

**AGENCY:** ENVIRONMENTAL PROTECTION AGENCY (EPA)

**TITLE:** "MARKET-BASED APPROACHES TO REDUCING GREENHOUSE GAS EMISSIONS THROUGH ENERGY EFFICIENCY IN HOMES AND BUILDINGS - REQUEST FOR INITIAL PROPOSALS"

**ACTION:** Request for Initial Proposals (RFIP) - Questions and Answers.

**RFA NO:** OAR-CPPD-04-03

**CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NO:** 66.034

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

- 1. We are in the process of signing a contract to retrofit two of our large boilers in the main energy plant with new burners and new electronic controls (for three large boilers) to reduce mainly NOx, and some CO emissions. This initiative was generated through efforts in procuring a flexible air permit with the Texas Commission for Environmental Quality (TCEQ) to be in compliance with current regulations. There are some advantages to retrofitting our boilers from an energy reduction standpoint, but the main focus is on emissions reduction. Would this project be a candidate for funding?**

No. Proposals will only be accepted from non-profit organizations, as defined by OMB Circular A-122, that are subject to Section 501(c)(3) of the Internal Revenue Service tax code. These organizations include: States, territories, Indian Tribes, and possessions of the U.S., including the District of Columbia, public and private universities and colleges, hospitals, laboratories, other public or private nonprofit institutions.

- 2. Our agency's Energy Star contact with the Department of Energy Denver Regional Support Office forwarded us your Request for Initial Proposal under the above solicitation number. We are unsure, based on Section III, Eligibility Information, whether a state agency would be eligible for funding under this solicitation.**

Yes. Proposals will be accepted from state, local, multi-state, colleges and universities, and non-profit organizations.

- 3. Is the grant opportunity in EPA's e-mail of March 3, 2004 entitled "Funding Opportunity for Energy Efficient Projects" open to Native American Tribes?**

Yes. Proposals will be accepted from federally-recognized Indian tribal governments.

- 4. We are a State Authority, an "instrumentality of the State" as defined by OMB Circular A-87. We are not subject to 501(c)(3). However, we otherwise meet all of the criteria listed in section III, Eligibility information, and are considered a State organization. Are we excluded from proposing?**

No. Proposals will be accepted from state, local, multi-state, colleges and universities, and non-profit organizations.

**5. According to the program announcement, there is approximately \$1.35 million available to fund approximately 2-6 awards. Have any of these estimations changed?**

No.

**6. What is the difference between a grant and a cooperative agreement?**

The primary difference between a grant and cooperative agreement refers to the level of involvement of Federal personnel in the performance of activities. A cooperative agreement requires substantial involvement with EPA staff on work performed under the assistance agreement. The specific terms of Government involvement are disclosed in the solicitation and will be incorporated in the final award document.

Under a grant, the work described in the final award document is performed by the Grantee with little or no involvement of Federal personnel.

**7. Is there an EPA definition of “market-based approaches?”**

For the purpose of this solicitation, market-based approaches, are those that involve looking at how goods and services are currently delivered to market, identifying barriers to the delivery of energy efficient goods and services within that market, and developing strategies for overcoming these barriers. The intent is to influence more than single transactions and to build a sustainable marketplace for energy efficient technologies and services.

**8. Although no match is required, does an applicant gain a competitive edge if they provide a match?**

No. Matching funds are neither a requirement nor an evaluation factor. An applicant will gain no competitive advantage in offering matching funds.

**9. Has this program ever been solicited before?**

No. This is a new funding opportunity.

**10. I cannot find a definition of who is eligible to serve as the Contractor of Record for a Collaborative Agreement. I assume that a State must be the Contractor of Record under a Collaborative Agreement and can subcontract work from non-profits. Is this correct?**

Your use of the term “collaborative agreement,” we assume, refers to “cooperative agreements.” In any event, this funding opportunity is open to proposals from non-profit organizations, as defined by OMB Circular A-122, that are subject to Section 501(c)(3) of the Internal Revenue Service tax code. These organizations include: States, territories, Indian Tribes, and possessions

of the U.S., including the District of Columbia, public and private universities and colleges, hospitals, laboratories, other public or private nonprofit institutions. Subcontracting of work by an eligible entity to non-profit organizations is permissible.

**11. We recently incorporated under state law as a non-profit, but have only just submitted our application to the IRS for 501 (c) (3) determination. Since we won't know for a fact until we receive the determination whether we will get it, are we eligible to apply?**

Yes. (Refer to Amendment 002 to the solicitation.)

**12. In the RFIP, you refer to cooperative agreements. What does the EPA have in mind for these? We currently have numerous collaborative efforts going with industry and other governmental agencies, including the EPA and our own Texas Commission on Environmental Quality.**

Please refer to *Section II(B), Award Information* of the solicitation for a detailed discussion of the anticipated level of Federal involvement for this project.