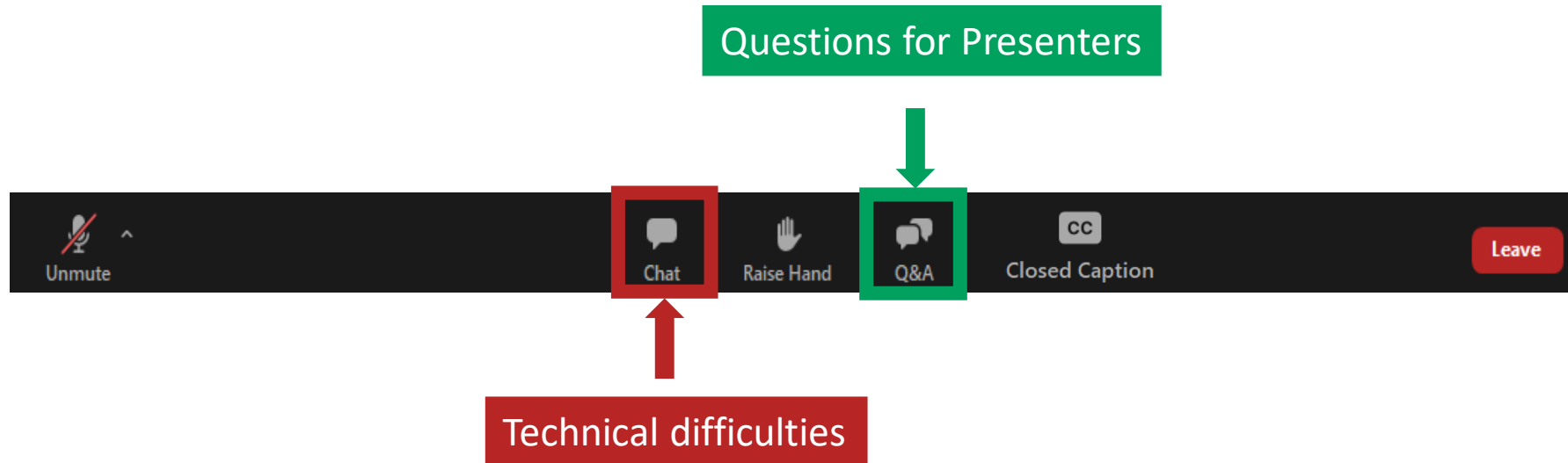


Webinar Logistics



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Supporting Anaerobic Digestion in Communities FY21

Request for Applications

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James Drummond

August 2, 2021



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Agenda

1. Introduction

- Goals of the Webinar
- Sustainable Materials Management (SMM)
- Anaerobic Digestion (AD)

2. Funding Opportunity Overview

- Scope of Work
- Type of Work

3. Requirements

- Authority
- Eligibility
- Funding
- Regulatory Requirements
- Subawards
- Procurement
- Partnerships

4. Evaluating Applications

- Threshold Eligibility
- Application Materials

5. Resources

6. Questions & Answers

A top-down view of a large pile of food waste, including vegetable scraps like green onions, red and yellow bell peppers, and eggshells. The waste is contained within a white, hand-drawn rectangular border. A semi-transparent dark grey rectangle is centered over the waste, containing the word "Introduction" in white, bold, sans-serif font. A thin white horizontal line is positioned below the text.

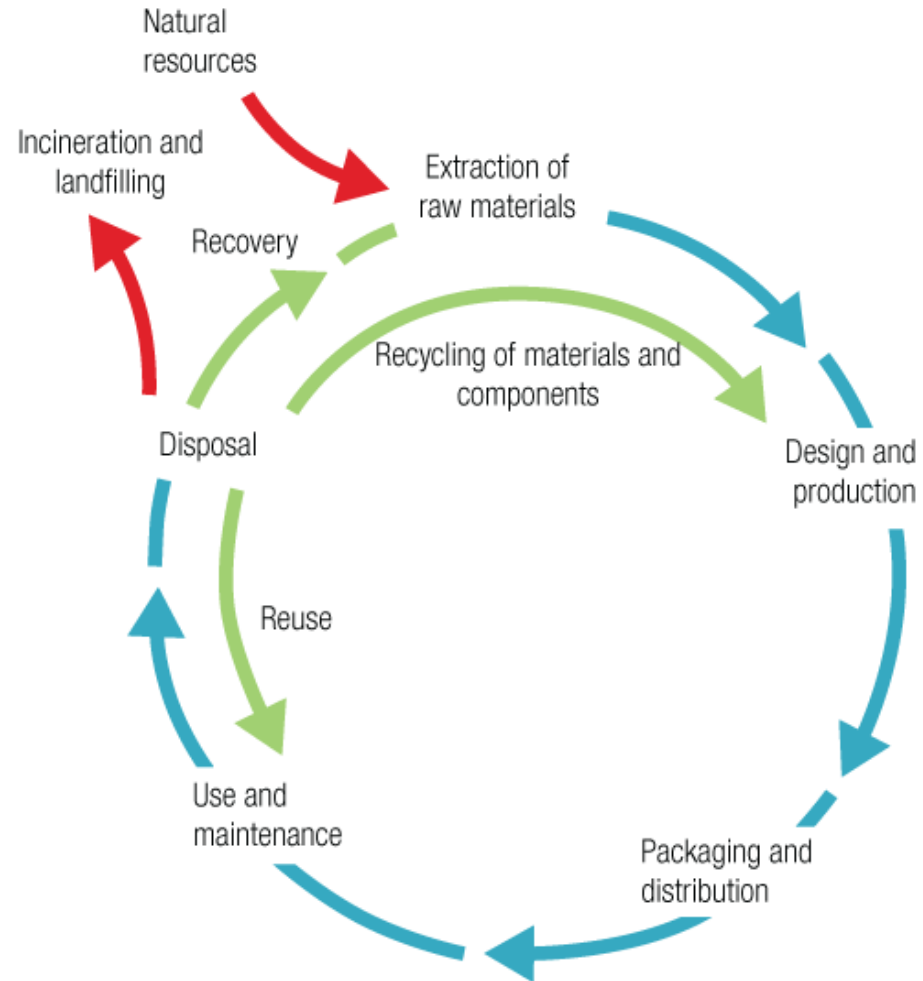
Introduction

Goals of the Webinar

Provide an overview of the Sustainable Materials Management (SMM) Request for Applications (RFA) FY21 for potential applicants and interested stakeholders

Clarify information and answer questions about the application and review process to help potential applicants submit high-quality applications for funding consideration

Sustainable Materials Management (SMM)

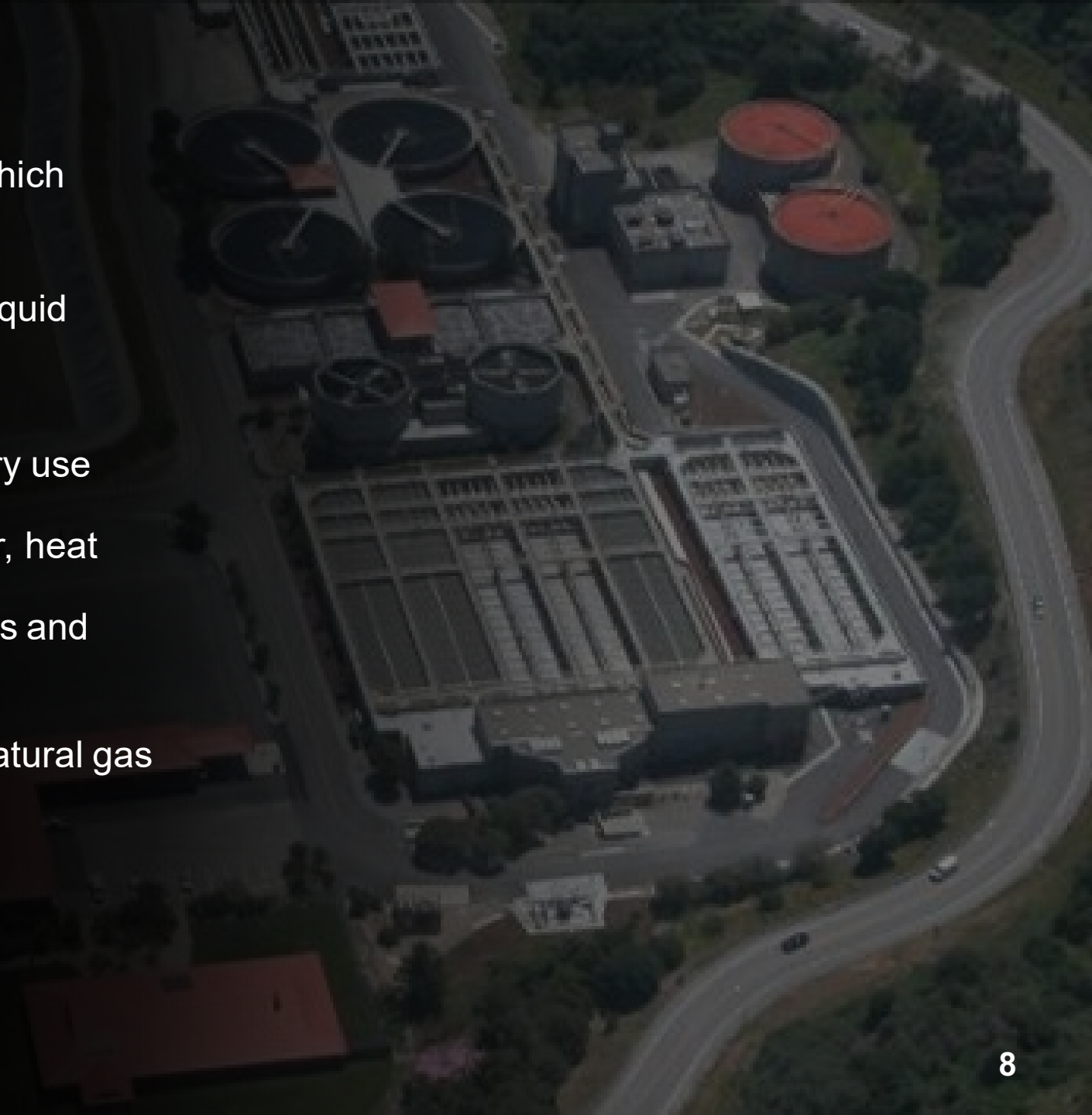


“An approach to serving human needs by using/reusing resources productively and sustainably throughout their life cycles, generally minimizing the amount of materials involved and all associated environmental impacts.”

Sustainable Materials Management: The Road Ahead, EPA (2009)

Anaerobic Digestion

- Anaerobic digestion is the natural process in which microorganisms break down organic materials.
 - During the process - **biogas**, and a solid and liquid **digestate** are generated.
-
- Communities and businesses across the country use biogas to:
 - Power engines, produce mechanical power, heat and/or electricity
 - Fuel boilers and furnaces, heating digesters and other spaces
 - Run alternative-fuel vehicles
 - Supply homes and business through the natural gas pipeline
 - Digestate can be made into products like:
 - Bedding for livestock
 - Flower pots
 - Soil amendments
 - Fertilizers



A top-down view of a large pile of food waste, including vegetable scraps like green onions, red and yellow bell peppers, and eggshells. The waste is contained within a white, hand-drawn rectangular border. A semi-transparent dark grey rectangle is overlaid on the center of the image, containing the title text in white. A thin white horizontal line is positioned below the title.

Funding Opportunity Overview

Scope of Work

- Projects to increase the use of anaerobic digestion (AD) for management of food waste.
- Applications must achieve one or more of the following objectives:
 - Develop new or expand existing AD capacity for processing food waste.
 - Demonstrate solutions and/or approaches for increasing food waste AD utilization that can be replicated by other communities, governments, or other entities.
 - Support state, tribal, and/or local government programs that seek to use AD to increase their food waste diversion rates.

Environmental Justice

- Environmental justice (EJ) is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation and enforcement of environmental laws, regulations and policies.
 - Fair treatment: no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.
 - Meaningful involvement: people have an opportunity to participate in decisions about activities that may affect their environment and/or health; the public's contribution can influence the regulatory agency's decision; community concerns will be considered in the decision-making process; and decision makers will seek out and facilitate the involvement of those potentially affected.
- <https://www.epa.gov/environmentaljustice>

Type of Work

- Projects may include:
 - Technology and process evaluations;
 - Technical assistance, outreach and/or training to model or accelerate solutions;
 - Outreach workshops;
 - Demonstration projects for technology to improve the collection or quality of food waste feedstocks;
 - Feasibility studies;
 - Expanding processing capacity through technology demonstration projects or training and technical assistance; or
 - Demonstration, training, or technical assistance projects for developing or improving feedstock collection networks.

A top-down view of a large pile of food waste, including vegetable scraps like green onions, red and yellow bell peppers, and eggshells. The waste is contained within a white, hand-drawn rectangular border. A semi-transparent dark grey rectangle is overlaid in the center, containing the word "Requirements" in white, bold, sans-serif font. A thin white horizontal line is positioned below the text.

Requirements

Authority

- In FY21, **Congress provided EPA with funds** to help public entities demonstrate community AD applications to municipal solid waste streams and farm needs, such as capturing excess phosphorus.
- Projects are awarded under the **general authority of the Solid Waste Disposal Act (SWDA), Section 8001 (42 U.S.C. 6981)**, and must include in the project conducting or promoting the coordination of research, investigations, experiments, training, demonstrations, surveys, public education programs, or studies relating to solid waste.

Authority (continued)

Pg. 6 of the
RFA

- For construction or equipment costs for improvements to AD facilities to be allowable, the project must qualify as a “demonstration.”
 - Initial exhibition of a new technology process or practice or a significantly new combination or use of technologies, processes, or practices, subsequent to the development stage, for the purpose of proving technological feasibility and cost effectiveness.
 - Must involve **new or experimental** technologies, methods, or approaches, where the results of the project will be disseminated so that others can benefit from the knowledge gained in the demonstration project.
 - A project that is accomplished through the performance of routine, traditional, or established practices, or a project that is simply intended to carry out a task rather than transfer information or advance the state of knowledge, however worthwhile the project might be, is not a demonstration.

Authority (continued)

- Grant proposals should emphasize this “learning” concept, as opposed to “fixing” an environmental problem via a well-established method.
 - For example, a proposed project to expand the capacity of an AD facility by installing equipment that is in wide use or simply increasing the size of the facility would not qualify as a demonstration project.
- EPA strongly recommends that applicants for demonstration project funding explain how the project meets the statutory definition of “demonstration” and describe how the results of the project will be evaluated and disseminated to researchers, AD facility operators, regulators and other parties interested in advancing AD technology.

Authority (continued)

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the RFA

- Applicants may propose to fund the costs for AD facility participation in demonstration projects through non-competitive subawards or subsidies for equipment purchases to the extent allowable in EPA's Subaward Policy and Guidance on Participant Support Costs.
- These subawards or participant support costs may fund the participation of for-profit facilities in demonstration projects.
- Neither subawards nor participant support costs may be used to purchase commercial services from consulting firms, engineering firms, etc.
- More on subawards and procurement contracts later in the presentation.

Eligibility

- **Eligible:**
 - Any of the 50 states, DC, Puerto Rico, Virgin Islands, Guam, American Samoa, and Northern Mariana Islands, local, tribal, interstate, and intrastate government agencies and instrumentalities.
 - Non-profit organizations, non-profit educational institutions, and non-profit hospitals
- **Not Eligible:**
 - Non-profit organizations that lobby
 - Individuals
 - For-profit organizations

Grant Funding

- Total estimated funding shall not exceed \$2,000,000.
- EPA anticipates awarding one to two cooperative agreements per EPA region in amounts ranging from \$50,000-\$200,000 per award.
- EPA reserves the right to reject all applications and make no awards.
- EPA anticipates awarding approximately one to two grants per EPA region
- Estimated start date for projects is March 1, 2022.
- All project activities must be completed within the negotiated project performance period of two years.
- Funds may not be used for projects that are already complete and paid for.

Set Aside Amount

- EPA expects to award approximately \$800,000 of the estimated total specifically for awards to the following organizations:
 - U.S. territories;
 - Tribal governments;
 - Tribal colleges and universities; or
 - Eligible organizations located in persistent poverty* counties.

* <https://crsreports.congress.gov/product/pdf/R/R45100>

Regulatory Requirements

- **EPA Subaward Policy**

- Implements new Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Grant Guidance or UGG) regulatory requirements:
 - The UGG codifies standards for distinguishing between subawards and contracts at 2 CFR 200.331.
 - Under 2 CFR 200.332, pass-through entities must include a number of provisions in subawards and monitor subrecipient performance.

What Are Subawards?

- **For the purpose of the EPA Subaward policy and training, “*subaward*” refers to:**
 - A financial assistance transaction (i.e., profit is unallowable) between an EPA assistance agreement recipient and an eligible subrecipient (or by a subrecipient to a lower subrecipient);
 - For the purpose of accomplishing a public purpose authorized by a Federal program statute.
 - Does not include payments to a procurement contractor or payments to an individual that is a beneficiary or participant in a Federal program.

Identifying Procurement Contracts

- **In contrast to subawards, as provided in 2 CFR Part 200.331(b), procurement contractors (including individual consultants) typically:**
 - Provide goods and services on commercial terms;
 - Provide similar goods and services to many different purchasers;
 - Operate in a competitive environment; and
 - A reasonable profit is allowable.
- **Transactions with for-profit companies and individual consultants are with very, very few exceptions procurement contracts.**

Procurement under the UGG

- With the exception of states, all recipients must comply with the procurement requirements in 2 CFR Part 200.
- * States follow the same procurement procedures as they do for non-Federal funds as provided in 2 CFR 200.317 with the exception of requirements in 200.321 (small and disadvantaged businesses), 200.322 (recycled materials), and 200.323 (domestic preferences) and 200.327 (contract clauses). EPA's 40 CFR Part 33 Disadvantaged Business Participation rule applies to states.
- EPA has posted a **Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements** as guidance for other recipients and subrecipients of states.

Two Thresholds for Competition for Procurements for AD Grants

1. Purchases up to the micro purchase level (**recently increased to \$10,000 for most recipients**) may be made without competition provided the recipient distributes purchases equitably among qualified suppliers to the extent “practicable” and the prices are reasonable. 2 CFR 200.320(a)(1).
 - Generally, for purchases of supplies (including computing devices) but recipients may obtain consulting or instructional services PROVIDED the equitable distribution requirement is met.
 - A series of micro purchases with the same instructor (e.g. speaker fees) or consultant without using other sources as well will raise compliance issues.
 - Some universities or nonprofit research institutions may have higher micro-purchase threshold if approved by cognizant Federal agency for indirect costs.

Two Thresholds for Competition for Procurements for AD Grants

2. Recipients may use small purchase procedures for contracts up to the simplified acquisition threshold (**increased to \$250,000**) by obtaining price or rate quotations from an adequate number of qualified sources. 2 CFR 200.320(a)(2).

- EPA expects recipients to obtain prices/quotes from **at least 3 sources**.
- For professional services, recipients may use email solicitations to document their files.
- For equipment, internet searches of price catalogues documented by “screen shots” are acceptable.
- Recipients must justify selection of contractors quoting higher prices/rates based on qualifications or technical factors.
- Good faith efforts must be made to solicit disadvantaged businesses per 40 CFR Part 33.

Sole Source??

- As provided at 2 CFR 200.320(c), Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
 - The item is available only from a single source;
 - Public exigency or emergency;
 - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request; or
 - After solicitation of a number of sources, competition is determined inadequate.
- EPA's position is that "sole source" procurements are justified by copyrights, patents, equipment maintenance agreements with manufacturers or similar arrangements.
 - XYZ contractor is familiar with our program and we have "partnered" with the firm or individual for years does not pass muster.

Partnerships

- Prior to naming a “partner” in your application who will receive EPA funding as part of your project, carefully review the guidance on contracts and subawards in [EPA’s Solicitation Clauses](#) as well as additional guidance in this RFA.

Partnership Agreements

- **Does EPA consider all “partnership agreements” that establish funding relationships to be subawards that are not subject to competition?**
 - **No!!!!** Transactions are either subawards, procurement contracts, intergovernmental/inter-entity agreements for common procurement, interagency service agreements or services, or participant support costs.
 - Characterizing the transactions consistently with the terms used in the UGG is important for determining what rules govern the agreement
 - Some recipients refer to their contractors (particularly consultants) as “partners” so the label recipient places on the transaction is not determinative.



Evaluating Applications

Threshold Eligibility Criteria

1. Address the mandatory program objectives and elements described in *Section I.B.*
2. Eligible entity, as described in *Section III.A.*
3. Federal funds requested must not exceed \$200,000.
4. Eligible activities under the authority of the Solid Waste Disposal Act, Section 8001.
5. Comply with the application submission instructions and requirements set forth in *Section IV.B.*

Threshold Eligibility Criteria (Continued)

Pg. 11-12 of
the RFA

6. Submitted through [Grants.gov](https://www.Grants.gov) on or before the application submission deadline published in *Section IV.B*.

7. Applications submitted after the submission deadline will be considered late and deemed ineligible without further consideration unless the applicant can demonstrate it was due to EPA mishandling or because of technical problems associated with [Grants.gov](https://www.Grants.gov) or relevant [SAM.gov](https://www.SAM.gov) system issues.

Application Materials

Mandatory

- Standard Form 424, Application for Federal Assistance
- Standard Form 424A, Budget Information for Non-Construction Programs
- Project Attachment Form (Narrative Proposal + Budget Table and Description)

EPA Key Contacts Form 5700-54

Optional

EPA Form 4700-4, Pre-award Compliance Review Report

→ Other Attachments (milestones, references, letters of support, etc)

Project Attachment Form

Project Attachment Form

1 pdf that includes:

- 11-page maximum
“Narrative Proposal”
 - 1-page Summary Information Page
 - 10-pages addressing the criteria
- 4-page maximum
“Budget Table and Description”

- Factual information about your proposed project must be provided. Do not include discussions of broad principles that are not specific to the proposed work or project covered by your application.
 - **Vague descriptions, redundancy, and failure to address each of the evaluation criteria will result in a lower ranking.**
- The Narrative Proposal **should be submitted in the format detailed in Appendix A, Template for Narrative Proposal.**

Summary Information Page

- i. Project Title**
- ii. Applicant Name**
- iii. Eligible Entity Type**
- iv. Project Type(s)**
- v. DUNS Number**
- vi. Project Summary**
- vii. Contact Information**
- viii. Project Location**
- ix. Total Project Cost**
- x. EPA Funding Requested**
- xi. Project Period**
- xii. Program Objective Elements**
- xiii. SWDA Relevancy**

Evaluation Criteria

- Eligible entities whose applications meet the Eligibility Information in *Section III* of this announcement will be reviewed according to the evaluation criterion set forth in the following slides.
- Each application will be rated under a points system, with a total of 100 points possible.
- Applicants should directly and explicitly address these criteria in the Template for Narrative Proposal (*Appendix A*).

**Criterion 1:
Project
Summary &
Approach

(25 points)**

Under this criterion, the Agency will evaluate:

- a. The extent and quality to which the narrative proposal includes a well-conceived strategy for addressing the requirements and plan for achieving project results in the following areas.
 - *Section I, Part B* (Scope of Work) **(10 points)**
 - *Section I, Part C* (EPA Strategic Plan Linkage) **(5 points)**
 - *Section I, Part D* (Measuring Environmental Results: Anticipated Outcomes and Outputs) **(5 points)**
- b. The extent and quality to which the narrative proposal sets forth a clear and reasonable time schedule and associated project tasks for achieving the project goals and objectives by project end. **(5 points)**

Criterion 2: Environmental Justice

(20 points)

As part of this evaluation, applications will be evaluated, as appropriate, on:

- a. How the project benefits these communities and/or populations including those that have experienced a lack of resources or other impediments to addressing the impacts identified above. **(10 points)**

- b. The extent to which the project addresses engagement with these communities and/or populations, especially local residents, to ensure their meaningful participation with respect to the design, project planning, and performance of the project. **(10 points)**

Criterion 3: Programmatic Capability & Past Performance

(10 points)

Applications will be evaluated based on their ability to successfully complete and manage the proposed project, taking into account their:

- a. Past performance in successfully completing and managing the assistance agreements identified in response to *Section IV. D.b.iii* of the solicitation, and their history of meeting the reporting requirements under the assistance agreements identified in response to *Section IV* of the solicitation.
(5 points)

- b. Organizational experience that will contribute to the successful achievement of the objectives of the proposed project. This includes staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.
(5 points)

Criterion 4: Effective Partnerships (10 points)

Under this criterion, the Agency will evaluate the application based on the extent and quality to which:

- a. The application describes how the quality of the partnerships and/or coalition currently in place will support the proposed project and why it is sufficient to complete the proposed project. In addition, the application describes the role of each partner on the project and their experience working with the target audience and/or sectors addressed. **(5 points)**
- b. The application describes how organizations involved in the project are located in the community for which benefits will occur. **(5 points)**

Criterion 5: Budget and Expenditure of Awarded Grant Funds

(10 points)

Under this criterion, the Agency will evaluate the proposed project budget and narrative (including any voluntary cost share) to determine the extent and quality to which:

- a. Costs are reasonable to accomplish the proposed goals, objectives, and measurable environmental outcomes. **(3 points)**

- b. The proposed budget provides a detailed breakout of the approximate funding used for each major activity. **(4 points)**

- c. The application conveys the approach, procedures, and controls for ensuring that awarded grant funds will be expended in a timely and efficient manner. **(3 points)**

**Criterion 6:
Congressional
Direction

(10 points)**

Under this criterion, the Agency will evaluate the application based on the extent and quality which, consistent with Congressional direction, the project supports a state or local mandate, policy, or community priority (*and provide an internet link to it*) to remove food waste and organic materials from municipal waste streams.

**Criterion 7:
Transferability
(5 points)**

Under this criterion, the Agency will evaluate the application based on the extent and quality to which the application identifies and explains how results from the project can be transferred to other communities.

**Criterion 8:
Project
Sustainability**
(5 points)

Under this criterion, the Agency will evaluate the application based on the extent and quality to which the application continues to promote efforts to support AD after EPA funding for this project has ended.

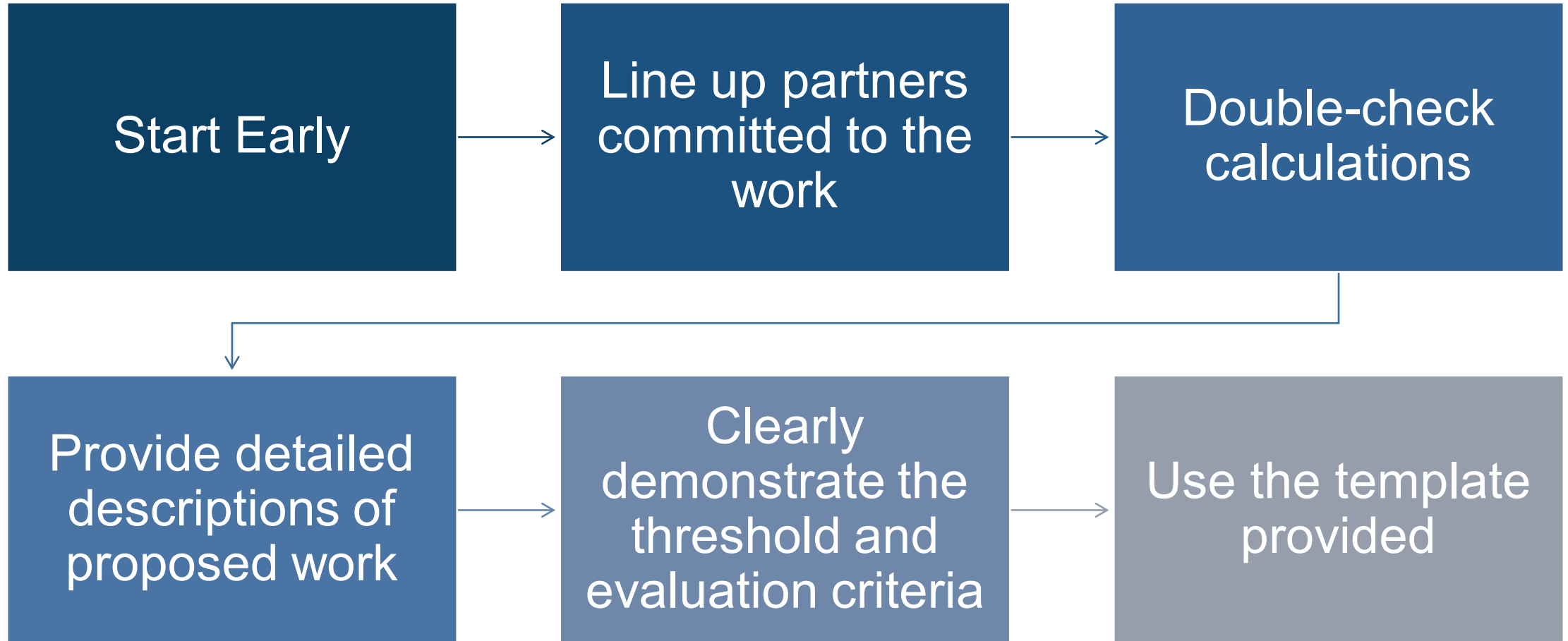
**Criterion 9:
Novel
Approaches
(5 points)**

Under this criterion, the Agency will evaluate the application based on the extent to which the application proposes a project that includes innovative or novel approaches (e.g., not usual, routine or established practices) to support the development of AD capacity and infrastructure.

A top-down view of a large pile of food waste, including vegetable peels, eggshells, and green onions. The waste is contained within a white, hand-drawn rectangular border. A semi-transparent dark grey rectangle is overlaid in the center, containing the word "Resources" in white, bold, sans-serif font. A thin white horizontal line is positioned below the text.

Resources

Tips for Preparing Applications



Useful Links

Anaerobic Digestion Specific

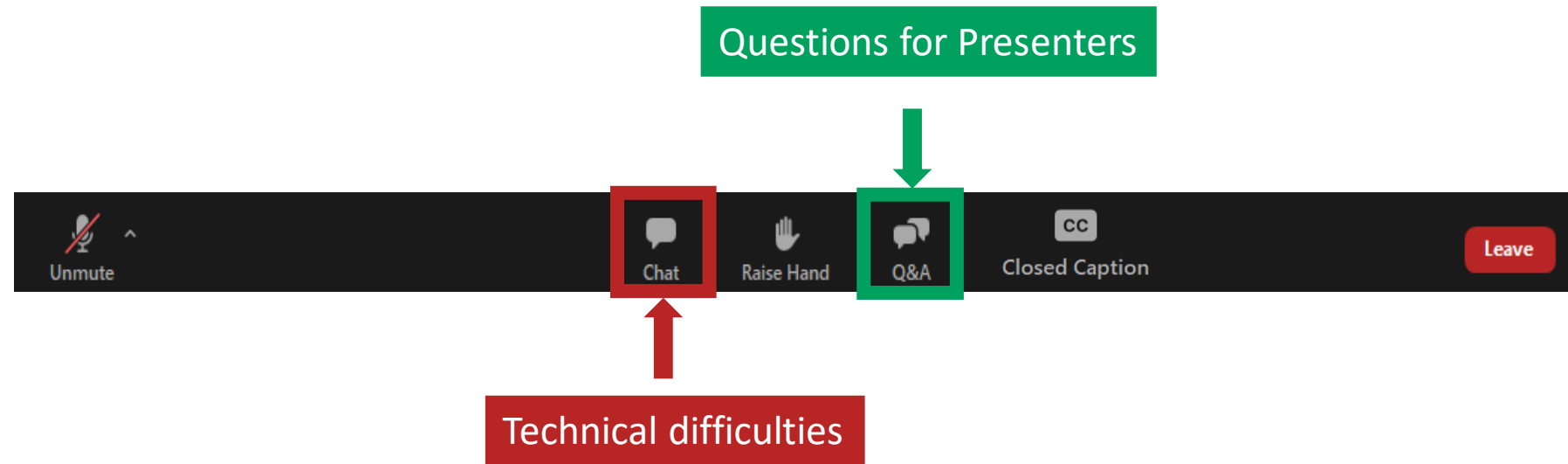
AD Funding Opportunity Website	epa.gov/sustainable-management-food/sustainable-materials-management-2021-anaerobic-digestion-funding
Sustainable Management of Food (SMF) Webpage	epa.gov/sustainable-management-food
EPA's Anaerobic Digestion Webpage	epa.gov/anaerobic-digestion
EPA's Office of Grants and Debarment's Recipient Training Requirements and Opportunities	epa.gov/grants/recipient-training-opportunities
EPA's AgSTAR Program	epa.gov/agstar <ul style="list-style-type: none"> epa.gov/agstar/agstar-project-development-handbook

Grant Specific

EPA Solicitation Clauses	epa.gov/grants/epa-solicitation-clauses
Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements	epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements
EPA Subaward Policy	epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients
Grants.Gov Training Resources and Videos	grants.gov/applicants/applicant-training.html
EPA Grants.gov Workspace Training for Grant Applications and Recipients	epa.gov/grants/epa-grantsgov-workspace-training-grant-applicants-and-recipients
EPA Guidance on Participant Support Costs	https://www.epa.gov/grants/rain-2018-g05-r1

Presenter Contact Information

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