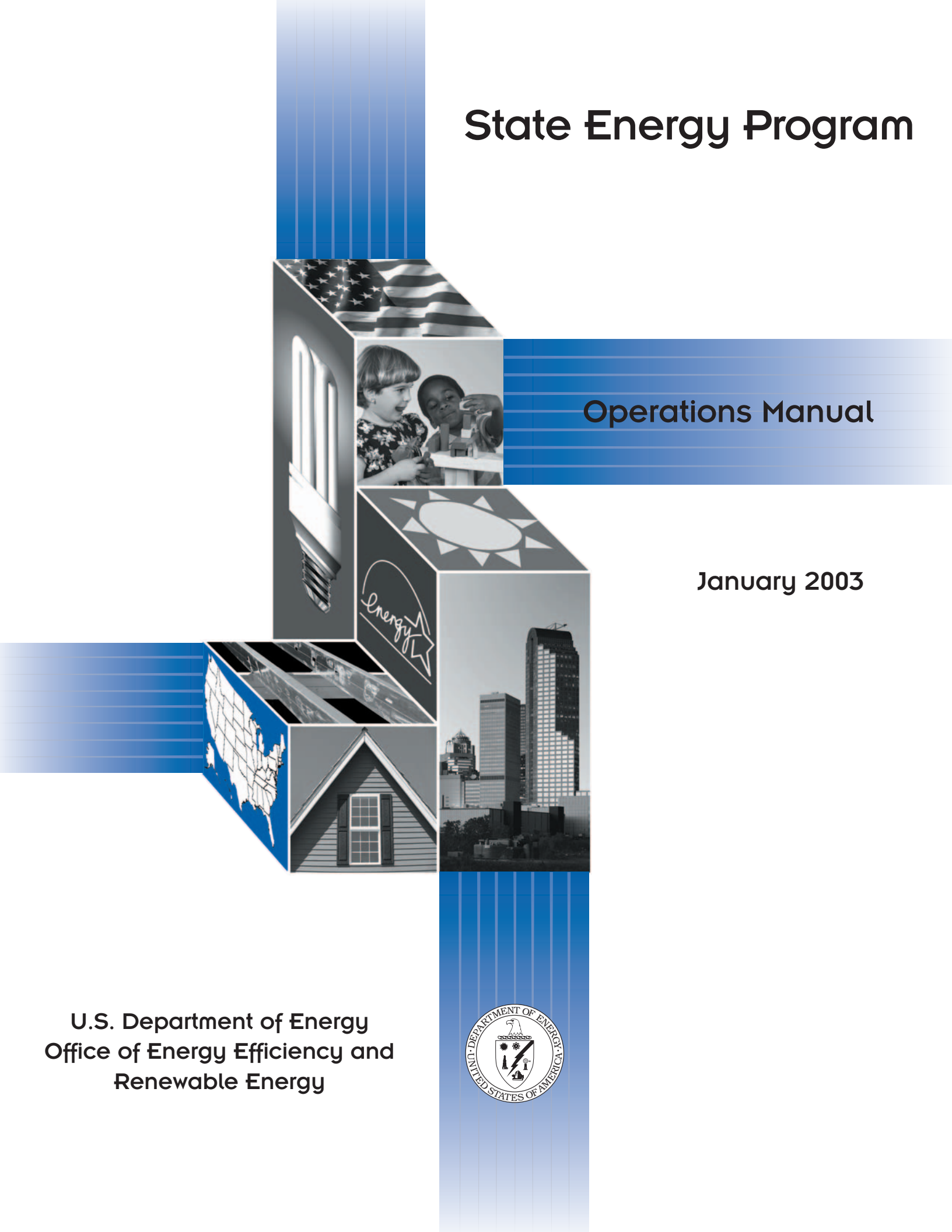


# State Energy Program

## Operations Manual

January 2003

U.S. Department of Energy  
Office of Energy Efficiency and  
Renewable Energy





# State Energy Program Operations Manual

January 2003



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# Contents

<b>Introduction: Using the Manual</b> .....	vi
Who Should Use It .....	vi
How the Manual is Organized .....	vi
Reference Aids .....	vi
Terms .....	vi
Acronyms .....	vii
<b>Chapter 1: State Energy Program (SEP) Review</b> .....	
Program Description .....	1-3
Program Origins .....	1-3
Program Funding .....	1-5
State Matching or Cost Sharing .....	1-6
Petroleum Violation Escrow (PVE) Funds .....	1-7
Program Income .....	1-7
Special Project Funds .....	1-8
Prohibited Uses of SEP Funding .....	1-9
Allowable Costs and Expenditures .....	1-10
<b>Chapter 2: SEP State Plan Grant Application and Master File</b> .....	
Special Projects .....	2-3
Grant Application .....	2-4
Standard Form 424 .....	2-4
DOE F 4600.4—Federal Assistance Budget Information .....	2-4
GO-PF20a—Budget Explanation Page for Form DOE F 4600.4 .....	2-4
SEP Narrative .....	2-5
Assurances and Certifications .....	2-7
Master File .....	2-11
Description of State Energy Goals to be Achieved .....	2-11
Selection of State Goals .....	2-11
Measuring Achievements .....	2-11
State Strategy .....	2-12
10% Improvement in Energy Efficiency by 2000 .....	2-12
Mandatory Activities .....	2-12
Environmental Impact .....	2-13
Supplementing Weatherization .....	2-13
Supplementing State/Local Funds .....	2-13
Compliance with Laws and Regulations .....	2-13
Energy Emergency Plan .....	2-13
Monitoring Approach .....	2-13
<b>Chapter 3: Program Administration</b> .....	
Program Regulations .....	3-5
Related Legislation/Regulations .....	3-6
Administration of Funds .....	3-6
Automated Standard Application for Payment (ASAP) .....	3-7
Budget .....	3-7
Financial Management .....	3-7
Financial Audits .....	3-7

## Contents (continued)

Special Project Activities .....	3-8
Administering the Program .....	3-9
DOE Responsibilities .....	3-9
Pre-Award Activities .....	3-9
Post-Award Activities .....	3-10
RSO Review and Reporting Requirements .....	3-11
State Responsibilities .....	3-11
Reporting .....	3-12
Financial Status Report, Standard Form 269 .....	3-12
Federal Cash Transactions Report, Standard Form 272 .....	3-12
Program Status Report .....	3-12
SEP Success Story Form .....	3-13

### Chapter 4: Monitoring the Program

Goals and Objectives .....	4-3
DOE Headquarters Monitoring RSOs .....	4-3
RSOs Monitoring State Energy Offices .....	4-4
Pre-Visit Review .....	4-5
Monitoring Visit .....	4-6
Post-Visit Review .....	4-7
States Monitoring State-Implemented Projects .....	4-8
States Monitoring Contractors/Subrecipients .....	4-9
Contract Monitoring .....	4-9
Pre-Visit Review .....	4-11
Monitoring Visit .....	4-12
Post-Visit Review .....	4-13
Closeout of Completed Contracts .....	4-13

### Chapter 5: Using the Systems Approach to Grants Administration for Windows (WinSAGA)

What is WinSAGA? .....	5-3
Using WinSAGA .....	5-3
WinSAGA Reporting .....	5-4

### Chapter 6: Sources of Information

Energy Efficiency and Renewable Energy Network (EREN) .....	6-3
The Office of Building Technology, State and Community Programs (BTS) .....	6-3
The Office of State and Community Programs .....	6-4
Other Resources .....	6-4
Code of Federal Regulations .....	6-5
Regional Support Offices .....	6-6
The Atlanta Regional Support Office .....	6-6
The Boston Regional Support Office .....	6-6
The Chicago Regional Support Office .....	6-6
The Denver Regional Support Office .....	6-6
The Philadelphia Regional Support Office .....	6-6
The Seattle Regional Support Office .....	6-7
Golden Field Office .....	6-7

## Contents (concluded)

### List of Tables

Table 1.	State Energy Program At-A-Glance . . . . .	1-1
Table 2.	SEP State Plan Grant Application and Master File At-A-Glance . . . . .	2-1
Table 3.	SEP Function and Activity Descriptions—Examples . . . . .	2-8
Table 4.	SEP Responsibilities At-A-Glance . . . . .	3-1
Table 5.	U.S. Department of Energy Regional Support Offices . . . . .	3-10
Table 6.	State Energy Program Monitoring At-A-Glance . . . . .	4-1
Table 7.	The Systems Approach to Grant Administration for Windows (WinSAGA) At-A-Glance . . . . .	5-1
Table 8.	Sources of Information At-A-Glance . . . . .	6-1
Table 9.	PVE Funding History At-A-Glance . . . . .	A-1
Table 10.	Base Allocation by State . . . . .	B-7

### Appendices

Appendix A:	PVE Funding History . . . . .	A-3
Appendix B:	Federal Regulations . . . . .	B-1
Appendix C:	State Grant Application/Reporting Forms . . . . .	C-1

# Introduction: Using the Manual

## Who Should Use It

The *State Energy Program Operations Manual* is a reference tool for the States and the program officials at the U.S. Department of Energy's (DOE) Office of Building Technology, State and Community Programs (BTS), and DOE's Regional Support Offices (RSOs). "States," when referred to in the *Manual*, include the 50 States, the District of Columbia, and the U.S. territories: American Samoa, the Commonwealth of the Northern Marianas, Guam, Puerto Rico, and the U.S. Virgin Islands.

## How the Manual is Organized

This *Manual* contains information needed to apply for and administer the State Energy Program (SEP). Chapter 1 provides a brief history of and general information about the program. Chapter 2 provides application rules and procedures and Chapters 3 and 4 explain how to administer and monitor the program. Chapter 5 explains the Systems Approach to Grants Administration for Windows (WinSAGA), the online system used to submit applications and reports and that provides online access to program records and documents. Chapter 6 provides additional sources of information that can be accessed through the Internet. Petroleum Violation Escrow (PVE) funding history, Federal regulations, and required forms can be found in Appendices A through C.

BTS plans to post the *State Energy Program Operations Manual* on its SEP web site where it can be updated as needed. For the most current version of the *Manual*, visit SEP's web site at [www.eren.doe.gov/buildings/state\\_and\\_community/sep.html](http://www.eren.doe.gov/buildings/state_and_community/sep.html)

## Reference Aids

The *Manual* also contains At-A-Glance references tables located at the beginning of each chapter that summarize chapter elements. In addition, references to program regulations and additional sources of information are provided in the left margins that indicate where to locate information in the *Manual* or on the Internet.

## Terms

**State Plan** – The State Plan comprises all components of a State's energy conservation program, including the States' annual Grant Application for Federal funds, budget information, assurances and certifications, reports, and the Master File.

**Grant Application** – Components of the State Plan filed annually that request formula grant funding for a program year and define how that funding will be used.

**Master File** – Components of the State Plan filed with first-year applications and updated annually as needed. The Master File defines the State's energy efficiency and renewable energy goals and the activities undertaken to achieve those goals.

**States or State Energy Offices** – States that receive grant funds.

**Subrecipients** – Contractors and others that receive money from the State.

**Federal Fiscal Year (FY)** – The Federal fiscal year begins October 1 and ends September 30.

**Program Year (PY)** – Each State selects a 12-month program period or program year that usually corresponds with the State's fiscal year. Although the State's program year may start during the Federal fiscal year it can extend beyond the Federal fiscal year.

## Acronyms

ARSO	Atlanta Regional Support Office
ASAP	Automated Standard Application for Payment
ASHRAE	American Society of Heating, Refrigeration, and Air-Conditioning Engineers
BRSO	Boston Regional Support Office
BTS	Office of Building Technology, State and Community Programs
CEQ	Council on Environmental Quality
CFDA	<i>Catalog of Federal Domestic Assistance</i>
CFR	<i>Code of Federal Regulations</i>
CRSO	Chicago Regional Support Office
DISCAS	Departmental Integrated Standard Core Accounting System
DOE	U.S. Department of Energy
DRSO	Denver Regional Support Office
EE	Office of Energy Efficiency and Renewable Energy
EES	Energy Extension Service
EIA	Energy Information Administration
EPAct	The Energy Policy Act of 1992
FEMP	Federal Energy Management Program
FMS	Federal Management Service
FSR	Financial Status Report
FY	Fiscal Year
GFO	Golden Field Office
HERS	Home Energy Rating System



## Acronyms (cont'd.)

HOV	High Occupancy Vehicle
ICP	Institutional Conservation Program IESNA Illuminating Engineering Society of North America
IPAR	Individual Procurement Action Report
MEMP	Municipal Energy Management Program
NASEO	National Association of State Energy Officials
NEPA	National Environmental Policy Act
NFAA	Notice of Financial Assistance Award
OHA	Office of Hearings and Appeals
OMB	Office of Management and Budget
OSCP	Office of State and Community Programs
PADS	Procurement and Assistance Data System
PR	Procurement Request
PRSO	Philadelphia Regional Support Office
PSR	Project Status Report
PTI	Public Technology, Inc.
PVE	Petroleum Violation Escrow (Funds)
PY	Program Year
RSO	Regional Support Office
SECP	State Energy Conservation Program
SEO	State Energy Office
SEP	State Energy Program
SF	Standard Form
SRSO	Seattle Regional Support Office
UCETF	Urban Consortium Energy Task Force
WAP	Weatherization Assistance Program for Low-Income Persons
WinSAGA	Systems Approach to Grants Administration (SAGA) for Windows

Chapter 1:  
**State Energy  
Program (SEP) Review**

**Table 1. SEP At-A-Glance (1-1)**

**Program Description (1-3)**

**Program Origins (1-3)**

**Program Funding (1-5)**

**Table 1. State Energy Program (SEP) At-A-Glance**

<b>Objective</b>	To promote energy conservation and efficiency and reduce energy demand by developing and implementing comprehensive State energy conservation plans supported by Federal financial and technical assistance.
<b>Eligible Applicants</b>	The States, the District of Columbia, and territories of the United States.
<b>Program Regulations</b>	DOE <i>Code of Federal Regulations</i> , Title 10, Part 420, Part 600, and Office of Management and Budget (OMB) Circulars.
<b>Funding</b>	Congressional appropriations, Petroleum Violation Escrow (PVE), State funds, program income, Office of Energy Efficiency and Renewable Energy (EE) end-use sector programs (for special projects), and leveraged funds.
<b>Prohibited uses of SEP Funding</b>	<ul style="list-style-type: none"> <li>• Construction or repair of mass transit systems or exclusive bus lanes, buildings, or structures</li> <li>• Purchase land, buildings, or structures or to pay interest on construction</li> <li>• Subsidize fares for public transportation</li> <li>• Subsidize utility rate demonstrations or State tax credits for energy conservation or renewable energy measures</li> <li>• Conduct or purchase equipment to conduct research, development, or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available. However, demonstrations of commercially available energy efficiency or renewable energy techniques and technologies are permitted.</li> </ul>
<b>Allowable Costs and Expenditures</b>	As defined in OMB Circulars A-21, A-87, and A-122 and cited in 10 CFR 600.127 and 10 CFR 600.222.
<b>Minimum Required Program Activities</b>	Establish mandatory lighting efficiency standards for public buildings; promote the availability and use of car pools, van pools, and public transportation; establish mandatory standards and policies affecting procurement practices; mandatory thermal efficiency standards for new and renovated buildings; traffic laws that permit right turns at red traffic lights and left turns from a one-way to a one-way street or adopt model codes for local governments to mandate such measures; and procedures to ensure effective coordination among local, State, and Federal energy efficiency, renewable energy, and alternative transportation fuel programs.
<b>Special Projects</b>	States may apply for funding made available to support activities aimed at improving the energy efficiency of the buildings, industrial, transportation, and utility sectors and the Federal Energy Management Program (FEMP).
<b>Application Requirements and Program Assurances</b>	States must submit an Annual Application and a State Plan/Master File (prepared and updated as required) that describes energy conservation, efficiency and renewable energy goals, proposed activities, source of funds, budget, progress, and monitoring activities.
<b>Reporting Requirements</b>	States must file quarterly reports that account for funds and program status.
<b>Audits</b>	States are responsible for obtaining independent nonfederal audits.



# Chapter 1: State Energy Program Review

## Program Description

The U.S. Department of Energy's (DOE's) State Energy Program (SEP) provides Federal financial assistance and technical support to the States for energy programs and Special Projects. The program is flexible and diverse. It recognizes opportunities to address a national purpose while meeting local, State, and regional needs. Federal laws and regulations establish the program's purpose, set criteria for participation, and define, in general terms, how funds may and may not be used. Each State can propose how it would use its share of funds to address the national criteria and the specific conditions within that State.

The States are responsible for planning and implementing program activities. DOE's Regional Support Office (RSO) program officials review each State Plan, comprising the State's annual Grant Application and Master File, to verify that the State meets program requirements. RSOs also help DOE Headquarters establish policy guidance, provide technical assistance, and monitor State reports.

*See 10 CFR Part 600 in the Code of Federal Regulations  
[www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

States must comply with DOE and other Federal regulations and procedures governing financial awards. The key documents that govern State grant administration include:

- DOE Financial Assistance Rules, located in the DOE chapter (10) of the *Code of Federal Regulations* (CFR) (10 CFR Part 600, Subparts A,B,C, E, and F).
- Office of Management and Budget (OMB) Circulars, A-21, A-87, A-110, A-122 and A-133.

## Program Origins

The State Energy Program originated as the State Energy Conservation Program (SECP) during the energy crisis of the early 1970s. Events during that period increased the nation's awareness of its dependence on foreign oil and of the need to lessen this dependence. Congress responded with legislation that established a broad range of conservation programs, provided support for the development of new and more efficient sources of energy, and established DOE to lead and administer the effort.

Several pieces of legislation form the framework for the program. The Energy Policy and Conservation Act of 1975 (P.L. 94-163), a cornerstone of Federal energy conservation legislation, established programs to foster conservation in Federal buildings and major industries throughout the States.

The SECP was established under the Energy Policy and Conservation Act to address energy conservation in the States. SECP was expanded in the Energy Conservation and Production Act of 1976, which added a supplemental State Plan to the base plan established through the earlier law. This supplemental plan was eliminated with passage of the State Energy Efficiency Programs Improvement Act of 1990 (P.L. 101-440).

In 1983, SECP experienced further growth when it was allocated funds under the Warner Amendment (P.L. 95-105). These new monies came from refunds collected by the Federal government from oil companies that had overcharged for petroleum and petroleum products. Passed on to the States as Petroleum Violation Escrow (PVE) funds, the new monies stimulated the States to expand programs and create new ones to get consumers to develop more efficient energy habits. As a result, State and Federal program officials began to collaborate in designing and implementing energy conservation programs.

*See PVE Funds At-A-Glance and Funding History in Appendix A.*

As a consequence of the Exxon and Stripper Well settlements in 1986, over \$4 billion in additional overcharge refunds, including interest earned while they were in escrow, began flowing into energy conservation programs nationwide. State governments allocated a significant portion of this money to SECP. Additional distributions again allowed the States to formulate programs and activities.

As a result of the funding infusions in the 1980s, the arsenal of energy-saving strategies or program measures grew and evolved in complexity. A host of information, education, and technology demonstration activities were added to the mandatory activities to meet the needs of various consumer groups.

The Energy Policy Act (EPAct) of 1992 (PL 102-486, Subtitle E - State and Local Assistance) amended the SECP by giving the Secretary of Energy authority to provide funding to States to finance revolving funds for energy efficiency improvements in State and local government buildings and energy efficiency training for building designers and contractors. Funding, however, was not appropriated for this activity. The 1992 Act also amended the right turn on red section of the Energy Policy and Conservation Act (42 U.S.C. 6322 [c] [5]) by adding left turns on red from one-way streets to one-way streets after stopping. In addition, Section 143 of EPAct repealed the former Energy Extension Service (EES) Program. The program's outreach activities, however, were in many cases, continued under the SEP.

State-based energy conservation and efficiency programs were propelled forward by passage of an important energy bill (State Energy Efficiency Programs Improvement Act [P.L. 101-440]) and the reorganization of DOE's Office of Energy Efficiency and Renewable Energy (EE). The energy bill contains several provisions for States to use to achieve their goals as well as the goals of a nation looking toward leadership in the global energy market.

P.L. 101-440 encourages States to undertake activities designed to improve energy efficiency and stimulate investment in and use of alternative energy technologies. It also invites States to venture into energy technology commercialization services programs. Not only does this Act require extensive public and private collaboration to achieve greater energy savings, it also confers to DOE's energy conservation programs, particularly the SEP, an important role to attain this goal.

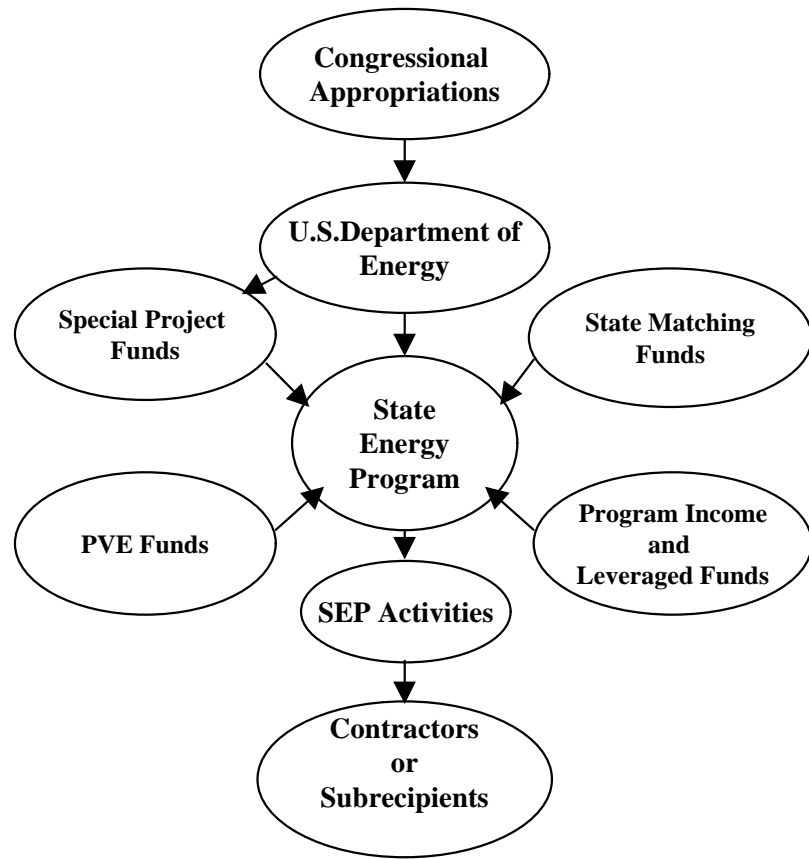
In 1996, the SEP was established by consolidating the SECP and the Institutional Conservation Program (ICP). The SECP provided State funding for a variety of energy efficiency and renewable energy activities. The ICP provided schools and hospitals with a technical analysis of their buildings and the installation of energy conservation measures identified in that analysis. SEP combined these program activities through an integrated focus. Additional benefits include more flexible funding mechanisms, increased local decision making, and streamlined administrative procedures. RSOs provide guidance; review and approve annual Grant Applications, Master Files, and amendments; award grants; and monitor SEP performance.

## Program Funding

The SEP is funded through several sources that include Congressional appropriations, State matching funds, PVE funds, and any income SEP activities can generate (see Figure 1). Congress appropriates funds annually to support the program's activities. The total Congressional funds available to the program are allocated to States according to the following formula as spelled out in the program's regulations:

*See 10 CFR 420.11, Allocation of funds among the States in Appendix B.*

- (1) If the available funds equal \$25.5 million, such funds shall be allocated to the States according to Table 10 found in CFR 420.11 located in Appendix B.
- (2) If the available funds for any fiscal year are less than \$25.5 million, then the base allocation for each State shall be reduced proportionally.
- (3) If the available funds exceed \$25.5 million, \$25.5 million shall be allocated as specified in Table 10 and any in excess of \$25.5 million shall be allocated as follows:
  - C One-third of the available funds is divided among the States equally;
  - C One-third of the available funds is divided on the basis of the population of the participating States as contained in the most recent reliable census data available from the Bureau of the Census, Department of Commerce, for all participating States at the time DOE needs to compute State formula shares; and
  - C One-third of the available funds is divided on the basis of the energy consumption of the participating States as contained in the most recent State Energy Data Report available from DOE's Energy Information Administration (EIA).



**Figure 1. SEP Funding**

### **State Matching or Cost Sharing**

SEP regulations require that States contribute cash, in-kind contributions, or both (State match or cost sharing) for SEP activities in an amount totaling not less than 20% of the appropriated funds awarded to the State. Matching or cost-sharing requirements for Federal grants are:

*For States' matching contributions see 10 CFR 420.12.  
For a definition of matching or cost sharing see 10 CFR 600.224 at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

- (1) Allowable costs incurred by the grantee, subgrantee, or cost-type contractor under the assistance agreement. This includes costs borne by non-Federal grants.
- (2) Third-party in-kind contributions.
- (3) Verifiable from the recipient's records.
- (4) Not included as contributions for any other Federally-assisted project or program.
- (5) Necessary and reasonable for proper and efficient accomplishment of project or program objectives.
- (6) Allowable under the applicable cost principles.
- (7) Not funds from the Federal grant or paid by the Federal Government under another award, except where authorized by Federal regulations, to be used for cost sharing or matching.



(8) Provided for in the approved budget.

Income earned from the SEP activities may be used for matching, but only if the award agreement expressly permits this use. Federal regulation 10 CFR 600.224 details the requirements concerning the valuation of in-kind services and the keeping of records on costs and contributions toward matching requirements. See also 10 CFR 600.123, 420.12, and 420.18.

## Petroleum Violation Escrow (PVE) Funds

*See PVE Funds At-A-Glance and Funding History in Appendix A*

The PVE funds or oil-overcharge funds, described under Program Origins and in Appendix A, support a variety of energy-related programs in the States. Each State determines how it wishes to allocate the funds across eligible programs. The States may use these funds and the interest earned to finance SEP activities. In that case, PVE funds allocated to SEP are treated as appropriated funds and are subject to program requirements. PVE funds are not subject to the matching requirement or the 20% limitation on equipment purchases under the program.

## Program Income

*See 10 CFR Part 600.225[b] at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

DOE encourages States to earn income in connection with SEP activities to defray program costs. States must include an estimated amount of earned income in the budget portion of the Grant Application and in the Master File. Program income is defined in Federal regulations as gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award. Program income includes but is not limited to:

*See 10 CFR 600.101, Definitions [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

- C Income from fees for services performed.
- C The use or rental of real or personal property acquired under Federally-funded projects.
- C The sale of commodities or items fabricated under an award.
- C License fees and royalties on patents and copyrights.
- C Interest on loans made with award funds.

Except as otherwise provided in this subpart, program regulations, or the terms and conditions of the award, program income does not include the receipt of principal on loans, rebates, credits, discounts, etc., or interest earned on any of them. Interest earned through loan fund programs generated by grant-supported activities is treated as program income.

When a State proposes to use funds for a revolving loan fund, they are treated as obligated or encumbered. Once such a program is in place, returned principal and interest collected may be used to make additional loans or to fund the operations of the revolving loan program. During this time, returned principal is not accounted for as program income.

When DOE approves funds for a revolving loan, the State assumes responsibility for the stewardship and ultimate recapture of the principal and any interest at the end of the approved life of the program. These funds must eventually be closed

out and a final accounting submitted to DOE. The report should include the amounts of interest collected and principal repayment. The State must apply the remaining principal and interest to restitution (in the case of PVE funds) or to other uses in the program for which they were originally authorized, including a decision on a reasonable time frame for expenditure. Re-authorization of funds used in the revolving program will be based on State proposals and program rules and regulations along with court orders in effect at that (later) time. The interest would be considered program income when the program ends, and the final accounting report would reflect the balance of funds remaining over and above the original principal after subtracting any operating expenses.

Program regulations govern all funds assigned to SEP activity use, whatever their source. Appropriated funds, PVE funds, an estimated amount for program income, and the State share must all be listed in the budget portion of the Grant Application. All funds must then be spent on the activities described in the Grant Application and addressed in the financial and performance reports required under the grant. The terms and conditions of the program's Federal grant will specify whether program income may be used for cost sharing.

*Leveraging means the obtaining by a State of additional program targeted nonfederal cash or in-kind contributions as a result of SEP-funded activities. Leveraged contributions may not include cash or in-kind contributions that have already been used to match a State's Federal SEP grant (or any other Federal grant), or that have been included in leveraged funds for other programs, nor may they include PVE funds, which are tracked separately under SEP. "Leveraging" under SEP should be limited to contributions that can be clearly attributed to a State's SEP activities and that are used to augment those activities.*

## Special Project Funds

*See Implementation of Special Projects Financial Assistance regulations, 10 CFR 420.30-37 in Appendix B or at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

When funding is available, States may apply for financial assistance to undertake a variety of State-oriented, energy-related Special Project activities in addition to the funds provided under the regular SEP grants. A number of EE end-use sector programs fund the activities and projects, which must meet the requirements of those programs. The types of funded activities may vary from year to year, and from State to State, depending upon funds available for each type of activity and DOE and State priorities.

States may apply for SEP Special Project funds through an annual competitive process. When the funding is available, DOE publishes one or more notice(s) in the Federal Register. The notice describes the activities, the amount of available funding, and the program contact that can provide additional information, application forms, and the due dates for the forms. A guidance, in the form of an SEP Program Notice, is also provided that includes project descriptions, criteria, and other information about the particular special project categories being offered.

*For more information about SEP Special Projects visit the Program's Web site at: [www.eren.doe.gov/buildings/state\\_and\\_community/sep.html#spec\\_proj](http://www.eren.doe.gov/buildings/state_and_community/sep.html#spec_proj)*

Special Projects may have cost-sharing requirements. These requirements are included in the project descriptions and criteria found in the SEP Special Projects Program Notice. Funds used to meet SEP Special Projects cost-sharing requirements must comply with 10 CFR Part 600.224 as explained under State Matching or Cost Sharing.

## **Prohibited Uses of SEP Funding**

*See 10 CFR 420.18 Expenditure prohibitions and limitations in Appendix B.*

The SEP is subject to regulations regarding the types of projects that can be done. Some projects are prohibited, depending on the source of funds. Other regulations limit the amount of money that can be spent to administer the programs.

States are prohibited from using SEP financial assistance to:

- (a) Build mass-transit systems or exclusive bus lanes, or for the construction or repair of buildings or structures.
- (b) Purchase land, buildings, or structures, or any interest therein.
- (c) Subsidize fares for public transportation.
- (d) Subsidize utility rate demonstrations or State tax credits for energy conservation or renewable energy measures.
- (e) Conduct, or purchase equipment to conduct research, development, or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available. However, demonstrations of commercially available energy efficiency or renewable energy techniques and technologies are permitted.

*See 10 CFR 420.18 (e)(2) in Appendix B.*

States may use SEP funds for the purchase and installation of equipment and materials for energy efficiency and renewable energy measures, including reasonable design costs, with the following conditions:

- (1) Such use must be included in the State Plan.
- (2) If PVE funds are used, States must adhere to administrative terms and conditions imposed upon State use of such funds.
- (3) A State may use no more than 50% of all funds allocated by the State to SEP in a given year, regardless of source. This limitation does not include regular or revolving loan programs funded with PVE funds and is subject to waiver by DOE for good cause.
- (4) Buildings owned or leased by the United States are not eligible for energy efficiency or renewable energy measures under SEP.
- (5) Funds must be used to supplement not supplant weatherization activities under the Weatherization Assistance Program for Low-Income Persons (WAP), under 10 CFR 440.
- (6) States may use a variety of financial incentives to fund purchases and installation of materials and equipment including, but not limited to, regular loans, revolving loans, loan buy-downs, performance contracting, rebates, and grants.
- (7) States are *not* allowed to use rebates for more than 50% of the total cost of purchasing and installing materials and equipment or loan guarantees.

No more than 20% of the annual Federal allocation can be spent for office supplies, library materials, and equipment. The limit does not apply to supplies, library materials, and equipment that are integral to a program activity, such as brochures distributed as part of an education program or equipment used in preparing a demonstration. The 20% limitation does not apply to PVE funds used under SEP.

### **Allowable Costs and Expenditures**

*See OMB Circulars A-21, A-87, and A-122 as cited in 10 CFR Part 600.127 at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

Allowable costs and expenditures under SEP are defined in Cost Principles for Educational Institutions (OMB Circular A-21), Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87), and Cost Principles for Nonprofit Organizations (OMB Circular A-122), which are cited in the DOE Financial Assistance Rules, Section 600.127. The Cost Principles contain basic guidelines for determining whether a cost is allowable, distinguishing between direct and indirect costs, and allocating shared costs across programs. It also includes standards to determine the allowability of selected items of cost.

Chapter 2:

# **SEP State Plan Grant Application and Master File**

**Table 2. SEP State Plan Grant Application and  
Master File At-A-Glance (2-1)**

**Special Projects (2-3)**

**Grant Application (2-4)**

**Table 3. SEP Function and Activity  
Descriptions—Examples (2-8)**

**Master File (2-11)**

**Table 2. SEP State Plan Grant Application and Master File At-A-Glance**

States must submit all components of its State Plan including an annual Grant Application and Master File to acquire Federal financial assistance for their energy programs. The annual Grant Application serves as a State's request for formula grant funding and defines how the State will use the allocated funds. The Master File describes the State's energy efficiency goals and the activities planned to achieve those goals.

<b>State Plan Components</b>	<b>Required Form(s)</b>	<b>Purpose</b>
Grant Application	Standard Form 424	Filed annually, the Grant Application serves as a request for formula grant funding for a given PY.
Budget Information	DOE F 4600.4	Provides a description of the budget for total funds for which the State applied.
Budget Explanation Page	GO-PF20A	Budget Explanation Page for DOE F 4600.4 - provides a detailed explanation of cost categories listed in Section B.
Master File	State Plan/Master File Worksheet	Describes the States energy efficiency goals and how the State intends to achieve those goals, how the goals will be measured, and the State's strategy. The Master File is submitted with the Grant Application at the program's start and amended annually as needed.
Mandatory Activities	"	Shows how the minimum criteria for mandatory activities will be met: <ul style="list-style-type: none"> <li>• Lighting efficiency standards for public buildings</li> <li>• Activities that promote the use of car pools, van pools, and public transportation</li> <li>• Standards and policies affecting procurement practices</li> <li>• Thermal efficiency standards for new and renovated buildings</li> <li>• Traffic laws that permit right turns on red lights after stopping and left turns from a one-way to a one-way street</li> <li>• Procedures for ensuring effective coordination of programs within the State.</li> </ul>

State Plan Components	Required Form(s)	Purpose
SEP Narrative	SEP Narrative Activity Information Worksheet	<p>Captures more information on what the State will achieve during its PY and provides a description of appropriate optional activities which include:</p> <ul style="list-style-type: none"> <li>• Public education to promote energy efficiency, renewable energy, and alternative transportation fuels</li> <li>• Activities to increase transportation energy efficiency, including programs to accelerate the use of alternative transportation fuels</li> <li>• Activities for financing energy efficiency and renewable energy measures</li> <li>• Activities that promote and implement energy audits</li> <li>• Activities that promote the adoption of integrated energy plans</li> <li>• Activities that promote energy efficiency in residential housing.</li> <li>• Activities that identify unfair or deceptive acts or practices that relate to implementation of energy efficiency and renewable energy measures</li> <li>• Activities that modify patterns of energy consumption to reduce peak demands for energy and improve the efficiency of energy supply systems</li> <li>• Activities that promote energy efficiency as an integral component of economic development planning</li> <li>• Activities that provide training and education for building designers and contractors</li> <li>• Activities that develop building retrofit standards and regulations</li> <li>• Activities that provide support for prefeasibility and feasibility studies for projects that utilize renewable energy and energy efficiency resource technologies</li> <li>• Activities that facilitate and encourage the voluntary use of renewable energy technologies</li> <li>• Activities that implement the Energy Technology Commercialization Services Program.</li> </ul>
Assurances and Certifications	DOE F1600.5 FA-CERTS  GO-PF19 SF-LLL	<ul style="list-style-type: none"> <li>• Nondiscrimination in Federally Assisted Programs</li> <li>• Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-free Workplace Requirements</li> <li>• Financial Assistance Pre-Award Information Sheet</li> <li>• Disclosure of Lobbying Activities.</li> </ul>

## Chapter 2:

# SEP State Plan Grant Application and Master File

States must submit an annual Grant Application and a Master File to receive Federal financial assistance for State energy conservation programs. The minimum requirements for the Grant Application and Master File, established by the SEP program's final rule in 1997 (10 CFR part 420), establish a uniform application and reporting format for all States and RSOs while allowing States to remain flexible in their programmatic content. Applications and reporting forms may be submitted by the States and the RSOs through WinSAGA, the computerized Systems Approach to Grants Administration for Windows.

The annual Grant Application, as defined in the regulations, is to be used by State agencies applying for grants for SEP. The annual Grant Application is the component of the State Plan that serves as a State's request for formula grant funding and defines how the State will use allocated funds for the current fiscal year (FY). The application must include a list of mandatory and optional activities and budgetary information on the activities to be undertaken together with program implementation information.

A State's Master File consists (at a minimum) of the State's energy efficiency goals and the required (often called "mandatory") activities the State intends to undertake to achieve those goals. If the State plans to change any of the items listed in the Master File, the State will be required to submit an amendment to the Master File.

### **Special Projects**

*See Special Project Funds on  
page 1-8*

The funding for SEP Special Projects is issued as separate grants, therefore, it is not included as part of the formula application budget. Although SEP Special Projects are not reported as part of the SEP process, they must be reported separately, according to the specific requirements in the grant issued for the project.



## Grant Application

*For a copy of SEP application and reporting forms, see Appendix C*

The SEP Grant Application consists of the following forms:

- Standard Form 424—Application for Federal Assistance.
- DOE F 4600.4—Federal Assistance Budget Information.
- GO-PF20a—Budget Explanation Page for Form DOE F 4600.4.
- SEP Narrative Activity Information Worksheet.
- DOE F 1600.5—Assurance of Compliance Nondiscrimination in Federally Assisted Programs.
- FA-CERTS—Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-Free Workplace Requirements.
- GO-PF19—Financial Assistance Pre-Award Information Sheet.
- SF-LLL—Disclosure of Lobbying Activities.
- State Plan/Master File Worksheet.

### Standard Form 424

Standard Form 424 (SF 424) is the Application for Federal Assistance. A completed and signed SF 424 is required of each agency applying for a grant from DOE's SEP. Instructions for completing SF 424 are on the back of the form included in Appendix C.

### DOE F 4600.4—Federal Assistance Budget Information

Applications must include the budget for total funds applied for using the DOE F 4600.4 form contained in Appendix C. Detailed instructions for completion of the form are located on the back of the form. The form consists of two sections:

#### **Section A—Budget Summary**

Section A—Budget Summary lists new and carryover or "Unobligated" funds included in the grant budget by source. A separate row should be used for each funding source: DOE, State, PVE by name, and the estimated program income. Each State shall provide cash, in-kind contributions, or both for SEP activities in an amount totaling not less than 20% of the financial assistance allocated to the State. If Stripper Well funds are used as part of the State's matching funds, those funds should be listed as "Stripper Match." The Section A total must equal the Section B total.

#### **Section B—Budget Categories**

Section B—Budget Categories provides information on costs by object class category (e.g., Personnel, Travel, Equipment). Use one column for the SEP formula grant (all funding sources, including match). If the budget includes carryover funds for special projects that were awarded prior to 1998, use one column for each special project.

### GO-PF20a—Budget Explanation Page for Form DOE F 4600.4

The GO-PF20a Form (Budget Explanation Page for Form DOE F 4600.4) provides detailed data to support each cost category listed in Section B— Budget Categories. The GO-PF20A Form is included in Appendix C.

## SEP Narrative

*See 10 CFR 420.15, Minimum criteria for required program activities for plans and 10 CFR 420.17, Optional elements of State Energy Program plans in Appendix B*

The SEP narrative is designed to capture more information on what the State will achieve during its program year. The Activity Information Work Sheet in Appendix C should be used to capture the information required for the SEP narrative. The work sheet should include a description of mandatory and optional activities. One sheet should be filled out for each activity.

Mandatory activities are activities required by legislation for which a State requests funding or may be activities implemented without DOE funding or outside SEP but that meet mandatory program requirements (see Mandatory Activities, page 2-11).

Optional activities are other appropriate activities or programs that may be included in the State Plan. These activities may include but are not limited to:

- Program activities of public education to promote energy efficiency, renewable energy, and alternative transportation fuels.
- Program activities to increase transportation energy efficiency, including programs to accelerate the use of alternative transportation fuels for government vehicles, fleet vehicles, taxis, mass transit, and privately owned vehicles.
- Program activities for financing energy efficiency measures and renewable energy measures (see page B-14).
- Program activities for encouraging and for carrying out energy audits with respect to buildings and industrial facilities (including industrial processes) within the State.
- Program activities to promote the adoption of integrated energy plans (see page B-14).
- Program activities to promote energy efficiency in residential housing (see page B-14).
- Program activities to identify unfair or deceptive acts or practices which relate to the implementation of energy efficiency measures and renewable energy measures and to educate consumers concerning such acts or practices.
- Program activities to modify patterns of energy consumption so as to reduce peak demands for energy and improve the efficiency of energy supply systems, including electricity supply systems.
- Program activities to promote energy efficiency as an integral component of economic development planning conducted by State, local, or other governmental entities or by energy utilities.
- Program activities (enlisting appropriate trade and professional organizations in the development and financing of such programs) to provide training and education (including, if appropriate, training workshops, practice manuals, and testing for each area of energy efficiency technology) to building designers and contractors involved in building design and construction or in the sale, installation, and maintenance of energy systems and equipment to promote building energy efficiency.

- Program activities for the development of building retrofit standards and regulations, including retrofit ordinances enforced at the time of the sale of a building.
- Program activities to provide support for prefeasibility and feasibility studies for projects that utilize renewable energy and energy efficiency resource technologies in order to facilitate access to capital and credit for such projects.
- Program activities to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Federal agency programs, including the Rural Electrification Administration and the Farmers Home Administration.
- Program Activities to implement the Energy Technology Commercialization Services Program that are in accordance with 420.17 (b).
- Program activities that promote or implement energy-related pollution prevention and/or reduction.

Pollution prevention means processes and activities that emphasize a pro-active approach to stopping environmental pollution before it is created. It relies less on traditional "end-of-pipe" management of environmental and energy problems and more on source reduction. Source reduction reduces or eliminates the creation of pollutants through more efficient use of raw materials, energy, and resources. Energy efficiency is a logical component of most pollution prevention programs.

For each program year, the State should include an Activity Information Work Sheet for all active Special Projects and all Special Projects awarded prior to FY 1998 that are still active. The forms should be completed with the following information. As of Program Year (PY) 1998, if an activity has not changed from the previous year, States will only have to submit the budget and listing of milestones.

***Function***

Functions are broad end-use sector categories that encompass many different activities. Beginning in PY 1998, SEP will utilize a standardized list of functions (see SEP Function and Activity Descriptions examples on pages 2-8 and 2-9). Identified standardized functions include Administration, General Education, Transportation, Buildings, Industrial, and Utilities.

***State***

Self explanatory.

***Program Year***

Federal fiscal year of allocation/obligation.

***Activity Category***

Activities (previously called projects or activities) are specific tasks carried out under each function (see examples on pages 2-8 and 2-9).

***Activity Number***

A unique number assigned to the activity.

**Activity Title**

Provide name given to the specific activity.

**Activity Period**

Beginning and ending dates of the activity. The activity period might be longer or shorter than the program year.

**Target Audience**

See examples in column 5 of Table 3 on pages 2-8 and 2-9.

**Implementation Strategy(ies)**

See examples in column 4 of Table 3 on pages 2-8 and 2-9.

**Anticipated Annual Energy Savings**

An estimate of the energy to be saved by implementation of the activity should be provided in this section wherever practicable. States are encouraged to provide meaningful data and realistic numbers for direct and indirect energy savings to assist DOE in developing national budget justifications.

**Method Used to Calculate Energy Savings**

If the methodology is publicly available, please cite. Otherwise, describe how energy savings are calculated for this activity and sources of information used in the calculations.

**Description (include goals and objectives)**

A concise description of the activity, including goals and objectives, with enough specificity to allow DOE to determine that it meets program intent and includes no prohibited activities.

**Program Year Milestones**

A list of milestones and the number planned to be completed, if applicable, should be provided in this section. *Example: Complete energy audits for public-sector clients. Number planned: 30.*

**PY Budget**

In this section, provide a list of funding sources and the dollar amount for each source for the grant budget and leveraged fund categories. DOE requests an estimate of anticipated leveraged funds for each function to assist in assessing and justifying SEP's impact.

**Assurances and Certifications**

Applicants should sign and attach the following assurances and certifications to the Grant Application:

- Nondiscrimination in Federally Assisted Programs, DOE F 1600.5 (Revised 6-94).
- Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements, FA-CERTS (Revised 3-97).

**Table 3. SEP Function and Activity Descriptions—Examples**

<b>FUNCTIONS</b>	<b>ACTIVITIES</b>	<b>DESCRIPTIONS</b>	<b>IMPLEMENTATION STRATEGIES</b>	<b>TARGET AUDIENCE</b>
Administration	Program Support	The overall administration of the SEP program activities. This includes internal and external activities performed by State Energy Office personnel.	Administrative Support Audit Certification Codes and Standards Commuter Services Curriculum/Training Materials Demonstrations Financing Grants Hotline Incentives Information Centers Installation of ECM's (energy conservation measures) Issued Legislative Action Legislative Leveraging Literature Loan Programs Marketing Media Meetings Newsletters/Articles Others Public Information Rebates Recycling Revolving Loans Ridesharing Technical Assistance Technology Transfer Training Web Site Workshops, Seminars	Appraisers Architects Automobile Operators Builders Building Operators Building Owners - All Types Building Owners - Commercial Building Owners - Industrial Building Owners - Residential Buildings - Hospitals Buildings - Schools Contractors Designers DOE Engineers Equipment Dealers Farmers/Ranchers Financial Institutions Fleet Operators Fuel Distributors General Public Government - City Government - County Government - Federal Government - Local Government - State Home Buyers Industry Irrigators K-12 - All Types K-12 Administrators K-12 Students K-12 Teachers Managers Native Americans Operators Others Partners (this applies to Rebuild America) Post Secondary Schools Senior Citizens Universities Utilities
	Procurement (Mandatory)			
	Emergency Planning/Implementation			
General Education	Curriculum Development	Provides K-12 students and teachers information and activities about Energy Efficiency and Renewable Energy concepts, applications, and science studies.		
	Public Information			
Transportation	Ridesharing/Vanpooling	Coordinates trip reductions and consolidation programs that reduces the number of vehicles operating during peak traffic time frames. Includes public transportation, bike lanes, and HOV lanes.		
	Telecommuting			
	Alternative Fuels	Promotes the use and implementation of alternative fueled vehicles for state and local governments and fleet operators, and the development of infrastructure to support alternative fuels.		
	Clean Cities			
	Right Turn on Red (Mandatory)			
	Airport maintenance/improvement			
	Bikepaths/walking trails			
	Traffic Control			

<b>FUNCTIONS</b>	<b>ACTIVITIES</b>	<b>DESCRIPTIONS</b>	<b>IMPLEMENTATION STRATEGIES</b>	<b>TARGET AUDIENCE</b>
Buildings	Codes & Standards	The promotion of building codes and standards that incorporate the latest energy efficiency technologies in the building of buildings and retrofit of existing buildings.		
	Commercial	Sustainable Development		
	State Government			
	Local Government			
	Residential	Manufactured Housing		
	Lighting (Mandatory)			
	Thermal (Mandatory)			
	Industrial (Bldg Envelope)			
	Institutional (Schools & Hospitals)	Incorporate Energy Efficiency and Renewable Energy technologies and practices in the construction, retrofit and maintenance of schools and hospitals.		
	Multi-Sector			
	Appliances/Equipment	Provide information and incentives that encourages the purchase and installation of energy efficient appliances by consumers.		
	Rebuild America			
	HERS			
FEMP				
Industrial	Industrial Process Improvement	Promotes and encourages industries to adopt energy efficiency practices within their operations.		
	Motors	Promotes the use of energy efficient motors to be used in design and replacement of motors used by industries.		
	Industries of the Future			
	Agriculture			
	Climate Wise			
	Industrial Technologies			
	Motor Challenge			
	Waste Management			
Rural Water Systems				
Utilities/Power	Renewables	Develops programs that promote wind, solar, geothermal, biomass and hydrogen as renewable energy sources.		

<b>FUNCTIONS</b>	<b>ACTIVITIES</b>	<b>DESCRIPTIONS</b>	<b>IMPLEMENTATION STRATEGIES</b>	<b>TARGET AUDIENCE</b>
	Cogeneration	Incorporate the use of cogeneration technology as an alternative to current energy technology.		
	Photovoltaics			
	Energy Use Profiles and Models			
	Energy Emergency Planning			
	Utility Restructuring			
	Process Improvement			

- GO-PF19, Financial Assistance Pre-Award Information Sheet
- Standard Form—LLL, Disclosure of Lobbying Activities.

The above forms are included in Appendix C. For a copy of the most current forms, visit the Golden Field Office (GFO) Web Site at [www.eren.doe.gov/golden/go.html](http://www.eren.doe.gov/golden/go.html)

## Master File

*See Appendix B for State Energy Program regulations 10 CFR 420*

The Master File is the component of the State Plan that describes a State’s energy efficiency goals and how a State intends to achieve those goals. States must include: (1) the required (“mandatory”) activities specified under Section 420.15 of the program rule, (2) how those activities have been or are being implemented, and (3) how they are being or will be maintained.

The Master File contains information that generally does not change from year to year (e.g., description of State energy goals to be achieved, how the attainment of goals will be measured). States using WinSAGA will not be required to resubmit the information in the Master File each year. DOE will assume that there has been no change to these items, and will carry them over from year to year in the Master File on-line, unless the State specifies there has been a change. On occasion, a State may change its approach to meet the mandatory requirements (e.g., meeting the 10% improvement in energy efficiency) and would then amend the Master File. If a State is not on WinSAGA, the information from the Master File can be copied from the previous year and included as part of the State Plan if there are no changes. If there are changes, new information pages must be completed and submitted with the Master File. The RSO is required to input the updated information into WinSAGA.

Applicants should address each of the following requirements of the SEP final rule in the Master File. Applicable rule sections are noted in parentheses. A State Plan/Master File Work Sheet is included in Appendix C.

### Description of State Energy Goals to be Achieved

*See 10 CFR 420.13(b)(2) in Appendix B*

The Master File begins with an overall description of the energy efficiency, renewable energy, and alternative transportation fuel goals to be achieved through implementation of the SEP.

### Selection of State Goals

Wherever practicable, applicants should describe why the State goals were selected.

### Measuring Achievements

Wherever practicable, this section should describe how the attainment of goals will be measured by the State.



## State Strategy

Wherever practicable, this section should generally describe how the program activities included in the State's Master File represent a strategy to achieve the goals outlined in the Master File.

### 10% Improvement in Energy Efficiency by 2000

Applicants should provide a goal, consisting of an improvement of 10% or more in the efficiency of the use of energy in the State by the year 2000, as compared to the 1990 calendar year. Interim goals may also be included wherever practicable.

### Mandatory Activities

*See 10 CFR 420.15 in  
Appendix B*

In this section, applicants should address how the minimum criteria for the required program activities have been implemented and are being maintained. If there are mandatory activities being funded in the program year, these activities should also be addressed in the SEP narrative (see page 2-5). A plan shall include and satisfy all of the following minimum criteria for required program activities.

- Mandatory lighting efficiency standards for State buildings. (For new buildings these standards must be no less stringent than the provisions of American Society of Heating, Refrigeration, and Air-Conditioning Engineers [ASHRAE]/Illuminating Engineering Society of North America [IESNA] 90.1-1989).
- Program activities to promote the availability and use of car pools, van pools, and public transportation.
- Mandatory standards and policies affecting the procurement practices of the State and its political subdivisions to improve energy efficiency.
- Mandatory thermal efficiency standards for new and renovated State and local buildings. (For new commercial and multifamily high-rise buildings, these standards must be no less stringent than provisions of Sections 7-12 of ASHRAE/IESNA 90.1-1989. For new single-family and multifamily low-rise residential buildings, these standards must be no less stringent than the Model Energy Code, 1993.
- A traffic law or regulation that permits the operator of a motor vehicle to make a right turn at a red traffic light after stopping and a left turn from a one-way street to a one-way street after stopping.
- Procedures must exist for ensuring effective coordination among various local, State, and Federal energy efficiency, renewable energy, and alternative transportation fuel programs within the State, including any program administered within DOE's Office of Building Technology, State and Community Programs, and the U.S. Department of Health and Human Services Low-Income Home Energy Assistance Program.

## **Environmental Impact**

*See 10 CFR 420.13(5) in  
Appendix B*

If any of the activities being undertaken by the State in its Plan have environmental impacts, a detailed description of the increase or decrease in environmental residuals expected from implementation of the Plan should be described in this section. The impacts should be defined insofar as possible through the use of information to be provided by DOE and an indication of how these environmental factors were considered in the selection of program activities.

## **Supplementing Weatherization**

If a State undertakes program activities involving purchase or installation of materials or equipment for weatherization of low-income housing, an explanation of how these activities would supplement and not supplant DOE's Low-Income Weatherization Assistance Program should be included in this section.

## **Supplementing State/Local Funds**

*See 10 CFR 420.13(7) in  
Appendix B*

This section of the Master File should provide a reasonable assurance to DOE that the State has established policies and procedures designed to ensure that Federal financial assistance for the State Plan will be used to supplement, and not to supplant, State and local funds, and to the extent practicable, to increase the amount of such funds that otherwise would be available in the absence of such Federal financial assistance for the activities set forth in the State Plan/Master File.

## **Compliance with Laws and Regulations**

This section should include an assurance that the State shall comply with all applicable statutes and regulations in effect with respect to the period for which the State receives grant funding.

## **Energy Emergency Plan**

Applicants should provide a statement that an energy emergency plan for an energy supply disruption exists including the date of the plan. This plan should be designed by the State, consistent with applicable Federal and State laws, including an implementation strategy or strategies (including regional coordination) to deal with energy emergencies.

## **Monitoring Approach**

This section of the Master File should describe how the State conducts the administrative and programmatic oversight activities for programs implemented by other agencies within the State, contractors employed by the State, or subrecipients of financial assistance from the State. (Note: States should check with their RSOs for the most current monitoring guidance.)

Chapter 3:

# Program Administration

**Table 4. SEP Responsibilities At-A-Glance (3-1)**

**Program Regulations (3-5)**

**Administration of Funds (3-6)**

**Special Project Activities (3-8)**

**Administering the Program (3-9)**

**DOE Responsibilities (3-9)**

**Table 5. U.S. Department of Energy  
Regional Support Offices (3-10)**

**State Responsibilities (3-11)**

**Reporting (3-12)**

**Table 4. SEP Responsibilities At-A-Glance**

<b>Function</b>	<b>DOE Headquarters</b>	<b>Regional Support Offices (RSOs)</b>	<b>State Energy Offices</b>
<b>Policy Development</b>	<p>Works with RSOs to develop, establish, revise and prioritize program policies.</p> <p>Develops and publishes program regulations and guidance materials.</p> <p>Resolves program policy issues.</p>	<p>Provide input to develop and revise program policies and priorities.</p> <p>Identify program policy issues for Headquarter's consideration and participate in their resolution.</p> <p>Provide Headquarters with information about program implementation and consistency with regulations.</p>	<p>Provide program policy input through comments during development of regulations and through regular contact with RSOs.</p>
<b>Program Oversight</b>	<p>Provides policy and operational guidance to RSOs.</p> <p>Develops standard for monitoring RSO performance.</p> <p>Oversees RSOs' monitoring procedures for regional consistency.</p> <p>Responds to problems identified by RSOs.</p>	<p>Administer the SEP grant.</p> <p>Maintain State grant files; provide copies of approved Plans and amendments to Headquarters.</p> <p>Compare State performance to State Plan, resolve program implementation problems with States.</p> <p>Is the DOE contact for the program.</p> <p>Make on-site visits to States to review program performance and provide technical assistance and training.</p> <p>Inform Headquarters of potential problems.</p>	<p>Maintain subrecipient files.</p> <p>Monitor subrecipient performance.</p> <p>Provide technical assistance to subrecipients.</p> <p>Resolve program implementation problems with RSOs.</p> <p>Conduct property and equipment inventory.</p> <p>Prepare periodic reports.</p> <p>Secure approvals from RSOs for activity-specific issues.</p>
<b>Program Evaluation</b>	<p>Designs and manages national evaluation effort.</p> <p>Summarizes evaluation reports for the President, Secretary of Energy, and Congress.</p> <p>Initiates program and procedural changes to improve effectiveness.</p>	<p>Ensure States have an evaluation component in their implementation plan.</p> <p>Make recommendations to Headquarters for increased program effectiveness.</p>	<p>Design and incorporate evaluation components in State Plan.</p> <p>Evaluate impact of programs with respect to State needs.</p> <p>Modify program based on evaluation results.</p>
<b>Budget Preparation</b>	<p>Develops budget requests and allocates funds to States and program-support funding levels.</p>	<p>Award grant funds allocated to States after Plans are approved.</p> <p>Work with Headquarters to decide program support funding procedures; recommend and report to Headquarters on past and proposed uses of program support funds.</p>	<p>Prepare budget for the State Plan.</p> <p>Monitor the expenditure of funds</p> <p>Revise budget as required.</p>

**Table 4. SEP Responsibilities At-A-Glance**

Function	DOE Headquarters	Regional Support Offices (RSOs)	State Energy Offices
<p><b>External Relations</b></p>	<p>Develops presentations to national organizations, Congress, other Federal agencies, and the media.</p> <p>Responds to issues raised by national-level client groups, Congress, other Federal agencies, and the media.</p>	<p>Represent the program to regional, State, and local organizations.</p> <p>Advise Headquarters on State and regional concerns.</p> <p>Respond to issues raised by Congress, State, and local officials and other Federal agencies.</p>	<p>Deliver the program to the audiences targeted in the State Plan.</p> <p>Respond to issues raised by Congress, State and local officials, other Federal agencies, and the media.</p>
<p><b>Technology Transfer, Technical Assistance, and Information Sharing</b></p>	<p>Identifies opportunities to participate with RSOs, other Federal agencies, national trade, special interest organizations, and other groups that assist in moving more energy-efficient technologies into the marketplace.</p> <p>Identifies technical assistance resources for regions and States.</p> <p>Supports RSOs in handling technical assistance needs.</p> <p>Holds conferences and workshops on technical assistance topics of national and inter-regional interests.</p> <p>Prepares studies on subjects of interest.</p>	<p>Identify opportunities for technology transfer activities and request assistance from Headquarters to implement these activities.</p> <p>Serve as first contact for State technical assistance needs and requests; respond to or reroute technical assistance requests.</p> <p>Identify regional and State resources for States.</p> <p>Hold conferences and workshops on technical-assistance topics of local and national interest.</p> <p>Distribute studies, training aids, etc., to States.</p> <p>Prepare materials on items of regional interest.</p>	<p>Request assistance from RSOs needed to support and implement approved programs and specific activities.</p>

**Table 4. SEP Responsibilities At-A-Glance**

Function	DOE Headquarters	Regional Support Offices (RSOs)	State Energy Offices
<p><b>Grant Application and Review</b></p>	<p>Establishes administrative review and appeal procedures.</p> <p>Takes lead in developing standard application and review process.</p> <p>Provides technical-assistance training, resources, and guidance to RSOs on operating the computerized program information system.</p> <p>Resolves major issues.</p> <p>Executes the appeals process.</p>	<p>Provide guidance to States and regions on preparing, reviewing, and approving Grant Applications, Master Files, and amendments.</p> <p>Review Grant Applications for grants, ensure compliance with regulations, negotiate changes with States, and award grants.</p> <p>Identify and enter the required information from State Plans into the computerized information system (WinSAGA).</p> <p>Recommend to Headquarters modifications to WinSAGA to make it more responsive to program needs.</p> <p>Provide input to develop the application review process, including standard grant documentation.</p> <p>Recommend procedural changes to Headquarters and raise major issues for consideration.</p> <p>Conduct administrative review in cases where State funding is terminated or suspended and of other special circumstances.</p>	<p>Submit annual Grant Application forms and Master Files or changes to the files when applicable, develop State plans for RSO office review, secure public input as required.</p> <p>Enter required applications and reports into the computerized information system (WinSAGA). If the State does not have WinSAGA, the RSO will enter data.</p> <p>Provide RSOs with input on application and reporting process.</p> <p>Suggest procedural changes to RSOs and raise issues for consideration.</p>



# Chapter 3: Program Administration

Implementing Federal financial assistance programs begins with the issuance of a program regulation. The regulation translates the provisions of the enabling law into specific definitions, assignments of responsibility and procedures and requirements necessary to implement the program. The program regulation is the basis for program administration. Regulations governing the SEP administration include:

- State Energy Program, 10 CFR Part 420.
- DOE Financial Assistance Rules, 10 CFR Part 600.
- OMB Circulars.
- Related Legislation.

## Program Regulations

*See Appendix B*

Chapter 10 of the CFR, Part 420, contains the DOE regulations that govern the SEP. Initially published in 1976 for SECP, this regulation was amended several times. In 1996 an interim rule was published that amended the regulations to create the State Energy Program from the SECP and the ICP. On May 14, 1997, the final rule (10 CFR 420) was published. These two final rule makings represent the complete rule now applicable to the program. All of the rules governing the SEP can be found in the *1998 Code of Federal Regulations*.

*See [www.access.gpo.gov/nara/cfr/cfr-table-search.htm](http://www.access.gpo.gov/nara/cfr/cfr-table-search.htm)*

In addition to 10 CFR 420, SEP administrators must adhere to DOE's Financial Assistance Rules, 10 CFR Part 600, which establish uniform policies and procedures for the award and administration of DOE grants and subgrants. On October 21, 1994, the revised OMB Circular A-110, "Uniform Administration Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," was incorporated into 10 CFR 600. Other applicable OMB circulars include:

- Cost Principles for Educational Institutions, A-21.
- Cost Principles for State, Local Governments, and Indian Tribal Governments A-87.
- Uniform Administrative requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations, A-110.



- Cost Principles for Nonprofit Organizations, A-122.
- Audits of Institutions of Higher Learning and Other Nonprofit Institutions, A-133.

## Related Legislation/Regulations

A number of pieces of broad-reaching legislation apply to the operation of the SEP as well as other Federal government programs. Two of these pieces are the Government Performance and Results Act of 1993 and the National Environmental Policy Act (NEPA) of 1969.

The Government Performance and Results Act requires executive agency heads to submit strategic plans to the Director of OMB and to Congress. The strategic plans must contain performance goals for their agency's program activities, cover at least a 5-year period, and must be updated at least every 3 years.

NEPA has two major functions: (1) to establish national policy for the protection of the environment, and (2) to provide for the establishment of a Council on Environmental Quality (CEQ) under the Executive Office. NEPA requires detailed statements for "major actions significantly affecting the quality of the human environment." The statements ensure that environmental values are considered in decision making along with economic and technical considerations. A NEPA review, conducted by DOE Headquarters, is required for all SEP Special Projects.

## Administration of Funds

DOE awards Federal funds to the States annually after receiving a Grant Application and, when applicable, the Master File (see Master File in Chapter 2). States are responsible for developing budgets, implementing plans, and reporting on expenditures.

Federal funds are appropriated on the basis of the Federal fiscal year, which currently begins October 1 and ends September 30. Each State may select a 12-month budget period for its program. This period generally corresponds to the State's fiscal year, and must start during the Federal fiscal year for which the funds were appropriated. However, the 12-month award period may extend beyond the Federal fiscal year.

*See 10 CFR Part 600.223 at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

States incur obligations during the 12-month budget period and liquidate these obligations during the year as funds are paid out. The State has 90 days from the ending date of the budget period to liquidate all obligations. No unliquidated obligations can remain at the end of the grant budget period unless DOE authorizes an extension. If authorized, however, funds that are obligated but uncosted at the end of the grant budget period may be carried over to the next grant budget period.

Generally, if uncosted funds remain at the end of a budget period, the State includes an estimated amount in the budget when they prepare the new annual application.

## Automated Standard Application for Payment (ASAP)

State Energy Offices (SEOs) should initiate same-day or next-day payment requests of Federal funds through the U.S. Department of Treasury's Financial Management Service (FMS) Automated Standard Application for Payment (ASAP) system. ASAP was developed by the FMS to provide a single point of contact for the request and delivery of Federal funds. SEOs may also use ASAP to find out whether or not a payment was approved, to inquire on grant award amounts, and to obtain grant payment information.

## Budget

States establish their yearly budgets in the Grant Application. The budget detail must be broken down by funding source—Federal, State, each PVE, and other funds—and cost categories for personnel, travel, and so forth.

*See 10 CFR Part 600.230 at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

When budget changes are necessary, States are encouraged to discuss them as soon as possible with their RSO. Under some circumstances, a State may move money from one category to another to meet unanticipated needs. Under the DOE Financial Assistance Rules (10 CFR 600.230), the State program manager needs the prior written approval of DOE when funds are added to the budget, when cumulative transfers among direct-cost categories are expected to exceed 10% of the total budget, whenever DOE's share exceeds \$100,000, or when training funds are transferred to other direct-cost categories.

## Financial Management

*See 10 CFR Part 600.121, 600.122, 600.220 and 600.221*

The SEP funds are disbursed to the States through electronic wire transfer in accordance with Treasury regulations. States spend and account for Federal grant funds according to the laws and procedures that apply to State funds. Although Federal regulations do not prescribe detailed accounting practices, States are accountable for reporting and meeting statutory obligations.

*See 10 CFR Part 600.220, 600.121 and 600.241*

States must provide quarterly Financial Status Reports using SF-269. A separate quarterly Financial Status Report is required for each Federally funded project, for each Special Project grant, and for each project funded by PVE funds. Quarterly reports are due 30 days after the end of each reporting period; a final report is due 90 days after the end of the budget period. For grants paid by electronic funds transfer, States will submit a Federal Cash Transaction Report (SF-272) no later than 15 working days after the end of each quarter.

## Financial Audits

OMB Circular A-133 requires audits of State and local governments. Circular A-133 is issued pursuant to the Single Audit Act of 1984, P.C. 98-502 and the Single Audit Amendments of 1996, P.C. 104-156. Issued under the authority of sections 503, 1111, and 7501 et seq. of Title 31, United States Code, and Executive Orders 8248 and 11541, Circular A-133 was revised June 30, 1997. The new circular implements the Single Audit Amendments of 1996 and establishes uniform audit procedures for all nonfederal grant recipients, State and local governments,

colleges and universities, hospitals, and nonprofit organizations. It also rescinds Circular A-128, Audits of State and Local Governments. Circular A-133 and the 1996 amendments are effective for audits of fiscal years beginning after June 30, 1996.

The audit threshold has been increased to \$300,000 of Federal award expenditures. The prior threshold under A-128 and A-133 was \$25,000. All nonfederal entities that expend \$300,000 or more in a program year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of A-133. The \$300,000 Federal funds threshold includes funds from all Federal agencies. For purposes of the single-audit, PVE funds are not treated as Federal or appropriated funds. Subrecipients that spend less than \$300,000 are no longer required to have a single audit. The circular prohibits pass-through entities (States) from charging to Federal awards the costs of single audits for such recipients. States may not budget for audits of subgrantees receiving less than \$300,000 of Federal funds. Pass-through entities (States) are held responsible for Federal awards administered by their subrecipients and will need to review their overall subrecipients' monitoring process to determine if they need additional monitoring procedures to ensure subrecipient compliance.

Grantees that expend more than \$25 million in Federal awards will be assigned a cognizant agency. Grantees that expend \$25 million or less will be assigned an oversight agency. Both cognizant and oversight agencies will be reassigned every 5 years and will be the Federal agencies that provides the predominance of Federal funding in the reassignment year. OMB Circular A-133 was adopted by DOE on August 29, 1997, as Subpart E to 10 CFR 600 (Federal Register pages 45937-45961).

## Special Project Activities

As mentioned in Chapter 1, SEP provides financial assistance for Special Projects that accomplish several important goals:

- C To directly involve States in activities to accelerate deployment of energy efficiency and renewable energy technologies.
- C To facilitate the commercialization of emerging and underutilized energy efficiency and renewable energy technologies.
- C To increase the responsiveness of Federally funded technology development efforts to the needs of the marketplace.

*States can obtain information regarding specific instructions for individual special project categories by contacting the RSO. All current RSO Web sites can be accessed from:  
<http://www.eren.doe.gov/rso.html>*

The SEP Special Projects are funded by individual EE programs and are awarded on a competitive basis. The projects cover various aspects of energy efficiency in the buildings, industrial, transportation, and utility sectors as well as FEMP. Each year States are invited to develop proposals for specific categories.

To participate, States must submit separate Special Project application forms for each activity (see Chapter 2, State Plan Grant Application and Master File Package).

## **Administering the Program**

DOE Headquarters, the RSOs, and the States are all involved in administering the SEP. BTS holds overall responsibility for the program's direction, policy development, guidance, and evaluation. RSOs serve the States and are directly responsible for administering the program (see Table 5, page 3-10). The RSOs review and approve financial and programmatic documents, such as annual Grant Applications, Master Files, amendments, and reports to ensure Federal resources achieve program goals. RSOs also provide technical and training support and recommend ways to improve the programs.

## **DOE Responsibilities**

DOE's primary administrative and reporting responsibilities include the following:

- Review annual Grant Applications and award financial assistance.
- Perform grant administrative functions during the post-award period.
- Oversee the implementation of the SEP.
- Provide technical assistance to the individual States on program implementation.
- Provide, as appropriate, the guidance and resources necessary to achieve DOE's technology transfer objectives.
- Analyze performance reports on a periodic and continuing basis.
- Develop and implement effective policies and procedures for administering the SEP financial assistance program.

DOE Headquarters is primarily responsible for resolving programmatic issues, ensuring policy consistency for treatment of States and subrecipients nationwide, and networking with other Federal programs. DOE oversees its RSOs by monitoring, reviewing reports, assessing performance, and issuing annual guidance to reflect program direction and funding allocation.

The RSOs are the States' primary points of contact. RSOs are responsible for reviewing the State's annual grant application, receiving and analyzing the quarterly and annual reports submitted by the States, and resolving operating and administrative problems. The RSOs also provide technical assistance to the States. The staff in the RSOs work as a team on program grant issues and with DOE Headquarters to establish or improve policies and procedures. An essential part of this responsibility is to establish a rapport and an effective dialogue to ensure good communication between the States and DOE.

### **Pre-Award Activities**

When the RSO receives a state's application, it should acknowledge its receipt in writing and give the State an approximate date by which DOE will complete its review. The RSO has 60 days to review and approve the application. The objectives of the review are to:

- Determine if the mandatory program activities required by the implementing legislation were adopted and are being carried out effectively.
- Ensure the quantitative estimates of anticipated energy savings, where provided, are realistic and achievable.

- Determine if the State gave adequate attention to project planning and management for effective program implementation and has a well-thought-out conservation plan that includes program evaluation and monitoring plans.
- Determine if new proposed program activities are a viable and cost-effective method of reducing energy consumption.
- Ensure that the plan complies with applicable Federal regulations.

**Table 5. U.S. Department of Energy Regional Support Offices**

Regional RSOs	States Served	
<p><b>Atlanta</b> 730 Peachtree St., NE Suite 876 Atlanta, GA 30308 (404) 347-2696</p>	<p>Alabama Arkansas Florida Georgia Kentucky Mississippi</p>	<p>North Carolina South Carolina Tennessee Puerto Rico U.S. Virgin Islands</p>
<p><b>Boston</b> JFK Federal Building Room 675 15 New Sudbury Street Boston, MA 02203 (617) 565-9700</p>	<p>Connecticut Maine Massachusetts</p>	<p>New Hampshire New York Rhode Island Vermont</p>
<p><b>Chicago</b> One South Wacker Drive Suite 2380 Chicago, Ill 60606 (312) 353-6749</p>	<p>Illinois Indiana Iowa Michigan</p>	<p>Minnesota Missouri Ohio Wisconsin</p>
<p><b>Denver</b> 1617 Cole Blvd. Golden, CO 80401 (303) 275-4826</p>	<p>Colorado Kansas Louisiana Montana Nebraska New Mexico</p>	<p>North Dakota Oklahoma South Dakota Texas Utah Wyoming</p>
<p><b>Philadelphia</b> 1880 JFK Blvd. Suite 501 Philadelphia, PA 19103 (215) 656-6950</p>	<p>Delaware Maryland New Jersey Washington, D.C.</p>	<p>Pennsylvania Virginia West Virginia</p>
<p><b>Seattle</b> 800 Fifth Ave. Suite 3950 Seattle, WA 98104 (206) 553-1004</p>	<p>Alaska American Samoa Arizona California Guam Hawaii</p>	<p>Idaho Nevada Oregon Washington Commonwealth of North Marianas</p>

**Post-Award Activities**

The primary responsibilities of the RSOs include:

- Review and approve amendments to the grant.
- Provide program management and technical assistance to States with an approved plan.

- Oversee implementation of grant.
- Facilitate information sharing among the States in the region.
- Conduct any necessary administrative reviews.
- Ensure that the program information contained in the computerized information system (WinSAGA) is current and accurate.
- Provide State-specific performance and administrative monitoring.

RSOs are also responsible for assessing how the States' performances compare with State Plan objectives and ensuring States comply with applicable regulations and guidelines. RSO representatives should visit each State on an as-needed basis. DOE encourages representatives to visit State-supported energy-related projects, particularly when there is a potential for advancing conservation and renewable energy technologies.

RSOs also provide technical assistance that primarily focuses on the following:

- Helping the States use existing Federal and State technical resources by providing reliable references and encouraging information sharing.
- Providing a point of contact to aid States in accessing DOE information and resources and providing a clearinghouse for technical questions and requests that States are unable to handle with their own resources.
- Providing technical consultation, training, and materials to back up the State programs and build technical capacity.

To determine a State's technical assistance needs and encourage information sharing, the RSOs review State quarterly reports, make on-site visits, and talk informally with State Energy Office staff members. Technical assistance and information exchanges are used to increase program efficiency, quality, and effectiveness; improve program management; reduce the potential for waste, fraud, and abuse; prevent States from "reinventing the wheel" (materials used by one State may be tailored to meet the needs of another); and provide an opportunity for program managers to establish contact with each other and discuss issues or problems of mutual concern.

## **RSO Review and Reporting Requirements**

Each RSO must develop its own procedures to process and review quarterly reports as well as follow-up procedures for any problem areas identified. The reports submitted to the RSOs by the State include the Financial Status Report (SF-269), Federal Cash Transaction Report (SF-272), and a Program Status Report. Reviewing the quarterly reports can help DOE identify program accomplishments and problems and detect possible waste, fraud, and abuse of grant funds.

## **State Responsibilities**

As mentioned earlier, SEP regulations require States to submit an application each year to the appropriate RSO to receive financial assistance. States must submit an original, signed application and two copies to the appropriate RSO on the due date established by DOE (see Chapter 2: State Plan Grant Application and Master File). DOE may establish the application due date when the annual appropriations are allocated to the States. States are required to submit the applications no later

than 60 days before the States' current budget period ending date. Applications may be submitted through the computerized information system, the Systems Approach to Grants Administration for Windows (WinSAGA).

If a State determines it cannot meet the application submission date, the Governor, or designated representative, may request an extension by writing to the appropriate RSO director at least 15 days before the application due date. The request should specify the amount of time needed and the reasons for a further extension.

*For a detailed explanation of the application forms and procedures, see Chapter 2*

States are required to submit a comprehensive State Plan/Master File in the first year in which the State applies for financial assistance. In subsequent years, the State can submit modifications to the original plan.

## Reporting

SEP applicants must complete the following quarterly reports for each Federally funded project, each Special Project, and for each project funded with PVE funds.

*See 10 CFR 600.152 and 10 CFR 600.241 (Financial reporting) and 10 CFR 600.151 and 10 CFR 600.240 (Monitoring and reporting program performance)*

### Financial Status Report, Standard Form 269

The Financial Status Report (Long Form), Standard Form 269 (SF 269), is required by the U.S. Department of Energy's Common Rule (10 CFR 600, Subpart C [formerly Subpart E]). This report provides an accounting of funds. The SF 269 remains unchanged from previous program years and is required quarterly by the SEP final rule, 10 CFR Part 420.5, and is due within 30 days after the end of the quarter. The final Financial Status Report is due 90 days after the end of the quarter. The standard instructions for completing the SF 269 are located on the back of the form included in Appendix C. Expenditures of DOE funds, State match, and income are reported on a single Financial Status Report. PVE costs by source are reported on a separate Financial Status Report, SF 269.

### Federal Cash Transactions Report, Standard Form 272

A copy of this quarterly report detailing cash received from the U.S. Department of Health and Human Services is to be submitted to DOE as stated in the Federal Assistance Reporting Checklist. This report is due within 15 working days following the end of each quarter. However, where an advance by electronic transfer of funds is authorized at an annualized rate of one million dollars (\$1,000,000) or more, the Federal agency may require the report to be submitted within 15 working days following the end of the month.

### Program Status Report

*See 10 CFR 420.5 in Appendix B*

Each State receiving Federal financial assistance for the SEP must submit a Program Status Report each quarter. This report is due within 30 days after the end of the quarter. The Quarterly Program Status Report Work Sheet is included in Appendix C (page C-33). One form should be completed for each activity.

Information to be provided includes the activity title, State, program year, status (i.e., active, completed, dropped), outlays by quarter, SEP grant fund outlays by

source, leveraged fund outlays by source (optional), activity milestone status, remarks on problems, issues, or variances from the plan, accomplishments (publicity, good news, potential success stories), and performance outcome data collected.

### **SEP Success Story Form**

The U.S. Department of Energy encourages States to *volunteer* information about their SEP success stories. For those States that choose to share their success stories, DOE has provided a Success Story form to help facilitate the reporting process. The Success Story Form (found in Appendix C) provides a consistent format for reporting information supplemental to section 8 of the SEP Quarterly Program Status Report.





Chapter 4:  
**Monitoring the  
Program**

**Table 6. SEP Monitoring At-A-Glance (4-1)**

**Goals and Objectives (4-3)**

**DOE Headquarters  
Monitoring RSOs (4-3)**

**RSOs Monitoring  
State Energy Offices (4-4)**

**States Monitoring State-  
Implemented Projects (4-8)**

**States Monitoring Contractors/  
Subrecipients (4-9)**

**Table 6. State Energy Program Monitoring At-A-Glance**

A successful monitoring plan identifies potential problems, improves projects and programs, and promotes the exchange of information and methods. Monitoring is conducted two ways: on-site visits and desk monitoring. Desk monitoring includes on-going programmatic review that includes oversight activities and reviews of quarterly progress and financial reports. Note: All monitoring procedures are currently being reviewed by DOE Headquarters.

Monitoring Levels	DOE Headquarters Monitors RSOs	RSOs Monitor State Energy Offices	States Monitor Subrecipients	States Monitor State-Implemented Projects
<b>Pre-Visit Tasks</b>	<ul style="list-style-type: none"> <li>• Review Implementation Status Reports, WinSAGA data, and other communications.</li> <li>• Arrange orientation meeting with RSO director and others.</li> <li>• Send written confirmation of meeting to RSO.</li> <li>• Conduct discussions.</li> <li>• Review State Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare monitoring plan.</li> <li>• Determine projects to be monitored.</li> <li>• Enter visit in WinSAGA.</li> <li>• Establish monitoring team.</li> <li>• Review appropriate documents.</li> <li>• Prepare list of concerns and special considerations.</li> <li>• Prepare a checklist.</li> <li>• Notify state in writing.</li> <li>• Call to confirm meeting.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a monitoring team if necessary.</li> <li>• Review contract.</li> <li>• Review subrecipient's file.</li> <li>• Prepare list of questions and special considerations.</li> <li>• Prepare monitoring checklist.</li> <li>• Notify subrecipient in writing.</li> <li>• Call for meeting confirmation.</li> </ul>	N/A
<b>On-Site Visit Tasks</b>	<ul style="list-style-type: none"> <li>• Review grant administration.</li> <li>• Verify RSO knowledge of State projects and State's current situation.</li> <li>• Verify technical assistance to States and project duplication to other States.</li> <li>• Verify program goals and objectives are being met.</li> <li>• Exit meeting the RSO director that includes recommendations.</li> </ul>	<ul style="list-style-type: none"> <li>• Hold orientation meeting.</li> <li>• Hold daily monitoring meetings.</li> <li>• Review administrative procedures.</li> <li>• Review financial procedures.</li> <li>• Review programs and accomplishments.</li> <li>• Determine need for technical assistance.</li> <li>• Prepare exit report.</li> <li>• Hold exit conference.</li> </ul>	<ul style="list-style-type: none"> <li>• Hold orientation meeting.</li> <li>• Review contract.</li> <li>• Review the administrative procedures.</li> <li>• Review accomplishments, work products, and equipment.</li> <li>• Review financial procedures.</li> </ul>	N/A

Monitoring Levels	DOE Headquarters Monitors RSOs	RSOs Monitor State Energy Offices	States Monitor Subrecipients	States Monitor State-Implemented Projects
<b>Post-Visit Tasks</b>	<ul style="list-style-type: none"> <li>• Summation with program manager.</li> <li>• Review recommended actions.</li> <li>• Post-visit briefing with SEP director.</li> <li>• Trip report with follow-up, as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>• Brief RSO director on trip.</li> <li>• Prepare detailed trip report.</li> <li>• Identify areas for future monitoring.</li> <li>• Report findings and corrective actions to the State.</li> <li>• Review and evaluate State's response.</li> <li>• Send letter of acceptance to State.</li> <li>• Enter information into WinSAGA.</li> </ul>	<ul style="list-style-type: none"> <li>• Write a trip report.</li> <li>• Identify areas for future monitoring.</li> <li>• Send the subrecipient a copy of report.</li> <li>• Review subrecipient's response.</li> <li>• Clarify unresolved issues.</li> <li>• Send subrecipient letter of acceptance.</li> </ul>	N/A
<b>Desk Monitoring</b>	<ul style="list-style-type: none"> <li>• Review RSO reports</li> <li>• Review WinSAGA data entries.</li> </ul>	<ul style="list-style-type: none"> <li>• Review reports.</li> <li>• Update data in WinSAGA.</li> <li>• Maintain communication with State Energy Office by telephone.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a filing system.</li> <li>• Document all correspondence.</li> <li>• Rank projects.</li> <li>• Begin monitoring contract before it is half completed.</li> <li>• Review financial and progress reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Assess financial records.</li> <li>• Compare accomplishments with milestones.</li> <li>• Assess overall success of program before program is halfway completed.</li> <li>• Determine if targeted audience was reached.</li> <li>• Review marketing strategies.</li> <li>• Review deliverables.</li> <li>• Evaluate need for technical assistance.</li> </ul>

# Chapter 4: Monitoring the Program

**Federal regulations require recipients to monitor each project, program, subaward, function, or activity supported by an award to ensure compliance with Federal reporting requirements and that performance goals are being achieved. This chapter contains SEP monitoring procedures established by DOE Headquarters in 1992. However, DOE is reviewing all monitoring procedures and States should check with RSOs for the most current procedures.**

## Goals and Objectives

*See 10 CFR 600.151 and 10 CFR 600.240 Monitoring and reporting program performance at [www.access.gpo.gov/nara/cfr/cfr-table-search.html](http://www.access.gpo.gov/nara/cfr/cfr-table-search.html)*

The overall objective of monitoring activities is to help program administrators achieve project goals and follow applicable regulations. All monitoring can be divided into three major categories: administrative, financial, and programmatic. Administrative monitoring evaluates the management system and provides adequate program oversight. Financial monitoring involves reviewing records to ensure accurate fiscal record keeping. Programmatic monitoring compares accomplishments with milestones to make sure the projects are completed on time and within budget. These three areas are routinely reviewed for compliance and to determine if any changes can be made to improve the efficiency and effectiveness of the program.

A successful monitoring plan helps identify potential problems and improve projects and the program at every level. Program monitoring also promotes the exchange of information and methods among States with similar projects underway. This type of information sharing exists throughout the system, from DOE Headquarters to subrecipients, and helps promote the use of new technologies for generating or saving energy. By providing a feedback loop, monitoring helps identify instances when some outside help or technical assistance may be needed.

## DOE Headquarters Monitoring RSOs

DOE Headquarters is responsible for the oversight and operation of the SEP. It is also responsible for establishing monitoring policy and procedures, reviewing and assessing RSO administration of the program, and providing technical assistance and training, as appropriate. The goal is to administer the program consistently throughout the nation and coordinate it with other Federal programs.

DOE Headquarters staff reviews the WinSAGA reports, and looks for opportunities to provide technical assistance. The staff also makes an annual monitoring visit to each RSO. During the visit, the staff reviews the SEO performance and, as appropriate, with RSO personnel, visits a SEO or a specific State project. The on-site visit will also cover:

- Grant administration, focusing on how the RSO administers the program.
- Depth of RSO knowledge of State projects.
- Knowledge of State focusing on the energy situation of the State and the role of the RSO in supporting the State's plan.
- Technical assistance to States and transferability of State projects, focusing on projects or technologies that can be duplicated in other States.
- Goals and objectives, focusing on whether the established goals and objectives are being met.

Following the monitoring visit, Headquarters staff brief the program director on any findings. The staff prepares a monitoring trip report summarizing the visit and makes a copy of the report available to the RSO and to appropriate DOE personnel.

The following steps are recommended to prepare for the monitoring visit, during the visit, and post-visit follow-up:

- Review WinSAGA reports and other communications as appropriate before the trip.
- Send a written confirmation of the meeting to the RSO with areas that will be covered.
- Arrange an orientation meeting with RSO director and others, as appropriate.
- Conduct discussions with program manager, contracting officer, financial chief, and others as appropriate.
- Review the State Plan.
- Summation with program manager.
- Recommended actions.
- Exit meeting with RSO director.
- Post-visit briefing with program director.
- Trip report with follow-up, as appropriate.

## **RSOs Monitoring State Energy Offices**

The main purpose of the RSOs monitoring SEOs is to maximize the effectiveness of SEP activities and to ensure compliance with applicable regulations. Administrative and financial monitoring also ensures projects are on track and on schedule. Monitoring provides an opportunity to communicate with the States and learn about ways the RSOs can help the States be more effective. The monitoring visit should recognize successes, special problems, and the need for technical assistance. It also should identify solutions and lead to corrective action. When the monitoring visit is over, the monitor passes on the information and data gathered during the visit to DOE Headquarters.

DOE Headquarters' SEP Guidance requires RSOs to perform at least one formal site visit to each State per year unless the State requests an exception. RSOs may

add more detailed project site visits if needed. For example, an RSO may want to observe a State monitoring a subrecipient, or review the procedures of a problem subrecipient. The RSO can modify, with justification, the standard schedule of one annual visit to each SEO. However, the modification requires prior concurrence of DOE Headquarters.

Desk monitoring reinforces the annual on-site monitoring visit because it periodically reviews the status of projects and activities included in the State Plan and assesses the financial status of the program in that State. Desk monitoring includes reviewing the quarterly reports and may require RSOs to contact SEOs to question why milestones are behind schedule, obtain more information about major accomplishments to highlight the activity for DOE Headquarters, determine the reason for a low expenditure rate, inquire if technical assistance is needed in a certain area, or offer suggestions that are project-specific so valuable information can be shared.

### **Pre-Visit Review**

The pre-visit review is a key ingredient to a successful monitoring trip. First, the RSO develops a monitoring plan and determines which programs and projects to review. The RSO makes sure that the plan is comprehensive enough to cover all aspects of the State's program activities and verifies that the State is complying with program requirements. This is much easier if the State Plan includes detailed and verifiable milestones. If the site visit includes both program and financial reviews, the RSO usually establishes a monitoring team that coordinates its activities at a planning meeting. At a minimum, RSO monitors should review the following documents:

- The most recent monitoring visit report and correspondence with the State.
- The most recent quarterly progress and fiscal reports for the year to be monitored.
- The most recent Master File.
- The program and project files for the programs to be monitored during the visit.

#### **RSO Pre-Visit Tasks**

- Prepare a monitoring plan.
- Determine the programs and projects to be monitored.
- Enter the planned visit into WinSAGA.
- Establish a monitoring team, if necessary.
- Review appropriate documents.
- Prepare a list of concerns, unresolved issues, and special considerations.
- Prepare (or locate) a checklist appropriate for the programs being monitored.
- Notify the State in writing.
- Call to confirm the meeting.

Before the visit, RSOs should prepare a list of concerns or any unresolved issues and notes any special items. For example, some States have unique purchasing requirements. The monitoring plan should outline the monitoring methods that the RSO plans to use during the site visit. The plan should answer the questions "who, what, where, why, how, and when?"

Once the RSO has developed a monitoring plan, a detailed checklist should be prepared for use during the monitoring visit. The checklist should provide for responses beyond "yes" and "no" answers. The RSO must gather enough information to review, evaluate, and support the conclusions.

Next, the RSO notifies the SEO of the upcoming visit in a letter, and describes the breadth and scope of the review. The RSO should list specific projects, activities, sites, and materials to be included. The RSO also needs to notify the SEO about the monitoring methods to be used and include a copy of the monitoring checklist. The notification should give the SEO at least 30 days to prepare the requested material for the visit.

## **Monitoring Visit**

Monitoring visits should start with an orientation meeting involving the monitor, the SEO director, and the SEP manager. This allows the RSO monitor a chance to get to know the State personnel. The monitor should try to develop good communication and a cooperative working relationship. At the meeting, the monitor reiterates the goals and objectives of the monitoring trip, as established in the notification letter, and discusses the goals of the State's programs.

The orientation meeting is a good time to gather general information for the monitoring report and decide on the time of the exit conference at the end of the monitoring visit. At the meeting, RSO monitors can examine the State's organizational structure. Changes in management of the programs being reviewed can substantially affect the programs. The meeting is also a good time for RSO monitors to find out who is responsible for specific tasks and to gain familiarity with SEO reporting structures.

Monitoring visits typically last from 1 to 3 days. If a team concept is used, the monitoring team should meet privately at the end of each day to discuss its activities and plans for the next day and make necessary adjustments. If the monitor suspects waste, fraud, or abuse, the RSO director should be notified as soon as possible. The director can help the monitor develop a strategy for dealing with the problem, and, in some cases, can implement a solution before the exit conference.

A comprehensive annual review may include administrative, financial, and programmatic areas. The administrative review evaluates the management system, the financial review examines business operations and accounting practices for all sources of funds, and the programmatic review takes a look at the State plan. The financial review ensures that procurement, payroll, and contracting procedures meet State requirements and have sufficient documentation to comply with regulations. The RSO monitor should also ensure the State's equipment and property are properly tracked and valued through a



reliable inventory system. Also, the State's financial records must be properly maintained and accurate.

The programmatic review evaluates the implementation of the approved plan, comparing actual accomplishments to milestones and the latest quarterly report. The RSO monitor reviews the program files, interviews project managers, and checks whether the SEOs monitoring of subrecipients matches the monitoring section of the State Plan. The RSO reviews the State monitoring checklists and if possible, accompanies State personnel on a monitoring visit. Finally, the RSO monitor obtains copies of documents to support the conclusions and findings.

With the exception of suspected waste, fraud, or abuse, the RSO monitor should discuss any review findings with State personnel. The monitor should also discuss ideas and recommendations with State personnel and ask if there are procedures or processes that DOE can improve on.

Once the review is completed, the RSO monitor creates a list of program strengths and weaknesses in preparation for the exit conference. The monitor also prepares a list of corrective actions and helps develop a plan for implementing the improvements. The monitor should be prepared to document review findings and listen to the State's reaction to its recommendations. The monitor then determines if a follow-up visit is required.

#### **RSO Monitoring Visit Tasks**

- Hold orientation meeting.
- Hold daily monitoring team meetings (if a team is used).
- Review administrative procedures.
- Review financial procedures.
- Review programs and accomplishments.
- Determine need for DOE assistance.
- Prepare exit report, including strengths and weaknesses.
- Hold exit conference

### **Post-Visit Review**

Following the site visit, the monitor briefs the RSO director and prepares a detailed report on the results of the monitoring trip for the RSO's files, identifying areas that need review during future visits. The monitor then sends a report to the SEO, detailing the findings and the implementation plan for corrective action. This report must be sent by the RSO within 30 days of the site visit and must specify how long the State has to respond.

After the State responds to the report, the RSO accepts or rejects the State's response. If the response is rejected, further negotiations and correspondence are required. If after the second notice the State fails to respond, the RSO sends another notice of the findings. If the State still does not respond or refuses to comply, the RSO can consider initiating remedial actions contained in the DOE

Financial Assistance Rules (10 CFR Part 600.243). Once the RSO accepts the State's response, it sends the State a final letter of acceptance.

*Chapter 5 provides information on WinSAGA*

After completing the post-visit review, the RSO monitor enters the review data into WinSAGA. The findings are also included in a Status Report to DOE Headquarters.

#### **RSO Post-Visit Tasks**

- Brief the RSO director on the trip.
- Prepare a detailed trip report.
- Identify areas for future monitoring.
- Report the findings and corrective action to the State.
- Review and evaluate the State's response.
- Send a letter of acceptance to the State.
- Enter the trip information and data into WinSAGA.

## **States Monitoring State-Implemented Projects**

*Chapter 3 discusses these reports in more detail. Sample forms can be found in Appendix C.*

Although the only formal requirements for States monitoring State-implemented projects are the quarterly reports: the Project Status Report (EIA-459F), the Financial Status Report (SF-269), the Federal Cash Transactions Report (SF-272), and the annual Energy Savings Report (CE-462), States should monitor their projects as they monitor a subrecipient's to assess program quality and increase program success and effectiveness. To monitor their projects, States can follow the same general monitoring procedures the RSOs use, including the checklists. States may skip over questions that do not apply, but should concentrate on the questions that assess program quality.

First, states should develop project monitoring plans that initiate monitoring procedures before the projects are halfway completed; in other words, before half the budget is spent, half the period of performance has passed, or half the number of milestones are completed. This gives States an opportunity to make corrections when they can still affect the projects. It also helps States determine if their projects will achieve the anticipated energy or dollar savings. If not, States should determine why the projects will fall short and consider whether they need to change estimates on other projects or future installations.

Second, States should assess their financial records to see if the expenditures are in line with the proposed budget. If not, States need to determine what they can do to bring their projects back on track. Third, States should make sure their projects are still on schedule and in line with their overall goals by comparing the actual accomplishments with the milestones.

In addition to reaching energy- and dollar-saving goals, States should determine whether they reached their intended audience. They should consider not only the number of people reached, but also whether they were effective in the target sector. States should also review their marketing efforts to determine if they

were appropriate for the audience the States were trying to reach and if there are other sectors that could benefit from this project.

Next, States should review all the deliverables. They may want to hire or select a third, more objective party for this task. States should give the party an overview of the project, describing the project goals, intended audience, and outcomes. This third party can then review the deliverables, such as project literature, brochures, and workshop materials, and provide suggestions. States can also gain input by interviewing clients served by their project and developing evaluation forms that participants can fill out anonymously.

Finally, States should evaluate their need for technical assistance. States with similar projects may have confronted similar problems. The SEP manager at the appropriate RSO may be able to provide assistance or information.

## **States Monitoring Contractors/ Subrecipients**

This section provides guidance to the States on how to monitor their subrecipients. Subrecipients include nonprofit agencies, for-profit companies, local governments, and other State agencies. Such a diverse group results in an equally diverse list of funding arrangements including grants, loans, contracts, letters of understanding, and interagency agreements. The funding arrangement depends on the nature of the project and the subrecipient. Therefore, each State is encouraged to develop subrecipient monitoring that is most suitable for its unique program environment. States are also encouraged to contact other States and their RSOs in the process of formulating their monitoring strategies. The strategies included in this manual comprise only a small fraction of what has been successful.

The main purpose of monitoring these subrecipients is to maximize the effectiveness of the projects. States must make sure subrecipients meet the terms and conditions of the agreement and that the project remains on schedule and within the budget. They need to check the quality of the work as well as the quantity and timeliness. States must hold the subrecipients responsible for any subcontractors who must meet the terms of the agreement.

DOE recommends that SEOs perform at least one site visit during the life of each project. For large or high-cost projects, States may want to perform several site visits. Some States create a list of projects and develop a ranking system to determine how to allocate their monitoring resources. Although some States only provide limited monitoring, others devote several full-time staff members to monitoring every project twice a year.

In addition to the formal monitoring visits, the quarterly reports mentioned in Chapter 3 are required for these projects as well. Some States may require their subrecipients to submit monthly status reports and financial statements.

### **Contract Monitoring**

After States select a subrecipient for a project and finalize the contract, they need to continually monitor the contract. The first step is to hold an orientation meeting before any of the work begins. States can avoid a lot of confusion if

*See 10 CFR 600.147 and 10 CFR  
600.148*

they meet with new subrecipients to explain exactly what they expect of them. This is not a session for further contract negotiations. The orientation meeting is a good time to provide copies of the reporting forms the subrecipients will need for the life of the project or at least for the first year and to show subrecipients how to fill out the reports the SEO requires. States can also give the subrecipient a copy of the monitoring checklist or criteria they plan to use on their site visits (described in the Pre-visit Review section). If properly conducted, this orientation meeting can save work for both the State and the subrecipient.

The next step for a new contract is developing a good set of project files to accurately track the different aspects of the project. One successful format divides project files into two categories: a working file and a documentation file. Dividers may have the following labels:

<b>Working File</b>	<b>Documentation File</b>
Contract/Checklist	Contract Negotiations/Development
General Correspondence	Work Products
Telephone Logs	Public Relations
Memorandum	Miscellaneous
Financial Reports	
Correspondence	
Quarterly Reports/Correspondence	
Monitoring/Evaluation/Closeout	

Filing systems may differ from this, but States should develop and consistently use a system.

After the filing system is established, States should document all correspondence regarding the project. Telephone logs should be kept to record dates and topics of conversations. States should keep memoranda, correspondence, and monitoring and quarterly reports in the working file for easy access.

Desk monitoring is an essential part of the ongoing monitoring process. States should review the monthly report of expenses, and if they find errors, contact the subrecipient for clarification. States should "flag" projects with unresolved issues until they are corrected. If the subrecipient is more than 10 business days late sending a report, States should send a reminder notice. The contract should state the allowable amount of flexibility. For example, some States use a limit or "significant variance" of 20% for budget items or two months behind schedule as the trigger that requires correction.

The ongoing desk monitoring, combined with a State's ranking system for monitoring, will also help States determine the appropriate time for an on-site visit. If the State only plans one monitoring trip, then the best time to monitor the contract is usually a little before the contract is half completed. Some States wait until the project is in the second or third quarter of the first year. The proper time to monitor varies with different projects. But the main consideration is that

States monitor the project early enough so the project can benefit from any changes implemented and late enough that there is activity to measure.

Other situations that may necessitate a monitoring site visit include the nature of the project or a significant problem. Some projects, such as a series of workshops, can only be accurately monitored by sending someone to observe the subrecipient in action.

Other projects may have a significant deficiency that forces a visit, such as misuse of funds, continual performance problems, or noncompliance with Federal or State regulations.

#### **SEO Contract-Monitoring Tasks**

- Hold an orientation meeting.
- Discuss expectations and requirements.
- Provide reporting and monitoring checklists.
- Set up project files.
- Perform ongoing desk monitoring.

### **Pre-Visit Review**

State monitors should prepare for a formal monitoring site visit with a pre-visit review. If the monitoring trip includes more than one person, the monitoring team should hold a meeting to coordinate activities.

The State monitor can prepare for the trip by reviewing all financial and program records, quarterly and monthly status reports, invoices, and correspondence and phone logs. The monitor must fully understand the subrecipient's project, activities, and performance history before the monitoring trip. From this project review, the monitor creates a list of questions and concerns specific to this project and identifies any records or work products that need to be reviewed during the site visit. The monitor can include these special considerations in a generic monitoring checklist that provides for responses beyond "yes" and "no" answers. The monitor must gather enough information to review, evaluate, and support conclusions. A good monitoring checklist includes the following topics:

- Program management.
- Program operation and milestone achievements.
- Financial operations.
- Procurement systems.

Next, the monitor should notify the subrecipient of the monitoring visit, identify the participants that should meet during the visit, and establish a time, date, and place for the meeting. The monitor and subrecipient should allow a minimum of 2 hours for the meeting, although it could run considerably longer if the meeting involves several people or if they need to inspect several work products or a lot of equipment. The monitor should send the subrecipient a written confirmation

of the meeting, preferably 1 month before the meeting and may want to include its list of criteria or a copy of the monitoring checklist. The monitor should call the subrecipient 1 week before its visit to confirm the meeting.

#### **SEO Pre-Visit Tasks**

- Establish a monitoring team if necessary.
- Review the subrecipient's file.
- Prepare a list of questions and special considerations.
- Prepare (or locate) a monitoring checklist.
- Notify the subrecipient in writing.
- Call for meeting confirmation.

### **Monitoring Visit**

The monitor should begin the visit by discussing the purpose and agenda of the monitoring visit. This is a good time to talk about any organizational changes for the subrecipient. (The monitor may want to get a copy of the company's organizational chart.) The monitor should interview the subrecipient using the list of prepared questions, let the subrecipient do most of the talking, and listen for any discrepancies with the information received in the progress reports.

The monitor should discuss the project accomplishments versus milestones, personnel responsibilities, and previously identified problem areas. The monitor should also determine whether the project is reaching the target audience and should assess the subrecipient's need for technical assistance or training.

Next, the monitor should inspect work products and equipment purchased with project funds. The monitor should take photographs for the project files if the project is unique or if photographic documentation is necessary. If equipment was purchased for the project, the monitor should inspect it carefully to determine that it is the equipment specified in the contract and approved by the SEO and DOE.

The financial management monitoring also should be based on a list of questions prepared during the pre-visit review. The monitor should interview subrecipients about their accounting process, audits, property management procedures, procurement practices, and records. He or she should try to determine if there is proper segregation between procurement, purchasing, and receiving. The monitor should review time sheets for accuracy and be sure the hours correspond to the proper tasks. He or she should check to see if billings are processed properly.

Once the review is completed, the monitor should discuss any areas of concern and the need for technical assistance, training, or any changes in scope needed for the contract. The monitor should then summarize both the follow-up activities and the necessary corrective actions and tell the subrecipient when to expect a copy of the report, explaining the subrecipient's review and comment opportunities.

### **SEO Monitoring Tasks**

- Hold an orientation meeting.
- Review the administrative procedures.
- Review accomplishments, work products, and equipment.
- Review financial procedures.
- Hold exit meeting

### **Post-Visit Review**

After the monitoring visit, the monitor should review the information and write a report on the results of the monitoring trip, including recommendations for future monitoring and special considerations. The monitor may want to send copies of the draft to the subrecipient with a letter reminding the subrecipient of any follow-up work, deadlines, or corrective action. The monitor must also provide instructions on when the State expects a response and if the response should be verbal or written.

After the subrecipient responds to the report, the monitor reviews the comments and provides any clarification necessary to finalize the report. If the monitor and subrecipient cannot reach an agreement about an issue, the subrecipient may have to rely on a grievance process. However, if all issues are resolved, the monitor sends a letter acknowledging acceptance of corrective action.

### **SEO Post-Visit Tasks**

- Write a trip report.
- Identify areas for future monitoring.
- Send the subrecipient a copy of the report (optional).
- Review subrecipient's response.
- Clarify any unresolved issues.
- Send subrecipient letter of acceptance.

### **Closeout of Completed Contracts**

States will want to establish a system for the formal closeout of completed contracts. Approximately 1 month before the end of the project, States should notify the subrecipient by mail of the pending closeout. They should also send the subrecipient a list of the documents they need to close out the grant. Developing a closeout checklist is helpful. Once the subrecipient returns the checklist and any required documents, it is routed to the fiscal officer who releases final payment. Next, States should send the subrecipient a final notice of project closeout to be signed and returned. The notice should include information on equipment disposition and records retention. Filing the final notice will officially close the grant or contract.

### **SEO Closeout Tasks**

- Send notice of closeout.
- Prepare closeout checklist.
- File signed final notice for official closeout.



Chapter 5:  
**Using the Systems  
Approach to Grants  
Administration  
for Windows (WinSAGA)**

**Table 7. WinSAGA At-A-Glance (5-1)**

**What is WinSAGA? (5-3)**

**Using WinSAGA (5-3)**

**WinSAGA Reporting (5-4)**

<b>Table 7. The Systems Approach to Grant Administration for Windows At-A-Glance (WinSAGA)</b>	
<b>Grant Process</b>	<b>WinSAGA Steps</b>
Grant application is received and reviewed.	Enter application. Enter PR <sup>1</sup> information. Enter Budget. Print PR, NFAA <sup>2</sup> , Budget, and IPAR <sup>3</sup> .
PR is signed by the certifying and reviewing officials.	Enter date PR was signed. Generate PADS <sup>4</sup> batch and upload to PADS.
DOE Headquarters processes uploaded PADS file, creating report of accepted/rejected transactions.	Download PADS report and apply to WinSAGA. Correct errors reported by PADS. (All corrections will be sent with next PADS batch.)
NFAA is signed by contracting officer and sent to grantee and DISCAS <sup>5</sup> accounting systems.	Enter date NFAA was signed. Grant status is now shown as 'AA' or active. Generate PADS batch and upload.
DOE Headquarters processes uploaded PADS file, creating report of accepted/rejected transactions.	Download PADS report and apply to WinSAGA. Correct errors reported by PADS for next upload.
Grantee signs and returns the NFAA.	Enter grantee acceptance.
Grantee submits payment request to the awarding office or electronically to U.S. Department of Treasury. DISCAS staff enters payment information into DISCAS database.	Download payments from DISCAS and apply to WinSAGA database.
Grantee submits FSR <sup>6</sup> periodically as required.	Enter FSR into WinSAGA, indicating if final.
Grantee submits project status report periodically as required.	Enter report into WinSAGA (page depends on type of report submitted).
Grant expires and goes into closeout, or grant is extended and new PR is issued.	WinSAGA will display issues to be resolved, if any, before grant can be retired. Grant status is now shown as 'CO' or in closeout, after contracting officer signs and transmits NFAA and PR. If grant is to be extended or continued, enter new PR or application with new or extended budget, project period, and any new or carryover funds.
Grantee submits final FSR and project report.	Enter reports into WinSAGA.
Once all reports are in and costs equal payment and obligations (or one month after closeout), the grant is retired.	Change grant status to "RA" for retired. Generate PADS batch and upload. Download PADS report.

<sup>1</sup>PR Procurement Request

<sup>2</sup>NFAA Notice of Financial Assistance Award

<sup>3</sup>IPAR Individual Procurement Action Report

<sup>4</sup>PADS Procurement and Assistance Data System

<sup>5</sup>DISCAS Departmental Integrated Standard Core Accounting System

<sup>6</sup>FSR Financial Status Report



# Chapter 5: Using the Systems Approach to Grants Administration for Windows

## What is WinSAGA?

WinSAGA is the Systems Approach to Grants Administration (SAGA) for Windows. This system allows DOE to administer SEP grants on-line and provides all network users access to current program records. WinSAGA reduces data redundancy and paperwork and provides the universal, complementary data collection that is critical to showing the positive results of the program.

## Using WinSAGA

*For more information about or assistance with WinSAGA, visit the WinSAGA web site at [www.eren.doe.gov/buildings/state\\_and\\_community/saga.html](http://www.eren.doe.gov/buildings/state_and_community/saga.html) or call the WinSAGA Hotline at Data Tree, Inc. (202) 653-2100, fax: (202) 653-2114.*

States with WinSAGA enter grant applications and reports directly into the system and sign and submit them electronically to RSOs. All records entered or updated through the RSOs are copied to the national databases at DOE Headquarters, Golden, and Albuquerque (for transfer to the Departmental Integrated Standard Core Accounting System [DISCAS]). Award information is also uploaded from the RSOs to the pulsed amperometric detection PADS database. Contracting officers can sign and send awards electronically to the States. Because WinSAGA runs on a Windows NT platform, security protocols and encryption of sensitive data has been achieved.

With WinSAGA, users are able to display several views of one or multiple grants at the same time. The menus and toolbar provide quick and easy access to all aspects of grant tracking. Because WinSAGA continues to grow and change as DOE's programs change, the user's manual is incorporated directly into the application's help system. WinSAGA's help system is designed to remain as current as the software itself, keeping users informed of new features and changes to existing windows. Details of the WinSAGA help system include page level help, stored in printable chapters, for each of the system's windows. Also included are multimedia tutorials and field-by-field, context-sensitive help available at the click of a mouse. For more detailed and current information, interested users should seek on-line aid from the menu bar of the WinSAGA application.

Information in WinSAGA is organized into "files" (or windows) that contain document page tabs. Each tab links to related information. For example, the Grant window contains tabs that provide access to Applications, Procurement Requests (PRs), Budgets, Payments, Financial Status Reports (FSRs), Form SF272s, and

Program Reports. The State Application window contains tabs that access the Application Checklist, Form SF424, Budget, Annual File, Master File, and Assurances. The PVE window contains tabs for Designations, Distributions, Interest, and Other Income. The User window allows office WinSAGA system managers to enable users, assign data access levels, and authorize electronic signatures. Other windows permit offices to update information used by WinSAGA to print award documents, etc. The Interface menu has options for transferring data to and from DISCAS and the Procurement and Assistance Data System (PADS).

## **WinSAGA Reporting**

By maintaining a consistent data format in all offices, WinSAGA is able to generate powerful, customized reporting with Seagate's Crystal Reports<sup>®</sup>, giving users the ability to print applications, awards, quarterly report forms, and standard WinSAGA reports. In addition, users can query data as needed, develop new reports, and extract information to produce charts and graphs. WinSAGA has the ability to convert data to interact with a variety of word processing, spreadsheet, and mapping software applications.

Chapter 6:  
**Sources of  
Information**

**Table 8. Sources of Information At-A-Glance (6-1)**

**Energy Efficiency and Renewable  
Energy Network (EREN) (6-3)**

**The Office of Building Technology  
State and Community Programs (BTS) (6-3)**

**The Office of State and  
Community Programs (6-4)**

**Code of Federal Regulations (6-5)**

**Regional Support Offices (6-6)**

**Golden Field Office (6-7)**

**Table 8. Internet Sources of Information At-A-Glance**

Information Source	Location
Energy Efficiency and Renewable Energy Network	<a href="http://www.eren.doe.gov">www.eren.doe.gov</a>
The Office of Building Technology, State and Community Programs (BTS)	<a href="http://www.eren.doe.gov/buildings">www.eren.doe.gov/buildings</a>
Office of State and Community Programs (OSCP)	<a href="http://www.eren.doe.gov/buildings/state_and_community">www.eren.doe.gov/buildings/state_and_community</a>
OSCP Overview, Organization, and Contacts	<a href="http://www.eren.doe.gov/buildings/state_and_community/mission.html">www.eren.doe.gov/buildings/state_and_community/mission.html</a>
State Energy Program	<a href="http://www.eren.doe.gov/buildings/state_and_community/sep.html">www.eren.doe.gov/buildings/state_and_community/sep.html</a>
Municipal Energy Management Program	<a href="http://www.eren.doe.gov/buildings/state_and_community/memp.html">www.eren.doe.gov/buildings/state_and_community/memp.html</a>
SAGA - WinSAGA	<a href="http://www.eren.doe.gov/buildings/state_and_community/saga.html">www.eren.doe.gov/buildings/state_and_community/saga.html</a>
Conservation Update	<a href="http://www.eren.doe.gov/events/cu">www.eren.doe.gov/events/cu</a>
Blazing the Energy Trail: The Municipal Energy Management Program	<a href="http://www.eren.doe.gov/cities_counties/blazing.html">www.eren.doe.gov/cities_counties/blazing.html</a>
The Urban Consortium Energy Task Force (UCETF)	<a href="http://pti.nw.dc.us/etf.htm">pti.nw.dc.us/etf.htm</a>
Energy Solutions for Cities and Counties	<a href="http://www.eren.doe.gov/cities_counties">www.eren.doe.gov/cities_counties</a>
National Association of State Energy Officials (NASEO)	<a href="http://www.naseo.org/default.htm">www.naseo.org/default.htm</a>
Public Technology Inc. (PTI)	<a href="http://pti.nw.dc.us">pti.nw.dc.us</a>
Code of Federal Regulations	<a href="http://www.eren.doe.gov/buildings/state_and_community/sep.html">www.eren.doe.gov/buildings/state_and_community/sep.html</a> <a href="http://www.access.gpo.gov/nara/cfr/cfr-table-search.html">www.access.gpo.gov/nara/cfr/cfr-table-search.html</a> <a href="http://www.pr.doe.gov/faregs.html">www.pr.doe.gov/faregs.html</a>
Regional Support Office Directory	<a href="http://www.eren.doe.gov/rso.html">www.eren.doe.gov/rso.html</a>
Boston Regional Support Office	<a href="http://www.eren.doe.gov/brso">www.eren.doe.gov/brso</a>
Chicago Regional Support Office	<a href="http://www.eren.doe.gov/crso">www.eren.doe.gov/crso</a>
Denver Regional Support Office	<a href="http://www.eren.doe.gov/drso">www.eren.doe.gov/drso</a>
Golden Field Office	<a href="http://www.eren.doe.gov/golden/go.html">www.eren.doe.gov/golden/go.html</a>





# Chapter 6: Sources of Information

This chapter provides additional, on-line sources of information about the SEP. All of the information sources listed can be accessed through the Web sites of the Energy Efficiency and Renewable Energy Network (EREN) and the Office of Building Technology State and Community Programs.

## **Energy Efficiency and Renewable Energy Network (EREN)**

As a primary component of DOE's Customer Service Center, EREN is a comprehensive resource for energy efficiency and renewable energy information. The site provides information and technical assistance on many energy efficiency and renewable energy technologies and links to DOE Office of Energy Efficiency and Renewable Energy (EE) programs and offices. From EREN's home page, the user can link to:

- U.S. Department of Energy.
- Office of Energy Efficiency and Renewable Energy.
- Office of Building Technology State and Community Programs.
- Federal Energy Management Program.
- Office of Industrial Technologies.
- Office of Transportation Technologies.
- Office of Utility Technologies.
- Golden Field Office.
- Regional Support Offices

The EREN Web site address is: [www.eren.doe.gov](http://www.eren.doe.gov)

## **The Office of Building Technology, State and Community Programs (BTS)**

The BTS Web site provides information about technologies, practices, and programs that promote energy efficiency and renewable energy for residential and commercial buildings. The site provides information for homeowners, commercial building owners and operators, builders, designers, researchers, program partners, and public officials. It links to sites with information on energy-efficient buildings, appliances, and windows; energy-saving tips; Energy Star (EPA) products; building energy data; energy software tools; and rules, codes and standards.

The BTS Web site address is: [www.eren.doe.gov/buildings](http://www.eren.doe.gov/buildings)

## The Office of State and Community Programs

The Office of State and Community Programs (OSCP) Web site provides detailed information about the OSCP mission, its programs and staff members, and links to other Internet sites that contain information directly related to the OSCP mission and programs. You can visit the OSCP Web site at [www.eren.doe.gov/buildings/state\\_and\\_community](http://www.eren.doe.gov/buildings/state_and_community).

The OSCP home page links to the following SEP-related sites.

- **OSCP Overview, Organization and Contacts**—This site contains a copy of OSCP's mission statement and a list of contacts for the Office of the Director, Program Operations Team, Program Planning and Development Team, and Performance Metrics Team.  
[www.eren.doe.gov/buildings/state\\_and\\_community/mission.html](http://www.eren.doe.gov/buildings/state_and_community/mission.html)
- **State Energy Program**—This site provides an overview of the State Energy Program and links to related sites, including: SEP program projects, SEP special projects, the Code of Federal Regulations, the National Association of State Energy Officials, and the *Conservation Update*. BTS plans to post the *State Energy Program Operations Manual* on its SEP web site where it can be updated as needed. For the most current version of the *Manual*, visit SEP's web site at [www.eren.doe.gov/buildings/state\\_and\\_community/sep.html](http://www.eren.doe.gov/buildings/state_and_community/sep.html)
- **The Municipal Energy Management Program (MEMP)**—This site describes MEMP and highlights MEMP's accomplishments. It also provides a contact for information on program operations and procedures for grant applications.  
[www.eren.doe.gov/buildings/state\\_and\\_community/memp.html](http://www.eren.doe.gov/buildings/state_and_community/memp.html)
- **SAGA**—This site provides information about the Systems Approach to Grants Administration, the current status of WinSAGA, and the suggested hardware configuration for WinSAGA.  
[www.eren.doe.gov/buildings/state\\_and\\_community/saga.html](http://www.eren.doe.gov/buildings/state_and_community/saga.html)

### Other Resources

The Other Resources link on the OSCP Home Page provides a list of links to other sites related to OSCP activities. These links include:

- **Conservation Update**—The *Conservation Update* is a monthly newsletter published by DOE that highlights the current energy conservation and renewable energy efforts by States, territories, RSOs, and national laboratories. The purpose of *Conservation Update* is to facilitate the transfer of current SEP program techniques and technological information to the States and territories. A directory of all issues is available on EREN.  
[www.eren.doe.gov/events/cu](http://www.eren.doe.gov/events/cu)
- **Regional Support Office Directory**—Representatives at the DOE Regional Support Offices answer questions about the State Energy Program and can provide assistance with the application process. A list of the RSOs can be found in Table 5 on page 3-10. An on-line list of DOE RSOs can be found on EREN.  
[www.eren.doe.gov/rso.html/](http://www.eren.doe.gov/rso.html/)

- **Blazing the Energy Trail: The Municipal Energy Management Program**—A brief description of the Urban Consortium Energy Task Force (UCETF) is provided at this site with an example of one of its resource conservation demonstration projects.  
*www.eren.doe.gov/cities\_counties/blazing.html*
- **The Urban Consortium Energy Task Force (UCETF)**—UCETF is one of several task forces of the Urban Consortium. It was established to address the critical energy needs of urban America. This site provides an overview of the task force.  
*pti.nw.dc.us/etf.htm*
- **Energy Solutions for Cities and Counties**—This is an on-line collection of documents providing information about projects that serve as models for demonstrating practical methods for achieving energy savings implemented by specific cities and counties.  
*www.eren.doe.gov/cities\_counties*
- **National Association of State Energy Officials (NASEO)**—This site provides an overview of NASEO and the latest energy news, events, and issues. It also provides a directory of State members, their Web sites, and a directory of affiliates and their Web sites. In addition, the NASEO site provides links to other energy-related associations, centers, and institutes; DOE offices, national laboratories, and facilities; energy conferences; and energy information resources.  
*www.naseo.org/default.htm*
- **Public Technology Inc. (PTI)**—PTI is a nonprofit technology research, development, and commercialization organization for all U.S. cities and counties. This site provides a list of members, daily technology news, government links, publications, and a calendar of events.  
*pti.nw.dc.us*

## Code of Federal Regulations

The *Code of Federal Regulations* establishes the guidelines for the State Energy Program. Several sites provide access to on-line versions including:

- The SEP Home Page at  
*www.eren.doe.gov/buildings/state\_and\_community/sep.html*
- The National Archives and Records Administration at  
*www.access.gpo.gov/nara/cfr/cfr-table-search.html*
- DOE Financial Assistance Regulatory Information and Guidance Page at  
*www.pr.doe.gov/faregs.html*

The DOE Financial Assistance Regulatory Information and Guidance Page provides access to the rules published in the *Federal Register* that govern the SEP. This link allows you to search for specific rulings by CFR title, volume, or by keyword.

## Regional Support Offices

**The Atlanta Regional Support Office (ARSO)** is responsible for energy efficiency and renewable energy activities in Alabama, Arkansas, Florida, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, the Commonwealth of Puerto Rico, and territories of the U.S. Virgin Islands. The ARSO helps the southeastern States with EE project management and technology deployment and provides a liaison for EE programs. Its Web site, currently under construction, will provide a directory for ARSO staff and information on meetings, conferences, research, and development. For more information contact the ARSO at 730 Peachtree St., NE, Suite 876, Atlanta, GA 30308. Phone: (404) 347-2696. For a list of current RSO Web sites visit:

*[www.eren.doe.gov/rso.html](http://www.eren.doe.gov/rso.html)*

**The Boston Regional Support Office (BRSO)** primarily assists DOE's Office of Energy Efficiency and Renewable Energy. EE develops and directs programs to promote the adoption of cost-effective renewable energy and energy efficiency technologies. The BRSO provides DOE support for Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont. This Web site describes the services provided by the BRSO, its priority programs and project activities, and provides links for program contacts and other regional resources.

*[www.eren.doe.gov/brso/](http://www.eren.doe.gov/brso/)*

**The Chicago Regional Support Office (CRSO)** is one of six regional branches of DOE's Office of Energy Efficiency and Renewable Energy. Their mission is to assist states, communities, businesses, and building and homeowners in developing and using energy-efficient technologies and practices and renewable energy sources. The CRSO provides DOE support to Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin. This Web site describes the CRSO and what they do, and provides contacts and a directory for CRSO staff. The site also provides regional updates and links to regional resources.

*[www.eren.doe.gov/crso](http://www.eren.doe.gov/crso)*

**The Denver Regional Support Office (DRSO)** helps states, communities, industries, and other key customers make better use of energy efficiency and renewable energy technologies. The DRSO provides DOE support to Colorado, Kansas, Louisiana, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming. DRSO's Web site defines its mission and services, and also provides a staff directory, information on regional issues by state, and links to regional resources.

*[www.eren.doe.gov/drso](http://www.eren.doe.gov/drso)*

**The Philadelphia Regional Support Office (PRSO)** helps manage EE programs in the mid-Atlantic region, specifically, the States of Delaware, Maryland, Pennsylvania, New Jersey, Virginia, West Virginia, and the District of Columbia. The PRSO serves to communicate to its customers an awareness of technologies, funds leveraging, information gathering/dissemination, and shared cost savings available through partnerships with DOE end-use sectors and State Energy Offices. Its Web site, currently under construction, will provide users with a PRSO staff directory, information on end-use programs, links to other EE related sites, and information about current activities and program developments. For more information contact the PRSO at 1880 JFK Blvd., Suite 501, Philadelphia,

PA 19103. Phone: (215) 656-6950. For a list of current RSO Web sites visit:  
[www.eren.doe.gov/rso.html](http://www.eren.doe.gov/rso.html)

**The Seattle Regional Support Office (SRSO)** provides assistance to the western United States in applying for Federal grants for EE programs and assists in the administration of those programs. The States served by the SRSO include Alaska, American Samoa, Arizona, California, the Commonwealth of North Marianas, Guam, Hawaii, Idaho, Nevada, Oregon, and Washington. Its Web site is currently under construction. For more information contact the SRSO at 800 Fifth Ave., Suite 3950, Seattle, WA 98104. Phone: (206) 553-1004 Fax: (206) 553-2200. For a list of current RSO Web sites visit:  
[www.eren.doe.gov/rso.html](http://www.eren.doe.gov/rso.html)

## **Golden Field Office**

As the primary field agent for DOE's Office of Energy Efficiency and Renewable Energy, the Golden Field Office (GFO) serves as a catalyst for partnerships between DOE, its laboratories, and the private sector. In conjunction with EE's six RSOs, GFO works directly with industry, academia, and the States in cost-shared partnerships to further the development and commercialization of energy efficiency and renewable energy technologies. The information provided on the site describes the services GFO provides and identifies contracting and grant opportunities available through GFO, the RSOs, and the National Renewable Energy Laboratory.  
[www.eren.doe.gov/golden/go.html](http://www.eren.doe.gov/golden/go.html)



**Appendix A:**  
**PVE Funds**

**Table 9. PVE Funding History At-A-Glance (A-1)**

**Petroleum Violation  
Escrow Funds (A-3)**

**Chevron Settlement (A-3)**

**Warner Amendment (A-4)**

**Exxon Case (A-4)**

**Stripper Well  
Agreement (A-5)**

**Diamond Shamrock (A-5)**





**Table 9. PVE Funding History At-A-Glance**

	<b>Chevron</b>	<b>Warner Amendment</b>	<b>Exxon</b>	<b>Stripper Well</b>	<b>Diamond Shamrock</b>
Funding Distribution	\$25 million, 1981	\$200 million, 1983	\$2.1 billion, 1986	\$1.5 billion, 1986	\$48.6 million, 1986
Allowable Uses	Ride-sharing, public transportation, building energy audits, grants or loans for weatherization and energy conservation equipment installation, energy assistance programs, highway and bridge maintenance and repair, airport maintenance and improvement, reduction in airport user fees, energy conservation research.	SECP, EES, Weatherization Assistance Program, Institutional Conservation Program, Low-Income Home Energy Assistance Program Block Grant.  No administrative expenses.	Same programs as Warner Amendment.  No administrative expenses.	Same programs as Warner Amendment and Chevron settlement or any program approved by DOE's Office of Hearing and Appeals.  Up to 5% for administrative expenses.  Can be used as nonfederal match for Federal grant funds.	Same as Stripper Well.  Any amount, up to entire refund, for administrative expenses not to exceed 5% of states total PVE receipts.  Can be used as non-federal match for Federal grant funds.
Regulations/ Reporting Requirements*		All regulations and reporting requirements for the applicable Federal programs apply.	Same as Warner Amendment.  State required to submit annual report to DOE and the Court 30 days after close of State's fiscal year.	If State puts funds into Federal program, all regulations and reporting requirements apply.  State required to submit annual report to DOE and the Court 30 days after close of State's fiscal year.	Same as Stripper Well.
Regulations/ Reporting Requirements*		Funds cannot be spent outside the grant programs.	Funds cannot be spent outside the grant programs.	For funds spent outside the grant programs: States send proposals to DOE Headquarters and the Court.  Headquarters committee reviews State proposals for consistency with settlement agreement.  DOE notifies State whether proposal is consistent.  DOE Headquarters sends copies of all correspondence with States (with copies of proposals) to appropriate RSO.	For funds spent outside the grant programs; States are not required to notify DOE before spending funds.
Approval Process RSOs must approve all PVE funds put into the State Plans, regardless of source, as part of the State Plan for the applicable program.					

\* States may file one annual report to DOE and the court covering Exxon, Stripper Well, and Diamond Shamrock funds.



# Appendix A: PVE Funding History

## Petroleum Violation Escrow Funds

Beginning in 1983, additional funds became available to the States as a result of alleged oil company violations of the Federal oil pricing controls in place from 1973 to 1981. These funds are known as Petroleum Violation Escrow (PVE) funds or oil-overcharge funds.

PVE funds must be used to provide indirect restitution to energy consumers through a variety of energy-related programs. Each State determines how it wishes to allocate the funds across eligible programs. The States may use these funds and the interest earned on them to finance SEP activities. PVE funds allocated to the SEP are treated as appropriated funds and are subject to program requirements. They are not, however, subject to the cost-sharing requirement or the 20% limitation on equipment purchases under SEP.

PVE funds became available to the States through several mechanisms:

- Settlements (for example, Chevron, Diamond Shamrock, and Stripper Well).
- Legislation (the Warner Amendment).
- Other court actions (Exxon).

## Chevron Settlement

The first major case, involving the Standard Oil Company of California (Chevron), was settled in the fall of 1981. This case is important for two reasons. The *Chevron Consent Order* was the first major settlement to use the method of indirect restitution that would be used in the other major cases to follow. Also, the *Chevron Consent Order* specified nine general categories of allowed expenditures that were related to energy use. These categories were:

- Ride-sharing.
- Public transportation.
- Building energy audits.
- Grants or loans for weatherization and energy conservation equipment installation.

- Energy assistance programs.
- Highway and bridge maintenance and repair.
- Airport maintenance and improvement.
- Reduction in airport user fees.
- Energy conservation research.

Under the *Chevron Consent Order*, the States received approximately \$25 million, according to a formula based on the estimated volume of the product sold by Chevron within each State during the period of the price controls.

## Warner Amendment

In 1983, the *Warner Amendment to the Further Continuing Appropriations Act* (P.L. 95-105) affected a one-time appropriation of \$200 million. The Federal government distributed these PVE funds to the States using a formula based on the estimated volume of covered oil product sold within the State during the period of price controls. The *Warner Amendment* required these funds be used by the States "as if received" under one or more of the following five Federal energy programs:

- State Energy Conservation Program (SECP).
- Energy Extension Service (EES).
- The Institutional Conservation Program (ICP).
- The Weatherization Assistance Program (WAP).
- The Low-Income Energy Assistance Block Grant (administered by the Department of Health and Human Services).

The *Warner Amendment* directed that States cannot use funds for administrative purposes.

DOE issued *Ruling 1983-1* in February 1984 to outline the procedures for implementing the *Warner Amendment*. Among other things, *Ruling 1983-1* established that, once a State allocated *Warner Amendment* funds to a program, all the rules, regulations, and reporting procedures governing that program would apply. The one exception, however, is that State matching requirements for SECP and EES were waived for the PVE funds.

## The Exxon Case

A U.S. District Court decision in 1983 found Exxon Corporation liable for overcharges on domestic crude oil. In March 1986, after several years of litigation, the decision of the District Court was upheld, and the Exxon case was settled. The court directed the Exxon Corporation to pay DOE \$2.1 billion, which was disbursed to the states under a formula similar to the one used in the *Warner Amendment* case. The Exxon court order adopted the terms specified in the *Warner Amendment* and directed States to use these funds in any or all of the five programs previously listed. No funds were to be used for administrative expenses. The court stated DOE *Ruling 1983-1* also applied to the use of Exxon funds and States should file an annual report with DOE and the court describing how the funds had been used during the course of the year.

## **Stripper Well Agreement**

In July 1986, the U.S. District Court in Kansas issued its *Opinion and Order Approving Multidistrict Litigation (MDL) 378*, the *Stripper Well Agreement*. DOE, the States, petroleum refiners and resellers, and others involved with the issue agreed to the settlement, which covered 42 separate oil-overcharge cases. With a few specific exceptions, the agreement provided terms and conditions for all future crude oil overcharge cases.

The *Stripper Well Agreement* broadened the scope of activities eligible for funding beyond the *Warner Amendment*. (Particular restrictions based on the circumstances of each case may apply.) The agreement allows the States a much greater degree of flexibility in how the funds can be used. Stripper Well funds can be used in:

- Any program that falls into the nine major categories listed in the *Chevron Consent Order*.
- Any of the five Federal programs listed in the *Warner Amendment*.
- Any program approved by DOE's Office of Hearings and Appeals.

The agreement does require the States to notify DOE and the court 30 days before any money is spent and to file an annual report with DOE and the court describing how the funds were used during the year. The agreement also allows States to use up to 5% of the funds for administrative costs.

On March 6, 1987, DOE's Economic Regulatory Administration issued a memorandum outlining DOE's opinion that PVE funds received under the terms of the *Stripper Well Agreement* are not considered Federal funds. States can use PVE funds as "nonfederal" match for Federal grant funds.

## **Diamond Shamrock**

In 1986, the Diamond Shamrock case was also settled, sending \$48.6 million to the States. The provisions of the *Diamond Shamrock* settlement regarding allowable use of the funds are nearly identical to the *Stripper Well Agreement*. One significant difference is that States can use any amount, up to their entire Diamond Shamrock refund, for administrative expenses, as long as that amount does not exceed 5% of the State's total PVE receipts. Diamond Shamrock funds can also be used by the States as a "nonfederal" match for Federal grant funds.



# Appendix B: Federal Regulations

## Title 10—Energy, Chapter 11—Department of Energy, Part 420—State Energy Program

<b>Subpart A—General Provisions for State Energy Program Financial Assistance</b> . . . . .	B-1
420.1 Purpose and scope . . . . .	B-1
420.2 Definitions . . . . .	B-1
420.3 Administration of financial assistance . . . . .	B-5
420.4 Technical assistance . . . . .	B-5
420.5 Reports . . . . .	B-5
420.6 Reference standards . . . . .	B-5
<b>Subpart B—Formula Grant Procedures</b> . . . . .	B-7
420.10 Purpose . . . . .	B-7
420.11 Allocation of funds among the States . . . . .	B-7
420.12 State matching contribution . . . . .	B-9
420.13 Annual State applications and amendments to State plans . . . . .	B-9
420.14 Review and approval of annual State applications and amendments to State plans . . . . .	B-11
420.15 Minimum criteria for required program activities for plans . . . . .	B-11
420.16 Extensions for compliance with required program activities . . . . .	B-13
420.17 Optional elements of State Energy Program plans . . . . .	B-13
420.18 Expenditure prohibitions and limitations . . . . .	B-16
420.19 Administrative review . . . . .	B-17
<b>Subpart C—Implementation of Special Projects Financial Assistance</b> . . . . .	B-19
420.30 Purpose and scope . . . . .	B-19
420.31 Notice of availability . . . . .	B-19
420.32 Program guidance/solicitation . . . . .	B-19
420.33 Application requirements . . . . .	B-20
420.34 Matching contributions or cost sharing . . . . .	B-21
420.35 Application evaluation . . . . .	B-21
420.36 Evaluation criteria . . . . .	B-21
420.37 Selection . . . . .	B-21

**Title 10—Energy**  
**Chapter II—Department of Energy**  
**Part 420—State Energy Program**

**Subpart A—General Provisions for State Energy Program Financial Assistance**

**Sec. 420.1 Purpose and scope.**

It is the purpose of this part to promote the conservation of energy, to reduce the rate of growth of energy demand, and to reduce dependence on imported oil through the development and implementation of a comprehensive State Energy Program and the provision of Federal financial and technical assistance to States in support of such program.

**Sec. 420.2 Definitions.**

As used in this part:

- Act means title III, part D, as amended, of the Energy Policy and Conservation Act, 42 U.S.C. 6321 et seq.
- Alternative transportation fuel means methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; natural gas; liquified petroleum gas; hydrogen; coal-derived liquid fuels; fuels (other than alcohol) derived from biological materials (including neat biodiesel); and electricity (including electricity from solar energy).
- ASHRAE/IESNA 90.1-1989, as amended means the building design standard published in December 1989 by the American Society of Heating, Refrigerating and Air-Conditioning Engineers, and the Illuminating Engineering Society of North America titled "Energy Efficient Design of New Buildings Except Low-Rise Residential Buildings," with Addenda 90.1b-1992; Addenda 90.1d-1992; Addenda 90.1e-1992; Addenda 90.1g-1993; and Addenda 90.1i-1993, which is incorporated by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. The availability of this incorporation by reference is given in Sec. 420.6(b).
- Assistant Secretary means the Assistant Secretary for Energy Efficiency and Renewable Energy or any official to whom the Assistant Secretary's functions may be redelegated by the Secretary.
- British thermal unit (Btu) means the quantity of heat necessary to raise the temperature of one pound of water one degree Fahrenheit at 39.2 degrees Fahrenheit and at one atmosphere of pressure.
- Building means any structure which includes provision for a heating or cooling system, or both, or for a hot water system.
- Carpool means the sharing of a ride by two or more people in an automobile.
- Carpool matching and promotion campaign means a campaign to coordinate riders with drivers to form carpools and/or vanpools.



- Commercial building means any building other than a residential building, including any building constructed for industrial or public purposes.
- Commercially available means available for purchase by the general public or target audience in the State.
- Deputy Assistant Secretary means the Deputy Assistant Secretary for the Office of Building Technologies, State and Community Programs, or any official to whom the Deputy Assistant Secretary's functions may be redelegated by the Assistant Secretary.
- Director, Office of State and Community Programs, means the official responsible for DOE's formula grant programs to States, or any official to whom the Director's functions may be redelegated by the Assistant Secretary.
- DOE means the Department of Energy.
- Energy audit means any process which identifies and specifies the energy and cost savings which are likely to be realized through the purchase and installation of particular energy efficiency measures or renewable energy measures.
- Energy efficiency measure means any capital investment that reduces energy costs in an amount sufficient to recover the total cost of purchasing and installing such measure over an appropriate period of time and maintains or reduces nonrenewable energy consumption.
- Environmental residual means any pollutant or pollution causing factor which results from any activity.
- Exterior envelope physical characteristics means the physical nature of those elements of a building which enclose conditioned spaces through which thermal energy may be transferred to or from the exterior.
- Governor means the chief executive officer of a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States, or a person duly designated in writing by the Governor to act upon his or her behalf.
- Grantee means the State or other entity named in the notice of grant award as the recipient.
- HVAC means heating, ventilating and air-conditioning.
- IBR means incorporation by reference.
- Industrial facility means any fixed equipment or facility which is used in connection with, or as part of, any process or system for industrial production or output.
- Institution of higher education has the same meaning as such term is defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

- Manufactured home means any dwelling covered by the Federal Manufactured Home Construction and Safety Standards, 24 CFR part 3280.
- Metropolitan Planning Organization means that organization required by the Department of Transportation, and designated by the Governor as being responsible for coordination within the State, to carry out transportation planning provisions in a Standard Metropolitan Statistical Area.
- Model Energy Code, 1993, including Errata, means the model building code published by the Council of American Building Officials, which is incorporated by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. The availability of this incorporation by reference is given in Sec. 420.6(b).
- Park-and-ride lot means a parking facility generally located at or near the trip origin of carpools, vanpools, and/or mass transit.
- Petroleum violation escrow funds. For purposes both of exempting petroleum violation escrow funds from the matching requirements of Sec. 420.12 and of applying the limitations specified under Sec. 420.18(b), this term means any funds distributed to the States by the Department of Energy or any court and identified as Alleged Crude Oil Violation funds, together with any interest earned thereon by the States, but excludes any funds designated as "excess funds" under section 3003(d) of the Petroleum Overcharge Distribution and Restitution Act, subtitle A of title III of the Omnibus Budget Reconciliation Act of 1986, Public Law 99-509, and the funds distributed under the "Warner Amendment," section 155 of Public Law 97-377.
- Plan means a State Energy Program plan including required program activities in accordance with Sec. 420.15 and otherwise meeting the applicable provisions of this part.
- Political subdivision means a unit of government within a State, including a county, municipality, city, town, township, parish, village, local public authority, school district, special district, council of governments, or any other regional or intrastate governmental entity or instrumentality of a local government exclusive of institutions of higher learning and hospitals.
- Preferential traffic control means any one of a variety of traffic control techniques used to give carpools, vanpools, and public transportation vehicles priority treatment over single-occupant vehicles other than bicycles and other two-wheeled motorized vehicles.
- Program activity means one or more State actions, in a particular area, designed to promote energy efficiency, renewable energy, and alternative transportation fuel.
- Public building means any building which is open to the public during normal business hours, including:
  - (1) Any building which provides facilities or shelter for public assembly, or which is used for educational office or institutional purposes;
  - (2) Any inn, hotel, motel, sports arena, supermarket, transportation terminal, retail store, restaurant, or other commercial establishment which provides services or retail merchandise;
  - (3) Any general office space and any portion of an industrial facility used primarily as office space;
  - (4) Any building owned by a State or political subdivision thereof, including libraries, museums, schools, hospitals, auditoriums, sport arenas, and university buildings; and

- (5) Any public or private nonprofit school or hospital. Public transportation means any scheduled or nonscheduled transportation service for public use.
- Regional Support Office Director means the director of a DOE Regional Support Office with responsibility for grants administration or any official to whom that function may be redelegated.
  - Renewable energy means a nondepletable source of energy.
  - Renewable energy measure means any capital investment that reduces energy costs in an amount sufficient to recover the total cost of purchasing and installing such measure over an appropriate period of time, and that results in the use of renewable energy to replace the use of nonrenewable energy.
  - Residential building means any building which is constructed for residential occupancy.
  - Secretary means the Secretary of DOE.
  - SEP means the State Energy Program under this part.
  - Small business means a private firm that does not exceed the numerical size standard promulgated by the Small Business Administration under section 3(a) of the Small Business Act (15 U.S.C. 632) for the Standard Industrial Classification (SIC) codes designated by the Secretary of Energy.
  - Start-up business means a small business which has been in existence for 5 years or less.
  - State means a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.
  - State or local government building means any building owned and primarily occupied by offices or agencies of a State; and any building of a unit of local government or a public care institution which could be covered by part H, title III, of the Energy Policy and Conservation Act, 42 U.S.C. 6372-6372i.
  - Transit level of service means characteristics of transit service provided which indicate its quantity, geographic area of coverage, frequency, and quality (comfort, travel, time, fare and image).
  - Urban area traffic restriction means a setting aside of certain portions of an urban area as restricted zones where varying degrees of limitation are placed on general traffic usage and/or parking.
  - Vanpool means a group of riders using a vehicle, with a seating capacity of not less than eight individuals and not more than fifteen individuals, for transportation to and from their residence or other designated locations and their place of employment, provided the vehicle is driven by one of the pool members.
  - Variable working schedule means a flexible working schedule to facilitate activities such as carpools, vanpools, public transportation usage, and/or telecommuting. [61 FR 35895, July 8, 1996, as amended at 62 FR 26726, May 14, 1997]

**Sec. 420.3 Administration of financial assistance.**

- (a) Financial assistance under this part shall comply with applicable laws and regulations including, but without limitation, the requirements of:
  - (1) Executive Order 12372, Intergovernmental Review of Federal Programs, as implemented by 10 CFR part 1005.
  - (2) DOE Financial Assistance Rules (10 CFR part 600); and
  - (3) Other procedures which DOE may from time to time prescribe for the administration of financial assistance under this part.
- (b) The budget period(s) covered by the financial assistance provided to a State according to Sec. 420.11(b) or Sec. 420.33 shall be consistent with 10 CFR part 600.
- (c) Subawards are authorized under this part and are subject to the requirements of this part and 10 CFR part 600.

**Sec. 420.4 Technical assistance.**

At the request of the Governor of any State to DOE and subject to the availability of personnel and funds, DOE will provide information and technical assistance to the State in connection with effectuating the purposes of this part.

**Sec. 420.5 Reports.**

- (a) Each State receiving financial assistance under this part shall submit to the cognizant Regional Support Office Director a quarterly program performance report and a quarterly financial status report.
- (b) Reports under this section shall contain such information as the Secretary may prescribe in order to monitor effectively the implementation of a State's activities under this part.
- (c) The reports shall be submitted within 30 days following the end of each calendar year quarter.

**Sec. 420.6 Reference standards.**

- (a) The following standards which are not otherwise set forth in this part are incorporated by reference and made a part of this part. The following standards have been approved for incorporation by reference by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A notice of any change in these materials will be published in the Federal Register. The standards incorporated by reference are available for inspection at the Office of the Federal Register, 800 North Capitol Street, NW, Suite 700, Washington, DC.
- (b) The following standards are incorporated by reference in this part:
  - (1) The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), 1791 Tullie Circle, N.E., Atlanta, Georgia 30329, (404) 636-8400/The Illuminating Engineering Society of North America (IESNA), 345 East 47th Street, New York, New York 10017, (212) 705-7913:
    - (i) ASHRAE/IESNA 90.1-1989, entitled "Energy Efficient Design of New Buildings Except Low-Rise Residential Buildings," with Addenda 90.1b-1992; Addenda 90.1d-1992; Addenda 90.1e-1992; Addenda 90.1g-1993; and Addenda 90.1i-1993, IBR approved for Sec. 420.2 and Sec. 420.15.

- (2) The Council of American Building Officials (CABO), 5203 Leesburg Pike, Suite 708, Falls Church, Virginia 22041, (703) 931-4533: (i) The Model Energy Code, 1993, including Errata, IBR approved for Sec. 420.2 and Sec. 420.15.

## Subpart B—Formula Grant Procedures

### **Sec. 420.10 Purpose.**

This subpart specifies the procedures that apply to the Formula Grant part of the State Energy Program, which allows States to apply for financial assistance to undertake a wide range of required and optional energy-related activities provided for under Sec. 420.15 and Sec. 420.17. Funding for these activities is allocated to the States based on funds available for any fiscal year, as described under Sec. 420.11.

### **Sec. 420.11 Allocation of funds among the States.**

- (a) The cognizant Regional Support Office Director shall provide financial assistance to each State having an approved annual application from funds available for any fiscal year to develop, modify, or implement a plan.
- (b) DOE shall allocate financial assistance to develop, implement, or modify plans among the States from funds available for any fiscal year, as follows:
  - (1) If the available funds equal \$25.5 million, such funds shall be allocated to the States according to Table 1 of this section.
  - (2) The base allocation for each State is listed in Table 10.

Alabama	\$381,000
Alaska	\$180,000
Arizona	\$344,000
Arkansas	\$307,000
California	\$1,602,000
Colorado	\$399,000
Connecticut	\$397,000
Delaware	\$164,000
District of Columbia	\$158,000
Florida	\$831,000
Georgia	\$534,000
Hawaii	\$170,000
Idaho	\$190,000
Illinois	\$1,150,000
Indiana	\$631,000
Iowa	\$373,000
Kansas	\$327,000
Kentucky	\$411,000
Louisiana	\$446,000
Maine	\$231,000

<b>Table 10. Base Allocation by State</b>	
Maryland	\$486,000
Massachusetts	\$617,000
Michigan	\$973,000
Minnesota	\$584,000
Mississippi	\$279,000
Missouri	\$518,000
Montana	\$182,000
Nebraska	\$246,000
Nevada	\$196,000
New Hampshire	\$216,000
New Jersey	\$783,000
New Mexico	\$219,000
New York	\$1,633,000
North Carolina	\$564,000
North Dakota	\$172,000
Ohio	\$1,073,000
Oklahoma	\$352,000
Oregon	\$325,000
Pennsylvania	\$1,090,000
Rhode island	\$199,000
South Carolina	\$340,000
South Dakota	\$168,000
Tennessee	\$476,000
Texas	\$1,322,000
Utah	\$242,000
Vermont	\$172,000
Virginia	\$571,000
Washington	\$438,000
West Virginia	\$286,000
Wisconsin	\$604,000
Wyoming	\$155,000
American Samoa	\$115,000
Guam	\$120,000
Northern Marianas	\$114,000
Puerto Rico	\$322,000
U.S. Virgin Islands	\$122,000
<b>Total</b>	<b>\$25,500,000</b>

- (3) If the available funds for any fiscal year are less than \$25.5 million, then the base allocation for each State shall be reduced proportionally.
  - (4) If the available funds exceed \$25.5 million, \$25.5 million shall be allocated as specified in Table 1 and any in excess of \$25.5 million shall be allocated as follows:
    - (i) One-third of the available funds is divided among the States equally;
    - (ii) One-third of the available funds is divided on the basis of the population of the participating States as contained in the most recent reliable census data available from the Bureau of the Census, Department of Commerce, for all participating States at the time DOE needs to compute State formula shares; and
    - (iii) One-third of the available funds is divided on the basis of the energy consumption of the participating States as contained in the most recent State Energy Data Report available from DOE's Energy Information Administration.
- (c) The budget period covered by the financial assistance provided to a State according to Sec. 420.11(b) shall be consistent with 10 CFR part 600.

***Sec. 420.12 State matching contribution.***

- (a) Each State shall provide cash, in kind contributions, or both for SEP activities in an amount totalling not less than 20 percent of the financial assistance allocated to the State under Sec. 420.11(b).
- (b) Cash and in-kind contributions used to meet this State matching requirement are subject to the limitations on expenditures described in Sec. 420.18(a), but are not subject to the 20 percent limitation in Sec. 420.18(b).
- (c) Nothing in this section shall be read to require a match for petroleum violation escrow funds used under this part.

***Sec. 420.13 Annual State applications and amendments to State plans.***

- (a) To be eligible for financial assistance under subpart B of this part, a State shall submit to the cognizant Regional Support Office Director an original and two copies of the annual application executed by the Governor, including an amended State plan or any amendments to the State plan needed to reflect changes in the activities the State is planning to undertake for the fiscal year concerned. The date for submission of the annual State application shall be set by DOE.
- (b) An application shall include:
  - (1) A face sheet containing basic identifying information, on Standard Form (SF) 424;
  - (2) A description of the energy efficiency, renewable energy, and alternative transportation fuel goals to be achieved, including wherever practicable:
    - (i) An estimate of the energy to be saved by implementation of the State plan;
    - (ii) Why the goals were selected;
    - (iii) How the attainment of the goals will be measured by the State; and



- (iv) How the program activities included in the State plan represent a strategy to achieve these goals.
  - (3) With respect to financial assistance under subpart B of this part, a goal, consisting of an improvement of 10 percent or more in the efficiency of use of energy in the State concerned in the calendar year 2000, as compared to the calendar year 1990, and may contain interim goals;
  - (4) For the budget period for which financial assistance will be provided:
    - (i) A total program budget with supporting justification, broken out by object category and by source of funding;
    - (ii) The source and amount of State matching contribution;
    - (iii) A narrative statement detailing the nature of State plan amendments and of new program activities.
    - (iv) For each program activity, a budget and listing of milestones; and
    - (v) An explanation of how the minimum criteria for required program activities prescribed in Sec. 420.15 have been implemented and are being maintained.
  - (5) If any of the activities being undertaken by the State in its plan have environmental impacts, a detailed description of the increase or decrease in environmental residuals expected from implementation of a plan defined insofar as possible through the use of information to be provided by DOE and an indication of how these environmental factors were considered in the selection of program activities.
  - (6) If a State is undertaking program activities involving purchase or installation of materials or equipment for weatherization of low-income housing, an explanation of how these activities would supplement and not supplant the existing DOE program under 10 CFR part 440.
  - (7) A reasonable assurance to DOE that it has established policies and procedures designed to assure that Federal financial assistance under subpart B of this part will be used to supplement, and not to supplant, State and local funds, and to the extent practicable, to increase the amount of such funds that otherwise would be available, in the absence of such Federal financial assistance, for those activities set forth in the State Energy Program plan approved pursuant to this part;
  - (8) An assurance that the State shall comply with all applicable statutes and regulations in effect with respect to the periods for which it receives grant funding; and
  - (9) For informational purposes only, and not subject to DOE review, an energy emergency plan for an energy supply disruption, as designed by the State consistent with applicable Federal and State law including an implementation strategy or strategies (including regional coordination) for dealing with energy emergencies.
- (c) The Governor may request an extension of the annual submission date by submitting a written request to the cognizant Regional Support Office Director not less than 15 days prior to the annual submission date. The extension shall be granted only if, in the cognizant Regional Support Office Director's judgment, acceptable and substantial justification is shown, and the extension would further objectives of the Act. [61 FR 35895, July 8, 1996, as amended at 62 FR 26727, May 14, 1997]

***Sec. 420.14 Review and approval of annual State applications and amendments to State plans.***

- (a) After receipt of an application for financial assistance under subpart B of this part and for approval of an amendment, if any, to a State plan, the cognizant Regional Support Office Director may request the State to submit within a reasonable period of time any revisions necessary to make the application complete and to bring the application into compliance with the requirements of this part. The cognizant Regional Support Office Director shall attempt to resolve any dispute over the application informally and to seek voluntary compliance. If a State fails to submit timely appropriate revisions to complete an application or to bring it into compliance, the cognizant Regional Support Office Director may reject the application in a written decision, including a statement of reasons, which shall be subject to administrative review under Sec. 420.19 of this part.
- (b) On or before 60 days from the date that a timely filed application is complete, the cognizant Regional Support Office Director shall—
  - (1) Approve the application in whole or in part to the extent that—
    - (i) The application conforms to the requirements of this part;
    - (ii) The proposed program activities are consistent with a State's achievement of its energy conservation goals in accordance with Sec. 420.13; and
    - (iii) The provisions of the application regarding program activities satisfy the minimum requirements prescribed by Sec. 420.15 and Sec. 420.17 as applicable;
  - (2) Approve the application in whole or in part subject to special conditions designed to ensure compliance with the requirements of this part; or
  - (3) Disapprove the application if it does not conform to the requirements of this part. [61 FR 35895, July 8, 1996, as amended at 62 FR 26727, May 14, 1997]

***Sec. 420.15 Minimum criteria for required program activities for plans.***

A plan shall satisfy all of the following minimum criteria for required program activities.

- (a) Mandatory lighting efficiency standards for public buildings shall:
  - (1) Be implemented throughout the State, except that the standards shall be adopted by the State as a model code for those local governments of the State for which the State's constitution reserves the exclusive authority to adopt and implement building standards within their jurisdictions;
  - (2) Apply to all public buildings (except for public buildings owned or leased by the United States), above a certain size, as determined by the State;
  - (3) For new public buildings, be no less stringent than the provisions of ASHRAE/IESNA 90.1-1989, and should be updated by enactment of, or support for the enactment into local codes or standards, which, at a minimum, are comparable to provisions of ASHRAE/IESNA 90.1-1989 which is incorporated by reference in accordance with 5 U.S.C. 552 (a) and 1 CFR part 51. The availability of this incorporation by reference is given in Sec. 420.6; and
  - (4) For existing public buildings, contain the elements deemed appropriate by the State.

- (b) Program activities to promote the availability and use of carpools, vanpools, and public transportation shall:
- (1) Have at least one of the following actions under implementation in at least one urbanized area with a population of 50,000 or more within the State or in the largest urbanized area within the State if that State does not have an urbanized area with a population of 50,000 or more:
    - (i) A carpool/vanpool matching and promotion campaign;
    - (ii) Park-and-ride lots;
    - (iii) Preferential traffic control for carpools and public transportation patrons;
    - (iv) Preferential parking for carpools and vanpools;
    - (v) Variable working schedules;
    - (vi) Improvement in transit level of service for public transportation;
    - (vii) Exemption of carpools and vanpools from regulated carrier status;
    - (viii) Parking taxes, parking fee regulations or surcharge on parking costs;
    - (ix) Full-cost parking fees for State and/or local government employees;
    - (x) Urban area traffic restrictions;
    - (xi) Geographical or time restrictions on automobile use; or
    - (xii) Area or facility tolls; and
  - (2) Be coordinated with the relevant Metropolitan Planning Organization, unless no Metropolitan Planning Organization exists in the urbanized area, and not be inconsistent with any applicable Federal requirements.
- (c) Mandatory standards and policies affecting the procurement practices of the State and its political subdivisions to improve energy efficiency shall—
- (1) With respect to all State procurement and with respect to procurement of political subdivisions to the extent determined feasible by the State, be under implementation; and
  - (2) Contain the elements deemed appropriate by the State to improve energy efficiency through the procurement practices of the State and its political subdivisions.
- (d) Mandatory thermal efficiency standards for new and renovated buildings shall—
- (1) Be implemented throughout the State, with respect to all buildings (other than buildings owned or leased by the United States, buildings whose peak design rate of energy usage for all purposes is less than one watt (3.4 Btu's per hour) per square foot of floor space for all purposes, or manufactured homes), except that the standards shall be adopted by the State as a model code for those local governments of the State for which the State's law reserves the exclusive authority to adopt and implement building standards within their jurisdictions;
  - (2) Take into account the exterior envelope physical characteristics, HVAC system selection and configuration, HVAC equipment performance and service water heating design and equipment selection;
  - (3) For all new commercial and multifamily high-rise buildings, be no less stringent than provisions of sections 7-12 of ASHRAE/IESNA 90.1-1989, and should be updated by enactment of, or support for the enactment into local codes or standards, which, at a minimum, are comparable to provisions of ASHRAE/IESNA 90.1-1989; and

- (4) For all new single-family and multifamily low-rise residential buildings, be no less stringent than the Model Energy Code, 1993, and should be updated by enactment of, or support for the enactment into local codes or standards, which, at a minimum, are comparable to the Model Energy Code, 1993, which is incorporated by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. The availability of this incorporation by reference is given in Sec. 420.6;
- (5) For renovated buildings:
  - (i) Apply to those buildings determined by the State to be renovated buildings; and
  - (ii) Contain the elements deemed appropriate by the State regarding thermal efficiency standards for renovated buildings.
- (e) A traffic law or regulation which permits the operator of a motor vehicle to make a turn at a red light after stopping shall:
  - (1) Be in a State's motor vehicle code and under implementation throughout all political subdivisions of the State;
  - (2) Permit the operator of a motor vehicle to make a right turn (left turn with respect to the Virgin Islands) at a red traffic light after stopping except where specifically prohibited by a traffic sign for reasons of safety or except where generally prohibited in an urban enclave for reasons of safety; and
  - (3) Permit the operator of a motor vehicle to make a left turn from a one-way street to a one-way street (right turn with respect to the Virgin Islands) at a red traffic light after stopping except where specifically prohibited by a traffic sign for reasons of safety or except where generally prohibited in an urban enclave for reasons of safety.
- (f) Procedures must exist for ensuring effective coordination among various local, State, and Federal energy efficiency, renewable energy and alternative transportation fuel programs within the State, including any program administered within the Office of Building Technology, State and Community Programs of the Department of Energy and the Low Income Home Energy Assistance Program administered by the Department of Health and Human Services. [61 FR 35895, July 8, 1996, as amended at 62 FR 26727, May 14, 1997]

***Sec. 420.16 Extensions for compliance with required program activities.***

An extension of time by which a required program activity must be ready for implementation may be granted if DOE determines that the extension is justified. A written request for an extension, with accompanying justification and an action plan acceptable to DOE for achieving compliance in the shortest reasonable time, shall be made to the cognizant Regional Support Office Director. Any extension shall be only for the shortest reasonable time that DOE determines necessary to achieve compliance. The action plan shall contain a schedule for full compliance and shall identify and make the most reasonable commitment possible to provision of the resources necessary for achieving the scheduled compliance.

***Sec. 420.17 Optional elements of State Energy Program plans.***

- (a) Other appropriate activities or programs may be included in the State plan. These activities may include, but are not limited to, the following:

- (1) Program activities of public education to promote energy efficiency, renewable energy, and alternative transportation fuels;
- (2) Program activities to increase transportation energy efficiency, including programs to accelerate the use of alternative transportation fuels for government vehicles, fleet vehicles, taxis, mass transit, and privately owned vehicles;
- (3) Program activities for financing energy efficiency measures and renewable energy measures—
  - (i) Which may include loan programs and performance contracting programs for leveraging of additional public- and private-sector funds and program activities which allow rebates, grants, or other incentives for the purchase of energy efficiency measures and renewable energy measures; or
  - (ii) In addition to or in lieu of program activities described in paragraph (a)(3)(i) of this section, which may be used in connection with public or nonprofit buildings owned and operated by a State, a political subdivision of a State or an agency or instrumentality of a State, or an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 including public and private nonprofit schools and hospitals, and local government buildings;
- (4) Program activities for encouraging and for carrying out energy audits with respect to buildings and industrial facilities (including industrial processes) within the State;
- (5) Program activities to promote the adoption of integrated energy plans which provide for:
  - (i) Periodic evaluation of a State's energy needs, available energy resources (including greater energy efficiency), and energy costs; and
  - (ii) Utilization of adequate and reliable energy supplies, including greater energy efficiency, that meet applicable safety, environmental, and policy requirements at the lowest cost;
- (6) Program activities to promote energy efficiency in residential housing, such as:
  - (i) Program activities for development and promotion of energy efficiency rating systems for newly constructed housing and existing housing so that consumers can compare the energy efficiency of different housing; and
  - (ii) Program activities for the adoption of incentives for builders, utilities, and mortgage lenders to build, service, or finance energy efficient housing;
- (7) Program activities to identify unfair or deceptive acts or practices which relate to the implementation of energy efficiency measures and renewable energy measures and to educate consumers concerning such acts or practices;
- (8) Program activities to modify patterns of energy consumption so as to reduce peak demands for energy and improve the efficiency of energy supply systems, including electricity supply systems;
- (9) Program activities to promote energy efficiency as an integral component of economic development planning conducted by State, local, or other governmental entities or by energy utilities;
- (10) Program activities (enlisting appropriate trade and professional organizations in the development and financing of such programs) to

provide training and education (including, if appropriate, training workshops, practice manuals, and testing for each area of energy efficiency technology) to building designers and contractors involved in building design and construction or in the sale, installation, and maintenance of energy systems and equipment to promote building energy efficiency;

- (11) Program activities for the development of building retrofit standards and regulations, including retrofit ordinances enforced at the time of the sale of a building;
  - (12) Program activities to provide support for prefeasibility and feasibility studies for projects that utilize renewable energy and energy efficiency resource technologies in order to facilitate access to capital and credit for such projects;
  - (13) Program activities to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Federal agency programs, including the Rural Electrification Administration and the Farmers Home Administration; and
  - (14) In accordance with paragraph (b) of this section, program activities to implement the Energy Technology Commercialization Services Program.
- (b) This section prescribes requirements for establishing State-level Energy Technology Commercialization Services Program as an optional element of State plans.
- (1) The program activities to implement the functions of the Energy Technology Commercialization Services Program shall:
    - (i) Aid small and start-up businesses in discovering useful and practical information relating to manufacturing and commercial production techniques and costs associated with new energy technologies;
    - (ii) Encourage the application of such information in order to solve energy technology product development and manufacturing problems;
    - (iii) Establish an Energy Technology Commercialization Services Program affiliated with an existing entity in each State;
    - (iv) Coordinate engineers and manufacturers to aid small and start-up businesses in solving specific technical problems and improving the cost effectiveness of methods for manufacturing new energy technologies;
    - (v) Assist small and start-up businesses in preparing the technical portions of proposals seeking financial assistance for new energy technology commercialization; and
    - (vi) Facilitate contract research between university faculty and students and small start-up businesses, in order to improve energy technology product development and independent quality control testing.
  - (2) Each State Energy Technology Commercialization Services Program shall develop and maintain a data base of engineering and scientific experts in energy technologies and product commercialization interested in participating in the service. Such data base shall, at a minimum, include faculty of institutions of higher education, retired manufacturing experts, and National Laboratory personnel.
  - (3) The services provided by the Energy Technology Commercialization Services Program established under this part shall be available to any

small or start-up business. Such service programs shall charge fees which are affordable to a party eligible for assistance, which shall be determined by examining factors, including the following: the costs of the services received; the need of the recipient for the services; and the ability of the recipient to pay for the services.[61 FR 35895, July 8, 1996, as amended at 62 FR 26727, May 14, 1997]

***Sec. 420.18 Expenditure prohibitions and limitations.***

- (a) No financial assistance provided to a State under this part shall be used:
  - (1) For construction, such as construction of mass transit systems and exclusive bus lanes, or for construction or repair of buildings or structures;
  - (2) To purchase land, a building or structure or any interest therein;
  - (3) To subsidize fares for public transportation;
  - (4) To subsidize utility rate demonstrations or State tax credits for energy conservation measures or renewable energy measures; or
  - (5) To conduct, or purchase equipment to conduct, research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available.
  
- (b) No more than 20 percent of the financial assistance awarded to the State for this program shall be used to purchase office supplies, library materials, or other equipment whose purchase is not otherwise prohibited by this section. Nothing in this paragraph shall be read to apply this 20 percent limitation to petroleum violation escrow funds used under this part.
  
- (c) Demonstrations of commercially available energy efficiency or renewable energy techniques and technologies are permitted, and are not subject to the prohibitions of Sec. 420.18(a)(1), or to the limitation on equipment purchases of Sec. 420.18(b).
  
- (d) A State may use regular or revolving loan mechanisms to fund SEP services which are consistent with this part and which are included in the State's approved SEP plan. The State may use loan repayments and any interest on the loan funds only for activities which are consistent with this part and which are included in the State's approved SEP plan.
  
- (e) A State may use funds under this part for the purchase and installation of equipment and materials for energy efficiency measures and renewable energy measures, including reasonable design costs, subject to the following terms and conditions:
  - (1) Such use must be included in the State's approved plan and, if funded by petroleum violation escrow funds, must be consistent with any judicial or administrative terms and conditions imposed upon State use of such funds;
  - (2) A State may use for these purposes no more than 50 percent of all funds allocated by the State to SEP in a given year, regardless of source, except that this limitation shall not include regular and revolving loan programs funded with petroleum violation escrow funds, and is subject to waiver by DOE for good cause. Loan documents shall ensure repayment of principal and interest within a reasonable period of time, and shall not include provisions of loan forgiveness.

- (3) Buildings owned or leased by the United States are not eligible for energy efficiency measures or renewable energy measures under this paragraph;
  - (4) Funds must be used to supplement and no funds may be used to supplant weatherization activities under the Weatherization Assistance Program for Low-Income Persons, under 10 CFR part 440;
  - (5) Subject to paragraph (f) of this section, a State may use a variety of financial incentives to fund purchases and installation of materials and equipment under this paragraph including, but not limited to, regular loans, revolving loans, loan buy-downs, performance contracting, rebates and grants.
- (f) The following mechanisms are not allowed for funding the purchase and installation of materials and equipment under this paragraph:
- (1) Rebates for more than 50 percent of the total cost of purchasing and installing materials and equipment (States shall set appropriate restrictions and limits to ensure the most efficient use of rebates); and
  - (2) Loan guarantees. [61 FR 35895, July 8, 1996, as amended at 62 FR 26727, May 14, 1997]

***Sec. 420.19 Administrative review.***

- (a) A State shall have 20 days from the date of receipt of a decision under Sec. 420.14 to file a notice requesting administrative review in accordance with paragraph (b) of this section. If an applicant does not timely file such a notice, the decision under Sec. 420.14 shall become final for DOE.
- (b) A notice requesting administrative review shall be filed with the cognizant Regional Support Office Director and shall be accompanied by a written statement containing supporting arguments. If the cognizant Regional Support Office Director has disapproved an entire application for financial assistance, the State may request a public hearing.
- (c) A notice or any other document shall be deemed filed under this section upon receipt.
- (d) On or before 15 days from receipt of a notice requesting administrative review which is timely filed, the cognizant Regional Support Office Director shall forward to the Deputy Assistant Secretary, the notice requesting administrative review, the decision under Sec. 420.14 as to which administrative review is sought, a draft recommended final decision for concurrence, and any other relevant material.
- (e) If the State requests a public hearing on the disapproval of an entire application for financial assistance, the Deputy Assistant Secretary, within 15 days, shall give actual notice to the State and Federal Register notice of the date, place, time, and procedures which shall apply to the public hearing. Any public hearing under this section shall be informal and legislative in nature.
- (f) On or before 45 days from receipt of documents under paragraph (d) of this section or the conclusion of the public hearing, whichever is later, the Deputy Assistant Secretary shall concur in, concur in as modified, or issue a substitute for the recommended decision of the cognizant Regional Support Office Director.



- (g) On or before 15 days from the date of receipt of the determination under paragraph (f) of this section, the Governor may file an application for discretionary review by the Assistant Secretary. On or before 15 days from filing, the Assistant Secretary shall send a notice to the Governor stating whether the Deputy Assistant Secretary's determination will be reviewed. If the Assistant Secretary grants a review, a decision shall be issued no later than 60 days from the date review is granted. The Assistant Secretary may not issue a notice or decision under this paragraph without the concurrence of the DOE Office of General Counsel.
- (h) A decision under paragraph (f) of this section shall be final for DOE if there is no review under paragraph (g) of this section. If there is review under paragraph (g) of this section, the decision thereunder shall be final for DOE and no appeal shall lie elsewhere in DOE.
- (i) Prior to the effective date of the termination or suspension of a grant award for failure to implement an approved State plan in compliance with the requirements of this part, a grantee shall have the right to written notice of the basis for the enforcement action and of the opportunity for public hearing before the DOE Financial Assistance Appeals Board notwithstanding any provisions to the contrary of 10 CFR 600.22, 600.24, 600.25, and 600.243. To obtain a public hearing, the grantee must request an evidentiary hearing, with prior Federal Register notice, in the election letter submitted under Rule 2 of 10 CFR 1024.4 and the request shall be granted notwithstanding any provisions to the contrary of Rule 2.

## **Subpart C—Implementation of Special Projects Financial Assistance**

### ***Sec. 420.30 Purpose and scope.***

- (a) This subpart sets forth DOE's policies and procedures for implementing special projects financial assistance under this part.
- (b) For years in which such funding is available, States may apply for financial assistance to undertake a variety of State-oriented energy-related special projects activities in addition to the funds provided under the regular SEP grants.
- (c) The types of funded activities may vary from year to year, and from State to State, depending upon funds available for each type of activity and DOE and State priorities.
- (d) A number of end-use sector programs in the Office of Energy Efficiency and Renewable Energy participate in the funding of these activities, and the projects must meet the requirements of those programs.
- (e) The purposes of the special project activities are:
  - (1) To utilize States to accelerate deployment of energy efficiency, renewable energy, and alternative transportation fuel technologies;
  - (2) To facilitate the commercialization of emerging and underutilized energy efficiency and renewable energy technologies; and
  - (3) To increase the responsiveness of Federally funded technology development efforts to the needs of the marketplace.

### ***Sec. 420.31 Notice of availability.***

- (a) If in any fiscal year DOE has funds available for special projects, DOE shall publish in the Federal Register one or more notice(s) of availability of SEP special projects financial assistance.
- (b) Each notice of availability shall cite this part and shall include:
  - (1) Brief descriptions of the activities for which funding is available;
  - (2) The amount of money DOE has available or estimates it will have available for award for each type of activity, and the total amount available;
  - (3) The program official to contact for additional information, application forms, and the program guidance/solicitation document; and
  - (4) The dates when:
    - (i) The program guidance/solicitation will be available; and
    - (ii) The applications for financial assistance must be received by DOE.

### ***Sec. 420.32 Program guidance/solicitation.***

After the publication of the notice of availability in the Federal Register, DOE shall, upon request, provide States interested in applying for one or more project(s) under the special projects financial assistance with a detailed program guidance/solicitation that will include:

- (a) The control number of the program;
- (b) The expected duration of DOE support or period of performance;
- (c) An application form or the format to be used, location for application submission, and number of copies required;
- (d) The name of the DOE program office contact from whom to seek additional information;
- (e) Detailed descriptions of each type of program activity for which financial assistance is being offered;
- (f) The amount of money available for award, together with any limitations as to maximum or minimum amounts expected to be awarded;
- (g) Deadlines for submitting applications;
- (h) Evaluation criteria that DOE will apply in the selection and ranking process for applications for each program activity;
- (i) The evaluation process to be applied to each type of program activity;
- (j) A listing of program policy factors if any that DOE may use in the final selection process, in addition to the results of the evaluations, including:
  - (1) The importance and relevance of the proposed applications to SEP and the participating programs in the Office of Energy Efficiency and Renewable Energy; and
  - (2) Geographical diversity;
- (k) Reporting requirements;
- (l) References to:
  - (1) Statutory authority for the program;
  - (2) Applicable rules; and
  - (3) Other terms and conditions applicable to awards made under the program guidance/solicitation
- (m) A statement that DOE reserves the right to fund in whole or in part, any, all, or none of the applications submitted.

***Sec. 420.33 Application requirements.***

- (a) Consistent with Sec. 420.32 of this part, DOE shall set forth general and special project activity-specific requirements for applications for special projects financial assistance in the program guidance/solicitation.
- (b) In addition to any other requirements, all applications shall provide:
  - (1) A detailed description of the proposed project, including the objectives of the project in relationship to DOE's program and the State's plan for carrying it out;
  - (2) A detailed budget for the entire proposed period of support, with written justification sufficient to evaluate the itemized list of costs provided on the entire project; and

- (3) An implementation schedule for carrying out the project.
- (c) DOE may, subsequent to receipt of an application, request additional budgetary information from a State when necessary for clarification or to make informed preaward determinations.
- (d) DOE may return an application which does not include all information and documentation required by this part, 10 CFR part 600, or the program guidance/solicitation, when the nature of the omission precludes review of the application.

***Sec. 420.34 Matching contributions or cost-sharing.***

DOE may require (as set forth in the program guidance/solicitation) States to provide either:

- (a) A matching contribution of at least a specified percentage of the Federal financial assistance award; or
- (b) A specified share of the total cost of the project for which financial assistance is provided.

***Sec. 420.35 Application evaluation.***

- (a) DOE staff at the cognizant Regional Support Office shall perform an initial review of all applications to ensure that the State has provided the information required by this part, 10 CFR part 600, and the program guidance/solicitation.
- (b) DOE shall group, and technically evaluate according to program activity, all applications determined to be complete and satisfactory.
- (c) DOE shall select evaluators on the basis of their professional qualifications and expertise relating to the particular program activity being evaluated.
  - (1) DOE anticipates that evaluators will primarily be DOE employees; but
  - (2) If DOE uses non-DOE evaluators, DOE shall require them to comply with all applicable DOE rules or directives concerning the use of outside evaluators.

***Sec. 420.36 Evaluation criteria.***

The evaluation criteria, including program activity-specific criteria, will be set forth in the program guidance/solicitation document.

***Sec. 420.37 Selection.***

- (a) DOE may make selection of applications for award based on:
  - (1) The findings of the technical evaluations;
  - (2) The priorities of DOE, SEP, and the participating program offices;
  - (3) The availability of funds for the various special project activities; and
  - (4) Any program policy factors set forth in the program guidance/solicitation.
- (b) The Director, Office of State and Community Programs makes the final selections of projects to be awarded financial assistance.



# Appendix C: SEP Grant Application/ Reporting Forms

## Grant Application

Standard Form 424 .....	C-1
DOE F 4600.4 – Federal Assistance Budget Information .....	C-3
Example Budget Form 4600.4 with <b>NO</b> Special Projects Funds Carryover .....	C-5
Example Budget Form 4600.4 with Special Projects Funds Carryover .....	C-6
Golden Field Office GO-PF20a Form .....	C-7
U.S. Department of Energy – SEP Narrative Activity Information Worksheet .....	C-11

## Assurances and Certifications

Nondiscrimination in Federally Assisted Programs – DOE F 1600.5 .....	C-14
Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements, FA-CERTS .....	C-16
Financial Assistance Pre-Award Information Sheet – GO PF19 .....	C-18
Stand Form—LLL, Disclosure of Lobbying Activities .....	C-22

<b>State Plan/Master File Worksheet</b> .....	C-25
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## Reporting

Standard Form 269, Financial Status Report (Long Form) .....	C-28
Standard Form 272, Federal Cash Transactions Report .....	C-30
U.S. Department of Energy—SEP Quarterly Program Status Report .....	C-32
U.S. Department of Energy—SEP Success Story (Optional) .....	C-35

# APPLICATION FOR FEDERAL ASSISTANCE

	2. DATE SUBMITTED	Applicant Identifier
	3. DATE RECEIVED BY STATE	State Application Identifier
1. TYPE OF SUBMISSION Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	Pre-Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	4. DATE RECEIVED BY FEDERAL AGENCY Federal Identifier

**5. APPLICANT INFORMATION**

Legal Name:	Organizational Unit:
Address (give city, county, state, and zip code):	Name and telephone number of the person to be contacted on matters involving this application (give area code)

6. EMPLOYER IDENTIFICATION NUMBER (EIN):  <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	7. TYPE OF APPLICANT: (enter appropriate letter in box)  <input type="checkbox"/>
---	---

8. TYPE OF APPLICATION:  <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision  If Revision, enter appropriate letter(s) in box(es): <input type="checkbox"/> A.Increase Award    B.Decrease Award    C.Increase Duration D.Decrease Duration    Other (specify): _____	A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School Dist. I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specialty) _____
9. NAME OF FEDERAL AGENCY:	

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:  <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/>  TITLE: _____	11. DESCRIPTIVE TITLE OF APPLICANTS PROJECT:
12. AREAS AFFECTED BY PROJECT (cities, countries, states, etc.)	

13. PROPOSED PROJECT:	14. CONGRESSIONAL DISTRICTS OF:	
Start Date	Ending Date	a. Applicant
		b. Project

15. ESTIMATED FUNDING:	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal	a. YES THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE _____  b. NO <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372  <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
b. Applicant	
c. State	
d. Local	
e. Other	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
f. Program Income	
g. TOTAL	
<input type="checkbox"/> Yes    If "Yes," attach an explanation. <input type="checkbox"/> No	

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Typed Name of Authorized Representative	b. Title	c. Telephone Number
d. Signature of Authorized Representative		e. Date Signed

## INSTRUCTIONS FOR THE SF 424

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

- | Item: | Entry:  | Item: | Entry:  |
|-------|---|-------|---|
| 1.    | Self-explanatory.   | 12.   | List only the largest political entities affected (e.g., State, counties, cities).  |
| 2.    | Date application submitted to Federal agency for State (if applicable) & applicant's control number (if applicable).  | 13.   | Self-explanatory.   |
| 3.    | State use only (if applicable).   | 14.   | List the applicant's Congressional District and any District(s) affected by the program or project.   |
| 4.    | If this application is to continue or revise an existing award, enter present Federal Identifier number. If for a new project, leave blank.   | 15.   | Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15. |
| 5.    | Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.  | 16.   | Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.   |
| 6.    | Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.   | 17.   | This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.   |
| 7.    | Enter the appropriate letter in the space provided.   | 18.   | To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)   |
| 8.    | Check appropriate box and enter appropriate letter(s) in the space(s) provided:<br>-"New" means a new assistance award.<br>-"Continuation" means an extension for an additional funding/budget period for a project with a projected completion date.<br>-"Revision" means any change in the Federal Government financial obligation or contingent liability from an existing obligation. |       |   |
| 9.    | Name of Federal agency from which assistance is being requested with this application.  |       |   |
| 10.   | Use the Catalog of Federal Domestic Assistance number and the title of the program under which assistance is requested.   |       |   |
| 11.   | Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.   |       |   |

SF 424 (REV 4-88) BACK



**FEDERAL ASSISTANCE BUDGET INFORMATION**

**OMB Burden Disclosure Statement**

Public reporting burden for this collection of information is estimated to average 1.87 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Office of Information Resources Management Policy, Plans and Oversight, Records Management Division, HR-422 - GTN, Paperwork Reduction Project (1910-0400), U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, DC 20585; and to the Office of Management and Budget (OMB), Paperwork Reduction Project (1910-0400), Washington, DC 20503.

1. Program/Project Identification No.	2. Program/Project Title
3. Name and Address	4. Program/Project Start Date
	5. Completion Date

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5. TOTALS		\$	\$	\$	\$	\$

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges					
j. Indirect Charges					
k. TOTALS	\$	\$	\$	\$	\$
7. Program Income	\$	\$	\$	\$	\$

## FEDERAL ASSISTANCE BUDGET INFORMATION

### INSTRUCTIONS

Item 1 - Enter the Federal grant or agreement identification number for the current year as it appears in the official award, if known.

Item 2 - Enter the Program/Project official title as it appears in the award.

Item 3 - Enter name and address of the agency or office responsible for coordination and administration of the Program/Project.

Item 4 - Enter the official start date.

Item 5 - Enter the official completion date as of the latest official modification.

### Section A Budget Summary

Lines 1-4, Columns (a) and (b).

For application pertaining to a single Federal assistance program (Federal Domestic Assistance Catalog number) and are requiring a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a single program requiring budget amounts by multiple functions or activities, enter the name of each line in Column (a), and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in Column (a) and the respective catalog number on each line in Column (b).

For applications pertaining to multiple programs where one or more programs require a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g).

For new applications, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project.

For continuing assistance program applications, submit these forms before the end of each funding year if required by Program Manager. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the funding period only if the award instructions provide for this. Otherwise, leave these columns blank. Enter in Columns (e) and (f) the amount of funds needed for the upcoming period.

The amount(s) in Column (g) should be the sum of the amounts in Columns (e) and (f).

For supplemental awards and changes to existing awards, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of the amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

### Section B. Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets were prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Item 6a-h Show the estimated amount for each direct cost budget (object class) category for each column with program, function or activity heading.

Item 6i - Show the totals of Lines 6a to 6h in each column.

Item 6j - Show the amount of indirect cost.

Item 6k - Enter the total of amounts on Line 6i and 6j. For all applications for new and continuation awards, the total amount in Column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental awards and changes to awards, the total amount of the increase or decrease as shown in Columns (1) - (4), Line 6k, should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5. When additional sheets were prepared, the last two sentences apply only to the first page with summary totals.

Item 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the Program Manager in determining the total amount of the award.

THIS REPORT IS REQUIRED IN ACCORDANCE WITH 42 U.S.C. 7254 AND 40 U.S.C. 471 ET. SEQ. FAILURE TO REPORT MAY RESULT IN CONTRACT TERMINATION OR PENALTIES AS PROVIDED BY LAW.

U.S. Department of Energy – Budget (Form DOE F 4600.4) Instructions for SEP Formula Grants

*Section A:* A separate row for each fund source, including any program income in the grant budget.

*Section B:* One column for the SEP formula grant (all fund sources, including match) and, if the budget includes carry over funds for special projects, one for each special project included in the formula grant. See example on next page.

*Supplemental Schedule #1 – Details of line 6.k.* This schedule is completed only if special projects are included in the grant. It is used to specify source of funding for each column. See following example.

**Example Budget: SEP Formula Grant with NO Special Projects Funds Carryover**

DOE F 4600.4 (09-94) Replaces EIA-459C		<b>Federal Assistance Budget Information</b>				
1. Program/Project Identification No.		2. Program/Project Title: <b>State Energy Program (SEP)</b>				
2. Name and Address:			4. Program/Project Start Date:			
3.			5. Completion Date:			
SECTION A - BUDGET SUMMARY						
		Estimated Unobligated Funds		New or Revised Budget		
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. SEP	81.041	100,000.00		700,000.00		800,000.00
2. GRANTEE					100,000.00	100,000.00
3. EXXON					100,000.00	100,000.00
4. STRIPPER						
5. THIRD PARTY						
6. TOTALS		100,000.00		700,000.00	200,000.00	1,000,000.00
1. SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	Grant Program, Function, or Activity					Total (5)
	(1) SEP Formula	(2)	(3)	(4)		
a. Personnel	100,000.00					100,000.00
b. Fringe	30,000.00					30,000.00
c. Travel	20,000.00					20,000.00
d. Equipment	20,000.00					20,000.00
e. Supplies	10,000.00					10,000.00
f. Contractual	500,000.00					500,000.00
g. Construction	.00					.00
h. Other	20,000.00					20,000.00
i. Direct	700,000.00					700,000.00
j. Indirect	300,000.00					300,000.00
k. TOTALS	1,000,000.00					1,000,000.00
7. Program Income						

**Example Budget: SEP Formula Grant with Special Projects Funds Carryover**

DOE F 4600.4 (09-94) Replaces EIA-459C	<b>U.S. Department of Energy</b>  <b>Federal Assistance Budget Information</b>
3. Program/Project Identification No.	2. Program/Project Title: <b>State Energy Program (SEP)</b>
4. Name and Address:	4. Program/Project Start Date:
	5. Completion Date:

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. SEP	81.041	417,920		304,800		722,720
2. GRANTEE					60,960	60,960
3. EXXON			583,321		309,229	892,550
4. STRIPPER					1,284,524	1,284,524
5. THIRD PARTY			1,295,000			1,295,000
6. TOTALS		417,920	1,878,321	304,800	1,654,714	4,255,755

**1. SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	Grant Program, Function, or Activity				Total (5)
	(1) SEP Formula	(2) Rebuild America II	(3) Building Codes	(4)	
a. Personnel	254,295	66,835	96,389		417,519
b. Fringe	58,588	14,172	19,619		92,379
c. Travel	16,164	2,000	9,100		27,162
d. Equipment	25,000	0	7,500		32,500
e. Supplies	2,500	199	990		3,689
f. Contractual	1,374,047	476,079	83,500		1,933,626
g. Construction	0	0	0		0
h. Other	894,161	31,715	822,902		1,748,778
i. Direct	2,625,755	591,000	1,040,000		4,255,755
j. Indirect	0	0	0		0
k. TOTALS	2,625,755	591,000	1,040,000		4,255,755
7. Program Income					

**Supplemental Schedule 1 - Details of DOE F 4600.4 line 6 of Section B**  
(Budget Category by Funding Source)

Application Period: \_\_\_\_\_ to \_\_\_\_\_

Grant No.	(1) SEP Formula	(2) Rebuild America II	(3) Building Codes	(4)	Total (5)
1. DOE	386,720	96,000	240,000		722,720
2. Grantee	60,960				60,960
3. EXXON	892,550				892,550
4. STRIPPER	1,284,525				1,284,524
5. THIRD PARTY		495,000	800,000		1,295,000
6.					
7.					
8. TOTALS	2,625,755	501,000	1,040,000		4,255,755



3. **TRAVEL**

Identify total Foreign and Domestic Travel as separate items.

- a. Indicate the purpose(s) of proposed travel.
  
  
  
  
  
  
  
  
  
  
- b. Specify the basis for computation of travel expenses (e.g., current airline ticket quotes, past trips of a similar nature, federal government or organization travel policy, etc.).

4. **EQUIPMENT** - As defined at 10 CFR 600.101 and 10 CFR 600.202, "Equipment".

- a. Provide the basis for the equipment cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

- b. Briefly justify the need for items of equipment to be purchased.

5. **MATERIALS AND SUPPLIES** - As defined at 10 CFR 600.101 and 10 CFR 600.202, "Supplies."

- a. Provide the basis for the materials and supplies cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

- b. Briefly justify the need for items of material to be purchased.

**6. CONTRACTS AND SUBGRANTS**

- (a) For proposed contractors/subgrantees provide the following:

Competitively selected:

<u>Contractor/Subgrantee</u>	<u>Work Description</u>
------------------------------	-------------------------

Non-competitively selected:

<u>Contractor/Subgrantee</u>	<u>Work Description</u>
------------------------------	-------------------------

For each non-competitively selected contractor or subgrantee, have the contractor and subgrantee complete a GO-PF20a, Budget Information Page For Form DOE F 4600.4 and attach them to this form.

- (b) For each proposed procurement contract and subgrant for which a contractor/subgrantee selection has not been made complete the following:

<u>Basis for the Cost Estimate</u>	<u>Work Description</u>
------------------------------------	-------------------------

**7. OTHER COSTS**

- a. Provide the basis for the cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).





**U.S. Department of Energy**  
SEP Narrative Activity Information Worksheet

Grant number: \_\_\_\_\_

---

1. Function: \_\_\_\_\_ 2. State: \_\_\_\_\_ 3. Program Year: \_\_\_\_\_

4. Activity category: \_\_\_\_\_

5. New activity?  (Check box if yes)

6. Activity title: \_\_\_\_\_

7. Activity period: \_\_\_\_\_ thru: \_\_\_\_\_

Strategic goal(s): \_\_\_\_\_

8. Target audience(s): \_\_\_\_\_ Estimated number: \_\_\_\_\_

Audience description: \_\_\_\_\_

9. Implementation strategy(ies): \_\_\_\_\_

10. Anticipated annual energy savings (direct and indirect): \_\_\_\_\_ MMBTUs

11. Method used to calculate energy savings\*

12a. Description (include goals and objectives)\*

12b. Published description\*

*\*Please use additional pages if more space is needed.*

13. Program year milestones\*

Milestone		Planned (number)
1		
2		
3		
4		
5		
6		
7		
8		

14. Program year budget\*

a. SEP grant fund by source	Planned
Total Activity Budget	\$
DOE	\$
State	\$
PVE (specify source)	\$
Other	\$
	\$
	\$
b. Leveraged funds anticipated (specify source)	
	\$
	\$
	\$
	\$
	\$
	\$

## U.S. Department of Energy – SEP Narrative Activity Information Worksheet Instructions

Please use the [SEP Narrative Activity Information Worksheet](#) to provide information on each SEP activity, mandatory or optional, planned for the program year (PY). Worksheet and instructions are on the DOE Golden website.\* If there is no change in the purpose and description of a continuing activity, only the milestones and PY budget need be submitted in subsequent years.

Worksheet Item	Explanation
1 Function	DOE major category of activity. Select from column 1 of the SEP Functions and Activities Description table*
2 State	Self-explanatory
3 Program year	Federal fiscal year of allocation/obligation
4 Activity category	DOE major sub-category of activity. See table *
5 New activity?	Check this box if the activity is new this program year.
6 Activity title	Activity title or name.
7 Activity period	Beginning and ending dates (mm/dd/yy) of the activity. The activity period might be longer or shorter than the program year
Strategic goals	Identify one or more SEP strategic goal(s) being met by this activity. <ul style="list-style-type: none"> <li>• Federal-state-local collaboration</li> <li>• Market acceptance</li> <li>• Innovative approaches</li> </ul>
8 Target audience(s)	See examples *
Estimated number	
Audience description	Use to provide more information on the target audience (optional)
9 Implementation strategy(ies)	See examples *
10 Anticipated annual energy savings (MMBTUs)	An estimate of the energy to be saved annually, direct and indirect, by implementing this activity wherever practicable. States are encouraged to provide meaningful data and realistic numbers for energy saved to assist DOE in developing national budget justifications.
11 Method used to calculate energy savings	If the methodology is publicly available, please cite. Otherwise describe how energy savings are calculated for this activity.
12a Description	A concise description of the activity, including goals and objectives, with enough specificity to allow DOE to determine that it meets program intent and includes no prohibited measures [Regs 420.18]
12b Published description	Optional field provides any activity description to be submitted for publication on the DOE SEP Internet website. If the state has this information on a website, that would be an optimal source for this information.
13 Program year milestones	Countable products, services, activities with planned total for each.
14 Program year budget (planned)	Funds in the DOE grant budget this program year for the activity: Total and by source, e.g., DOE, state match, EXXON, etc.
a) SEP grant funds	
b) Leveraged funds anticipated by source	Leveraged funds anticipated this PY, by source, for this activity. This information is not required, however it helps DOE justify the SEP budget.

\*Worksheet forms and instructions are on [www.golden.doe.gov/businessopportunities.html](http://www.golden.doe.gov/businessopportunities.html): Scroll down to State Energy Program Forms and click the blue dot beside Narrative Information Worksheet. To see SEP function and activity categories and examples for other worksheet items, select Function and Activity Descriptions, also under State Energy Program Forms.

**OMB Burden Disclosure Statement**

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Office of Information Resources Management Policy, Plans, and Oversight, Records Management Division, HR-422 - GTN, Paperwork Reduction Project (1910-0400), U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, DC 20585; and to the Office of Management and Budget (OMB), Paperwork Reduction Project (1910-0400), Washington, DC 20503.

(Hereinafter called the "Applicant")

HEREBY AGREES to comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), Section 16 of the Federal Energy Administration Act of 1974 (Pub. L. 93-275), Section 401 of the Energy Reorganization Act of 1974 (Pub. L. 93-438), Title IX of the Education Amendments of 1972, as amended, (Pub. L. 92-318, Pub. L. 93-568, and Pub. L. 94-482), Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), the Age Discrimination Act of 1977 (Pub. L. 94-135), Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), the Department of Energy Organization Act of 1977 (Pub. L. 95-91), the Energy Conservation and Production Act of 1976, as amended, (Pub. L. 94-385) and Title 10, Code of Federal Regulations, Part 1040. In accordance with the above laws and regulations issued pursuant thereto, the Applicant agrees to assure that no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity in which the Applicant receives Federal assistance from the Department of Energy.

**Applicability and Period of Obligation**

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with Federal assistance extended to the Applicant by the Department of Energy, this assurance obligates the Applicant for the period during which Federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which Federal assistance is extended. If any personal property is so provided, this assurance obligates the Applicant for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Applicant for the period during which the Federal assistance is extended to the Applicant by the Department of Energy.

**Employment Practices**

Where a primary objective of the Federal assistance is to provide employment or where the Applicant's employment practices affect the delivery of services in programs or activities resulting from Federal assistance extended by the Department, the Applicant agrees not to discriminate on the ground of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

**Subrecipient Assurance**

The Applicant shall require any individual, organization, or other entity with whom it subcontracts, subgrants, or subleases for the purpose of providing any service, financial aid, equipment, property, or structure to comply with laws and regulations cited above. To this end, the subrecipient shall be required to sign a written assurance form; however, the obligation of both recipient and subrecipient to ensure compliance is not relieved by the collection or submission of written assurance forms.

**Data Collection and Access to Records**

The Applicant agrees to compile and maintain information pertaining to programs or activities developed as a result of the Applicant's receipt of Federal assistance from the Department of Energy. Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by the Department of Energy to be relevant to the obligation to assure compliance by recipients with laws cited in the first paragraph of this assurance.

The Applicant agrees to submit requested data to the Department of Energy regarding programs and activities developed by the Applicant from the use of Federal assistance funds extended by the Department of Energy. Facilities of the Applicant (including the physical plants, buildings, or other structures) and all records, books, accounts, and other sources of information pertinent to the Applicant's compliance with the civil rights laws shall be made available for inspection during normal business hours of request of an officer or employee of the Department of Energy specifically authorized to make such inspections. Instructions in this regard will be provided by the Director, Office of Civil Rights, U.S. Department of Energy.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts (excluding procurement contracts), property, discounts or other Federal assistance extended after the date hereof to the Applicants by the Department of Energy, including installment payments on account after such date of application for Federal assistance which are approved before such date. The Applicant recognizes and agrees that such Federal assistance will be extended in reliance upon the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant, the successors, transferees, and assignees, as well as the person(s) whose signatures appear below and who are authorized to sign this assurance on behalf of the Applicant.

**Applicant Certification**

The Applicant certifies that it has complied, or that, within 90 days of the date of the grant, it will comply with all applicable requirements of 10 C.F.R. § 1040.5 (a copy will be furnished to the Applicant upon written request to DOE).

Designated Responsible Employee

\_\_\_\_\_  
Name and Title (Printed or Typed)

( ) \_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Name

( ) \_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Date

Authorized Official:  
President, Chief Executive Officer  
or Authorized Designee

\_\_\_\_\_  
Name and Title (Printed or Typed)

( ) \_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Signature

( ) \_\_\_\_\_  
Date

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**CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER  
RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS**

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 34 CFR Part 82, "New Restrictions on Lobbying," and 34 CFR Part 85, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Energy determines to award the covered transaction, grant, or cooperative agreement.

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**1. LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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**2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction under a public transaction;

violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.
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**3. DRUG-FREE WORKPLACE**

This certification is required by the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D) and is implemented through additions to the Debarment and Suspension regulations, published in the Federal Register on January 31, 1989, and May 25, 1990.

**ALTERNATE 1  
(GRANTEES OTHER THAN INDIVIDUALS)**

- (1) The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about:
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph

(a) that, as a condition of employment under the grant, the employee will:

- (1) Abide by the terms of the statement; and
- (2) Notify the employer in writing of his or her conviction for violation of a criminal drug statute occurring in the workplace not later than five calendar days after such conviction.

(e) Notifying the agency, in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to energy grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(2) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance:  
(Street address, city, county, state, zip code)

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Check if there are workplaces on file that are not identified here.

**4. Lobbying Disclosure Act of 1995, Simpson-Craig Amendment**

Applicant organizations which are described in section 501(c)(4) of the Internal Revenue Code of 1986 and engage in lobbying activities after December 31, 1995, shall not be eligible for the receipt of Federal funds constituting an award, grant, or loan. Section 501(c)(4) of the Internal Revenue Code of 1986 covers:

*Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.*

As set forth in the Lobbying Disclosure Act of 1995 (Public Law 104-65, December 19, 1995), as amended ["Simpson-Craig Amendment," see Section 129 of The Balanced Budget Downpayment Act, I (Public Law 104-99, January 26, 1996)], lobbying activities is defined broadly. (See section 3 of the Act.)

The undersigned certifies, to the best of his or her knowledge and belief, that: it IS NOT an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; OR that it IS an organization described in section 501(c)(4) of the Internal Revenue Code of 1986, which, after December 31, 1995, HAS NOT engaged in any lobbying activities as defined in the Lobbying Disclosure Act of 1995, as amended.

**ALTERNATE II (GRANTEES WHO ARE INDIVIDUALS)**

(1) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substances in conducting any activity with the grant.

(2) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

NAME OF APPLICANT	PR/AWARD NUMBER AND/OR PROJECT NAME
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
SIGNATURE	DATE

U.S. DEPARTMENT OF ENERGY  
GOLDEN FIELD OFFICE



**FINANCIAL ASSISTANCE PRE-AWARD INFORMATION SHEET**

Recipient: \_\_\_\_\_

Award No.: \_\_\_\_\_ Amendment No.: \_\_\_\_\_

**A. INTELLECTUAL PROPERTY**

**A.1. THE RECIPIENT IS:**

- A university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)); or
- An organization of the type described in Section 501(c)(4) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)); or
- A nonprofit scientific or educational organization qualified under a State nonprofit organization statute. Please identify the statute.
- A small business concern as defined at Section 2 of Public Law 85-536 (15 USC 632) and implementing regulations of the administrator of the Small Business Administration.
- None of the above.

Recipients who have checked NONE OF THE ABOVE have the right to request, in advance or within 30 days after execution of the grant, in accordance with applicable statutes and DOE Procurement Regulation (9-9.109-6), a waiver of all or any part of the rights of the United States in Subject Inventions. If the grantee intends to request a waiver to such invention rights pursuant to DOE PR 9-9.109-6, please indicate:

- I intend to request an advance waiver in accordance with DOE PR 9-9.109-6.
- I do not intend to request an advance waiver.



## A.2. RIGHTS IN PROPOSAL DATA

It is DOE policy for a grant award based on a proposal that, in consideration of the award, the Government shall obtain unlimited rights in the technical data contained in the proposal unless the recipient marks those portions of the technical information which he asserts as "proprietary data" or specifies those portions of such technical data which are not directly related to or will not be utilized in the work to be funded under the award. Accordingly, please indicate:

- ( ) No restrictions on Government rights in the proposal technical data; or
- ( ) The following identified technical data is proprietary or is not directly related to or will not be utilized in the work to be funded under the award:

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## A.3. IDENTIFICATION OF TECHNICAL DATA WHICH IS PROPRIETARY

The Rights in Technical Data clause proposed to be used for this award may not permit the utilization of proprietary data in the performance of this award or, if the use of proprietary data is permitted, may not be adequate to meet programmatic requirements. Use of data which is proprietary may prevent you from meeting the data requirements of the award (including delivery of data). Your attention is particularly drawn to the use of LICENSED COMPUTER SOFTWARE.

Please indicate that you have reviewed the requirements in the technical scope of work and to the best of your knowledge:

- ( ) No proprietary data will be utilized in the performance of this award.
- ( ) Proprietary data as follows will be utilized in the performance of this award:

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- ( ) No LICENSED COMPUTER SOFTWARE will be utilized in the performance of this award.
- ( ) LICENSED COMPUTER SOFTWARE as follows will be utilized in the performance of this award:

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B. TYPE OF BUSINESS (IF NOT SPECIFICALLY IDENTIFIED IN SECTION A.1. OF THIS PRE-AWARD INFORMATION SHEET)

The Recipient is a:

- Individual
- Partnership
- State or Local Government
- Joint Venture

C. SOCIAL SECURITY NUMBER (SSN)

If the Recipient does not have an Internal Revenue Service (IRS) assigned Employer Identification Number (EIN), Recipient SSN is \_\_\_\_\_. (See block 5 of Application for Federal Assistance, Standard Form 424.)

D. DATA UNIVERSAL NUMBERING SYSTEM (DUNS NUMBER)

Recipient DUNS Number is \_\_\_\_\_. For assistance in obtaining a DUNS Number, call Dunn & Bradstreet at 1-800-333-0505. The Recipient should be prepared to provide the following information to Dunn & Bradstreet:

- (1) Company name.
- (2) Company address.
- (3) Company telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the company was started.
- (7) Number of people employed by the company.
- (8) Company affiliation.

E. CIVIL RIGHTS REQUIREMENTS

In accordance with 10 CFR 1040, the recipient is required to appoint a person as the Affirmative Action Officer to be responsible for Civil Rights matters. The person you appoint should be knowledgeable of 10 CFR 1040, Nondiscrimination in Federally Assisted Programs. You are also responsible for prominently displaying reasonable numbers of Civil Rights posters at your facility. A copy of 10 CFR 1040 can be found at [www.pr.doe.gov/1f040toc.html](http://www.pr.doe.gov/1f040toc.html) and the poster at [www.eren.doe.gov/golden/paf.html](http://www.eren.doe.gov/golden/paf.html). Copies can also be obtained from you awarding DOE office.

\_\_\_\_\_ has been appointed as the Affirmative Action Officer and has familiarized himself/herself with 10 CFR 1040. DOE Civil Rights posters have been displayed prominently and in reasonable numbers at our facility.

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Organization Name	_____	Phone:	_____
and address	_____	Fax:	_____
	_____	E-mail:	_____
	_____		
	_____		

I certify that the above information is complete and accurate to the best of my knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Authorized Representative

# DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

0348-0046

(See reverse for public burden disclosure.)

<p>1. Type of Federal Action:</p> <p><input type="checkbox"/> a. contract  <input type="checkbox"/> b. grant  <input type="checkbox"/> c. cooperative agreement  <input type="checkbox"/> d. loan  <input type="checkbox"/> e. loan guarantee  <input type="checkbox"/> f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. bid/offer/application  <input type="checkbox"/> b. initial award  <input type="checkbox"/> c. post-award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. initial filing  <input type="checkbox"/> b. material change</p> <p>For Material Change Only:  year _____ quarter _____  date of last report _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime                      <input type="checkbox"/> Subawardee</p> <p style="padding-left: 100px;">Tier, if known:</p>	<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p>      <p style="text-align: center;">Congressional District, if known:</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p>   <p style="text-align: center;">CFDA Number, if applicable: _____</p>	
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known:</p> <p style="text-align: center;">\$ _____</p>	
<p>10.a. Name and Address of Lobbying Registrant  <i>(if individual, last name, first name, MI):</i></p>     <p style="text-align: center;"><i>(attach Continuation Sheet(S) SF-LLL-A, if necessary)</i></p>	<p>10.b. Individuals Performing Services <i>(including address if different from No. 10A)</i>  <i>(last name, first name, MI):</i></p>     	
<p>11.</p>	<p>13.</p>	
<p>12.</p>		
<p>14.</p>           		
<p>15.</p>		
<p>16. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each</p>	<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No.: _____ Date: _____</p>	
<p>Federal Use Only:</p>	<p style="text-align: right;">Authorized for Local Reproduction Standard Form - LLL</p>	

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10.
  - (a) Enter the full name, address, city, state and zip code of the registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
  - (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
- 11.
- 12.
- 13.
- 14.
- 15.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.
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**DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET**

Approved by OMB 0348-0046

Reporting Entity: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

## **STATE PLAN/MASTER FILE WORKSHEET**

This worksheet should be completed as specified in Section III of the State Energy Program Application Package.

**Description of State Energy Goals to be Achieved** (10CFR 420.13.b.2)

**Selection of State Goals** (10 CFR 420.13.b.2.ii)

**Measuring Achievements** (10 CFR 420.13.b.2.iii)

**State Strategy** (10 CFR 420.13.b.2.iv)

**State Plan/Master File Worksheet (continued)**

**10% improvement in energy efficiency by 2000** (10 CFR 420.13.b.3)

**Mandatory Activities** (10 CFR 420.13.b.4.v and 15)

**Environmental Impact** (10 CFR 420.13.b.5)

**Supplementing Weatherization** (10 CFR 420.13.b.6)



**State Plan/Master File Worksheet (continued)**

**Supplementing State/Local Funds (10 CFR 420.13.b.7)**

**Compliance with Laws and Regulations (10 CFR 420.13.b.8)**

**Energy Emergency Plan (10 CFR 420.13.b.9)**

**Monitoring Approach (Annual SEP Guidance)**

Standard Form 269  
**FINANCIAL STATUS REPORT**  
*(Long Form)*  
*(Follow instructions on the back)*

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned By Federal Agency		OMB Approval No. 0348-0039	Page of _____ pages
3. Recipient Organization (Name and complete address, including ZIP code)					
4. Employer Identification Number		5. Recipient Account Number or Identifying Number		6. Final Report <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. Basis <input type="checkbox"/> Cash <input type="checkbox"/> Accrual					
8. Funding/Grant Period (See instructions) From: (Month, Day, Year)		To: (Month, Day, Year)		9. Period Covered by this Report From: (Month, Day, Year) To: (Month, Day, Year)	
10. Transactions:			I Previously Reported	II This Period	III Cumulative
a. Total outlays					
b. Refunds, rebates, etc.					
c. Program income used in accordance with the deduction alternative					
d. Net outlays (Line a, less the sum of lines b and c)					
Recipient's share of net outlays, consisting of:					
e. Third party (in-kind) contributions					
f. Other Federal awards authorized to be used to match this award					
g. Program income used in accordance with the matching or cost sharing alternative					
h. All other recipient outlays not shown on lines e, f or g					
i. Total recipient share of net outlays (Sum of lines e, f, g and h)					
j. Federal share of net outlays (line d less line i)					
k. Total unliquidated obligations					
l. Recipient's share of unliquidated obligations					
m. Federal share of unliquidated obligations					
n. Total federal share (sum of lines j and m)					
o. Total federal funds authorized for this funding period					
p. Unobligated balance of federal funds (Line o minus line n)					
Program income, consisting of:					
q. Disbursed program income shown on lines c and/or g above					
r. Disbursed program income using the addition alternative					
s. Undisbursed program income					
t. Total program income realized (Sum of lines q, r and s)					
11. Indirect Expense		a. Type of Rate (Place "X" in appropriate box)			
		<input type="checkbox"/> Provisional		<input type="checkbox"/> Predetermined	
		<input type="checkbox"/> Final		<input type="checkbox"/> Fixed	
b. Rate		c. Base		d. Total Amount	
				e. Federal Share	
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:					
13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.					
Typed or Printed Name and Title				Telephone (Area code, number and extension)	
Signature of Authorized Certifying Official				Date Report Submitted	

FINANCIAL STATUS REPORT  
(Long Form)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0039), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET, SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

Please type or print legibly. The following general instructions explain how to use the form itself. You may need additional information to complete certain items correctly, or to decide whether a specific item is applicable to this award. Usually, such information will be found in the Federal agency's grant regulations or in the terms and conditions of the award (e.g., how to calculate the Federal share, the permissible uses of program income, the value of in-kind contributions, etc.). You may also contact the Federal agency directly.

Item	Entry	Item	Entry
1, 2 and 3.	Self-explanatory.	10.b.	Enter any receipts related to outlays reported on the form that are being treated as a reduction of expenditure rather than income, and were not already netted out of the amount shown as outlays on line 10a.
4.	Enter the employer identification number assigned by the U.S. Internal Revenue Service.	10.c	Enter the amount of program income that was used in accordance with the deduction alternative.
5.	Space reserved for an account number or other identifying number assigned by the recipient.	Note:	Program income used in accordance with other alternatives is entered on lines q, r, and s. Recipients reporting on a cash basis should enter the amount of cash income received; on an accrual basis, enter the program income earned. Program income may or may not have been included in an application budget and/or a budget on the award document. If actual income is from a different source or is significantly different in amount, attach an explanation or use the remarks section.
6.	Check yes only if this is the last report for the period shown in item 8.	10d, e, f, g, h, i, and j.	Self-explanatory.
7.	Self-explanatory.	10k.	Enter the total amount of unliquidated obligations, including unliquidated obligations to subgrantees and contractors.  Unliquidated obligations on a cash basis are obligations incurred, but not yet paid. On an accrual basis, they are obligations incurred, but for which an outlay has not yet been recorded.  Do not include any amounts on line 10k that have been included on lines 10a and 10j.  On the final report, line 10k must be zero.
8.	Unless you have received other instructions from the awarding agency, enter the beginning and ending dates of the current funding period. If this is a multi-year program, the Federal agency might require cumulative reporting through consecutive funding periods. In that case, enter the beginning and ending dates of the grant period, and in the rest of these instructions, substitute the term "grant period" for "funding period."	10l.	Self-explanatory.
9.	Self-explanatory.	10m.	On the final report, line 10m must also be zero.
10.	The purpose of columns I, II and III is to show the effect of this reporting period's transactions on cumulative financial status. The amounts entered in column I will normally be the same as those in column III of the previous report <i>in the same funding period</i> . If this is the first or only report of the funding period, leave columns I and II blank. If you need to adjust amounts entered on previous reports, footnote the column I entry on this report and attach an explanation.	10n, o, p, q, r, s and t.	Self-explanatory.
10a.	Enter total gross program outlays. Include disbursements of cash realized as program income in that income will also be shown on lines 10c or 10g. Do not include program income that will be shown on lines 10r or 10s.  For reports prepared on a cash basis, outlays are the sum of actual cash disbursements for direct costs for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase or decrease in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subgrantees and other payees, and other amounts becoming owed under programs for which no current services or performances are required, such as annuities, insurance claims, and other benefit payments.	11a.	Self-explanatory.
		11b.	Enter the indirect cost rate in effect during the reporting period.
		11c.	Enter the amount of the base against which the rate was applied.
		11d.	Enter the total amount of indirect costs charged during the report period.
		11e.	Enter the Federal share of the amount in 11d.
		Note:	If more than one rate was in effect during the period shown in item 8, attach a schedule showing the bases against which the different rates were applied, the respective rates, the calendar periods they were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.

**FEDERAL CASH TRANSACTIONS REPORT**

*(See instructions on the back. If report is for more than one grant or assistance agreement, attach completed Standard Form 272A.)*

OMB APPROVAL NO. 0348-0003

1. Federal sponsoring agency and organizational element to which this report is submitted.

**2. RECIPIENT ORGANIZATION**

Name:  
  
Number and Street:  
  
City, State and Zip Code:

4. Federal grant or other identification number

5. Recipient's account number or identifying number

6. Letter of credit number

7. Last payment voucher number

*Give total number for this period*

8. Payment Vouchers credited to your account

9. Treasury checks received *(whether or not deposited)*

10. PERIOD COVERED BY THIS REPORT

**3. FEDERAL EMPLOYER IDENTIFICATION NO.**

FROM (month, day, year)

TO (month, day, year)

**11. STATUS OF FEDERAL CASH**

*(See specific instructions on the back)*

a. Cash on hand beginning of reporting period

\$

b. Letter of credit withdrawals

c. Treasury check payments

d. Total receipts *(Sum of lines b and c)*

e. Total cash available *(Sum of lines a and d)*

f. Gross disbursements

g. Federal share of program income

h. Net disbursements *(Line f minus line g)*

i. Adjustments of prior periods

j. Cash on hand end of period

\$

**12. THE AMOUNT SHOWN ON LINE 11j, ABOVE, REPRESENTS CASH REQUIREMENTS FOR THE ENSUING**

**13. OTHER INFORMATION**

a. Interest income

\$

b. Advances to subgrantees or subcontractors

\$

**14. REMARKS** *(Attach additional sheets of plain paper, if more space is required)*

**15. CERTIFICATION**

I certify to the best of my knowledge and belief that this report is true in all respects and that all disbursements have been made for the purpose and conditions of the grant or agreement.

AUTHORIZED  
CERTIFYING  
OFFICIAL

SIGNATURE

TYPED OR PRINTED NAME AND TITLE

DATE REPORT SUBMITTED

TELEPHONE *(Area Code, Number, Extension)*

THIS SPACE FOR AGENCY USE

## INSTRUCTIONS

Public reporting burden for this collection of information is estimated to average 120 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0003), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

Please type or print legibly. Items 1, 2, 8, 9, 10, 11d, 11e, 11h, and 15 are self explanatory, specific instructions for other items are as follows:

<i>Item</i>	<i>Entry</i>	<i>Item</i>	<i>Entry</i>
3	Enter Employer Identificaton Number (EIA) assigned by the U.S. Internal Revenue Service or the FICE (institution) code.	11g	Enter the Federal share of program income that was required to be used on the project or program by the terms of the grant or agreement.
4	If this report covers more than one grant or other agreement, leave items 4 and 5 blank and provide the information on Standard Form 272A, Report of Federal Cash Transactions - Continued.  Enter Federal grant number, agreement number, or other identifying numbers if requested by sponsoring agency.	11i	Enter the amount of all adjustments pertaining to prior periods affecting the ending balance that have not been included in any lines above. Identify each grant or agreement for which adjustment was made, and enter an explanation for each adjustment under "Remarks." Use plain sheets of paper if additional space is required.
5	This space reserved for an account number or other identifying number that may be assigned by the recipient.	11j	Enter the total amount of Federal cash on hand at the end of the reporting period. This amount should include all funds on deposit, imprest funds, and undeposited funds (line e, less line h, plus or minus line i).
6	Enter the letter of credit number that applies to this report. If all advances were made by Treasury check, enter "NA" for not applicable and leave items 7 and 8 blank.	12	Enter the estimated number of days until the cash on hand, shown on line 11j, will be expended. If more than three days cash requirements are on hand, provide an explanation under "Remarks" as to why the drawdown was made prematurely, or other reasons for the excess cash. The requirement for the explanation does not apply to prescheduled or automatic advances.
7	Enter the voucher number of the last letter-of-credit payment voucher (Form TUS 5401) that was credited to your account.	13a	Enter the amount of interest earned on advances of Federal funds but not remitted to the Federal agency. If this includes any amount earned and not remitted to the Federal sponsoring agency for over 60 days, explain under "Remarks." Do not report interest earned on advances to States.
11a	Enter the total amount of Federal cash on hand at the beginning of the reporting period including all of the Federal funds on deposit, imprest funds, and undeposited Treasury checks.	13b	Enter the amount of advance to secondary recipients included in item 11h.
11b	Enter total amount of Federal funds received through payment vouchers (Form TUS 5401) that were credited to your account during the reporting period.	14	In addition to providing explanations as required above, give additional explanation deemed necessary by the recipient and for information required by the Federal sponsoring agency in compliance with governing legislation. Use plain sheets of paper if additional space is required.
11c	Enter the total amount of all Federal funds received during the reporting period through Treasury checks, whether or not deposited.		
11f	Enter the total Federal cash disbursements, made during the reporting period, including cash received as program income. Disbursements as used here also include the amount of advances and payments less refunds to subgrantees or contractors; the gross amount of direct salaries and wages, including the employee's share of benefits if treated as a direct cost, interdepartmental charges for supplies and services, and the amount to which the recipient is entitled for indirect costs.		

STANDARD FORM 272 (Rev. 7-79) Back

**U.S. Department of Energy – SEP Quarterly Program Status Report**  
 (Grant Number: \_\_\_\_\_ )

1. Activity title \_\_\_\_\_ 2. State \_\_\_\_\_ 3. PY \_\_\_\_\_

4. Status:  Active  Completed  Dropped Report Period ( \_\_\_\_\_ )

5. Outlays by quarter

	/ - /	/ - /	/ - /	/ - /	
Source	Q1	Q2	Q3	Q4	Total to Date
a. SEP grant (all sources)	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
b. Leveraged fund outlays by source*					
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$

6. Activity milestone status\*

Milestone	Planned (number)	Completed				
		Q1	Q2	Q3	Q4	%
1						
2						
3						
4						
5						
6						
7						
8						

7. Remarks (problems, issues, variance from plan)\*

8. Accomplishments, publicity, good news\*

9. Performance outcome data collected\*

--

10. Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Quarter: \_\_\_\_\_

Typed name: \_\_\_\_\_

Phone: \_\_\_\_\_

*\*Please use additional pages if more space is needed.*

DOE/SEP-PSR, 1/02

## U.S. Department of Energy - SEP Quarterly Program Status Report Instructions

Item	Explanation
1 Activity title	State name of activity as shown on the Activity Information Worksheet
2 State	Self-explanatory
3 Program Year	Program year (PY) corresponding to this budget period
4 Status	Indicate status of the activity. If it was dropped, indicate reasons in the remarks section.
5 Outlays by quarter	Enter starting and ending dates of the quarter reported.
a) SEP grant outlays	Total grant outlays (DOE/SEP, State match, PVE, etc.) for the activity this reporting period.
b) Leveraged fund outlays	Leveraged fund outlays, by source, for the activity this reporting period. This information is not required, however it helps DOE justify the SEP budget.
6 Activity milestone status	List milestones included in the activity worksheet and indicate how many were delivered/performed during this reporting quarter.
7 Remarks	This is the place to mention problems, issues, variances from plan or, if an activity was dropped, describe the circumstances.
8 Accomplishments	Describe here accomplishments, good news, publicity about SEP activities.
9 Performance outcome data collected	If performance outcome data are collected on this activity, describe.



**U.S. Department of Energy  
STATE ENERGY PROGRAM  
SUCCESS STORY**

<b>1. State</b>		<b>Grant</b>	
<b>2. Activity</b>			
<b>3. Contact</b>			
<b>4. Affiliation</b>			
<b>5. Phone</b>			
<b>6. E-mail</b>			

**7. Resource(s) and Source(s)**

--

<b>8. Project Period</b>	/ / - / /
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**9. Partners, participants:**


**10. Activity Description**

--

**11. Status, Impact of Activity**

--

**12. Indicate why/how the project was successful**

--

Signed by \_\_\_\_\_ Date \_\_\_\_\_

Typed name \_\_\_\_\_

Title \_\_\_\_\_

**U.S. Department of Energy  
STATE ENERGY PROGRAM  
SUCCESS STORY  
INSTRUCTIONS**

The U.S. Department of Energy encourages States to *volunteer* information about their SEP success stories. This *optional* Success Story format will help facilitate the reporting of success stories for those States that choose to do so. If States are on-line with WinSAGA, stories can be submitted electronically. Until then, please share success stories with DOE by submitting them in this format to the applicable Regional Support Office with a copy to the Office of State and Community Programs, Office of Energy Efficiency and Renewable Energy, U.S. Department of Energy, EE-42, Room 5E-080, 1000 Independence Avenue, SW, Washington D.C. 20585.

1. Indicate the State submitting the success story, and include the grant number.
2. Indicate the title of the activity.
3. Indicate the preferred person(s) to be contacted for additional information.
4. Indicate the name of the agency with which the contact person(s) is affiliated.
5. Indicate the telephone number of the person(s) to be contacted for additional information.
6. Indicate the E-mail address for the contact person(s).
7. Indicate the type(s) of resource(s) – dollars in-kind, etc., and the specific source of the resource – DOE, State, Utility (including the name of the utility company) etc.
8. Indicate the dates the project was started and completed.
9. List all partners to or participants in the project.
10. Describe the project – whether it is a pilot, training, utility restructuring, etc.; include the location for the project within a State, congressional district, desired outcome(s) or anticipated result. One possible source for this is the SEP Narrative Activity Information Worksheet, Activity Description field.
11. Indicate the status of the project as of the date of submission (Active, Closed, etc.).
12. Indicate why/how the project was successful.
13. Indicate the name of the person signing the Success Story.
14. Indicate the date the Success Story was submitted.
15. Type the name and title of the person signing the Success Story.

# REPORT DOCUMENTATION PAGE

Form Approved  
OMB NO. 0704-0188

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.

1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE October 2002	3. REPORT TYPE AND DATES COVERED Operations Manual	
4. TITLE AND SUBTITLE State Energy Program Operations Manual			5. FUNDING NUMBERS IO12.3020	
6. AUTHOR(S) Office of Building Technology, State and Community Programs				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National Renewable Energy Laboratory 1617 Cole Boulevard Golden, CO 80401-3393			8. PERFORMING ORGANIZATION REPORT NUMBER BK-840-32982	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES) U.S. Department of Energy 1000 Independence Ave., SW Washington, DC 20585			10. SPONSORING/MONITORING AGENCY REPORT NUMBER DOE/GO-102002-1662	
11. SUPPLEMENTARY NOTES				
12a. DISTRIBUTION/AVAILABILITY STATEMENT National Technical Information Service U.S. Department of Commerce 5285 Port Royal Road Springfield, VA 22161			12b. DISTRIBUTION CODE	
13. ABSTRACT ( <i>Maximum 200 words</i> ) This manual outlines and explains in detail the procedures state energy offices need to follow to receive grants from the U.S. Department of Energy under its State Energy Program (SEP). Chapter 2 deals with the standard application forms for a federal grant and the master file.				
14. SUBJECT TERMS U.S. Department of Energy State Energy Program; SEP; energy efficiency and renewable energy projects in the states; Office of Weatherization and Intergovernmental Programs; Office of Energy Efficiency and Renewable Energy			15. NUMBER OF PAGES	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT unclassified	20. LIMITATION OF ABSTRACT UL	