

AGENCY: ENVIRONMENTAL PROTECTION AGENCY (EPA)

TITLE: “SUPPORTING ANAEROBIC DIGESTION IN COMMUNITIES”

ACTION: Request for Applications (RFA) - Questions and Answers.

RFP NO: EPA-OLEM- ORCR-20-02

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NO: 66.808

SUMMARY: The following are formal Agency responses to questions/comments received regarding the subject solicitation.

1. Would this (construction) project be eligible for funding under the program?

Answer: Only if the project qualifies as a demonstration. Construction is not eligible otherwise. Please refer to this guidance for applicants/recipients of EPA funding. As that guidance indicates, construction costs are rarely eligible for EPA funding, but a demonstration project authorized by SWDA 8001 may meet the test for eligibility.

2. What type of “demonstration” component would be necessary?

Answer: Demonstration projects must include in the project: new or experimental technologies, methods, or approaches where the results of the project will be shared so that others can benefit from the knowledge gained. A project that is accomplished through the performance of routine, traditional, or well-established practices, or a project that is simply intended to carry out a task rather than transfer information or advance the state of knowledge, however worthwhile the project might be, is not a demonstration. The application must clearly explain how the technologies, methods, or approaches used are new or experimental and how the project otherwise meets the requirements of a demonstration. If your project uses technologies, methods or approaches that have been used previously in other geographic areas and/or business sectors, then your application must include an explanation as to how your demonstration project is different from such prior projects and is a true demonstration. You must also explain what will be learned from the demonstration project.

3. Are previous investments into AD infrastructure and equipment counted towards leveraging?

Answer: No. The leveraging provisions on pages 14 and 15 of the RFA ask applicants to discuss how they “will leverage” additional resources for the project. Investments that have already been made do not additional resources. However, these types of investments may count for other criteria (such as Criterion 3: Programmatic Capability and Past Performance), depending on the situation.

4. If we were to contract out to a company to do (insert project here), would I need to get 3 competitive bids and include them in the grant proposal or could I do that after if we were awarded the grant?

Answer: Yes, if the amount of the contract is over \$10,000 and less than \$250,000. With very few exceptions, all contracts in excess of \$10,000 must be selected competitively either prior to submitting the application or (if the contractor is not named in the application) following EPA's award of the assistance agreement. Please refer to the following provisions of the request for applications (RFA):

- See the "contractual" subsection in the discussion of the budget narrative on p. 17 of the RFA. Note, however, that the "contractual" coverage in the RFA contains an error. The micro-purchase threshold for competing contracts is \$10,000 rather than \$3,500 as indicated in the RFA.
- Pay particular attention to the information EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements. EPA indicates in the guide that for contracts less than the \$250,000 small purchase threshold obtaining three competitive bids is sufficient to comply with procurement requirements.
- "Contracts and subawards" which can be found via the link to "EPA solicitation clauses" in section 6. F. Here is the link: <https://www.epa.gov/grants/epa-solicitation-clauses>

Applicants do not need to include competitive bids in their proposal. However, if an applicant names a contractor as a partner or otherwise wants EPA to consider a contractor's qualifications then the applicant must describe the competitive process they followed.

5. I have a question about Criterion 5, effective partnerships. Does this mean partnerships within our organization, like how different departments within our organization would work together on the grant work, or are you looking for outside community partnerships?

Answer: Partnerships can be external or internal to your organization. Make sure you address the Evaluation Criterion #5 on page 21 of the RFA:

Effective Partnerships: Under this criterion, the Agency will evaluate the application based on how well the applicant addresses the following:

- a. Describes the partnerships and/or coalition currently in place to support the proposed project and why it is sufficient to complete the proposed project. If the partnership will be expanded, describe the additional members that will be engaged and/or recruited.
- b. Describes the role of each partner on the project and their experience working with the target audience and/or sectors addressed. Applicants that do not plan on collaborating with other groups in project performance will be evaluated based on the extent to which they demonstrate how they will be able to effectively perform and complete the project without such collaboration.

6. **We are building a project and will be purchasing equipment as part of the construction project. Does the whole system have to be complete and operational to obtain compensation?**

Answer: No. As provided at 2 CFR 200.305 and EPA Requirements for Enrolling in the Automated Standard Application for Payments (ASAP) System and Disbursing EPA Funds Within 5 business Days of Drawdown. EPA compensates recipients for eligible and allowable project costs as they are incurred rather than upon project completion. However, please note that with the exception of demonstration projects construction costs are not allowable for projects EPA intends to fund under EPA-OLEM-ORCR-20-02 Supporting Anaerobic Digestion in Communities. Please refer to EPA's interpretation of the term "demonstration project" below that I previously provided. I also pasted it below.

Demonstration projects must involve new or experimental technologies, methods, or approaches where the results of the project will be shared so that others can benefit from the knowledge gained. A project that is accomplished through the performance of routine, traditional, or well-established practices, or a project that is simply intended to carry out a task rather than transfer information or advance the state of knowledge, however worthwhile the project might be, is not a demonstration. The application must clearly explain how the technologies, methods, or approaches used are new or experimental and how the project otherwise meets the requirements of a demonstration. If your project uses technologies, methods or approaches that have been used previously in other geographic areas and/or business sectors, then your application must include an explanation as to how your demonstration project is different from such prior projects and is a true demonstration. You must also explain what will be learned from the demonstration project.

7. **What is the negotiated performance period? Can it start later than October 1, 2020? What is the latest that the performance period can be completed? For our purposes, it would be useful if we could complete the project, by say, October 2023 instead. Could we negotiate the performance period to be October 1, 2021 to October 1, 2022?**

Answer: Please refer to Page 6 of the RFA. The period of performance can begin later than Oct 1, 2020 since that is an estimated start date. However, as the announcement states "All project activities must be completed within the negotiated project performance period of two years."

8. **Can we apply for funding for things that are already complete and paid for? For example, we have completed a predesign. This falls under "Technology and Process Evaluations".**

Answer: No. Although EPA policy as expressed in 2 CFR 1500.8 is to allow for pre-award costs in certain circumstances, all pre-award costs are subject to the allowability standards of 2 CFR 200.458. This regulation provides in pertinent part that to be allowable pre-award costs must be incurred ". . . directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the

scope of work.” A pre-design or other project that has been already completed and paid for prior to selection for a competitive award would not meet the regulatory standard since the costs were not incurred pursuant to the negotiation and anticipation of the award.

9. My project is (insert description of project here). Would this project be a good fit for the grant?

Answer: Please see Section 1. Part B: Scope of Work, starting on page 3 of the RFA for information on applicable projects for this funding opportunity. EPA cannot comment on the merits of a specific project during the pre-application assistance phase of this competition.

10. Is the “Timeline with Milestones” that should be included as an attachment the same thing as the “Time Schedule,” which is part of b) of Criterion 1? I assume that as an attachment, the “Timeline with Milestones” would not be counted as part of the 10 pages of narrative.

Answer: Pages 15-19 of the RFA states that what can be included as attachments to the “project narrative” are not included in the page limit of 10 pages for the project narrative. Appendix C is an example of the Timeline with Milestones. As stated on page 35, The Milestones **should not exceed one page.**

11. Question: For Criterion 2, is it acceptable for the “Plan for Achieving Project Results” to simply refer back to the “Project Description” of Criterion 1?

Answer: No, the full amount of points may not be awarded if this is done. For answering the specific criterion (please use the template in Appendix A), I would advise to be as specific and descriptive as possible while observing the page limit. The sections under “Project Description” and “Plan for Achieving Project Results” state the specific instructions in the RFA (see page 20 & 27). There may be some overlap in the two criteria (such as mentioning of outcomes and outputs), but each answer to the specific criterion is unique.

12. If we begin work on the project before that date (meaning we intend to begin purchasing equipment before August), would we be eligible for reimbursement if/when the proposal is awarded?

Answer: Maybe. Although EPA policy as expressed in 2 CFR 1500.8 is to allow for pre-award costs in certain circumstances, all pre-award costs are subject to the allowability standards of 2 CFR 200.458. This regulation provides in pertinent part that to be allowable pre-award costs must be incurred “. . . directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work.” EPA takes the position that for competitively awarded funding, pre-award costs must be incurred after the applicant has been notified that its proposal has been selected for a recommended award for the costs to be potentially allowable. The award is not final, however, until the selection official’s recommendation for award has been approved by EPA’s Award Official as indicated on p. 22 of the RFA. Therefore, as expressly provided in 2 CFR 1500.8 applicants incur pre-award costs at their own risk.

13. How can we access the files, forms and templates while we wait for our DUNS and SAM information?

Answer: All of the forms are available at: <https://www.grants.gov/web/grants/forms/sf-424-family.html>. Please use Appendix A in the RFA for the Project Narrative.

14. For a feasibility study that will be conducted by a professional consultant... my understanding based on reading the RFP is that I need a pretty detailed budget... am I able to ask for a little bit more than I need and be a little vague on some of the budget line items, knowing that the consultant I will be working with is unknown at the time of submitting my application?

Answer: Since you still have to complete the competitive procurement process to select your consultant you should provide an amount in the contractual category in the budget that provides flexibility to select the contractor offering the best value. Budgets are only estimates. If you are selected for an award and the actual amount of the contract is different than that in the budget submitted to EPA's award official then the Agency will allow you to re-budget grant funds subject to the following "Transfer of Funds" [General Term and Condition](#). Note that the Simplified Acquisition Threshold is currently \$250,000. Detailed guidance on budgeting for contracts is available in Section VI of EPA's [Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance](#).

21. Transfer of Funds

Applicable to all assistance agreements . . . when the amount of the award exceeds the 2 CFR 200.88 Simplified Acquisition Threshold.

(1) As provided at 2 CFR 200.308(e), recipient must obtain prior approval from EPA's Grants Management Officer if the cumulative amount of funding transfers among direct budget categories or programs, functions and activities exceeds 10% of the total budget. Recipients must submit requests for prior approval to the Grant Specialist and Grants Management Officer for this agreement.

(2) Recipients must notify EPA's Grant Specialist and Project Officer of cumulative funding transfers among direct budget categories or programs, functions and activities that do not exceed 10% of the total budget for the agreement. Recipients must also notify the EPA Grant Specialist and Project Officer when transferring funds from direct budget categories to the indirect cost category or from the indirect cost category to the direct cost category. Prior approval by EPA's Grant Management Officer is required if the transfer involves any of the items listed in [2 CFR 200.407](#) that EPA did not previously approve at time of award or in response to a previous post-award request by the recipient.

15. Is an extension of the closing date possible due to Covid-19 and the "Flexibilities Available to Organizations Impacted by COVID-19" clause? How does the

consideration for that process typically work? Is that something that's usually discussed at the programmatic level or something else?

Answer: The clause "Flexibilities Available to Organizations Impacted by COVID-19" does not authorize extensions of time to submit applications. This clause describes situations in which applicants may submit their applications outside of the grants.gov application process if their accessibility has been disrupted due to COVID-19.

16. Are Federally-Funded Research & Development Centers (FFRDCs) eligible to apply for this RFA? NREL is operated by a non-profit organization (The Alliance for Sustainable Energy) so technically we are a non-profit, but we typically see explicit writing in RFAs calling out FFRDCs either as eligible or ineligible. We are reaching out to our Legal department for an opinion.

Answer: EPA does not consider Federally Funded Research and Development Centers (FFRDCs) to be eligible grant recipients based on the exclusion of Government Owned Contractor Operated Facilities from the definition of "Federal Award" at 2 CFR 200.38, the definition of Recipient at 2 CFR 200.86 and the definition of "Non-federal entity" at 2 CFR 200.69. EPA's policy on funding FFRDC's is described in the excerpt below from CFDA Listing 66.509 from EPA's Science to Achieve Results research grant program.

National laboratories funded by Federal Agencies (Federally-Funded Research and Development Centers, "FFRDCs") may not apply. FFRDC employees may cooperate or collaborate with eligible applicants within the limits imposed by applicable legislation and regulations. They may participate in planning, conducting, and analyzing the research directed by the applicant, but may not direct projects on behalf of the applicant organization. The institution, organization, or governance receiving the award may provide funds through its assistance agreement from the EPA to an FFRDC for research personnel, supplies, equipment, and other expenses directly related to the research. However, salaries for permanent FFRDC employees may not be provided through this mechanism.

17. We wanted to know if our partner can perform the competitive bid process.

Answer: The guidance listed [here](#) specifies that the recipient of the EPA financial assistance agreement is the one to perform the competitive bid process. That means that you, as the recipient would have to conduct the competitive bid process. Note that you may hire a contractor to prepare specifications for the bidding process but as provided at [2 CFR 200.319\(a\)](#) that contractor may not bid on the contract. Additionally, you may enter into intergovernmental or inter-entity agreements for competitive procurement of commonly used goods and services to the extent authorized by [2 CFR 200.318\(e\)](#).

18. Is an application for a project longer than 2 years permissible?

Answer: No. The terms of the RFA clearly state that the project performance period must be two years. Once the grant is awarded if unforeseen circumstances prevent the recipient from

completing the project in two years the terms of EPA's assistance agreement allow the recipient to request an extension of the performance period.