



**The Alabama Department of Economic and Community Affairs  
Energy Division  
and  
The Alabama Clean Fuels Coalition  
Present**

**GUIDELINES  
for the  
2009  
Appalachian Regional Commission  
Biofuels Corridors Project**

Contact Person:

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## **ARC BIOFUELS GRANT PROGRAM GUIDELINES**

The Alabama Department of Economic and Community Affairs – Energy Division (ADECA) and the Alabama Clean Fuels Coalition (ACFC) are promoting the development and use of biofuels including B20 biodiesel in order to increase energy security, improve the environment, and enhance economic development in Alabama. ADECA and ACFC applied for and received a grant from the Appalachian Regional Commission (ARC) to create clean biofuels corridors along ARC Development Corridors X and V in the Appalachian region of Alabama. The objective of this program is to provide two Clean Corridors, on which B20 biodiesel is readily available. ADECA and ACFC will administer the Alabama portion of this project.

The ARC Biofuels Grant Corridor Program is one way to increase the access to and usage of B20 biodiesel by Alabama consumers and travelers utilizing these corridors. This program will make awards for the installation of B20 biodiesel refueling infrastructure at retail commercial refueling stations along the two corridors.

B20 biodiesel is 20 percent biodiesel blended with 80 percent diesel fuel. The biodiesel and diesel blends must meet all ASTM standards. The infrastructure equipment purchased and/or installed for a B20 refueling station should be compatible with B20.

A maximum of **\$75,000** in grant monies may be awarded for infrastructure monies through this solicitation. The maximum individual station grant will be in the amount of \$2,500. ADECA and ACFC reserve the right to make total awards of less than \$75,000.

Please read these guidelines carefully before requesting funds from the ARC Biofuels Grant Program. These guidelines describe eligibility, funding limitations, the grant approval process, and specific information needed in the grant applications.

If there are any questions, please contact the Program Administrator, Mark Bentley at [mark@alabamacleanfuels.org](mailto:mark@alabamacleanfuels.org) or (334) 242-5284. The ARC Biofuels Grant Program is administered by ACFC in collaboration with ADECA.

**Please read these guidelines carefully and note that incomplete or late applications will not be considered for award.**

## **APPLICATION TIMELINE**

Please pay close attention to the dates set forth below. It is important to note that, if awarded, the project must be finished and all grant money must be drawn down by **March 31, 2010**.

Additionally, each station will have to commit to sell the alternative fuel until **January 31, 2013**, along with reporting quantity and pricing data to ACFC.

<b>Nov. 30, 2009</b>	Applications must be received by ACFC by this date in order to be eligible.
<b>Dec. 11, 2009</b>	All applicants will be notified of their award or denial via e-mail. Project construction can begin after award notification.
<b>Dec. 18, 2009</b>	Award letter and grant agreements (contracts) will be sent directly to awardees by ACFC. After execution by the awardee the agreement will be sent back to ACFC for review and signature.
<b>Jan. 15, 2010</b>	Anticipated completion of the review and signature phase of process by ACFC. Signed grant agreements (contracts) will be issued by ACFC for those who received award notification.
<b>Mar. 31, 2010</b>	Project must be completed and all claim vouchers must be submitted for reimbursement on the grant award.
<b>February 9, 2010</b>	First performance report is due from grantees. Performance reporting (February – June -October) will continue through February, 2013.
<b>January 31, 2013</b>	Recipients of grants must sell alternative fuels and report quarterly on those sales through this date
<b>February 9, 2013</b>	Final Report due

## **ELIGIBILITY**

### **➤ Applicants**

Commercial refueling facilities located on, or within 1 mile of Corridors X & V are eligible to apply for the ARC Biofuels Grant Program. This is a facility that sells transportation fuel to the general public. Those who own or operate multiple locations are allowed to apply for more than one location; however, each location needs to be on its own application and each will be scored separately.

In order to be eligible for consideration, each commercial refueling facility must abide by the following: projects must start and finish in the given timeline, **January 2, 2010 through March 31, 2010**; the retailer will continue to sell the alternative fuel and report on those sales at least

through **January 31, 2013**; and the retailer will appropriately advertise and post signage regarding the alternative fuel at their store location.

## ➤ Costs

Projects eligible for grants include the installation of B20 refueling infrastructure.

Costs that are eligible under this grant program are: new biodiesel equipment and/or conversion/upgrading of existing equipment (tanks & pumps) to be biodiesel ready.

Please note that funding for this program is made available by a grant from the Appalachian Regional Commission (ARC). The project will be administered locally by ADECA and ACFC.

## **GRANT AMOUNTS**

Grant amounts are available up to a maximum of **\$2,500** per station for B20 infrastructure. Grant amounts are determined according to the following formula:

1. 50 percent of the purchase and installation costs of B20 refueling infrastructure.

$$\text{Total Infrastructure Cost (\$)} \times 50\% = \text{Grant Amount (\$)}$$

*Only costs incurred after approval notification are eligible for funding. Project construction can not begin until award notification. Costs incurred after approval and prior to execution of the grant agreement (contract) are made at the applicant's risk. Funding is assured only after final execution of the grant agreement (contract).*

### **Stimulus Package Provides Additional Infrastructure Tax Credits for Alternative Fuels**

The economic stimulus package, signed by President Obama, includes an increase in the federal income tax credit for alternative fuel infrastructure.

The [\*American Recovery and Reinvestment Act, or H.R. 1\*](#), increases the existing Federal alternative fuel infrastructure tax credit of \$30,000 or 30 percent of the incremental cost, *to \$50,000 or 50 percent* of the incremental cost of alternative fuel infrastructure. The original infrastructure development provision was part of the 2005 Energy Policy Act.

This provision may be used by **both** tax paying and tax exempt entities in Alabama to add alternative fuel infrastructure.

See IRS form 8911 – Alternative Fuel Vehicle Refueling Property Credit for complete instructions.

## **MARKETING SUPPORT**

To support the stations receiving grants the Alabama Clean Fuels Coalition (ACFC) will conduct grand opening media events for the first stations opening on each corridor; will conduct editorial board visits with local newspapers in the retail markets; will schedule appearances on local talk radio shows promoting the retail station and availability of fuels; will help identify fleets in the station's target areas and will supply them with alternative fuel information packets; Will develop a fleet recognition and award program for participating fleets; will coordinate with the Alabama Department of Transportation to install approved biodiesel signage on the blue signs along the corridors; and will post alternative fuel retail outlet location on the Internet.

## **APPLICATION SCORING**

Conversion of existing equipment (tanks and pumps) is encouraged. Projects that include conversion proposals will be scored higher.

If an existing diesel tank is converted to contain biodiesel it must first be professionally cleaned before introducing the biodiesel. See reasoning and sample wording for request for proposal on the [www.AlabamaCleanCorridors.com](http://www.AlabamaCleanCorridors.com) website.

Submittal of proposals for projects at multiple locations along the corridors by the same applicant is encouraged. Projects that include proposals for multiple locations by the same applicant will be scored higher. Each location will stand on its own merits when being scored.

For a copy of the entire Scoring Sheet see [www.AlabamaCleanCorridors.com](http://www.AlabamaCleanCorridors.com)

## **TERMS**

Grants are only available for eligible recipients. Matching funds of fifty percent (50%) are required for this grant program. ADECA and ACFC reserve the right to fund none of the money allotted (\$0) to all of the money allotted (\$75,000), up to the maximum per station of \$2,500, depending on the quality and eligibility of applications. Funds cannot be drawn down until there is an executed grant agreement (contract). **The claim vouchers for funds must be submitted by March 31, 2010.** All grants are on a reimbursement basis only. There is **no** advance payment with this grant program.

Funds may be used in conjunction with other financing programs; however, the Grant funds may only be used for the purchase and installation of B20 infrastructure covered in the agreement (contract). Recipients must disclose all federal awards received per year. Any grantee expending Five Hundred Thousand Dollars (\$500,000) or more in federal awards per year must have an audit conducted for that year by an independent auditor. Non-profit organizations, institutions of higher education, and local governments should consult the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" for guidance.

## **GRANT RESPONSIBILITIES**

### **➤ Reporting Requirements**

A report is due at the end of each 120-day performance period and a final report at the end of the grant period. Performance reporting will commence **February 9, 2010** and will end with a final report in **February 2013**. The report(s) will detail activities/results such grant monies received, B20 biodiesel fuel sold, average price per gallon of B20 biodiesel and a narrative on the project's progress. These results/activities are provided to ACFC by the grantee in the form of 120-day Performance Reports which are due in February, June and October of each year during the Grant Agreement. The reports will be used to track progress made by the grantee as well as used to report to the ADECA and the ARC.

Reporting on fuel sales will continue through **January 31, 2013** and will be reported in **February of 2013**.

### **➤ Maintain Communication**

**The grantee shall maintain communication with the Alabama Clean Fuels Coalition and the Alabama Department of Economic Community Affairs for the duration of the Grant Agreement. No changes in scope or location of biofuel conversions may be made without the prior approval of ACFC and ADECA.**

### **➤ Site Visits**

Grantee shall allow ADECA/ACFC to conduct project site visits when given (5) business days notice.

### **➤ Fuel Quality Certification**

Grantee will be required to certify, at any time during the life of the agreement, that all B20 biodiesel fuel sold shall meet the current ASTM D6751 quality standards.

## **Financial Management**

**Allowable costs will be determined in accordance with the cost principles applicable to the grantee's organization. The grantee shall maintain the financial management standards set forth in 10 CFR Part 600 and/or Common Rule, as applicable. Financial management shall be conducted in accordance with generally accepted accounting principles as well as the**

**grantee's own general procedures, and the following cost principles, as applicable – 48 CFR, Chapter 1, Part 31 (cost principles for-profit organizations).**

## **APPLICATION PROCESS**

Each interested applicant must fill out an application and send it, along with all required documentation, to Mr. Mark Bentley at the following address **no later than 5:00 PM on November 30, 2009**. E-mail submission of application with follow-up mailing of signed original is preferred.

Applications can be accessed at: [www.AlabamaCleanCorridors.com](http://www.AlabamaCleanCorridors.com).

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## **GRANT APPROVAL**

The Alabama Department of Economic and Community Affairs – Energy Division and the Alabama Clean Fuels Coalition administer the ARC Biofuels Grant Program and will review and score all grant applications. If the applicant is approved by ADECA and ACFC the approved grantee will be notified.

Award notification will be made by **December 11, 2009** via email with award letter and grant agreements mailed to recipients by **January 15, 2010**.

The Alabama Department of Economic and Community Affairs – Energy Division or the Alabama Clean Fuels Coalition may request additional information from an applicant to help evaluate an application.

## **CONFIDENTIALITY INFORMATION**

To the extent feasible and permissible by law, the Alabama Department of Economic and Community Affairs (ADECA) and the Alabama Clean Fuels Coalition (ACFC) will honor an applicant's request that confidential information submitted to ADECA and ACFC will remain confidential. ADECA and ACFC will treat information as confidential only if: (i) the information is, in fact, protected confidential information such as trade secrets or privileged or confidential commercial or financial information; (ii) the information is specifically marked or identified as confidential by the applicant; (iii) the information is segregated and placed in a separate

appendix to the application; and (iv) no disclosure of the information is required by law or judicial order. If the application results in the award of a grant, the honoring of confidentiality of identified data shall not limit the right of ADECA and ACFC to disclose the details and results of the grant to the general public.

## **FOR MORE INFORMATION**

Contact:

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(205) 402-2755

or

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