

Request for Proposals for

Statewide Anaerobic Digestion and/or Compost Heat Recovery Projects and for

Food-Waste Digestion Projects in Windham County

Questions and Answers

Question 1

Are "compost-heat-recovery-only" projects eligible or do those projects have to include anaerobic digestion as well?

Answer 1

A proposer can submit a proposal for a compost heat recovery project, or for a project using an anaerobic digester, or for a project that includes both technologies.

A project including both technologies may be configured such that the compost heat recovery equipment provides heat to keep the digester warm.

Question 2

Is the \$79,000 amount for small AD or compost heat recovery the total pool of funds available, or is this the max amount per-project? If that is the per-project max, what is the total pool of funds available?

Answer 2

For projects outside of Windham County, the \$79,000 is the total pool of funds for heat recovery and farm-based anaerobic digestion, and is also the max grant amount per project.

As shown in the table on page 3 of the Request for Proposals, \$79,000 is available statewide for these two types of projects:

Anaerobic digester handling no more than the manure corresponding to 200 milking cows, and no more than 25% of non-manure inputs, producing no more than 150 kilowatts (kW). and/or

Compost heat recovery: aerobic process, and not including combustion, pyrolysis, or similar.

The Clean Energy Development Fund could decide to fund several projects from the total pool of \$79,000, or it could decide to fund one project. If it funded one project, the Fund could allocate the total pool as one grant.



Question 3

What is the timeline for decisions once proposals are submitted?

Answer 3

It depends how many proposals the team of reviewers has to review. It will also take time to finalize a contract. Six weeks or fewer to a fully executed contract is a reasonable estimate, assuming neither of the above factors increases the time needed.

Question 4

Is there a specific pool of funds for compost heat recovery, or will you just select the best overall applications?

Answer 4

The \$79,000 pool of grant funding applies to any area of the state, including Windham County, and is for either one or both anaerobic digestion and compost heat recovery, as stated in the Request for Proposals:

Statewide, including Windham Country, farm-based, up to \$79,000:

- a) Anaerobic digestion of manure on a farm having fewer than 200 cows or the equivalent amount of manure, and
- b) Recovering heat from composting.

When evaluating proposals for projects that are eligible for the \$79,000 pool of funding, we will select the best overall application(s), based on the criteria listed on pages 10-11 of the Request for Proposals.

Question 5

What percent of cash/in kind match is required for the compost heat recovery projects in context of the up-to \$79,000 in Clean Energy Development Fund funds per project?

Answer 5

A municipal, state government, or non-profit applicant must show that the project will be at least one half paid for by the applicant. Of this amount, called the "cost-share," no more than half can be non-cash, which generally consists of labor.

Other types of applicants must show that the project will be at least three quarters (75%) paid for by the applicant, and that no more than half of the cost share is non-cash.

As explained on page 11 of the Request for Proposals, where the budget is discussed, the costshare must be necessary for the project, documented, and verifiable.

The budget should include the applicant's cash and any in-kind cost-share for the project. For each cost element, the applicant must show what portion will be paid with CEDF funds and what portion will be paid with cost-share funds. The applicant should distinguish between cash and in-kind cost-share.



For this grant solicitation, applicant's time/labor committed to the project is considered in-kind match. Subcontractors'/third-party **donated** labor/services, equipment, and materials would also be considered in-kind match.

All match (both cash and in-kind) must be necessary for the accomplishment of project objectives and must be applicable to the grant period (i.e., cash or time previously spent on the project cannot be used as match). All match must be documented and verifiable. Match greater than the required amounts is encouraged.

Question 6

Can a non-profit group serve as a project lead (and therefore receive up to 50% cost share) at a site/location owned or operated by a separate entity, for-profit or otherwise?

Answer 6

Non-profit entities are eligible to apply for the 50% grant level, but not all non-profits' applications will be scored equally. The CEDF is primarily interested in supporting non-profits that are also public serving institutions (i.e. municipalities, schools, hospitals/health centers, affordable housing organizations).

An entity receiving a grant must continue to be the entity responsible for all aspects of the grant agreement, including handling the funds, reporting, documenting the cost-share, etc.

Question 7

We recently received our 501(c)(3) status. I wanted to know if our organization could apply for this grant. We are planning to compost and haul food waste in two Vermont counties. However, we simply do not have the funding to expand yet.

Answer 7

Non-profit entities are certainly eligible. For details, please refer to pages 2-3 of the Request for Proposals. Also, see answer to Question #6.

Any composting project must deliver energy.

Question 8

Would this apply to our digester that we are trying to operate after the company that built it ceased operation last year? It is still running but needs a lot of work.

Answer 8

Upgrading, expanding, repairing, or to similar activities on an existing digester are not eligible activities for a grant.

However, a grant could be used to operate a new digester at a site that already has a digester. For example, the new digester might be a supplemental or back-up system, and/or it might provide only heat to the existing digester if there was need.



Question 9

Can you elaborate on why small-scale, on-site biogas-to-vehicle-fuel projects are excluded from consideration?

Answer 9

The Clean Energy Development Fund has worked entirely outside of the transportation sector and is focusing its limited funds on anaerobic digestion and compost heat recovery for this RFP. While not eligible for a grant through this RFP the CEDF is interested to learn more about biogas-to-vehicle fuel projects.

Question 10

If you can't participate in the Standard Offer program, then does that mean net metering projects only?

Answer 10

Projects that have or will participate in the Vermont Standard Offer program are not eligible for grants from the Clean Energy Development Fund.

Projects producing electricity can use net metering, including <u>Vermont's group net metering</u>, or sell power directly to a Vermont utility through a power purchase agreement.

Note that any one of the four type of projects could be configured to produce heat rather than electricity. For the four types, please review "Technologies Allowed" in the table on page 3 of the Request for Proposals.

Question 11

For any of these compost heat recovery projects, if a project site/customer begins working on infrastructure/equipment purchase before the CEDF grant decision/award is made, is that ok? Meaning if the grant is awarded the funds would flow to the project even if some of the project was already underway before the grant decision was made?

Answer 11

No.

As stated on page 7 of the Request for Proposals, "Funds cannot be used for projects that have already begun construction or for equipment purchases that have already been made."

Question 12

Are dairy farms with more than 200 cows eligible for funding for compost heat recovery?

Answer 12

Yes.

For the statewide funding opportunity, the restriction on size applies to anaerobic digestion, not to compost heat recovery.



The restriction on the size of an anaerobic digester is not the number of cows on a farm, but rather that it be an anaerobic digester "...handling no more than the manure corresponding to 200 milking cows, and no more than 25% of non-manure inputs, producing no more than 150 kilowatts (kW)" (page 3 of the Request for Proposals).

Question 13

Does the "25% of non-manure inputs" refer to volume or weight? Is the funding only for cow dairies?

Answer 13

In the answer to these two questions, we assume the question pertains to "Technologies Allowed" in the table on page 3 of the Request for Proposals.

The limit of 25% of non-manure inputs is by volume. The manure can be from any animal. However, the amount of manure can be no more the volume of manure that would be produced by 200 milking cows.

With regard to percentage of inputs, note that volume is also the measure used in the restriction that a food-waste digester in Windham County use food waste as more than 75% of the input.