

Self-Scoring Your Application

Tips to Improving Your Score

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What's the Score for?

- Program Objectives
 - Select best projects (highest probability of success)
 - Transparency (availability of criteria)
 - Fairness (eliminate bias across technology and scale)
- Opportunity
 - Awareness of system improves chances of award



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Who Scores the Application?

- You do, first...then
- State Office evaluates application/applicant eligibility
- State Office evaluates application according to published criteria (4280.112)
- Technical Experts evaluate technical elements of the application (4280.112)
- National Office convenes a panel of National Office Reviewers (across agencies, across states)
- National Office Reviewers (x2) evaluate eligible applications according to published criteria (and develop new criteria as necessary) (4280.112)



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How Does the Score Work?

- Applications are compared against other applications in the same technology (and scale)
- If applications score similarly, new criteria may be introduced to rank applications effectively
- If applications score identically, then what??

RENEWABLE ENERGY

Anaerobic Digester
Biomass, Bioenergy
Geothermal, direct use
Geothermal, electric generation
Hybrid
Hydrogen
Solar, large
Solar, small
Wind, large
Wind, small

ENERGY EFFICIENCY

Efficiency, Buildings
Efficiency, Industrial



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So, What's the Strategy??

The lowest accepted score depends on the funds available (and the number of applications received)

- Do you know the quantity of funds available? (NOFA)
- Do you know how many from your technology are applying? (historic information)



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So...What IS the Strategy??

- Score well in your technology sub-group
- HOW??
 - Focus on what is controllable
 - Have a good answer for every criteria
 - It's not necessary to score a perfect score
 - Self Score
 - Include Supporting Documentation
 - Reference Supporting Documentation



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Step 1: Choose to Self-Score

- Required since program's inception
- Most commonly overlooked requirement

Unfortunate Truths:

1. Your score is not used...anywhere
2. Your State Office score is not used...anywhere



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So...Why Bother to Self-Score?

- Equivalent to “checking your work”
- Ensures that “supporting documentation” is included in the application
- Guides the State Office to supporting documentation while determining their score
- Guides the technical reviewer in determining their score
- When done correctly it can greatly assist National Office reviewers



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What Happens Without a Self-Score?

- State Office will make assumptions
 - (as favorable as possible)
- National Office will make assumptions
 - (as conservative as possible)
- What does the engineer think?



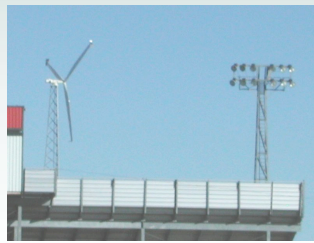
Step 2: Understand the Scoring Criteria

- §4280.112 Evaluation of [grant] applications
 - Ten Categories (9 + 1)
 - Some can be tuned (energy)
 - Some cannot be tuned (previous grantee)
 - Some you cannot control (financial readiness)
 - Some rely on carefully crafted supporting documents (environmental benefit)

<http://www.rurdev.usda.gov/rbs/farbill/section9006rule.pdf>

#1 Quantity of Energy Produced or Replaced 10 - 15 points

- Renewable Energy Projects
 - Merchant Plants (10 points)
 - Replacement (on-site use) (up to 15 points)
 - Tunable
 - Carefully choose “applicable energy application” to maximize energy replacement



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Quantity of Energy Saved 15 points

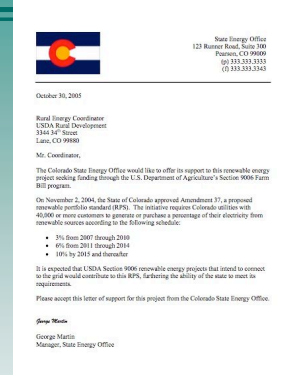
- Energy Efficiency Projects
 - Tunable:
 - Choose improvements with best returns
 - Compare improvement to application base-line, not operation as a whole



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#2 Environmental Benefits 10 points

- Supporting Documentation is CRITICAL
 - Letter from State (Governor) is best
 - As a minimum letter must
 - Identify project by name
 - Quantify benefits
 - Describe role of project in greater context (State)
 - It's OK to send sample letter to supporting agency



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#3 Commercial Availability 10 points

- Choose the right equipment
- Ask for the 5-year warranty
 - Be willing to pay extra
 - If no 5-year warranty ask manufacturer to offer one



*The dividing line between
award vs. no award
can be .01 points*



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#4 Technical Merit Score 35 points

- A presentation in itself
 - Large Projects
 - Get a great consultant/developer
 - Have them prepare the technical report
 - Small Projects
 - Find the technical guidance!
 - Carefully address every relevant element of the technical guidance

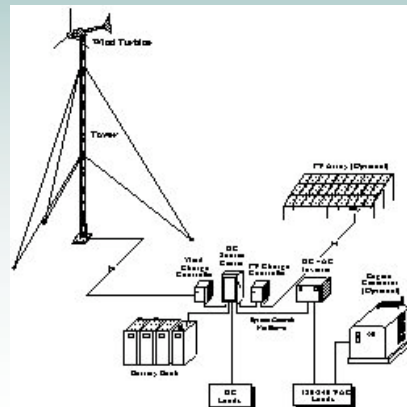
“If the [] has no significant weaknesses and exceeds the requirements”



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Technical Report (thoughts)

- If something that is asked for is not required (building permit) state that such is the case
- No omissions without explanation
- Ask your installer/contractor to handle it



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#5 Financial Readiness 10 points

- Supporting Documentation CRITICAL
 - Wording of letters from lenders is key
 - “Commit”
 - Conditional or Contingent Upon is OK
 - Chose lenders that will offer such a letter
 - Large Projects may have trouble with this
 - Most will share difficulty
- Not Applicable to Guaranteed Loans



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#6 Small Agricultural Producer or Very Small Business 10 points

- Un-tunable
- You either are or you aren't

Agricultural Producer

Gross < \$600,000 5 points

Gross < \$200,000 10 points

Very Small Business

< 15 employees

< \$1,000,000 in annual receipts



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#7 Simplified Application 5 points

- When possible, use the simplified application process
- System was intentionally tuned to favor smaller projects using the “simplified” process.



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#8 Previous Grantee or Borrower 5 points

- Un-tunable
- Easy 5 points (if not a previous grantee or borrower under the 9006 program)



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#9 Return on Investment 10 points

- Technology Dependent
- Remember that your score is compared with other projects in your technology group
- Difficult to tune
- Don't stress out here...



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10 Interest Rate 10 points

- Shop around
- Look for National Banks familiar with Energy
- Consider working with an Energy Services Contractor?
- Will others have the same difficulty?



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Self-Scoring Technique

- Use appendix B or similar guide
- Show all calculations
- Clearly mark (tabulate) supporting documentation

Guide 4 - Appendix C – Scoring Guideline Page 1 of 4 7/14/05
**Renewable Energy and Energy Efficiency Improvement Program
Evaluation Criteria Scoring Guideline**
Per 4280-B Regulation -4280.112 (e)

Name of Applicant: _____
Type of Technology: _____
Funding Request: _____
Final Total Score (Points) (sum of Categories 1-10):

List the maximum points the applicant is eligible for under each of the following ten categories, sum the individual scores (points), and place the total in the above box under "Final Total Score."

(1) Quantity of Energy Replaced, Produced, or Saved.
Points may only be awarded for one category (A, B, or C). NREL will provide their opinion on (i) or (ii).

(i) Energy replacement
If the proposed renewable energy system is intended primarily for self use by the agricultural producer or rural small business, and will provide energy replacement of:

Greater than 0 but equal to or less than 25%, award 5 points.	Points
Greater than 25%, but equal to or less than 50%, award 10 points.	
Greater than 50%, award 15 points.	

Determine energy replacement by dividing the estimated quantity of renewable energy to be generated over a 12 month period by the estimated quantity of energy consumed over the same 12 month period during the previous year by the applicable energy application. The estimated quantities of energy must be converted to British thermal units (BTUs), Watts, or similar energy equivalents to facilitate scoring. If the estimated energy produced equals more than 150% of the energy requirements of the applicable process(es), score the project as an energy generation project.

Attach the documentation to substantiate this score for this category.
You have identified this documentation via tab # _____
Your explanation of points awarded to be entered into the tracking system.

http://www.rurdev.usda.gov/ia/rbcs_RE-EE_Guide4.pdf



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Conclusions

- Well documented scoring assists National Office in selecting the best projects
- Scoring Criteria are readily available (41310)
- Self Score provides structure for verifying all calculations are correct and supporting documentation can be found easily.
- Self Score provides State Office with guidance on how you think the application should score.

- Agency objective for fairness creates opportunity for joint projects



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