



California Department of Food and Agriculture

**Dairy Digester Research and Development
Program (DDRDP)**

DRAFT Request for Grant Applications

Webinar

February 6, 2017

Sacramento, CA



PRESENTATION OUTLINE

2

- DDRDP/AMMP Proposed fund division
- Program Requirements
- Applications Sections
- Application Process
- Timeline
- Next Steps

METHANE REDUCTION: DIVISION OF FUNDS

3



Anaerobic Digesters (DDRDP)

- \$29 -36 million proposed
- <https://www.cdffa.ca.gov/go/DD>



Alternative Manure Management Practices (new program)

- \$ 9 - \$16 million proposed
- <https://www.cdffa.ca.gov/oefi/AMMP/>

GRANT SIZE AND ELIGIBILITY

4

- Grant size: A maximum of 50% of the total cost of project, up to \$3 million.
- Matching funds - Minimum of 50% matching funds required (no more than 25% in kind).
- 2-year project term: 8/1/2017 – 6/30/19.
- Eligibility:
 - ▣ Existing milk producers, dairy digester developers
 - ▣ Cluster projects

PROGRAM REQUIREMENTS

5

Eligible bio-methane uses:

- On-site use or into electrical grid/pipeline:
 - ▣ Electricity generation
 - ▣ Transportation fuel/RCNG
 - ▣ **NEW**: Utilization of thermal energy on site or at neighboring facility

ALLOWABLE COSTS

6

- Detailed in pages 9-10 of Draft Request for Grant Applications.
- **NEW**: Under unallowable costs - Cost of pipeline interconnection or equipment for the sole purposes of processing biogas to pipeline standards associated with the five pilot projects required by **SB 1383, SEC. 4.**

ENVIRONMENTAL PROTECTION

7

□ **Water Quality Protection:**

- ▣ Double-lined ponds consistent with the Tier 1 specification of the Dairy General Order Central Valley Regional Water Quality Control Board, or,
- ▣ Above-ground tank, or,
- ▣ Below-ground concrete lined tank.

□ **Air Quality Protection:**

- ▣ Total NO_x emissions no greater than 0.50 lb/MW-hr.

SCORING CRITERIA

8

Application Section/Scoring Criteria	Max. Points
I: General information	n/a
II: Feasibility of Digester Project	20
III: Financial Soundness/Budget Worksheet	10
IV: GHG Emissions Calculations & Reporting	35
V: Project Readiness	10
VI: Environmental Performance	15
VII: Benefits to Local Communities	10
TOTAL	100

II. FEASIBILITY OF THE DIGESTER PROJECT

9

- Project implementation plan including but not limited to: demonstration of site control, history and background of dairy, current management practices, project design, digester technology, plan for bio-gas end use, plan/status of interconnection, power purchase agreement (PPA), plan for digestate use.
- Work plan and project timeline.
- Long-term operations and maintenance plan.
- Project team members' qualifications and experience.

III. FINANCIAL SOUNDNESS & BUDGET WORKSHEET

10

- Documents to demonstrate financial soundness of applicant organization, such as
 - ▣ Independent CPA Auditor's Report.
 - ▣ Three most recent fiscal year balance sheets.
 - ▣ Profit/loss statements and federal tax returns.
 - ▣ Other appropriate documentation that demonstrates the organization's financial stability, such as Articles of Organization, Bank Statements, etc.
- Ability to commence work while waiting for grant payments in arrears.
- Detailed budget and cost summary for the project.

IV. GHG EMISSIONS REDUCTION - CALCULATION

11

- CARB has posted the draft DDRDP Quantification Methodology and Tool www.arb.ca.gov/cqi-quantification
- Comments due February 14, 2017.
- Send to GGRFProgram@arb.ca.gov
- Tool to be used in CDFA's DDRDP Request for Grant Applications.

V. PROJECT READINESS

12

- Permits: state which permits are required, which ones already held and which ones will be obtained. Permit check list will be included.
- CEQA: level of anticipated CEQA review required, current status of, and projected timeline for completion.
- Projects to provide evidence of CEQA Compliance *within 6 months* from project start date.

SB 859 REQUIREMENTS

13

Applicants are required to:

- Provide an analysis of project's potential adverse impacts.
- Conduct outreach in local communities.
- Commit to measures to mitigate impacts.

VI. ENVIRONMENTAL PERFORMANCE

14

- **NO_x, Criteria Pollutants, Toxic Air Contaminants, and Hazardous Air Pollutants**
 - ▣ Project's impact, including all potential emission sources and how emissions would change before and after implementation of project.
- **Project Co-Benefits**
 - ▣ Additional co-benefits the project will have beyond CH₄ reduction and mitigation of NO_x, etc.

VII. BENEFITS TO LOCAL COMMUNITIES

15

Community Impacts and Mitigation

- Include residents, community leaders, elected officials, advocacy organizations, and local businesses.
- Use various methods to notify the community of outreach efforts, such as local newspaper, county website, radio and Television.
- Discuss potential adverse impacts of digester projects.

VII. BENEFITS TO LOCAL COMMUNITIES (CONTD.)

16

Community Impacts and Mitigation

- Describe community needs and how community was involved in the local planning and environmental review processes for this project,
- Summarize the results of this outreach; identify community's concerns, questions, or comments and how they will be addressed.
- Provide up to 3 letters of support from community members demonstrating that outreach was conducted.

VII. BENEFITS TO LOCAL COMMUNITIES (CONTD.)

17

Community Impacts and Mitigation

- Describe mitigation measures to be included in the project., if any.
- Mitigation measures committed to by the applicant must be specific to the digester project and be included in the Work Plan.
- If the above requirements were fulfilled during CEQA process, applicant must provide supporting documentation.

VII. BENEFITS TO LOCAL COMMUNITIES (CONTD.)

18

Localized Economic Benefits

- Provide jobs-related information including but not limited to:
 - ▣ Number of permanent jobs created as a result of this project
 - ▣ Number of temporary jobs created as a result of this project
 - ▣ Job classification/trade
 - ▣ Number of project hours

DDRDP APPLICATION PROCESS

19

- Applications will be uploaded and submitted via State Water Resources Control Board Financial Assistance Application submittal Tool (FAAST)

<https://faast.waterboards.ca.gov/>

- Application Workshops (2 workshops and a webinar) will be announced.
- Q&A period will be announced.

DDRDP PROGRAM TIMELINE

20

Item	Estimated Dates*
Public/Stakeholder Meetings	November 2016
Notice of Funding availability released	February March 2017
Grant Application Workshops	TBD
Grant Applications due	April May 2017
Grant evaluation period	Apr – Jun 2017
Announce grant awardees	August 2017

**Subject to change*

NEXT STEPS

21

- Submit comments to cdfa.oefi@cdfa.ca.gov by February 14, 5:00 pm PST.
- Comments will be posted online.
- Release of finalized RGA anticipated in March 2017.

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22

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