



New York Energy \$martSM Loan Fund

APPLICATION KIT For OTHER THAN 1-4 FAMILY HOMES (Revised April 1, 2004)

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New York State Energy Research and Development Authority
17 Columbia Circle - Albany, NY 12203-6399
(518) 862-1090 / 1-866-NYSERDA
Fax: (518) 862-1091



New York Energy SmartSM Loan Fund
Application Instructions
For
Other Than 1-4 Family Homes

The **New York Energy SmartSM Loan Fund** provides interest rate reductions of up to 4.0% below market rate for loans or leases with participating lenders for up to 10 years to finance cost-saving, energy-efficiency measures and renewable energy projects. Interest Rate Reductions up to 6.5% may be available for Eligible Facilities in the Liberty Zone. Loan limits vary depending on the type of facility being improved: (a) for Multifamily Buildings: \$5,000 per residential unit up to \$5,000,000 per Eligible Borrower; and (b) for Commercial, Industrial, Municipal, Institutional, Commercial Real Estate and Agricultural Sectors: up to \$1,000,000 for Eligible Improvements plus up to \$500,000 for Green Building Improvements, for a maximum of \$1,500,000 per Eligible Borrower.

For the purpose of determining the aggregate limits per Borrower, the term Borrower shall include all entities of which the Borrower has a 10% or more interest in ownership or control.

Costs may include removal of equipment or system to be replaced, purchase and installation of new energy measures, and purchase and installation of any required ancillary equipment and related services.

There are just a few easy steps to apply:

1	A list of pre-qualified measures has been developed to make it easy for you to apply for the interest rate reduction. These are listed in the Pre-Qualified Measures Worksheet . Complete the Worksheet and attach the contractor's estimate/contract (which must include the make, model number, and efficiency rating of each pre-qualified measure) to purchase and install the proposed measures.
2	For any planned improvements that <u>do not</u> appear on the Pre-Qualified Measures Worksheet, complete the Request for Preapproval of Custom Improvements form before going further. NYSEDA staff will review your proposed custom improvements to determine eligibility. Await NYSEDA's response before proceeding. If your proposed custom improvements are approved, NYSEDA will send you a Notice of Project Preapproval letter.
3	Complete the Application along with your lender's standard loan application.
4	Give the NYSEDA forms to your lender. Your lender should fill in its part of the Application and should submit the following together in one package: <input type="checkbox"/> The Application; <input type="checkbox"/> If applicable, the Pre-Qualified Measures Worksheet and supporting technical documentation; <input type="checkbox"/> If applicable, the Notice of Project Preapproval resulting from the Request for Preapproval of Custom Improvements; <input type="checkbox"/> Your lender's commitment letter to you. Your lender's own loan application with credit and financial information should not be submitted to NYSEDA.
5	Upon completion of the project, you must complete the Certificate of Project Completion, certifying to NYSEDA that the Eligible Improvements were installed as set forth in the Application.

If you have questions about the **New York Energy SmartSM Loan Fund** contact NYSEDA, toll free at 1-866-NYSERDA (1-866-697-3732); fax: 518-862-1091; or e-mail: loanfund@nyserda.org.

New York Energy \$martSM Loan Fund Application for Other Than 1-4 Family Homes

Lender Section (to be completed by Lender)

1. Participating Lender Information

Participating Lender:			
Address:	City:	State:	Zip:
Contact:		Title:	
Phone: ()	Fax: ()	E-Mail:	

2. Loan Information

Borrower:	Amount of Loan Approved by Lender:		
Amount for which below market interest rate is sought (see Instructions for maximum):			
Loan Term (Months):	Base Interest Rate:	Reduced Interest Rate:	

3. Lender's Certification: The undersigned certifies that:

1. The undersigned is authorized by the Lender to execute this document on its behalf.
2. The Lender is in full compliance with the Participation Agreement.
3. The Application complies with the Terms and Conditions of this Application and the **New York Energy \$martSM Loan Fund** Policy and Procedures Manual, including all additions and revisions as of the date of this Application, for which the Lender is responsible.

Authorized Signature and Title: _____ Date: _____

Submit a copy of the Loan Commitment along with this Application and mail or fax to:

New York State Energy Research and Development Authority

17 Columbia Circle, Albany, NY 12203-6399

Attention: Loan Fund

Fax: (518) 862-1091

For NYSERDA Use Only:

Loan Application Approval:

Loan No: _____

Lump sum payment amount approved:	
Signed:	Signed:

For NYSERDA use in approving lump sum payment upon loan closing:

Changes from initial approval:

Term:	Reduced Interest Rate:	Loan Amt.:	Lump sum payment:
Approved:			

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Borrower Section (to be completed by Borrower)

4. Borrower Information

Please provide all information regarding the property where improvements will be made.

Name of Borrower

Address of Facility

City

State

Zip

Phone (daytime)

Fax

Email

of Units

Sq. Ft. of Structure

Please check the description which best describes the facility:

Commercial Governmental Multifamily Institutional
 Industrial Agricultural Health Care Facility Other

5. Utility Information

Please indicate the name of the electric utility that provides service to the facility.

Central Hudson Gas & Electric Corp.

Orange and Rockland Utilities, Inc.

Rochester Gas & Electric Corporation

Niagara Mohawk Power Corporation

New York State Electric & Gas Corporation

Consolidated Edison Company of New York, Inc.

6. Brief Description of the Project

Please describe the project that is to be funded by the loan.

7. Technical Assistance Information

Identify any provider(s) of technical assistance, including energy audits, whose costs are to be included in the amount for which an interest rate reduction is sought.

Identify type of firm(s) providing technical assistance (e.g., engineering, architecture)

Are technical assistance costs being cost-shared with NYSERDA?

8. Contractor Information

Provide the name and address of any contractor(s) who will install the energy-saving improvements.

9. Proposed Completion Date

Please state the date by which the energy-saving improvements will be installed in absolute terms (e.g., June 30, 2003) or in relative terms (e.g., 90 days after the closing of the loan):

New York Energy \$martSM Loan Fund Application for Other Than 1-4 Family Homes

Borrower Section (to be completed by Borrower)

10. Other Funding

10. (a) Has the Borrower received, or does the borrower expect to receive, any assistance for this project from local, state, or federal economic development or financing programs?
 Yes ___ No ___ If yes, please specify source and amount:

10. (b) Has the Borrower received other funding from the New York Energy \$martSM Loan Fund in the past?
 Yes ___ No ___ If yes, please specify amount:

10. (c) Has the Borrower received or does the Borrower plan to receive funding under any other NYSERDA program?
 Yes ___ No ___ If yes, please specify program and amount:

10. (d) Is the project seeking funding under the New York Energy \$martSM Loan Fund considered New Construction as defined: (1) A new building or portion within a new building; or (2) a substantial renovation in which there is (a) a change of use and reconstruction of an existing building or space within; (b) construction work of a nature requiring a building or space within to be out of service for at least 30 consecutive days?
 Yes ___ No ___

11. Cost of Energy Saving Improvements

A copy of each Worksheet along with all required documentation must be attached to this Application.

a) Total from Pre-Qualified Measures Worksheet	\$
b) Total from Custom Improvements Worksheet	\$
c) Total Measures (a + b)	\$
d) Cost of Technical Assistance, not to exceed 10% of Total Measures	\$
e) Total cost of energy-saving improvements (c + d)	\$

12. Borrower's Certification

The Undersigned certifies that I am the Borrower, as defined in the Application Instructions, and that:

1. All information on this Application, including all Worksheets and attached documentation, is true and complete to the best of my knowledge and belief.
2. The facility where the improvements will be made is assessed the System Benefits Charge by one of the following entities: Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Rochester Gas & Electric Corporation, or Orange and Rockland Utilities, Inc.
3. The Borrower has the authority to make and install the proposed improvements.
4. I understand that obtaining the interest rate reduction on the loan requires that the eligible improvements be purchased and installed as set forth in this Application, including all Worksheets and documentation.
5. I will submit a Certificate of Project Completion to NYSERDA and the lender within 90 days of the Proposed Completion Date stated in Section 9 of this Application.
6. I understand and agree to the Terms and Conditions set forth in this **New York Energy \$martSM Loan Fund** Application.

Signature _____ Date _____

Co-Borrower Signature _____ Date _____

New York Energy \$martSM Loan Fund Application for Other Than 1-4 Family Homes

Terms and Conditions

1. Interest Rate Reduction

Subject to these Terms and Conditions and approval by New York State Energy Research and Development Authority (NYSERDA), NYSEDA will provide through a Participating Lender to eligible applicants an Interest Rate Reduction on the Approved Loan Amount. Submission of a completed Application does not entitle Borrower to participate in the New York Energy \$martSM Loan Fund. The Approved Loan Amount must be used to purchase and install the Eligible Improvements as set forth in this Application, including all Worksheets and documentation.

2. Eligibility

NYSERDA reserves complete discretion to approve or disapprove any application. Interest Rate Reductions are available to borrowers whose facilities are assessed the System Benefits Charge by Consolidated Edison Company of New York, Inc., Central Hudson Gas & Electric Corp., Niagara Mohawk Power Corporation, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., or Rochester Gas & Electric Corporation and who otherwise meet the eligibility criteria of the Loan Fund. Eligible Improvements include Pre-Qualified Measures and qualified Custom Improvements as set forth in this Application.

3. Pre-Application Purchases or Audits

NYSERDA may elect to provide an Interest Rate Reduction on any improvement purchased not more than 30 days prior to the Date of Application. NYSEDA may permit reimbursement of out-of-pocket costs for a technical study or audit conducted not more than six (6) months prior to the Date of Application. Purchases made prior to NYSEDA's approval of the Application are at the borrower's risk.

4. Follow-up Visits

NYSERDA reserves the right to make a reasonable number of post-installation follow-up visits to the project during the 24 months following project completion. Such visit(s) will be at a time convenient to the borrower and will be made with at least one week's advance notice to the borrower. The purpose of the follow-up visit(s) is to provide NYSEDA or its agent an opportunity to ensure that the Eligible Improvements are installed consistent with the Application, Loan Fund eligibility requirements, and generally accepted engineering practices.

5. Limited Scope of Review

The scope of review by NYSEDA of the installation of the Eligible Improvements is limited solely to determining whether criteria set forth in the Application have been met and does not include any kind of safety or other review.

6. Changes to and Termination of the Loan Fund

The Loan Fund program and these Terms and Conditions may be changed by NYSEDA at any time without notice. However, Applications will be approved under Terms and Conditions in effect as of the Date of Application. NYSEDA will accept Applications on a first-come, first-served basis. If there are insufficient funds available in the Loan Fund to fund additional Applications, NYSEDA will notify the Participating Lenders that new Applications will be placed on a waiting list until more funds become available, or that the Loan Fund has ended and no further Applications should be submitted.

7. Indemnification

The Borrower shall protect, indemnify, and hold harmless NYSEDA and the State of New York from and against all liabilities, losses, claims, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) imposed upon or incurred by or asserted against NYSEDA, its agents, or the State of New York resulting from, arising out of or relating to the performance of the Agreement. The obligations of the Borrower under this section shall survive any expiration or termination of the Agreement.

New York Energy SmartSM Loan Fund Application for Other Than 1-4 Family Homes

Terms and Conditions

8. No Warranties

NYSERDA does not endorse, guarantee, or warrant any particular manufacturer or product, and NYSERDA provides no warranties, expressed or implied, for any product or services. The Borrower's reliance on warranties is limited to any warranties that may arise from, or be provided by, contractors, vendors, manufacturers, etc. The Borrower acknowledges that neither NYSERDA nor any of its agents are responsible for ensuring that the design, engineering, construction, or installation of the Eligible Improvements is proper or complies with any particular laws (including patent laws), codes, or industry standards. NYSERDA does not make any representations of any kind regarding the results to be achieved by the Eligible Improvements or the adequacy or safety of such measures.

9. Title to Equipment

Title to equipment purchased under this Application shall not vest with NYSERDA.

10. Vendor Selection

The Borrower may select any vendor or contractor to perform the work contemplated by the Application, however, grid-connected photovoltaic systems (PV) and wind turbines must be installed by a NYSERDA approved installer. NYSERDA expects the Borrower to competitively procure products and services related to this Application. Notwithstanding the foregoing, the Borrower acknowledges that NYSERDA has the right to exclude a vendor or contractor from participation in the Loan Fund.

11. Removal of Equipment

The Borrower agrees, as a condition of participation in the Loan Fund, to remove and dispose of the equipment being replaced by the Eligible Improvements in accordance with all laws, rules, and regulations.

12. Entire Agreement

This Application and these Terms and Conditions are the entire agreement between the Borrower and NYSERDA and supersedes all other communications and representations

13. Events of Default by Borrower and Remedy

An Event of Default shall be deemed to exist if any one or more of the following events occurs:

- (a) Failure to comply with the approved Application, including the Terms and Conditions;
- (b) Omissions or misrepresentation of material facts attested to in the Application regarding the eligibility of the facility, the borrower, or the improvements;
- (c) Failure of the borrower to complete the Eligible Improvements as set forth in the Application or in a manner consistent with the purpose of achieving energy savings or consistent with generally accepted engineering practices;
- (d) Failure of the borrower to provide NYSERDA or its agents reasonable access to the Eligible Facility for the purpose of monitoring, inspecting, or otherwise investigating the installation of the Eligible Improvements; or
- (e) Failure of the borrower to submit the Certificate of Project Completion within 90 days following the Proposed Completion Date.

In the Event of Default, NYSERDA reserves the right to require additional work by the borrower to achieve compliance with this Application or to reduce the amount subject to an Interest Rate Reduction.



New York Energy SmartSM Loan Fund
Other than 1-4 Family Homes
Pre-Qualified Measures Worksheet

(as of 7/1/03 – check NYSEERDA website at www.nyserda.org/loanfund for current Pre-Qualified Measures list)

NYSEERDA has evaluated and pre-qualified the energy-saving measures listed on this worksheet. To be eligible for the interest rate reduction, each Pre-Qualified Measure must meet the listed Minimum Standard. If the improvement you are considering does not meet the Minimum Standard, please contact NYSEERDA before completing this **Pre-Qualified Measures Worksheet** and submitting an Application. Energy-saving measures not on this list **will be** considered custom improvements and must be evaluated on a case-by-case basis. (See **Request for Preapproval of Custom Improvements**.) Attach the contractor's signed estimate indicating the make and model number of the item to be installed. Also attach technical documentation demonstrating that the equipment meets the minimum standard.

For More Information

For more information regarding the Loan Fund, Pre-Qualified and Custom Improvements, and technical assistance available from NYSEERDA, contact NYSEERDA toll free at 1-866-NYSEERDA (1-866-697-3732); fax 518-862-1091; or e-mail: loanfund@nyserda.org.

Borrower/Facility Information

Borrower Name

Facility Name *(If applicable)*

Pre-Qualified Measures

	Pre-Qualified Measure	Minimum Standards	#	Cost ¹ Each	Total Each	
Heating, Hot Water and Air Conditioning	E1 Air-source heat pumps under 65 Mbtu/hour Split system and single package units with capacity under 65,000 Btu. No window units or other ductless systems. 3-phase only.	HSPF ≥ 8.0 SEER ≥ 13.0 <i>Source: CEE Tier 2</i>		\$	\$	
	E2 Air-source heat pumps 65-135 Mbtu/hour Split systems and single package units with capacity over 65,000 Btuh.	EER ≥ 11.0 COP ≥ 3.2 <i>Source: CEE Tier 2</i>		\$	\$	
	E3 Air-source heat pumps 135-240 Mbtu/hour Split systems and single package units with capacity over 135,000 Btuh.	EER ≥ 10.8 COP ≥ 3.3 <i>Source: CEE Tier 2</i>		\$	\$	
	E4 Water-source heat pumps 65-135 Mbtu/hour Split systems and single package units with capacity over 65,000 Btuh	EER ≥ 12.0 COP ≥ 4.1 <i>Source: CEE Tier 1</i>		\$	\$	
	E5 Heat pump water heaters and add-ons Hot water heating system replacing electric resistance heating system. Retrofit for existing electric storage with add-on heat pump water heater.	≥ 2.37 Energy Factor Only units with storage tank of 50 – 120 gallons.		\$	\$	
	E6 High-efficiency central air conditioning (residential) Split system and single package units with capacity under 65,000 Btuh. No window units or packaged terminal units. Single phase only.	SEER ≥ 13.0 <i>Source: CEE Tier 1</i>		\$	\$	
	E7 Ground Source Heat Pump	Closed Loop Systems with integrated water heating. EER ≥ 14.1, COP ≥ 3.3		\$	\$	
	E8 Air Cooled Electric Chillers					
		Scroll 30 - 60 tons	IPLV kW / ton ≤ 0.86 <i>Source: FEMP</i>		\$	\$
		Reciprocating 30 - 150 tons	IPLV kW / ton ≤ 0.90 <i>Source: FEMP</i>		\$	\$
	Screw 70 - 200 tons	IPLV kW / ton ≤ 0.98 <i>Source: FEMP</i>		\$	\$	

¹For description of allowable costs, see definition of Cost in the Application Instructions.

Pre-Qualified Measure		Minimum Standards	#	Cost ¹ Each	Total Each
E9	Water Cooled Electric Chillers				
	Centrifugal 150 – 299 tons	IPLV kW / ton ≤ 0.52 <i>Source: FEMP</i>		\$	\$
	Centrifugal 300- 2,000 tons	IPLV kW / ton ≤ 0.44 <i>Source: FEMP</i>		\$	\$
	Rotary Screw ≥ 150 tons	IPLV kW / ton ≤ 0.49 <i>Source: FEMP</i>		\$	\$
E10	High-efficiency electric water heating 35-86 gallon water heater	≥ .92 Energy Factor <i>Source: FEMP</i>		\$	\$
E11	Air-side economizers System automatically uses outside air to reduce cooling and heating loads. Repair of existing economizers is not eligible.	Replacement must have 100% OA differential dry bulb. <i>Source: ACEEE</i>		\$	\$
E12	Packaged Air Conditioning (Air Source) Factory-made direct expansion space cooling system with self-contained or matched split evaporator coils.	Must meet CEE Tier 2 standard: ≤ 5.4 tons: 13.0 SEER (3-phase only) 5.4 – 11.25 tons: 11.0 EER > 11.25 tons: 10.8 EER <i>Source: CEE Tier 2</i>		\$	\$
E13	Packaged Air Conditioning (Water Source)	5.4 – 11.25 tons: EER 11.5 <i>Source: CEE Tier 1</i>			
E14	Packaged Terminal Air Conditioning (PTAC)	Equipment must have a minimum efficiency of 0.58 tons: 11.7 EER / 3.3 COP 0.75 tons: 11.3 EER / 3.2 COP 1.00 tons: 10.7 EER / 3.1 COP 1.25 tons: 9.6 EER / 3.0 COP		\$	\$
E15	Water-side economizers System automatically uses water to reduce cooling and heating loads. Repair of existing economizers is not eligible.	Replacement must be water cooled DX with water-side economizer. <i>Source: ACEEE</i>		\$	\$
Windows, Doors, Insulation, Infiltration, Roofing	E16	ENERGY STAR® windows, doors, and skylights-- equivalent or better Products must be rated, certified and labeled for both U-value and Solar Heat Gain by the NFRC.	Northern Region-- Windows: U-value ≤ .35 Central Region-- Windows: U-value ≤.40;SHGC ≤ .55 <i>Source: ENERGY STAR®. See the ENERGY STAR® web site: www.energystar.gov.</i>	\$	\$
	E17	Windows for multifamily (>4 units) and commercial buildings Products must be rated, certified and labeled for U-value by the NFRC.	U-value ≤ .55 for glass and frame _____ total sq. footage of windows	\$	\$
	E18	Interior Storm Windows	Double glazed .07 (.0007 in.) clear plastic film affixed to aluminum frame with vinyl spline; U-Value of 0.75 or better	\$	\$
	E19	Weatherstripping		\$	\$
	E20	Pipe Insulation: _____ lineal feet		\$	\$
	E21	Insulation: _____ square feet; _____ R-Value	Siding is not eligible	\$	\$
	E22	Duct Sealing		\$	\$
	E23	ENERGY STAR® roofing	Only ENERGY STAR® rated roofs qualify	\$	\$
System Controls	E24	Lighting Occupancy controls Installed where controls do not exist.	Infrared or ultrasonic occupancy sensors with interface for lighting.	\$	\$
	E25	Daylight dimming controls Installed where controls do not exist.	Occupancy and photocell control systems with dimming ballasts to adjust lighting levels.	\$	\$
	E26	Energy Management System (EMS) Systems control of HVAC and lighting loads.		\$	\$

Pre-Qualified Measure		Minimum Standards	#	Cost ¹ Each	Total Each
Lighting	E27	T-8 Fluorescent lighting fixtures	All types of fixtures with T-8 lamps and electronic ballasts	\$	\$
	E28	T-5 Fluorescent lighting fixtures	All types of fixtures with T-5 lamps and electronic ballasts	\$	\$
	E29	T-8 Retrofit Fixtures Fixture retrofits only. Electronic ballasts and T-8 lamps for existing fixtures and any necessary louvers or baffles.	Ballast and lamps must be new	\$	\$
	E30	HID fixtures for interior use Units with pulse-start ballasts and matching metal halide lamps	Lamps must have minimum mean efficacy of: ≤ 150 watts: 40 lumens per watt 150 - 400 watts: 75 lumens per watt ≥ 400 watts: 85 lumens per watt <i>Source: ACEEE</i>	\$	\$
	E31	Hardwired compact fluorescent fixtures (CFLs) Fixture includes lamp and electronic or dimmable ballast. Retrofits are not eligible.	Permanently attached CFLs replacing standard incandescent lamps. Ballasts must have THD<15 and PF>0.90.	\$	\$
	E32	High Pressure Sodium (HPS) and Metal Halide (MH) fixtures Permanently attached HPS and MH fixtures.	Pulse start ballasts required for MH fixtures. Minimum mean efficacy of: ≤ 100 watts: 55 lumens per watt 100 - 400 watts: 80 lumens per watt ≥ 400 watts: 100 lumens per watt	\$	\$
	E33	LED Commercial and industrial exit signs	Permanently attached light emitting diode (LED) exit signs to replace standard incandescent signs or equivalent.	\$	\$
Appliances and Office Equipment	E34	ENERGY STAR [®] products Includes <ul style="list-style-type: none"> ▪ Non-Commercial Clothes Washers ▪ Refrigerators ▪ Computers, Copiers, Fax Machines ▪ Much more 	Any ENERGY STAR [®] rated product is eligible. NON- ENERGY STAR [®] rated products must have efficiency ratings equal to or better than ENERGY STAR [®] (Refer to ENERGY STAR [®] website (www.energystar.gov))	\$	\$
	E35	High efficiency refrigerated vending machines	Equipment must have electronic ballasts and improved fan motor and compressor. <i>Source: ENERGY STAR[®]</i>	\$	\$
	E36	Commercial Ice Makers	≤ FEMP recommended efficiencies; (Refer to FEMP website: www.eere.energy.gov/femp)		
	E37	Commercial Coin Operated Clothes Washers	Must meet or exceed CEE Tier 2 standards Modified Energy Factor ≥ 1.42 Water Factor 9.5 or less		
Agricultural	A1	Plate Pre-Cooler		\$	\$
	A2	Scroll Compressors	EER ≥ 11.0	\$	\$
Drives and Motors	E38	Premium efficiency motors Motor HP _____ Qty _____ Motor HP _____ Qty _____ Motor HP _____ Qty _____	Permanently wired motors from 1- 200 hp, operating over 2,000 hours per year. Must meet National Electrical Manufacturer's Association guidelines--NEMA Premium™. See www.ceeformt.com or www.nema.com or contact NYSERDA.	\$	\$
	E39	Variable speed drives (VSDs) VSD motors controls replace single-speed motors controls.	Indicate application and horsepower. ___ AHU Fan _____ hp ___ Pump, Heating _____ hp ___ Pump, Chilled Water _____ hp	\$	\$
Health and Safety Measures	HS1	Smoke Detectors		\$	\$
	HS2	Carbon Monoxide Detectors		\$	\$
	HS3	Radon Detectors		\$	\$

Pre-Qualified Measure		Minimum Standards	#	Cost ¹ Each	Total Each
Non-Electric Measures	Furnaces and Boilers <100,000 Btu per hour (as defined in 10 CFR Ch. 11 § 430.2)				
	NE1	Furnaces (natural gas and propane) Furnaces fired by natural gas and propane	AFUE ≥ 90%	\$	\$
	NE2	Furnaces (oil) Furnaces fired by oil	AFUE ≥ 85%	\$	\$
	NE3	Boilers (hot water) Boilers fired by natural gas, propane, and oil	AFUE ≥ 85%	\$	\$
	NE4	Boilers (steam) Oil-fired steam boilers	AFUE ≥ 84%	\$	\$
	NE5	Boilers (steam) Gas-fired steam boilers	AFUE ≥ 81.5%	\$	\$
	Boilers ≥ 300,000 Btu per hour				
	NE6	Boilers (gas-fired hot water)	Thermal Eff. > 80% and Comb. Eff. > 84% Source: FEMP	\$	\$
	NE7	Boilers (gas-fired steam) 300,000 - 2,499,999 Btuh: 2,500,000 – 4,999,999 Btuh:	Thermal Eff. >79%; Comb. Eff. >84% Thermal Eff. >80%; Comb. Eff. >84% Source: FEMP		
	NE8	Boilers (oil-fired hot water)	Thermal Eff. > 83% and Comb. Eff. >84% Source: FEMP	\$	\$
NE9	Boilers (oil-fired steam)	Thermal Eff. > 83% and Comb. Eff. >84% Source: FEMP	\$	\$	
Water heaters fired by natural gas, propane, or oil					
NE10	48 – 86 Gallon	≥ 0.61 Energy Factor Source: FEMP	\$	\$	
Renewables and alternative fuel sources	R1	Photovoltaic (PV) grid-connected (Refer to www.nyserdera.org/energyresources/installers.html for a list of eligible installers)	Grid-connected, end-use PV systems, 15kW or less, that are installed by NYSERDA-eligible installers. Only final out-of-pocket expenses may be financed.		
	R2	Grid-connected End Use Wind Turbine (Refer to www.nyserdera.org for listing of eligible installers.)	Grid-connected, end-use Wind Turbine systems, 500 watts to 80kW, that are installed by NYSERDA-eligible installers. Only final out-of-pocket expenses may be financed.		
Total Costs					
Total all Pre-Qualified Measures				\$	



New York Energy \$martSM Loan Fund
Other than 1-4 Family Homes
Request for Preapproval of Custom Measures

Use this worksheet if you wish to finance improvements that are not listed on the **Pre-Qualified Measures Worksheet**. If you have any questions on how to complete this form, contact NYSERDA toll free at 1-866-NYSERDA (1-866-697-3732); email loanfund@nyserda.org or visit NYSERDA's Web site www.nyserda.org/loanfund.

The Application Process for Custom Improvements

Step 1. The Applicant prepares and submits a **Request for Preapproval of Custom Improvements** to NYSERDA.

Step 2. In response to the **Request for Preapproval of Custom Improvements**, NYSERDA may approve the project as described, suggest changes in the project, or determine that the project is ineligible.

Step 3. If the project is approved, NYSERDA issues a **Notice of Preapproval** to the Applicant. If the project is not approved, an explanatory letter will be sent to the Applicant.

Step 4. The Applicant applies for a Loan with a Participating Lender. Once the Lender has issued a commitment letter, the Applicant and Lender complete an **Application** and submit it to NYSERDA along with the **Notice of Preapproval** and the lender commitment letter.

Step 5. NYSERDA reviews the **Application** and issues a letter of approval to the Lender with a copy to the Borrower. This letter commits funds for the interest rate reduction.

Submitting the Request for Preapproval

Please mail or fax the **Request for Preapproval**, along with all supporting documentation, to NYSERDA at the following address:

<p>NYSERDA New York Energy \$martSM Loan Fund Attn: Loan Fund Manager 17 Columbia Circle Albany, New York 12203-6399 Phone: 518-862-1090 Fax: 518-862-1091</p>

CUSTOM IMPROVEMENTS**I. General Information**

NYSERDA will consider energy improvements for Loan Fund eligibility that do not appear on the Pre-Qualified Measures Worksheet. To determine the eligibility of an energy improvement as a Custom Improvement, documentation must be provided with the Request for Preapproval form that demonstrates that the Custom Improvement will reduce energy consumption or provide other economic development or environmental benefit. A Custom Improvement must be pre-approved by NYSERDA.

Custom Improvements include process improvements and other proposed equipment that are not pre-qualified.

II. Potential Custom Projects

Custom Improvements include energy improvements that do not appear on the Pre-Qualified Measures Worksheet but provide energy cost reductions.

Documentation of energy costs and other variables must be provided pursuant to the Guidelines for a Custom Improvement Technical Study, unless such information has already been submitted to NYSERDA through an application or proposal submitted to NYSERDA through another program. Technical assistance may be provided either by a technical consultant, architect or engineer, or through a NYSERDA-funded program, i.e., Technical Assistance, Flexible Technical Assistance (FlexTech), Residential Technical Assistance (ResTech), and the Energy Audit Program. Contact NYSERDA for more information on NYSERDA's Technical Assistance programs.

NYSERDA will review all technical documentation provided in connection with the Request for Preapproval and retains the right of final approval.

Eligible Facility shall mean a structure or portion of structure that is assessed the System Benefits Charge by one of the following utilities: Central Hudson Gas & Electric Corp., Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Rochester Gas and Electric Corporation, or Orange and Rockland Utilities, Inc. An Eligible Facility may also be a new building that will be assessed the System Benefits Charge.

CUSTOM IMPROVEMENTS**III. Payback Calculations**

To be deemed eligible for an Interest Rate Reduction, Custom Improvements must generate energy cost savings that either 1) are sufficient in the aggregate to pay back the **incremental** cost of the improvement in 10 years or less, or 2) if the payback from energy cost savings exceeds 10 years, meet other qualifying criteria stated in the following paragraph. The payback time for Custom Improvements is calculated using the simple payback method - the sum of **improvement's incremental** costs divided by the sum of annual energy savings for all proposed Custom Improvements (see example below).

EXAMPLE

A Borrower spends \$10,000 per year on electricity to produce and \$8,000 per year to freeze inventory. A technical advisor recommends purchasing a new manufacturing and storage system that will reduce electricity consumption. The technical advisor explains to the Borrower that a new code complaint manufacturing system costs \$25,000 to install and reduces electricity costs by \$2,000 annually. He also explains that a new code complaint cold storage system costs \$15,000 to install and reduces electricity costs by \$3,000 annually. The technical advisor further explains that a more energy efficient manufacturing system costs \$38,000 to install and reduces electricity costs by \$3,000 annually, and a cold storage system costs \$23,000 and reduces electricity costs by \$4,000. The incremental cost between the manufacturing systems is \$13,000 and the incremental cost between the cold storage systems is \$8,000.

- Annual Electricity Cost Savings: $\$3,000 + \$4,000 = \mathbf{\$7,000}$
- Incremental Cost of Improvements: $\$13,000 + \$8,000 = \mathbf{\$21,000}$
- Simple Payback Calculation: $\$21,000 \div \$7,000 = \mathbf{3 \text{ years}}$

NYSERDA Determination: Proposed improvements are eligible Custom Improvements.

If the payback on a proposed custom improvement is more than 10 years, a custom project may be eligible if any of the following other qualifying criteria is present:

- a) Implementation of the improvement will increase the capacity of a process or operation as long as the amount of energy used to process or produce each unit is reduced;
- b) Implementation of the improvement will result in job creation or retention;
- c) The improvement is a Green Building Improvement;
- d) The improvement is a renewable technology;
- e) Implementation of the improvement is necessary to continue operation of the business;
- f) The improvement is the most appropriate for the process per a NYSERDA-approved study; or
- g) Implementation of the improvement will have a positive environmental, health or safety benefit.

IV. Green Building

Green Building Improvements include building practices, materials, finishes and furnishings that comply with the Green Building Tax Credit, LEED, or other generally accepted sustainable design criteria, including, but not limited to: concrete and concrete masonry units; wood and wood products; millwork substrates; insulation; ceramic, ceramic/glass and cementitious tiles; ceiling tiles and panels; flooring and carpet; paints, coatings, sealants and adhesives; and furniture.

Applicant/Facility/Project Information

1. Applicant Information
If the Applicant is not an individual, please provide the name of the contact person who will sign this Application on behalf of the Applicant.

Name of Applicant or Facility _____

Address _____

City _____ State _____ Zip _____

Contact Name *(if applicant is a business)* _____

Contact Title *(if applicant is a business)* _____

Phone _____ Fax _____ Email _____

2. Type of Facility

Place a check next to the description that best describes the facility.

Commercial Governmental Multifamily Institutional

Industrial Agricultural Health Care Facility Other

3. Utility Information

Please check the name of the electric utility that provides service to the facility.

Central Hudson Gas & Electric Corp. Orange and Rockland Utilities, Inc.

Rochester Gas and Electric Corporation Niagara Mohawk Power Corporation

New York State Electric & Gas Corporation Consolidated Edison Company of New York, Inc.

4. Source of Documentation

Please indicate the name of the individual and firm that completed the Custom Improvements Technical Study. Indicate whether Study was cost-shared with NYSERDA.

_____ Study was cost-shared with NYSERDA.

5. Payback Computation		1	2	3	4	
No.	Meas. Code (for NYSERDA use)	Description of Improvement	Total Cost of Installed Custom Improvement (\$)	Incremental Cost* of Installed Custom Improvement (\$)	Annual Energy Cost Savings (\$)	Annual Energy Savings: (Oil/Gals.; Gas/Therms Electricity/KWh)
1						
2						
3						
4						
5						
		Total				

***Represents the cost of the premium efficiency equipment minus the cost of the standard equipment [exceed both standard practice and the minimum requirements of the current Energy Conservation Construction Code of New York (last revised July 3, 2002)].**

Payback Period (divide total of column 2 by total of column 3): _____ Years (If only standard equipment is available for purchased, then divide total of column 1 by total of column 3.)

Attach a Custom Improvement Technical Study or other documentation that will provide information about the proposed project. If a Borrower can provide a technical study from another NYSERDA program, then documentation pertaining to energy costs and other variables do not need to be provided pursuant to the Guidelines for a Custom Improvement Technical Study.

Guidelines to a Custom Improvement Technical Study

The Custom Improvement Technical Study (“*Technical Study*”) is prepared by an architect, engineer, or other technical consultant for a Borrower seeking an interest rate reduction from the **New York Energy \$martSM Loan Fund**. The Custom Improvement Technical Study provides background information for the **Request for Preapproval of Custom Improvements**. NYSERDA-funded technical studies and audits may be substituted for Custom Improvement Technical Studies.

Custom Improvement Technical Study Components

Where applicable, the following information must be included in the Technical Study.

General Overview

- Provide a list and description of the improvements for which a reduced interest-rate loan is sought.

Background

- Provide a brief description of the facility, including type of construction materials; size of building; primary heating and cooling systems; occupancy schedules; space use (manufacturing, office, etc.).
- Identify the Borrower. If the Borrower is not an individual, describe the Borrower’s type of business.
- Briefly describe the existing conditions to be modified by the recommended improvements or the New Construction project.
- Provide the following information about the project:
 - o Annual electric costs. If project includes other than electric-reduction measures, include annual fuel costs for relevant fuels.
 - o Fuel suppliers, if project includes other than electric-reduction measures.

Project Results and Recommendations

- Describe the component being replaced, if applicable, and describe the new measure. For New Construction Measures, describe the standard practice for the measure, the new measure, and demonstrate that use of the new measure will result in energy savings over standard practice.

Compute Payback

- Describe source of cost data.
- Describe how the energy savings were determined. State assumptions and show calculations.
- Calculate overall project payback by dividing the **incremental** cost of improvements by the total of annual energy cost savings and completing Sec. 5 of the Request for Preapproval of Custom Improvements.

Other Benefits

- Describe any other benefits that will result from these improvements: increased productivity, job creation or retention, environmental benefits, and Green Building measures.

Building Codes and Ordinances

- Include a statement that the recommended measures conform to and meet all generally accepted engineering practices. For New Construction Measures, the statement must also note that efficiency levels for the new measures are beyond the requirements contained in State and local building codes and be so certified by the entity performing the Technical Study.

Additional Requirements

- Provide a description of the professional experience and qualifications of the individual preparing the calculations. Indicate any licensing or certification.
- The Request for Preapproval of Custom Improvements must be submitted to NYSERDA no later than six months following completion of the Technical Study. The Technical Study must be signed and dated by the professional responsible for completing it.
- The Request for Preapproval of Custom Improvements must also include a contractor’s estimate to purchase and install the Custom Improvement and technical documentation (i.e., manufacturer’s data sheets) for each measure.



New York Energy SmartSM Loan Fund
Other than 1-4 Family Homes
Certificate of Project Completion

Upon completion of the installation of Eligible Improvements, Borrower must certify to NYSEDA that the eligible improvements were installed as set forth in the Application. Failure to submit the Certificate of Project Completion and any other requested documentation within 90 days following the Proposed Completion Date stated by the Borrower in the Application may be considered an Event of Default and result in withdrawal of the interest rate reduction.

1. Borrower Information

Provide the name of the Borrower and the address of the facility as they appeared on the Application.

Borrower Name:
Address of Facility:

Phone:

2. Lender Information

Provide the name of the Lender for this Loan.

Lender:

3. Completion Date

State the date on which the installation of eligible improvements was completed.

Completion date:

4. Contractor

Identify the primary contractor and provide a contact and phone number.

Firm name:
Address:
Contact:
Phone Number:

Certificate of Borrower

- All of the Eligible Improvements funded by the above-referenced loan have been completed.
To the best of my knowledge and belief, the Eligible Improvements conform to, and were installed as set forth in, the Application approved by NYSEDA.
True and correct copies of all invoices and receipts for labor and materials for Eligible Improvements funded by the Loan are attached to this Certification.

Borrower

Date

Print Name

Certificate of Contractor

- All Eligible Improvements funded by the Loan were constructed and installed according to generally accepted engineering standards.
- All information contained in the attached invoices and receipts is true and correct to the best of my knowledge.

Contractor

Date

Print Name

Please mail one copy to your lender and mail or fax the original to NYSERDA:

NYSERDA
New York Energy \$martSM Loan Fund
Attn: Loan Fund Manager
17 Columbia Circle
Albany, New York 12203-6399
Phone: 518-862-1090
Fax: 518-862-1091

ADDENDUM A

LOAN FUND TERMS FOR THE LIBERTY ZONE IN LOWER MANHATTAN

Definitions: Any capitalized terms not defined in this Addendum A shall have the meanings stated in the **New York Energy SmartK** Loan Fund Policy and Procedures Manual.

Terms and Conditions:

1. Eligible Facilities must pay the System Benefits Charge. Eligible borrowers need not be facility owners but must have permission of the owner to implement the improvements.
2. The Terms and Conditions stated in this Addendum A shall only apply to Borrowers whose properties are located in the Liberty Zone in Lower Manhattan. The Liberty Zone is defined as that area of Lower Manhattan south of Canal Street and the Manhattan Bridge Approach.
3. The Interest Rate Reduction for Eligible Improvements shall be up to 6.5% (650 basis points) below a Participating Lender's customary interest rate but, in no case, shall the effective interest rate be less than 0%. Interest Rate Reductions are available for up to 10 years or the term of the Loan.
4. The aggregate limits for Approved Loan Amounts differ depending on the type of facility:
 - a. Multi-family Buildings: \$5,000 per residential unit up to \$5,000,000 per Eligible Borrower; and
 - b. Commercial, Industrial, Municipal, Institutional, Commercial Real Estate Sectors: up to \$1,000,000 for Eligible Improvements plus up to an additional \$500,000 for Green Building Improvements for a maximum of \$1,500,000 per Eligible Borrower.
5. Additional Pre-Qualified Measures for the Liberty Zone are listed on page 2. This sheet should be added to the Pre-Qualified Measures Worksheet from the Application.
6. Eligible Improvements may also include:
 - ◆ health and safety measures relating to lighting systems;
 - ◆ health and safety measures relating to the monitoring and mitigation of indoor environmental quality;
 - ◆ structural repairs related to implementation of energy-efficiency improvements;
 - ◆ duct and system cleaning; and
 - ◆ costs for commissioning, re-commissioning or retro-commissioning of buildings and building systems (maximum allowable amount for commissioning services shall be 10% of the costs of the total approved measures). Commissioning reports provided by technical assistance providers other than NYSERDA-designated Flexible Technical Assistance (FlexTech) providers must meet NYSERDA's terms for technical assistance. Where a recommendation is consistent with Loan Fund guidelines, implementation of the recommendation would be eligible as a Custom Improvement. Eligible activities under this task may include: whole building analysis, design intent review, occupant need evaluations, reviewing design or current system configuration/operation for compliance with best practice, building system optimization, and pre-functional and functional performance tests. Eligible systems may include, but are not limited to: Building Management Systems, Energy Management Systems, HVAC, Lighting, Advanced Monitoring Systems, Fire, Health, Safety, Security, etc. Customers using commissioning may be interested in the U.S. Green Building Council's LEED rating system, New York State's Green Building Tax Credit, and the ENERGY STAR[®] Building Rating criteria.
7. NYSERDA reserves the right to amend or terminate the terms of this Addendum A at any time. Such amendment or termination shall be published in the New York State Contract Reporter, and notification shall be given on NYSERDA's web site.

LOAN FUND TERMS FOR THE LIBERTY ZONE IN LOWER MANHATTAN

ADDENDUM A: PRE-QUALIFIED MEASURES WORKSHEET

		Pre-Qualified Measure	Minimum Standards	#	Cost	Total
Health and Safety Measures	LZ1	Carbon Dioxide Detectors	N/A		\$	\$
	LZ2	HEPA Filters	N/A		\$	\$
	LZ3	Air cleaning systems	N/A		\$	\$
	LZ4	Volatile Organic Compound (VOC) monitors	N/A		\$	\$
	LZ5	LED-illuminated interior pathway lighting	N/A		\$	\$
Total			Total Addendum A Pre-Qualified Measures			\$

Instructions: Add the total of this Addendum A to the total costs of measures identified on the last page of the Pre-Qualified Measures Worksheet, and attach this page to the Worksheet.