

Questions Received Regarding STAC Solicitation 03-1 and Responses
August 8, 2003

- 1. Can a state-chartered institution and a state energy office be from the same state, as long as they are teamed with state-chartered institutions from other states? (Basically, Example 3 with the inclusion of other states.) If this arrangement is acceptable, which organization would be the preferred Prime Participant - the state energy office or the state-chartered institution?**

STAC Response: Yes, a state-chartered institution may submit a proposal with a state energy office from the same state, as long as they are teamed with a state-chartered institution or state energy office from at least one other state or territory. There is not a preferred entity (i.e., State Energy Office versus state chartered institution) to serve as a Prime Participant.

- 2. Under Section 2: Program Areas of Interest, B. Industrial Technologies, 2. Emerging Technologies--On pages 7 and 8, under Emerging Technologies, the first paragraph talks about conducting a full-scale field test of promising emerging technologies developed through the Industries of the Future program including but not limited to: in pulp and paper-pulsedanaerobic pumping.**

The list of promising emerging technologies does not name the technology that GTI is developing, under DOE sponsorship, Forest Products, that could be a candidate for proposing to this solicitation. Does the specific "promising emerging technologies" named mean that they are given precedence over other technologies funded by IOF like our technology?

STAC Response: No preference is being given to any specific technology.

- 3. I assume that the Solicitation03-stac-01 Amendment 1.0, E Hydrogen Learning Centers does not require participation by two states. Is this correct?**

STAC Response: No, it does require multi-state participation. The text of Amendment 1.0 E Hydrogen Learning Centers indicates: "Proposers responding to the STAC Solicitation, including Program area of Interest E should follow all of the guidelines and requirement included in the solicitation. However, Program Areas of Interest E reflects the following additional/different characteristics:

Specific Requirements for Program Area of Interest E

- a) *The non-federal cost share for Program Area of Interest E shall be 25%. The non-federal cost share for Program Areas of Interest A, B, C, and D remains 55%.*
- b) *Proposals addressing Program Area of Interest E are due no later than 5:00 pm Eastern Time on Monday, September 22, 2003. Proposals addressing Program Areas*

of Interest A, B, C, and D are due no later than 5:00 pm Eastern Time on Wednesday, September 10, 2003.

- c) *For Program Area of Interest E, funds may be allocated on a single or multi-year basis. Subject to the availability of fiscal year 2004 federal funding, approximately \$900,000 in funding may be available for Program Area of Interest E. NASEO anticipates that 2-3 awards may be made under this program area with funding ranging from \$300,000 – \$500,000 per award . . .”*

Thus, except for those three items above the requirements are the same as those for the other program areas of interest (e.g., multi-state proposals, prime participants).

- 4. We are considering a proposal that would put a Hydrogen Technology Learning Center at a state university. How do you envision the partnership of a university in one state with a state energy office in another state working?**

STAC Response: That partnership should be developed by the proposers. STAC does not wish to limit creative approaches by suggesting a specific methodology.

- 5. I am writing to inquire if the newest amendment, Hydrogen Technology Learning Centers, requires a multistate partnership.**

STAC Response: See Question/STAC Response 3 above.

- 6. What is the anticipated award date? What is the expected start date after the award is made - for example, 90 days?**

STAC Response: As indicated in the solicitation, “*Award Schedule: Proposals will be evaluated for a period of approximately 60 days following the due date for responses. Contract negotiation and signing will conclude approximately 30 days following the evaluation of proposals.*” The start date would be as agreed upon in the execution of the contract.

- 7. In at least one case, equipment and labor supplied by the private sector is anticipated to be used as match in the project. However, it is possible look [that] equipment will be installed prior to be [the] STAC award. Is there a problem with counting the equipment and activity started before the award or the start date toward match?**

STAC Response: In some cases equipment acquired in advance may be acceptable as cost share in accordance with commonly accepted government contracting principles. The value of donated equipment shall not exceed fair market value of equipment of the same age and condition at time of donation for cost sharing or matching under the

agreement. Labor supplied to or by the Proposer, prior to award of STAC contract, will not qualify for cost sharing or matching. Please refer to Solicitation Attachment C – Cost Sharing and Matching for further explanation.

- 8. On page 7, Section B. Industrial Technologies, the solicitation identifies the three industrial categories: Chemicals, Forest Products and Food Processing. In addition, it also includes "those industries that are in the supply chain for these industries." How is "in the supply chain" defined? Are there any constraints on this terminology or should we consider any and all possibilities, as long as there is a connection, e.g. business relationship, etc.**

STAC Response: STAC was not intending to unduly limit the definition of the phrase “in the supply chain.” However, a direct linkage should be clearly demonstrated.

- 9. In reference to Solicitation 03-STAC-01, what is the cap(\$)/project or an average request/project (including cost share)?**

STAC Response: Regarding Program Areas of Interest A, B, C and D, there is no pre-determined funding amount per project or anticipated number of awards under the solicitation. The STAC solicitation does not indicate, nor does the STAC Executive Committee favor a particular dollar threshold for proposed projects in these areas. No matter the size, the STAC Executive Committee is interested in impact projects that result in significant technical advances and/or substantial deployment of technologies indicated in the various program areas of the solicitation and that recognize the multi-state nature of the solicitation.

However, Program Area of interest E, Hydrogen Technology Learning Centers includes the following: *“Program Area of Interest E includes a distinct pool of potential funding of approximately \$900,000 subject to the availability of federal appropriations for fiscal year 2004 (note: this amount is in addition to the approximately \$2.6 million associated with the STAC Solicitation, identified for Program Areas of Interest A, B, C, and D). No legal obligation is imposed upon NASEO or DOE that ensures that Proposers are guaranteed any present or future funds.”*

In addition, Program Area of Interest E states *“. . . funds may be allocated on a single or multi-year basis. Subject to the availability of fiscal year 2004 federal funding, approximately \$900,000 in funding may be available for Program Area of Interest E. NASEO anticipates that 2-3 awards may be made under this program area with funding ranging from \$300,000 – \$500,000 per award.”*

- 10. Can a State Energy Office partner with multiple parties for multiple projects? i.e. one under transportation, two under distributed generation?**

STAC Response: A Prime Participant (e.g., state energy office) may partner with multiple parties on multiple projects. However, each project must be submitted as a separate and distinct proposal covering one program area of interest. There is also no prohibition on submitting multiple proposals in any program area of interest.

11. Other than meeting the eligibility requirements for applicants, what defines a "joint proposal"?

STAC Response: The term "joint proposal" is not defined in the solicitation with respect to multi state teaming arrangements. The requirements are described on page 3 of the solicitation. STAC expects that there will be significant effort evidenced to qualify as an acceptable proposal.

12. What documentation is required to demonstrate that the proposal from the Prime Participant is a "joint proposal" that includes the participation of at least one additional eligible applicant ("joint participant")? Will a letter from Joint Participants stating their intent to participate in the project suffice?

STAC Response: Neither STAC nor NASEO accepts any responsibility for coordinating the submission of multiple proposals. Proposers are responsible for submitting a complete proposal, which would include a description of the coordination of management and technical responsibilities by the parties, as well as any documentation affirming that relationship. Failure to do so will eliminate a proposal from consideration for award. Independent documentation not incorporated in a proposal will not be evaluated. See the Solicitation Section 1.C. - Teaming Arrangements and Section 3 - Proposal Preparation Instructions.

13. Does the project require that that joint participants, in addition to the Prime Participant, contract with NASEO, or can the project involve just one contract to the Prime Participant?

STAC Response: As noted on page 3 of the solicitation: *"NASEO recognizes that certain States may have difficulty executing contracts with other States. NASEO would prefer to award one contract based upon a single proposal, wherein the various parties have coordinated the management and technical responsibilities, and have designated one party as the lead. However, NASEO recognizes that in order to accommodate teaming arrangements and the varying State laws and regulations that NASEO may need to award a contract to each eligible applicant for a selected project."*

See also the Solicitation Section 1.C. - Teaming Arrangements and Section 3 - Proposal Preparation Instructions.

14. Must joint participants commit resources to meet the 55% match, or can that come from the Prime Participant and/or other parties?

STAC Response: The 55% cost share may come from one or any number of the joint participants and/or other proposal team members provided that the cost share requirement is met for the proposed project. See also Question/STAC Response 11 above.

15. The New Jersey Clean Energy Office is interested in submitting a proposal under the Distributed Energy Resource section. Will it help us in the review process to have a distributed generation program developed in our State Energy Plan (SEP)?

STAC Response: It would be inappropriate to pre-judge such a decision. STAC intends to weigh all relevant factors. STAC will evaluate proposals based upon the criteria and program and policy factors indicated in the solicitation.

16. How many projects are you awarding?

STAC Response: See Question/STAC Response 9 above.

17. What is the maximum size of each award?

STAC Response: See Question/STAC Response 9 above.

18. Can a company submit more than one response and potentially have more than one project under this program?

STAC Response: See Question/STAC Response 10 above.

19. The STAC Solicitation states that National Laboratories can participate as a team member for a proposal sponsored by a state organization, subject to approval of their DOE contracting officer. It is not clear how the money would flow to the Lab from the document. It is our experience that we can accept money from state organizations under a DOE-mandated Work-for-Others process, and there are precedents for the CEC and NYSERDA. The terms and conditions of these precedents differ from the model contract in the RFP. But for other prime offerors, it is quite possible that delays in negotiations could impact performance of the project work.

It is also possible to have the money flow directly from DOE to the Lab via a Field Work Proposal, and this is a standard way that DOE provides funding

to a Lab. This is administratively more efficient and subject to fewer delays, and may be preferred by DOE. Can the path and mechanism for funding of the Labs be clarified?

STAC Response: Any funding provided under the solicitation to any party including such subcontractors as National Laboratories would flow from NASEO to a Prime Participant and then to the subcontractor. It would not flow directly from the U.S. Department of Energy to a National Laboratory.

20. Please refer to your letter of July 9, 2003 requesting submission of proposals, one of which could be a wind farm in Iowa associated with the production of hydrogen. My colleagues in Iowa and Minnesota, and me in California, are looking at installing a wind farm in Iowa. But we could 'easily' add in the component of producing hydrogen to be used by a farm coop. We can produce a proposal by your deadline in September. We intend to build the wind farm, but a research component would be very helpful in controlling costs and giving you what you need and want.

But I need some help from you, first:

- a. Please provide university contacts in both IA and MN.**
- b. Please provide state energy contacts in both IA and MN.**
- c. Anything else I need to know before your question deadline of the day after tomorrow.**

STAC Response: Responses to most of these questions are inappropriate. Contact information for State Energy Offices can be found on the Internet at www.naseo.org, and state-chartered energy research institutions that also happen to be members of ASERTTI members may be found at www.aserti.org. These sources are available to everyone. However, these contacts do not constitute the universe of potential prime participants.

21. Do you have any idea as to what is a typical award amount?

STAC Response: See Question/STAC Response 9 above.

22. Would \$2.6M divide by 5, 10, 20 awardees?

STAC Response: See Question/STAC Response 9 above.

23. Are private universities included in the category of state chartered institutions?

STAC Response: Status as a private university in itself does not make a university a state-chartered institution. For purposes of the STAC definition it must have some additional status approval, such as that of a legislature designating a land-grant college.

- 24. I am not an attorney, and claim no expertise in this area, but I wonder if the wording (as interpreted) reflects what was intended. Although excluding for-profit businesses as primes, it might include state-chartered agricultural cooperatives, and 501.c.6 trade associations, such as a non-profit association of the (for-profit) electric or gas utilities in a state. Clarification of this may affect the parties approached as primes and partners for some groups.**

STAC Response: The term “state-chartered” is not intended to include entities that simply receive state recognition as a for-profit or non-profit institution under the appropriate state incorporation statute. In other words, it is not enough to be a corporation pursuant to State law; a “state-chartered” institution must have a positive connection to the State in question. State-chartered institutions include, for example colleges or institutions authorized specifically by the State by actions separate from general incorporation statutes.

- 25. Would tire testing for rolling efficiency and its relationship to other tire characteristics be eligible for funding in the above solicitation? The state of California is considering a tire program for the advancement of more fuel-efficient tires for passenger cars. This tire testing of existing tires is an essential element for the Energy Commission to complete for meeting the needs of this program. Any information you could share regarding this would be appreciated.**

STAC Response: Please see the Program Areas of Interest in the solicitation and the applicability of your project to the subject areas.

- 26. Are there any restrictions on who can be part of the team? Specifically, can an organization that is not a member of ASERTTI or NASEO be in on the bid**

STAC Response: See page 2 of the solicitation “Eligible Applicants”

- 27. We are exploring partnerships with several states and universities on proposals for the current STAC solicitation. A few questions have come up in these initial discussions:**

a) If we have an existing, or "awarded but not started", project from a state energy office, can we, with that sponsor's concurrence, apply that unspent funding as co-funding towards a related but broader project with other states that would be submitted under STAC?

b) Do you have a list of state-chartered institutions (including colleges/universities) that are eligible proposers?

c) For the Industrial Technologies Program Area, the "Emerging Technologies" description indicates that only full scale field tests of technologies that have been developed through the [DOE] Industries of the Future program are eligible. Can you confirm the limitation to DOE IOF-sponsored technologies?

d) Is there a preferred stage of development for the projects sought? For example, market/technology assessment, fundamental research, lab testing and bench scale-experimentation, field testing and validation.

STAC Response:

a) The answer to this question may depend on the source of the funds. Please refer to the cost sharing guidelines in the solicitation as well as Question/STAC Response 10 above.

b) There is no such list.

c) Yes, under Emerging Technologies projects are limited to DOE-IOF sponsored technologies.

d) Please see the criteria in the solicitation including the evaluation criteria and the program and policy factors.

28. I read with interest about STAC's solicitation (03-STAC-1) regarding building technologies, transportation technologies, industrial technologies, and distributed energy resources. My partner and I have two products that may be of interest that are in the prototype stage and soon to be completed, and we are seeking strategic alliances or distribution channels.

a) Insulated Concrete Form (ICF) that offers multiple benefits to the residential & commercial construction industry, including energy savings, protection from natural disasters, environmentally friendly (no wood utilized), etc.

b) Diesel unit that provides 10-15% fuel savings and reduced emissions in diesel cooled engines for a variety of vehicles and machines, including trucks, tractors, buses, etc.

STAC Response: Please refer to the Program Areas of Interest in the solicitation and the applicability of your project to the subject areas.

29. We are wrestling with weather to try to be the prime on the HVAC STAC proposal. I we assert that we are state-chartered, who would challenge it and what would it take to satisfy the requirement (original charter or bylaws, legal determination, letter from the governor...?). Who makes the determination ultimately? Is it ASERTTI/NASEO or is it DOE, or is it the STAC Executive Committee.

STAC Response: Based upon the information submitted in the proposal demonstrating that a Prime Participant is either a State Energy Office or State-Chartered Institution, as defined in the Solicitation, NASEO is responsible for verifying such information during the preliminary review of proposals. Please see to Solicitation Section 1. C. – Eligible Applicants.

- 30. Is it permissible to submit multi-year funding request where year one is based upon currently available funding and year two deliverables subject to DOE appropriations. In other words, can you make a 2-year award at a level above the \$2.6 mil. and subject to future availability of funds from DOE. This places an internal earmark on the next increment of funding.**

STAC Response: No, except for Program Area of Interest E, Hydrogen Learning Centers which indicates as follows:

“ . . . funds may be allocated on a single or multi-year basis. Subject to the availability of fiscal year 2004 federal funding, approximately \$900,000 in funding may be available for Program Area of Interest E. NASEO anticipates that 2-3 awards may be made under this program area with funding ranging from \$300,000 – \$500,000 per award.”

See also Question/STAC Response 9 above.

- 31. Please forward additional information regarding this program. We are interested in moving forward with a Solar Energy product that we have already received the patent for. We are searching for funding to aid in the prototype technology development and market research/ introduction.**

STAC Response: All relevant information regarding STAC is available on the Internet at www.naseo.org/stac.

- 32. Is there a maximum amount that can be applied for?**

STAC Response: See Question/STAC Response 9 above.