



Department of Commerce

Clean Energy Fund Research, Development and Demonstration (RD&D) Match Program

Program Summary & Application Guidelines

SUMMARY

The Department of Commerce, Energy Office is seeking grant applications for the Research, Development and Demonstration (RD&D) Match Program from entities seeking matching funds required by non-state funders for clean energy technology projects. For the purposes of the RD&D Match Program, a “clean energy technology” is defined as one that increases energy efficiency, reduces energy consumption, improves energy utilization, enables integration of intermittent forms of renewable energy, or generates renewable energy.

Non-state funds being sought will match state RD&D funds at a 1:1 or greater ratio. A higher ratio is desired and will be considered during competitive prioritization and ranking. Program funds must be used to develop and acquire capital assets having a lifespan of 13+ years. It is expected that the projects will be completed within 24 to 36 months of the RD&D match award.

RD&D PROGRAM OVERVIEW

The program was created by the Washington State Legislature through the Clean Energy Fund (CEF) to support Washington’s research institutions, organizations and clean energy technology companies. The primary goals are to:

- Provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or otherwise increase energy independence for the state.
- Increase the competitiveness of Washington-based research entities by providing a required cost-share or match funding assistance.
- Bring in new non-state funding to help grow Washington’s clean technology sector.
- Develop and strengthen relationships and new technologies in the clean energy sector.

Legislation mandates that eligible projects include, but are not limited to:

- Advancing energy storage and solar technologies
- Advancing bioenergy
- Developing new lightweight materials
- Advancing renewable energy & energy efficiency technologies

THIS ROUND OF FUNDING

- \$2,916,316.00 will be available in the solicitation opening January 13, 2017.
- The **minimum** amount that may be requested is \$50,000.
- The **maximum** grant award is \$2,500,000 or available balance, whichever is less.
- Commerce, at its sole discretion, may waive the maximum grant amount in order to enable a particularly compelling project or package of interrelated projects from collaborating entities.

MATCH OVERSUBSCRIPTION

The 1:1 hard match requirement for funding is 1:1; therefore, unlikely that all applicants will meet this qualifier. To maximize funding opportunities, Commerce may choose to oversubscribe the fund by initially awarding more

than the amount of RD&D grant money available for each round. For example, if a low percentage of applicants meet the match and other requirements, approved applicants may be awarded RD&D funding at or near their requested amount. However, if a high percentage of RD&D applicants meet the funding requirements, final awards may be lower than requested. Contingency plans for the possibility of decreased funding amounts must be provided in the application. Contingencies could include scalability of project scope, arranging for alternate funding (i.e. loans, venture capital), or other actions. Applicants may not submit an inflated budget to offset possible RD&D reductions. Contingency plans must be able to be executed within the designated application timeframes.

- Applicants must spell out contingency plans for how they would scale back their projects should they be awarded only a portion of their RD&D match request.
- Applicants are expected to notify Commerce of all applicable non-state award decisions. Applicants who do not receive their non-state funding awards may reapply for future funding opportunities as announced and available, but will not retain their RD&D match award while searching for alternate funding.
- Once all contracts for approved projects have been executed, remaining match funds, if any, for each round will be divided among the RD&D awardees through contract amendments.
- Projects with reduced non-state funding awards will have their RD&D match funding reduced to provide no more than the minimum required 1:1 match.
- In no case will more than 100% of the requested RD&D match be provided.
- Commerce reserves the right to award less than the RD&D match requested.

ROUND 3 SOLICITATION DEADLINES

- Round 3 solicitation to compete for the amount of \$2,916,316.00 opens **January 13, 2017**. **Pre-Application** submittals are **due by January 31, 2017**. **Phase 2** full applications and match requirement award documentation are **due by March 31, 2017**.
- The ZoomGrants online portal allows application submittals until midnight on the due dates.

ASSUMPTIONS

- Applicants may submit only one application per funding round. Each submission will contain a single project.
- Commerce Clean Energy Fund (CEF) will provide no more than the minimum 1:1 match required by the primary non-state funding source and in no case will CEF match exceed 50% of the total project cost.
- RD&D match is a required condition of the non-state funding.
- Applicants proposing to match external private funds must show the requested match is the minimum required by the funding source.
- Applicants proposing to match their own funds must demonstrate need and/or compelling public benefit.
- Prioritization factors include, but are not limited to, those found in the authorizing legislation ([2EHB 1115 §1028](#)), [Washington State Energy Strategy](#), and [Governor Inslee's Executive Order 14-04](#).
- Applications must be submitted through the [ZoomGrants online portal](#) used by Commerce.
- A project Pre-Application is required. Pre-Application submissions that pass established thresholds will be approved to apply in the Phase 2 application round.
- Submitting a project in Pre-Application does not obligate the applicant to continue to a Phase 2 application.
- Commerce will make all final funding award decisions.
- Awardees must conform to all state laws, regulations and policies.

MANDATORY ELIGIBILITY CRITERIA

- Applicant must be a Washington State-based research institution, non-profit, private business or other organization pursuing clean energy technology.
- Applicant (including project partners) must be able to demonstrate continuous and intensive engagement with the research community through relevant research, development and/or demonstration projects.
- Applicant must show significant in-state presence by conducting primary research, development,

demonstration and deployment in Washington State.

- Applicant must have current registration with the state’s Department of Revenue or Secretary of State.
- Applicants cannot request RD&D funding to supplant (or displace) prior or existing match commitments.

Projects must:

- Develop or acquire capital asset(s) with a lifespan of 13+ years, and be located in the state of Washington.
- Demonstrate benefit to Washington State and its citizens.
- Develop or demonstrate eligible clean energy technologies which:
 - have demonstrated viability but have yet to be commercialized; **or**
 - expand existing technologies through innovation such as novel configurations or increased efficiencies.
 - Specifically enable access to new non-state funding.
 - Involve a clean energy technology (see Table 3a).

Coal, oil, natural gas or projects in which the primary focus is on these fossil fuels (except when used in fuel cells, energy storage systems or combined heat and power projects) are **not eligible** for Clean Energy Fund RD&D match grants.

APPLICATION PROCESS

Once the solicitation period opens, applicants may not contact Commerce staff to discuss their projects. Non-project specific questions may be submitted by email to energy_policy@commerce.wa.gov. Questions and answers will be posted on Commerce’s Clean Energy Fund webpage. Applicants will not be provided an opportunity for project presentations.

Application Steps

Step 1: Review guidelines thoroughly and note any unclear issues. Ask for clarification via webinar, bidder’s conference, or energy_policy@commerce.wa.gov. Review posted questions and answers (Q&A) at the Clean Energy Fund website.

Step 2: Participate in or review recorded webinars and bidder’s conferences.

Step 3: Confirm the submitted project is an eligible clean energy technology (see table below).

Clean Energy Technology Category	<input type="checkbox"/> Demand response <input type="checkbox"/> Energy conservation <input type="checkbox"/> Solar power <input type="checkbox"/> Wind power <input type="checkbox"/> Geothermal <input type="checkbox"/> Wave/tidal/current energy <input type="checkbox"/> Advanced hydropower <input type="checkbox"/> Energy storage <input type="checkbox"/> Bioenergy (biofuels, biogas, biomass) <input type="checkbox"/> Renewable, biodegradable chemicals <input type="checkbox"/> Advanced thermal energy conversion	<input type="checkbox"/> Fuel cells <input type="checkbox"/> Carbon capture/sequestration <input type="checkbox"/> Energy monitoring <input type="checkbox"/> Demand-side management <input type="checkbox"/> Combined heat and power <input type="checkbox"/> Developing new lightweight materials <input type="checkbox"/> Other technology powered by the sun, wind, water, bioenergy, fuel cells or any other renewable, non-depletable or recyclable fuel <input type="checkbox"/> Hydrogen
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Step 4: If the submitted project is eligible, the applicant opens a ZoomGrants Account. If there has been a submitted application for the same project in a previous solicitation round, a new application is required.

Step 5: Review administrative documents and templates provided to help develop the application.

Step 6: Complete and submit a Pre-Application proposal, including all required support documents. Commerce will review Pre-Application responses. A Pre-Application “approval” authorizes the applicant to proceed to Phase 2. A “denial” means the project cannot proceed. An applicant may appeal a determination of ineligibility within two business days by sending an email and any supporting documentation to energy_policy@commerce.wa.gov. **Please type “RD&D Appeal” in the subject line.**

Step 7: Complete and submit a comprehensive proposal with supporting documentation for Phase 2. Commerce will review and prioritize projects. An external evaluation team will recommend projects for funding. No presentations, supplemental information or documents not directly requested by Commerce will be allowed after the application deadline. Commerce reserves the right to request additional information as part of its due diligence and will make all final funding decisions.

Step 8: Notification of RD&D grant awards and unsuccessful proposals will take place approximately four weeks after the Phase 2 application due date.

PROJECT EVALUATION, RATING AND AWARD

Reviews will be based solely upon documents provided as part of the application. There will be no opportunity provided for project presentations. Commerce reserves the right to request additional information.

RD&D Scoring Matrix	Points
<p>Project Technical Merit</p> <p><u>1.0 Innovation/Advancement of Clean Energy Technology:</u> Highest scores will go to potentially “game changing” technologies that improve the economics of renewable sources of energy, maximize energy efficiency savings, and reduce environmental impacts. <i>(40 points maximum)</i></p> <ul style="list-style-type: none"> • Research & Development: New technologies with demonstrated viability that are not yet commercially available. • Research & Development: Existing technologies advanced through novel configurations and/or increased efficiencies. • Demonstration Projects: Technologies have been demonstrated internationally but not yet domestically. Not intended to demonstrate technologies that are not yet available at a regional level. <p><u>1.1 Priority RD&D Topics:</u> Bonus points will be added to projects which advance one or more of the following categories: clean transportation (including lightweight materials if applicable), integration of distributed renewables into the state’s energy system, marine energy, and transition from fossil fuels to low carbon technologies. <i>(3 bonus points)</i></p>	<p>40-43</p>
<p>Applicant/Team Evaluation</p> <p><u>2.0 Demonstrated RD&D Expertise:</u> Applicant demonstrates they (including partners) have the expertise needed to implement the proposed project (e.g., examples of past or present RD&D projects, RD&D partnership with research institutions or national labs, relevant patents or licenses, academic publication on RD&D topic, etc.) <i>(10 points maximum)</i></p> <p><u>2.1 Demonstrated Commercialization Expertise:</u> Bonus points will be given to applicants that can show past research or demonstration has led directly to commercialization. <i>(3 points maximum)</i></p> <p><u>2.2 Education & Skills:</u> Principal project participants have the education and skills needed to implement the project. Project is effectively organized with role(s) clearly defined. Demonstrates ability to manage all aspects of the project, including administrative and compliance with federal and state laws related to capital assets (i.e., prevailing wage requirements, competitive bidding). <i>(10 points maximum)</i></p>	<p>20-23</p>

Project Implementation	20
<u>3.0 Project Management:</u> Does the Scope of Work and project timeline appear realistic? Will the project be completed within 24-36 months of award? Does the applicant have the organizational capacity (including partnerships) to implement the project? Do the time principal participants plan to dedicate to the project appear sufficient and reasonable? <i>(10 points maximum)</i>	
<u>3.1 Project Budget:</u> Is the budget detail sufficient and does it clearly identify the capital asset(s) (including ancillary costs) the RD&D match funds will go towards? Can one reasonably expect the capital asset to have the required 13-year life span? Do they have a reliable contingency if less than 100% of requested RD&D match is provided? <i>(10 points maximum)</i>	
Washington Benefit	40-43
<u>4.0 Public Benefit:</u> Potential benefit to Washington State, its residents, businesses and institutions, including such factors as involvement of and benefit to Washington research institutions and state businesses (especially manufacturing), projected cost savings for businesses and residents, environmental benefits, and potential for job creation. Do the estimates appear realistic? Are they well-substantiated or overly optimistic? Projects most relevant to our state's energy mix, economy and environmental challenges will be rated higher. <i>(35 points maximum)</i>	
<u>4.1 Match Leverage:</u> Requested match leveraged by non-state funding at a higher ratio than the 1:1 minimum requirement. The required contingency plan for up to 50% match is not considered leverage. Of particular interest is a demonstration by the applicant that they have "skin in the game" through cash, in-kind contributions, cost-shared equipment, or other volunteered assets. For small businesses, other private or non-profit investments are of particular interest. <i>(5 points maximum)</i>	
<u>4.2 Expediency/Continuation:</u> Bonus points will be provided for projects which receive written notice of non-state funding award before or within 30 days of the application due date and/or that continue a phased RD&D project. Commerce will consult with the non-state funder to determine whether this is a realistic expectation and/or that a phased project is ready to proceed to the next phase. <i>(3 points maximum)</i>	
TOTAL POINTS	120 - 129

Contracting and Payment

Successful applicants will enter into a performance-based grant contract with Commerce upon notification of non-state funding. Payments will be made within 30 days of receipt of an A-19 invoice voucher, accompanied by documentation which identifies the specific contractual deliverable(s) and/or milestones met. RD&D grant recipients must agree to remain in-state for a specified minimum period of three years, which may be adjusted upward based upon the RD&D award, or repay match funds provided by Commerce immediately upon notice.

Recipient Reporting

Recipients of RD&D match funding will be expected to report to Commerce on no less than a quarterly basis regarding progress of the funded project, project outcomes upon completion of the project and the status of jobs, if any, created as a result of the project.

NOTICE OF PUBLIC DISCLOSURE

The applicant acknowledges that Commerce is subject to the Public Records Act and that the application and any future contract is a public record as defined in Chapter 42.56 RCW. Any specific information claimed by the applicant to be Proprietary Information must be clearly identified as such by the applicant. "Proprietary Information" means information owned by the applicant to which the applicant claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws. To the extent consistent with Chapter 42.56 RCW, Commerce will maintain the confidentiality of all such information marked Proprietary Information. If a public disclosure request is made to view the applicant's Proprietary Information, Commerce will notify the applicant of the request and of the date that such records will be released to the requester unless the applicant obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the applicant fails to obtain the court order enjoining disclosure, Commerce will release the requested information on the date specified.

DISCLAIMER

This solicitation does not commit Commerce to award any funds, pay any costs incurred in preparing an application, or procure or contract for services or supplies. Only responses meeting all Mandatory Eligibility Criteria will be approved for further evaluation in Phase 2. Commerce reserves the right to determine at its sole discretion whether proposer's response to Mandatory Eligibility Criteria in the Pre Application review is sufficient to pass. Commerce reserves the right to modify award amount from that requested, negotiate with qualified applicants, cancel or reissue at any time without obligation or liability, or change the application guidelines for subsequent funding rounds. If there are changes to the proposed award notification schedule, applicants will be notified via email to the contacts identified in ZoomGrants.

These guidelines have been posted electronically using Commerce's [Clean Energy Fund website](#) and are provided as a reference document in the [ZoomGrants](#) application portal. Any amendments and addenda to this document will be posted on the same sites.

This solicitation has been distributed electronically to subscribers for Energy of Clean Technology [email updates](#) and by posting on Commerce's [Clean Energy Fund website](#). It is the sole responsibility of proposers to check the website for updates, amendments, and addenda. Commerce accepts no liability and will provide no accommodation for applicants who submit an application based on an out-of-date solicitation document.

CONTACT INFORMATION

Department of Commerce
State Energy Office
PO Box 42525
Olympia WA 98504-2525
360-725-3117

Please submit all questions via email to energy_policy@commerce.wa.gov. "RD&D Question" should appear in the subject line. Answers will be posted on the [Clean Energy Fund website](#).