

# ENERGY EFFICIENCY FUNDING INITIATIVE (EEFI)

## *Application Guidelines*

April 2013

Applications due by 31 May 2013



# PART A – INVITATION

## 1. *Invitation*

Not-for-profit organisations (**Applicants**) are invited to submit an application to the Essential Services Commission of South Australia (**Commission**) for grant funding (**Grants**) for energy efficiency projects to assist South Australian households facing financial stress.

## 2. *Form of this Invitation*

This Invitation is in four parts:

### **Part A Invitation**

### **Part B Conditions**

This part describes the conditions for submission of an Application.

### **Part C The Commission's Requirements**

This part describes the Commission's Requirements relating to the provision of funding to not-for-profit organisations for energy efficiency projects.

### **Part D Contract Requirements**

This part contains an indication of the terms and conditions of any contract that may ultimately be entered into for the Commission's Requirements.

## 3. *Background*

- 3.1. The Commission is the administrator of the Residential Energy Efficiency Scheme (REES) established pursuant to Part 2AA of the Electricity (General) Regulations 1997 and Part 2AA of the Gas Regulations 1997.
- 3.2. One of the Commission's administrative functions under REES is monitoring and enforcing compliance with the requirement for electricity and gas retailers to achieve specified Greenhouse Gas Reduction and Energy Audit Targets.
- 3.3. One retailer failed to meet each of the required targets for 2011. Accordingly, pursuant to the provisions of section 94B of the Electricity Act 1996, a shortfall penalty notice was issued.
- 3.4. The Commission has received funds resulting from this shortfall penalty notice.

3.5. Section 94B (12) of the Electricity Act 1996 requires:

*“If an amount is recovered as a shortfall penalty under this section, it must be applied under a scheme established by the Commission for 1 or more of the following purposes:*

- (a) to assist persons who may have failed to benefit from activities relating to energy efficiency on account of any electricity retailer’s energy efficiency shortfall;*
- (b) to support other programs or activities to promote or support energy efficiency or renewable energy initiatives within South Australian households.”*

3.6. The Commission has established a scheme under section 94B(12) that is aimed at providing energy efficiency benefits to energy consumers in financial stress through Grants to not-for-profit organisations (the Energy Efficiency Fund Initiative or EEFI Scheme). The types of projects that will be considered under the EEFI Scheme are not limited to REES approved activities.

## 4. Information

The Commission has deliberately not specified the types of projects that it will fund under the EEFI Scheme as it would like to encourage Applicants to propose a range of energy efficiency projects targeted at low income households. Whilst a successful Applicant's project may involve activities and audits which comply with REES, REES compliance is not a mandatory requirement for funding under the EEFI Scheme.

## 5. Process

- 5.1. This Invitation does not give rise to or amount to a contract whether an Application is submitted in response to this Invitation or not.
- 5.2. In submitting an Application, Applicants must use the Application Form and respond to each section.
- 5.3. It is contemplated by the Commission that after considering applications in response to this Invitation, the Commission will decide whether to enter into negotiations with any one or more Applicants for EEFI.
- 5.4. After the closing date, an Assessment Panel comprising of Commission staff (some of which are not involved in REES) will review all the received Applications. The Assessment Panel will assess Applications against the selection criteria and the organisation’s financial viability. The Applicant's financial viability will be determined through the financial statement required to be submitted with the Application. The Commission may not fund an organisation assessed as high risk in terms of its financial viability.

## PART B – CONDITIONS

### 6. *Contact Person*

- 6.1. The only person authorised by the Commission to communicate with Applicants is the Contact Person, namely Kara O’Sullivan, Analyst - Regulatory Affairs. Contact with other officers of the Commission must not be made. Applicants who do not abide by this criteria may not be considered.
- 6.2. Requests for information must be in writing and sent to the contact person or emailed to [eefi@escosa.sa.gov.au](mailto:eefi@escosa.sa.gov.au) with the subject heading ‘EEFI Enquiry’.

### 7. *Closing Date*

The Closing Date for the submission of an Application is 31 May 2013.

### 8. *Place for Submission of Applications*

Applications should be enclosed in a sealed envelope prominently endorsed ‘Application for EEFI’ and posted or delivered to:

Essential Services Commission of South Australia

GPO BOX 2605

ADELAIDE SA 5001

or emailed to [eefi@escosa.sa.gov.au](mailto:eefi@escosa.sa.gov.au).

### 9. *Enquiries*

- 9.1. All enquiries must be directed in writing to [eefi@escosa.sa.gov.au](mailto:eefi@escosa.sa.gov.au).
- 9.2. Applicants will be required to register their interest in applying for the grant on the Commission’s website [www.escosa.sa.gov.au](http://www.escosa.sa.gov.au). The registered Applicant will then be sent an email containing any questions and responses occurring prior to their registration.
- 9.3. During the Application process any questions and responses will be provided in an email to all registered parties.
- 9.4. The last date for enquiries with respect to any matter related to this Invitation is 24 May 2013.

## 10. Confidentiality

- 10.1. The Applicant must not disclose any information provided by or on behalf of the Commission without the Commission's written approval or unless the disclosure is required by law or by an order of a court or tribunal.
- 10.2. Contents of the Application may be disclosed if:
  - 10.2.1. the disclosure is made with the consent of the Applicant;
  - 10.2.2. the disclosure is made to another party who is also performing functions under the Essential Services Commission Act or an industry regulation Act;
  - 10.2.3. the disclosure is authorised or required by any other Act or law;
  - 10.2.4. the disclosure is authorised or required by a court or tribunal constituted by law;
  - 10.2.5. the disclosure is to Parliament, the Governor, Cabinet or a Parliamentary or Cabinet committee or subcommittee;
  - 10.2.6. to any agency, authority, instrumentality, Minister or Officer of the State of South Australia to whom it is customary for the Commission to disclose information (whether or not the Commission is legally obliged to do so); or
  - 10.2.7. the disclosure is authorised by regulation.
- 10.3. The Commission will notify the Applicant before making any of the contents of an Application public.

## 11. Intellectual Property

All copyright and intellectual property ownership of information and materials gained and developed in relation to this application process will be vested in the Commission. The Applicant must not publish any information contained in this material without the express permission of the Commission.

## 12. Cost of Preparation of Application

Each Applicant is solely responsible for all the costs, expenses and losses incurred by in relation to the preparation and submission of the Application and in undertaking any negotiations in relation to its Application.

## 13. The Commission's Expectation

- 13.1. The Commission expects that each Applicant will:
  - 13.1.1. declare any actual or potential conflict of interest;

- 13.1.2. not collude with any other Applicant;
  - 13.1.3. not attempt to influence the outcome of this Application process by offering any employment, payment or any other incentive to, or in any way seek to improperly influence, any person employed or engaged by the Commission;
  - 13.1.4. comply with all laws in force in South Australia applicable to the Invitation process;
  - 13.1.5. not make any news releases or responses to media enquiries and questions pertaining to this Invitation process or the subsequent selection process without the Commission's written approval.
- 13.2. The Commission expects that Applicants will not, without the Commission's written prior approval, engage any person in the preparation of its Application who has been engaged or employed by the Commission or any other State agency and involved in the course of his or her employment or engagement in the subject matter of this Invitation.
- 13.3. If an Applicant acts contrary to these expectations, the Commission reserves the right to terminate negotiations, exclude the Applicant from the Application Process and terminate any contract between the Applicant and the Commission without any obligation on the Commission to make any payment to the Applicant.

## *14. Presentation by Applicants*

The Commission may request a presentation by one, some or all of the Applicants of their bids where appropriate.

## *15. Reservation of Rights*

- 15.1. The Commission reserves the right to:
- 15.1.1. abandon this Invitation process whether before or after the receipt of Applications;
  - 15.1.2. grant funds to any not-for-profit organisation irrespective of whether such an organisation has submitted an Application for EEFI, and whether or not its Application is a complying Application;
  - 15.1.3. accept any part or all of an Application;
  - 15.1.4. extend the Closing Date for the submission of Applications;
  - 15.1.5. accept any Application subject to such conditions as it thinks fit;
  - 15.1.6. suspend, alter or terminate the evaluation, selection or negotiation process at any stage;

- 15.1.7. negotiate with one, some or all Applicants after the close of the Application Process on any matter which the Commission considers relevant to the formation of a contract (including the Grant amount);
  - 15.1.8. amend the Commission's requirements at any time prior to the Closing Date for the submission of an Applications;
  - 15.1.9. invite any not-for-profit organisation to submit an Application;
  - 15.1.10. consider an Application which is submitted otherwise than in accordance with these Conditions or which is submitted after the Closing Date; and
  - 15.1.11. allow an Applicant to change its Application if the same opportunity is given to all Applicants.
- 15.2. The decision to accept an Application rests with the Commission in its absolute discretion and no further correspondence will be entered into.
  - 15.3. No Applicant shall make any announcement (public or otherwise) concerning the acceptance of any Application or any other matter concerning this Invitation process without the prior written consent of the Commission.

## *16. How to Apply*

Applicants must complete the Application Form providing details about the organisation and addressing selection criteria as detailed below. All fields must be filled as incomplete Applications Forms may not be considered.

## *17. Public Disclosure of Contracts*

- 17.1. Information regarding contracts between public authorities and the private sector will be made available to the public on the South Australian Government's Tenders and Contracts website ([www.contracts.sa.gov.au](http://www.contracts.sa.gov.au)) in accordance with Premier and Cabinet Circular PC027.
- 17.2. A copy of Premier and Cabinet Circular PC027 is available from [http://www.premcab.sa.gov.au/pdf/circulars/pc027\\_disclosure\\_govt\\_contracts.pdf](http://www.premcab.sa.gov.au/pdf/circulars/pc027_disclosure_govt_contracts.pdf).
- 17.3. Any Grantee is required to consent to disclosure of the contract in accordance with PC027.

## *18. Auditor General*

The Auditor General has power under the Public Finance and Audit Act 1987 (SA) to examine an organisation's accounts if it is the recipient of public funding.

## PART B – CONDITIONS

### 19. Eligibility

#### 19.1. Eligible Applicants

Any Applicants applying for a Grant must be a not-for profit organisation and must be a legal entity with legal capacity and registered with an Australian Business Number (ABN).

#### 19.2. Eligible Beneficiaries

Energy efficiency projects funded by this scheme must focus on households experiencing financial stress. The types of indicators Applicants may consider when targeting households experiencing financial stress include:

- holders of an Australia Government concession card, for example pensioner concession card (Cth), TPI Gold Repatriation Health Card (Cth), War Widows Gold Repatriation Health Card (Cth), Gold Repatriation Health Card (EDA) (Cth), Health Care Card (including a Low Income Health Care Card) (Cth);
- recipients of a South Australian Government Energy Concession;
- participation in an energy hardship program;
- households that have been disconnected within the last 6 months or at risk of disconnection from their energy supplier through failure to pay;
- household income in the bottom two quintiles of the Australian population;
- household income mainly derived from income support payments;
- high energy needs due to their individual or locational factors, such as disability or climate;
- high energy usage relative to household size and composition; or
- member of a particularly disadvantaged group, such as Indigenous Australians, culturally and linguistically diverse people, new arrivals, people with disability.

The Commission expects successful Applicants to target and direct their energy efficiency projects towards households most in need of assistance. This may require successful Applicants to consider methods for prioritising need.



In addressing the selection criteria, Applicants will be required to detail the proposed delivery model including how households experiencing financial stress will be targeted. All delivery models should be fair and equitable and non-discriminatory amongst eligible beneficiaries.

### *19.3. Eligible Activities*

Any project which provides energy efficiency benefits will be considered eligible. These projects are not limited to REES approved activities and the onus is on the Applicant to demonstrate the energy efficiency value intended to be achieved.

Examples of potential projects include providing energy efficiency activities, energy efficiency audits, energy efficient appliances or any other activity/project the Applicant demonstrates will have high energy efficiency benefits.

## *20. Funding for the Scheme*

The Commission has allocated \$78,000 towards the funding of these projects. As part of the Application, the Applicant is required to specify the amount of funding being applied for and justification for that amount. The Commission is predisposed to funding multiple organisations.

## *21. Selection Criteria*

In completing the Application form, applicants will be required to address the following selection criteria:

### *21.1. Energy Efficiency Benefits*

- 21.1.1. the nature of the energy efficiency project; and
- 21.1.2. the energy efficiency benefits of the project.

### *21.2. Appropriateness and Quality of the Proposed Service Model*

- 21.2.1. scope of the proposed service delivery model including intended service coverage area;
- 21.2.2. intended sub-contracts;
- 21.2.3. process for targeting those in financial stress;
- 21.2.4. any integration with existing projects; and
- 21.2.5. innovative qualities of the service model.

### *21.3. Appropriate Governance and Administration Arrangements in Place*

- 21.3.1. organisational structure to support the scheme;

- 21.3.2. support and supervision of the project;
- 21.3.3. quality assurance procedures;
- 21.3.4. complaints handling procedure;
- 21.3.5. details of the organisation's experience and capability to provide services to the eligible beneficiaries;
- 21.3.6. capacity to meet reporting requirements; and
- 21.3.7. financial controls (e.g. separate accounts for Grant funding).

#### *21.4. Experience of the Organisation and its Officers*

- 21.4.1. any training required of workers required for the project;
- 21.4.2. details of how the organisation will ensure the safety of its workers undertaking home visits and the householders that they visit; and
- 21.4.3. qualifications and experience of key personnel.

#### *21.5. Capacity to Meet Deadlines*

- 21.5.1. timing of the project e.g. schedule of deliverables.

#### *21.6. Value for Money*

- 21.6.1. ability to deliver services under the project efficiently and in a cost effective way;
- 21.6.2. details of the amount of funding being applied for and justification for that amount;
- 21.6.3. details of any funding the organisation has received/intends to receive from other sources; and
- 21.6.4. provide a project budget of how the organisation proposes to use the funding.

#### *21.7. Acceptance of the terms and conditions of the Grant Agreement*

## *22. Training and Specialist Requirements*

All agents, contractors, employees and volunteers delivering energy efficiency services under a project must undertake appropriate training for those services. The training required for certain activities is specified below. Applicants are expected to detail the required training in addressing the selection criteria.

All applicable Commonwealth and State laws must be complied with.

### *22.1. Requirements when entering Residential Homes*

If the proposed energy efficiency project involves entering residential homes, the contractor, employee or volunteer undertaking the service must complete occupational health, safety and welfare training. The organisation must ensure an assessment is made of the fitness and propriety of each person. This may include, but is not limited to, police and reference checks of all employees, volunteers and contractors.

When entering a premises, employees, volunteers and/or contractors must wear an identification badge with their name and organisation. The person is not to conduct themselves in a manner which is misleading, deceptive or unconscionable, whether by act or omission. There must be no undue pressure, harassment or coercion exerted on the householder. All information provided must be truthful and in a manner which the householder will understand (such as in plain English). If asked to leave a premises the employee, volunteer or contractor must do so immediately.

### *22.2. Audit Training Requirements*

If an Applicant's proposed energy efficiency project involves undertaking audits, the agent, contractor, employee or volunteer must meet the following training requirements:

- a Statement of Attainment for the following three units of the Certificate IV in Home Sustainability Assessment;
  - CPPHSA4001A Assess Household Energy Use; and
  - CPPHSA4005A Minimise health, safety and security risks when assessing home sustainability; and
  - CPPHSA4007A Promote the adoption of home sustainability practices by residents; or
- a Statement of Attainment for the units CPPHSA4001A and CPPHSA4005A, described above, and these units were delivered in a way that has embedded the core principles of unit CPPHSA4007A; or

Alternatively, the following training requirements are acceptable if the agent, contractor, employee or volunteer completed the specified training/experience prior to 1 January 2012:

- a relevant training course, program or qualification which develops these competencies – i.e.: Energy Friends©, the Home Sustainability Assessment Course developed by Sustainability Victoria or other relevant training course as approved by the Department for Manufacturing, Innovation, Trade, Resources and Energy or the former Department for

Transport, Energy and Infrastructure; AND have applied these competencies in practice within residential premises; or

- more than 12 months experience conducting in-home energy audits which are consistent with the specification and with written references from at least two persons/organisations substantiating the competencies of the person undertaking the audit; or
- an accredited Green Loans Assessor for the purposes of the Commonwealth Government's Green Loans Program.

### *23. Activity and Performance Reporting*

Reports on the progress of the project will be required on a frequent basis. The timing of the reports will be determined based on the timing of the project. At a minimum the reports will be required to detail:

- date(s) the service was undertaken;
- name of the person who undertook the service;
- householder address; and
- type of service.

In addition to the progress report, a recipient of a Grant will be required to provide a Statement of Expenditure which details the amount and areas the money was spent.

The Commission will use information provided by recipients of Grants to:

- assess the extent to which Grant recipients have achieved the objectives of the Grant funding;
- compliance with the Grant Agreement;
- assess the overall performance of the EEFI Scheme;
- evaluate the projects and types of services undertaken; and
- to evaluate energy efficiency benefits arising from the EEFI Scheme.

### *24. Subcontracts*

In addressing the selection criteria the Applicant must outline the delivery model of the proposed energy efficiency project. The Commission accepts that some Applicants may choose to enter into contracts with other parties to carry out the project. The Commission requires details of those contracts to be submitted including the names of any potential contracting parties.

## PART D – CONTRACT REQUIREMENTS

### *25. Contract Terms and Conditions*

The successful Applicant(s) will be required to enter into an agreement with the Commission in accordance with the draft Grant Agreement.

## FURTHER INFORMATION

Any queries relating to Applications for the EEFI Scheme should be directed to:

Contact person: Kara O'Sullivan, Analyst – Regulatory Affairs

Essential Services Commission of South Australia

Postal address: GPO Box 2605, Adelaide SA 5001

Telephone: (08) 8463 4444

E-mail: [eefi@escosa.sa.gov.au](mailto:eefi@escosa.sa.gov.au)



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