavities that were subsequently enclosed	70% of project cost, up to \$7,000
Basement Insulation	Basement must be insulated to one of the following criteria: e. Basement or crawlspace ceiling with either dense-pack insulation or minimum 2” of foam f. Sill plate and rim joist areas with minimum 2” rigid or closed-cell spray foam.	
Attic and/or basement must be air sealed prior to or as part of insulating the space. This includes any penetrations between the attic and the floor below or the basement and the first floor. Batt insulation is not eligible for incentives. All exhaust fans must be ducted outside the building. Code-approved fire protection was added to foam insulation when applicable. Air sealing costs are captured in the attic and basement insulation incentives.		

Heat Pump Water Heater Systems		
HPWH Integrated Storage - Gallons	Minimum Qualifying Efficiency Criteria	Incentive
80	ENERGY STAR®	\$2,800
120	ENERGY STAR®	\$4,000
Split-system with 80 gallon minimum	ENERGY STAR®	\$4,000
Incentives are capped at 90% of total material costs (without labor).		

1.3 FON Schedule

Efficiency Maine will accept complete applications for the Multifamily Retrofits FON from July 1, 2023, through June 1, 2024, or until funding has been exhausted. The CIPI team will review complete 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.

FON Schedule	
FON Issue Date:	June, 2023 – Revised September 14, 2023
Rolling Application Period:	July 1, 2023 – June 1, 2024*
Project Completion Deadline:	December 31, 2024

*Or until funding has been exhausted

1.4 Project Development Assistance

Efficiency Maine offers a virtual building consultation service if you are not sure what energy efficiency solutions may exist in your building. If you wish to take advantage of this no-cost, no obligation service, [click here](#) and we will contact you to set up a time to discuss solutions best suited for your building and how to get started.

1.5 Design Guidance for Air-Source Heat Pump (ASHP) Systems

Efficiency Maine requires all new ASHP systems to meet the whole building heat load requirements. The following guidance is provided to assist in properly designing ASHP systems to ensure building occupants are comfortable through Maine’s heating season.

Step One: Calculate the Manual J heating requirement for each apartment OR determine the current heating system heating capacity. The whole building must be part of this calculation.

Step Two: Use the output of the Manual J or the current heating system heating capacity to design the new heat pump system:

- If using the current heating system heating capacity, the proposed ASHP design heating capacity at 5°F must be within 60% to 100% of the current heating system heating capacity.
 - If 5°F is not available, the heating capacity at 17°F shall be used
- If using a Manual J calculation, the proposed design heating capacity at 5°F must be within 80% to 120% of the Manual J design load.
 - If 5°F is not available, the heating capacity at 17°F shall be used

Step Three: Once you’ve determined an ASHP design that matches rated capacity to the capacity percent ranges, select ASHP equipment that meets the efficiency criteria as described in Section 2.9.

SECTION 2: PROJECT ELIGIBILITY

2.1 Eligible Facilities

2.1.1 Multifamily apartment buildings with 3 to 15 units are eligible for this opportunity.

2.1.2 Ineligible Buildings Spaces include:

- Single-family homes
- Condominiums
- Mixed-use spaces
- Duplexes or multifamily apartment buildings with less than 3 units

- 2.1.3 Projects with previous preapproval that have not begun installation and would like to reapply with an expanded project scope under this FON must comply with all requirements of this FON and final determination of eligibility to reapply lies with Efficiency Maine.

2.2 Eligible Mini-Split Heat Pump Projects

An eligible heat pump retrofit project is limited to the heat pump solutions listed in section 2.9 for high-efficiency heat pumps. Heat pumps must meet the specified energy efficiency criteria, which an Efficiency Maine Qualified Partner (QP) can determine. Efficiency Maine will confirm eligibility during a review of an application. The heat pumps must be installed and configured as the primary heating system and the existing system may be configured for supplemental heating, if necessary. Projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.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.

2.3 Eligible Variable Refrigerant Flow (VRF) System Projects

An eligible VRF system retrofit project is limited to one of the systems listed in section 2.9. VRF projects must meet the specified energy efficiency criteria, which a QP can determine. Efficiency Maine will confirm eligibility during a review of an application. The installed VRF system must be installed and configured as the primary heating system and the existing system may be configured for supplemental heating, if necessary. Project incentives for this category will cover a portion of the equipment cost. Projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.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.

2.4 Eligible Heat Pump Rooftop Unit (RTUs) Projects

An eligible RTU system retrofit project is limited to one of the systems listed in section 2.9. Replacing existing rooftop units (RTUs) with heat pump systems can significantly lower energy consumption while providing building ventilation, heating, air conditioning, and dehumidification. Project incentives for this category will cover a portion of the equipment cost. The replacement RTU must be all electric including the RTUs back-up heat. In addition, projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.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.

2.5 Eligible Packaged Terminal Heat Pump (PTHP) and Vertical Packaged Terminal Heat Pump (VPTHP) Projects

An eligible PTHP and VPTHP retrofit project includes the heat pump solutions listed in section 2.9. These heat pumps must meet the energy efficiency criteria, which an Efficiency Maine Qualified Partner (QP) can determine, and Efficiency Maine will confirm during a review of an application. In addition, projects

must be completed by an Efficiency Maine Qualified Partner (QP). A Qualified Partner can be found by using the QP locator at <https://www.energymaine.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.

2.6 Eligible Energy Recovery Ventilator (ERV) Projects

ERVs are often used to condition outside air that ventilates into a building, taking the load off 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 project is limited to the ERV solution and criteria listed in section 2.9. ERV projects must meet the specified energy efficiency criteria, which a QP can determine. Efficiency Maine will confirm eligibility during a review of an application. In addition, projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.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.

2.7 Eligible Weatherization Projects

An eligible weatherization project is limited to weatherization measures listed in section 2.9. Adding insulation and air sealing can lower energy consumption while providing more comfortable conditioning. Project incentives for this category will cover both insulation and air sealing activities. Projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.com/at-work/qualified-partners/>. To use the locator simply enter your ZIP code and desired radius before selecting “Multifamily Weatherization” in the “Services” menu.


2.8 Eligible Heat Pump Water Heating Projects


An eligible heat pump water heater retrofit project is limited to the systems listed in section 2.9. Replacing existing hot water heaters with heat pump systems can significantly lower energy consumption while providing domestic hot water needs. Project incentives for this category will cover a portion of the equipment cost. Projects must be completed by a QP. A Qualified Partner can be found by using the locator at <https://www.energymaine.com/at-work/qualified-partners/>. To use the locator


Multifamily Retrofits
CIPI FON-012-2023


simply enter your ZIP code and desired radius before selecting “Heat Pump Water Heaters” in the “Services” menu.

2.9 Eligible Solutions


Single or Multi Zone Heat Pumps			
Zone(s)	Minimum HSPF/HSPF2	Description	Example Image
1 to 3	12.5/9.5 ductless and 8.1 ducted for single-zone 10.0/8.5 for multi-zone	<p>High-Performance Mini-Split Heat Pump System</p> <ul style="list-style-type: none"> • Incentives are capped at 90% of the total material cost (without labor). • System must serve as the primary heating and cooling system. • Heat pump retrofits must be sized and configured as a whole building system. 	<p>A high-performance heat pump outdoor unit.</p> 
<p>Heat pump retrofit projects must be configured as the primary heating and cooling system, informed by the current heating system capacity or a Manual J calculation as laid out in section 1.5. Buildings that heat with natural gas are not eligible. Incentives are capped at 90% of total material costs (without labor).</p>			


Packaged Terminal Heat Pumps				
Measure Code	Cooling Capacity	Minimum Cooling Criteria* (EER)**	Minimum Criteria* Heating (COP)**	Example Image
PTHP	< 7,000	13.0	4	
	≥ 7,000 and ≤ 15,000	11.5	3.5	
	> 15,000	10.8	3.4	
	<p>*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 the heating Coefficient of Performance.</p>			
<p>Incentives are capped at 90% of total material costs of the units (without labor).</p>				


Vertical Packaged Terminal Heat Pumps				
Measure Code	Cooling Capacity	Minimum Cooling Criteria* (EER)**	Minimum Heating Criteria* (COP)**	Example Image
VPTHP	< 7,000	11.0	3.3	
	≥ 7,000 and ≤ 15,000			
	> 15,000			
	*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 the heating Coefficient of Performance.			
Incentives are capped at 90% of total material costs of the units (without labor).				


Energy Recovery Ventilators	
Sensible Heat Recovery	Example Image
≥ 55%	
Sensible heat recovery unit transfers heat from exhaust to new supply coming in (heat needed to raise temperature). Incentives are capped at 90% of total material costs (without labor).	

**Multifamily Retrofits
CIPI FON-012-2023**

Heat Pump Rooftop Units (Ventilation)				
Heating Section of Existing System (MBh)	Heat Pump RTU* Heating Capacity (MBh)	Minimum Efficiency Criteria (Heating)	Minimum Efficiency Criteria (Cooling)	Example Image
60-80	24	8.5 HSPF	15 SEER	
81-120	36	8.5 HSPF	15 SEER	
121-160	48	2.2 COP	12 EER	
161-200	60	2.2 COP	12 EER	
201-300	90	2.2 COP	11 EER	
301-400	120	2.2 COP	11 EER	
401-450	132	2.2 COP	11 EER	
*AHRI Heating Capacity at 17°F. Incentives are capped at 90% of total material costs (without labor).				

Variable Refrigerant Flow Systems						
Measure Code	Measure	Heating Capacity Btu per Hour	Criteria (SEER, IEER or HSPF)	Example Image		
VRF	Single-Phase VRF Air-Cooled Heat Pump with or <u>without</u> Heat Recovery	< 65,000	≥ 17 SEER or 16.2 SEER2 ≥ 10 HSPF or 8.5 HSPF2			
	VRF Air-Cooled Heat Pump <u>without</u> Heat Recovery	≥ 65,000 and < 135,000	≥ 22.8 IEER or 21.7 IEER2			
		≥ 135,000 and < 240,000	≥ 21.9 IEER or 20.9 IEER2			
		≥ 240,000	≥ 19.7 IEER or 18.8 IEER2			
	VRF Air-Cooled Heat Pump <u>with</u> Heat Recovery	≥ 65,000 and < 135,000	≥ 22.6 IEER or 21.7 IEER2			
		≥ 135,000 and < 240,000	≥ 21.1 IEER or 20.9 IEER2			
		≥ 240,000	≥ 20.3 IEER or 18.8 IEER2			
	VRF system must be used as the primary heating system and provide heat to the whole building. Incentives are capped at 90% of total material costs (without labor).					

Weatherization (Insulation and Air Sealing)		
Measure	Criteria	Example Image
Attic Insulation	Attic must be insulated to one of the following levels: <ol style="list-style-type: none"> Open attic insulated to at least R49 Enclosed cavities filled to capacity with dense-pack insulation A minimum of 5" of closed-cell spray foam Closed-cell spray foam applied to within 1.5" of the surface of cavities that were subsequently enclosed 	
Basement Insulation	Basement must be insulated to one of the following criteria: <ol style="list-style-type: none"> Basement or crawlspace ceiling with either dense-pack insulation or minimum 2" of foam Sill plate and rim joist areas with minimum 2" rigid or closed-cell spray foam. 	
Attic and/or basement must be air sealed prior to or as part of insulating the space. This includes any penetrations between the attic and the floor below or the basement and the first floor. Batt insulation is not eligible for incentives. All exhaust fans must be ducted outside the building. Code-approved fire protection was added to foam insulation when applicable. Air sealing costs are captured in the attic and basement insulation incentives.		

Heat Pump Water Heater Systems			
Details	HPWH Integrated Storage	Minimum Qualifying Efficiency Criteria	Example Image
Must be a retrofit project. Must be installed outside the thermal envelope of the buildings. Retrofit project baseline must be electric resistance, propane, or oil-fired water heater. Projects with a natural gas baseline or existing heat pump hot water heater are not eligible. Incentives are capped at 90% of total material costs (without labor).	80 gallons	ENERGY STAR®	
	120 gallons	ENERGY STAR®	
	Split-system with 80 gallon minimum	ENERGY STAR®	

SECTION 3: APPLICATION REQUIREMENTS

Each applicant must submit the documentation listed below to be considered for incentives under this opportunity. This documentation must include a material price quote obtained by the applicant from a Qualified Partner.

Multifamily Retrofits CIPI FON-012-2023

Material quotes must include the make and model of each product used in the upgrade, the quantity of each, and the costs to the customer. If multiple multifamily buildings within a single property wish to participate in the FON, each building would be considered a separate project and therefore each building would require its own application and be subject to these requirements. The list of required documentation follows:

Weatherization Projects:

- Attachment A: FON Project Application and Commitment Form
- Attachment B: Weatherization Project Application
- Qualified Partner Material Price Quote to Customer
- Installation Price Quote to Customer

HVAC and Water Heating Projects:

- Attachment A: FON Project Application and Commitment Form
- Attachment C: HVAC Project Application
- Qualified Partner Material Price Quote to Customer

Additional documents for HVAC project applications:

- AHRI Certificate
- Building layout or floor plan documentation with square footage
- Selection report (for ERV projects)
- Piping diagram or selection report (for VRF application)

**Efficiency Maine reserves the right to request additional information as needed prior to project approval.*

Efficiency Maine may elect to track electrical usage for the electrical meters connected to HVAC upgrades through this FON. Each account owner may be eligible for a compensation payment of \$100 if they agree to participate in a heat pump satisfaction survey that will inform Efficiency Maine in any future program modifications. If the applicant or tenant has any questions, they can email CIP@efficiencymaine.com or call (207) 213-6247 for more information.

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 "CIPI FON-012-2023".

For questions throughout the process, applicants are encouraged to speak with a Qualified Partner (using the locator tool described in Section 2) or to contact the Program Team at (207) 213-6247 or CIP@efficiencymaine.com.

SECTION 5: PROJECT APPROVAL AND INCENTIVE OFFER PROCESS

The process to apply for a project incentive starts with obtaining pre-approval. This must be done prior to ordering, procuring, or installing any equipment or materials. By submitting an application, the Applicant is making a representation to Efficiency Maine that all information provided in connection with the application is complete and accurate at the time of submission. The intentional provision of any false or misleading information, or the intentional omission of material information, will result in the application being deemed ineligible. Efficiency Maine recognizes that, depending on the nature of a proposed project, third-party vendor, installer, or energy service companies (ESCOs) may assist in the preparation, submittal, and processing of an application on behalf of a customer. Notwithstanding the participation of a third-party vendor, installer or ESCO, Efficiency Maine considers the customer to be the FONs Applicant and requires the customer to be a direct party to the application. Efficiency Maine requires direct communication with the customer as necessary for review and evaluation of an application. Because no project approval or incentive award is guaranteed, no third-party vendor, installer or ESCO should make any firm commitment of incentive award funds in advance of a final notice of award to the customer.

For applications received by the deadline listed in section 1.3, Efficiency Maine will review the data submitted to ensure accuracy. ***Incomplete applications will not be accepted for review and applicants will be notified in writing by email.*** 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.

Once Efficiency Maine accepts the application and completes its review, it will make a formal incentive 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 scope of work and project financials including costs and estimated payback and 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 of the applicant. 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. ***The applicant has 14 days to accept this Approved Scope of Work.***

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 may the applicant proceed with material ordering/purchasing and installation in accordance with the Approved Scope of Work.

Multifamily Retrofits

CIPI FON-012-2023

SECTION 6: PROJECT COMPLETION PROCESS

Upon completion of all work as outlined in the Approved Scope of Work (see section 1.3 for project completion deadline), the applicant and the installing contractor must sign and return the Customer Project Acceptance Form along with any material invoices 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 January 15, 2024.

APPENDIX A: Sample Documents

Included in Appendix A is a sample of an Approved Scope of Work with Terms and Conditions, and a Project Completion Form.

Scope of Work (SOW) Sample:



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MULTIFAMILY RETROFITS

SCOPE OF WORK & TERMS AND CONDITIONS **Approved**
CIP FON-012-2023

Customer Name: ABC Housing
Qualified Partner: Company 1
Facility Name: ABC Housing
Installation Address: 123 State St
City: Augusta State: ME Zip: 04330
Reference Number: FON012-HPHP-ABC Housing-1

Terms and Conditions

This Approved Scope of Work Form is part of the Funding Opportunity Notice (FON) for the Efficiency Maine Commercial & Industrial Prescriptive Program. When executed by the Parties and submitted with CIP FON-012-2023 constitute agreement to the following Terms & Conditions:

1. APPLICANT ELIGIBILITY REPRESENTATIONS.

Applicant represents that the following statements are true:

- Applicant is a non-residential customer of electric utilities in the State of Maine,
- Applicant's primary business function is not to generate power to be sold into a power market,
- Applicant has the authority to contract for retrofit work in the Facility in connection with the Measures listed,

2. AGREEMENT AS TO THE MEASURES. Applicant agrees to have an Installation Contractor perform retrofit work at the Facility in connection with the Measures identified on the attached Section C to this Scope of Work. In consideration of the Contractor's performance of such work, Applicant agrees to pay Installation Contractor for Measures installed at the Facility, based on the Estimated Costs listed on said Section C for the number of completed units for each Measure upon receipt of invoice; provided the Contractor may collect a deposit from Customer prior to performing such work, in which case the final invoice shall be net of such deposit.

3. AGREEMENT AS TO INCENTIVE AMOUNTS.

- Subject to the other terms of this Scope of Work, Applicant's obligation to pay for the installation and Measures shall be reduced by an amount (the "incentive") provided under the Efficiency Maine CIP FON-012-2023.
- Notwithstanding 3(a) above, Efficiency Maine reserves the right to limit the amount of Incentives based on the total project cost or if the measures actually installed or performed differs from the approved application.

4. INSTALLATION REQUIREMENTS.

a. Services to be provided this Scope of Work shall in no way include work by the Installation Contractor in connection with the correction of apparent or hidden safety issues or code violations. Installation Contractor shall not perform work where, in its sole discretion, it is determined such safety issues or code violations exist.

b. The Applicant agrees not to reinstall any of this equipment or transfer it to any other party for installation.

Applicant agrees that it will not alter, modify or discontinue use of the Measures without prior written approval from Efficiency Maine and that Measures will be used for their rated useful life.

c. Applicant agrees to permit Efficiency Maine (or any designated agent) to access the Facility before, during or after installation of the Measures at times reasonable convenient to Applicant, project inspections and evaluations.

d. Notwithstanding Applicant's ownership of all installed improvements, Efficiency Maine shall be deemed the owner of, and shall hold exclusive right, title and interest in and to any electric system capacity credits and environmental credits that may be associated with the Measures, and Efficiency Maine can sell, transfer and otherwise dispose of these credits in any manner authorized by law or regulation. By accepting an Incentive, Applicant expressly and irrevocably conveys all such rights and credits to Efficiency. In no event shall activity associate with any such energy or environmental credits result in interference with the Applicant's sole discretion to operate Measures as approved in the Approved Scope of Work.

5. LIMITATION OF LIABILITY; INDEMNIFICATION

a. In no event shall Efficiency Maine, nor any of their respective trustees, officers, directors, shareholders, affiliates, employees, agents, or contractors be liable to the Applicant or anyone claiming through Applicant, for any special, consequential, or incidental damages, including lost profits or lost business opportunities, or for any damages in tort (including negligence) caused by or resulting from any activities in connection with or associated with this Scope of Work or the Efficiency Maine Prescriptive Program.

b. The Applicant shall protect, indemnify, and hold harmless Efficiency Maine, and their respective trustees, officers, directors, shareholders, affiliates, employees, agents or contractors (each, an "Indemnified Party") from and against all liabilities, losses, claims, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) incurred by or assessed against an Indemnified Party arising out of or relating to the Applicant's performance or non-performance of obligations under this Scope of Work or the installation and operation of the Measures.

c. Nothing herein shall be construed to waive, release, or diminish any statutory or common law immunities of Efficiency Maine as a governmental entity, all of which are expressly retained.

6. WARRANTIES

a. Installation Contractor warrants to Applicant that all equipment and materials installed as part of the Project are free from defects in title, material, workmanship and installation, and shall conform to Efficiency Maine Prescriptive Program specifications. Such warranty shall not expire before the later of the applicable manufacturer warranty period (if any) or one (1) year from the date of installation. If such warranty is breached, Contractor shall, at its expense, either repair or replace (at its option) the equipment or materials to remove the defect and/or establish such conformity, as applicable.

b. Neither Efficiency Maine nor any agent of, endorses, guarantees, or warrants any particular manufacturer or product, and provides no warranties, express or implied, for any product or services. Efficiency Maine expressly disclaim all warranties relating to the Measures. The Applicant's reliance on warranties is limited to any warranties that may be provided directly by Contractor or equipment suppliers.

c. Neither Efficiency Maine nor any agent of, are responsible for assuring that the design, engineering and construction of the Facility or installation of the Measures is proper or complies with any particular laws, codes, or industry standards, nor for the accuracy or inaccuracy of any energy assessment findings or anticipated energy savings. Neither Efficiency Maine nor any agent of make no representations of any kind regarding the results to be achieved by the Measures or the adequacy or safety of such measures.

Multifamily Retrofits

CIPI FON-012-2023

7. PUBLICITY OF APPLICANT PARTICIPATION

By accepting an Incentive, the Applicant understands that Efficiency Maine reserves the right to disclose certain information about the Applicant's participation in the Efficiency Maine Prescriptive Program, including, but not necessarily limited to, the Applicant's name and address, the Incentive amount, projected energy savings as well as other non-proprietary business information.

8. CUSTOMER MUST PAY ALL TAXES

Incentives received by the Applicant may be taxable by the federal, state, and local government. The Applicant is responsible for determining any tax obligations and declaring and paying all such taxes. Recipients of incentive payments must provide their tax identification number to Efficiency Maine for payment processing. Incentive award payments in excess of \$600 made to unincorporated entities will be reported on IRS Form 1099.

9. MISCELLANEOUS

- This Scope of Work constitutes the full agreement among Applicant and Installation Contractor (collectively, the "Parties"), and supersedes any prior discussions, understandings, and agreements, whether oral or in writing.
- Paragraph headings are for the convenience of the Parties only and are not to be construed as part of this Scope of Work.
- If any provision of this Scope of Work is deemed invalid by any court or administrative body having jurisdiction, such ruling shall not invalidate any other provision, and the remaining provisions shall remain in full force and effect in accordance with their terms.
- In the event of any dispute concerning this Scope of Work, or any other requirement of the Efficiency Maine Prescriptive Program, resolution will be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this agreement shall be brought in State of Maine administrative or judicial forums. The Applicant consents to personal jurisdiction in the State of Maine.
- Applicant and Installation Contractor expressly acknowledge that Efficiency Maine or a designated agent of, are each an intended third-party beneficiary of this Scope of Work with full power to enforce the terms of this Scope of Work.

By signing below, the Parties agree the Measures listed in Section C shall be installed by the Installation Contractor. The Applicant shall pay the Installing Contractor as described herein following Completion and Acceptance of Measures.

Participating Customer

Date

Installing Contractor

Date

Section B. List of Measures

Location	Measure Description	Quantity	Incentive per Sq Ft	Sq Ft Per Unit	Total Sq Ft	Total Incentive*
Units 1-5	Single Zone Mini-Split Heat Pump	15	\$10.00	700	4,000	\$35,000
TOTAL						\$35,000.00

* Incentives may be capped at 90% of material cost, less taxes.

Project Acceptance Form (PAF) Sample:

COMMERCIAL & INDUSTRIAL PRESCRIPTIVE SOLUTIONS MULTIFAMILY RETROFITS

CIPI FON-012-2023

Installation Completion & Applicant Acceptance Form



This Project Acceptance Form ("Form") when signed, signifies the project approved from the application submitted in response to CIP FON-012-2023 and part of the Commercial & Industrial Prescriptive Program has been completed. The Form is to be executed in connection with the installation of energy efficiency retrofit measures by the Participating Qualified Partner and the below listed Facility ("Parties"). This Form, together with the Scope of Work, constitute the full Agreement between the Parties.

By signing below, the Parties confirm the measures initiated in Section B of this Form (below) have been installed in the specified quantities and that associated equipment is operational. Additionally, by signing below, the Qualified Partner certifies that all applicable permits have been obtained and all hazardous and nonhazardous materials have been disposed of in accordance with federal, state and local regulations.

Both the Installing Contractor and the Applicant must sign, and return this document as outlined in FON CIP-012-2023 Section 1.4. The project incentive will not be paid until the signed/initialed Form is received by the date outlined in CIP FON-012-2023 Section 1.3.

CUSTOMER INFORMATION

Customer Name:
ABC Housing

Physical Installation Address:
123 State St

City: **Augusta** State: **ME** Zip Code: **04330**

Contact Name/Title:
Jane Smith

Email Address:
Jane.smith@gmail.com

Telephone:
207-222-3333

HEATING, COOLING & REFRIGERATION VALIDATION

By signing below, I confirm the energy efficiency measure(s) has been installed and:

(check boxes)

- I confirm the equipment as listed in Section B has been installed
- I have received system operation training
- I have received equipment manuals

Customer Signature

Date

This equipment has been installed (listed below) in accordance with manufacturers specifications and is operating as designed.

Section B. List of Measures

Location	Measure Description	Quantity	Incentive per Sq Ft	Sq Ft Per Unit	Total Sq Ft	Total Incentive*
Units 1-5	Single Zone Mini-Split Heat Pump	15	\$10.00	700	4,000	\$35,000
TOTAL						\$35,000.00

* Incentives may be capped at 90% of material cost, less taxes.

Qualified Partner Signature

Date