

1 Department of Public Service

2

3 Adopted Permanent Rules Relating to Cost-Share Maxi-Audit Grants  
4 for Public and Private Institutions

5

6 Rules as Adopted

7 7660.0010 PURPOSE.

8 Parts 7660.0010 to 7660.0090 establish the criteria and  
9 procedures for granting financial assistance to Minnesota public  
10 and private institutions for conducting building energy audits  
11 using money allocated to the department from the state's  
12 allocation of petroleum violation escrow funds.

13 7660.0020 DEFINITIONS.

14 Subpart 1. **Scope.** For the purposes of parts 7660.0010 to  
15 7660.0090, the following terms have the meanings given them.

16 Subp. 2. **Applicant.** "Applicant" means any statutory or  
17 home rule charter city, county, town, or school or hospital as  
18 defined in this part, located in Minnesota, or joint power  
19 entity consisting of these units, that is making application for  
20 grant funds under this program.

21 Subp. 3. **Authorized cost-share maxi-auditor or auditor.**  
22 "Authorized cost-share maxi-auditor" or "auditor" is a person  
23 who has met the requirements of part 7660.0040.

24 Subp. 4. **Building.** "Building" means any existing,  
25 separate, enclosed structure owned and operated by an applicant  
26 as defined in this part.

27 Subp. 5. **Cost-share maxi-audit.** "Cost-share maxi-audit"  
28 means a detailed engineering analysis of a building and its  
29 energy using systems, including the plumbing, lighting, heating,  
30 ventilating, and air conditioning systems. The primary  
31 objective of a cost-share maxi-audit is to identify and quantify  
32 the economic and engineering feasibility of energy conservation  
33 measures for a building and its energy using systems.

34 Subp. 6. **Cost-share maxi-audit manual or manual.**

35 "Cost-share maxi-audit manual" or "manual" means the manual

1 incorporated by reference in part 7680.0200.

2 Subp. 7. Cost-share maxi-audit report or report.

3 "Cost-share maxi-audit report" or "report" means a written  
4 document prepared according to the cost-share maxi-audit manual,  
5 as the result of a cost-share maxi-audit of a building.

6 Subp. 8. Department. "Department" means the Minnesota  
7 Department of Public Service.

8 Subp. 9. Hospital. "Hospital" means a public or private  
9 facility licensed under Minnesota Statutes, sections 144.50 to  
10 144.55.

11 Subp. 10. School. "School" means a public school district  
12 or private institution that:

13 A. provides, and is legally authorized to provide,  
14 elementary education or secondary education or both on a day or  
15 residential basis;

16 B. (1) provides, and is legally authorized to  
17 provide, a program of education beyond secondary education, on a  
18 day or residential basis;

19 (2) admits as students only persons having a  
20 certificate of graduation from a school providing secondary  
21 education, or the recognized equivalent of a certificate;

22 (3) is accredited by a nationally recognized  
23 accrediting agency or association; and

24 (4) provides an educational program for which it  
25 awards a bachelor's degree or higher degree or provides not less  
26 than a two-year program that is acceptable for full credit  
27 toward such a degree at any institution that meets the preceding  
28 requirements and provides such a program; or

29 C. provides not less than a one-year program of  
30 training to prepare students for gainful employment in a  
31 recognized occupation and meets the provisions in item B,  
32 subitems (1), (2), and (3).

33 Subp. 11. TA. "TA" means Institutional Conservation  
34 Program Technical Assistance.

35 7660.0030 ELIGIBILITY.

1 All applicants are eligible for cost-share maxi-audit  
2 grants for buildings that they own and operate. A building for  
3 which an applicant has received cost-share maxi-audit funds or  
4 TA funds is not eligible for another cost-share maxi-audit grant  
5 until five years after the date of the previous cost-share  
6 maxi-audit or TA grant payment.

7 7660.0040 COST-SHARE MAXI-AUDITOR AUTHORIZATION.

8 An authorized cost-share maxi-auditor is a person who is a  
9 professional electrical or mechanical engineer or architect,  
10 registered in Minnesota, and who has:

11 A. agreed to abide by the requirements of this part  
12 when conducting cost-share maxi-audits;

13 B. agreed to attend mandatory cost-share maxi-audit  
14 information training sessions conducted by the department;

15 C. signed and submitted to the department, upon  
16 completion of the mandatory cost-share maxi-audit training, the  
17 authorization agreement for cost-share maxi-auditors that is  
18 provided in the manual, and is available upon request from the  
19 department; and

20 D. agreed to make appropriate changes and additions  
21 to a cost-share maxi-audit report within 30 days after being  
22 sent written notification from the department of the required  
23 changes and additions.

24 The requirements in this part must be adhered to in order  
25 for a person to maintain authorized cost-share maxi-auditor  
26 status.

27 7660.0050 APPLICATION.

28 Subpart 1. Process. The applicant must submit to the  
29 department an application for cost-share maxi-audit funds on a  
30 form provided by the department. This application must include  
31 the following:

32 A. the applicant's name and address;

33 B. the name and address of the building;

34 C. the area of the building in square feet;

35 D. the building audit status as to whether it has

1 been previously maxi-audited or unaudited;

2 E. the date of the application; and

3 F. the contact person's name, title, and telephone  
4 number.

5 Subp. 2. **Application period.** The department will process  
6 applications in accordance with part 7660.0060, subpart 1, until  
7 all funds have been encumbered.

8 7660.0060 CONTRACT PROCESS.

9 Subpart 1. **Application review.** Upon receipt of an  
10 eligible application, the department will determine the funding  
11 limits for each building according to part 7660.0090, subpart 2,  
12 and will prepare a cost-share maxi-audit grant contract for each  
13 building.

14 Subp. 2. **General.** The department will send the prepared  
15 contract to the applicant for signatures by two of the  
16 applicant's officials authorized to sign contracts. Grant  
17 contracts must be signed and received by the department within  
18 45 days of the department's mailing date to the applicant. If  
19 the grant contract has not been returned within 45 days, the  
20 funds may be redistributed to other applicants. After complete  
21 execution of the grant contract by the state of Minnesota, the  
22 department will send to the applicant a copy of the fully  
23 executed contract, required scope of work, and a list of  
24 authorized cost-share maxi-auditors.

25 7660.0070 COST-SHARE MAXI-AUDIT REPORT REVIEW.

26 The department will review cost-share maxi-audit reports to  
27 verify that all requirements of the manual have been fulfilled.  
28 If the department review identifies requirements that have not  
29 been fulfilled, the department will notify both the grantee and  
30 the authorized cost-share maxi-auditor of the necessary changes  
31 and additions. The department may conduct an on-site  
32 verification of the data contained in the report. When the  
33 report has been determined to fulfill all requirements, notice  
34 of acceptance will be sent to the grantee.

## 1 7660.0080 REIMBURSEMENT.

2 To be reimbursed for the funds approved in part 7660.0090,  
3 subpart 2, the following conditions must be met:

4 A. The grantee must not have contracted for or begun  
5 work before the fully executed grant contract was received by  
6 the grantee.

7 B. The cost-share maxi-audit must have been conducted  
8 by an authorized cost-share maxi-auditor.

9 C. The grantee must have submitted to the department  
10 no later than 90 days before the expiration date of the  
11 contract, the following:

12 (1) one copy of the cost-share maxi-audit report  
13 signed by an authorized cost-share maxi-auditor for each  
14 building that was awarded a cost-share maxi-audit grant; and

15 (2) one copy of the invoice for the cost-share  
16 maxi-audit work, itemized by building.

17 D. The cost-share maxi-audit report must have met the  
18 requirements of the manual.

## 19 7660.0090 FUNDING.

20 Subpart 1. **Priorities.** The department will process grant  
21 applications that comply with parts 7660.0010 to 7660.0070 on a  
22 first-come first-served basis, based on the day an eligible and  
23 complete application is received by the department. If eligible  
24 and complete applications received on the same day cannot all be  
25 funded due to lack of available funds, the department will first  
26 process applications for previously unaudited buildings. If  
27 funds are not available for all eligible applications for  
28 previously unaudited buildings, the department will process  
29 grants so that each affected application receives an equal  
30 percentage of the eligible grant amount. If funds are available  
31 after processing all eligible applications for previously  
32 unaudited buildings, the department will process eligible grant  
33 applications for previously audited buildings. If funds are not  
34 available for all eligible applications for previously audited  
35 buildings, the department will process grants so that each

1 affected application receives an equal percentage of the  
 2 eligible grant amount. When all available funds have been  
 3 encumbered, the department will not process any further  
 4 applications and affected applicants will be notified.

5 Subp. 2. Limits. Grants will be issued by the department  
 6 for eligible applications ~~up-to-the-funding-limits,~~ based on  
 7 ~~building-size,-as-shown-in-the-following-table~~ a formula of \$.04  
 8 per square foot of area plus \$2,000. The department will  
 9 reimburse grantees for 80 percent of the actual cost of a  
 10 cost-share maxi-audit or the approved grant amount, whichever is  
 11 less, when the requirements of part 7660.0080 have been met.

12 Funding-Limits-for-Cost-Share-Maxi-Audits

13 Building-Size	Formula	Funding-Limits
14 in-Square-Feet		
15 0-----5,7000	--	\$800
16 5,7001----25,7000	--	\$1600
17 25,7001----50,7000	(Area)*(\$.064/sq.-ft.)	\$1600---\$3200
18 50,7001----100,7000	(Area)*(\$.0384/sq.-ft.)+--\$1200	\$3200---\$5120
19 100,7001----150,7000	(Area)*(\$.0256/sq.-ft.)+--\$2560	\$5120---\$6400
20 150,7001----200,7000	(Area)*(\$.0192/sq.-ft.)+--\$3520	\$6400---\$7360
21 200,7001----250,7000	(Area)*(\$.0128/sq.-ft.)+--\$4800	\$7360---\$8000
22 250,7001---and-up	--	\$8000
23		
24		

25 Subp. 3. Restrictions. Institutions awarded cost-share  
 26 maxi-audit grants with money from the state's cost-share  
 27 maxi-audit program or TA funds cannot use funding from this  
 28 program for the applicant's share of the cost of their  
 29 cost-share maxi-audit.