

Other Funding Performance Metrics

EEAC Consultants; March 9, 2010 [\(revised based on PA comments on 3/9/10\)](#)

Two performance metrics are proposed to “encourage the aggressive pursuit of other funding” per the DPU orders on the electric and gas plans:

- Other program funding (which reduces EERF)
- Other financing capital (which does not reduce EERF¹)

1. Other program funding metric (for electric; gas will be proportional)

Actively participate with DOER, EEAC and/or other stakeholders to aggressively pursue potential sources of other program funding for 2010 by applying for federal, state, municipal or private grants independently or in conjunction with the DOER to acquire other program funding. Submit documentation detailing actions undertaken specifically by the PA to obtain other program funding. Successfully attain \$X in other funding to offset PA energy efficiency program costs in 2010. Other program funding from multiple sources (including, without limitation, federal, state, municipal, private, or other sources) qualifies,² provided that the funds are designated to be deployed by the PA for energy efficiency programs. A net reduction in the small business program costs achieved by substituting other financing capital for the program funding currently used as financing capital also qualifies for this metric.**

** Net reduction = New financing capital minus any interest rate buydown costs

Threshold = \$5.5 million

Design = \$6.0 million (the small business program = \$5 million in financing in 2009)

Exemplary = \$6.5 million

Value of the metric at the design level = \$175,000

2. Other financing capital metric (for electric; gas will be proportional)

Jointly identify and aggressively pursue potential sources of [attractive](#) financing capital to fund the non-incentive portion of an energy efficiency project from a diverse set of financial mechanisms and funding sources. Expand current financial products and actively investigate, design and deploy new financial products that, when combined, provide \$Y in other financing capital for loans through the energy efficiency programs that are issued³ in 2010 for customer energy efficiency investments. Funding from multiple sources (including, without limitation, federal, state, municipal, private, or other sources) qualifies, provided that funds are designated to be deployed by the PA for energy efficiency program financing. Additional other financing capital achieved over the exemplary level in the outside program funding performance metric for the small business program also qualifies for this metric.

Threshold = \$4.5 million additional, \$17.5 million total

Design = \$6.0 million additional, \$19 million total (HEAT loan = \$13 million in 2009)

Exemplary = \$7.5 million additional, \$20.5 million total

Value of the metric at the design level = \$175,000

Deleted: cost-effective

¹ Except in the case of the Small Business program, which currently uses program funding for financing capital, and therefore the substitution of other financing capital for program funding to support financing would reduce EERF.

² Except for the DOER and City of Boston proposal for the DOE Retrofit Ramp Up competitive grant, which is scheduled to be awarded in March 2010. ▼

³ [Issuance refers to written loan commitments secured in 2010 upon which there has been, at least, an initial draw down of funds in 2010.](#)

Deleted: The PAs will not have a clear and distinct role in influencing the outcome of this funding after the development of the metric since the grant will be awarded shortly, and the funding amount is large enough to have a significant influence on the specification of the metric and the levels.