



Michigan Renewable Energy Demonstration Program

REQUEST FOR PROPOSALS

Response Due: November 26, 2012

**Michigan Energy Office
Michigan Strategic Fund
300 N. Washington Square
Lansing, MI 48913**

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**Michigan Renewable Energy Demonstration Program
Request for Proposals**

**PART I
GENERAL INFORMATION**

I-A Purpose

The goal of the Michigan Renewable Energy (RE) Demonstration Program is to fund feasibility and demonstration projects that have the potential to drive down the installed cost/unit-of-energy for renewable energy (RE) applications in relation to other energy options in the state. The program will invest tax-payer dollars only in those demonstration projects that have the clear potential to deliver clear and compelling scientific, technical, and deployment benefits to the state.

The strategy for accomplishing this goal is to provide funding for projects that can demonstrate the feasibility, improve cost-effectiveness, and identify/address/reduce the market barriers of innovative renewable energy technologies not yet widely adopted in Michigan. The program will provide funding for projects in three areas: Solar Energy, Biomass Energy, and Community Wind Energy.

Applicants are strongly encouraged to engage potential stakeholders (e.g., organizations representing local government(s), local governments, universities, regional economic development specialists, businesses, industry associations, investors, utilities, etc.) early-on in the process to achieve community input and support.

This Request for Proposal(s) (RFP) provides interested parties with sufficient information to enable them to prepare and submit proposals for consideration by the State of Michigan to receive a grant. The activities in the proposed grant(s) are expected to cover eight months, from January 2, 2013 through August 30, 2013. Applicants should be prepared to implement projects upon notice of award.

I-B Eligibility Requirements

Businesses, non-profit organizations, universities, local governments, and other public organizations are eligible to submit proposals. Applicants are encouraged to engage and partner with other entities in the public and/or private sectors to increase overall project impacts and achieve program objectives (see Purpose above). Only one proposal per organization is allowed. However, proposals from different departments of a single university are acceptable. All projects must be based in Michigan and submitted in accordance with the requirements of Section V, Information Required from Applicants.

This grant program aims to assist projects that are economically competitive and fueled by a renewable energy resource. To be eligible for funding, projects must contribute to the deployment/enhanced performance of fully commercialized renewable energy technologies (e.g. innovative applications, demonstrations, marketing and technical assistance, feasibility studies).

I-C Issuing Office and Point of Contact:

This Request for Proposal (RFP) has been issued by the Michigan Energy Office (MEO), an office of the Michigan Strategic Fund (MSF). All questions regarding this solicitation should be directed to:

Tania M. Howard
 Michigan Energy Office
 Michigan Strategic Fund
 300 N. Washington Square
 Lansing, MI 48913
 Phone: (517) 241-6223; Email: howardt4@michigan.gov

I-D Grant Award

A total of \$85,000 is budgeted for the program. Approximately 3 awards are expected to be made (in the range of \$28,000/ea). Note: The use of these grant funds is limited to the costs outlined in the applicant's approved budget. A 1:1 match is required and an *OPTIONAL* Third-Party Follow-on Deployment Funding Commitment (FODFC) is recommended (see Section I-U). The grants that may be entered into will be those which are most advantageous to the State, selection criteria considered. Matching funds (cash and/or in-kind) must be applied to direct project costs and cannot be from a MEO or federal funding source.

The Michigan Energy Office will undertake grant award negotiations with applicants whose proposals show them to be best qualified, responsible, and capable of achieving the purpose, objectives, and tasks outlined by this RFP (see Parts III, and V). Funds must be expended by August 30, 2013.

I-E Rejection of Proposals

The State reserves the right to reject any and all proposals received as a result of this RFP, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interest of the State. The State will not award a grant solely on the basis of any response made to this request or otherwise pay for the information solicited or obtained.

I-F Incurring Costs

The State of Michigan is not liable for any costs incurred by an applicant prior to issuance of a grant agreement, nor any which are incurred outside the grant period.

I-G Pre-proposal Conference

No pre-proposal conference will be held for this RFP. Any inquiries should be submitted as outlined in Section I-H.

I-H Inquiries

Questions that arise as a result of this RFP must be submitted to the Michigan Energy Office by email only. **Telephonic questions cannot be answered.** All questions must be submitted on or before 5:00 PM, November 5, 2012. Submit questions to Tania M. Howard via e-mail at: howardt4@michigan.gov.

I-I Changes to the RFP

Written answers to questions will be posted on the Michigan Energy Office's website at <http://www.michigan.gov/energyoffice> by November 12, 2012.

I-J Response Date

Proposals must arrive at the Issuing Office by 5:00 p.m. on November 26, 2012.

Mail proposals to: Tania M. Howard, Michigan Energy Office, 300 N. Washington Square, Lansing, Michigan, 48913; Hand delivery: Michigan Energy Office, 300 N. Washington Square, 2nd Floor, Lansing, Michigan, 48913. Applicants mailing proposals should allow normal delivery time to ensure timely receipt of their proposal. Proposals must be submitted as complete documents. Additional information pertaining to a proposal received after the due date will not be accepted.

I-K Proposals

To be considered, applicants must submit a complete response to this RFP, using the format provided in Part V. An original signature copy plus two additional hard copies and one electronic copy of each proposal must be submitted to the Issuing Office. A PDF document on a compact disc is the preferred electronic copy. No other distribution of proposals shall be made by these applicants. An official who is authorized to bind the applicant to its provisions must sign the proposal. For this RFP, the proposal must remain valid for at least sixty (60) days.

I-L Acceptance of Proposal Content

The contents of this RFP and the proposal of the selected applicant become grant obligations if a grant award ensues. Failure of the selected applicant to accept these obligations will result in cancellation of the award. The State reserves the right to reject any and all proposals received as a result of this RFP, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interest of the State.

The successful applicant(s) will be required to enter into a grant agreement with the State within 30 days of being notified of funding availability. The agreement consists of standard contract language, applicant's work plan, timetable, and budget information, a compensation clause that adheres to the guidelines in this solicitation, and terms and conditions that outline other requirements.

Note: the State reserves the right to award funds for an amount other than that requested and/or request changes to, or clarification of, any and all proposals received as a result of this RFP.

I-M Economy of Preparation

Proposals should be prepared simply and economically, providing a straight-forward, concise description of the applicant's ability to meet the requirements of the RFP. Professional bindings, colored displays, promotional materials, and so forth, are not desired. Emphasis should be on completeness and clarity of content.

I-N Oral Presentation

Applicants may be required to make an oral presentation of their proposal to the State. These presentations provide an opportunity for the applicant to clarify the proposal to ensure thorough mutual understanding. The Issuing Office will schedule these presentations if determined to be necessary.

I-O Prime Applicant Responsibilities

The selected applicant will be required to assume responsibility for all grant activities offered in the proposal, whether or not that applicant performs them. Further, the State will consider the selected applicant (Grantee) to be the sole point of contact with regard to grant matters, including, but not limited to payment of any and all costs resulting from the anticipated grant. If any part of the work is to be subcontracted, the Grantee must notify the State and identify the subcontractor(s), including firm name and address, contact person, complete description of work to be subcontracted, descriptive information concerning subcontractor's organizational abilities, Federal Employer Identification Number (FEIN), DUNS number, and/or state license number. The State reserves the right to approve subcontractors for the project and to require the Grantee to replace subcontractors found to be unacceptable. The Grantee is totally responsible for adherence by the subcontractor to all provisions of the Grant.

I-P Grant Payment Schedule

Payment for any grant entered into as a result of this RFP will be made according to the following:

Progress payments up to a total of 85 percent of the state grant amount may be made to the Recipient upon receipt and approval by the Project Manager of a billing statement detailing the work for which payment is requested has been performed in accordance with the terms of the grant. All invoices or other documentation required to properly demonstrate that all costs claimed have been incurred and necessary match funds expended in the course of performing this grant shall be submitted with each billing statement. The payment of the final 15 percent of the grant amount shall be made only after the Project Manager has received and approved the final report.

I-Q News Releases

News releases pertaining to this RFP or the project to which it relates will not be made without prior approval, and then only in coordination with the Michigan Energy Office.

I-R Disclosure of Proposal Contents

All information in a bidder's proposal and any Grant resulting from this RFP is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

I-S Copyrighted Materials

The selected applicants shall agree to grant to the State a nonexclusive, irrevocable license to reproduce, translate, publish, use, and dispose of all material developed as a result of this project. The selected applicants shall further agree not to copyright any material developed as a result of the project.

I-T Ineligible Applicants

Any organization not specified in Section I-B. Also, any entity which is considered ineligible from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits, according to the [Excluded Parties List System \(EPLS\)](#).

I-U Matching Fund Requirements

As the State Energy Program is required to leverage funds to the maximum achievable level, two types of leveraged funds are described below:

1. A **1:1 match** of the *total requested grant funds* is **required**. Matching funds must be applied to direct project costs. NOTE: Applicants may use dollars, in-kind goods and services, and/or third party contributions for meeting their matching obligations under the program. Funds derived from other State of Michigan competitive grants are eligible. However, federal funds and funds or services awarded from the MEO are not eligible as applicant match under this RFP. Matching funds must be secured at the time the proposal is submitted and are considered secured in the following situations:
 - The entity that submits the proposal is also providing the matching funds.
 - The entity applying for the funds lists the source of the match and has documentation of that match. That documentation should be in the form of a Letter of Commitment that identifies how much money, staff time, and/or other resources the partner organization is committed to providing toward the grant project, and a reasonable justification of value for the proposed match.
 - No Third-Party Follow-on Deployment Funding Commitment (FODFC) funds are used as part of the 1:1 match.

2. An **OPTIONAL Third-Party Follow-on Deployment Funding Commitment (FODFC)**, equal to the sum of the grant and 1:1 match (\$ grant + \$ value of 1:1 = FODFC funding amount) is **recommended**. The FODFC is expected to provide additional funds to grantee to accelerate deployment and enhance the overall commercial potential of the demonstrated technology in the *post-demonstration phase* of the effort. **NOTE: Applicants that provide the optional FODFC will be given priority-of-funding status in the award process (see Part VI, Selection Criteria).** FODFC funds must be secured at the time the proposal is submitted and are considered secured in the following situations:
 - FODFC funds are secured from a Third-Party source(s) which intends to enter into an Agreement with the Grant Applicant to deploy the technology. A third-party may include such entities as another company, a venture capital firm, an individual "angel" investor, federal, state or local government, or any combinations of the above. If the Applicant is a small business, it does not include owners of the applicant's small business, family members, and/or "affiliates" as defined in Title 13 of the Code of Federal Regulations (C.F.R.), Section 121.103. (Reference: <http://law.justia.com/us/cfr/title13/13-1.0.1.1.15.1.231.3.html>)
 - At a minimum, the FODFC **Letter of Intent** must outline the following:
 - The nature (i.e., "Deployment Plan", including terms, conditions, requirements and specifications) of the deployment partnership (i.e., license of technology, strategic alliance, investment, etc.) between the Applicant and the Third-Party FODFC provider(s).

- The FODFC must be a Letter of **Intent** (not “interest”) but may be contingent upon the following:
 - The scientific and technical objectives of the Demonstration Project are successfully met.
 - The market for the demonstrated technology does not substantially change during the course of the project.
 - An unexpected technological breakthrough does not occur in the market during the course of the demonstration that eliminates the key competitive advantage that is being demonstrated in the project.
 - Background Intellectual Property protections remain valid during the course of the demonstration.
- If all contingencies are met, *all third-party FODFC investment funds, upon which the Demonstration Project award is made, must be transferred to the applicant organization by the end of the Demonstration Project grant period. A copy of bank statements must be provided to the Michigan Strategic Fund (MSF) to verify that all funds have been transferred.* FODFC funding can be cash, product sales revenues and/or licensing revenues, liquid assets, and/or tangible financial instruments, but not in-kind or other "intangible assets". Loans and investments with contingency clauses are not acceptable. Self-funding also does not satisfy the FODFC requirement. Proof that contingencies were not met will be required to void the FODFC.

I-V Ineligible Costs/Pre-Award Costs

1. Activities initiated prior to execution of the grant agreement, including applicant’s cost for preparing the proposal.
2. Projects associated with pre-commercial technologies as well as basic research and development activities.
3. Sick pay, vacation pay, holiday pay, payroll taxes, vehicles, computers, hardware and software, real property (e.g. land and buildings), parking, tuition reimbursement/remission, vehicle allowance, car rental, seminars, conferences, foreign travel, food, beverage, entertainment, subscriptions, dues, and memberships.
4. Construction or repair of buildings or structures not required for the demonstration of commercially-available energy efficiency or renewable energy techniques and technologies.
5. Activities undertaken after the grant agreement has expired.
6. University License Fee’s or Royalties for Background Technology associated with the project.
7. Patent Filing or Maintenance Fees.

I-W Contract Reimbursement for Project Expenses

Contracts entered into by the Prime Applicant, with exception to the optional FODFC agreement, cannot extend beyond August 30, 2013. Applicants will be expected to make their own payments for actual costs identified within the agreements with third-parties such as materials, equipment, supplies, personnel, or other project expenditures and, subsequently, provide to the MEO detailed requests for reimbursement. These requests will document expenditures made, equipment purchased, and other eligible expenses incurred.

I-X Partner Responsibilities

Organizations partnering with selected applicant(s) must comply with the requirements of the solicitation and will be held to the same standards as prime applicants. Partnering organizations must respond to Part V, Information Required from Applicant(s), and must make grant/project accounting records available for audit by the State in accordance with Part II, Section II-G, Accounting, and Section II-H, Audit. Organizations partnering with selected applicant(s) must enter into a partnership agreement. A copy of the partnership agreement must be provided to the Grant Administrator.

I-Y Project Clarifications/Revisions

During the proposal review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project activities, timetables, and budgeted costs. The Issuing Office reserves the right to award funds for an amount other than that requested and/or request changes to, or clarification of, the proposed project.

I-Z State Historic Preservation Office (SHPO) Review

Prior to the expenditure of federal funds, all projects involving ground-disturbing activity (e.g. excavation, grading, tree removals, utility installation) or work on building(s) that are fifty years of age or older (e.g. physical, structural, and other alterations) must undergo review in accordance with Section 106 of the National Historic Preservation Act of 1966 (Section 106 Review), regardless of the historic significance of the project building(s). The purpose of Section 106 Review is to avoid adverse impacts to historic properties that are listed in or *eligible* for listing in the National Register of Historic Places, including archaeological sites, structures and buildings. To be clear, if applicant is conducting ground-disturbing activity or work on a building(s) that is/are at least fifty years of age or older, applicant must complete in full the [State Historic Preservation Office Application for Section 106 Review](#). The review process must be completed prior to the expenditure of federal funds. No project that results in an adverse effect to a historic property will be considered for funding. Projects may be modified to avoid adverse effects. For the purposes of this RFP, projects requiring SHPO review which have not received a Determination of No Adverse Effect by the proposal deadline will not be considered.

I-AA National Environmental Policy Act Requirements

All activities undertaken with grant funds must comply with the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. Section 4321 et seq). Please see the [NEPA Environmental Checklist](#) and Section III-E to determine whether the proposed project may require an individual review under NEPA. It is also the recipient's responsibility to acquire all necessary environmental permits to operate in the State of Michigan.

I-BB Davis – Bacon Act Requirements

The Davis-Bacon Act requires all laborers and mechanics that are non-government employees, to receive prevailing wages. This requires that the US Department of Labor (DOL) wage rate report is included with agreements that are affected by the Davis-Bacon Act requirement. If applicable, all positions must be classified that are parts of the job related to an agreement subject to the Davis-Bacon Act. Weekly time reporting requirements and necessary forms can be found via the following link: [Davis – Bacon Act Requirements](#). For

more information on Davis Bacon and Related Acts, please refer to the [U.S. Department of Labor, Wage and Hour Division](#) website.

I-CC State Energy Program Requirements

Applicants should be advised that all proposed project activities are subject to compliance with U.S. DOE State Energy Program (SEP) guidelines, which can be located at http://www1.eere.energy.gov/wip/sep_guidelines.html

PART II
GENERAL PROVISIONS

- II-A Project Changes
Recipient must obtain prior written approval for major project changes from the Grant Administrator.
- II-B Record Retention
The Recipient shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of seven years or greater as provided by law following the creation of the records or documents.
- II-C Project Income
To the extent that it can be determined that interest was earned on advances of funds, such interest shall be remitted to the Michigan Strategic Fund. All other program income shall either be reported and, upon approval of the Michigan Energy Office, added to the project budget and used to further eligible program objectives, or deducted from the total project budget. The final determination shall be made by the Grant Administrator.
- II-D Share-in-savings
The State expects to share in any cost savings realized by the Recipient. Therefore, final Recipient reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.
- II-E Order of Spending
Unless otherwise required, Recipient shall expend funds in the following order: 1) private or local funds; 2) federal funds; and 3) state funds. Recipient is responsible for securing any required matching funds from sources other than the State.
- II-F Purchase of Equipment
The purchase of equipment not specifically listed in the approved Budget, must have prior written approval of the Project Administrator. Equipment is defined as nonexpendable personal property having a useful life of more than one year and a true value of \$1,000 or more. Such equipment shall be retained by the Recipient unless otherwise specified at the time of approval. All equipment purchased with grant funds shall be subject to the rules set forth in 10 CFR 600.130-137, 10 CFR 600.231-233, or 10 CFR 600.320-324 as applicable.
- II-G Accounting
The Recipient shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Recipient's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets, and invoices. The expenditure of state and federal funds shall be reported by line item and compared to the Budget.

II-H Audit

The Recipient agrees that the State and its authorized representatives, including Federal Auditors, may, upon 24-hour notice, perform an audit and/or monitoring review at Recipient's location(s) to determine if the Recipient is complying with the requirements of the Agreement. The Recipient agrees to cooperate with the State and its authorized representatives, including Federal Auditors, during the audit and/or monitoring review, and produce all records and documentation that verifies compliance with the Agreement requirements.

If the Recipient is a governmental or nonprofit organization and expends the minimum level specified in the Office of Management and Budget (OMB) Circular A-133 (\$500,000 as of June 27, 2003) or more in total federal funds in its fiscal year, then Recipient is required to submit a Single Audit report to all agencies that provided federal funds to the entity during the fiscal year being audited.

If the Recipient is a commercial or for profit organization which is a recipient of Workforce Investment Act Title I funds and expends more than the minimum level specified in the OMB Circular A-133 (\$500,000 as of June 27, 2003), then the Recipient must have either an organization-wide audit conducted in accordance with A-133 or a program specific financial and compliance audit conducted. Section .320(a) of OMB Circular A-133 states the Single Audit Report must be submitted to the MEO within XX days after the completion of the audit, but no later than nine months after the end of the Recipient's fiscal year.

II-I Competitive Bidding

Pursuant to 10 CFR 600.143, the Recipient agrees that all procurement transactions involving the use of grant funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Recipient agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

II-J Liability

The State is not liable for any costs incurred by the Recipient before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

II-K Intellectual Property

Recipient grants to the State a nonexclusive, royalty-free, site-wide, irrevocable, transferable license to use the deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The State may modify the deliverable and may combine the deliverable with other programs or materials to form a derivative work. The State will own and hold all copyright, trademarks, patent, and other intellectual property rights in any derivative

work, excluding any rights or interest in deliverable other than those granted in this Agreement. The State may copy each deliverable to multiple hard drives or networks unless otherwise agreed by the parties.

The State will make and maintain no more than one archival copy of each deliverable, and each copy will contain all legends and notices, and will be subject to the same conditions and restrictions as the original. The State may also make copies of the deliverable in the course of routine backups for the purpose of recovery of contents.

In the event that the Recipient shall, for any reason, cease to conduct business, or cease to support the Deliverable, the State shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

II-L Safety

The Recipient, all contractors, and subcontractors are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all applicable laws and building and construction codes shall be observed. The Recipient, contractors, and every subcontractor are responsible for compliance with all federal, state, local laws, codes and regulations in any manner affecting the work or performance of this Agreement and shall at all times carefully observe and comply with all rules, ordinances, and regulations. The Recipient, all contractors, and subcontractors shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

II-M Indemnification

1. General Indemnification

To the extent permitted by law, the Recipient shall indemnify, defend, and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest, and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Recipient in the performance of this Agreement and that are attributable to the negligence or tortious acts of the Recipient or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

2. Employee Indemnification

In any and all claims against the State, its departments, divisions, agencies, sections, commissions, officers, employees, and agents, by any employee of the Recipient or any of its subcontractors, the indemnification obligation under the Agreement shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Recipient or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of

risk, is not intended to limit the scope of indemnification under any other provisions.

3. **Patent/Copyright Infringement Indemnification**

To the extent permitted by law, the Recipient shall indemnify, defend, and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest, and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service developed or supplied by the Recipient or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

The Recipient's duty to indemnify pursuant to this section continues in full force and effect, notwithstanding the expiration or early cancellation of the Agreement, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

II-N **Cancellation**

The State may terminate this Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

1. **Termination for Cause**

In the event that the Recipient breaches any of its material duties or obligations under this Agreement or poses a serious and imminent threat to the health and safety of any person, or the imminent loss, damage, or destruction of any real or tangible personal property, the State may terminate this Agreement immediately in whole or in part, for cause, as of the date specified in the notice of termination. In the event that this Agreement is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Recipient shall be responsible for all costs incurred by the State in terminating this Agreement, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur.

2. **Termination for Convenience**

The State may terminate this Agreement for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to: a) the State no longer needs the services or products specified in the Agreement; and b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the services no longer practical or feasible. The State may terminate this Agreement for its convenience,

in whole or in part, by giving Recipient written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Agreement in part, the budget shall be equitably adjusted to reflect those reductions.

3. **Non-appropriation**

Recipient acknowledges that continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available (including the federal government suspending or halting the program or issuing directives preventing the State from continuing the program), the State shall have the right to terminate this Agreement, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Recipient. The State shall give Recipient at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff). In the event of a termination under this section, the Recipient shall, unless otherwise directed by the State in writing, immediately take all reasonable steps to terminate its operations and to avoid and/or minimize further expenditures under the Agreement.

4. **Criminal Conviction**

The State may terminate this Agreement immediately and without further liability or penalty in the event the Recipient, an officer of Recipient, or an owner of a 25 percent or greater share of Recipient is convicted of a criminal offense incident to the application for, or performance of, a State, public, or private contract or subcontract or grant, convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Recipient's business integrity.

5. **Approvals Rescinded**

The State may terminate this Agreement without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to the Recipient or may be effective as of the date stated in such written notice.

II-O No State Employees or Legislators

No member of the Legislature or Judiciary of the State of Michigan, or any individual employed by the State shall be permitted to share in this Agreement, or any benefit that arises from this Agreement.

II-P Non-Discrimination

In the performance of the Agreement, the Recipient agrees not to discriminate against any employee or applicant for employment with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical, or mental disability. Recipient further agrees that every subcontract entered into for the performance of this Agreement will contain a provision requiring nondiscrimination in employment, as here specified, binding upon each subcontractor. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq. and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of the Agreement.

II-Q Unfair Labor Practices

Pursuant to 1980 PA 278, MCL 423.231, et seq., the State shall not award a grant or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Recipient, in relation to the Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to Section 4 of 1980 PA 278, MCL 423.324, the State may void any Agreement if, subsequent to award of the Agreement, the name of Recipient as an employer or the name of the subcontractor, manufacturer or supplier of Recipient appears in the register.

II-R Certification Regarding Debarment

The Recipient certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Recipient is unable to certify to any portion of this statement, the Recipient shall attach an explanation to this Agreement.

II-S Illegal Influence

1. The Recipient certifies, to the best of his or her knowledge and belief that:
 - a. No federal appropriated funds have been paid nor will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the Recipient shall complete and submit Standard Form-

LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

- c. The Recipient shall require that the language of this certification be included in the award documents for all grants or subcontracts and that all sub-recipients shall certify and disclose accordingly.

The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. The Recipient certifies, to the best of his or her knowledge and belief that no state funds have been paid nor will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan, or cooperative agreement.

II-T Governing Law

The Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or preempted by federal law.

II-U Compliance with Laws

Recipient shall comply with all applicable state, federal, and local laws and ordinances (“Applicable Laws”) in performing this Agreement. Also, see Program Regulations, 10 CFR 600 DOE Assistance Regulations, and the National Policy Assurances included in the Applicable Terms & Conditions document, posted with the Request for Proposals (RFP).

II-V Jurisdiction

Any dispute arising from the Agreement shall be resolved in the State of Michigan. With respect to any claim between the parties, Recipient consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

II-W Assignment

Recipient shall not have the right to assign the Agreement, or to assign or delegate any of its duties or obligations under the Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the MEO. Any purported assignment in violation of this section shall be null and void.

II-X Entire Agreement

The Agreement, including any Attachments, constitutes the entire agreement between the parties with respect to the grant award and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

II-Y Independent Contractor Relationship

The relationship between the State and Recipient is that of client and independent contractor. No agent, employee, or servant of Recipient or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. Recipient will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, and subcontractors during the performance of the Agreement.

II-Z Conflicts

In the event of a conflict between the terms of this Agreement and any federal or state laws or regulations, the federal or state laws or regulations will supersede any contrary term contained in this Agreement.

II-AA Terms and Conditions for ARRA of 2009 Funded Grants

Not Applicable to this RFP.

PART III

WORK STATEMENT

III-A Purpose

The purpose of this Request for Proposals (RFP) is to fund feasibility and demonstration projects that have the potential to drive down the installed cost/unit-of-energy for renewable energy (RE) applications in relation to other energy options in the state. The program will invest tax-payer dollars only in those demonstration projects that have the clear potential to deliver clear and compelling scientific, technical and deployment benefits to the state.

III-B Problem Statement

In Michigan, non-renewable sources of energy supply nearly all of the state's electricity, thermal, and transportation fuel needs. Renewable energy resources offer many potential community, economic, environmental, national security, and societal benefits for the state. Through applied analysis and demonstration projects, renewable energy technologies and fuels can be further enhanced, deployed, and showcased, resulting in increased innovation, efficiency, implementation, and public awareness.

III-C Objectives

To provide funding for projects that can demonstrate the feasibility, improve cost-effectiveness, and identify/address/reduce the market barriers of innovative renewable energy technologies not yet widely adopted in Michigan.

III-D Tasks

Proposals should clearly describe each task required to accomplish the project goals and objectives, according to the requirements of Part V. Applications should also include information on who will perform each task and a timeline for completion, which must conform to the dates specified in this RFP.

The project should also include the following: (a) a technical and economic analysis of the technology application or demonstration; (b) expected project impact on advancing the technology; and (c) dissemination plan for the project information to potential users of the technology. The final project report must be immediately available for circulation (with confidential information excluded).

III-E Ineligible Projects

1. Projects deemed illegal under the law or inappropriate under contract management standards.
2. Projects considered scientifically unsound or significantly increase risk to workers and/or the public.
3. Projects that will not be conducted in Michigan.
4. Projects involving demonstration of non-commercially available equipment and technologies. This also includes projects involving the conduct, or purchase of equipment to conduct research, development, or demonstration of renewable energy and energy efficient technologies not commercially available.
5. Projects involving demonstration of technologies with no prior successful adoption within industry or the business community under real world applications.
6. Projects involving demonstration of non-innovative technologies, or technologies with adoption rates above roughly ten percent within the Michigan business sector.

7. Projects that cannot be shared with or have restricted transferability to other potential end-users in Michigan.
8. Projects requiring an environmental assessment study under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C Section 4321 et seq) unless the applicant can show proof of the Department of Energy's approval of the project prior to the proposal submission deadline.

Note: Potential projects requiring an individual review and determination under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. Section 4321 et seq) may be deemed ineligible due to their inability to obtain a Categorical Exclusion determination. Projects that may need an individual review could include:

- i. Wind Turbines greater than 20KW
- ii. Solar Thermal Systems greater than 20KW
- iii. Biomass Thermal systems greater than 3 MMBTU's per hour
- iv. Solar Electric / Photovoltaic systems and/or units that are not appropriately sized for the existing rooftops and parking shade structures and/or systems that are larger than 60KW
- v. Solar Thermal Hot Water systems that are not appropriately sized for residences or smaller commercial buildings
- vi. Under Combined Heat and Power systems – boilers that are not sized appropriately for the building in which they are located.

PART IV
PROJECT CONTROL AND REPORTS

IV-A Project Control

1. The selected applicant(s) will carry out the project under review of the Grant Administrator. The Grant Administrator will have final authority over the Grantee.
2. Along with continuous liaison with the selected applicant(s), the Grant Administrator will communicate (face to face, phone, & e-mail) periodically with the selected applicant's project manager for the purpose of reviewing progress and giving necessary guidance to the selected applicant in solving problems which may arise.
3. Prior to executing any changes to the scope of the project and/or budget, the selected applicant(s) must inform the Grant Administrator in writing outlining the proposed changes, in accordance with the requirements of the grant agreement.

IV-B Monitoring and Reporting Program Performance

1. The selected applicant(s) shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.
2. The selected applicant(s) will be required to assume responsibility for monitoring and reporting.

IV-C Reports (Project and Financial)

1. The selected applicant(s) will provide the Grant Administrator with bi-monthly progress reports as further described in the Grant Agreement. At a minimum, the reports will outline the work accomplished during the reporting period relative to proposed work and timeline, work to be accomplished during the next reporting period, real or anticipated problems that should be brought to the attention of the Grant Administrator, and notification of any significant deviation from previously agreed-upon work plans. Other deliverable work products, such as project planning meeting summaries covering each bi-monthly period, shall be submitted with each progress report for approval.
2. Financial Status Reports (FSR) and/or Payment Requests. The selected applicant(s) shall submit a signed and dated FSR to the Grant Administrator indicating the amount of funds expended in each line item category of the budget. Financial status reports are due with the submission of each bi-monthly progress report, according to the reporting schedule outlined in the Grant Agreement. Payment requests may be submitted on a monthly basis, as needed, but must be submitted on a bi-monthly basis.
 - (a) MEO will provide grantees with FSRs and payment request forms.
 - (b) Attach source documentation as specified in Part II, Section II-G, Accounting.
 - (c) The expenditure of grant funds shall be incurred within the grant period and reported by line item and compared to the budget.

- (d) In-kind or matched fund expenditures must occur within the established timeline for this grant and must be supported by source documentation, as specified in Part II, Section II-G, Accounting.
 - (e) An individual authorized by the Grantee organization must sign and date Form #C-108 (box #14).
- 3 A final narrative report must be submitted to the Grant Administrator before the final grant payment is made. A draft final narrative report must also be submitted in Microsoft Word format to the Grant Administrator via email no later than 5:00 PM on September 13, 2013. The Grantee will then submit a final narrative report and final payment request by September 30, 2013. At a minimum, the final report will contain:
- (a) A summary of the grantee's goals and objectives for the project and a description of how State funds were used to contribute to the accomplishment of these goals and objectives.
 - (b) A summary of the activities completed with grant and matching funds
 - (c) The expenditure of State and any local funds for this project shall be reported by line item and compared to the approved grant budget.
 - (d) Copies of any materials developed or used in the project.
 - (e) A discussion of anticipated and actual impacts of the project. Indicate specifically benefits attributable to State funding and more general impacts/benefits accruing as a result of the total project, including anticipated next steps. If the project does not fully achieve the expected impacts, the Grantee shall provide an explanation of the reasons why the impact was less than expected.
4. Final Financial Status Report (FSR)/Final Payment Request. The selected applicant(s) shall submit a signed and dated final FSR to the Grant Administrator indicating the amount of funds expended in each line item category of the budget along with the final narrative report according to the guidelines contained in Part IV of this RFP. Please indicate "Final" in box #5 of Form #C-108.
5. If all contingencies are met, all third party FODFC investment funds, upon which the Demonstration Project award is made, must be transferred to the applicant company by the end of the Demonstration Project award. A copy of bank statements must be provided to the Michigan Strategic Fund (MSF) (Tania M. Howard, Coordinator) to verify that all funds have been transferred. FODFC funding can be cash, product sales revenues and/or licensing revenues, liquid assets, tangible financial instruments but not in-kind or other "intangible assets". Loans and investments with contingency clauses are not acceptable. Self-funding also does not qualify for the FODFC requirement. **Proof that contingencies – outlined in the FODFC and Deployment Plan - were not met will be required in order to void the FODFC.**
6. As a condition of accepting this grant application, applicant agrees to participate in follow-up surveys pertaining to project goals, metrics, outcomes, and next steps.

PART V
INFORMATION REQUIRED FROM APPLICANTS

Proposals must be typed in a 12-point font with no more than 20 numbered pages. The page count includes any cover page, and/or attachments, but does not include the executive summary, resumes, or letters of support. Hard copy proposal must be double-sided, and must have an original signature. Applicant(s) are required to submit three hard copies and one electronic PDF copy of their proposal.

All applicants must submit a [Notice of Intent to Apply form \(NOIA\)](#) at least ten (10) business days prior the proposal submission deadline.

All proposals must include an executive summary. The executive summary should be placed at the beginning of the proposal, must not exceed two pages, and should include the name of the organization, the amount of funds requested, and an outline of the proposed project at a minimum. Initial screening of the executive summaries will be conducted to insure applicants and projects are eligible.

Applicant(s) must provide responses to each section below. Please follow the format identified by stating the section number and title followed by the response. Be as descriptive as possible and answer each question in its entirety. Some questions have multiple components. Questions that do not apply should be answered N/A.

In addition to the information below, applicants must also complete and submit:

- [Notice of Intent to Apply \(NOIA\)](#)
- Financial Information, [Attachment A-1](#)
- Internal Controls Questionnaire, [Attachment A-2](#)
- [NEPA Environmental Checklist](#)
- If applicable, [State Historic Preservation Office Application for Section 106 Review](#)

The State contemplates the grant period will start January 2, 2013 and will end on August 30, 2013.

V-A Identification of Organization

State the full name and address of the organization, the organization's federal identification number, active DUNS number, the telephone and fax number, e-mail address, web site address, and if applicable, other subordinate element(s) that will perform, or assist in performing, the work hereunder. Additionally provide the North American Industry Classification System (NAICS) code(s), number of full-time employees, and a brief business description of the organization.

Include a completed Federal Form W-9 (see <http://www.irs.gov/pub/irs-pdf/fw9.pdf>)

V-B Authorized Negotiators

Include the names, e-mails, and phone numbers of personnel authorized to negotiate the proposed grant agreement with the State. Include the signature of the person(s) authorized to commit the organization to the agreement.

V-C General Project Information

Please provide the following project information: project title, project address (if different from above provided mailing address), and the name, title, phone, fax, and e-mail of project contact(s) (if different from above authorized negotiator).

V-D Management Summary

Describe in narrative form how the project will be managed by the organization including quality assurance measures and how the project will be evaluated. Project partners must be clearly identified along with a description of their specific role(s), project contribution, agreements to be established, and how the various efforts will be integrated and managed. Include an organizational chart including names and titles of all key participants contributing to the project.

The project manager will be responsible for the coordination and financial reporting of all subcontractors involved. Identify the project manager and the person(s) responsible for financial management and reporting. Include quality assurance measures to prevent errors, fraud and waste internally and in contracting for goods and services.

V-E Statement of the Problem

State in clear, concise terms the applicant's understanding of the problem presented by this RFP and its significance. Provide an explanation for how the demonstrated technology compares against competing energy options (i.e. fossil, renewable energy, and/or energy efficiency) on an installed cost/unit of energy basis.

V-F Work Plan and Project Timeline

Describe in narrative form the applicant's plan for completing each required Task given in Part III, Section III-D above. Indicate the number of staff hours, equipment, or necessary resources allocated to each required Task, as well as the individual(s) responsible for the Task. Include a time-related chart (Gantt or similar), showing each required Task, key sub-tasks, and critical decision points in the work plan. Key sub-tasks include completing necessary sub-contractor agreements, kick-off meetings, equipment purchase orders; permit approvals, site preparation, equipment installation, equipment testing, establishing data measurement and operating procedures, quarterly status meetings with MEO, etc. Include any technical plan(s) drafted for accomplishing the work. A plan to evaluate project results should also be included.

Project Deconstruction

Using the format described below, please explicitly define, describe, and quantify the outcomes you expect to validate in the demonstration project, using National Institute of Standards and Technology (NIST) weights and measures. The Deconstruction exercise is designed to help applicants (and their collaborators) *explicitly qualify and quantify* the demonstrated product or process. For example, if the project expects to demonstrate a product that purports to generate more energy output per unit of energy input (say increased solar PV cell efficiency) than a competing approach, conversion efficiency, Coefficient of Performance, installed cost/watt, etc. could be viable weight and measure metrics. A project that demonstrates reduced cost for Balance of Systems costs may wish to use weights and

measures that describe innovations in Installation and Performance, Permitting, etc. A project that shows how a technology performs under Michigan-specific conditions will need to define the conditions and provide weights and measures accordingly. Applicants should enter **multiple** weights and measures and complete the exercise for each weight and measure.

Project Deconstruction Format

| Weight and Measure | Unit of Measure | Current Industry Standard (Baseline) | Demonstration Outcomes | Validation of installed cost/unit-of-energy |
|----------------------------------------|------------------------|---------------------------------------------|-------------------------------|----------------------------------------------------|
| 1. | | | | |
| 2. (Add additional lines as necessary) | | | | |

- “**Weights and Measures**” are *industry requirements* and *specifications* that collectively define the proposed innovation. Typical weights and measures include weight, capacity, length, area and volume, speed, tensile strength, accuracy, power, solubility, evaporation rates, temperature tolerance, quality, production time, length of service, reliability, etc. QUESTION: What are the standard Weights and Measures used to describe and define the *demonstrated* technology or product?
- “**Unit of Measurement**” describes the *quantity or value* of a given Weight and Measure (e.g., ton, pound, gallon, bushel, mile, acre, yard, etc.). QUESTION: What are the units of measurement associated with each listed Weight and Measure?
- The “**current industry standard**” is BASELINE for the project. It is the “*number of units measured*” that is currently accepted as the standard in the industry by certifying authorities (e.g., National Institute of Standards and Technology). For example, if “weight” is the “unit of measure” how much does the specific weight and measure weigh? QUESTION: What is the current industry standard for each of the listed Weight and Measure?
- The purpose of the “**demonstration outcome**” is to describe the parts of the project that are being *demonstrated* – the *proof and validation* that the demonstration will be successful. It is the number of units that describe the Weight and Measure you anticipate/expect will be validated by the demonstration, **in comparison to the baseline**. QUESTION: What is the expected demonstrated outcome for each of the listed Weight and Measure?
- The **Validation of installed cost/unit-of-energy** is how the demonstration project **outcomes** validate, PROVE, and illustrate a significant reduction in the installed cost/unit-of-energy in relation to other energy options currently available in the state.

Describe in narrative form the applicant’s detailed plan for completing each required milestone and associated task(s) given in Part III, Section III-D above, including the start date and anticipated project completion date, and subcontract signature dates (if applicable). To assist in preparation of the proposal, the State anticipates these projects will start on or

around January 2, 2013 and be completed no later than August 30, 2013 (excluding the submission of the final report, due by September 30, 2013). The start-up date is contingent on the availability of grant funds and execution of a Grant Agreement between the State and Grantee organization.

V-G Prior Experience

Provide a brief statement about any prior experience, and/or expertise that applicant and/or partners have on staff that demonstrates their ability to either implement or assist in the implementation of the project or achieve the intended purpose, objectives, and tasks of these grants. If an applicant has received a grant from the Michigan Energy Office (MEO) in previous years, a description of that project(s) and overview of results should be included.

List any possible barriers that may delay implementation of the project due to past experiences, concerns of staff that have worked on similar projects, and/or other related sensitive stages/milestones that may impede progress or potentially inhibit applicant's ability to achieve the purpose, objectives, and tasks required under this RFP.

V-H Personnel

The applicant(s) must be able to staff a project team, which clearly possesses talent and experience in project and grant management. Identify key personnel to be involved with this project, by name and title, and provide their qualifications. Also include a resumé for each person listed on the budget, including persons listed under in-kind or matched funds. If other organizations will be playing a role in the proposed project in coordination with this grant, provide sufficient background information on them in order to give the MEO a reasonable understanding of their qualifications.

V-I Deployment Plan

In this section, please briefly describe the Deployment Plan for the demonstrated technology or product. Universities that are applying for these funds should provide an EXPLICIT description of the role that their Technology Transfer (TT) office will play in the project and its deployment (**NOTE: An additional Letter of Support from the University TT Office will be required in addition to the **three (3)** letters of support required for all applicants).**

- Venture Form – Describe the form of the venture that will assume primary responsibility for the deployment of the demonstrated technology or product (e.g., strategic alliance, third-party investment, sale of license to the technology, etc.).
- Management Team – Describe the qualifications of the Management Team that will be responsible for the deployment of the demonstrated technology or product.
- Market and Competition – Describe the market for the demonstrated technology or product and its competition from other energy sources (fossil fuels, renewable energy, and energy efficiency).
- Intellectual Property – Describe the Intellectual Property protections and related strategy for the demonstrated technology or product. If a university technology is serving as Background IP, please describe the license arrangement between the applicant and the university.
- Finance Plan – Describe the finance plan for the deployment of the demonstrated technology or product.
 - OPTIONAL FODFC – A FODFC would be part of the overall finance plan.

The applicant may secure a Third-Party Follow-on Deployment Funding Commitment (FODFC) from Third Party sources who intend to enter into an Agreement with the Grant Applicant to deploy the technology. The **Letter of Intent** for the FODFC should be included in the Appendix.

V-J Letters of Support

Applicants must provide **three (3)** separate one-page letters of support – one of which may come from the FODFC provider. These letters should come from credible and qualified sources and describe exactly why they believe the expenditure of tax-payer dollars to support this demonstration project is a viable and worthy investment, based on the projects potential and compelling scientific, technical, and deployment benefits to the state.

V-K Budget

Applicant(s) must provide a complete budget. Budgets must be itemized, include any allowable costs necessary to successfully complete the project, and be accompanied by a budget narrative which adequately describes each budget category. A 1:1 match is required and a FODFC match is strongly encouraged; please clearly identify source(s) of matching funds in the budget narrative. Applicant(s) **MUST USE** the [Approved Budget Form](#) available online. Please also note that any Travel expenses must be calculated using the current [State Approved Travel Rates](#). Below is a brief summary of budget categories that may apply.

Cost Elements Proposer State Match FODFC (Other Fin. Resources) Total

Personnel (Position, rate, hours)

Fringes (Explain how calculated)

Contractual Services (Specify, must be competitively bid)

Travel (Provide details, must be at state approved rate)

Supplies & Materials (Please list with unit prices and quantities)

Equipment (Please list with unit prices and quantities)

Other (Please specify)

Total Direct Costs (Sum of the above categories)

Indirect Costs (Cannot exceed 20% of the State share of Direct Costs)

Total Demonstration-Phase Costs (State Share + 1:1 Match)

TOTAL Project Costs (Demonstration-Phase Costs + FODFC)

The grant will be paid out according to the grant payment schedule listed in the grant agreement and in agreement with the approved budget, and/or any approved amendment to the budget. The State's final share of each line item will be paid out at the proportionate rate of participation as established by that line item in the grant budget and/or any approved amendment.

V-L Additional Information and Comments

Include in this section any other information that is believed to be pertinent, but not specifically requested elsewhere in this RFP. In addition, the applicant must confirm all attachments are included and all requirements of Part II, Section II-AA and Section II-BB are met.

V-M Certification of Proposal

Please sign the application and include the following language:

I certify that all information contained in the proposal is true to the best of my knowledge and belief, and that the organization is in compliance and agreement with all sections of the request for proposal.

Certified by: _____

Authorized Signatory and Title

Organization Name:

Parent Entity, where applicable:

Telephone Number:

Fax Number:

E-mail Address:

PART VI **SELECTION CRITERIA**

All proposals received shall be subject to an evaluation by the Issuing Office. **Applicants that are Recommended for Funding who also have viable FODFCs will be given priority of funding.**

This evaluation will be conducted in a manner appropriate to select the organization(s) for the purpose of entering into a grant to perform this project. All proposals will receive an initial screening to insure that the eligibility criteria are met. Any proposals not meeting the eligibility requirements described in I-B, and the requirements of Part II, will be rejected automatically. Proposals meeting the eligibility requirements will be evaluated using a 100 point scale according to the selection criteria listed below. Applicants may be asked to make oral presentations before a final decision is made.

Administrative Review – Applicant proposals will be screened to ensure that all page limits and other administrative requirements are met. Proposals which do not meet the Administrative Requirements will not be reviewed.

Eligible for Consideration - Applicants who pass the Administrative Review must next achieve a minimum total score of Fair to be eligible for consideration:

- Excellent: 100 Points
- Very Good: 90 - 99 Points
- Good: 80 – 89 Points
- **Fair: 70 – 79 Points**
- Poor: 0-69

Recommended for Funding - Based on the criteria below, a pool of candidates will be ranked according to their scores. Those with the highest scores will be placed in a “Recommended for Funding” (RfF) category. **Those applicants in the Recommended for Funding (RfF) category with viable FODFC’s will be given priority of funding status.** Remaining RfF Applicants (i.e., those without a FODFC) will be awarded on a Total Points basis.

Total maximum points is 100.

VI-A Qualifications and Experience of the Applicant Organization (25%)

- 1) Project Manager is clearly identified.
- 2) Previous grant or project management experience.
- 3) Experience as described in Section V-G. (Include resumes showing relevant experience.)
- 4) Roles and contributions of partners are clearly defined.
- 5) Documentation of project support, including any leveraged resources.

VI-B Project Deconstruction and Work Plan (35%)

- 1) Tasks to be performed by all project contributors are clearly and reasonably described, and match RFP request.
- 2) Clear timeline outlining each event, task, and decision point in the work plan.
- 3) Project deliverables are clearly stated, and align with RFP.

- 4) Plan for public dissemination of project information is included.
- 5) Plan to evaluate project results (qualitatively and quantitatively).
- 6) Adequacy of the Project Deconstruction and ability to clearly identify demonstration outcomes.

VI-C **Budget (15%)**

- 1) Budget line items and amounts are sufficiently described and justified (including number of hours, pay rate per hour, and hours by task for each staff member contributing to the project.)
- 2) Meets or exceeds matching funds requirement, and/or leverages additional resources for the proposed project.

VI-D **Project Impact (25%)**

- 1) Demonstrates a clear link between the project and specific environmental, economic, and societal benefits*
- 2) Potential level of visibility/number of people reached.
- 3) Adequacy of the Deployment Plan.

*Examples of impact include solving a local energy or waste disposal problem that improves local environmental quality; providing educational or vocational opportunities in development or implementation of renewable energy projects or programs; effective use of public-private partnerships; reducing fossil fuel use "X" percent; creating "X" number of jobs by deploying technologies or processes that support renewable energy.

ATTACHMENT A-1
MICHIGAN ENERGY OFFICE
PROJECT MANAGEMENT FORM

FINANCIAL INFORMATION
PROVIDE ALL INFORMATION REQUESTED ON THIS FORM

Name of Financial Contact: _____

Project Title: _____

Name of third party organization or affiliation, as applicable: _____

Telephone Number if different from authorized Signatory: _____

Fax: _____

E-mail: _____

Please check or fill-in response where appropriate.

1. Have you had prior Federal awards?

Yes No

2. Have you had an outside audit or an A-133 audit?

Yes No

If yes, please provide most recent copy of the A-133 or outside audit. If no, please provide the most recent financial statements (balance sheet & income statement), if available.

3. Does applicant have any pending litigation or existing legal obligations which may impact the applicant's ability to perform the statement of work proposed in the grant application?

Yes No

INFORMATION FOR DETERMINING COGNIZANT AGENCY/OFFICE

4. Applicant's fiscal year end date is _____

5a. Identify Cognizant Federal Agency (agency providing the preponderance of Federal funding), and provide Agency name, a point of contact, phone number, and e-mail.

Agency: _____

Point of Contact: _____

Phone: _____

E-mail: _____

5b. To assist our office in validating Cognizant Federal Agency (5a), please provide following information for the 5 highest dollar award value for current Federal contracts, grants or awards (do not include sub- awards). (State Agencies and Universities can skip 5b)

| Contract/Award # | Awarding Agency | Awarding Office | Start Date | End Date | Total Value |
|------------------|-----------------|-----------------|------------|----------|-------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

6a. If applicant has current DOE awards, identify Cognizant DOE **Office** (office providing the preponderance of DOE funding), and provide DOE office name, a point of contact, phone number, and e- mail.

Contract/Award #: _____

DOE Office: _____

Point of Contact (Contracting Officer): _____

Phone: _____

E-mail: _____

Awarding Agency: _____

6b. To assist our office in validating Cognizant DOE Office (6a), please provide following information for the 5 highest dollar value awards for current DOE contracts, grants or awards (do not include sub-awards). (State agencies and Universities can skip 6b)

| DOE Contract/Award # | DOE Awarding Office | Start Date | End Date | Total Value |
|----------------------|---------------------|------------|----------|-------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Please include disclosure required by the Special Terms and Conditions, Financial Commitment/Funding Plan, pages 31 and 32, available at:

[http://www.michigan.gov/documents/mdcd/SPECIAL_TERMS_AND_CONDITIONS_FOR_USE_IN_MOST GRANTS AND COOPERATIVE AGREEMENTS 370406_7.PDF](http://www.michigan.gov/documents/mdcd/SPECIAL_TERMS_AND_CONDITIONS_FOR_USE_IN_MOST_GRANTS_AND_COOPERATIVE_AGREEMENTS_370406_7.PDF).

**FINANCIAL MANAGEMENT
SYSTEM**

To qualify for Financial Assistance, compliance with 10 CFR 600.121 – Higher Education, Hospitals, and Other Non-Profit Organizations, 10 CFR 600.220(b) – State and local Government required or 10 CFR 600.311 – For-Profit Organizations is required. Please check applicable boxes below:

- The Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311.
- I do not know if my Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311. If this block is checked, complete the survey below.

Accounting System Survey

Yes No N/A

- | | Yes | No | N/A |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1) Is your Accounting System in accordance with Generally Accepted Accounting Principles applicable to the circumstances? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) Accounting System provides for: | | | |
| a. Segregation of direct costs from indirect costs. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Identification and accumulation of direct costs by project. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. A logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives. (Project is final cost objective) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Accumulation of costs under general ledger control, | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. A timekeeping system that identifies employees' labor by intermediate and final cost objectives. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. A labor distribution system that charges direct and indirect labor to appropriate cost objectives. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Interim (at least monthly) determination of costs charged to a project through routine posting of books of account. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Excluding costs charged to Government projects which are not allowable in terms of FAR 31, Contract Cost Principles and Procedures, or other provisions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| i. Identification of costs by project line item and by units (as if each unit or line item were a separate project) if required by the proposed award. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) Is the Accounting System designed, and are the records maintained in such a manner that adequate, reliable data are developed for use in developing cost proposals? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4) Is the Accounting System currently in full operation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5) Are all indirect costs supported by actual cost? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Equitably distributed and based on the entity as a whole; | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Traceable according to the Cost Allocation Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

ATTACHMENT A-2
Internal Controls Questionnaire

| | Budgets | Y | N | N/A | Comments |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|-----|----------|
| 1. | Did the governing body formally adopt a budget for the general fund and all special revenue funds before the start of the fiscal year? | | | | |
| 2. | Are detailed budget vs. actual reports prepared monthly and reviewed by department heads or others in management? | | | | |
| | Segregation of Duties | Y | N | N/A | Comments |
| 3. | Are the following accounting functions and duties normally performed by separate employees? | | | | |
| a. | Physically receipting cash or checks (either by mail or over the counter) and preparing or making bank deposits | | | | |
| b. | Authorizing or approving invoices for payment and printing or otherwise preparing checks | | | | |
| c. | Handling cash receipts or disbursements and preparing bank reconciliations or having direct access to the general ledger | | | | |
| d. | Initiating ACH wire transfers and preparing bank reconciliations or having direct access to the general ledger | | | | |
| 4. | When staffing constraints require two or more key financial duties to be performed by a single individual, is his/her work reviewed by a responsible official? | | | | |
| 5. | Are employees with key financial responsibilities required to take vacations, with others performing their duties in their absence? | | | | |
| | Cash Handling | Y | N | N/A | Comments |
| 6. | Are authorized bank accounts and check signers periodically approved by the governing body? | | | | |
| 7. | Are all cash receipts accounted for sequentially, and filed with supporting documentation? | | | | |
| 8. | Are all bank deposits supported by one or more sequential cash receipts? | | | | |
| 9. | Are cash receipts stored in a physically safe (locked) location until taken to the bank? | | | | |
| 10. | Is access to each petty cash box limited to a single custodian? | | | | |
| 11. | Are petty cash reimbursements periodically reviewed or reconciled by an individual other than the custodian? | | | | |
| 12. | Are completed bank reconciliations reviewed by an individual other than the preparer? | | | | |
| 13. | Are investments managed by a responsible official with knowledge of the government's investment policy? | | | | |
| 14. | Are detailed records maintained for all investments regarding purchase date, cost, maturity date, interest rate, etc.? | | | | |
| 15. | Are investment statements reconciled to the general ledger monthly by an individual not responsible for managing the investment? | | | | |

| | Billing and Accounts Receivable | Y | N | N/A | Comments |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|-----|----------|
| 16. | When customers pay bills in person (i.e., at the counter), are they either given a receipt or have their bills stamped as paid? | | | | |
| 17. | Are monthly or quarterly statements sent to all customers? | | | | |
| 18. | Are past due or credit balances reviewed by someone other than the individual responsible for billing before making any adjustments to write-off or refund accounts? | | | | |
| | Purchasing and Accounts Payable | Y | N | N/A | Comments |
| 19. | Are all purchases supported by either a purchase order or check request, signed by an authorized individual not responsible for preparing checks? | | | | |
| 20. | Are the expense distributions for all purchases reviewed and approved By the department requesting payment? | | | | |
| 21. | Are new vendors approved by someone other than the individual responsible for processing accounts payable? | | | | |
| 22. | Are all checks either (a) hand signed by an authorized individual not responsible for preparing the checks, or (b) if mechanically or electronically signed, is a check register reviewed by an authorized individual not responsible for preparing the checks? | | | | |
| 23. | Is unused check stock stored in a physically safe (locked) location? | | | | |
| 24. | When checks are voided or spoiled, are they stamped VOID and retained? | | | | |
| | Personnel and Payroll | Y | N | N/A | Comments |
| 25. | Are accounting personnel subject to a background check prior to hiring? | | | | |
| 26. | Are new employees approved by someone other than the individual responsible for processing payroll? | | | | |
| 27. | Are the pay rates of all employees approved annually by the governing body and appropriately documented? | | | | |
| 28. | Do all non-salaried employees prepare timecards, timesheets, or other evidence of time worked? | | | | |
| 29. | Are time and attendance records approved and signed by an appropriate supervisor prior to processing payroll? | | | | |
| 30. | Before running payroll checks, is a payroll register reviewed and approved by an authorized individual not responsible for preparing the checks? | | | | |
| 31. | Do employee pay stubs display a detail of hours worked, gross pay, and all withholdings and deductions? | | | | |
| 32. | Are withholding accounts periodically reviewed and reconciled to ensure that all required payments are made on a time basis? | | | | |
| | Inventory | Y | N | N/A | Comments |
| 33. | Are inventories adequately safeguarded against loss, theft, or misuse by being kept in locked enclosures with restricted access? | | | | |
| 34. | Are perpetual inventory records maintained and periodically compared against physical counts? | | | | |
| 35. | Are adjustments to inventory balances (due to loss or spoilage) reviewed and approved by an appropriate individual? | | | | |

| | Capital Assets | Y | N | N/A | Comments |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------|---|---|-----|----------|
| 36. | Are detailed capital asset records maintained, including acquisition date, useful life, and historical cost? | | | | |
| 37. | Are capital assets that are susceptible to theft (e.g., vehicles, computers, etc.) appropriately inventoried and monitored throughout the year? | | | | |
| 38. | Are capital asset records reviewed annually by various departmental representatives for additions and disposals? | | | | |
| 39. | Are depreciation schedules updated annually, and reviewed by a responsible official? | | | | |
| | Debt | Y | N | N/A | Comments |
| 40. | Are all new borrowings and leases allowable under state law and properly approved by the governing body? | | | | |
| 41. | Does management periodically determine that the government is complying with all applicable debt covenants and other compliance requirements? | | | | |
| 42. | Does an appropriate official oversee the use of bond proceeds to ensure they are only spent on allowable costs and activities? | | | | |
| | General Ledger and Journal Entries | Y | N | N/A | Comments |
| 43. | Are all balance sheet accounts periodically reviewed and reconciled against supporting documentation and subsidiary ledgers, where appropriate? | | | | |
| 44. | Are all journal entries reviewed and approved by an employee other than the preparer? | | | | |
| 45. | Are all journal entries accounted for sequentially, and filed with supporting documentation? | | | | |
| 46. | Is access to computerized accounting records restricted to authorized individuals (e.g., by using passwords)? | | | | |
| 47. | Do software controls prevent accounting transactions from being deleted or modified once posted? | | | | |
| | Grant Administration | | | | |
| 48. | Are all new grant agreements properly approved by the governing body prior to requesting funds? | | | | |
| 49. | Are all grant expenditures reviewed by a project manager knowledgeable of the grant requirements to ensure only eligible expenditures are incurred? | | | | |
| 50. | Are all reimbursement requests reviewed by a responsible official to ensure that they are in agreement with the accounting records? | | | | |