

## RESPONSES TO QUESTIONS

### RFP EM-013-2024: LENDING SOFTWARE PLATFORM

*Last Revised 2/20/2024, 12:00 p.m.*

---

**Q1: Are bids considered confidential?**

A1: No.

**Q2: How many trade allies does Efficiency Maine have?**

A2: Efficiency Maine works with approximately 1,000 certified trade allies (Residential Registered Vendors and Qualified Partners). We anticipate that approximately 400 of these trade allies will be active in the selected platform within the first 24 months.

**Q3: How many Efficiency Maine staff members are anticipated to be active in the selected lending platform?**

A3: We anticipate that approximately 4 in-house staff members will have access to the selected lending platform. We expect that these in-house staff members will have access to the full suite of lending platform functions, including the decisioning, underwriting, origination, servicing, onboarding, integrations, or database features.

We anticipate that an additional 5 to 10 staff members from a contracted service provider will also have varied access to the selected platform's functionality and features. The outcome of Efficiency Maine's concurrent Request for Proposals (RFP) for Lending Services (RFP EM-014-2024) will provide more clarity on expectations in this area.

**Q4: How may the application vary from finance product to finance product?**

A4: To the extent practicable, we prefer to have a single application for all consumer-facing products. Though the exact intake requirements remain to be determined, they will include sufficient information to verify project eligibility and borrower eligibility/underwriting. We anticipate that a back-end decision-making matrix will present the applicant with the relevant finance product based on this intake data. The requirements for commercial applications will be more than those for residential applications.

**Q5: Does Efficiency Maine have complete list of required integrations and associated criteria, including those for commercial projects?**

A5: In the RFP, we highlight some potential integrations but do not identify any specific requirements. Bidders should identify any integrations they are aware of that would support the

Efficiency Maine Green Bank in achieving its objectives. We need to verify project or customer LIDAC (Low-Income or Disadvantaged Community) status, as well as a borrower's ability to satisfy underwriting standards and associated compliance requirements. Criteria would include:

- A. Income Verification – to (1) identify whether a customer is a geographically dispersed low-income customer, and/or (2) to determine whether a customer satisfies certain underwriting requirements (e.g., debt-to-income ratio)
- B. Credit Pull – to determine whether a borrower satisfies certain underwriting requirements
- C. Identify Verification – to satisfy 'know your customer' compliance regulations
- D. Geographic Verification – to verify if a customer or project falls within a federally recognized disadvantaged community.

Other criteria may be helpful in certain cases, but are not essential (e.g., proof of property ownership).

**Q6: Does Efficiency Maine have preferred vendors for integrations?**

A6: No. We are seeking cost-effective, efficient, and user-friendly solutions. Bidders should identify their preferred vendors and existing relationships, and/or whether they are agnostic and capable integrating with a variety of vendor options.

**Q7: Are there multiple draw schedules or is payout based only on project completion? Is there a verification step by Efficiency Maine or the borrower acknowledging completion as reported by the trade ally?**

A7: We anticipate most projects will involve a single payout to the relevant trade ally upon project completion. This will require a verification step where Efficiency Maine (or its contracted service provider) confirms that the trade ally has provided a signed proof of completion document.

We would like to preserve the flexibility to deploy more complex or varied payout or draw schedules if the need arises. This capability might prove useful with more complex commercial financing products for projects with longer development cycles and higher costs.

**Q8: What types of documentation may be required for various finance products?**

A8: Efficiency Maine will work with our internal counsel, selected bidders, and other resources to develop the appropriate set of documents required to be completed by borrowers for each finance product. Documents will include relevant agreements and disclosures.

**Q9: Are there any requirements related to the location of individuals working on the contract?**

A9: Funding for one or more awards under this RFP derives in whole or in part from anticipated federal grants that may contain restrictions or requirements regarding utilization of workers outside of the United States. The full terms and conditions of future federal funding are not yet known. Service providers must comply with applicable federal export control, sanctioned

countries, and designated national restrictions. We are not currently aware of any additional restrictions that would apply to the services contemplated in this RFP. Regardless, we require service providers to comply with all applicable labor and employment laws and standards. Indeed, service providers must comply with all laws applicable to the provision of the services contemplated in the RFP, whether or not enumerated in the RFP or any resulting contract.

We value a service provider's knowledge and understanding of the Maine market when interacting with customers and performing borrower-facing activities. We expect providers to perform services and to be fully available during regular business hours in Maine and to provide any additional after-hours support services as the contract may require.

**Q10: What requirements are there for data associated with the lending products or platform?**

A10: Funding for one or more awards under this RFP derives in whole or in part from anticipated federal grants that may contain restrictions or geographic requirements on data hosting, storage, or processing. The full terms and conditions of future federal award are not yet known. We are not currently aware of any additional specific data location restrictions that would apply to the services contemplated in this RFP. Regardless, we require service providers to comply with all applicable state and federal laws and industry standards regarding data security and privacy and the protection of customer personal and financial information, including without limitation, the Federal Trade Commission (FTC) Safeguards Rule and other applicable regulations and Maine consumer protection requirements. Service providers must comply with all laws applicable to the provision of the services contemplated in the RFP, whether or not enumerated in the RFP or any resulting contract.

Service providers will be required to be SOC 1 and SOC 2 compliant with security, availability, confidentiality, processing integrity, and customer data privacy controls at the highest industry standards. Furthermore, we will require ready access to any data for reporting and analysis purposes (unless limited by any regulatory compliance standards).

We anticipate that some data may be made accessible by other platforms used by Efficiency Maine and its service providers, such as effRT (a proprietary platform for project tracking), MUNIS (business financial software), reporting tools, or customer relationship management (CRM) software.

Efficiency Maine anticipates that different users will have different access privileges within the platform, with some data hidden from view in certain cases.

**Q11: Is there any intent to integrate any existing loan program data into the new platform?**

A11: We currently do not plan to migrate existing program data into the new platform.

**Q12: How will anticipated funds be allocated across various finance initiatives and lending products (e.g., loans, leases, credit enhancements)?**

A12: We expect that the majority of the \$40 million in anticipated Greenhouse Gas Reduction Fund dollars will be deployed through lending products (e.g., loans and leases) within year one of receiving such funds. We anticipate reserving some funds (approximately 2 to 5%) for credit enhancements (e.g., loan guarantees, loss reserves). Funds used for credit enhancements are intended to aid Efficiency Maine in revolving capital back in from third-party capital sources to then be redeployed through lending products.

**Q13: How will the anticipated lending products and finance initiatives relate to the existing Efficiency Maine rebate and incentive programs?**

A13: Most of Efficiency Maine's existing rebate and incentive programs require a customer copay. Our intent is to provide finance products that remove upfront cost barriers for customers, providing a no-money-down option for parties interested in investing in energy efficiency and clean energy projects.

Historically, eligibility for an EMGB finance product has been limited to borrowers conducting a project that could qualify for an Efficiency Maine rebate or incentive. Moving forward, Efficiency Maine anticipates providing the flexibility for loans that do not include this requirement, but rather have independent criteria.

**Q14: What does Efficiency Maine mean by an "instant decision"?**

A14: We define "instant decision" as providing an offer for a lending product to a customer that is transactable (e.g., the customer can sign loan documents) within a relatively short timeframe (e.g., while the trade ally is still at the customer's home). Ideally the trade ally should have full confidence that the customer is eligible for financing to cover the expected project cost. Efficiency Maine does not consider a "pre-approval" to be an instant decision.

**Q15: Can a customer pursue financing independent of a trade ally?**

A15: Yes, a customer can pursue financing independently. The trade ally does not need to be the one to initiate the financing process. To verify project completion (and thus pay out a loan), we will require documentation from a trade ally. The trade ally can submit the information themselves, or send it to the customer for them to submit it. Generally, we want to accommodate the variety of ways that a project comes to fruition through the private marketplace. The goal of a platform among trade allies is to provide a more efficient tool for closing deals on eligible projects.

**Q16: What forms of collateral (e.g., UCCs, lien filing) will Efficiency Maine require?**

A16: The types of collateral have yet to be determined. If we require some form of collateral with an associated filing, we do not expect the platform to provide that functionality. The relevant tasks (such as filing a lien) would be performed by in-house staff or contracted service providers.

**Q17: Is there any flexibility on the timeline for platform launch?**

A17: Yes. As stated in the RFP, Efficiency Maine anticipates receiving capital on or about July 2024 and seeks to have the platform available at that time or soon thereafter. Nevertheless, we want bidders to explain what timeline is realistic for them. We will take this information into consideration and weigh our decision against other elements of the bids.

**Q18: How should a bidder complete the Project Cost Proposal Form (Attachment A) if they have varied or tiered pricing model?**

A18: All bidders should complete the Project Cost Proposal Form (Attachment A) in the format provided. We recognize that the categories and format displayed in the Project Cost Proposal Form may not conform to the way that the bidder traditionally expresses its pricing. Nonetheless, we will use this form to facilitate a clear and consistent bid comparison and we appreciate bidders doing their best to accurately and comprehensively reflect their pricing and costs according to the form's categories and format. That said, bidders may also add a supplementary tab to Attachment A detailing their preferred pricing structure for our consideration.