

Draft for Public Comment

2017 Alternative Manure Management Program

The Alternative Manure Management Program is funded by the California Climate Investments Program



Request for Grant Applications

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Email comments to cdfa.oefi@cdfa.ca.gov

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About the Program

Purpose

The California Department of Food and Agriculture's (CDFA) [2017 Alternative Manure Management Program \(AMMP\)](#) awards competitive grants to California dairy and livestock operations for technologies and practices that result in long-term methane emission reductions and maximize environmental benefits.

Funding and Duration

Assembly Bill 1613 (Chapter 370, Statutes of 2016) appropriated funding from the Greenhouse Gas Reduction Fund (GGRF) to CDFA for early and extra methane emissions reductions from dairy and livestock operations. CDFA anticipates awarding \$9 to \$16 million to support non-digester practices that reduce methane emissions from dairy and livestock operations through the Alternative Manure Management Program (AMMP). CDFA will fund up to 100% of the total project cost with a maximum grant award of \$750,000 per project. Matching funds are strongly encouraged.

The maximum project term is two (2) years and grant funds cannot be expended before February 1, 2018 or after January 31, 2020. CDFA may offer an award different than the amount requested.

Eligibility and Exclusions

The project site must be located on a commercial California dairy or livestock operation. A *dairy operation* is defined as an entity that operates a dairy herd, which produces milk or cream commercially, and whose bulk milk or bulk cream is received or handled by any distributor, manufacturer, or any nonprofit cooperative association of dairy producers. A *livestock operation* is defined as an entity raising farm animals such as cattle, poultry, goats, sheep, swine and horses.

AMMP supports several project types for which there are methods to quantify GHG emission reductions. To be eligible, the current baseline manure management practices must include the anaerobic decomposition of volatile solids stored in a lagoon or other predominantly liquid anaerobic environment. Methane is produced when volatile manure solids are stored in wet, anaerobic conditions; consequently conditions that lead to methane production must currently exist at a dairy or livestock operation in order for methane emission reductions to be achieved through an AMMP project. Existing milk producers and livestock operators are eligible to apply for funding.

Each AMMP project requesting GGRF funding must include at least one of the following project components for FY 2016-17 that reduce baseline methane emissions:

1. **Pasture-based management** including (i) conversion of a non-pasture livestock operation to pasture-based management; (ii) increasing the amount of time livestock spend at pasture at an existing pasture operation; and/or (iii) construction of a compost bedded pack barn.

Note: All pasture-based management projects must currently manage/store some manure in anaerobic conditions and introduce new practices that reduce the quantity of manure managed in such conditions.

2. **Solid separation** of manure solids prior to entry into a lagoon at a livestock operation *in conjunction with one of the following practices (a) through (h):*
 - a) **Open solar drying** of manure (manure is dried in a paved or unpaved open confinement area without any significant vegetative cover where accumulating manure may be removed periodically);
 - b) **Closed solar drying** (drying of manure in enclosed environment);
 - c) **Forced evaporation with natural-gas fueled dryers;**
 - d) **Daily spread** (manure is routinely removed from a confinement facility and is applied to cropland or pasture within 24 hours of excretion);
 - e) **Composting in vessel** (composting, typically in an enclosed channel, with forced aeration and continuous mixing);
 - f) **Composting in static pile** (composting in piles with forced aeration but no mixing);
 - g) **Composting in intensive windrows** (with regular – at least daily – turning for mixing and aeration);
 - h) **Composting in passive windrows** (with infrequent turning for mixing and aeration).

Note: Either the installation of a new solid separation system at a livestock operation that does not currently employ solid separation, or the installation of a new solid separation system with significantly higher separation efficiency than the existing solid separation technology may be eligible.

3. **Conversion from a flush to scrape** manure collection system *in conjunction with one of the practices (a) through (h) in the list above.*

It is important to note that while solid separation or conversion from a flush to a scrape manure collection system is often a critical component an AMMP project, the adoption of one of these practices as a standalone measure does not necessarily result in avoided CH₄ emissions since separated or scraped manure could be stored or treated in an anaerobic system. Therefore this quantification methodology identifies practices based on how the manure is ultimately treated or stored, and not only on how it is collected.

An applicant may submit multiple grant applications; however, each grant application must represent an individual project at a unique project site (i.e., dairy or livestock operation).

A group of dairy or livestock operations can submit one grant application to develop centralized projects (for example, a centralized composting facility), known as a “cluster” or “hub and spoke” project. The location of the centralized facility can be one determined appropriate by participating dairy operations.

2017 AMMP grant funds **cannot** be used for the following:

- To fund projects on dairy or livestock operations that propose to switch existing management practices to those that increase baseline GHG emissions (e.g., from dry scrape to flush lagoon systems).
- Duplicate equipment or activities that will receive funding from a different state or federal funding source.
- Installation of a biogas control system (digester).
- Operations that have already installed, or plan to install an anaerobic digester system to digest manure are not eligible for funding through the 2017 AMMP. Projects planning to install digesters may be eligible for funding under the Dairy Digester Research and Development Program (DDRDP) also administered by CDFA.

Tentative Timeline

2017 AMMP Timeline	
Request for Grant Applications public comment period	July 2017
Invitation to Submit Grant Applications	August 2017
Grant application workshops	August – September 2017
Grant applications due	September 2017
Review process	October – December 2017
Announce and award funding	January 2018
Project implementation begins	February 2018

Requirements and Limitations

Program Requirements

The 2017 AMMP will support the adoption of alternative (non-digester) manure management practices on California dairy and livestock operations that result in permanent, annual, and measurable GHG emission reductions. All projects that receive GGRF monies are required by statute ([Government Code Section 16428.9](#)) to achieve GHG emission reductions and further the purposes of the Global Warming Solutions Act of 2006 ([AB 32](#)).

Grant recipients will be required to submit quarterly status reports to CDFA explaining in detail the project's progress. Recipients must also report their annual GHG emissions reduction data to CDFA for five years after the end of the project term and/or the alternative manure management practice becomes operational.

California Environmental Quality Act and Permits

CDFA's intent is to fund projects that can demonstrate a project's "readiness." Project readiness will be evaluated based on evidence that applicants are ready to start project implementation. Evidence includes, but is not limited to, a list of permits already obtained and details of the process required to obtain remaining permits clearly outlined in the FAAST Questionnaire under the Project Readiness section.

If awarded, grant recipients are expected to demonstrate compliance with California Environmental Quality Act (CEQA) and all applicable permitting within six (6) months of the execution of the grant agreement.

Project Technology

Projects must use commercially available technologies. *Commercially available technologies* are those having a proven operating history specific to the grant application. Such a system is based on established design and installation procedures and practices. Professional service providers, trades, large construction equipment providers, and labor are familiar with installation procedures and practices. Please refer to Key Terms and Definitions ([Appendix D](#)) for a detailed definition of "commercially available" as applicable to this program.

2017 AMMP grant funds *cannot* be used for pre-commercial, new technology development or research purposes. *Pre-commercial technologies* are defined as new technologies or enhancements of existing technologies that are not commercially available.

Greenhouse Gas Emission Reduction Calculations

Applicants are required to use the quantification methodology titled "Greenhouse Gas Quantification Methodology for the California Department of Food and Agriculture Alternative Manure Management Program: Greenhouse Gas Reduction Fund Fiscal Year 2016-17" and associated "Greenhouse Gas Emission Reduction Calculator Tool for the California Department of Food and Agriculture Alternative Manure Management Program: Greenhouse Gas Reduction Fund Fiscal Year 2016-17" (hereafter referred to as quantification methodology and Estimated GHG Reduction Calculator, respectively) developed by the California Air Resources Board (CARB). The quantification methodology and calculator are available on CARB's website at www.arb.ca.gov/cci-quantification.

This quantification methodology and estimated GHG Reduction Calculator were developed specifically for the 2017 AMMP and are adapted from the CARB Compliance Offset Protocol – Livestock Projects (2014) with some modifications to allow for the calculation of anticipated net GHG reductions of a 2017 AMMP project prior to implementation.

Applicants are required to provide GHG calculations in the following four formats: (1) total project emission reductions over 5 years; (2) GHG reduction per unit of energy-corrected milk (ECM) produced by the dairy operation over 5 years (dairy applicants only); (3) GHG reduction per dollar 2017 AMMP grant money requested over 5 years; and (4) GHG reduction per dollar total GGRF grant money requested over 5 years.

Benefits to Disadvantaged and Low-Income Communities

Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012) directed State and local agencies to make investments that improve California's disadvantaged communities with a minimum of 25 percent of funds to benefit these communities and 10 percent to projects located within and benefiting them.

In 2016, the Legislature passed and the Governor signed Assembly Bill (AB) 1550 (Gomez, Chapter 369, Statutes of 2016), increasing the percent of funds for projects located in and benefiting disadvantaged communities and adding a focus on investments in low-income communities and households. AB 1550 requires that a minimum of 25 percent of the proceeds be invested in projects that are located within and benefiting individuals living in disadvantaged communities; an additional minimum of 5 percent of funds be invested in projects that benefit low-income households or communities statewide; and an additional 5 percent to be invested in projects that benefit low-income households or communities that are within a ½ mile of a disadvantaged community. Together, SB 535 and AB 1550 prioritize investments to disadvantaged and low-income communities and households in need of assistance.

CARB's Funding Guidelines for Agencies that Administer California Climate Investments (December, 2015)¹ contain criteria for evaluating benefits to disadvantaged communities (see Table 2.A-8 Waste Diversion and Utilization in Appendix 2.A). CARB is in the process of updating these Funding Guidelines to provide guidance on the new statutory provisions of AB 1550; however, for the 2017

¹ Available at www.arb.ca.gov/cci-fundingguidelines.

AMMP solicitation applicants may also evaluate benefits to low-income communities using same the criteria in Table 2.A-8. A tool for identifying whether a location falls within a disadvantaged or low-income community is available on CARB's website:

<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>.

Matching Funds

CDFA will fund up to 100% of the total project costs with a maximum grant award not to exceed \$750,000 per project. Matching funds are not a requirement of the AMMP. However, matching funds are encouraged and may serve as evidence to demonstrate industry commitment to, or support for, the project. Grant recipients must report matching funds contributed to the project and ability to commence work while waiting for grant payments in arrears.

Matching funds are a portion of project costs not borne by the GGRF. Matching contributions include allowable costs incurred that are directly related to the implementation of the non-alternative manure management practices (i.e., supplies and materials, equipment, and contractor/consultant fees, and other associated project costs).

In-kind contributions are donated goods or services for which fees would ordinarily be paid or provided to the applicant at no cash cost. Donated goods and services must be necessary to the project to be considered in-kind (i.e., goods/services would be otherwise purchased if not donated). For professional donated services, the professional donating the service must be licensed to work in that profession and value their service at the same rate at which an ordinary professional with the same expertise and training would charge for the same or similar service.

In-kind contributions also include contributions in the form of labor for project installation and pre-development activities conducted prior to the proposed project term that contributed to the project's "readiness." Examples include but are not limited to: pre-development activities such as permits and project design.

Applicants must provide the contribution source, type, and amount of all contributions in support of the project. Grant recipients will be required to expend matching funds committed to the project throughout the project term. If matching funds are not expended at a rate consistent with grant funds, CDFA will withhold grant funds until matching funds are expended at a consistent rate.

Allowable Costs

Project costs must clearly support the implementation of the non-digester manure management practice(s), including, but not limited to:

Supplies: Supplies and materials are items with an acquisition cost less than \$5,000 per unit and have a useful life of less than one year.

Equipment: Equipment is an article of nonexpendable, tangible personal property and has a useful life of more than one year, and a purchase cost which equals or exceeds \$5,000 per unit.

Contractor: Contractor fees are limited to labor to install the project. Contractor fees are for a specific and identifiable service that is directly related to project implementation.

NOTE: Compensation for individual contractor/ fees must be reasonable and consistent with fees in the marketplace for the same or similar services.

Design and engineering: Design and engineering costs, including those provided by contractor/consultants up to 5% of the total amount requested are allowable.

Other Costs: Other direct costs and expenses for implementing the project not covered in any of the previous categories.

Costs associated with the initial two years of project GHG emissions reductions reporting.

Unallowable Costs

The following costs are *not* allowed:

- AMMP grant funds may not be used to reimburse applicants for costs incurred outside of the grant term.
- Costs covered by another State or Federal grant program.
- Pre-development costs, including, but not limited to: permits, project designs, and any other activities that contributed to a project's readiness.
- Costs associated with environmental review required for project permits, including preparation of Environmental Impact Reports.
- Expenditures for purchasing or leasing land or buildings.
- Purchase of dairy manure (tipping fees) or other feedstocks.
- Costs associated with the three years of post-project GHG emissions reductions reporting.

How to Apply

Financial Assistance Application Submittal Tool (FAAST)

Applicants are required to complete and submit their grant applications online using the Financial Assistance Application Submittal Tool (FAAST). FAAST is hosted by the State Water Resources Control Board (SWRCB) and can be accessed through the SWRCB website at <https://faast.waterboards.ca.gov>.

Applicants must create a user account in FAAST in order to submit a grant application. The FAAST Proposal Identification Number (PIN) will be used throughout the application process as a project identifier. FAAST is organized into several tabs and includes a question and answer format. The Questionnaire tab in FAAST contains the grant application, which is a series of questions regarding the proposed project.

Questions are answered in one or more of the four following formats: a drop down menu; a check box; a text box with predetermined character limitations; or as a document attachment. Responses to all questions must be submitted in the manner and format required by the application questionnaire in FAAST without exception.

The SWRCB website contains a Frequently Asked Questions section and a User Manual. After reading the information available on the website, applicants that have additional questions about the FAAST system may contact FAAST customer service at (866) 434-1083, Monday through Friday, 8:00 am to 5:00 pm PDT or via email, faast_admin@waterboards.ca.gov.

Computer System Requirements

To ensure applications and attachments are submitted successfully, CDFG encourages applicants to comply with FAAST's computer system recommendations. CDFG cannot guarantee that the FAAST system or the required templates will be compatible with other browsers or operating systems. Use of other browsers or operating systems will limit the ability of CDFG and FAAST staff to provide applicants with technical assistance, should any issues arise.

FAAST computer system recommendations:

- Use a Windows PC with Internet Explorer 6.0 or higher.
- Disable pop-up blocking software while using FAAST.
- Save work often – the system will time out after 90 minutes and any unsaved work will be lost.

Grant Application: FAAST Questionnaire and Attachments

Applicants must respond to the questionnaire in FAAST and upload all required attachments into the [FAAST system](#). Attachments must be submitted in Times New Roman font size 11, with one (1) inch margins, and page numbers should be on bottom right corner. Attachments listed as single PDF files (supporting documents, letters of support, design plans, etc.) have no page limit.

All attachments should include the FAAST PIN, assigned to your application by the FAAST system, in top left corner.

FAAST Questionnaire

The FAAST Questionnaire can only be accessed within the FAAST system. Click [Preview FAAST Questionnaire](#) to view the questions as they will appear in FAAST. Previewing the questions will assist applicants in determining what information is necessary to complete the FAAST Questionnaire.

Attachments

Project Plan and Long-Term Viability

Attachment 1: Project Narrative Template

The Project Narrative should detail the history and background of the dairy or livestock operation, the eligible project type to be used in the proposal, whether site is owned or leased, sustainability of the project, operations, maintenance, organization of project team, and experience.

Complete and upload the [Project Narrative template](#) to FAAST.

In addition to the Project Narrative template, include the following supporting materials:

- **Supporting Materials 1.1:** Site plan, project design documents and schematic diagrams. Upload to FAAST as a single PDF file; no total page limit.
- **Supporting Materials 1.2:** Copy of Deed and/or Lease Agreement (if applicable). Upload to FAAST as a single PDF file; no total page limit.
- **Supporting Materials 1.3:** Resumes, team commitment letters, etc. (if applicable) (Single PDF file, no page max.) Limit each resume to 2 pages.

Attachment 2: Work Plan Template

The Work Plan must clearly and concisely describe the tasks and activities required to accomplish goals/objectives in the proposed Project Narrative. It must identify measurable targets and timelines and include an evaluation component to measure the success of the project and determine whether the project objectives were accomplished.

Complete and upload the [Work Plan template](#) to FAAST.

Budget Worksheet and Financials

Attachment 3: Budget Worksheet Template

Applicants must provide a clear accounting of costs, work hours, and equipment associated with all activities necessary to complete the project. Applicants must identify 2017 AMMP funds requested, the source and amount of matching (cash) funds, in-kind contributions, State and Federal funds, and all other funding sources necessary to complete the project.

Complete and upload the [Budget Worksheet template](#) to FAAST.

Attachment 4: Financials

There is no template to complete for Financials; however, applicants must attach the following documentation:

- Provide documentation regarding the organization's financial strength. In case of a partnership, information from all partners is required. This information includes:
 - Independent CPA Auditor's Report (preferred).
 - Three most recent fiscal year balance sheets.
 - Profit/loss statements and federal tax returns.
 - Other appropriate documentation that demonstrates your organization's (e.g. Limited Liability Company) financial stability, such as: Articles of Organization; Operating Agreement; Bank Statements (including those related to operating and payroll, and lines of credit if applicable); or General Ledger.
- If the project will be a new partnership with little or no history, please submit key financial information from all collaborators (e.g. dairy/livestock operators and developer).
- Indicate all additional funding sources and ability to commence work while waiting for grant payments in arrears.

Note: Project partners must not have filed for bankruptcy in the past five years.

Upload to FAAST as a single PDF file; no total page limit.

Estimated GHG Emissions Reduction

Attachment 5: Estimated GHG Reduction Calculator

Estimate the project GHG emissions reduction with the Estimated GHG Reduction Calculator template.

Complete and upload the [Estimated GHG Reduction Calculator](#) template to FAAST.

In addition to the Estimated GHG Reduction Calculator template, include the following supporting materials:

- **Supporting Materials 5.1:** Explanation of Assumptions for GHG Calculations (if applicable; e.g. supporting documentation for use of non-default factors).

Project Readiness

Attachment 6: Permit Checklist Template

Applicants must indicate how far along the project is in the permitting process by completing the Permit Checklist Template.

Complete and upload [Permit Checklist template](#) to FAAST.

Environmental Benefits

Attachment 7: Environmental Benefits Template

The Environmental Benefits attachment should describe reduction of environmental impacts beyond permitting requirements. Provide an explanation of additional benefits such as: water conservation, value-added products, utilization of waste heat, reduction of odor, etc. Describe any mitigation measures the applicant will take to minimize potential environmental impacts and reduction of odor.

Complete and upload the [Environmental Benefits template](#) to FAAST.

In addition to the Environmental Benefits template, include the following supporting materials:

- **Supporting Materials 7.1:** Provide documentation, including but not limited to an explanation and citations from published literature, to support project's environmental benefits claims. Upload to FAAST as a single PDF file; no page limit.

Benefits to Disadvantaged and Low-Income Communities

Attachment 8: Benefits to Disadvantaged and Low-Income Communities Template

This attachment should describe the proposal's impact and benefits provided to Disadvantaged and Low-Income Communities consistent with the criteria outlined in CARB's Funding Guidelines for Agencies that Administer California Climate Investments Volume 2 (2017).

Complete and upload the [Benefits to Disadvantaged and Low-Income Communities template](#) to FAAST.

- **Supporting Materials 8.1:** Provide up to 3 letters of support from community members/leaders demonstrating their support of the project. Upload to FAAST as a single PDF file; no page limit.

Note: Detailed Scoring Criteria are included in [Appendix E](#).

Participation in Methane Manure Management Research

Attachment 9: Agreement to Participate in Methane Manure Management Research

The applicant must indicate if they are willing to participate in methane manure management research to help gather data on dairy baseline emissions.

Complete and upload the [Agreement to Participate in Methane Manure Management Research](#) to FAAST.

Review and Notification

Review Process

CDFA will fund those projects that produce the highest results in permanent annual greenhouse gas emission reductions from handling dairy or livestock manure and maximize project benefits.

CDFA will conduct two levels of review during the grant application process. The first is an administrative review to determine whether grant application requirements are met. Grants applications disqualified as a result of the administrative review may be appealed. The second is a comprehensive technical review to evaluate the merits of the grant applications based on the scoring criteria. The Technical Advisory Committee (TAC) will complete the second level review. Final award decisions as a result of the comprehensive technical reviews cannot be appealed.

The TAC is a subset of the California/Federal Dairy Digester Working Group and additional experts in dairy and livestock manure management from state agencies and academia. The TAC will review evaluations regarding the GHG emission reduction calculations and financial soundness components of the grant application.

CDFA's Audit Office will review the financial information submitted with the grant application, and provide feedback regarding the applicant's financial soundness and credibility.

CDFA will follow the procedures set forth in [Appendix C](#): Confidential Information with respect to confidential and proprietary information provided in the grant application.

Disqualifications

During the administrative review, the following will result in the automatic disqualification of a grant application:

- One or more unanswered questions necessary for the administrative, fiscal, or technical review;
- Missing, blank, unreadable, or corrupt content;
- Unusable or unreadable attachments;
- Requests for more than the maximum award amount.

APPEAL RIGHTS: Any disqualification taken by the Office of Grants Administration (OGA) during the administrative review for the preceding reasons may be appealed to CDFA's Office of Hearings and Appeals Office within 10 days of receiving a notice of disqualification from CDFA. The appeal must be in writing and signed by the responsible party name on the grant application or his/her authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the OGA decision being challenged. The submissions must be sent to the California Department of Food and Agriculture, Office of Hearings and Appeals, 1220 N Street, 4th Floor, Sacramento, CA 95814 or emailed to CDFA.LegalOffice@cdfa.ca.gov. If submissions are not received within the time frame provided above, the appeal will be denied.

Notification and Feedback

All applicants will be notified regarding the status of their grant applications. Successful applicants will receive specific instructions regarding the award process, including information on invoicing and reporting requirements. Applicants not selected for an award may request feedback regarding their applications by writing to grants@cdfa.ca.gov.

In accordance with [CARB Funding Guidelines for Agencies that Administer California Climate Investments](#), CDFFA will post basic information on the 2017 AMMP web site about all of the applications it has received at least 10 days before awarding grant funds. After projects are selected and all funds are encumbered, CDFFA will post an updated list within 90 days that identifies status of all project applications.

Assistance and Questions

Workshops and Webinar

CDFA will conduct three workshops and a webinar on the 2017 AMMP solicitation process and use of the FFAST system. Please visit CDFA's AMMP website www.cdfa.ca.gov/oefi/AMMP/ for dates, times, and locations. All applicants are encouraged to participate in a workshop or webinar.

In addition, in partnership with the Strategic Growth Council, Technical Assistance Workshops (hosted by a non-CDFA entity, such as not-for-profit organization and/or academic experts) will be offered on the technical aspects of the application process, including the GHG calculation requirements. CDFA strongly encourages applicants to obtain technical assistance when developing a grant application.

CDFA will post the time and locations for grant application and technical application workshops to the AMMP webpage: <https://www.cdfa.ca.gov/oefi/AMMP/>.

Questions and Answers (Q&A)

General questions regarding the solicitation process must be submitted to grants@cdfa.ca.gov. Responses to all questions received during the workshops, webinar, or by email will be posted to CDFA's AMMP website according the following schedule:

Questions Received by:	Responses Posted by:
TBD	TBD
TBD	TBD
TBD	TBD

Note: All times listed above are Pacific Daylight Time (PDT).

August xx, at 8:00 am PDT is the final deadline to submit questions for the 2017 AMMP grant application.

To maintain the integrity of the competitive grant process, CDFA is unable to advise and/or provide individuals with any information regarding specific grant application questions during the solicitation process.

Appendix A: Attachments

Attachments should be submitted as PDF files, in Times New Roman font size 11, with one (1) inch margins, page numbers should be on bottom right corner. Attachments listed as single PDF files (examples include but not limited to: supporting documents, letters of support and design plans) have no page limit. Each attachment may not exceed 25 MB. All attachments should include FAAST PIN on top left corner.

Application Attachments	
Project Plan and Long-Term Viability	
Attachment 1	Project Narrative Template (Single PDF file, 8 pages maximum max.)
Supporting Materials 1.1	Site plan, project design documents, schematic diagrams, etc. (Single PDF file, no page max.)
Supporting Materials 1.2	Copy of Deed and/or Lease Agreement (if applicable) (Single PDF file, no page max.)
Supporting Materials 1.3	Resumes, team commitment letters, etc. (if applicable) (Single PDF file, no page max.) Limit each resume to 2 pages.
Attachment 2	Work Plan Template (Single PDF file, 4 page max.)
Financials and Budget Worksheet	
Attachment 3	Budget Worksheet Template (Single PDF file, template provided)
Attachment 4	Financials (Single PDF file, no page max.)
Estimated GHG Emissions Reduction	
Attachment 5	Estimated GHG Reduction Calculator
Supporting Materials 5.1	Explanation of Assumptions for GHG Calculations (if applicable)
Project Readiness	
Attachment 6	Permit Checklist Template (Single PDF file, no page max.)
Environmental Benefits	
Attachment 7	Environmental Benefits Template (Single PDF file, 3 pages max.)
Supporting Materials 7.1	Explanation and citations from published literature, to support project's environmental benefits claims. (Single PDF file, no page max.)
Benefits to Disadvantaged and Low-Income Communities	
Attachment 8	Benefits to Disadvantaged and Low-Income Communities Template (Single PDF file, 3 pages max.)
Participation in Methane Manure Management Research	
Attachment 9	Agreement to Participate in Methane Manure Management Research (Single PDF file)

Appendix B: Grant Recipient Requirements

Grant Agreement

Applicants with projects selected for award of funds will receive a Grant Agreement package with specific instructions regarding award requirements including information on project implementation and payment process.

Once a Grant Agreement is executed, grant recipients can begin implementation of the project. Grant recipients are responsible for the overall management of their awarded project to ensure all project activities, including labor associated with the installation are completed no later than January 31, 2020.

Payment Process

CDFA will provide grant recipients with the necessary grant award and invoicing documents. The remaining funds will be allocated on a reimbursement basis. Invoices must be submitted quarterly and include all supporting financial documentation to substantiate expenses. CDFA will withhold 10 percent from the total grant award until the verification requirement is complete to ensure grant recipients install their project as approved by CDFA. Invoicing and closeout of all project expenditures must be completed no later than March 31, 2020, or within 30 days from project completion, whichever comes first., 2020.

The grant recipients matching fund expenditures must equal or exceed the 2017 AMMP grant expenditures throughout the grant agreement term. If matching funds are not expended at a rate consistent with grant funds, CDFA will withhold grant funds until matching funds are expended at a consistent rate.

Reporting

Grant recipients will be required to submit quarterly Progress Reports during the project term. The Progress Report is used to identify tasks and activities achieved, potential concerns, matching funds expended to date, and other pertinent information, such as greenhouse gas reductions and project benefits. The Progress Report will require recipients provide project information including but not limited to:

- GHG emission reductions estimated using the Estimated GHG Reduction Calculator.
- Detailed explanation of project co-benefits achieved and description of efforts planned or in place for sustaining the project's co-benefits through the life of the project.
- Detailed explanation of economic benefits (including but not limited to number of jobs provided, average wages and benefits) achieved and describe efforts planned or in place for sustaining the project's economic benefits.

A Final Performance Report will be required no later than 30 days after the project installation is complete. The Final Performance Report will require grant recipients to provide an evaluation of project outcomes and how the project contributed to greenhouse gas reductions from the dairy or livestock operation. Among other important information, grant recipients must report on the following:

- Greenhouse gas reductions, in MTCO₂e, achieved during the grant term (if any), along with all

supporting calculations. Estimate the annual GHG reductions in MTCO₂e that will occur in each year until five years after completion.

- Describe benefits to local communities, including improvements in air and water quality (quantified, if applicable), and economic (e.g. job creation, job training) and social benefits identified in the grant application. Using the grant application as a guide, provide a comprehensive account of all benefits accorded to communities over the project term, and describe efforts planned or in place for sustaining the project's benefits to disadvantaged communities and/or low-income communities through the life of the project.

Critical Project Review

Grant recipients must agree to a Critical Project Review/Site Visit during the project term to verify project progress as reported in Progress Reports submitted to CDFA.

If it is determined by CDFA from the Critical Project Review that at that time the grant project is not meeting, and is unlikely to meet, certain milestones CDFA has the right to terminate the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, the Grantee must return any previously reimbursed funds. Termination may result in forfeiture by the grantee of any funds retained pursuant to 10 percent retention policy.

Post-Project Completion Requirements

Execution of the Grant Agreement is conditional upon agreement to post-project completion requirements. Grant recipients are expected to maintain documentation related to the 2017 AMMP-funded project, including GHG emissions reductions. Grant recipients may be required to report on project outcomes achieved for a period of three years after project completion. Project emissions reductions determination and reporting must be consistent with guidelines provided in the requirements for Project Outcome Reporting in the CARB Funding Guidelines: www.arb.ca.gov/cci-fundingguidelines.

The data to be reported may include, but may not be limited to:

- Weeks per year livestock spent at pasture before and during reporting period
- Confirmation that solid separation or dry scrape technology is operational and being utilized

Reported information on project outcomes will be made publically available on CARB's website (www.arb.ca.gov/auctionproceeds) and in the Annual Report to the Legislature per CARB requirements.

The purpose of this reporting is to demonstrate the long-term success of 2017 AMMP-awarded projects by documenting GHG emission reductions and other project benefits. In accordance with [CARB Funding Guidelines for Agencies that Administer California Climate Investments](#), reported information will be made publically available per CARB requirements. After the project is operational, CDFA will work with grant recipients to collect the necessary data and quantify GHG emission reductions. Failure to work with CDFA or its designees to provide the necessary project-related documentation will be considered non-performance. In the event of non-performance, CDFA shall take any action deemed necessary to recover all or any portion of the grant funding.

Appendix C: Confidential Information

The California Public Records Act (Government Code sections 6250, et seq.) and related statutory definitions of "confidential or proprietary information" (also known as "trade secrets") determine what information provided by the applicant is exempt from public disclosure. The following describes how questions are resolved regarding what information is confidential, the legal protections for confidential information, and internal and program procedures to maintain confidentiality.

What is "confidential?"

The California Public Records Act prevents the disclosure of confidential or proprietary information including, but not limited to:

- Confidential Business and financial information, including volume of business, costs and prices, customers, financial condition, trade secrets, and similar information obtained under an express or implied pledge of confidence. (Ev. Code § 1060 and Gov. Code § 6254).
- Personal data including tax information prohibited from disclosure. (Gov. Code § 6254 and Rev. & Taxation Code § 19542).
- Information Practices Act of 1977 (Civ. Code section 1798 et seq.)

Applicants are directed to clearly mark, on each page, "confidential/proprietary information" those documents they feel contain confidential or proprietary information. However, the mere marking of documents as "confidential/proprietary information" will not result in their being treated as confidential if they are not exempt from disclosure under the California Public Records Act.

What if there is a question about what is confidential?

If CDFA receives a Public Records Act request for documents submitted by the applicant, CDFA will notify the applicant of the request. The CDFA Legal Office will review the records and make a determination as to whether or not the records are exempt from disclosure.

What program procedures will keep information confidential?

Financial information will be analyzed, on a need-to-know basis, by staff from the CDFA, kept confidential, and will be maintained with restricted access. Grantee businesses will agree to provide specific key financial information for three years to develop benchmarks to evaluate the program. The records will be kept for the amount of time set forth in CDFA's Internal Record Retention Policy.

Appendix D: Key Terms and Definitions

Word/Term	Definition
Applicant	The respondent to this solicitation.
Application	An applicant’s formal written response to this solicitation.
Cluster Project	Projects that propose to develop centralized manure management facilities serving more than one dairy or livestock operation (also known as clusters or “hub and spoke” model) are eligible. These projects could include a hub facility where centrally located operations would occur such as the collection of manure for composting from a group or cluster of existing dairy or livestock operations.
Commercially-available Technologies	A system that has a proven operating history specific to the proposed application. Such a system is based on established design, and installation procedures and practices. Professional service providers, trades, large construction equipment providers, and labor are familiar with installation procedures and practices. Proprietary and balance of system equipment and spare parts are readily available. Service is readily available to properly maintain and operate the system. An established warranty exists for parts, labor, and performance. Pre-commercial technologies are new technologies or enhancements of existing technologies that are not commercially available in California. Technologies can include pre-commercial and commercial components, but for the purposes of this solicitation, technology should be commercially available in CA for the particular component.
GHG	<i>Greenhouse Gas(es)</i> , atmospheric gases that have the ability to trap infra-red radiation from the sun and contribute toward global warming and climate change, such as carbon dioxide, methane and nitrous oxide. The current solicitation will address projects aimed at reducing methane emissions.
GHG Emission Reduction	A calculated decrease in GHG emissions relative to a project baseline scenario over a specified period of time.
Greenhouse Gas Reduction Fund (GGRF)	A fund established in 2012 to receive State Cap and Trade Auction proceeds and define requirements for how funds must be used.
Matching Funds	Funds provided by the applicant toward the implementation of the alternative manure management practice.
Milk Producer	"Producer" means any person that operates a dairy herd which produces milk or cream commercially and whose bulk milk or bulk cream is received or handled by any distributor, manufacturer, or any nonprofit cooperative association of producers.
Permanent Greenhouse Gas Emission Reductions	“Permanent” means either that GHG reductions and GHG removal enhancements are not reversible, or that when GHG reductions and GHG removal enhancements may be reversible, mechanisms are in place to replace any reversed GHG emission reductions and GHG removal enhancements to ensure that all reductions endure for at least 100 years.

Baseline Scenario	“Baseline scenario” represents the GHG emissions presently occurring at the project location and that would occur in the absence of a 2017 AMMP project.
Project Scenario	“Project scenario” represents the GHG emissions and emission reductions that are reasonably expected to occur as a result of implementing a 2017 AMMP project.
Project Manager	The person designated by the applicant to oversee the project and to serve as the main point of contact for the CDFA.
Livestock Operation	An entity raising farm animals such as cattle, poultry, goats, sheep, swine and horses.

Appendix E: Detailed Scoring Criteria

SCORING CRITERIA	MAXIMUM POINTS
PROJECT PLAN AND LONG-TERM VIABILITY	25
<p>Addressed all requirements of Project Implementation Plan section and Work Plan including, but not limited to:</p> <ul style="list-style-type: none"> a. Provide tonnes of material handled through the proposed management practice. b. Technologies have a track record of success and are commercially available. c. Documentation that demonstrates control of the dairy/livestock operation site provided (if applicable). d. Guarantees that an adequate amount of feedstock (e.g. material to be composted) will be provided to make the project feasible by the time the project is operational (if applicable). e. Specific list of all tasks needed to complete project using the Work Plan template provided. f. Detailed Work Plan clearly and concisely described the tasks and activities required to achieve the goals/objectives in the proposed project narrative. g. Included major work items (including but not limited to permitting, site planning, engineering, construction, equipment, field supervision, health and safety requirements, testing and bonds) h. Reasonable estimate of projected timeline for the project to be operating at full capacity included. i. Demonstrated that all tasks are logical and achievable within the grant term, and with available resources. Identified measurable targets that must be met to accomplish project within the grant timeline, with specific dates for each target. j. Included an evaluation component to measure success of the project and to determine whether the goals/objectives were accomplished, and build in measurable milestones and a timeline to complete the evaluation before the grant term expires. Evaluation plan consistent with work plan. k. Long term operations and maintenance plan included. l. Demonstrated that the applicant (including its contractors) and cooperating organizations have sufficient staff resources, technical expertise, and experience to successfully complete the proposed project. Provided resumes of key project personnel and contractors. 	

<p>BUDGET AND FINANCIALS</p>	<p>15</p>
<p>Adequate documentation regarding organization’s financial strength provided through financial documents listed in the application. Additionally:</p> <ol style="list-style-type: none"> a. Evidence of ability to fund upfront costs while waiting for reimbursement provided. Demonstrated financial strength to sustain project beyond grant term. b. Described and quantified sources and amount of local, state, and federal funds, loans, other grants, and all other funding necessary to complete the proposed project (if applicable). c. Described and quantified expenditures already incurred to initiate work on project, such as engineering, site preparation, infrastructure, utility hookups, permitting and environmental review. d. Provided a complete Budget Worksheet addressing issues including, but not limited to: <ol style="list-style-type: none"> 1. Itemized costs consistent with the Work Plan. 2. Back-up documentation including quotes, estimates, and equipment details in support of budget costs. 3. Overall budget well justified and consistent with Work Plan. e. Provided a clear accounting of all costs associated with all activities necessary to complete the project. 	
<p>ESTIMATED GREENHOUSE GAS EMISSIONS REDUCTION</p>	<p>35</p>
<ol style="list-style-type: none"> a. Described the proposed project and explained how it will result in reduction of metric tonnes of GHG emissions annually compared to existing practices for the dairy or livestock operation. b. Completed the Estimated GHG Reduction Calculator spreadsheet for 2017 AMMP. Proper justification for all assumptions made in the calculation process provided. <p>Applicants reported GHG emission reduction results (in MTCO₂e) as:</p> <ol style="list-style-type: none"> a. Total project emission reductions over 5 years; b. GHG reduction per unit of energy-corrected milk (ECM) produced by the dairy operation over 5 years (dairy applicants only); c. GHG reduction per dollar 2017 AMMP grant money requested over 5 years; d. GHG reduction per dollar total Greenhouse Grass Reduction Fund (GGRF) grant money requested over 5 years (includes 2017 AMMP and other GGRF grants, if applicable). <p>Applications will be competitively ranked on their projected emissions reductions.</p>	

ENVIRONMENTAL BENEFITS	10
<p>Provided a description of the environmental benefits, beyond air and water quality permitting requirements, anticipated from the project, supported by appropriate evaluation and citations from published literature to support claims. Supporting documentation must show feasibility and plan for success of any proposed co-benefits. Any assumptions must be explained in sufficient detail.</p>	
PROJECT READINESS	15
<p>The permit check list is complete. Copies of permits obtained attached. CEQA: Notice of Determination (NOD) submitted.</p> <p>Projects will be competitively ranked with regards to how far along they are in their permitting process.</p>	
BENEFITS TO DISADVANTAGED AND LOW-INCOME COMMUNITIES	5
<p>a. Addressed the following questions:</p> <ol style="list-style-type: none"> 1. Does the project provide benefits to residents of disadvantaged communities, low-income communities, and/or low-income households according to one of the criteria in the Benefits to Disadvantaged and Low-Income Communities Template: <ul style="list-style-type: none"> • Is the project located within the boundaries of a disadvantaged or low-income community? • Does the project meaningfully address a community need? • Does the project provide benefits to residents of disadvantaged or low-income communities, such as job creation? Applicant provided number of jobs created and/or hours of job training provided. <p>b. Completed and attached the Benefits to Disadvantaged and Low-Income Communities template.</p> <p>c. Provided up to 3 letters of support from community members/leaders.</p>	
TOTAL	100