COMMERCE DEPARTMENT
DIVISION OF ENERGY RESOURC

Questions & Answers

Strengthening the Reliability and Resiliency of Minnesota's Electrical Grid

RFP Reference Number: COMM-40101d01-20240624

Response Date 8/20/2024

#	Question	Response	Date Responded
	SECTION I. Grant Overview		
	SECTION II. Priorities in Grantmaking		
1.	If the program is oversubscribed, will Commerce consider offering partial grants (or a "haircut") or will it be an outright yes/no for the entire application? E.g. if there are two phases to a project with an ask of $XX and the program is oversubscribed in Round 1, would Commerce allow for just one to be accepted at $X?	If the program is oversubscribed in this first round, yes, Commerce will consider offering partial grants. This will be determined on a case-by-case basis based on the evaluation process.	08/20/2024
2.	What is the funding availability?	The total funding available for the current round is $11,987,794. The maximum individual award for an eligible entity is $2,000,000.	08/20/2024
3.	What is the funding source for this program?	Section 40101(d) of the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law, established the Grid Resilience Formula Grant Program. The purpose of this program is to strengthen and modernize America's power grid against disruptive events. Commerce has been awarded formula funds from the U.S. Department of Energy to administer this program in Minnesota.	08/20/2024
	SECTION III. Eligibility		
4.	Can 40101(d) grant applications be written for equipment only? If the labor is not included in the grant request, does the labor need to meet Davis-Bacon Act requirements? (A recent FAQ from RUS on the Inflation Reduction Act stated that grant applications can be written for equipment only and the labor, being separate from the grant application, then does not need to meet DBA.) (Application page 10 and Attachment #3)	40101(d) grant applications may be written for equipment only. In the case of an equipment-only proposal, as long as labor is not included in the grant request and also will not be paid for with cost match funds, the Davis-Bacon Act requirements would not apply. Proposals should demonstrate how the project will result in a grid resilience benefit and align with the program objectives listed in the RFP.	08/20/2024

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5.	Who is eligible to apply?	Consistent with federal requirements in BIL/IIJA section 40101(d), entities eligible to apply must be one of the following: electric grid operator, electricity storage operator, electricity generator, transmission owner or operator, distribution provider, or fuel supplier. Entities not included in one of these categories must have approval from the U.S. Department of Energy to be considered eligible.	08/20/2024
6.	What are applicable uses of program funds?	Applicable uses of program funds could include any or all of the following scopes: • Weatherization technologies and equipment • Hardening of power lines, facilities, substations, of other systems • Monitoring and control technologies • The undergrounding of electrical equipment • Utility pole management • The relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors • Vegetation and fuel-load management • The use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids and battery-storage subcomponents • Adaptive protection technologies • Advanced modeling technologies • Fire-resistant technologies and fire prevention systems • The replacement of old overhead conductors and underground cables.	08/20/2024
7.	What are ineligible uses of program funds?	Projects which are not eligible under the 40101(d) Program include: • Construction of a new electric generating facility • Construction of a large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events • Cybersecurity	08/20/2024
	SECTION IV. Qualifications		
8.	We are a multi-jurisdictional utility, I assume we only include the sales from our Minnesota customers, based on the 2022 Utility	To determine whether an organization is designated a Small Eligible Entity or a Large Eligible Entity, retail and	08/20/2024

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	Bundled Retail Sales chart? Since all grant dollars and work will be utilized Minnesota, seems appropriate to only include Minnesota sales. Can you please confirm?	wholesale sales within the state of Minnesota will be counted. Entities selling less than 4 million MWh of electricity in the state of Minnesota qualify as a Small Eligible Entity.	
9.	Would the MN 40101d program would allow for EDA funds to be used as a cost share for a 40101d application for the same project? Or, would this be an issue in terms of anti-stacking federal funds?	The cost match requirement must be met using non-federal funds. It is correct that due to anti-stacking federal funds, EDA funds may not be used to meet the cost match requirement for the 40101(d) program. Cost match assistance is available for eligible entities through the State Competitiveness Fund Matching Funds Program. The RFP for the SCF program is now open and accepting proposals until September 6, 2024.	08/20/2024
10.	We sell less than 4 million megawatt hours of electricity per year, but we are not listed on the "2022 Utility Bundled Retails Sales Chart." We do have the EIA 861 submittal as documentation. Would this be an acceptable data source for verifying electricity sales and claiming the small utility designation?	Yes, the EIA 861 submittal or other documentation of annual electricity sales can be used to verify the small utility designation. This documentation is not required to be included with the proposal submission. Responders are asked to self-identify as a small eligible entity or large eligible entity.	08/20/2024
11.	What are the cost match requirements?	Small eligible entities which sell less than 4,000,000 megawatt hours of electricity retail per year are required to provide a cost match in the amount of 1/3 the grant award. Large eligible entities which sell more than 4,000,000 megawatt hours of electricity retail per year are required to provide a cost match in the amount of 100% the grant award.	08/20/2024
12.	Is assistance available to meet the cost match requirements?	Cost match assistance is available for eligible entities through the State Competitiveness Fund Matching Funds Program. The next round of State Competitiveness Fund applications will open soon; watch the Commerce RFP website for updates.	08/20/2024
	SECTION V. Competitive Priorities		
	SECTION VI. Grant Application List of Questions		

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13.	We are working to complete the budget for the project (Section VI. page 10). I am unfamiliar with the budget format for this grant. To make sure we are completing the budget correctly, can you confirm that the leveraged column should be a combined value of the cash match and in-kind match for each line item?	The "leveraged" column in the budget template form can be left blank.	08/20/2024
14.	Please define the MN DOC budget form's use of "subcontractor" and "contractor" in the context of DOE's definitions of "vendor" and "subrecipient" in their required GRIP budget form.	The budget template in the GrantVantage application system can be completed in the way that makes the most sense for each proposal. There are not strict definition requirements for "subcontractor" and "contractor", and those terms can be used in the budgets as they are appropriate to the project being proposed. There is no connection to the DOE definitions of "vendor" and "subrecipient" in the GRIP program, which is a separate grant program from the 40101(d).	08/20/2024
15.	The budget form online states "Year One costs." Does the MN Dept of Commerce only want Year One project costs, or should total project costs be provided?	For the purpose of the application, please include the total project costs under the "Year One costs" header.	08/20/2024
16.	This will be federal money passed through the state of Minnesota and therefore would be under the Federal Single Audit dollar threshold. Can the grant budget include federal single audit costs?	If the award meets the threshold of needing a single audit, yes, the budget can include audit costs.	08/20/2024
17.	Several months ago, Otter Tail was informed that if we were successful in getting a federal DOE grant through GRIP 1 and GRIP 1 applications, we would also be awarded a State Competitive Fund Match program from MN Department of Commerce. At this time, we have not heard from the DOE on our GRIP 1 or GRIP 2 applications. For the question below, how should be complete it since our SCF grant is dependent on our federal DOE application that is undecided at this time?	You may answer "no," on this question. It is intended to gauge past experience and capacity to complete the work in the RFP. Utilities have worked extensively with the Division of Energy Resources in the ECO-CIP team, we are aware of your capacity.	08/20/2024
	SECTION VII. Questions		
	SECTION VIII. Application Submission Instructions		
18.	What is the application deadline?	Applications must be complete and submitted, including exhibits and attachments, before 5:00pm Central Time	08/20/2024

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		on Monday, August 26, 2024. Late submissions will not be accepted.	
	SECTION IX. Evaluation and Scoring		
	SECTION X. Notifications		
	SECTION XI. Exhibits and Attachments		
19.	Is Exhibit D Workforce and Equal Pay Declaration Page required for a municipal electric utility company? The City of Anoka owns Anoka Municipal Electric and is not a private business. If the form is not required, as I read it, do we leave it blank for the grant submission package?	Please complete the Exhibit D Workforce and Equal Pay Declaration form using the "exempt" option listed.	08/20/2024
	SECTION XII. Timeline		
20.	Regarding the statement, "Grant Contracts between Commerce and the Applicant will have a term of no more than two (2) years from the date of execution to complete the project and submit all Program paperwork deemed necessary by Commerce. An extension may be granted by Commerce upon written request. Work on the individual contract cannot begin prior to the execution date of the Grant Contract." (p. 19 of NOFO) - Should an applicant provide this extension request during the application period or post-award?	Extension requests can be made during the post-award period. We anticipate extensions may be needed due to supply chain and other concerns, and we will work with subaward recipients on any needed extensions during the course of the project work.	08/20/2024
	SECTION XIII. General Requirements		
21.	Electric cooperatives hold a not-for-profit tax status that is different from a non-profit tax status. Is the requirement to provide Voter Registration services applicable to electric cooperatives if awarded a 40101(d) grant? Does the electric cooperative's Form 990 need to be submitted with the application?	Legal review of this question determined that Minn. Stat. § 201.162 would not be applicable to recipients of grid resiliency grants. In other words, the voter registration services requirement does not apply to electric cooperatives for the 40101(d) grant program. Non-profit grant applicants may be required to submit the following documents, as applicable to the organization and as required by 16B.981 Subd. 2 (2) and Subd. 2 (5) as part of the pre-award risk assessment: • Most recent 990 or Form 990-EZ filed with the IRS	08/20/2024

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		• If not in existence long enough or not required to file Form 990, Form 990 EZ or most recent audit, the nonprofit grant applicant must: - Demonstrate exemption – i.e. Provide a copy of the IRS determination letter - Submit the most recent set of board-reviewed (or managing group if applicable) financial statements • Most recent audit as required, under Section 309.53, Subdivision 3	