

Department of Energy

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or marketing expenses shall be accompanied by a financial status report completed in accordance with the documents listed in § 455.3. In addition, States shall file quarterly financial status reports for the quarters which occur between the semi-annual report periods covered in their program performance reports. These quarterly reports are due within 30 days following the end of the applicable quarters.

Subpart L—State Responsibilities

§ 455.130 State evaluation of grant applications.

(a) If an application received by a State is reviewed and evaluated by that State and determined to be in compliance with subparts E, F, and J of this part, § 455.130(b), any additional requirements of the approved State Plan, State environmental laws, and other applicable laws and regulations, then such application will be eligible for financial assistance.

(b) Concurrent with its evaluation and ranking of grant applications pursuant to § 455.131, the State will forward applications for technical assistance or for energy conservation measures for schools to the State school facilities agency for review and certification that each school application is consistent with related State programs for educational facilities. For hospitals the certification requirement applies only if there is a State requirement for it in which case the procedure should be described in the State Plan.

§ 455.131 State ranking of grant applications.

(a) Except as provided by § 455.92 of this part, all eligible applications received by the State will be ranked by the State in accordance with its approved State Plan.

(b) For technical assistance programs, buildings shall be ranked in descending priority based upon the energy conservation potential, on a savings percentage basis, of the building as determined in the energy audit or energy use evaluation pursuant to § 455.20(k). Each State shall develop separate rankings for all buildings covered by eligible applications for:

(1) Technical assistance programs for units of local government and public care institutions and

(2) Technical assistance programs for schools and hospitals.

(c) All eligible applications for energy conservation measures received will be ranked by the State on building-by-building or a measure-by-measure basis. If a State ranks on a building-by-building basis, several buildings may be ranked as a single building if the application proposes a single energy conservation measure which is physically connected to all of the buildings. If a State ranks on a measure-by-measure basis, a measure that is physically connected to a number of buildings may be ranked as a single measure. Buildings or measures shall be ranked in accordance with the procedures established by the State Plan on the basis of the information developed during a technical assistance program (or its equivalent) for the building and the criteria for ranking applications. The criterion set forth in paragraph (1) of this subsection shall receive at least 50 percent of the weight given to the criteria used to rank applications. Each State may assign weights to the other criteria as set forth in the State Plan pursuant to § 455.20(e). The criteria for ranking applications are:

(1) Simple payback or a life-cycle cost analysis, calculated in accordance with § 455.63 and § 455.64, as applicable;

(2) The types and quantities of energy to be saved, including oil, natural gas, or electricity, in a priority as established in the approved State Plan;

(3) The types of energy sources to which conversion is proposed, including renewable energy;

(4) The quality of the technical assistance program report; and

(5) Other factors as determined by the State.

(d) A State is exempt from the ranking requirements of this section when:

(1) The total amount requested by all applications for schools and hospitals for technical assistance and energy conservation measures in a given grant program cycle for grants up to 50 percent is less than or equal to the funds available to the State for such grants and the total amount recommended for

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hardship funding is less than or equal to the amounts available to the State for such grants and

(2) The total amount requested by all applications for buildings owned by units of local government and public care institutions in a given grant program cycle is less than or equal to the total amount allocated to the State for technical assistance program grants in the State;

(e) If a State elects to permit applications for credit pursuant to § 455.102, such applications for completed or partially completed energy conservation measures shall reflect both the work done and the work to be done and will be reviewed and ranked on the basis of the cost of all of the measures in the project. The credit shall not exceed the non-Federal share of the proposed additional energy conservation measures (and the Federal share shall not exceed the cost of the work remaining to be done).

(f) Within the rankings of school and hospital buildings for technical assistance and energy conservation measures including renewable resource measures to the extent that approvable applications are submitted, a State shall initially assure that:

(1) Schools receive at least 30 percent of the total funds allocated for schools and hospitals to the State in any grant program cycle and

(2) Hospitals receive at least 30 percent of the total funds allocated for schools and hospitals to the State in any grant program cycle.

(g) If there are insufficient applications from schools or hospitals to cover the respective 30 percent requirements specified in paragraph (f) of this section, then the State may recommend use of the remaining funds in those allocations for other qualified applicants.

§ 455.132 State evaluation of requests for severe hardship assistance.

(a) To the extent provided in § 455.30(d), financial assistance will be initially available for schools and hospitals experiencing severe hardship based upon an applicant's inability to provide the non-Federal share as specified in the State plan pursuant to § 455.20(g). This financial assistance will

be available only to the extent necessary to enable such institutions to participate in the program.

(b) The State shall recommend funds for severe hardship applications wholly or partially from the funds reserved in accordance with § 455.30(d) and as stated in an approved State Plan.

(c) Applications for Federal funding in excess of the non-Federal share in the State plan pursuant to § 455.20(x) based on claims of severe hardship shall be given an additional evaluation by the State to assess on a quantifiable basis to the maximum extent practicable the relative need among eligible institutions. The minimum amount of additional Federal funding necessary for the applicant to participate in the program will be determined by the State in accordance with the procedures established in the State Plan. The primary consideration shall be the institution's inability to provide the non-Federal share of the project cost as specified in the State plan pursuant to § 455.20(x). Secondary criteria such as climate, fuel cost and fuel availability, borrowing capacity, median family income in the area, and other relevant factors as determined by the State may be addressed in the State Plan as specified in § 455.20(g).

(d) A State shall indicate, for those schools and hospitals with the highest rankings, determined pursuant to § 455.131(b) and (c):

(1) The amount of additional hardship funding requested by each eligible applicant for each building determined to be in a class of severe hardship and

(2) The amount of hardship funding recommended by the State based upon relative need, as determined in accordance with the State Plan, to the limit of the hardship funds available. The State must decide on a case-by-case basis whether, and to what extent, it will recommend hardship funding.

(e) If there are insufficient applications from hardship applicants to cover the 10 percent allocation provided for in § 455.30(d), then the State may recommend use of the remaining funds for other qualified applicants. The total amount recommended for hardship grants cannot exceed the 10 percent limit.