



**The Alabama Department of Economic and Community
Affairs in collaboration with the Alabama Clean Fuels
Coalition Presents:**

**GUIDELINES
FOR THE
2007
I-65 Clean Corridor GRANT PROGRAM**

Contact Person:

**Ms. Kathy Hornsby
I-65 Clean Corridors Administrator
Alabama Department of Economic and Community
Affairs
401 Adams Avenue
P.O. Box 5690
Montgomery, AL 36103-5690
kathy.hornsby@adeca.alabama.gov
(334) 242-5284 Phone
(334) 242-0552 Fax**

BIOFUELS GRANT PROGRAM GUIDELINES

The Alabama Department of Economic and Community Affairs (ADECA) and the Alabama Clean Fuels Coalition (ACFC) are promoting the development and use of biofuels in order to increase energy security, improve the environment, and enhance economic development in Alabama. ADECA and ACFC applied for and received, along with the states of Indiana, Kentucky and Tennessee, a U.S. Department of Energy (DOE) grant to provide monies for establishing E85 and B20 biodiesel infrastructure at service stations along I-65. The objective of this program is to provide a Clean Corridor, on which these fuels are readily available, from the Great Lakes to the Gulf of Mexico. ADECA and ACFC will administer the Alabama portion of this project with Indiana being the fiscal partner for all the states.

The Biofuels Grant Program is one way to increase the access to and usage of biofuels by Alabama and interstate traveling consumers. This program will make awards for the installation of E85 and B20 refueling infrastructure at commercial refueling stations.

E85 is an 85 percent ethanol blended fuel, and B20 is a 20 percent biodiesel blended fuel. The equipment purchased and installed for an E85/B20 refueling station should be compatible with E85/B20. ADECA and ACFC support the installation of both E85 and B20, but have a focus on **Bio-Islands**. A Bio-Island is a location that contains both an E85 pump and a B20 pump.

A maximum of **\$312,000** in grant monies may be awarded through this solicitation. ADECA and ACFC reserve the right to make total awards of less than \$312,000.

Please read these guidelines carefully before requesting funds from the 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, Ms. Kathy Hornsby at kathy.hornsby@adeca.alabama.gov or (334) 242-5284. The Biofuels Grant Program is administered by ADECA in collaboration with ACFC.

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 **August 31, 2008**. Additionally, each station will have to commit to sell the alternative fuel until **December 31, 2010**, along with reporting quantity and pricing data to ACFC.

- Week of Sept. 10th** -Biofuels Workshops held.
- October 15th, 2007** -Applications must be received by ADECA by this date in order to be eligible.
- November 1st, 2007** -All applicants will be notified of their award or denial via e-mail.
-Winning applications will be sent to State of Indiana
-Project construction can begin after award notification.
- November 15th, 2007**-Award letter and grant agreements (contracts) will be sent directly to awardee by the State of Indiana. After execution by the awardee the contract will be sent back to the State of Indiana for review and signature.
- February 15th, 2008** Anticipated completion of the review and signature phase of process by the state of Indiana. Signed grant agreements (contracts) will be issued by the State of Indiana for those who received award notification.
- April 15, 2008** -First quarterly report is due from grantees. Quarterly reporting (January-April-July-October) will continue through January 31, 2010.
- August 31, 2008** -Project must be completed and all claim vouchers must be submitted for reimbursement on the grant award.
- January 31, 2009** -Final report is due.
- December 31, 2010** -Recipients of grants must sell alternative fuels and report quarterly on those sales through this date

ELIGIBILITY

Applicants

Commercial refueling facilities are eligible to apply for the 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, **February 15th, 2008-August 31, 2008**; the retailer will continue to sell the alternative fuel and report on those sales at least through **December 31, 2010**; 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 E85 or B20 refueling infrastructure. In order to be eligible for a Bio-Island award, the site needs to have one E85 pump and one B20 pump at the same location.

Costs that are eligible under this grant program are: biofuel equipment, conversion of existing equipment (tanks & pumps) to biofuel, installation and site preparation for biofuel pumps only, and signage. Under the equipment category, only tank, pump, canopy and lighting expenses directly related to the dispensing of biofuels will be considered eligible costs.

Eligible projects must apply commercially available technologies. Biofuels grants will not be awarded to fund research projects.

Please note that funding for this program is made available by a grant from the U.S. DOE through the State of Indiana, Office of Energy and Defense Development. Although the project will be administered locally by ADECA and ACFC, retailers will contract directly with the State of Indiana for infrastructure funding. All entities selected for funding will be required, after notification of selection on November 15, 2007, to register with the Indiana Secretary of State's Office and will be responsible for the Indiana filing fee. (See Indiana registration information at www.AlabamaCleanCorridors.com).

The Indiana Secretary of State's office also requires that you have a "registered agent" for your company located in their State. You may either "google" - 'registered agent Indiana' - or ask your legal counsel to handle as they are very familiar with the process.

GRANT AMOUNTS

Grant amounts are available up to a maximum of **\$20,000** for E85 or B20 infrastructure. If **both** E85 and B20 infrastructure are installed (Bio-Island), the maximum grant available is **\$50,000**. Grant amounts are determined according to the following formula:

1. 50 percent of the purchase and installation costs of E85 and/or 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 on November 1, 2007. 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).

Marketing Support

To support the stations receiving grants the Alabama Clean Fuels Coalition (ACFC) will conduct grand opening media events for each biofuel retail location; will conduct editorial board visits with local newspapers in each retail market; 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; with the assistance of General Motors and other public and private entities will provide alternative fuel information to alternative fuel vehicle owners and GM dealers in market area; will coordinate with local Metropolitan Planning Organizations and the Alabama Department of Transportation to install appropriate biofuel signage along I-65; 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.

Establishment of Bio Islands (E85 & B20) is encouraged. Projects that include Bio Island proposals will be scored higher.

Submittal of proposals for projects at multiple locations along the corridor by the same applicant is encouraged. Projects that include proposals for multiple locations by the same applicant will be scored higher.

For a copy of the entire Scoring Sheet see 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 (\$312,000), 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 August 31, 2008.** 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 E85 and/or 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 made 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 quarter and a final report at the end of the funding period. Quarterly reporting will commence **October 10, 2008** and will end with a final report in **January 31, 2009**. The report will detail activities/results such as timelines, budget information including grant monies received, alternative fuel sold, average price per gallon of alternative fuel and a narrative on the project's progress. These results/activities are provided to ACFC by the grantee in the form of Quarterly Reports which are due in April, July, October and January 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 U.S. Department of Energy.

A final progress report will be due **January 31, 2009**. This final report will summarize all aspects of the project. Reporting on fuel sales will continue through January 31, 2010.

Maintain Communication

The grantee shall maintain communication with Alabama Department of Economic and Community Affairs and the Alabama Clean Fuels Coalition for the duration of the Grant Agreement.

Site Visits

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

NEPA Requirements

The Department of Energy's (DOE) National Environmental Policy Act (NEPA) Implementing Procedures (10 CFR 1021) require careful consideration of the potential environmental consequences of all proposed actions during the early planning stages. To comply with these requirements, an Environmental Questionnaire must be completed for each proposed action to provide DOE with the information necessary to determine the appropriate level of NEPA review. The questionnaire and the CFR may be found on www.AlabamaCleanCorridors.com website.

The NEPA documentation must be signed/approved by the NETL compliance officer prior to reimbursement. Generally it is preferred that NEPA is completed prior to the commencement of work on the project. Be sure to include in your documentation pictures of the work site and surrounding area if possible and copies of relevant permits. Don't leave anything blank on the form. Start the process as soon as you can – the approval process can take a while.

Fuel Quality Certification

Grantee will be required to certify, at any time during the life of the agreement, that all E85 ethanol and/or B20 biodiesel fuel(s) sold shall meet the current ASTM 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 Ms. Kathy Hornsby at the following address **no later than 5:00 PM on Monday, October 15, 2007**. E-mail submission of application with follow-up mailing of signed original is preferred.

Applications can be found at: www.AlabamaCleanCorridors.com.

ADECA-EWT
401 Adams Avenue
P.O. Box 5690
Montgomery, AL 36103-5690
kathy.hornsby@adeca.alabama.gov
(334) 242-5284 Phone
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GRANT APPROVAL

The Alabama Department of Economic and Community Affairs and the Alabama Clean Fuels Coalition administer the 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 and the application will then be sent to Indiana for contract execution as the Grants fiscal partner.

Award notification will be made by **November 1, 2007**. Grant agreements (contracts) will be sent directly to the awardee by the State of Indiana by November 15, 2007. After execution by the awardee the contract will be sent back to the State of Indiana for final review and signatures. Upon completion of the State of Indiana signature process (estimated at 90 days), the awardee may draw down on grant funds as the project is completed.

The Alabama Department of Economic and Community Affairs 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:

Kathy Hornsby

ADECA-EWT

kathy.hornsby@adeca.alabama.gov

(334) 242-5284

or

Mark Bentley

ACFC

mark@alabamacleanfuels.org

(205) 402-2755