

**Research Development and Demonstration RDD 2021
Questions and Answers - Updated May 20, 2021**

*The following are responses for non-project specific questions emailed or submitted via chat during the webinar or during the open application process to cef@commerce.wa.gov. Some edits may have been made to avoid project-specific details in the original question, but otherwise, questions are presented as submitted. We attempted to answer and incorporate all questions asked during the Pre-Application Conferences on May 5 and May 11. Some answers from the Pre-Application Conference have been truncated for clarity. **If your question was not addressed, please submit it to the CEF email address listed below.** All questions related to the RD&D competitive process are required to be in writing to cef@commerce.wa.gov to ensure an equitable process. Questions from the last posting have been highlighted in grey.*

Questions received up to May 18, 2021 (including Q&A from May 5 and May 11 Pre-Application Conferences)**1. Q. Would State agencies fall under Group 2 for funding?**

A. Yes, state agencies fall under Group 2 funding.

2. Q. The requirements state that you must be able to demonstrate partnership through continuous and intensive engagement with the research community, could you elaborate on this? Does this mean that all applicants need to partner or be involved with academia? Does this preclude private companies working with utilities on developing and demonstrating technologies, unless they engage with universities?

A. Applicants do not necessarily need to demonstrate this requirement through an affiliation with a university or involvement with academia as there are many other types of entities that conduct research. Whether the primary applicant is directly involved with research, or the primary applicant is partnering with a university, or other entity that conducts research, applicants will need to clearly identify how they demonstrate continuous and intensive engagement with the research community.

3. Q. Do Alaska Tribes get equal consideration with Washington State Tribes?

A. Group 1 Applicants including Federally Recognized Tribal Governments and organizations serving American Indian and Alaska Native (AIAN) primary service populations including Tribal Colleges, Tribal utilities and others must be based in Washington and able to do business in the state.

4. Q. “Develop or demonstrate eligible clean energy technologies which: either have demonstrated viability, such as pilot or full scale prototype” - Does the

final pilot or full scale prototype need to be implemented in Washington State?

A. Because the appropriations are “provided solely” to “save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state” (emphasis added), the implementation must be in Washington.

5. Q. At the end of this project who owns the outcome of the research or research products?

A. The awardee is the owner, as the project was funded with a combination of state grant funds and match funds. At the conclusion of the project, the awardee/contractor becomes the owner of the capital asset, unless the contract is terminated or cancelled, then the title to all the property acquired shall pass to Commerce.

6. Q. We are a Washington based company. Can we work with partners that are non-Washington based?

A. Applicants are able to partner with entities in another state. However, the project and research collaboration needs to be within Washington. The original RFA was worded to imply that all partners must be based in Washington state but we have updated and revised the document to clarify.

7. Q. Do all partners also need to be in Group 1 to stay in that group? For instance, if the primary applicant is a non-profit but the match/other partner is a for-profit, are we still eligible for the reduced match?

A. The primary applicant should align with the group number. If the non-profit applicant is partnering with a research institution or a for-profit partner, but the partner is not the primary applicant, the primary applicant would still be eligible for the reduced match.

8. Q. Our project fits many of the requirements of this RFA well (including our ability to match funds), except that we have no particular benefit for vulnerable populations, including tribes and communities with high environmental or energy burden. It is unclear to me from your RFA if:

(a) priority is given for \$1M of funding to projects that meet the vulnerable population requirements (in which case we will apply)

(b) priority is given for all of the funding in this round to projects that meet the vulnerable population requirements (in which case we will not apply)

A. According to RFA Section 1.2 OBJECTIVES AND SCOPE OF WORK, priority must be given to projects that benefit vulnerable populations, including Tribes and communities with high environmental or energy burden. Projects are still eligible to apply for funding if they do not provide benefits to the priority groups mentioned. This solicitation will prioritize projects meeting these goals through the scoring criteria. All responsive proposals will be evaluated in accordance with

the scoring weights listed in RFA Section 4.2 EVALUATION BREAKDOWN.

9. Q. I wanted to know if it would be possible for [current CEF3 grant recipient] to apply for RD&D funding for a small project while we still had CEF3 open or if we were only allowed 1 project at a time?

A. Previous RD&D grant recipients with projects under contract are welcome to apply to this round of funding.

10.Q. What does it mean that a project is "completed" within 36 months, what if this is intended to be an ongoing program?

A. The intent of the program is to have the scope of work complete and the capital asset finished at the end of 24-36 months following the contract execution. We encourage the work to continue and the capital asset to be used for the ongoing program.

11.Q. We're also wondering if there is more detail on the capital assets requirements. Can you provide examples or elaborate on the same?

A. Please refer to RFA SECTION 1.7 DEFINITIONS for an explanation of capital asset. Eligible capital assets will be evaluated on a case by case basis. If you have specific questions about specific capital expenditures and how the capital asset is being used, we may be able to give a more detailed answer.

12.Q. Do we use the funding to acquire the capital asset, or does that need to be secured prior to the grant for eligibility?

A. Please provide further clarification on this question. Are you asking if the grant funds need to be used to acquire/develop the capital asset, and if the asset needs to be secured prior to the grant? Or are you asking if the funding needs to be secured prior to the grant?

13.Q. Do the existing (non-state) funding/sponsorships qualify for the match?

A. Match funds should correspond with the duration of the Commerce grant contract period. Previously acquired matching funds spent during the contract period would be eligible. Funding spent outside of the contract period would likely not count.

14.Q. Just confirming on the match ratio again, for 1:5 ratio - for every 100 requested from this grant, 20 should be matched, right?

A. This is correct.

15.Q. Do we have any page limit for phase one proposal?

A. Please refer to the individual Phase One application document "Instructions" section for page length guidelines.

16.Q. In phase 1 if we specify the organizations that may be interested in funding and in phase 2 if we provide commitment letters will that be sufficient?

A. Yes, providing the names of potential match sponsors in Phase One and submitting commitment letters for match funding in Phase Two would be sufficient. Note that a commitment letter is not mandatory, but may strengthen your Phase Two application.

17.Q. What will be the normal award size?

A. Commerce cannot anticipate an average award size. The size of awards will depend on the requested funding from applicants and number of awardees. Please refer to RFA Section 1.4 FUNDING for requirements on award ranges for Group 1 and Group 2.

18.Q. Minimum qualifications: Washington state-based research institution – Does the national labs qualify?

A. Yes, national labs based in Washington would be an eligible research institution.

19.Q. Does the max \$1.5M for each project include the required 1:1 match fund from us? How should I describe the total funding if we are applying for \$1.M state fund?

A. The minimum and maximum amounts listed in RFA Section 1.4 FUNDING are the minimum and maximum award amounts that applicants may request from Commerce in their applications. For example, if you request a grant of \$1.5 million, you would need match of \$1.5 million (or greater) and the total project cost would be \$3 million. Applicants should describe the total project cost as grant funds plus non-state matching fund in their application.

20.Q. Could you please elaborate on the match ratio? For 1:5 does it mean securing \$1 of match for \$5, or the other way around?

A. For every \$100 requested, the applicant must match with \$20.

21.Q. Does the Washington state requirement apply to subcontractors? Can the prime applicant use out of state contractors, for some of the work?

A. The primary applicant has to be a Washington-based entity, but can contract with subcontractors that are not Washington-based.

22.Q. Can funds spent be considered as matching fund? What if promised matching funds fail to be realized?

A. Spending in-kind/cash match that is directly relatable to the project can be considered matching funds. If spending that is ancillary or outside of the project is not eligible for match. Match should be spent as Commerce funds are spent or within the time period of the contract. For example, if funds were spent a year prior to contracting, Commerce would not consider that to be matching funds.

If promised matching funds are not realized from the very beginning, Commerce would not be able to go to contract with the successful applicant in the first place. Commerce tries to sync expenditures with the applicant's matching funds. If matching funds were received, but then the source was to disappear, there are a couple options: Commerce could give reprieve while the applicant tries to raise additional matching funds, or, if the applicant cannot raise additional funds, Commerce would explore de-scoping the project and finding a place to conclude the project.

23.Q. Our company was started in Washington State, is registered in Delaware, but we work and do business in Washington State, is that eligible for this funding?

A. We do have awards with other companies that have presence in multiple states or potentially even internationally. The most important thing is that you have a business or subsidiary or entity that it is registered to do business in the state of Washington.

24.Q. Match funds must be secured within 6 months of the award. What about the other direction? How far back can matching funds be used from?

A. Commerce is looking for matching funds to be currently spent in tandem with Commerce grant funds that are awarded. If there were funds spent on the project before contracting, those funds cannot be considered match.

25.Q. Can you speak more to the won't fund statement about not funding current technology. Would any wind or solar be funded or only new technologies related to that?

A. Only novel configurations of existing technologies will be funded, and projects will be evaluated on a case by case basis. In this example, we will evaluate how the system is put together. Installing solar is not new and novel. However, the project might be eligible if there is a new and novel implementation of solar panels and some other equipment, and it brings something new and different to the table.

26.Q. I have a grant from out of state that will start in June and run for three years, can it be used as a match for this opportunity?

A. Depending on when the applicant and Commerce go to contract and funds are awarded, these funds should be eligible to count as match funds.

27.Q. Projects must develop or acquire capital assets, but funds must be spent on other items such as labor, materials, and supplies, in addition to the capital assets?

A. Yes, funding can be spent on other items than the capital asset as long as they are tied to the creation of the capital asset. Commerce will evaluate spending on a case by case basis depending on the budget.

28.Q. If the primary applicant is Washington based, can the primary applicant utilize staff located outside of Washington?

A. Yes. If the primary applicant, partners, or subcontractors have some staff members outside of Washington, those staff can be utilized. If the majority of the staff working on the project are outside of Washington, Commerce would need to consider a situation like that.

29.Q. How extensively do we need to prove the 13-year life of the asset? Given that this supports early-stage technologies, is it enough to say that the “design life” is expected to >13 years? We have not yet proven that it will actually last 13-years in the field?

A. Commerce evaluates the capital assets on a case by case basis. We are looking for a good faith effort from the applicant to explain why the capital asset meets the 13 year criteria.

30.Q. Can we help get an electrolysis charging station installed and operated for the U.S. Bureau of Reclamation at Grand Coulee? I contacted the State earlier this year and was told that being a Federal facility that the State could not assist with this project.

A. Being a Federal Institution does not make you ineligible for this funding. Commerce is unable to comment on a specific project or give specific direction for an applicant. While the technology itself may be under the list of potential eligible technologies, the project itself has to qualify as novel and innovative.

31.Q. Is it acceptable or qualified for this funding, as long as we have a UBI in Washington State?

A. Yes. A UBI signifies you are registered with the Department of Revenue to do business in Washington State, and you should be able to submit an application as long as all other requirements in RFA Section 1.3 are met.

32.Q. Can applicants use in kind Labor hours for some of the matching fund requirement?

A. Yes.

33.Q. We're planning to develop a new battery technology or we asked to develop a project or demonstrate at the end of the project and the project should be able to run for at least 13 years?

A. Commerce understands that initial prototypes and projects evolve and a new technology may not be running or running at full time for the 13-year capacity. The funding is meant to fund long term capital assets that have the intent of trying to keep the project going or going for the 13-year lifespan.

34.Q. It's unclear what the intention is on what funds should be spent since the RFA focus' on capital assets and the answer mentioned funds can be spent on other items, can you clarify?

A. It depends. The primary focus of the project should be on the creation of the capital asset the application is proposing. Whatever expenses and equipment that can be directly tied to the development of the capital asset can be eligible cost. There are items Commerce will not fund, such as purchasing land or buildings.

35.Q. Does current funding through sponsorships or existing state funding qualify for the match?

A. CEF4 explicitly states that match must be non-state funding, so existing state funding would not qualify for match.

36.Q. What are the prioritized groups?

A. Vulnerable populations and Tribes.

37.Q. Can you expand on vulnerable populations?

A. Please refer to RFA SECTION 1.7 DEFINITIONS. For the purposes of this grant, Vulnerable Populations are defined as communities that experience a disproportionate cumulative risk from environmental burdens due to: (a) adverse socioeconomic factors, including unemployment, high housing and transportation costs relative to income, access to food and health care, and linguistic isolation; and (b) sensitivity factors, such as low birth weight and higher rates of hospitalization.¹

¹ Revised Code of Washington, Chapter 288, Laws of 2019, SECTION 2 (40).

Week 2

38.Q. Does the CEF4 RD&D program criteria include a fusion energy R&D project?

A. While nuclear is not listed on the eligible technology list in SECTION 1.2 OBJECTIVES AND SCOPE OF WORK, it is considered an eligible technology. The applicant should describe how the project supports state energy policy.

39.Q. Will there be recordings or transcripts available of the pre-application conferences? Both dates offered were in conflict with previously committed schedules.

A. Yes. Commerce anticipates posting recordings to the [RD&D Program webpage](#) within 48 hours after the conclusion of each pre-application conference.

40.Q. We are developing an agricultural cover crop that stores atmospheric CO2 through soil and biomass sequestration and will become eligible for carbon offset credits. Is this type of technology something that would qualify for this grant, or is it not the right fit?

A. We cannot comment on specific projects. Please reference the full list of eligible technology in RFA SECTION 1.2 OBJECTIVES AND SCOPE OF WORK. If your technology is not on the eligible technology list, please be prepared to provide an explanation for how the project supports energy policy in Washington state.

41.Q. Does it matter which category we apply under? For instance, our company could apply as an 'Advanced Energy Storage' or 'Battery Technology'.

A. Commerce asks that applicants identify a primary category and a secondary category. The technology chosen is not a scoring criteria. The category does not matter as long as the project aligns with the eligible technologies list or the applicant can explain how the project supports energy policy in Washington state.

42.Q. What is the ratio from applicants in phase 2 to awardees?

A. The last RD&D application cycle had about a 1 to 6 ratio of applicants to awardees. However, this is the first solicitation under the new phased approach so we cannot anticipate the ratio for this application cycle.

43.Q. Is there a greater benefit from partnering with a WA university versus a national lab?

A. Applicants must demonstrate a history of research and development. There is no particular benefit in the scoring criteria of partnering with one institution versus another.

44.Q. Are we submitting phase 1 A & B together by email?

A. Yes. Applicants need to submit Phase One Part A and Part B together by email.

45.Q. Does the budget need to be very detailed?

A. Commerce encourages applicants to include as much detail as possible. A high level budget is acceptable for Phase One: Part B, while a detailed budget will be expected for Phase Two.

46.Q. Can the proposal be to used existing technologies to achieve new results like zero energy buildings?

A. Yes, if you are bringing together existing technology and implementing them in ways to bring about a novel use of the technology. Commerce is not looking to fund commercially available technology, projects must pursue new uses and cutting edge technology.

47.Q. What format are we using for the Bio sketch? can we use the NSF and or NIH format?

A. Commerce has not specified a specific format, but aligning with existing or well recognized formats would be appropriate.

48.Q. Does the proposed project need to be in a single location or multiple host sites?

A. There are no restrictions as long as the proposed project sites are in Washington State. If there are multiple sites inside of and out of Washington State, the primary research should be performed on the Washington State sites.

49.Q. Can we request a cost-sharing match for a pending proposal? should the funds be "in hand" when we apply to this program?

A. Applicants can apply if the project is pending proposal. But, as stated in RFA Section 1.3 MINIMUM QUALIFICATIONS projects must be completed within 36 months of execution of the RD&D contract.

According to RFA Section 1.4 FUNDING applicants are expected to receive their non-state match funding within six months of receipt of their conditional award letter. An additional six months to secure required match, for a total of 12 months following the date on the award letter may be provided on a case by case basis. See Question 15 regarding letters of commitment of match in Phase 1 and Phase 2 applications.

50.Q. Is developing a manufacturing facility for production of a novel clean energy technology an eligible project?

A. CEF grants will not fund buildings.

51.Q. Is rent for the building which houses any proposed capital assets an eligible expense?

A. Costs for expenses and equipment are typically eligible if the applicant can directly tie the costs to the development of the capital asset. Many costs will be evaluated on a case by case basis. Please see Question 27 regarding eligible costs for the project.

52.Q. Is a demonstration unit of a novel clean energy technology an eligible capital asset? If so, is R&D labor to develop this asset an eligible expense?

A. According to RFA Section 1.3 MINIMUM QUALIFICATIONS, projects must develop or acquire capital assets with a lifespan with a minimum of thirteen years. As stated in RFA Section 1.7 DEFINITIONS, eligible capital assets will depend on the type of RD&D project and will be considered on a case by case basis.

Labor is an eligible expense. Funding can be spent on items other than the capital asset as long as they are tied to the creation of the capital asset. Commerce will evaluate spending on a case by case basis depending on the budget. Please see Question 27 regarding other eligible costs.

53.Q. Can questions that may arise regarding Phase 1 be submitted after May 14?

A. We have extended the Q&A period to May 18, 2021. This change has been reflected in the RFA.

Week 3

54.Q. Can the funding be utilized for research on modular reactor (staff time and analysis) for a Project to be developed in Washington State in the future? The research to be completed in the 36 months, but the Asset outside of this time frame.

A. According to RFA Section 1.3 MINIMUM QUALIFICATIONS the projects must develop or demonstrate eligible clean energy technologies and be completed within 36 months of execution of the RD&D contract. Please reference the full list of eligible technologies in RFA SECTION 1.2 OBJECTIVES AND SCOPE OF WORK. If your technology is not on the eligible technology list, please be prepared to provide an explanation for how the project supports energy policy in Washington state.

The funding must result in the development of an eligible capital asset within the 36-month time period specified. As stated in RFA Section 1.3 MINIMUM QUALIFICATIONS, Commerce may consider extensions of the 36 months on a

case-by-case basis. Please refer to Question #10.

55.Q. When does the 36 month period for the project to be completed starts?

A. The language in RFA Section 1.3 MINIMUM QUALIFICATIONS states that project must be completed within 36 months of execution of the RD&D contract. According to RFA Section 1.5 PERIOD OF PERFORMANCE, the period of performance of any contract resulting from this RFA is tentatively scheduled to begin around February 2022, but this is subject to change.

56.Q. What happens if the asset portion is not completed on time? What are the penalties or consequences?

A. Contract extensions may be considered on a case-by-case basis. According to RFA Section 1.5 PERIOD OF PERFORMANCE, COMMERCE reserves the right to extend the contract for two one-year periods.

57.Q. We have another question about the following statement: "Have current registration or similar criteria with the Washington State Department of Revenue and Secretary of State, as applicable, for a minimum of six months." Does this mean that we are eligible as long as we have a current registration in WA? Do you require that our company has been formed in WA for at least 6 months before we can submit the application?

A. According to RFA Section 1.3 MINIMUM QUALIFICATIONS, applicants, including project partners, must have a current registration or similar criteria with the Washington State Department of Revenue and Secretary of State as applicable, for a minimum of six months of the application deadline.

58.Q: With the COVID working with the utility to discuss scope of implementation and support is taking time. Is it possible to provide an extension to submit the proposal?

A. Commerce does not currently anticipate extending the deadline listed in RFA Section 2.3 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES. However, as stated in the RFA, COMMERCE reserves the right to revise the estimated schedule of procurement activities.

59.Q: Is developing a manufacturing facility for production of a novel clean energy technology an eligible project? Specifically, does developing such a facility (not including purchase of land or a building) fall within the scope of the CEF grant? Are capital assets such as production manufacturing equipment and leasehold infrastructure improvements (e.g. upgrading electrical service to the building) eligible expenses?

A: We are unable to make a recommendation on whether the project may be eligible for funding. As you consider applying, please determine if there is an RD&D related project within the build of the facility, if asset being produced would

be considered novel, and if there is something unique in what you are building or a project within the facility that would further the technology to bring it closer to commercialization. Simply building a manufacturing facility would not qualify. Funding can be spent on other items than the capital asset as long as they are tied to the creation of the capital asset. Commerce will evaluate spending on a case by case basis depending on the budget and OFM rules (Please reference Question #27).

60.Q: I had a question on the Phase 1 A application for question 6d. “If you apply to fund a technology or research that is not included, please be prepared to provide an explanation for how it supports state clean energy policy.” I am not sure what “not included” means? Can you provide some clarification when you get a chance?

A: Please reference the list of examples of eligible technologies outlined in RFA Section 1.2 OBJECTIVES AND SCOPE OF WORK. Question 6d in the Phase 1A application is referencing this list.

61.Q: What if we do not yet have a specific technology (yet) as a part of our project? Our concept is to recruit new technology tools to include in our tool library as a part of this fund, so we would not be able to define exactly what those technologies are at this point. When it asks to list the technologies for this project, should we explain that in the application?

A: Unfortunately, we cannot comment on eligibility of specific projects. If you are unable to list a specific technology, please attempt to describe your concept, novel use of technologies and how the project will support the state’s clean energy policies in your application.