

RESPONSES TO QUESTIONS

RFP EM-014-2024: LENDING SERVICES

Last Revised 3/5/2024, 12:00 p.m.

Q1: Are bids considered confidential?

A1: No.

Q2: How many trade allies does Efficiency Maine have and who are they?

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. Trade allies can be found using Efficiency Maine's online vendor locator tools (see [Registered Vendor Lookup](#) and [Qualified Partner Locator](#)).

Q3: Are there any requirements related to the location of individuals working on the contract?

A3: 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. Efficiency Maine is 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.

Q4: What requirements are there for data associated with the RFP?

A4: 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. Efficiency Maine is 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.

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.

Q5: How will anticipated funds be allocated across various finance initiatives and lending products (e.g., loans, leases, credit enhancements)?

A5: Efficiency Maine expects 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.

Q6: How will the anticipated lending products and finance initiatives relate to the existing Efficiency Maine rebate and incentive programs?

A6: 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 a finance product from the Efficiency Maine Green Bank (EMGB) has been limited to borrowers who conduct 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.

Q7: What type of training and support will Efficiency Maine expect the contracted service provider to provide?

A7: Efficiency Maine anticipates that the service provider will serve as the primary point of contact for all trade ally and customer service needs, including training and general support. For trade allies, this includes providing outreach to the contractor community to recruit new participants and assisting with all necessary onboarding tasks. It may also include helping trade allies that participate in EMGB's existing process transition to a new lending platform. Once trade allies are enrolled, the winning bidder must assist them with ongoing lending platform management (addressing technical difficulties, user management, documentation, etc.) and navigating any other program requirements. For customers, this includes assisting customers with any

questions related to the application process, payment process, portal management, or other program requirements.

Bidders should highlight their experience providing this type of training and support to similar trade ally and customer groups.

Q8: What does Efficiency Maine consider an “instant” decision? What process does it envision will take place for “manual” decisions?

A8: 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.

Efficiency Maine expects that about 10% of residential applications will require “manual” reviews. For example, the automated software might pull incorrect information or generate an error, leading to an application roadblock or contestable adverse action. For “manual” decisions, Efficiency Maine anticipates that the selected bidder will review specific documents requested from borrowers or trade allies and ensure their adherence to the defined program standards. The program standards will be defined by Efficiency Maine in coordination with the selected bidder and other legal or advisory parties.

Q9: What forms of collateral (e.g., UCCs, lien filing) will Efficiency Maine require?

A9: 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.

Q10: How should a bidder complete the Project Cost Proposal Form (Attachment A)?

A10: 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.

Q11: Does the "Assumptions" tab on the Project Cost Proposal Form (Attachment A) anticipate the continued pace of deployment beyond year 1?

A11: Where the Project Cost Proposal Form states “The total amount of capital deployed to fund loans and leases in one year,” the expectation is that the pace of lending is continued *each year*.

Q12: Has Efficiency Maine designated a vendor or legal firm to perform collections for delinquent assets?

A12: No. Efficiency Maine anticipates conducting a separate competitive solicitation process to select contractor(s) to manage delinquencies and collections. Efficiency Maine anticipates working with the winning bidder of this RFP (the selected lending services provider) to finalize this process.

Q13: Are there existing data sharing Application Program Interfaces (APIs) available with Efficiency Maine's proprietary project tracking platform (effRT)?

A13: effRT's current use of APIs is limited to a proprietary interface to send data to ISO New England's Energy Efficiency Measure database and receive customer meter data from a small number of distributed generation projects. Though additional APIs could technically be integrated, Efficiency Maine does not see the need to do so at this time. Instead, we anticipate migrating data into/from effRT by importing and exporting CSV files. In the future, effRT could be configured to accommodate other APIs should the need be identified.

Q14: What specific certifications, licenses, or credentials are required for bidders who intend to act as the Lender?

A14: If a bidder intends to act as the Lender, they will be required to demonstrate that they meet all relevant state and federal requirements.

For state requirements, they can expect to meet the Maine Consumer Credit Code ("MCCC") ([9-A M.R.S. section 1-101 thru section 16-111](#)) which governs the regulation of "creditors" making "credit sales" to consumers in Maine.

- Any person (or corporation) acting as a "creditor" in Maine is required to be "registered" with the Bureau of Consumer Credit Protection ("Bureau") as a "general creditor" if the credit sale has an APR that is LESS than 12.25%. Here is the direct link to the general creditor "registration" information page:
<https://www.maine.gov/pfr/consumercredit/industry/licensing/creditor/index.htm>
- Any person (or corporation) acting as a creditor of consumer credit transactions with APRs that EXCEED 12.25% are required to be "licensed" with the Bureau as a "supervised" lender. Here is the direct link to the supervised lender "licensing" information page:
https://www.maine.gov/pfr/consumercredit/industry/licensing/supervised_lender/index.htm
- If bidders have additional questions, please contact the Bureau directly at (207) 624-8527.

Some of the federal requirements may include, but are not limited to, items on the list below. Efficiency Maine expects bidders to identify any and all requirements relevant to the scope of work.

- USA Patriot Act: <https://www.fincen.gov/resources/statutes-regulations/usa-patriot-act>
- FTC Red Flags Rule: <https://www.ftc.gov/business-guidance/privacy-security/red-flags-rule>
- FTC Safeguards Rule: <https://www.ftc.gov/business-guidance/resources/ftc-safeguards-rule-what-your-business-needs-know>.
- Fair Credit Reporting Act: <https://www.ecfr.gov/current/title-12/chapter-X/part-1022>.
- Equal Opportunity Act: <https://www.ecfr.gov/current/title-12/chapter-X/part-1002>.
- Fair Debt Collection Practices Act: <https://www.ecfr.gov/current/title-12/chapter-X/part-1006>.
- Regulations connected to the “safeguarding” of consumer information (Cyber security)

Q15: What types of reporting deliverables can be expected?

A15: The winning bidder will work with Efficiency Maine staff to support a number of reporting requirements. See Task 8 on p. 12 for examples. Efficiency Maine will work with the winning bidder to develop new reporting templates as necessary. Sample monthly Board reports (“Executive Director’s Reports) are available here under “Recent Board Meeting Documents”: <https://www.efficiencymaine.com/about/board/> Sample Annual Reports are available here: <https://www.efficiencymaine.com/about/library/reports/>.

Q16: Regarding required underwriting criteria, what types of documentation can be expected to be collected and reviewed by a service provider?

A16: Efficiency Maine does not currently have a defined set of underwriting criteria and required documentation for new lending products. Historically, Efficiency Maine has required income and work scope verification. We anticipate finalizing these details in coordination with the selected bidder, legal counsel, and other advisors. For commercial borrowers, this will likely include financial statements such as balance sheets and Profit and Loss statements. For residential projects that require a manual process, this may include proof of income.

Q17: Has Efficiency Maine previously sold any of its financial products on the secondary market?

A17: While Efficiency Maine has leveraged third-party capital, it has not transacted on an asset sale or purchase. Efficiency Maine anticipates that completing an asset sale transaction will require considerable time and effort from our staff, with additional support from an outside party and/or the selected bidder (depending on whether the bidder intends to engage in Task 10 – Portfolio Transactions). The various activities may include originating a deal with investors, existing lenders, or other third-party capital sources, as well as negotiating, providing reports, and closing a transaction with the selected third party.

Q18: Will the service providers have access to the selected platform from the RFP EM-013-2024 in order to manage borrowers or trade allies?

A18: Yes. The selected bidder will have the appropriate level of platform access necessary to properly onboard and support both borrowers and trade allies, as well as to manage, support, or facilitate the lending products associated with those borrowers and trade allies.

Q19: What platform-specific training materials and processes will the selected bidder be expected to provide?

A19: The selected bidder will be expected to become a relative expert in the lending platform selected through [RFP EM-013-2024](#). Efficiency Maine expects the selected bidder to provide helpful materials and active support to onboard, train, or troubleshoot with trade allies, potential borrowers, Efficiency Maine staff, or its own new employees as needed. In addition to being available to by phone and email, this may include hosting informational webinars or developing training materials and resources.

Q20: Will the services provider be expected to validate any trade ally compliance requirements (e.g., Davis Bacon prevailing wage requirements)?

A20: No. Validation of trade ally compliance requirements will be handled by Efficiency Maine staff or its program delivery teams.

Q21: Will the services provider be expected to provide the “Trade Ally Portal” referenced in the “Sample Process Overview” (slide 12) during the Bidder’s webinar?

A21: No. The trade ally portal will be a component of the software platform awarded under [RFP EM-013-2024](#).

Q22: What entity is the existing service provider?

A22: Efficiency Maine views [RFP EM-013-2024](#) as a new procurement for new financial products. Historically, Efficiency Maine has utilized a number of contracted service providers to aid in the management of programs. Efficiency Maine has utilized the National Energy Improvement Fund (NEIF) to facilitate a number of existing finance initiatives.