

2023 DAIRY PLUS PROGRAM



DairyPlus

PROGRAM

Request for Applications

Draft for Public Comments

Public comments must be submitted to cdfa.oefi_DairyPlus@cdfa.ca.gov by May 23, 2023, 5 PM PT.



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About the Program

Background and Purpose

The California Department of Food and Agriculture's (CDFA) [2023 Dairy Plus Program](#) will award competitive grants to California dairy farms for the implementation of advanced manure management practices that address both methane emissions and nutrient surplus.

The [California Dairy Research Foundation \(CDRF\)](#), in collaboration with CDFA and several other organizations, has been awarded \$85 million in funding by the [U.S. Department of Agriculture \(USDA\)](#) under the [Partnerships for Climate-Smart Commodities](#) program. Over the next five years, this project will work to provide incentives to producers to adopt advanced climate-smart manure management practices along with outreach and technical assistance, measure greenhouse gas (GHG) and nitrogen benefits associated with implemented practices and develop markets for climate-smart commodities. Approximately \$75 million of the total awarded amount will support the implementation of advanced manure management practices through the new Dairy Plus Program.

Incentive funds for this program will supplement the existing CDFA [Alternative Manure Management Program \(AMMP\)](#) or [Dairy Digester Research and Development Program \(DDRDP\)](#), which remain as standalone programs. If a dairy is interested in pursuing a larger scale and more comprehensive project than existing AMMP and DDRDP projects that addresses both manure methane emission and nitrogen surplus, they may apply for funding via the Dairy Plus Program in addition to AMMP or DDRDP. In addition, past recipients with successfully completed AMMP or DDRDP projects may also apply for funding through Dairy Plus Program.

Funding and Duration

The USDA Partnerships for Climate-Smart Commodities opportunity will make approximately \$75 million available to support the implementation of advanced manure management practices, which will be administered by CDFA through the Dairy Plus Program. At this time, the 2023 Dairy Plus Program will provide funds in addition to the 2023 Alternative Manure Management Program (AMMP), the 2023 Dairy Digester Research and Development Program (DDRDP), and previously awarded and completed AMMP or DDRDP projects. Projects proposing advanced manure management practices projects must go beyond the usual GHG emission reduction and benefits already provided by the AMMP and DDRDP programs (See [Eligibility and Exclusions](#)).

- The grant term will be 24 months.
- Project funding awarded at \$750 per cow, for a maximum of \$1,250,000 (see [Funding](#))

[Scenarios](#)).

- Costs incurred before the beginning of the grant agreement will not be reimbursed.
- Awarded projects must be complete and operational no later than 24 months after the start of the grant agreement.
- CDFA reserves the right to offer an award different than the amount requested.
- Grants are paid out on a reimbursement basis following invoice submission by the awardee.

Eligibility and Exclusions

The following eligibilities must be met for a project to be considered for the 2023 Dairy Plus Program:

- Producers must follow the USDA Partnership for Climate-Smart Commodities requirements (for more detail refer to [Program Requirements](#)).
- The project site must be in a California commercial dairy 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.
- Producers receiving grant award funds must be located in California with a physical California business address.
- Eligible project types can be categorized as:
 - A new 2023 AMMP project + Dairy Plus Program project
 - A new 2023 DDRDP project + Dairy Plus Program project
 - Previous AMMP recipient with a new 2023 DDRDP project + Dairy Plus Program project
 - Previous AMMP recipient proposing a Dairy Plus Program project
 - Previous DDRDP recipient proposing a Dairy Plus Program project
- The recipient and project must follow both the “[Requirements and Limitations](#)” of the 2023 Dairy Plus Program.

NOTE: *The items presented above may not be a comprehensive list of all the eligibilities necessary for a producer to fulfil the federal requirements for incentive payments. Federal requirements cannot be waived by the state. The complete list of eligibilities will be available at the 2023 Dairy Plus Program solicitation release date.*

Each Dairy Plus Program project requesting funding must include at least one of the following project components:

1. Projects accompanying a new 2023 or previous Alternative Manure Management Program project:

- a. **Vermifiltration** - This practice must be implemented in conjunction with an existing or new primary mechanical separator.
- b. **Solid separation of manure solids through Weeping Wall** – the system must have a minimum of at least **three cells**.
- c. **Advanced solid-liquid separation assisted by flocculants and/or bead filters** - This practice must be implemented in conjunction with an existing or new primary mechanical separator.
- d. **Practices above (a., b., or c.) AND Subsurface drip fertigation using liquid manure.**
- e. **Practices above (a., b., or c.) AND Aerated Composting, as follows:**
 - i. Composting in vessel (composting in an enclosed vessel, with forced aeration and continuous mixing);
 - ii. Composting in aerated static pile (composting in piles with forced aeration but no mixing);
 - iii. Composting in intensive windrows (with regular turning for mixing and aeration);
 - iv. Composting in passive windrows (with infrequent turning for mixing and aeration).

IMPORTANT: previous AMMP recipients (i.e., from 2017 through 2022 AMMP) with a closed-out, completed, and operational project are eligible to apply for the 2023 Dairy Plus Program. The proposed project **must be for an advanced manure management practice** addressing both GHG emissions and nitrogen surplus specified in the list above. Any previous AMMP recipient may be eligible to apply regardless of the past practice type implemented, but for certain practices (i.e., compost bedded pack barn, conversion from flush to scrape, pasture-based management), the proposed advanced practice must be addressing the portion of the herd **not already covered by the previous AMMP project**.

2. Projects accompanying a new 2023 or previous Dairy Digester Research and Development Program project:

- a. **Post-digester Vermifiltration** - This practice must be implemented after the anaerobic digestion of manure.
- b. **Post-digester Advanced solid-liquid separation assisted by flocculants and/or bead filters** - This practice must be implemented after the anaerobic

digestion of manure.

c. **Practices above (a., or b.) AND Subsurface drip fertigation using liquid manure digestate.**

IMPORTANT: New or previous DDRDP projects applying for the 2023 Dairy Plus Program must incorporate a post-anaerobic digestion practice or technology for treating the digestate material that exits the dairy digester. Such practices or technologies must not be implemented before the anaerobic digestion system. Previous DDRDP recipients (i.e., from 2015 through 2022 DDRDP) with a closed-out, completed, and operational project are eligible to apply for the 2023 Dairy Plus Program.

Once a project has been awarded funds, the project may not:

- Change or alter the proposed advanced manure management practice to be implemented as it may change the GHG estimates.
- Change the herd size beyond the limits established by the operation's existing permits at time of application during the project term.
- Change construction or design of buildings such that number of animals in project boundary are impacted, resulting in a change in estimated GHG reductions.
- Change ownership of the dairy and/or partnership entities. Should the grantee sell the dairy operation that was the subject of a grant award, all grant monies awarded shall be returned to the CDFA.

Dairy Plus Program funds **cannot** be used for the following:

- To fund the implementation or maintenance of, included but not limited to, anaerobic digesters, biogas cleanup equipment, biogas upgrading equipment, pipelines, electricity generators, and all systems related to anaerobic digestion and biogas end-use.
- To cover activities or costs funded by other federal or state grant programs, including new and previous AMMP and/or DDRDP grants.
- To fund advanced manure management technologies/practices that are not described in the [Eligibilities and Exclusions](#).
- To fund projects on dairy operations that propose an increase in baseline emissions GHG (e.g., increase in herd size, changing existing manure management practices to those that increase GHG emissions, including but not limited to conversion from dry scrape to flush lagoon systems).

CDFA and USDA Priorities

CDFA will prioritize, to the extent feasible, the inclusion of Socially Disadvantaged Farmers and Ranchers (SDFR) in all programs.

The USDA grant is also committed to prioritizing incentive funding to serve small and historically underserved producers, including farmers or ranchers who are: Beginning; Socially Disadvantaged; Veterans; and Limited Resource at (<https://www.nrcs.usda.gov/getting-assistance/underserved-farmers-ranchers>).

Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. By submitting a bid, proposal, or application, Bidder/Applicant represents that it is not a target of Economic Sanctions. Should the State determine Bidder/Applicant is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Bidder’s/Applicant’s bid/proposal/application any time prior to the contract/agreement execution, or, if determined after contract/agreement execution, shall be grounds for termination by the State.

Timeline

Dairy Plus Program Timeline (Tentative, subject to change)	
Invitation to submit Grant Applications	TBD
CDFA Application Workshops and Webinar	TBD
Grant Applications Due	TBD
Review Process	TBD
Announce and Award Funding	TBD
Grant Agreement Execution	See Grant Agreement

Funding Scenarios

CDFA/USDA Climate Smart Funding Scenarios

Program/System	State Funding (CDFA)	Federal Funding* (USDA)	Total Funding	Matching Funds Required
For Dairies That Have Not Previously Received AMMP or DDRDP Funds				
AMMP Dairy Plus a) Vermifiltration b) Polymer flocculant-based solid separation c) Weeping wall (min of 3 cells) d) Practices above (a, b, or c) AND aerated composting e) Practices above (a, b, or c) AND subsurface drip fertigation using liquid manure	Up to \$750,000	Up to \$1.25 M (\$750 cow)	Up to \$2 M	NA
DDRDP Dairy Plus a) Post-digester vermifiltration b) Post-digester polymer flocculant-based solids/liquids separation c) Above practices (a or b) AND subsurface drip fertigation using liquid manure	Up to \$1.6 M	Up to \$1.25 M (\$750 cow)	Up to \$2.85 M	50/50 match – up to \$1.6M
For Dairies That Have Previously Received AMMP or DDRDP Funds				
DDRDP Dairy Plus for Previous AMMP a) Post-digester vermifiltration b) Post-digester polymer flocculant-based solids/liquids separation c) Above practices (a or b) AND subsurface drip fertigation using liquid manure	Up to \$1.0 M	Up to \$1.25 M (\$750 cow)	Up to \$2.25 M	50/50 match – up to \$1.0M
Dairy Plus for Previous AMMP** a) Vermifiltration b) Polymer flocculant-based solid separation c) Weeping wall (min of 3 cells) d) Practices above (a, b, or c) AND aerated composting e) Practices above (a, b, or c) AND subsurface drip fertigation using liquid manure	NA	Up to \$1.25 M (\$750 cow)	Up to \$1.25 M	50/50 match – up to \$1.0M
Dairy Plus for Previous DDRDP a) Post-digester vermifiltration b) Post-digester polymer flocculant-based solids/liquids separation c) Above practices (a or b) AND subsurface drip fertigation using liquid manure	NA	Up to \$1.25 M (\$750 cow)	Up to \$1.25 M	50/50 match – up to \$1.0M

*USDA funds must not be used to fund dairy digester and/or biogas clean-up and upgrading equipment
****Must be for adding an advanced manure management practice** addressing both GHG emissions and nitrogen surplus specified under the Dairy Plus program. Any previous AMMP recipient may be eligible regardless of the practice type implemented, but for certain practices (i.e., compost bedded pack barn, conversion from flush to scrape, pasture), the advanced practice must be addressing the portion of the herd **not already covered by the previous AMMP project**.

Requirements and Limitations

Program Requirements

The funds awarded under the Dairy Plus Program are subject to federal terms and conditions. For producers to receive incentive payment as a part of the Partnerships for Climate-Smart Commodities, they must:

1. Establish Farm Records with the Farm Service Agency (FSA) (have farm, tract, and fields numbers in place)
2. Complete an AD-2047 (Customer Data Worksheet to facilitate the collection of customer data for Business Partner Record)
3. Certify Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) compliance via Form AD-1026, Highly Erodible Land Conservation and Wetland Conservation Certification and
4. Certify that they are not a foreign person or entity.

Detailed eligibilities and requirement are available at:

https://www.fpacbc.usda.gov/Assets/fpacbc/files/about/grants-agreements/partnerships_for_climate-smart_commodities_addendum_02282023.pdf

NOTE: *The items presented above may not be a comprehensive list of all the eligibilities necessary for a producer to fulfil the federal requirements for incentive payments. Federal requirements cannot be waived by the state. The complete list of eligibilities will be available at the 2023 Dairy Plus Program solicitation release date.*

Additionally, grant recipients:

- Must agree to participate in on-farm measurement with the University of California for the monitoring of the advanced manure management practices before, during and after implementation of the project, if selected.
- May be required to submit quarterly status reports to CDFA and USDA explaining in detail the project's progress.
- Must also annually report data to CDFA regarding their advanced manure management practice for at least five years after the end of the project term and/or the practice becomes operational.

California Environmental Quality Act and Permits

CDFA intends to fund proposals that demonstrate project readiness based on evidence

that applicants are prepared to promptly begin 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.

If awarded, grant recipients are expected to comply with the California Environmental Quality Act (CEQA) and all applicable permitting within six (6) months of the execution of the grant agreement execution. CEQA and permit compliance requirements vary depending on project type and location. If environmental impacts of the project are deemed insignificant by the lead agency (in most cases, the County), an initial environmental study and negative declaration may satisfy CEQA requirements. Applicants are advised to check with their local county and city planning commissions for CEQA and conditional use permit requirements which will need to be satisfied within six (6) months of the execution of the grant agreement.

Additionally, grant applicants are also required to display the project performance progress within 12 months by securing funding, ordering relatable supplies/equipment, submitting invoices to CDFA for reimbursement, providing proof of matching costs expenditures, obtaining all necessary permits, and getting the dairy operation ground- ready for the implementation of the project.

CalGold, an on-line tool for permit assistance provided by the Governor's Office of Business and Economic Development may be a useful resource. Visit <https://www.calgold.ca.gov/> for more information.

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, traders, 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.

Greenhouse Gas Emission Reduction Calculations

For AMMP related projects: Applicants must use the quantification methodology titled "California Department of Food and Agriculture Alternative Manure Management Program" and associated "Benefits Calculator Tool for the AMMP" developed by the California Air Resources Board (CARB). The Quantification Methodology and Benefits Calculator Tool are available on the CARB CCI Quantification, Benefits and Reporting materials webpage: www.arb.ca.gov/cci-resources.

For DDRDP related projects: Applicants are required to use the latest quantification methodology titled "Greenhouse Gas Quantification Methodology for the California Department of Food and Agriculture Dairy Digester Research and Development Program" and associated "Benefits Calculator Tool for the DDRDP" developed by the California Air Resources Board (CARB). The Quantification Methodology and Benefits Calculator Tool are available on the CARB CCI (California Climate Investments) Quantification, Benefits and Reporting Materials webpage: www.arb.ca.gov/cci-resources.

Both Quantification Methodologies and Benefits Calculator Tools were developed specifically for the AMMP and DDRDP and are based on the [CARB Compliance Offset Protocol – Livestock Projects \(2014\)](#) with some modifications to allow for the calculation of anticipated net GHG reductions of an AMMP or DDRDP project prior to implementation.

Technologies not supported in the CARB Benefits Calculator Tools will not be funded.

Note: The Benefits Calculator Tool submitted with a Dairy Plus Program application must address the whole proposed advanced manure management system and must include the elements that go above and beyond the either existent (previous project recipient) or proposed (new applicant) AMMP and/or DDRDP portion. For example:

- 1) Applicant submitting a liquid solid separator application for AMMP + a vermifiltration system application for Dairy Plus Program = Applicant must submit an AMMP Benefits Calculator Tool for a liquid solid separator for the AMMP application (only), and will submit an AMMP Benefits Calculator Tool containing both the liquid solid separator and the vermifiltration system for the Dairy Plus Program application (the whole advanced manure management system)
- 2) Applicant submitting a covered lagoon anaerobic digester application for DDRDP + a post-digestion vermifiltration system application for Dairy Plus Program = Applicant must submit a DDRDP Benefits Calculator Tool for a covered lagoon anaerobic digester for the DDRDP application (only), and will submit a DDRDP Benefits Calculator Tool containing both the covered lagoon anaerobic digester and the post-digestion vermifiltration system for the Dairy Plus Program application (the whole advanced manure management system).

Cost Share

CDFA will fund project costs with a maximum grant award as indicated within each funding scenario (refer to [Funding Scenarios](#) section). Cost share, including matching funds and in-kind contributions, may differ for each funding scenario; however, cost share is encouraged for all funding scenarios to demonstrate commitment to the project. If an applicant opts for a funding scenario where cost share is required, documented evidence of having secured matching funds must be provided as part of the application. If the applicant does not

provide evidence of matching funds in a funding scenario that requires cost share, their application will be disqualified.

Matching funds are a portion of project costs not borne by the Dairy Plus Program. Matching contributions include allowable costs incurred that are directly related to the implementation of the project (i.e., supplies and materials, equipment, contractor/consultant fees, and other associated project costs). Note: AMMP and DDRDP grant awards from previous solicitations will not serve as matching funds for the Dairy Plus Program.

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 for 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.

Applicants must provide the contribution source, type, and amount of all contributions in support of the project.

Federal Cost Principles

Federal cost principles are regulations based on organization type used to determine allowable costs and ensure consistent treatment of costs. Applicants are responsible for identifying the federal cost principles appropriate for their organization, consistent with application of cost principles to the Dairy Plus Program grant funds, and ensuring contractors or consultants comply with federal cost principle requirements.

- State, local, or Indian tribal governments; non-profit organizations; and colleges and universities will be subject to 2 CFR 200 (<https://www.ecfr.gov/cgi-bin/text-idx?SID=898fdaa0b947dd0bf8c962a137d230dd&node=pt2.1.200&rgn=div5>).
- For-profit organizations will be subject to 48 CFR Subpart 31.2 (<https://www.ecfr.gov/current/title-48/chapter-1/subchapter-E/part-31/subpart-31.2>).

Allowable Costs

Categories listed below are consistent with the project Budget Worksheet template. Allowable project costs include, but are not limited to:

- *Supplies*: Supplies and materials are items with an acquisition cost of 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 that equals or exceeds \$5,000 per unit.
- *Contractor/Consultant*: Contractor fees are limited to labor to install the project. Consultant fees are for a specific and identifiable service that is directly related to project implementation. Compensation for individual contractor/consultant fees must be reasonable and consistent with fees in the marketplace for the same or similar services. Costs in this category must not exceed 25% of total amount requested.
- *Design and engineering*: Design and engineering costs, including those provided by contractor/consultants up to 5% of the total amount requested are allowable. Compensation for design and engineering fees must be reasonable and consistent with fees in the marketplace for the same or similar services.
- *Other Costs*: Other direct costs and expenses for implementing the project not covered in any of the previous categories.

Allowable costs must be documented, reasonable and allocable to the project. Dairy Plus Program project costs must be incurred for the purpose for which the funding was granted and charged to the award on a specifically calculated basis. All project expenses billed to the Dairy Plus Program project must maintain all documents including, but not limited to invoices, receipts, and agreements. Dairy Plus Program project expenses must be necessary for award performance and prudently incurred.

Unallowable Costs

The following costs are **not** allowed:

- Costs incurred outside of the grant term.
- Costs that are not directly related to the implementation of the Dairy Plus Program project.
- Costs related to the grant management and fulfilling the requirements set by the Program, included but not limited to: progress reports, final performance reports, post-project completion reports preparation, and virtual or in-person site visits for critical project review/verification.
- Costs covered by another State or Federal grant program, including AMMP and DDRDP.
- Pre-development costs, including, but not limited to application preparation, project designs, and any other activities that contributed to a project's readiness.
- Cost of all permits necessary for the completion of the project. Examples include but are not limited to air district permits, county building permits, water board permits.
- Costs associated with CEQA environmental review, such as preparation of Environmental Impact Reports.

- Direct and/or indirect expenditures for purchasing or leasing land and/or buildings, including costs associated with the land use or loss of agricultural production.
- Direct and/or indirect expenditures for purchasing dairy manure (tipping fees) or other feedstocks.
- Costs associated with travel (e.g., hotels, flights, per diem, etc.).
- Costs associated with the five-year GHG emissions reductions reporting.
- Costs incurred during community outreach.
- Costs associated with mitigation of potential adverse impacts (i.e., California Government Code Section 16428.86(a)).
- Costs not supported with adequate proof of payment documentation.

*For more guidance on Allowable and Unallowable Costs please reference CCR 330.2 and guidance posted by CDFA at the webpage [Final Selected Items of Cost Guidance \(ca.gov\)](#).

How to Apply

Applicant will be required to complete and submit their grant applications online using an electronic application submission platform. The application can be accessed at the [Dairy Plus Program webpage](#).

Applicants must create a user account in order to submit a grant application.

To ensure concept proposals and attachments are submitted successfully, CDFA strongly encourages all applicants to comply with the computer system recommendations provided by Amplifund. CDFA cannot guarantee that the Amplifund system will be compatible with other browsers or operating systems. Amplifund recommends that applicants:

- Use Chrome, Firefox, Edge, or Safari
- Avoid using an iPad, iPhone, or similar mobile device.
- Save work often, the system will time out after a period of time and any unsaved work will be lost.

For guidance navigating the Amplifund Portal, please see the [Applicant Portal User Guide](#).

Applicants are encouraged to gather all required information prior to completing the online application to facilitate effective and timely submission. Applicants may review the application questions and required documents to be attached in the [Application Questionnaire Preview](#).

In case of technical difficulties with the application, please send an email to CDFA.OEFI.DairyPlus@cdfa.ca.gov and include the applicant's name and name of the project in the subject line.

Grant Application: Questions and Attachments

Proposal Requirements

Applications must be submitted through Amplifund at the [Dairy Plus Program webpage](#) required fields must be filled.

Attachments

Each proposal must submit the following documents, using the provided templates:

- Project Description
- Work Plan
- Budget Worksheet
- Estimated GHG Emissions Reduction

Attachment 1: Project Description

The project description should not be more than 15 pages.

The Project Description must contain a summary of the operation's background, herd details, preferred funding scenario, eligible project types for consideration in the proposal, and project sustainability. Additionally, it should explain how the advanced manure management project differs from traditional state-funded programs (e.g., AMMP and DDRDP) and how it can provide additional greenhouse gas emission reductions. The description should also address the nutrient management issues in the dairy operation while describing any co-benefits provided by the proposed initiative. The description should also explain how this project will have a positive effect on the local community and the environment. Finally, comprehensive long-term plans for both maintenance and improved functionality must be included.

Complete and upload the [Project Description Template](#) as a Word document.

In addition to the Project Description Template, include the following supporting materials (no template provided):

- **Attachment 1.1:** Site plan, project design documents, schematic diagrams, etc. Upload as a single PDF file; no total page limit (if applicable).

Attachment 2: Work Plan

The Work Plan must clearly describe the tasks and activities required to accomplish goals/objectives in the proposed Project Description. 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](#) as a Word document.

Attachment 3: Budget Worksheet

Applicants must provide a clear accounting of costs, work hours, and equipment associated with all activities necessary to complete the project. Applicants must identify Dairy Plus Program 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](#) as an Excel spreadsheet.

In addition to the Budget Worksheet Template, include the following supporting materials (no template provided):

- **Attachment 3.1:** Bids, quotes, or estimates to support budget costs. While complete documentation is not required for application, it is strongly encouraged. Applicants are also encouraged to obtain multiple estimates to ensure costs are reasonable and consistent with the market rate. Upload as a single PDF file; no total page limit.

Attachment 4: Estimated GHG Emissions Reduction

Estimate the project's GHG emissions reduction and environmental benefits with the AMMP or DDRDP Benefits Calculator Tool (varies depending on if the applicant is a new applicant or a past recipient for AMMP or DDRDP).

Note: The Benefits Calculator Tool submitted with a Dairy Plus Program application must address the whole proposed advanced manure management system and must include the elements that go above and beyond the either existent (previous project recipient) or proposed (new applicant) AMMP and/or DDRDP portion. For example:

- 1) Applicant submitting a liquid solid separator application for AMMP + a vermifiltration system application for Dairy Plus Program = Applicant must submit an AMMP Benefits Calculator Tool for a liquid solid separator for the AMMP application (only), and will submit an AMMP Benefits Calculator Tool containing both the liquid solid separator and the vermifiltration system for the Dairy Plus Program application (the whole advanced manure management system)
- 2) Applicant submitting a covered lagoon anaerobic digester application for DDRDP + a

post-digestion vermifiltration system application for Dairy Plus Program = Applicant must submit a DDRDP Benefits Calculator Tool for a covered lagoon anaerobic digester for the DDRDP application (only), and will submit a DDRDP Benefits Calculator Tool containing both the covered lagoon anaerobic digester and the post-digestion vermifiltration system for the Dairy Plus Program application (the whole advanced manure management system).

Complete and upload the AMMP or DDRDP [Benefits Calculator Tool](#) as an Excel spreadsheet.

In addition to the completed [Benefits Calculator Tool](#), include the following supporting materials:

- **Attachment 4.1:** Explanation of Assumptions for GHG Calculations (if applicable, e.g., supporting documentation for herd size for the past 12 months, milk production values used in calculator, current usage and/or method used to estimate pre- and post-project diesel or electricity). Upload as a single PDF file; no total page limit.

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

Review and Notification

Review Process

CDFA will fund advanced manure management project(s) that result in permanent annual GHG reductions and nutrient management improvement from handling dairy manure and maximize project co-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. Grant 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 provided in [Appendix E](#). Technical subject matter experts will complete the second level review. Final award decisions as a result of the comprehensive reviews cannot be appealed.

CDFA will prioritize socially disadvantaged farmers and ranchers, as defined by the Farmer Equity Act of 2017, and serve small and historically underserved producers, including farmers or ranchers who are: Beginning; Socially Disadvantaged; Veterans; and Limited Resource (<https://www.nrcs.usda.gov/getting-assistance/underserved-farmers-ranchers>).

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

CDFA may assess applicants' past grant performance in determining if a new project will receive funding. Prior performance will include timely completion of projects and submission of all required documentation and data during and after project completion.

Disqualifications

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

- Missing, blank, unreadable, corrupt, or otherwise unusable attachments (including if a required attachment is for a different application and its content cannot be used to assess the project fully).
- Requests for more than the maximum award amount.
- Application does not comply with [Program Eligibility and Exclusions](#), or does not meet [Program Requirements](#).
- Applications that propose to start before or end after the grant term.

APPEAL RIGHTS: Any disqualification taken by the Office of Environmental Farming and Innovation (OEFI) during the administrative review for the preceding reasons may be appealed to CDFA's Office of Hearings and Appeals 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 OEFI decision being challenged. The submissions must be 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.

CDFA will post basic information on the [Dairy Plus Program](#) website regarding the applications it has received at least 10 days before awarding grant funds. Once final decisions on funding awards are made, CDFA will post the list of projects selected for funding. In accordance with the Grants Information Act of 2018 (Stats. 2018, Ch.318) and AB132, information on awarded projects will also be posted on the [California Grants Portal](#).

Assistance and Questions

Workshops

CDFA will conduct two public application workshops on the 2023 Dairy Plus Program solicitation process; please visit the [Dairy Plus Program](#) webpage for more details. All applicants are encouraged to participate in the workshop.

Questions and Answers (Q&A)

General questions regarding the solicitation process may be submitted to cdfa.oefi_DairyPlus@cdfa.ca.gov. Please include “2023 Dairy Plus Program Question” in the subject line of the email to ensure a response. 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 indicated in the table below, in Arial font size 11, with one (1) inch margins, page numbers should be on bottom right corner. If a table of contents is included, it will not be included in the page limit requirement.

Application Attachments	
Project Description	
Attachment 1	<u>Project Description Template</u> (required) (Microsoft Word file, 15 pages max, template provided)
Attachment 1.1	Site plan, project design documents, schematic diagrams, etc. (if applicable) (Single PDF file, no page limit)
Work Plan	
Attachment 2	<u>Work Plan Template</u> (required) (Microsoft Word file, 5 pages max, template provided)
Budget Worksheet	
Attachment 3	<u>Budget Worksheet Template</u> (required) (Excel file, template provided)
Attachment 3.1	Bids or quotes to support budget costs (required) (Single PDF file, no page limit)
Estimated GHG Emissions Reduction	
Attachment 4	AMMP or DDRDP Benefits Calculator Tool (required) (Excel file, template provided)
Attachment 4.1	Explanation of GHG Calculations (if applicable) (Single PDF file, no page limit)

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. Applicant may be asked to provide additional information.

Grant Agreement Stage	Estimated Time for Stage Completion
Grant packet is completed – during this step, CDFA, CDRF and USDA will work with awardees to get the information necessary to execute the grant agreement. Timeline for this step is dependent on how promptly information is provided to CDFA, CDRF and USDA by the grant recipient.	Variable
Grant agreement execution	Up to 120 days

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 and ensuring all project activities are completed before the end of the grant term.

Payment Process

CDFA will provide grant recipients with the necessary grant award and invoicing documents. Invoices must be submitted quarterly and include all supporting financial documentation to substantiate expenses. Funds will be allocated on a reimbursement basis. CDFA will withhold 10 percent from the total grant award until the verification requirement is complete to ensure grant recipients complete their project as approved by CDFA. Invoicing and closeout of all project expenditures must be completed before the end of the grant term.

Reporting

Grant recipients may 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. The Progress Report may require recipients provide project information related to the activities developed as part of the work plan.

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.

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?

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. Grantee must retain all project records for a period of (3) years after final payment by the State. Grantee must retain all project records at least one (1) year following an audit.

Appendix D: Key Terms and Definitions

Word/Term	Definition
Baseline Scenario	"Baseline scenario" represents the GHG emissions presently occurring at the project location and that would occur in the absence of a Dairy Plus Program project.
Commercially-available Technologies	<p>A system and its technologies that has a proven operating history specific to the proposed application. Such a system should include information on its established design, installation procedures and practices, availability of professional service providers and distributors including construction and installation services. Services should also be readily available to properly maintain and operate the system over time including established warranties for parts, labor, and performance.</p> <p>Pre-commercial technologies are new technologies or enhancements of existing technologies that are not commercially available. Technologies can include pre-commercial and commercial components, but for the purposes of this solicitation, technology should be commercially available for the component.</p>
GHG	Greenhouse Gas(es), atmospheric gases that can 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.
Matching Funds	Funds provided by the applicant toward the implementation of the advanced manure management project.
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.
Project Boundary	The project boundary includes methane emissions from manure volatile solids as well as CO ₂ emissions associated with manure management support equipment and vehicles (both direct emissions from onsite combustion of fossil fuels and indirect emissions from electricity consumption) in both baseline and project scenarios. Only livestock for which manure management will be affected by the Dairy Plus Program project are included within the project boundary. Other livestock that are managed in other areas and for which manure management practices will not change may be excluded.
Project Scenario	"Project scenario" represents the GHG emissions and emission reductions that are reasonably expected to occur as a result of implementing a Dairy Plus Program project.

Socially Disadvantaged Farmer or Rancher (SDFR)	“Socially Disadvantaged Farmer or Rancher” means a farmer or rancher who is a member of a socially disadvantaged group. “Socially disadvantaged group” means a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all of the following: (1) African Americans (2) Native Indians (3) Alaskan Natives (4) Hispanics (5) Asian Americans (6) Native Hawaiians and Pacific Islanders, as defined by the Farmer Equity Act of 2017 .
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Appendix E: Detailed Scoring Criteria

SCORING CRITERIA	MAXIMUM POINTS
PROJECT DESCRIPTION	15
<p>Addressed all requirements of Project Description section including, but not limited to:</p> <ol style="list-style-type: none"> a. Does the project description provide a thorough background on the operation, including herd details? b. Does the description include tons of material handled through the proposed advanced manure management practice? Are current and proposed manure management clear and well described? c. Is there a clear explanation of the preferred funding scenario for this project? d. Are all eligible project types for consideration clearly outlined and explained in detail? e. Does the proposal include comprehensive plans to ensure the sustainability of the project? f. Is there a clear distinction made between this advanced manure management program and traditional state-funded programs like AMMP and DDRDP, with an explanation of how it can provide additional greenhouse gas emission reductions? g. How are nutrient management issues addressed in the dairy operation within the proposed initiative, and what co-benefits does it provide beyond greenhouse gas reduction? h. Does the description demonstrate how this project will positively impact both local communities and environmental conditions? Will the project provide benefits to priority populations? Is this project benefitting a SDFR? i. Are comprehensive long-term plans included to ensure maintenance and continued improvement of functionality over time? Does it demonstrate that the system will be in place and operational for at least 5 years? j. Did include major work items (including but not limited to permitting, site planning, engineering, construction, equipment, field supervision, contractors, health and safety requirements, testing and bonds)? k. 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. 	

WORK PLAN	5
<p>a. Does the Work Plan provide a comprehensive list of tasks necessary to achieve the project objectives/goals?</p> <p>b. Are there clearly defined timelines and measurable targets included for each task in the Work Plan?</p> <p>c. How does the proposed project's timeline align with available funding, and is it feasible within those parameters?</p> <p>d. Did the applicant demonstrate that all tasks are logical and achievable within the grant term, and with available resources.</p> <p>e. Did they identify measurable targets that must be met to accomplish project within the grant timeline, with specific dates for each target?</p>	
BUDGET WORKSHEET	15
<p>a. Are all costs associated with the project clearly accounted for in the Budget Worksheet? Do they appear to match with what was proposed in the Project Description?</p> <p>b. Did applicant describe and quantify sources and amount of local, state, and federal funds, loans, other grants, and all other funding necessary to complete the proposed project (if applicable)?</p> <p>c. Is there evidence provided of in-kind contributions towards completing this project?</p> <p>d. Did the applicant provide evidence of ability to fund upfront costs while waiting for reimbursement? Did they demonstrate financial strength to sustain project beyond grant term (refer to AMMP and DDRDP financial review)?</p> <p>e. Did the applicant describe and quantify expenditures already incurred to initiate work on project, such as engineering, site preparation, infrastructure, utility hookups, permitting and environmental review (if applicable)?</p> <p>f. Did applicant provide a complete Budget Worksheet addressing issues including, but not limited to:</p> <ul style="list-style-type: none"> • Itemized costs consistent with the Work Plan. • Back-up documentation including quotes, estimates, and equipment details in support of budget costs. • Overall budget well justified and consistent with Work Plan. <p>g. Did the applicant provide a clear accounting of all costs associated with all activities necessary to complete the project, and all costs appear reasonable and allowable?</p>	

ESTIMATED GREENHOUSE GAS EMISSIONS REDUCTION	15
<ul style="list-style-type: none"> a. Selected the correct Benefit Calculator Tool for the proposed project? b. Described the proposed project and explained how it will result in reduction of metric tons of GHG emissions annually compared to existing practices for the dairy operation. c. Completed the Benefits Calculator Tool accurately. Proper justification for all assumptions made in the calculation process provided. Represented the whole advanced manure management system. d. Does the project reduce overall greenhouse gases in comparison to a traditional AMMP and/or DDRDP project? 	
TOTAL	50