

# EmPower Louisiana

LOUISIANA DEPARTMENT OF NATURAL RESOURCES

American Recovery and Reinvestment Act of 2009



## RENEWABLE ENERGY PROGRAM

### Frequently Asked Questions (FAQ)

[General](#)

[Eligibility](#)

[Innovative vs. Conventional Commercial Technologies](#)

[Application Process](#)

[ARRA Requirements](#)

[Leveraging](#)

[Costs and Financial](#)

### General

#### **What is the EmPower Louisiana Renewable Energy Program?**

The Louisiana Department of Natural Resources (DNR) created EmPower Louisiana Renewable Energy Program to distribute funding received from the U.S. Department of Energy (U.S. DOE), under the State Energy Program, or SEP. The purpose of the EmPower Louisiana Renewable Energy Program is to encourage the development, implementation and deployment of cost-effective renewable energy technologies in Louisiana, to support the creation of additional employment opportunities and to stimulate market demand for other emerging renewable energy systems that meet certain eligibility requirements.

#### **What is the State Energy, or SEP, Program?**

The State Energy Program provides grants to states and U.S. territories to promote energy conservation and reduce the growth of energy demand in ways that are consistent with national energy goals. The SEP is the only U.S. DOE sponsored activity that encompasses renewable energy and energy efficiency technologies and addresses all sectors of the economy. The goals established for the SEP are:

- Increase energy efficiency to reduce energy costs and consumption for consumers, businesses and government.
- Reduce reliance on imported energy.
- Improve the reliability of electricity and fuel supply and the delivery of energy services.
- Reduce the impacts of energy production and use on the environment.

#### **What are examples of projects that the EmPower Louisiana Renewable Program may fund?**

The Renewable Energy Program may fund solar, wind, biomass, biogas, geothermal, combined heat and power, hydropower and other renewable energy technologies as deemed appropriate by DNR and approved by U.S. DOE.

**What is the total funding amount available under the EmPower Louisiana Renewable Energy Program?**

DNR will distribute approximately \$9.8 million of the SEP funds under the EmPower Louisiana Renewable Energy Program through a competitive grant process.

**Are workshop materials available online?**

Yes. They are available on the EmPower Louisiana website at [www.empowerlouisiana.org](http://www.empowerlouisiana.org). This website is the main portal for all program information.

**How will comments and questions be incorporated into the Program Guidelines?**

Any questions submitted will be posted on the website as part of this FAQ document.

**Is there any preference given to small businesses, or minority/woman owned businesses?**

There is no preference given to small, minority or woman owned firms under this grant program.

**Why are larger projects being encouraged versus multiple, smaller projects?**

DNR has chosen to fund larger projects across the state in an effort to achieve significant and lasting renewable energy benefits while increasing program cost-effectiveness..

**What is the involvement of the Shaw Group (Shaw) in the EmPower Louisiana Renewable Energy Program?**

DNR has contracted with Shaw to assist with the program design, implementation and management of the EmPower Louisiana State Energy Program (SEP). Shaw was awarded this contract through a public Request for Proposals (RFP) process that took place in September of 2009.

**What is the Grant Agreement?**

The Grant Agreement is a contractual agreement provided by DNR to the Grantee at the time of award that outlines the terms and conditions that the Grantee must adhere to throughout project duration..

**For those successful respondents, when will a notice to proceed (NTP) be released in order that respondents can begin performance of work for the projects proposed?**

Grantees will be notified at the time of award by different means, including a phone call and a letter of award. It is anticipated that Grantees will be announced at the beginning of June. Project work cannot begin until a Grant Agreement is signed between the Grantee and DNR.

## **Eligibility**

**Will DNR fund technologies that are in R&D stages?**

No. The EmPower Louisiana Renewable Energy Program will only fund technologies that are commercially available, have proven financial viability, and are cost-effective.

**Is there a prohibition against projects that install renewable energy systems or generate energy for the residential sector?**

Projects involving the installation of a renewable energy system at a single residential home will be considered ineligible. However, projects that aggregate several small systems to create a larger project with significant benefits may be considered for funding.

**Does the Applicant have to be a Louisiana-based company?**

No. However, applications will be evaluated based on their impact within the state of Louisiana, as specified in the Evaluation Criteria section of the Program Guidelines.

**If a Public-Private Partnership (PPP) is formed for purposes of this Program and an application is submitted under the Conventional Commercial Technologies category, would the project be considered to receive 30 percent or 50 percent of eligible project costs?**

If the Lead Applicant on the application, i.e. the entity submitting the application to DNR, is a public or nonprofit entity, then the project would be eligible to receive 50 percent of eligible project costs. If the Lead Applicant is a private firm, then the project would receive only 30 percent of eligible project costs.

**Are Combined Heat and Power (CHP) projects eligible to receive funding?**

Yes.

**Is production of biofuels eligible to receive funding?**

No, the production of biofuels is not eligible to receive funding under this program.

## **Innovative vs. Conventional Commercial Technologies**

**What is the distinction between innovative commercial technologies and conventional commercial technologies?**

A technology will be considered conventional commercial technology if it is currently installed and generating energy within the state of Louisiana. A technology will be considered innovative commercial technology if it is not currently installed in Louisiana, but it has been proven in other locations.

**Can an Applicant submit a technology for review in order to get a final determination on whether a technology is considered innovative or conventional?**

Yes. Applicants may submit technologies for review via email to [larenewables@shawgrp.com](mailto:larenewables@shawgrp.com). The final determination on the technology will be made public, as part of this FAQ document, on the Program's website [www.empowerlouisiana.org](http://www.empowerlouisiana.org).

**Is there a predetermined percentage of funding that will be reserved for innovative commercial technologies?**

DNR has \$9.8 million to fund projects under the EmPower Louisiana Renewable Energy Program. There is no predetermined budget for the innovative or conventional commercial technology categories. DNR will evaluate projects submitted based on their merits and will determine the number of projects to be funded under each category.

**What is the benefit of dividing the program into the innovative and conventional categories?**

DNR recognizes that there are some technologies that are not currently operating or available within the state, but that have proven viability. The purpose of dividing the program is to provide a greater incentive in an effort to cause market transformation and further development of innovative renewable energy technologies.

**Can DNR transfer applications from one category to the other (innovative and conventional) if it deems that the application was submitted under the wrong category?**

If DNR determines an application submitted does not fit under the submitted category DNR reserves the right to lower funding amounts or to transfer the application to the other category.

**When determining if a technology is innovative or conventional, can Applicants submit examples that the technology has been implemented elsewhere as proof that it is commercially available and falls under a specific category?**

Yes. Applicants are encouraged to submit any additional documentation necessary in order to support their application and confirm that that a technology fits best under one of the program categories or that the technology is commercially available.

**For innovative commercial technologies, is there guidance on what certifications and tests system components need to have in order to be eligible?**

Any third party certification will give credence to the proposed technology. Examples of eligible third-party certifications include, but are not limited to, ASTM, Environmental Protection Agency (EPA) or Underwriters Laboratories (UL) certified.

## Application Process

**Can an Applicant submit more than one application?**

Only one application will be allowed per entity.

**For purposes of the application, how would Applicants define job creation?**

Job created means a new position created and filled, or an existing unfilled position that is filled, that is funded by the Recovery Act. A job retained means an existing position that is now funded by Recovery Act funding. Jobs created and retained must be reported in full-time equivalents or FTEs. The U.S. Office of Management and Budget provides guidance for estimating the FTE jobs (OMB M-09-21 Section 5). This guidance is available online at [http://www.whitehouse.gov/omb/assets/memoranda\\_fy2009/m09-21.pdf](http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf)

**Will DNR provide guidance on how to calculate jobs created and retained and greenhouse gas emissions?**

Yes. DNR has posted an “Energy Metrics” document that provides guidance on how to calculate jobs, GHG emissions avoided and cost-effectiveness on the program website [www.empowerlouisiana.org](http://www.empowerlouisiana.org)

**What are the criteria for evaluation of proposals?**

Information on evaluation criteria is provided in the Program Guidelines. Please refer to the Selection Criteria included in section IV of the Program Guidelines.

**How will the application be reviewed?**

The application will be independently reviewed by multiple parties and ranked based on quantitative and qualitative criteria outlined in section IV of the Program Guidelines.

**Who will review the applications?**

Shaw will conduct an initial review of eligibility, completeness and merit. Funding recommendations will then be submitted to DNR who will make final selection of Grantees based on Shaw’s recommendations. All projects will also be subject to approval from the U.S. DOE.

**Does the Applicant have to go through the procurement process before submitting an application?**

No. Procurement will occur after Grant Award.

**Will application documents be made public?**

Applications received will not be made public; however, state and federal Sunshine and Freedom of Information Act (FOIA) laws are applicable to this grant program.

**How will confidentiality of information submitted in the applications be handled?**

FOIA and State Sunshine laws apply to any documents submitted under the Renewable Energy Program. If there is any proprietary information on a document, be sure to stamp "Confidential Treatment Requested by [Name of Party]" on the page where the information is located. Requests for confidentiality will only be honored if, in fact, the request falls under the requirements and exclusions set forth under FOIA and State Sunshine laws.

## **American Recovery and Reinvestment Act of 2009 Requirements**

**Will Applicants require a DUNS number?**

Yes. Applicants will require a DUNS number when submitting an application. DUNS number assignment is free to obtain. To request your DUNS Number, please visit: <http://fedgov.dnb.com/webform>. In addition, all Grantees will be required to maintain current registration in the Central Contractor Registry (CCR) at all times during which they have an active award funded with ARRA funds.

**For projects undertaken by a private company, how will ARRA requirements such as Buy American and Davis Bacon apply?**

Buy American Requirements will apply to projects funded under the Renewable Energy Program regardless of whether the project is undertaken by a private or public entity.

**Is there a preference for Louisiana-made materials?**

The requirements set forth in the ARRA are for the use of American-made equipment and materials to comply with Buy American. The use of Louisiana-made products and materials will be considered under the evaluation criterion "Overall Impact", which looks at the economic impacts of the project in the state of Louisiana.

**Do EmPower Louisiana dollars lose their federal identity when they come through DNR?**

These funds flow through and are managed by DNR. However, they remain federal dollars subject to all transparency and reporting requirements of ARRA and U.S. DOE.

**How does prevailing wage impact leveraged funds?**

Any ARRA dollars that Grantees receive should be held separate for accounting purposes, so they can be traceable to the project and funding entity. All of these dollars will be subject to federal Davis-Bacon prevailing wage requirements. If Grantees receive additional state dollars through other programs and apply it to an EmPower Louisiana project, these dollars will have to follow state laws in regards to wage levels.

**Once the funding period is complete, are Grantees required to continue paying prevailing wages?**

After the EmPower Louisiana project is completed, there would not be a requirement to continue to pay federal prevailing wage.

**Is there a general or standardized bidding process for ARRA funded projects?**

All solicitations and bidding must comply with local, state, and federal laws, including ARRA requirements.

**If a Grantee can conduct certain project tasks in-house, will these components need to follow state procurement requirements?**

If the Grantee can conduct projects tasks in-house, these tasks will not have to be procured.

**What happens if a wind turbine has already been ordered for a project and state and ARRA procurement requirements were not followed?**

The turbine will not be eligible to be funded under this program if the procurement process does not comply with state and federal requirements.

**If a project has already undergone a public procurement process and a contract has been awarded, will the Applicant need to undergo another public procurement process for this same project if funding is received from DNR?**

If the project was previously bid following state procurement requirements, and the change in the project scope is an allowable change order, the Applicant will not need to bid-out the project again.

**What are the ARRA reporting requirements?**

The ARRA reporting requirements are stringent, as reporting and accountability is of primary importance for stimulus dollars. Grantees will be required to submit monthly progress and expenditure reports in accordance with the requirements of the grant agreement. Additional quarterly, annual and completion reports may be requested from the Grantee. DNR reserves the right to structure reporting requirements on a project-specific basis.

**What is the length of grant agreement for reporting requirements?**

It will begin immediately at the time a Grant Agreement is signed and remain in effect until project completion or April 30, 2012, whichever comes first.

**Will each Grantee report to DNR, or directly to U.S. DOE?**

Grantees will report to DNR via an online reporting tool and will need to follow federal reporting guidelines. Additional guidance on reporting will be provided to Grantees at the time a Grant Agreement is executed.

**Are National Environmental Policy Act, or NEPA, requirements applicable to potential projects?**

Yes, NEPA requirements are applicable. NEPA is federal law that requires federal agencies to consider the potential environmental impacts of their proposed actions. U.S. DOE has determined that projects that meet certain criteria and conditions will likely be classified as categorical exclusions and will not require a NEPA review. Projects that are considered categorical exclusions are listed in the program manual. Projects that do not fall under the categorical exclusion list will need to submit additional documentation.

**Is there a NEPA document available that can give Applicants more guidance on this requirement?**

The EF-1 Environmental Questionnaire, included as Form E of the Application Forms will begin the Applicant's NEPA process with the Federal government. For more information regarding NEPA see U.S. DOE's NEPA website: <http://www.gc.energy.gov/NEPA/>

**Will DNR provide assistance to conduct NEPA studies?**

No. The Grantee will be responsible and will bear the financial responsibility of conducting the studies.

**If a project involves two different technologies, one of which is categorically excluded (Cx) under NEPA, will only the non-Cx portion be submitted for NEPA review or will the entire project be submitted for NEPA review.**

This will have to be determined on a case by case basis. It is likely that the entire project will have to go through NEPA review but U.S. DOE will provide the final determination.

**What happens if a Grantee is not able to complete a project by the Project Completion Deadline of April 30, 2012?**

The Grantee will have to return all funding awarded to DNR, including any funds that have already been expended. DNR will then have to return these funds to the U.S. Department of Energy (U.S. DOE) to be allocated to projects in other states.

**What is the criterion for “project completion”?**

A project will be considered complete when it is commissioned and generating energy.

**Is there a possibility that the timeline to complete projects be extended in the future?**

The timeline is fixed based on specific ARRA and DOE requirement and will not change.

## **Leveraging**

**Will Applicants be required to leverage funds?**

Applicants are encouraged to leverage other funding sources to the greatest extent possible. Preference will be given to projects that make effective use of available private and funding sources to ensure project viability. Leveraged funds means funds made available to the project from sources other than EmPower Louisiana dollars. Examples of leveraged funds include Applicant contributions, collaborating partners’ funds, utility rebates or incentives, tax credits, bonds, state funds and other federal funds as applicable to the project.

**Can Applicants use tax credits as leverage?**

Tax credits do represent leverage, however, they are only applicable to taxable entities

**What kind of commitment do Applicants need on an application to show they will get additional, or leveraged, funds?**

DNR understands that other funding programs have different timelines. If an Applicant is in the position to get commitment letters, then DNR certainly encourages including these in the application. However, if an Applicant does not have a commitment yet, it should list the sources it is researching or pursuing as sources of potential leveraging.

**If an Applicant has an existing project for which they have already received funds, can they expand the scope of the project so they can request funding from EmPower Louisiana?**

Yes, as long as there is added capacity and significant benefits obtained from the increased scope of the project.

**Will Energy Efficiency and Conservation Block Grant (EECBG) funds be considered as part of the Applicant’s match?**

Yes. EECBG dollars will count as leveraged funding.

**If the Applicant has received a grant from U.S. DOE, can this be considered leveraged funding and does the Applicant need to submit proof?**

Funding from other state and federal programs will be considered as leveraged dollars. Applicants must provide letters from each financial partner or funding entity indicating the amount of their support. A letter of award from U.S. DOE will be considered as proof for purposes of this requirement.

## **Costs and Financial**

**Will there be an allowable line item for grant administration?**

Administrative costs are eligible for up to 5 percent of funding provided. Administrative Expenses include, but are not limited to, procurement, reporting and submitting weekly certified payrolls to DNR.

**Is this going to be a one-time grant? Will projects receive more money if projected costs are exceeded?**

This will be a one-time grant award by project. DNR recommends Applicants scope out their projects at the beginning of the process and work within their available funding parameters.

**Does DNR reserve the right to partially fund a project?**

Yes. While DNR does reserve the right to provide partial funding for a project, this right will be exercised with caution to avoid the risk of hindering a project's implementation.

**Can Applicants negotiate the scope of the project?**

No. Applicants may not negotiate the scope of work once the application is submitted. The grant award is based on the submitted scope of work.

**Will there be criteria that if a Grantee does not perform to certain levels it will lose the money?**

Yes. In the instance that a project is not being executed as expected, DNR will first contact the Grantee to determine how the project can be completed within the given timeframe. If a Grantee is still unable to complete the project they will have violated the terms of the Grant Agreement and must return all grant funds to DNR.

**How will funding be issued to the Grantee under this program?**

The Grant Agreement shall provide specific conditions and instructions of grant payments. Up to 60 percent of grant funds may be dispersed upon award. Further disbursements shall be made based on completion of project milestones with 20 percent of the funds provided after completion of the project and commissioning of the energy system.

**Are equipment installation costs covered by this program?**

Yes; however, only installation costs directly tied to the renewable energy equipment receiving funding under this program, will be considered eligible.

**Will engineering and design costs be eligible to receive funding?**

The EmPower Louisiana Renewable Energy Program will only fund the purchase and installation of renewable energy equipment. No funding will be awarded for engineering and design activities.

**Are grant awards under this program considered taxable income?**

Grant awards for private entities will be considered taxable income. DNR recommends contacting a tax professional for additional information.

**Will Applicants get a reimbursement for costs already incurred?**

There will be no reimbursement for costs incurred prior to executing a Grant Agreement.

**Can costs that have already been incurred be considered part of Total Project Costs for purposes of determining leveraging requirements and funding percentage?**

DNR will consider as eligible Total Project Costs any costs that are directly related to the proposed renewable energy project and that have occurred within one year previous to submitting an application for the EmPower Louisiana Renewable Energy Program, i.e. costs incurred during the period May 14, 2009 to May 14, 2010 will be considered part of Total Project Costs.