as determined by the State in accordance with the State Plan, for the building for which financial assistance is to be requested subsequent to the most recent construction, reconfiguration, or utilization change to the building which significantly modified energy use within the building;

- (4) Have completed an updated technical assistance program if required in the State Plan as specified in §455.20(q);
- (5) Have implemented all energy conservation maintenance and operating procedures which are identified as the result of a technical assistance program or have provided pursuant to the State plan a satisfactory written justification for not implementing any specific maintenance and operating procedures so identified;
- (6) Have met any requirements set forth in the State Plan pursuant to §455.20(m) regarding the avoidance of supplanting other funds in the financing of energy conservation measures under this part;
- (7) Have no plan or intention at the time of application to close or otherwise dispose of the building for which financial assistance is to be requested within the simple payback period or useful life (depending on the State's requirement for determining cost effectiveness) of any energy conservation measure recommended for that building; and
- (8) Submit an application in accordance with the provisions of this part and the approved State Plan;
- (b) To be eligible for financial assistance:
- (1) In States where simple payback has been selected as the cost-effectiveness test pursuant to §455.20(u)(2), the simple payback period of each energy conservation measure for which financial assistance is requested shall not be less than 2 years nor greater than 10 years, and the estimated useful life of the measure shall be greater than its simple payback period; or
- (2) In States where life-cycle costing has been selected as the cost-effectiveness test pursuant to §455.20(u)(2), the savings-to-investment ratio of each energy conservation measure must be greater than or equal to one under §455.63(b)(1), over a period for analysis

which does not exceed 15 years, and the useful life of the energy conservation measure must be at least 2 years.

(c) Leased equipment is not eligible for financial assistance under this part. Equipment which becomes the property of the grantee at the conclusion of a long-term purchase agreement without any additional payment is eligible.

§ 455.72 Scope of the grant.

Financial assistance awarded under this subpart may be expended for the design (excluding design costs funded under the technical assistance program), acquisition, and installation of energy conservation measures to reduce energy consumption or measures to allow the use of renewable resources in schools and hospitals or to shift energy usage to periods of low demand and cost. Such measures include, but are not necessarily limited to, those included in the definition of "energy conservation measure" in §455.2.

Subpart G—State Administrative Expenses

§ 455.80 Purpose.

This subpart describes what constitutes a State administrative expense that may receive financial assistance under this part and sets forth the eligibility criteria for States to receive grants for administrative expenses.

§ 455.81 Eligibility.

To be eligible to receive financial assistance for administrative expenses, a State must:

- (a) Have in place a State Plan approved by DOE pursuant to §455.21 and
- (b) Be operating a program to provide technical assistance and energy conservation measure grants, or technical assistance, program assistance, and marketing (where energy conservation measures are funded non-Federally) to eligible institutions pursuant to this part.

§ 455.82 Scope of the grant.

A State's administrative expenses shall be limited to those directly related to administration of technical assistance programs, program assistance and marketing programs, and energy