

**2018 DAIRY DIGESTER RESEARCH AND DEVELOPMENT PROGRAM
QUESTIONS AND ANSWERS (Q&A)
January 19, 2018**

GENERAL QUESTIONS

1. Are applicants required to provide a minimum of three letters of support in Supporting Materials 8.1?
Applicants are not required to provide a minimum of three letters of support, but are strongly encouraged.

TECHNICAL QUESTIONS

1. Is CDFA requiring the use of concrete tanks?
CDFA does not require use of concrete tanks. Alternative digester vessel designs may be accepted. Refer to page 18 of the Request for Grant Applications (RGA) for more information.

New Questions

2. Are heifer ranches eligible to apply for funding through the Dairy Digester Research and Development Program (DDRDP)?
For the purposes of DDRDP, 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. Existing milk producers and dairy digester developers are eligible for this program. Applicants must determine how their proposed project best fits this definition to participate in the program.

BUDGET QUESTIONS

1. Do matching fund expenses need to be incurred during a specific date range to be considered eligible?
Matching fund expenses must occur within the grant term (July 1, 2018 – June 30, 2020) to be considered eligible.
2. Should items in the Budget Worksheet be listed using general terms (i.e., one or two engineering, procurement, and construction contracts) or should it be more specific and detail the actual work being performed (i.e., piping contractor, liner contractor, concrete contractor, etc.)?
The Budget Worksheet should be specific and provide a detailed breakdown of each task being performed.
3. The California Public Utilities Commission (CPUC) Order Instituting Rulemaking to implement dairy biomethane pilot projects and the 2018 DDRDP timelines do not align. If an applicant is awarded funds from the CPUC order after it has received grant funds from the 2018 DDRDP how will CDFA administer the grant?
CDFA will work with the grant recipient to ensure that duplicate funding is eliminated and funds associated with the CPUC pilot project are prioritized. In this scenario, it may be necessary for recipients to submit a budget revision request for CDFA approval.

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FINANCIALS

New Questions

1. The RGA requires an applicant to submit financial documents regarding the dairy and developer's financial strength. Will a project be disqualified if some of the financial documents are not included?
CDFA will not disqualify a project due to missing financial documents. However, applicants are strongly encouraged to provide all requested financial information as inadequate documentation may adversely affect scoring of the Budget Worksheet and Financials section.

2. For financial soundness documentation, can an applicant provide consolidated company returns in lieu of individual dairy specific financial reports?
Applicants may provide consolidated company returns in lieu of individual dairy financial reports as long as the various income sources are itemized or provide CDFA with sufficient detail to evaluate the financial strength of the dairy.