



California Energy Commission

Alternative and Renewable Fuel and Vehicle Technology Program

Pilot-Scale and Commercial-Scale Advanced
Biofuels Production Facilities
PON-13-609

January 31, 2014





Introductions

- Welcome
- Housekeeping/Logistics
 - Bathrooms
 - 2nd Floor Snack Shop
 - In case of emergency



Agenda

- Solicitation overview 10:15 a.m.
- Eligible applicants, projects, and project costs
- Application format, required documents, and delivery
- New requirements
- Evaluation process and criteria
- Questions and answers 11:15 a.m.
- Adjourn 12:00 p.m.



Solicitation Overview

Purpose: The development of new, or the modification of, existing California-based biofuel production facilities that can sustainably produce low carbon transportation fuels (pg. 3)



Key Activities (pg. 4)

ACTIVITY	ACTION DATE
Solicitation Release	January 14, 2014
Pre-Application Workshop	January 31, 2014
Deadline for Written Questions	February 3, 2014
Distribute Questions/Answers and Addenda (if any) to solicitation	February 13, 2014
Deadline to Submit Applications by 3:00 p.m.	March 11, 2014
Anticipated Notice of Proposed Award Posting Date (Round 1)	April 2014
Anticipated Energy Commission Business Meeting Date (Round 1)	June 2014
Anticipated Agreement Start Date (Round 1)	July 2014
Anticipated Notice of Proposed Award Posting Date (Round 2)	May 2014
Anticipated Energy Commission Business Meeting Date (Round 2)	August 2014
Anticipated Agreement Start Date (Round 2)	September 2014



Available Funding (pg. 4)

- Approximately \$24 million is available for awards under this solicitation (PON-13-609)
 - Diesel Substitutes - \$9.0 million
 - Gasoline Substitutes - \$9.0 million
 - Biomethane - \$6.0 million



Maximum Award Amounts (pg. 5)

- Stage 2: 50% of total project costs or \$3.0 million, whichever is less
- Stage 3: 50% of total project costs or \$5.0 million, whichever is less



Eligible Applicants (pg. 7)

- Businesses
- Public agencies
- Vehicle and technology entities
- Public/private partnerships
- Academic institutions



Eligible Applicants, continued

- Must have a business presence in California
- Registered and in good standing with the California Secretary of State



Eligible Projects (pg. 7)

- New, low carbon biofuel production facilities,
- Projects at existing biofuel production facilities that expand or modify facilities to increase production capacity, OR
- Projects that lower the carbon intensity of fuels produced at existing biorefineries



Eligible Projects, continued

- Project construction and operations work must be conducted in California
- Project must result in a biofuel with calculated carbon intensity below the California Air Resources Board Low Carbon Fuel Standard reference baselines for corn ethanol for gasoline substitutes (80.7 gCO₂e/MJ), or soy biodiesel for diesel substitutes (83.25 gCO₂e/MJ), as applicable



Eligible Projects, continued

- Stage 2: Pilot and Demonstration Facilities
 - Minimum production of 50,000 gallons per year
- Stage 3: Commercial Facilities
 - Minimum production of 1.0 million gallons per year for liquid fuels, or 400,000 gallons per year for biomethane
- Corn grain is NOT an eligible feedstock (corn oil and corn stover are eligible)
- If using municipal solid waste as a feedstock, only the biogenic fraction of the waste stream is eligible



Eligible Project Costs (pg. 9)

- Facility pre-engineering and design
- Engineering plans and specifications
- Building and facility construction and/or modifications
- Asset and/or equipment acquisitions
- Feedstock development activities



Eligible Project Costs, continued

- Verification of advanced biofuel attributes
- Enhancement of commercial biofuel production technology
- Facility process efficiency improvements
- Process improvements to accommodate lower carbon feedstock and fuel production



Match Funding Requirements (pg. 11)

- Minimum of 50% match share of the total allowable project costs
- In-kind contributions shall not exceed 50% of match share funding (i.e., 25% of total project costs)
- Applicants that do not meet the minimum match share requirement will be disqualified



Application Format (pg. 13)

- Typed or printed, 11-point font, single-spaced, and a blank line between paragraphs
- Numbered pages, titled sections, and printed back-to-back
- Spiral or comb binding and tabs are encouraged; original of application should be bound only with a binder clip
- One (1) original and six (6) copies of the application
- Electronic copies on USB stick or CD ROM; files in Microsoft Word XP (.doc) and Excel Office Suite formats
- Executive Summary maximum 2 pages, Project Narrative maximum 30 pages



Required Documents (pg. 14)

Element	Attachment Reference
Application Form	Attachment 01
Table of Contents	N/A
Executive Summary	N/A
Project Narrative	N/A
Resumes	N/A
Scope of Work	Attachment 02
Schedule of Products and Due Dates	Attachment 04
Budget	Attachment 05
Contacts List	Attachment 06
Letter(s) of Support/Commitment	N/A
CEQA Compliance Form	Attachment 07
Photographic Evidence	N/A
Localized Health Impacts Information	Attachment 08
ARFVTP Funding Restrictions Certification	Attachment 12
Financial Plan	Attachment 13



Delivery

- Original and copies must be labeled “Program Opportunity Notice PON-13-609” and include the title of the application
- Applicant may deliver an application by:
 - U.S. mail
 - In Person
 - Courier service



New Requirements

- Extended Application Form (Attachment 1)
- Project Execution (pg. 12, J)
 - Applicants shall commit to executing grant agreements within 60 days after approval
 - Subcontracts must be executed within 90 days of executed agreement



New Requirements

- Project Readiness
 - CEQA compliance within 6 months of release of NOPA (pg. 25)
- Benefit-Cost scoring criterion in accordance with AB 8 (pg. 33, Project Budget)



New Requirements

- Business Plan (pg. 15-18, Project Narrative)
 - Technology Plan
 - Marketing Plan
 - Financial Plan
 - Balance sheet and cashflow statement for the past three years, as available
 - Five year proforma statement, including projected balance sheet, income statement, cashflow statement, and debt service schedule for existing and long-term debt
 - Applicant's ownership composition and sources of match funding
 - Break-even pricing (BEP) calculation and the production volume associated with BEP



Confidential Material (pg. 16-17)

- Financial Information required in Section III (H)(4)(b) (3)(a) of the solicitation will be kept confidential pursuant to Government Codes section 6254(k) and 6254.15
- Applicants must separate confidential material from other required documents of the application and clearly identify information as “Attachment 13”



Confidential Material (continued)

- Information provided in applications, other than Attachment 13, will not be kept confidential
- Any applications that have any portion marked confidential except for the financial information specified in Section III (H)(4)(b)(3)(a), clearly identified as Attachment 13, will not be accepted or retained



Evaluation Process and Criteria

(pg. 27)

- Two Rounds of Awards
 - Round 1: Applications with final CEQA documents submitted by **May 1, 2014**
 - Expect to recommend funding of at least \$4.027 million to passing projects
 - Round 2: Applications with final CEQA documents submitted after **May 1, 2014**
 - Remaining funds will be applied



Evaluation Process and Criteria, continued

- Application Evaluation
 - Screening Criteria
 - Administrative and Technical
 - Technical Evaluation



Administrative Screening Criteria

(pg. 28)

- Application MUST be received by due date and time stated in solicitation (No exceptions)
- Application form MUST be completed and signed by Applicant's authorized representative
- The application does not contain confidential information, except for financial information, clearly identified in Attachment 13
- Minimum 50% match share funding provided



Technical Screening Criteria (pg. 29)

- Applicant is an eligible application (Section II, Eligible Applicants)
- Project is an eligible project (Section II, Eligible Projects)
- Applicant obtains at least 49 points (70% X 70 points maximum) under the Business Plan scoring criterion (Section IV)



Technical Evaluation

- The total score for each application will be the average (i.e., mean) of the combined scores of all evaluation committee members
- A minimum score of 70 percent is required for the application to be eligible for funding



Evaluation Criteria (pg. 31-34)

- Applicants should ensure applications:
 - Fully and clearly address each criterion, including all sub-bullets within each criterion
 - Carefully organize information to facilitate review and evaluation
 - Include all assumptions and calculations (as applicable) utilized



Scoring Scale (pg. 30)

% of Possible Points	Interpretation
0%	Not Responsive
10-30%	Minimally Responsive
40-60%	Inadequate
70%	Adequate
80%	Good
90%	Excellent
100%	Exceptional



Scoring

- Total possible points: 300
 - Applicants **MUST** achieve a minimum of 70% (or 49 points) under Business Plan criterion
 - Minimum passing score: 210 points
- Tie Breakers
 - If the score for two or more applications are tied, the application with a higher score in the Project Readiness criterion will be ranked higher



Scoring, continued

- Notice of Proposed Award (NOPA)
 - Round 1 NOPA (April 2014): recommend awards starting with the highest ranked project in each funding category meeting CEQA requirements
 - Round 2 NOPA (May 2014): recommend awards from passing but unfunded applications from Round 1 and projects that do not meet CEQA requirements of Round 1
- Debriefing
 - May request after NOPA, no later than 15 days



Questions and Answers (pg. 6)

- Accepting oral questions during this workshop.
- Accepting written questions until February 3, 2014.
- Please send questions to:

Kevyn Piper

California Energy Commission

Contracts, Grants and Loans

1516 Ninth Street, MS-18

Sacramento, California 95814

Telephone: (916) 654-4845

FAX: (916) 654-4423

E-mail: Kevyn.Piper@energy.ca.gov



Adjournment

Thank you and good luck!