

AGENCY: ENVIRONMENTAL PROTECTION AGENCY (EPA)

TITLE: "Analysis of Innovative Feedstock Sources and Production Technologies for Renewable Fuels"

ACTION: Request for Proposal (RFP)

RFP: EPA-OAR- OTAQ-07-12

CFDA: 66.034

DATE: August 23, 2007

SUMMARY: Agency responses to questions regarding EPA-OAR- OTAQ-07-12.

- Q1: Has EPA pre-selected an organization for this solicitation?
- A1: No. EPA has not pre-selected an award recipient for this or any request for proposals (RFP). The solicitation is a full and open competition and all eligible entities are encouraged to apply.
- Q2: The ceiling for a single award is listed in the RFP "EPA-OAR- OTAQ-07-12" as less than half the estimated total program funding, suggesting that more than one award might be available?
- A2: The award amount of \$750,000 is annual. The selected recipient will receive approximately \$1.5 million over two years - approximately \$750,000 the first year and \$750,000 the second year.
- Q3: Is the cooperative agreement restricted to algal oil and citrus peels?
- A3: No, the cooperative agreement is not restricted to algal oil and citrus peels. These are just listed as examples to illustrate the types of feedstocks that could be included in the analysis.
- Q4: Under this solicitation, is it ok to perform a demonstration of an alternative fuel in a transportation application, and compare costs, performance, emissions and service call results to similar operation with a diesel engine?
- A4: In the "Analysis of Innovative Feedstock Sources and Production Technologies for Renewable Fuels" solicitation, the scope of work asks for the following five items: 1) a comprehensive report detailing innovative feedstocks including a comparison to petroleum-based fuel products 2) a comprehensive report analyzing the potential for each innovative fuel processing technique; 3) a comparison of fuel process technologies; 4) an evaluation of technical and economic barriers to large-scale feedstock production and use; and 5) an effective approach to providing this information to non-federal audiences. Only proposals that meet the scope of work requirements will be reviewed.
- Q5: What type of feedstocks should the applicant analyze?
- A5: The type of feedstocks to include is up to each applicant. However, several feedstocks are excluded explicitly in the scope of work: 1) corn or grain feedstocks for starch-based ethanol; 2) soybean, animal fat or waste grease feedstocks for biodiesel; and 3) energy crops such as switchgrass, wood chips and willow for cellulosic ethanol. As long as the feedstock is not one of the excluded traditional feedstocks and is a feedstock for renewable fuels, it may be included in the proposal.
- Q6: Can plastics (those already deposited in the solid waste stream) be considered an innovative feedstock source for renewable fuels?
- A6: While it's a very innovative idea to use waste plastics as a feedstock, EPA's Office of Transportation and Air Quality does has determined it does not fit under the above solicitation's scope of work as a feedstock for renewable fuels.
- Q7: Would it be permissible to focus on a given state and show how the work could be applied to other densely populated regions, or must the proposal and data only have a broader, national focus?

- A7: Yes, as long as the proposal is clear on how your particular region of study applies to the other regions and/or nationwide.
- Q8: Is it possible to have longer than the 30 day open period?
A8: No, because of the very short timeframe for the cooperative agreement in that all funds must be spent by September 30, 2009, the open period can be no longer than 30 days.
- Q9: Is the proposed study to be performed with available data and information from existing studies? In other words is the proposed study a "paper study" vs. a demonstration study?
A9: The proposed study will primarily be a "paper study" based on existing studies. However, a small pilot demonstration project to aid in the analysis is acceptable.
- Q10: Should proposals include the analysis of multiple feedstock sources or will a proposal that is looking at only one feedstock source be equally considered?
A10: There is no requirement to look at more than one feedstock. All individual proposals will be evaluated based on their content according to the criterion set forth in RFP "EPA-OAR- OTAQ-07-12, Sec IV Application Review Information, Part A. Evaluation Criteria.
- Q11: We intend to put forth a team of investigators. Does each and every investigator need to meet the requirement for having published a peer-reviewed article on renewable fuels within the last five years?
A11: The Principle Investigator (PI) that is to be listed on the Application for Federal Assistance form (424) must have a peer-reviewed article published on renewable fuels within the last five years. The PI must be either an employee of the applicant or an individual consultant selected under the procurement standards of the grant regulations.

Please note the excerpt from RFP "EPA-OAR- OTAQ-07-12" language on **partnerships and competitive procurement procedures**.

Section II. Award Information, Part F. Can funding be used to acquire services or fund partnerships?

EPA awards funds to one eligible applicant as the "recipient" even if other eligible applicants are named as "partners" or "co-applicants" or members of a "coalition" or "consortium". The recipient is accountable to EPA for the proper expenditure of funds.

Funding may be used to provide subgrants or subawards of financial assistance to fund partnerships provided the recipient complies with applicable requirements for subawards or subgrants including those contained in **40 CFR Parts 30 or 31**, as appropriate.

Successful applicants must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of these regulations. The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their proposal. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the proposal EPA approves does not relieve it of its obligations to comply with competitive procurement requirements.

Please note that applicants may not award sole source contracts to consulting, engineering or other firms assisting applicants with the proposal solely based on the firm's role in preparing the proposal.

Successful applicants cannot use subgrants or subawards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products from for-profit organizations to carry out its assistance agreement.

The nature of the transaction between the recipient and the subawardee or subgrantee must be consistent with the standards for distinguishing between vendor transactions and subrecipient assistance under Subpart B Section .210 of OMB Circular A-133, and the definitions of “subaward” at 40 CFR 30.2(ff) or “subgrant” at 40 CFR 31.3, as applicable. EPA will not be a party to these transactions.

Q12: Must an applicant have a peer-reviewed article(s) on renewable fuels within the last five years? Is there another way to meet this requirement?

A12: Yes, having published a peer-reviewed article is a threshold criteria in EPA-OAR- OTAQ-07-12 for each application. The principle investigator (PI) that is to be listed on the Application for Federal Assistance form (424) must have a peer-reviewed article published on renewable fuels within the last five years. No, there is not another way to meet the threshold criteria (5), having a published peer reviewed article.

Q13: Section III Part C Item 5 states that we can refer to Section IV Part C.4 for more information on above. I do not believe this is correct as I cannot seem to find this portion of the report. Which section should we reference? Is it possibly Section IV Part C.3 item c, copies of peer reviewed articles?

A13: This is an error. The correct section is Section IV Part C.3 item c.

Q14: Should applicants try to find explicit collaborations with EPA personnel?

A14: No, there is no need to identify EPA personnel in the proposal. Since this is a cooperative agreement, there will be collaboration with EPA, but only after the award of the cooperative agreement.

Q15: The total funding is listed as \$1,555,580, but the annual awards are for \$750,000. Where does the extra \$55,580 go? Will the extra money fund EPA personnel?

A15: The award amounts are listed as "approximately" \$750,000, but the actual amounts will be around \$777,790. Total funding for this solicitation is \$1,555,580. None of the award money from this solicitation will be to fund EPA personnel.

Q16: Does the proposed budget for each year need to precisely come below the \$750,000 level, or should we focus on the total amount over two years (i.e. \$1,555,580)?

A16: The total amount will be \$1,555,580 over two years.

Q17: Is there a mechanism to advise the EPA and the reviewers that this additional information has become available after the proposal has been submitted?

A17: No, there is not a mechanism to submit further information. EPA may ask the applicants for more specific information directly, but once the announcement closes.

Q18: Can federal agencies apply for this cooperative agreement?

A18: No. Proposals **will only be accepted** from the following eligible entities which are listed in EPA-OAR-OTAQ-07-12, “Analysis of Innovative Feedstock Sources and Production Technologies for Renewable Fuels”:

Proposals will be accepted from States, local governments, territories, Indian Tribes, and possessions of the U.S., including the District of Columbia, international organizations, public and private universities and colleges, hospitals, laboratories, other public or private non-profit institutions.

Non-profit organization, as defined by OMB Circular A-122, means any corporation, trust, association, cooperative, or other organization which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" excludes (i) colleges and universities; (ii) hospitals; (iii) state, local, and federally-recognized Indian tribal governments; and (iv) those non-profit

organizations which are excluded from coverage of this Circular in accordance with paragraph 5 of the Circular.

Non-profit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply.

Q19: Can federal agencies collaborate with applicants for this grant proposal?

A19: Federal agencies cannot collaborate with applicants during the application and selection process. Federal agencies CANNOT assist applicants with writing proposals.

Q20: Can federal agencies receive funds as a sub from the cooperative agreement recipient?

A20: No, federal agencies cannot receive funds as a sub under the cooperative agreement.

Q21: Would “canola research” qualify as an innovative feedstock?

A21: Yes, this would be a suitable feedstock.

Q22: Must an applicant have a peer-reviewed article(s) on renewable fuels within the last five years? Is there another way to meet this requirement?

A22: Yes, having published a peer-reviewed article is a threshold criterion in EPA-OAR- OTAQ-07-12 for each application. The principle investigator (PI) that is to be listed on the Application for Federal Assistance form (424) must have a peer-reviewed article published on renewable fuels within the last five years. No, there is not another way to meet the peer reviewed article criteria.

Q23: Can proposals request less than the total amount available such as \$200,000 per year instead of \$750,000 per year?

A23: No, there will only be one award from this solicitation, therefore proposal budgets must account for the total amount of \$1,555,580.

Q24 Is it possible to develop a subcontract to the proposal to include a consultant.

A24 Yes, as long as it is competed and all applicable federal regulations are followed. Please review the RFP “EPA-OAR- OTAQ-07-12” language on **partnerships and competitive procurement procedures**.

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Funding may be used to provide subgrants or subawards of financial assistance to fund partnerships provided the recipient complies with applicable requirements for subawards or subgrants including those contained in 40 Code of Federal Regulations Parts 30 or 31, as appropriate.

Successful applicants **must compete contracts for services and products and conduct cost and price analyses to the extent required by the procurement provisions of these regulations.** The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their proposal. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the proposal EPA approves does not relieve it of its obligations to comply with competitive procurement requirements.

Please note that applicants may not award sole source contracts to consulting, engineering or other firms assisting applicants with the proposal solely based on the firm's role in preparing the proposal.

Successful applicants cannot use subgrants or subawards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products from for-profit organizations to carry out its assistance agreement.

The nature of the transaction between the recipient and the subawardee or subgrantee must be consistent with the standards for distinguishing between vendor transactions and subrecipient assistance under **Subpart B Section .210 of OMB Circular A-133**, and the definitions of “subaward” at **40 CFR 30.2(ff)** or “subgrant” at **40 CFR 31.3**, as applicable. EPA will not be a party to these transactions.

Q25: Define peer review – is it before or after publication?

A25: Timing of the peer review is not important only that there has been external review of the publication by peers.

Q26: Do biogas and sweet potatoes qualify as innovative feedstocks?

A26: Yes, these are suitable feedstocks.

Q27: Are cooperatives eligible?

A27: No. Only entities that meet the eligibility requirement in Section III part A can apply.

Q28: My question is whether you want us to actually provide the information to non-federal audiences or just explain how we would set up a system to do so and then let EPA do it?

A28: The proposals must describe the plan for providing the analysis to non-federal audiences and account for the costs to implement the plan.

Q29: Would innovative feedstocks such as cotton gin trash, sorghum, bagasse, Hesperaloe, etc. for the production of cellulosic butanol fall under the scope of work for this solicitation.

A29: Yes, these are suitable feedstocks.

Q30: Can a small corporation submit a proposal if in a research partnership with a university?

A30: No. Only entities that meet the eligibility requirement in Section III part A can apply.

Q31: Does a Canadian university meet the eligibility requirement?

A31: Yes, the eligible entity will be "international organization".

Q32: Can you clarify the difference between a co-applicant and a consultant?

A32: A co-applicant is an eligible entity and a consultant is a non-eligible entity and must follow the federal procurement regulations 40 CFR Part 30 or 31 as applicable.

- Q33: I have two questions on the SF424 application for the "Analysis of Innovative Feedstock" grant. For blank #5.a is there a Federal Entity Identifier number that should be listed there? Also, on blank #13 is there a Competition ID number?
- A33: If your organization does not have a Federal Entity Identifier number then you can leave it blank. It's not a requirement. For blank #13 you can put OAR-OTAQ-07-12.
- Q34: Our company is very interested in developing compact, efficient, and affordable technology for using the glycerin from biodiesel production for fuel to power the facility itself and to create a co-gen opportunity for producers so that they could also sell energy back to the grid. The BPU content is significant and at the present there is a glut of glycerin... so we are proposing to essentially turn a waste product into an energy producing product which would also create an additional income stream for the biodiesel producer. Would this project be of interest?
- A34: The process is of interest, but I don't think it fits under the scope of work for this grant, which is to develop transportation fuels from nontraditional resources. It sounds like your project is generating electricity, not specifically a transportation fuel.
- Q35: The SF4242 we printed from grants.gov website for this RFP does not have a specific (Principal Investigator) PI line. Should we use "section f - name and contact info of person to be contacted on matters involving this application"?
- A35: Yes, the "applicant" name would be the PI in this case. Normally, peer reviewed articles is not a threshold criteria or is there so much specifics needed to clarify such an issue. A contact sheet is typically filled out later by the selected applicant after the solicitation is over and that's where the PI, co PI, etc are named. But in this case, the PI needs to be listed on the 424, as we had to clarify earlier in a previous Q/A. For example, the applicant can even specify on the 424, name: Principle Investigator, Joe Smith.
- Q36: Can I apply as an individual?
- A36: No. Only entities that meet the eligibility requirement in Section III part A can apply.
- Q37: Can I start my proposal after the summary on the summary page?
- A37: Yes, an acceptable proposal must be 20 single spaced pages with all included sections as stated in the solicitation.