

**Renewable Energy and Energy Efficiency Improvement Program  
Evaluation Criteria Scoring Guideline  
Per 4280-B Regulation – 4280.117 (c)**

**Name of Applicant:** \_\_\_\_\_

**Type of Technology:** \_\_\_\_\_

**Funding Request:** \_\_\_\_\_

**Final Grant Total Score (sum of Categories 1 - 9):** **Points**

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

**(1) Quantity of Energy Replaced, Produced, or Saved**

Points may only be awarded for one category (A, B, C or D).

**(A) Energy replacement**

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

	<b>Points</b>
Greater than 0 but equal to or less than 25%, <b>award 5 points.</b>	
Greater than 25%, but equal to or less than 50%, <b>award 10 points.</b>	
Greater than 50%, <b>award 15 points.</b>	
Determine energy replacement by dividing the estimated quantity of renewable energy to be generated over a 12-month period by the estimated quantity of energy consumed over the same 12-month period during the previous year by the applicable energy application. The estimated quantities of energy must be converted to British thermal units (BTU's), Watts, or similar energy equivalents to facilitate scoring. If the estimated energy produced equals more than 150% of the energy requirements of the applicable process(es), score the project as an energy generation project.	

*Documentation to substantiate the score for this category:*

**OR**

**(B) Energy Savings (include additional 5 points if applicable)**

(1) If the estimated energy expected to be saved by the installation of the energy efficiency improvements will be from:

	<b>Points</b>
20% up to but not including 30%, <b>award 5 points.</b>	
30% up to but not including 35%, <b>award 10 points.</b>	
35% or greater, <b>award 15 points.</b>	
<b>Energy savings will be determined by the projections in an energy assessment or audit.</b>	

(2) Additional points. **Points**

If the project has total eligible project costs of \$50,000 or less AND opts to obtain a professional energy audit, <b>award an additional 5 points.</b>	
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*Documentation to substantiate the score for this category:*

**OR**

### (C) Energy generation

	Points
If the proposed renewable energy system is intended primarily for production of energy for sale, <b>award 10 points.</b>	

Documentation to substantiate the score for this category:

OR

### (D) Flexible fuel system(s)

If the proposed project is for one or more flexible fuel pumps, points will be awarded based on the overall percentage of proposed flexible fuel pumps to the applicant's total retail pump inventory at the facility.

	Points
If the proposed flexible fuel pump percentage calculated is 5% or below, <b>award 5 points</b>	
If the proposed flexible fuel pump percentage calculated is above 5% and up to, but not including 10%, <b>award 10 points</b>	
If the proposed flexible fuel pump percentage calculated is 10 percent and above, <b>award 15 points</b>	
The percentage of proposed flexible fuel systems shall be calculated using the following equation: <b>Equation: <math>FFP\% = (FFPx / TP) \times 100</math></b>	
<i>FFP%</i> = Proposed flexible fuel system(s), percentage.	
<i>FFPx</i> = Number of proposed flexible fuel pump(s) to be installed at applicants facility.	
<i>TP</i> = Number of proposed pumps to be installed plus the number of pumps installed and operating at the facility.	

Documentation to substantiate the score for this category below.

### (2) Environmental benefits

	Points
If the purpose of the proposed system contributes to the environmental goals and objectives of other Federal, State, or local programs, <b>award 10 points.</b>	

Documentation to substantiate the score for this category:

### (3) Commercial availability

	Points
If the proposed system or improvement is currently commercially available and replicable, <b>award 5 points.</b>	
If the proposed system or improvement is commercially available and replicable and is also provided with a <b>5-year or longer warranty</b> providing the purchaser protection against system degradation or breakdown or component breakdown, <b>award 10 points.</b>	

Documentation to substantiate the score for this category:

### (4) Technical Merit

	Points
The Agency will conduct a Technical Review of your project. The total points possible for Technical Merit are 35. Please ensure that the applicable technical report is completed in detail.	

## (5) Readiness

If the applicant has written commitments, prior to the Agency receiving the complete application, from the source(s) confirming commitment of:

	Points
50% up to, but not including, 75% of the matching funds, <b>award 5 points.</b>	
75% up to, but not including, 100% of the matching funds, <b>award 10 points.</b>	
100% of the matching funds, <b>award 15 points.</b>	

*Documentation to substantiate the score for this category:*

## (6) Small Agricultural Producer/Very Small Rural Business

If the applicant is an agricultural producer producing agricultural products with a gross market value of:

	Points
less than \$600,000 in the preceding year, <b>award 5 points.</b>	
less than \$200,000 in the preceding year, <b>award 10 points.</b>	

**OR**

is a Very Small Rural Business as defined in 4280.103 (a business with less than 15 employees and less than \$1 million in annual receipts), <b>award 10 points.</b>	
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*Documentation to substantiate the score for this category:*

## (7) Simplified application/low cost projects

	Points
If an applicant is eligible for and uses the simplified application process or if the project has total eligible project costs of \$200,000 or less, <b>award 5 points.</b>	

*Documentation to substantiate the score for this category:*

## (8) Previous grantees and borrowers

	Points
If the applicant has not been awarded a grant or loan under this program within the 2 previous Federal fiscal years, <b>award 5 points.</b>	

*Documentation to substantiate the score for this category:*

## (9) Simple payback

A maximum of 15 points will be awarded for either renewable energy systems or energy efficiency improvements; points will not be awarded for more than one category.

### (A) Renewable energy systems (including flexible fuel pumps)

If the simple payback of the proposed project is:

	Points
Less than 10 years, <b>award 15 points.</b>	
10 years up to but not including 15 years, <b>award 10 points.</b>	
15 years up to and including 20 years, <b>award 5 points.</b>	
Longer than 20 years, <b>award 0 points.</b>	

*Documentation to substantiate the score for this category*

**For energy generation projects, the calculation for simple payback is as follows=**  
 Total Project Costs (including REAP grant) of \$ \_\_\_\_\_ divided by {Average Net Income\* + Interest Expense + Depreciation Expense (for the project)} of \$ \_\_\_\_\_ = \_\_\_\_\_ simple payback (years)

\*Average Net Income= Income from energy sales – Maintenance – Depreciation - Interest

Example: A wind turbine has total project costs of \$250,000. The remaining numbers are follows

Income from electrical sales	\$24,640*
Expenses:	
Maintenance Contract	\$800
Depreciation	\$40,000
Interest	\$6,000
Average Net Income	\$-22,160

Simple payback= TPC \$250,000/ ((-22,160) ANI + \$40,000 Depreciation + \$6,000 Interest)  
 TPC \$250,000/\$23,840 = 10.4 years

**For energy replacement projects, the calculation for simple payback is as follows=**  
 Total Project Cost (including REAP Grant) of \$ \_\_\_\_\_ divided by Dollar Value of Energy Generated\*  
 \$ \_\_\_\_\_ = \_\_\_\_\_ Simple Payback (Years)

**For flexible fuel pumps, the calculation for simple payback is as follows=**  
 Total Project Costs (including REAP Grant) of \$ \_\_\_\_\_ divided by (Increase in Net Income\* + Interest Expense + Depreciation Expense (for the project) of \$ \_\_\_\_\_ = \_\_\_\_\_ Simple Payback (years)

OR

**(B) Energy efficiency improvements**

If the simple payback of the proposed project is:	Points
Less than 4 years, <b>award 15 points.</b>	
4 years up to but not including 8 years, <b>award 10 points.</b>	
8 years up to and including 12 years, <b>award 5 points.</b>	
Longer than 12 years, <b>award 0 points.</b>	

**For energy efficiency improvement project, the calculation for simple payback is as follows=**  
 Total Project Cost (including REAP Grant) of \$ \_\_\_\_\_ divided by Dollar Value of Energy Saved  
 = \_\_\_\_\_ Simple Payback (Years)

**(10) State Director and Administrator priorities and points**

	Points
State Director, for its State Allocation under this subpart, or the Administrator, for making awards from the National Office reserve may award 10 points.	

Points may be awarded if the application is for an underrepresented technology or for flexible fuel pumps or if selecting the application would help achieve geographic diversity. In no case shall an application receive more than 10 points under this criterion.