



Residential Loan Fund Program Opportunity Notice (“PON”) 1606

Applications accepted November 10, 2009 through June 30, 2011 by 5PM Eastern Time*

The New York State Energy Research and Development Authority (NYSERDA) announces Program Opportunity Notice (PON) 1606 to seek applications from 1) Eligible Participating Lenders who wish to offer their customers access to the Residential Loan Fund Program; and from 2) Eligible Borrowers seeking an Interest Rate Reduction on Loans from Participating Lenders to finance the purchase and installation of qualified energy efficiency improvements and/or Photovoltaic (PV) or Wind electric generation projects. A Borrower’s access to the Residential Loan Fund is contingent upon prior approval through the Home Performance with ENERGY STAR[®] Program, or the PV or Wind Incentive Programs.

The Residential Loan Fund currently offers Eligible Borrowers an Interest Rate Reduction up to 4.0% or 400 basis points less than a Participating Lender’s normal market interest rate. The Interest Rate Reduction may be capped by NYSEDA so the interest rate charged to the Borrower is not lower than 3.0%. Incentives will not be paid for measures if the Loan Fund Application was received after the date the measure was removed from the Pre-Qualified Measures Worksheet. If changes are made to the Residential Loan Fund, including the list of Pre-Qualified Measures, Interest Rate Reduction, or other program terms, a notification will be published on NYSEDA’s Web site at www.nyserda.org/resloanfund.asp. NYSEDA may modify Program terms as set forth in the Policy and Procedures Manual and the Application Kits at any time without notice. See the Residential Loan Fund Policy and Procedures Manual for more detailed information.

Application Submission: Eligible Lenders that wish to participate in the Residential Loan Fund Program must submit two (2) clearly labeled, completed and signed Residential Loan Fund Lender Participation Agreements, each of which must contain an original signature, a completed W-9 Form, the Proposal Checklist, and Disclosure of Prior Findings of Non-Responsibility Form to:

**Joseph DeRosa, PON 1606
NYS Energy Research and Development Authority
17 Columbia Circle, Albany, NY 12203**

All Program questions should be directed to: Joseph DeRosa, ext. 3487, jgd@nyserda.org. All contractual questions should be directed to: Venice Forbes, ext. 3507, vwf@nyserda.org.

No communication intended to influence this procurement is permitted except by contacting Joseph DeRosa (Designated Contact) at (518) 862-1090, ext. 3487 or jgd@nyserda.org. Contacting anyone other than this Designated Contact (either directly by the proposer or indirectly through a lobbyist or other person acting on the proposer’s behalf) in an attempt to influence the procurement: (1) may result in a proposer being deemed a non-responsible offerer, and (2) may result in the proposer not being awarded a contract.

*Late, incomplete, or unsigned applications will be returned. Applications will not be accepted at any other NYSEDA location other than the address above. If changes are made to this solicitation, notification will be posted on NYSEDA’s Web site at www.nyserda.org/resloanfund.asp.

I. INTRODUCTION

The Residential Loan Fund Program is a component of **New York Energy SmartSM**, a public benefit program designed to lower electricity costs by encouraging energy efficiency. One of the goals of the Residential Loan Fund is to demonstrate to financial institutions the economics of lending for energy efficiency and renewable energy projects.

The Residential Loan Fund currently offers Eligible Borrowers an Interest Rate Reduction up to 4.0% or 400 basis points less than a Participating Lender's normal market interest rate on Loans up to \$20,000, except up to \$30,000 for customers in the Consolidated Edison service territory, for a term of up to ten (10) years. Eligible Borrowers must use funds for the purchase and installation of qualified energy efficiency improvements and/or PV or Wind electric generation projects. The Interest Rate Reduction may be capped by NYSERDA so the interest rate charged to the Borrower is not lower than 3.0%.

II. PROGRAM REQUIREMENTS

Eligible Participating Lenders include commercial banks, savings and loan associations, credit unions, farm credit associations, community development financial institutions, and other financial institutions regulated by New York State and Federal regulatory agencies, as well as leasing subsidiaries of bank holding companies or bank-owned leasing companies. For purposes of the Residential Loan Fund, references to Loans shall include Leases.

Eligible Borrowers must use funds for the purchase and installation of qualified energy efficiency improvements and/or PV or Wind electric generation projects to Existing 1-4 Family Homes that are assessed the System Benefits Charge (SBC) or Renewable Portfolio Standard (RPS) by one of the following investor-owned gas or electric utilities: Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., National Grid, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., or Rochester Gas and Electric Corporation.

III. APPLICATION REQUIREMENTS

Eligible Lenders that wish to participate in the Residential Loan Fund Program must submit two (2) clearly labeled, completed and signed Residential Loan Fund Lender Participation Agreements, each of which must contain an original signature, a completed W-9 Form, the Proposal Checklist, and Disclosure of Prior Findings of Non-Responsibility Form to:

Joseph DeRosa, PON 1606
NYS Energy Research and Development Authority
17 Columbia Circle, Albany, NY 12203

An Eligible Borrower's access to the Residential Loan Fund is contingent upon prior approval through the Home Performance with ENERGY STAR[®] Program, or the PV or Wind Incentive Programs. The Eligible Borrower must apply for financing through a Participating Residential Loan Fund Lender. The Lender and Borrower each complete their respective sections of the appropriate Residential Loan Fund Application and the Lender submits the Application in its entirety to NYSERDA for review via mail, e-mail or fax. NYSERDA notifies the Lender if additional information will be required to process an application or upon Loan Fund approval.

IV. GENERAL CONDITIONS

Proprietary Information- Careful consideration should be given before confidential information is submitted to NYSERDA as part of your application. The applicant should determine whether the information is critical for evaluating an application or whether general, non-confidential information may be adequate for review purposes.

The New York State Freedom of Information Law, Public Officers Law, Article 6, provides for public access to information NYSERDA possesses. Public Officers Law, Section 87 (2) (d) provides for exceptions to disclosure for records or portions thereof that "are trade secrets or are submitted to an agency by a commercial enterprise or derived from information obtained from a commercial enterprise and which if disclosed would cause substantial injury to the competitive position of the subject enterprise." Information submitted to NYSERDA that the applicant wishes to have treated as proprietary, including confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure. This information should include a written request to except it from disclosure, including a written statement of the reasons why the information should be excepted. See Public Officers Law, Section 89 (5) and the procedure set forth in 21 NYCRR Part 501. However, NYSERDA cannot guarantee the confidentiality of any information submitted.

Omnibus Procurement Act of 1992- It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises, as bidders, subcontractors and suppliers on its procurement Agreements.

Information on the availability of New York subcontractors and suppliers is available from:

New York State Department of Economic Development
Division for Small Business
30 South Pearl Street
Albany, NY 12245

A directory of certified minority- and women-owned business enterprises is available from:

New York State Department of Economic Development
Minority and Women's Business Development Division
30 South Pearl Street
Albany, NY 12245

State Finance Law Sections 139-j and 139-k - NYSERDA is required to comply with State Finance Law sections 139-j and 139-k. These provisions contain new procurement lobbying requirements which can be found at

<http://www.ogs.state.ny.us/aboutogs/regulations/advisoryCouncil/StatutoryReferences.html>.

The attached Proposal Checklist calls for a signature certifying that the proposer will comply with State Finance Law sections 139-j and 139-k and the Disclosure of Prior Findings of Non-Responsibility form includes a disclosure statement regarding whether the proposer has been found non-responsible under section 139-j of the State Finance Law within the previous four years.

Tax Law Section 5-a - NYSERDA is required to comply with the provisions of Tax Law Section 5-a, which requires a prospective contractor, prior to entering an agreement with NYSERDA having a value in excess of \$100,000, to certify to the Department of Taxation and Finance (the "Department") whether

the contractor, its affiliates, its subcontractors and the affiliates of its subcontractors have registered with the Department to collect New York State and local sales and compensating use taxes. The Department has created a form to allow a prospective contractor to readily make such certification. *See*, ST-220-TD (available at http://www.tax.state.ny.us/pdf/2006/killin/st/st220td_606_fill_in.pdf). Prior to contracting with NYSERDA, the prospective contractor must also certify to NYSERDA whether it has filed such certification with the Department. The Department has created a second form that must be completed by a perspective contractor prior to contacting and filed with NYSERDA. *See*, ST-220-CA (available at http://www.tax.state.ny.us/pdf/2006/killin/st/st220ca_606_fill_in.pdf). The Department has developed guidance for contractors which is available at http://www.tax.state.ny.us/pdf/publications/sales/pub223_606.pdf.

Contract Award - NYSERDA anticipates entering into agreement with multiple parties under this solicitation. It may award a Participation Agreement based on initial applications without discussion, or following limited discussion or negotiations. NYSERDA may request additional data or material to support applications. NYSERDA will use the Sample Lender Participation Agreement to contract successful proposals. NYSERDA expects to notify applicants in approximately three (3) weeks from the receipt of an application whether your application has been selected to receive an award.

Limitation - This solicitation does not commit NYSERDA to enter into agreement, pay any costs incurred in preparing a proposal, or to procure or contract for services or supplies. NYSERDA reserves the right to accept or reject any or all applications received, to negotiate with all qualified sources, or to cancel in part or in its entirety the solicitation when it is in NYSERDA's best interest.

Disclosure Requirement- The proposer shall disclose any indictment for an alleged felony, or any conviction for a felony within the past five years, under the laws of the United States or any state or territory of the United States, and shall describe circumstances for each. When a proposer is an association, partnership, corporation, or other organization, this disclosure requirement includes the organization and its officers, partners, and directors or members of any similarly governing body. If an indictment or conviction should come to the attention of NYSERDA after the award of a contract, NYSERDA may exercise its stop-work right pending further investigation, or terminate the agreement; the contractor may be subject to penalties for violation of any law which may apply in the particular circumstances.

V. **ATTACHMENTS:**

1. **Attachment A**- PON 1606 Proposal Checklist (Mandatory)
2. **Attachment B**- Disclosure of Prior Findings of Non-Responsibility Form (Mandatory)
3. **Attachment C**- Residential Loan Fund Lender Participation Agreement (Sample)
4. **Attachment D**- Rider A Document for 1-4 Family Loan Closings
5. **Attachment E**- Residential Loan Fund Application for Existing 1-4 Family Homes
6. **Attachment F**- Residential Loan Fund Application for Photovoltaic and Wind Systems