

Alternative Fuel Transportation

Notice of Funding Available (NOFA)

NOFA #10 - 05

Program Guidelines and Application Procedures

- **NOFA Released** April 30, 2010
- **Applications Due** First come, first served basis
- **Applications
Approved/Rejected** 6 weeks after application received
- **Program Ends** Until all funds are reserved or
Development closes this NOFA

Ohio Department of Development
Ohio Energy Resources Division
77 South High Street, 26th Floor
Columbus, Ohio 43215-6130
Attn: Alternative Fuel Transportation Program
614-466-6797
aef@development.ohio.gov

I. OVERVIEW

In accordance with Section 122.075 of the Ohio Revised Code (ORC), the Ohio Department of Development (Development) solicits applications from retail businesses for the purchase and installation of blended biodiesel or blended gasoline refueling and fuel blending facilities.

The goal of this NOFA is to increase the availability and use of blended biodiesel or blended gasoline fuels for motor vehicles and to establish blended biodiesel or blended gasoline blending facilities in Ohio. As defined in ORC Section 122.075, qualifying projects will be eligible to apply for grants under the Alternative Fuel Transportation (AFT) Grant Program to cover a portion of the costs of eligible projects as described in **Section III** "ELIGIBILITY." Available incentive funds are limited and vary by project category as described in **Section IV** "FUNDING." Qualifying applications will be considered for funding until all the funds for this NOFA are awarded or until Development determines that it is in the best interest of the State of Ohio to close this NOFA.

II. TIME TABLE FOR APPLICATIONS AND AWARDS

Program Start/ Applications Accepted:	April 30, 2010
Applications Approved/Rejected:	6 weeks after applications received
Program End:	NOFA is open until all funds are reserved or Development ends NOFA

If selected for a grant, applicant must not begin project work until a grant agreement is executed. Projects are executed when *both* the applicant and Development have signed the grant agreement. Projects are to be completed no later than twelve months from date of grant execution. Funds will be disbursed only upon project completion and satisfactory final inspection.

Development also reserves the right to request additional information to assist in the review process, or reject any and all applications if it determines that it is in the best interest of the State of Ohio to do so.

III. ELIGIBILITY

Development is pleased to invite qualified parties to submit applications for consideration to purchase and install blended biodiesel or blended gasoline refueling facilities and to establish blended biodiesel or blended gasoline blending facilities in Ohio.

Eligible Project - Minimum Requirements:

1. Projects must result in the installation of new blended biodiesel or blended gasoline retail facilities, conversion of existing fuel retail facilities to blended biodiesel or blended gasoline retail facilities, or installation of new blended biodiesel or blended gasoline blending facilities utilizing biofuel-tolerant equipment to increase the availability of these alternative fuels.

2. All projects must be installed in Ohio.
3. All project activities, whether new or conversion projects, must include the purchase of new machinery and/or equipment. Used machinery and/or equipment are not eligible project costs.
4. All projects must provide proof of adequate supply of fuel.
5. The project facilities must be in operation for at least three years.
6. Total eligible project costs must include at least a 20% match that must be provided by the applicant and not be compensated for by any other source.
7. All projects should commence within five (5) months of grant award.
8. Projects must be completed within twelve (12) months of date of grant execution.

Eligible Applicants:

Pursuant to this NOFA, the following applicants will be considered as “eligible”:

- Owners, operators, or developers of blended biodiesel or blended gasoline retail facilities
- Owners or operators of existing fuel retail facilities
- Owners, operators, or developers of blended biodiesel or blended gasoline blending facilities

An applicant that is a business must be registered with the Ohio Secretary of State and remain in good standing to do business in the State of Ohio, and must not have any outstanding liabilities owed to the State of Ohio.

Applications that meet the minimum criteria, as described in this solicitation, will be considered for funding on a funds available basis and based upon prioritization as outlined on the following pages.

Ineligible Expenditures (as defined in Ohio Administrative Code Section 122:12-3-02):

1. Purchase/rental of real property (land or buildings)
2. Normal operating/administrative expenses (not directly related to an eligible project) including:
 - a. Equipment/machinery lease payments.
 - b. Purchase of consumable/disposable items unrelated to an eligible project.
 - c. Personnel expenses, including travel.
 - d. Feasibility studies and planning.
 - e. Non biofuel-tolerant equipment.

IV. FUNDING

The maximum grant award per grantee per application has been established for eligible project categories as follows:

<u>Conversion of Existing Retail Facilities to Blended Biodiesel or Blended Gasoline Retail Facilities</u>		<u>New Installation of Blended Biodiesel or Blended Gasoline Retail Facilities</u>	
The AFT grant for the conversion of an existing retail facility through the purchase and installation of an alternative fuel refueling facility is the lesser of no more than 80% of the facility's eligible costs or \$10,000, with applicants required to provide at least 20% of the project cost.		The AFT grant for the purchase and installation of an alternative fuel refueling facility is the lesser of no more than 80% of the facility's eligible costs or \$40,000, with applicants required to provide at least 20% of the project cost.	
Maximum Grant Award	\$10,000	Maximum Grant Award	\$40,000

<u>New Installation of Blended Biodiesel or Blended Gasoline Fuel Blending Facilities</u>	
The AFT grant for the purchase and installation of an alternative fuel blending facility is the lesser of no more than 80% of the facility's eligible costs or \$200,000, with applicants required to provide at least 20% of the project cost	
Maximum Grant Award	\$200,000

In addition to the above funding limits, eligible applicants may request a maximum of \$5,000 for educational and promotional material and activities intended for prospective alternative fuel consumers, fuel marketers, and others in order to increase the acceptance and use of alternative fuel in Ohio. (There is no matching requirement for these activities). However, only projects that are funded as part of the above scenarios are eligible to apply for this additional \$5,000 marketing allowance as part of that application.

Under this NOFA the total grant award per entity will not exceed \$410,000 and the total number of grants per entity will not exceed ten (10).

V. PRIORITIZATION OF APPLICATIONS

Preference will be given to applications that demonstrate the following additional elements and will be prioritized based upon the number of and degree to which these items are present:

Prioritization Criteria	Criteria Weighting
Proximity to an interstate or other heavily traveled route. <i>(Based upon the driving distance from facility to nearest state route or interstate highway.)</i>	<ul style="list-style-type: none"> • distance ≤ 0.5 miles [10 points] • 0.5 < distance ≤ 5 miles [8 points] • 5 < distance ≤ 10 miles [5 points] • 10 < distance ≤ 20 miles [2 points] • distance > 20.0 miles [0 points]
The number of years beyond the minimum for which the applicant commits to operating the facilities or terminals.	<ul style="list-style-type: none"> • operation > 5 years [10 points] • 4 < operation ≤ 5 years [5 points] • 3 < operation ≤ 4 years [2 points] • operation = 3 years [0 points]
Compelling evidence of demand in the market in which the proposed facilities or terminals would be located.	<ul style="list-style-type: none"> • yes [10 points] • no [0 points]
Evidence of funding secured from other sources, including, but not limited to, private and federal grants.	<ul style="list-style-type: none"> • yes [10 points] • no [0 points]
Publicly accessible facility.	<ul style="list-style-type: none"> • yes [5 points] • no [0 points]
Installation of facilities or terminals for both blended biodiesel and blended gasoline.	<ul style="list-style-type: none"> • yes [5 points] • no [0 points]

VI. APPLICATION REQUIREMENTS AND PROCESS

1. All applications must be submitted as provided below. The eligible applicant must be the authorized representative for the eligible project in all matters relating to any funds awarded through this NOFA and will be solely responsible for all performance and reporting responsibilities.
2. Requested awards that exceed the maximum grant award amounts listed in **Section IV** "Funding" shall not be considered.
3. Required application procedures:
 - **Applications will be accepted beginning April 30, 2010 on a continuing basis** until all funds are reserved or Development closes this NOFA.

- One original paper copy marked as “Original” and two copies marked “Copy” of all required application documents must be submitted.
- Applications must be received at the location specified below:

Ohio Department of Development
Ohio Energy Resources Division
Attention: Alternative Fuel Transportation Program
P.O. Box 1001
77 South High Street, 26th Floor
Columbus, Ohio 43216-1001

- Applications must be submitted in hard copy and on 8.5 x 11-inch paper.
- No fax or e-mail submittals will be accepted.
- Applications must be stapled once in the upper left hand corner and must not be bound.
- The order of application documents must be:

1. **Required application forms (Appendix A)**

- Application Information Form
 - Program Narrative and Key Personnel
 - Budget Information Form
 - Financial Liability and Certification Form
 - Tax Information Disclosure Authorization Form
 - Vendor Information Form
 - W-9 Form
2. **Proof of property owner’s permission** (signed by property owner(s))
 3. **Proof of zoning application** (when applicable)
 4. **Itemized quotes from all vendors and sub-contractors** (on their own letterhead)

All costs incurred in the preparation of the Application shall be borne by the applicant alone, and Development shall not contribute, in any way, to the cost of the preparation of the Application.

All information submitted in response to this NOFA shall be public information unless a statutory exception exists which would protect the information from release to the public. Any information submitted with the Application which the applicant treats as a trade secret, as that term is defined in Section 1333.61 of the Ohio Revised Code, may be designated as such by marking the information: two asterisks (**) must be placed at the beginning and end of the trade secret information and the trade secret information shall be underlined. Information

determined to be a trade secret under the laws of the State of Ohio will be protected as trade secrets by Development in accordance with Ohio law.

4. Development reserves the right to:

- Accept or reject any and all applications if the State of Ohio determines that it is in its best interest to do so.
- Waive or modify minor irregularities in applications received.
- Negotiate with applicants, within the requirements of the NOFA, to best serve the interest of the State of Ohio.
- Require the submission of modifications or additions to application(s) as a condition of further participation in the evaluation process.
- Fund any application in full or in part.
- Adjust the dates for whatever reason it deems appropriate.

In accordance with federal and state statutes and Development policy, no person shall be excluded from participation or subject to discrimination in the NOFA process on the basis of race, color, age, sex, national origin, military status, religion, or disability.

5. Award Selection

Only projects that meet all of the requirements of this NOFA as stated herein will be considered for grant assistance. Once per month, all complete applications time-stamped during the preceding weeks and not previously scored will be collected as a group, then individually reviewed, scored, and ranked according to the prioritization criteria and weighting values listed in **Section V** "PRIORITIZATION OF APPLICATIONS." Applications will be selected for award in the order of their ranking until all the funds for this NOFA are awarded. Development reserves the right to reconsider applications previously scored if it is in the best interests of the State to do so.

If during the review process it becomes necessary to collect additional information to determine project eligibility, Development reserves the right to notify applicants of deficiencies and request corrections. Incomplete applications will not be considered and will not be "in line" or be time-stamped until they are complete.

VII. GRANT AGREEMENT

The grant agreement governing the relationship between the selected applicant(s) and Development shall be based on the terms of the sample grant agreement. Development reserves the right to modify any of the terms of the grant agreement that it deems necessary.

VIII. MONITORING AND REPORTING

Reports will be required to be submitted not less than on a quarterly basis beginning with the execution date of the grant agreement and continuing for one year after the completion date of the project. Reports are due to Development by the 10th of the month following the end of the quarter. A narrative report should describe program progress during the reporting period. Retail applicants for this grant will be required to report to the Director of Development the gallon amounts of blended biodiesel and blended gasoline that the applicant sells at retail in Ohio for three years after the grant is awarded. (As part of the grant agreement, the Director shall include a confidentiality agreement with the grantee regarding the gallon amounts sold.) Access to the project site for project monitoring must be provided upon 48 hour notice of intent to visit the job site.

IX. CHANGES TO THESE GUIDELINES

Development reserves the right to adjust the dates listed in this NOFA for whatever reasons it deems appropriate without prior notice. Development also reserves the right to request additional information to assist in the review process, to reject any and all applications and make no awards under this NOFA, to make fewer and smaller awards than anticipated, or to fund partial projects.

X. OHIO DEPARTMENT OF DEVELOPMENT CONTACT INFORMATION AND INQUIRY PROCESS

Questions regarding this NOFA may be submitted to the Ohio Energy Resources Division at any time by U.S. mail, telephone, fax or e-mail as indicated below.

U.S. Mail: Ohio Department of Development
Ohio Energy Resources Division (OERD)
Attn: Alternative Fuel Transportation Program
77 South High Street
Columbus, Ohio 43215-6130

Telephone: (614) 466-6797
Fax: (614) 466-1864
E-mail: aef@development.ohio.gov

Development accepts no responsibility for mail, faxes or e-mails that are not delivered.