

CALIFORNIA ENERGY COMMISSION

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**Addendum 2****February 9, 2012****PON-11-601 / Biofuel Production Facilities**

The purpose of this addendum is to:

1. Revise language in Match Funding Requirements (Section 10, of the Applications Manual) to clarify match funding will be required to be in place before execution of an agreement, replacing the current language that suggests that match needs to be in place at the time the application is submitted.
2. Update the Schedule of Proposal and Award Process, Section 19.
3. Update the Attachment F Budget Forms and Instructions.

1. Section 10. Match Funding Requirements:

The balance of the project cost beyond the Energy Commission Cost Share is the Applicant's required match share. **Proposals submitted under this solicitation must include a 50 percent non-state match share including cash or cash and in-kind services.** In-kind contributions include, but are not limited to, donated labor hours, equipment, facilities and property, necessary to complete the proposed project. Equipment, facilities, (e.g. laboratory space) and most property can count as match funds as long as the value of the contribution is based on documented market values or book values and is depreciated or amortized over the term of the project and based on its value to the project, using standard accounting principles.

Proposals having a greater percentage of the total project costs in match funding will be scored higher. All match-funding must be committed and in place at the time the proposal is submitted to the ~~at the time an Agreement is executed with the Energy Commission.~~ Proposals must disclose the source and provide verification and documentation for the matching funds.

Energy Commission funds will be released only if the required match percentages are expended. Match percentages will be evaluated quarterly.

Assembly Bill 1314 (Wieckowski, Statutes of 2011, Chapter 487), effective January 1, 2012, amends the ARFVT Program to allow an applicant to count as match those project costs incurred after the Energy Commission notifies the applicant that its project has been proposed for an award. Pre-execution match expenditures are at the applicant's own risk. The Energy Commission is not liable for applicant's costs if the grant is not approved, if approval is delayed, or if the match expenditure is not allowable under the terms and conditions of the grant or applicable federal cost principles incorporated by reference into the agreement. All match expenditures must conform to the requirements in the terms and conditions of the grant agreement. Recipients will be required to document and verify match expenditures, and provide a synopsis of project progress, in the first monthly progress report and invoice to the Energy Commission after grant execution.

The Energy Commission will not reimburse for costs incurred before final execution of the grant agreement.

2. Section 19. Schedule of Proposal and Award Process:

Event	Date
Release of solicitation	January 11, 2012
Proposal workshop	January 27, 2012
Deadline to submit questions	January 27, 2012 no later than 5:00 pm
Posting of answers to questions received at the proposal workshop, via US mail or email	Estimated February 38, 2012
Deadline to submit proposals	February 24 23 , 2012 no later than 4:00 3:00pm
Post First Notice of Proposed Awards (<i>estimated</i>)	April 2012
Approval of first-round awards at Energy Commission Business Meeting (<i>estimated</i>)	June 2012
Post second Notice of Proposed Awards (<i>estimated</i>)	August 2012
Approval of second-round awards at Energy Commission Business Meeting (<i>estimated</i>)	October 2012
Anticipated date for work to begin	2-4 weeks after approval of award

3. Attachment F Budget Forms and Instructions

Attachment F has been updated in the attachments list with minor edits.