



# Delaware Energy Efficiency Investment Fund Combined Heat and Power Grant Application

DNREC Division of Climate, Coastal, and Energy  
100 West Water Street, Suite 5A, Dover, DE 19904 Phone: (302) 735-3480

## Program Description

The Delaware Department of Natural Resources and Environmental Control offers grant funding through the Energy Efficiency Investment Fund to help Delaware businesses offset the upfront costs for energy-efficient improvements. The Combined Heat and Power (CHP) Pathway offers grants for qualified CHP systems in the State of Delaware.

## Application and Instructions

### Eligible Participants

Grant funding from the Delaware Energy Efficiency Investment Fund Program is available to non-residential, commercial, industrial, and non-profit entities that pay the Delaware Public Utility Tax on electric and/or natural gas utility bills. For a limited time, all non-residential, commercial, industrial, governmental and non-profit entities in the State of Delaware, regardless of the payment into the Public Utility Tax, are eligible for grants due to the availability of Regional Greenhouse Gas Initiative (RGGI) and Delaware Sustainable Energy Utility (SEU) funding as well as allocation of funds from a recent merger between Exelon Corp and Pepco holdings. All funding sources are subject to change based on availability. Every funding source will follow EEIF program requirements and the grant payment structure. CHP systems are ideal for facilities with high annual hours of operation.

### Eligible Equipment

Eligible CHP equipment includes reciprocating engines, microturbines, steam turbines, gas turbines, or fuel cells and must operate at a minimum system efficiency level of 60% on an annual basis and a minimum useful thermal output of 1.0 MMBtu/hour. All equipment must be new and permanently installed. Expansion of existing CHP plants and Third Party Power Purchase Agreements are also eligible. If the CHP system is a replacement, existing equipment must be removed and retired from use. Applicant is responsible for the proper disposal or recycling of any waste generated as a result of the project.

### Program and Incentive Details

Details of the program and technical requirements are subject to change without prior notice. You may go to [de.gov/eeif](http://de.gov/eeif) to get the most current program information, or may call (302) 735-3480. All qualified projects are eligible to receive the following installation grant: \$500.00 per kW for projects that meet or exceed the 60% annual system efficiency requirement and minimum useful thermal output of 1.0 MMBtu/hour, up to 30% of total project cost. Grant awards will not exceed \$500,000 per project without written approval of the Division Director.

### Approval Requirements

Pre-approval is required for all applications prior to purchasing any equipment or beginning the project. If requirements have been successfully met, the applicant will be notified in writing of pre-approval by DNREC. All retrofit projects must be completed within eighteen months unless DNREC is notified in writing two months before the expiration date. DNREC will determine if a reservation extension should be granted.

### Application Instructions

#### Step 1

Verify that your CHP project meets the eligibility requirements specified on the application and EEIF Program Guidelines and Operational Procedures. Contact DNREC Division of Climate, Coastal, and Energy at 302-735-3480 or [Felicity.Laird@delaware.gov](mailto:Felicity.Laird@delaware.gov) with any questions about eligibility.

#### Step 2

Complete the CHP application. Refer to the application checklist and EEIF Program Guidelines and Operational Procedures to verify that all required information and documentation are included for submission. The applicant must agree to the terms and conditions by signing the application. Applicants must indicate if the payment is being received by the applicant or the contractor/vendor. The party receiving the payment must submit a State Substitute W-9 form electronically at <https://esupplier.erp.delaware.gov>.

Application should be submitted by email to [DNREC.EnergyEEIF@delaware.gov](mailto:DNREC.EnergyEEIF@delaware.gov).

#### Step 3

Applications will be reviewed for eligibility and completeness. Completed submissions will be reviewed in the order in which they were received. Applicants will be notified by DNREC if deficiencies are found in the application. DNREC will conduct a pre-installation inspection to assess baseline conditions and ensure that the installation has not begun. Applicants with completed applications will be notified if pre-approved and funds are reserved. Upon receipt of program pre-approval notice, participants may purchase their equipment and begin the project. Applicants must notify DNREC in writing if there are any changes to the pre-approved scope of work.

#### Step 4

Upon project completion, applicants must return the signed pre-approval letter, provide finalized invoices for the installed CHP System, proof of payment, finalized interconnection agreement with proper system inspections, and a commissioning report. Invoices must be itemized to show the cost of each unit purchased, as well as installation costs, design costs, and engineering costs. DNREC will require a post-installation inspection to verify compliance with program rules and verify the accuracy of project documentation and equipment operation. The grant payment will be mailed within 60 days after the project's completion and payment approval by DNREC.



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## Application Checklist for Pre-Approval

Check boxes to indicate that all required documents are included with the application for Pre-Approval

Cut sheets for all equipment, including technical data and laboratory testing information

- Itemized quotes and estimates for all equipment and scope of work
- Copy of twelve consecutive electric and/or natural gas utility bills (see Program Guidelines for Third Party Supplier)
- Typical Day Hourly Electricity and Heating Load Profile for the Facility for each month of the year
- Installer Documents (Delaware Business License, Delaware Trade Specific License, Commercial General Liability Insurance)

Design Plan with Professional Engineer (P.E.) Signature (show waste-to-heat end use, make and model, operation schedule, and generation capacity)

Detailed Energy Model (showing electrical generation on a monthly basis, heat recovery on a monthly basis, avoided annual energy use, fuel input on a monthly basis, total annual avoided electricity and natural gas (or other) fuel consumption, total annual fuel input, and calculation of overall system efficiency)

Installation schedule (showing delivery dates for major components)

All applicable federal, regional, state, and/or local permits

Interconnection Agreement

- Delaware State Substitute W-9 submitted electronically to <https://esupplier.erp.delaware.gov>

If the system is greater than or equal to 800 kW, a draft Measurement and Verification Plan

- Power Purchase Agreement (if financed through a Third Party Supplier)
- Flood Risk Mitigation Plan (if proposed project site is within the one hundred year, one-meter, sea-level rise flood plain)

## Application Checklist for Final Approval

Check boxes to indicate that all required documents are included with the application for Final Approval

- Finalized Itemized Project Invoices
- Proof of Payment
- Finalized Interconnection Agreement with Proper System Inspections
- Commissioning Report



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### COMBINED HEAT AND POWER EQUIPMENT

<b>Applicant Information</b>	<b>Control Number:</b>
------------------------------	------------------------

Name of Company:			
Site Address:			
City:	State:	Zip code:	
Mailing Address:			
City:	State:	Zip code:	
Name of Contact Person:			
Email:			
Office Phone:	Are you a Minority, Woman, and/or Veteran-owned Business?		Yes                      No
Corporation	Partnership	Individual/Sole Proprietor	Tax Exempt Non-profit

#### Contractor Information (if Applicable)

Name / Company:	DE Business License #	
Trade Specific License and/or Certification #:		
Email:	Daytime Phone:	
Mailing Address:		
City:	State:	Zip code:

Grant payments are typically processed to the applicant. The applicants signature below agrees to transfer the grant payment to the above named company or individual. I hereby certify that I understand that I will not receive the grant payment for this project:

<b>Applicant Signature:</b>	<b>Date:</b>
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#### Installer Information (if Applicable)

Name / Company:	DE Business License #	
Trade Specific License and/or Certification #:		
Email:	Daytime Phone:	
Mailing Address:		
City:	State:	Zip code:

Grant payments are typically processed to the applicant. The applicants signature below agrees to transfer the grant payment to the above named company or individual. I hereby certify that I understand that I will not receive the grant payment for this project:

<b>Applicant Signature:</b>	<b>Date:</b>
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#### Site Information

Square footage:	Number of floors:	
Year built:	Building type (office, hospital, etc):	If Multifamily, # of units
Annual hours of operation:	Building heat - check all that apply:	
	Electric	Steam      Oil      Natural Gas      Other

#### Benchmarking/Measurement and Verification Information

Will you be benchmarking your project?	If yes, who will be performing the benchmarking? (Your organization or a third party)
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If yes, would you be willing to share your data with the Energy Efficiency Investment Fund grant program?

The State Energy Program Revolving Loan Fund (SEPRLF) can be used to supplement an EEIF grant or as a stand-alone loan. The program offers low-interest loans for installation of energy efficiency measures that, in turn, lower their bills while reducing the environmental impacts of energy production, delivery, and use. Loan approval will not compromise an applicant's EEIF grant amount, meaning that loans can be used in combination with a grant to help pay the balance of the project cost. Would you be interested in discussing loan opportunities?

If yes, please provide the contact information of whom DNREC should contact to discuss these opportunities:



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## COMBINED HEAT AND POWER EQUIPMENT

**Applicant Name:** \_\_\_\_\_ **Control Number:** \_\_\_\_\_

### Existing Equipment Description

Please briefly describe the existing equipment below:

Description: \_\_\_\_\_

Thermal Load on site during normal operations: \_\_\_\_\_ Btu/hour: \_\_\_\_\_

### Baseline Summary

Please briefly describe actual or estimated electricity consumption, gas use, heating and cooling loads-minimum, average, and maximum, existing unit price of electricity (\$/kWh) and unit price of gas (\$/MMBtu), and current electric and natural gas tariff:

Description: \_\_\_\_\_

### Rated System Information

Please provide the projected energy savings and fuel efficiency information for the proposed Combined Heat and Power (CHP) System:

Prime Mover Type	_____	(Reciprocating engine, gas turbine, microturbine, etc.)
Prime Mover Make	_____	
Prime Mover Model Number	_____	
Rated Electric Output	_____	kW
Heat Rate (Full Load)	_____	MMBtuh/kW
Rated Thermal Output	_____	MMBtuh

### Combined Heat and Power System Description

Please complete the following information regarding the proposed Combined Heat and Power (CHP) System:

Prime Mover Fuel Source \_\_\_\_\_

Thermal Output Utilization       Water Heating Only       Combination Water Heating and Space Conditioning  
 Process Load       Other \_\_\_\_\_

Estimated Completion Date \_\_\_\_\_ Estimated Life of CHP System \_\_\_\_\_ Years

### Annual System Efficiency (Must be 60% or higher)

Please complete the following section based on the results estimated in the Table on Page 5

A	Annual Fuel Input	<div style="width: 100%; height: 15px; background-color: #f4a460;"></div>	MMBtu	(Total of Column 3)
B	Annual Output Electricity	<div style="width: 100%; height: 15px; background-color: #ff69b4;"></div>	MMBtu	(Total of Column 5)
C	Annual Utilized Thermal Output	<div style="width: 100%; height: 15px; background-color: #9370db;"></div>	MMBtu	(Total of Column 6)
	Annual System Efficiency	<div style="width: 100%; height: 15px; background-color: #32cd32;"></div>	Percent	(From above, [B + C] ÷ A)



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## COMBINED HEAT AND POWER EQUIPMENT

**Applicant Name:**

**Control Number:**

**Proposed System Overview (Monthly and Annual Production and Fuel Input)**

1	2	3	4	5	6	7	8	9
Month	Estimated Operating Hours	Input Fuel (MMBtu)	Output Electricity (kWh)	Output Electricity (MMBtu) <sup>1</sup> ([4]x0.003412)	Utilized Thermal Output (MMBtu)	Electric Efficiency (%) <sup>2</sup> ([5] ÷ [3]) x 100	Thermal Efficiency (%) <sup>3</sup> ([6] ÷ [3]) x 100	Overall System Efficiency (%) <sup>4</sup> (((5)+[6]) ÷ [3])x 100
Jan								
Feb								
Mar								
Apr								
May								
Jun								
Jul								
Aug								
Sep								
Oct								
Nov								
Dec								
<b>Total</b>								

<sup>1</sup>Output electricity in kWh from Column 4 multiplied by 0.003412

<sup>2</sup>Output electricity in MMBtu from Column 5 divided by Input Fuel in MMBtu from Column 3, then multiplied by 100 to convert to percentage

<sup>3</sup>Utilized Thermal Output in MMBtu from Column 6 divided by Input Fuel in MMBtu from Column 3, then multiplied by 100 to convert to percentage

<sup>4</sup>Sum of Output electricity from Col. 5 and Utilized Thermal Output from Col. 6 divided by Input Fuel from Col. 3, then multiplied by 100 to convert to percentage



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### COMBINED HEAT AND POWER EQUIPMENT

#### Project Costs

Please enter all CHP System itemized costs below. Each individual capital cost should add up to the total installed CHP system turnkey cost. Where a listed component or construction cost is not included in CHP project design enter "N/A." Where a listed component or construction cost is provided within another line item, please enter "included."

CHP System Component	Cost	Design/Construction/Labor and Materials	Cost
Prime Mover	_____	Engineering	_____
Fuel Compressor	_____	Site Preparation	_____
Black Start Capability	_____	Buildings	_____
Generator	_____	Construction Labor	_____
Heat Recovery	_____	Materials	_____
Cooling Tower or other Heat Dump	_____	Exhaust Stick	_____
Absorption Chiller	_____	Electrical Tie-In	_____
Desiccant	_____	Mechanical Tie-In	_____
Controls	_____	Grid Interconnection Devices	_____
Sound Attenuation	_____	Permitting Fees	_____
Inlet Air Handling	_____	Other	_____
Vibration Isolation	_____	Total Equipments Costs from Column 1	_____
Emissions Controls	_____		
Other	_____	Total Installation Costs	_____
Total Equipment Costs	_____		

#### Combined Heat and Power Systems

Description	Specification	Rebate per Unit
Reciprocating Engine	60% minimum efficiency requirement	\$500 per kW
Microturbine		
Steam Turbine		
Gas Turbine		
Fuel Cell		

#### CHP Equipment

Equipment Type	Install Date	Manufacturer and Model #	Size (kW)	(A) # of Products	(B) Rebate per Product	(A x B) Rebate Total

**Total Project Cost**

**Total Grant Award**



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## COMBINED HEAT AND POWER EQUIPMENT

**Applicant Name:** \_\_\_\_\_ **Control Number:** \_\_\_\_\_

### Terms and Conditions

#### Application Process

1. Equipment must be new, purchased and installed before the grant payment can be issued.
2. Project pre-approval is required prior to any equipment purchase or any services completed for all grant applications.
3. Commitment of grant is subject to availability of program funds.
4. Applicant is fully responsible for provided a complete application and supporting documents.

#### Project Eligibility

5. All qualifying systems must be installed in accordance with the standards and specifications of the manufacturers of the components in the system, in compliance with all federal, state, and local safety, building and environmental codes and ordinances and these guidelines. The applicant agrees, as a condition of participation in the program, to remove and dispose at its sole cost and expense any and all equipment or materials that are replaced or removed in accordance with all applicable laws, rules, and regulations.
6. All equipment must be tested to Underwriters Laboratory ("UL") standards and be UL listed and installed per manufacturer's instructions.
7. Full 3-year warranty against component failure, malfunction and premature output degradation on all equipment is required. DNREC neither expressly nor implicitly warrants the performance of installed equipment.
8. DNREC does not endorse any particular manufacturer, product or system in promoting this program.
9. Installing contractor, and anyone acting under its direction, shall at its own expense procure and maintain in full force at all times Commercial General Liability Insurance with a bodily injury and property damage combined single limit of liability of at least one million dollars (\$1,000,000) for any occurrence.
10. Installing contractors shall maintain appropriate education and licenses, industry certificates, and accreditations to ensure the program preserves the end-users' expectation of professional work. The installing contractor must have an active Delaware business license, Delaware trade specific license and training certificates.

#### Payment

11. Equipment must be new and installed before the grant can be issued.
12. The grant payment will be made no later than 60 days after the application approval. The applicant may assign the incentive payment to the contractor. Incomplete or missing information will delay processing of application and payment.
13. The Fund will not pay more than 30 percent of the total project cost for any proposed project as detailed on itemized invoices. Individual grants will not exceed \$500,000 without written approval from the Division Director. No company or affiliated group of companies under common ownership/control can receive more than \$1,000,000 in grants within a three year period. There is an additional cap on total lighting awards which shall not exceed \$400,000 within a three year period.
14. If DNREC determines that the customer eligibility, proposed equipment or installed equipment does not meet the program's criteria, DNREC may withhold payment of the grant amount and/or require changes before issuing payment.

#### Site Inspection

15. DNREC reserves the right to withhold approval until inspection to ensure project is installed.
16. DNREC will conduct an onsite visit prior to installation to inspect the facility's existing equipment and conduct a post installation visit.
17. The applicant agrees to allow DNREC or its program evaluator to conduct on-site inspections to verify that the qualified measures are installed and to conduct other measurement and verification activities to assess the amount of energy savings achieved.
18. The applicant further agrees to allow DNREC or its program evaluator to have access to the awarded facility's energy use data for a period of at least two years following installation of the measures.

#### Tax Liability

19. The applicant is responsible for any tax liability imposed as a result of the payment of grants. Please contact your tax professional for more information.

#### Changes to the Program

20. DNREC may change the program and the Terms & Conditions at any time without notice. Pre-approved applications will be processed to completion under the Terms & Conditions in effect at the time of the approval by DNREC.
21. Periodic changes to the program may include but will not be limited to: updates driven by Delaware's building energy code and updates that reflect changes in the energy efficiency technology market.

### Agreement and Signature

I certify that all statements made in this application (including worksheets) are true and correct to the best of my knowledge. I agree to the terms and conditions of the program set forth in this application.

Applicant		Contractor	
Printed Name:	Date:	Printed Name:	Date:
Signature :	Date:	Signature:	Date: