Request for Proposals for Professional Services
Low- to Moderate-Income Solar Program Participating Contractors
Contract Number NAT260003-LMISOLAR
Questions and Answers

1. **Question**: The RFP contains no pricing form or price schedule. Will DNREC issue a pricing template? If not, please specify the required format: (a) a fixed price per system for 6 kW and 8 kW, a price per watt, or both; (b) how systems smaller than the cap are priced (pro rata per watt or fixed); (c) whether a separate price is expected for low-income versus moderate-income installations of the same size; and (d) which cost elements the price must include (equipment, labor, design, permitting, interconnection, inspections, monitoring, warranty, marketing and outreach).
    a. **DNREC Answer**: All systems installed in the LMI Solar Program must remain under the $6/watt cost cap set by the Green Energy Program. Acknowledging that numerous factors impact the price of an individual system, DNREC is not setting a fixed price or pricing template. Vendors are expected to set an estimated pricing proposal for both a low-income installation at 6kW and moderate-income installation at 8kW. Total cost should include equipment, labor, design, permitting, interconnection, inspections, monitoring and warranty. Proposals will be evaluated on their overall cost competitiveness.
2. **Question**: Are any of the following eligible, invoiceable project costs, and if so, should they be priced as separate line items? (a) roof repair or replacement; (b) structural reinforcement; (c) main panel or service upgrades; (d) tree trimming or removal.
    a. **DNREC Answer**: Structural reinforcement, panel or service upgrades and tree trimming or removal are eligible project costs. They should be listed as separate line items. Roof repair or replacement is not an eligible cost. On the Low-Income side of the program, applicants must first go through the Weatherization Assistance Program WAP. Through PreWAP, roof repairs and replacements can be addressed on a limited basis. DNREC will coordinate with vendors in both programs to address roof issues where possible.
3. **Question**: Is "total project cost" the vendor's contracted price for the system size installed, or can it vary by project? Does the vendor collect the 30% homeowner share directly, and who bears the risk if the homeowner does not pay? May the vendor offer or arrange financing for the homeowner share, including financing secured by a lien or UCC filing?

    a. **DNREC Answer**: Total system price per individual project. We strongly recommend moderate-income applicants pursue Energize Delaware's residential loan program for the remaining 30%. Vendors are allowed to offer alternative financing if an applicant is not eligible for a loan from Energize Delaware.
4. **Question**: May a moderate-income homeowner finance their 30% share through an Energize Delaware (Delaware Sustainable Energy Utility) loan or financing program? Can Energize Delaware financing be combined with LMI Solar Program funding on the same system, and are there any restrictions on liens, SREC ownership or timing when both are used?
    a. **DNREC Answer**: Yes, DNREC strongly encourages the use of Energize Delaware's loan program which is preferred over the utilization of liens. SREC ownership transfers to DNREC regardless of the financing mechanism.
5. **Question**: Are the caps measured in kW DC (module nameplate) or kW AC? May a homeowner add capacity above the cap at their own expense under a separate agreement? Is battery storage eligible, excluded, or permitted only at homeowner expense?
    a. **DNREC Answer**: System size cap is measured in DC. Homeowners may choose to add to the system at their own expense. All participants in the LMI Solar program would be eligible for a battery storage grant from DNREC's Solar + Storage Pilot Program.
6. **Question**: After October 1, 2027, will pricing be renegotiated, adjusted by an index, or held for the remaining term? Will DNREC consider a price adjustment for documented equipment cost changes, including tariffs, during the fixed-price period?
    a. **DNREC Answer**: Selected vendors will enter into contract negotiations with DNREC. In general, these contracts can run from 1-5 years. Budget negotiations may occur at the end of each contract year.
7. **Question**: What are the payment milestones per installation (e.g., DNREC approval, installation complete, inspection passed, permission to operate)? Should vendors propose milestones in their pricing? If holdback is applied, what event triggers its release, and is it applied per project or across the contract?
    a. **DNREC Answer**: Applications for the LMI Solar Program are similar to applications submitted in the existing Green Energy Program and utilize the same online platform. Payments for these projects are submitted following Part 1 approval in the grant application. Part 2 of the application verifies that the project was installed as expected. If a project receives Part 1 approval

and is paid but does not get completed, then the vendor must return payment to the State.

8. **Question**: Will DNREC issue one blanket purchase order per awarded vendor, or a purchase order per project? Does the written project approval in Appendix B, paragraph 7 serve as authorization to install under that purchase order?
    a. DNREC Answer: Each selected vendor is issued one purchase order to cover all projects. Projects cannot be installed until receiving Part 1 approval in the grant application process.
9. **Question**: The RFP gives no volume estimate. What total funding and number of installations per year does DNREC anticipate, separately for low-income and moderate-income? How many contractors does DNREC expect to award? Is there a per-vendor allocation or cap?
    a. **DNREC Answer**: Since 2022, the program averages 40 total projects per year and has utilized three contractors. With improvements in the coordination with WAP, DNREC's expectation is for this yearly average to increase to approximately 75 per year. Funding allocation between vendors depends on the total number of vendors selected.
10. **Question**: Are low-income projects referred to contractors by DNREC or the Weatherization Assistance Program, or must the vendor originate them and refer the client into the Weatherization Assistance Program? If DNREC assigns them, how are they allocated among awarded vendors? What is the typical time from Weatherization Assistance Program enrollment to LMI Solar eligibility?
    a. **DNREC Answer**: DNREC will assign low-income projects to selected vendors. In the past, potential clients were divided by county. This division will depend on the vendors selected. Selected vendors may actively market toward moderate-income households.
11. **Question**: Are customers in all Delaware electric service territories eligible, including Delmarva Power, Delaware Electric Cooperative and municipal utilities? Must each awarded vendor serve all three counties, or may a vendor define its service area?
    a. **DNREC Answer**: Currently federal funds are being used to service all non-DPL customers. Those funds are set to expire on June 30th, 2027. All non-Delmarva customer projects must be completed by that time. DNREC will pursue alternative funding for those customers and will make selected vendors aware if it becomes available.
12. **Question**: Please confirm the 10-year parts and labor warranty in Appendix B governs. Does it include roof penetration and leak coverage? May equipment manufacturer warranties satisfy the parts obligation, with the vendor covering

labor? Does the warranty transfer to a new owner if the home is sold, and does it survive termination of the State contract?

    a. **DNREC Answer**: Warranty should include roof penetrations. Equipment manufacturer warranties may be used to satisfy parts of the obligation and the warranty should transfer to a new owner.

13. **Question:** Which of the three coverages (Professional, Errors and Omissions, or Product Liability) does DNREC require for this scope? Does products-completed operations coverage under the vendor's Commercial General Liability policy satisfy item (3), Product Liability?
    a. **DNREC Answer:** Expected insurance matches the Green Energy Program. A general liability certificate is sufficient.
14. **Question:** Who registers each system for SREC generation (e.g., in PJM-GATS) and executes the transfer to DNREC: the vendor, the homeowner or DNREC? Is a revenue-grade production meter required, and if so, is it an eligible project cost?
    a. **DNREC Answer:** SREC transfers in the LMI Solar Program operate in the same manner as the Green Energy Program. The SREC transfer agreement must be signed and included with Part 2 of each project's application.
15. **Question:** Please confirm the obligation is limited to written guidance, and that the vendor is not required to pay for removal or disposal.
    a. **DNREC Answer:** Written guidance on removal and disposal should be provided to all customers.
16. **Question:** Please confirm items (a) through (g) do not apply to residential solar installation services under this RFP, and that vendors need not record exceptions to them on Attachment 3. If any item does apply, please state how (for example, whether an ACA Additional Fee must be quoted).
    a. **DNREC Answer:** These do not apply.
17. **Question**: When an otherwise eligible LMI household requires roof repairs or replacement before a solar installation can safely proceed, will the new program allow any portion of those necessary improvements to be included in the project cost? If not, are there complementary funding programs or resources that contractors may coordinate with to assist these homeowners?
    a. **DNREC Answer**: Please see the answer to Question 2 above.
18. **Question:** When electrical upgrades are necessary to safely accommodate a solar installation, will those expenses be eligible for reimbursement under the new program, or must they be addressed separately from the solar project funding?
    a. **DNREC Answer**: Please see the answer to Question 2 above.
19. Question: When excessive shading prevents a property from meeting the program's solar resource requirements, will necessary tree trimming or removal be considered

an eligible project expense? If not, are there other approved resources available to help income-qualified homeowners address this barrier?

    a. **DNREC Answer**: Please see the answer to Question 2 above.

20. **Question**: Will the current maximum allowable installed cost of $6.00 per watt remain in effect under the new contract, or will DNREC establish a different pricing limitation for the expanded system sizes?
    a. **DNREC Answer**: Please see the answer to Question 1 above.
21. **Question**: Provide three (3) business references consisting of current or previous customers of similar scope and value using Attachment 5.
    a. **DNREC Answer**: No, any residential project reference is sufficient.
22. **Question**: Can you please explain what is required by Section V, G.4 on Page 15?
    a. **DNREC Answer**: Vendor is expected to certify that they are in compliance with Common-law Employer Safe Harbor Exception.
23. **Question**: Is this considered a large public works project?
    a. **DNREC Answer**: No.
24. **Question**: In reference to Appendix B, Paragraph 1 on Page 40, will the Department also be verifying that all installing solar carry the appropriate level of Delaware Electrical License?
    a. **DNREC Answer**: Vendors are expected to comply with established rules and regulations on crew licensing, including apprentices. DNREC reserves the right to request verification of individual crew licensing.
25. **Question**: Will there be any opportunity, and a more formal method, to request funding above the contracted rate if we encounter a roof that needs to be replaced, additional structural support needed to accommodate the additional weight of the solar, or the need to replace an electrical panel if it is in such a condition that it is no longer safe or reliable?
    a. **DNREC Answer**: Please see the answers to Questions 1 and 2 above. Additionally, selected vendors are encouraged to bring individual cases to DNREC as needed to explore solutions.
26. **Question**: Will there be a formal process for projects that need to be canceled after approval?
    a. **DNREC Answer**: Projects that must be canceled should be withdrawn from the grant application site, with a brief notice to DNREC staff describing why the project could not be completed.
27. **Question**: Will there be any Foreign Entity of Concern (FEOC) or Domestic Content requirements on materials?
    a. **DNREC Answer**: No.

28. **Question**: Are prevailing wages required, and if so, has a prevailing rate determination been completed by the Department of Labor?
    a. **DNREC Answer**: Yes, prevailing wages do apply. Relevant rates determined by the Department of Labor can be found here: https://bidcondocs.delaware.gov/OMB/OMB-MC5508000005A-WAGES.pdf