

FUNDING OPPORTUNITY ANNOUNCEMENT:

Mississippi Job Protection through Energy Economic Development

Summary:

As part of the American Reinvestment and Recovery Act (“Recovery Act”), the State of Mississippi was allocated \$40,418,000 in funds to implement the State Energy Plan (SEP). In Mississippi, the SEP will provide assistance to public and private entities to create and retain jobs and move toward greater energy efficiency, independence, and sustainability. The Mississippi Development Authority Energy Division (MDA-ED) is responsible for administering the program.

As part of this program, MDA-ED announces the availability of \$10 million to be allocated in grants under the Mississippi Job Protection through Energy Economic Development program. These grants will assist private Mississippi companies in reducing energy costs and consumption through investments in energy efficient systems and retrofits. These will also help move the state towards a 25% reduction in energy use from 1990 levels, as mandated in the Energy Policy Act of 2005.

The purpose of this Announcement is to detail the eligible applicants, eligible uses, evaluation criteria, deadline, and requirements for each application. MDA-ED will make awards in this grant program in at least two (2) separate rounds. This Announcement governs Round 1 grants only. MDA-ED retains the discretion to modify the criteria of any future round(s). Program funding will not be exhausted in Round 1. There will be at least one future funding opportunity under the Mississippi Job Protection through Energy Economic Development program.

Round 1 Grant Application Deadline:

Submissions for Round 1 will be due no later than 3:00 p.m. Central Time on September 30, 2009. Applications will be reviewed as they are submitted and awards can begin to be made as early as August 15, 2009. Awards will continue to be made throughout the remainder of the year until funds are expended for Round 1.

Potential applicants should contact the Existing Industry and Business Division (EIB) of MDA at (601) 359-3593 to begin the pre-clearance process. A Project Manager will discuss the program and process with companies and will make the application available once applicants have cleared the threshold requirements listed below.

When submitting the application, the original and four (4) copies of the application and all attachments shall be signed and submitted in a sealed envelope or package to Mississippi Development Authority, Attn: Linda Perry (ARRA-MJPEED), 501 North West Street, Woolfolk Building, 15th Floor, Jackson, MS 39201. Applications must be received no later than 3:00 P.M. Central Time on September 30, 2009. Timely submission of the application and all attachments is the responsibility of the applicant. Applications received after the specified time shall be rejected and returned to the applicant unopened. The envelope or package shall be marked “Application ARRA-MJPEED” in the lower left hand corner. Each page of the proposal and all attachments shall be identified with the name of the applicant.

Eligible Applicants:

Any for-profit or non-profit corporation, sole proprietorship, or partnership with operations in Mississippi as of July 1, 2009 is eligible to apply for a grant through this program. MDA reserves the discretion to distribute funds in an equitable manner that ensures, to the greatest practicable extent, that qualifying applicants from all parts of the state and in all sizes of business are awarded, subject to availability of funds.

Threshold Requirements:

Applicants wishing to receive funds through this program must meet minimum threshold requirements in order to apply. MDA must verify that this funding will be used to create or retain jobs, that the applicant will be able to leverage 25% of non-federal funds in support of the grant, the project will be started in a timely manner, and that it will reduce energy consumption.

To determine if threshold requirements can be met, contact the MDA Existing Industry and Business Division (EIB) at 601-359-3593. Pre-applicants must submit financial information on the company and be deemed to be financially secure in order to apply for a grant. Required documentation needed: independently audited financial statements including balance sheet, income statement, and statement of cash flows for the three previous years; or three previous years of tax returns. Along with these requirements MDA requires that applicants submit interim financial statements dated within 90 days of the application. If the applicant has been in business for less than three years, it must submit all required financial data listed above since inception. Pre-applicants will also submit copies of all pages of 12 months of electric and natural gas utility bills for the facility, the approximate square footage of the building, the type of building, and the portion of the facility that is air conditioned.

Award Limit:

The maximum grant amount provided through MDA-ED under this program is \$750,000. Eligible companies cannot receive more than that amount through multiple awards. The minimum grant amount available is \$20,000.

Match Requirement:

All applicants must leverage other non-federal funds in order to qualify for a grant. A minimum of 25% of the total cost of the energy efficient retrofits and system upgrades to be funded through this project must be contributed by the applicant. In certain circumstances, this match requirement may be altered at the discretion of the Executive Director of MDA.

The non-federal match may be leveraged through a cash match or in-kind contribution, including third party in-kind contributions, from the applicant. In-kind contributions are non-cash contributions to a project that satisfy the following:

- (1) They are verifiable from the recipient's records.
- (2) They are not included as contributions for any other federally-assisted project or program.
- (3) They are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
- (4) They are allowable under 10 CFR §600.313.
- (5) They are not paid by the Federal Government under another award unless authorized by Federal statute to be used for cost sharing or matching.
- (6) They are provided for in the approved budget.
- (7) They conform to other provisions of this program, as applicable.

Audit Requirement

Final award will be contingent upon review of an ASHRAE Level II Energy Survey and Analysis (audit) performed on the site of the proposed project. This audit will verify the need for the project as well as establish costs, energy measures, energy savings, and payback period resulting from the project.

An applicant that is selected as a finalist for consideration based on its application will be required to have an audit performed by a Mississippi-licensed engineer capable of doing an ASHRAE Level II Energy Survey and Analysis. MDA reserves the right to confirm data submitted as part of the audit with auditors of MDA's choosing. The cost of the audit can be credited toward the 25% match requirement.

Eligible Uses:

Funding for this grant program can be used on the following eligible uses. This list constitutes the majority of projects that will be funded through this program but does not exclude other reasonable, commercially-available projects that MDA-ED approves. Grants will be made for energy efficient retrofits and system upgrades including:

- Lighting and Daylighting
- Heating, Ventilating, and Air Conditioning
- Building envelope
- Water heating
- Combined Heat and Power
- Industrial systems for steam, process heating, pump, fan, and compressed air
- Solar or Biomass power systems
- Metering

Ineligible Uses:

The Recovery Act specifically prohibits the following uses of these funds:

- Construction or repair of buildings or structures;
- Purchase land;
- Conduct or purchase equipment to conduct research, development, or demonstration of energy efficient or renewable energy techniques not commercially available;
- Casino or gambling establishment, aquarium, zoo, golf course, or swimming pool.

Required Submissions with Application:

Eligible applicants must submit all of the following documents prior to the deadline in order to be considered for this grant award.

- Application with Exhibits
- Budget Narrative
- Audited company financial information or Tax returns – submitted at pre-clearance
- Utility bills from previous 12 months - submitted at pre-clearance
- Administrative and Financial management documentation
- National Environmental Protection Act (NEPA) certification form

Evaluation Criteria:

Applications for grants to assist companies doing business in Mississippi in the purchase and installation of energy efficient retrofits and system upgrades will be evaluated according to the following criteria and the corresponding point system:

Criterion	Points
<i>Budget Reasonableness</i> The planned costs are eligible, and the cost estimate of the upgrade is reasonable and justified in light of proposed energy and cost savings.	10 pts
<i>Funds Leveraged</i> The applicant has shown evidence that 25% of the cost of the energy efficient retrofit or system will be provided through an eligible cash and/or in-kind match. These funds, when coupled with the grant award, will cover the full cost of the proposed retrofit and/or upgrade.	Up to 20 pts 10 pts for documenting the contribution of 25% leveraged funds. 2 pts for every additional 5% of the project cost that will be covered by leveraged funds
<i>Project Impact</i> The proposed energy efficient system will be evaluated based on the following criteria: <ul style="list-style-type: none">• Number of jobs created and retained in Mississippi;• Energy (kwh/therms/gallons/BTUs/etc) saved;• Energy cost savings;• Renewable energy installed capacity and generated;• GHG emissions reduced (CO2 equivalents);• Payback period	Up to 30 pts
<i>Project Readiness</i> The proposed project is well planned and the project is ready to begin.	Up to 10 pts
<i>Reduction Goal Met</i> The proposed project will pursue a 25% reduction in energy consumption as determined by MDA-ED.	5 pts for projects that will meet the 25% reduction goal 3 pts for projects that will result in 10-24% reduction 1 pt for projects that will result in less than 10% reduction
<i>Reporting and Compliance Capability</i> The applicant has shown its ability to administer the funds in accordance with Recovery Act and MDA guidelines and can accurately report all necessary information in a timely manner.	5 pts
TOTAL	80 points

Award Announcements:

Applications will be reviewed as they are submitted and awards can begin to be made as early as August 15, 2009. Awards will continue to be made throughout the remainder of the year until funds are expended for Round 1.

Federal Requirements:

Recipients of SEP funds provided through the Recovery Act are required to:

- Ensure that technology deployed is market-ready and commercially-available;
- Ensure that funds made available through this program will be segregated from other funding sources and that cost principles outlined in 48 CFR Part 31.2 (for-profit) and OMB Circular A-122 (non-profit) and are adhered to;
- Ensure that any sub-grantee that receives \$500,000 or more of federal funds must be audited by an Independent Certified Public Accounting firm according to OMB Circular A-133.
- Ensure that all records pertaining to this grant award will be kept for a minimum of three (3) years after the close-out of this grant award;
- Ensure payment of not less than the prevailing wage under the Davis-Bacon Act to all laborers and mechanics employed by contractors or sub-contractors on projects funded directly or assisted in part by this funding;
- Ensure that none of the funds made available through this grant will be used, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress;
- Ensure that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made;
- Comply with the National Environmental Policy Act (NEPA);
- Comply with Civil Rights Laws, Timeliness Standards, Confidentiality, Recordkeeping, Sanctions, Monitoring, Reporting and Performance Requirements, Conflicts of Interest, Environmental Requirements, Nondiscrimination and Equal Opportunity Requirements, Uniform Administrative Requirements, Equal Participation of Religious Organizations, Lobbying and Disclosure Requirements, Drug-Free Workplace and Procurement of Recovered Materials;
- Make available financial reports, program status reports, and other documents directly related to these funds to any representative of MDA, any state agency authorized to audit MDA, the Department of Energy, the Comptroller General, the General Accounting Office;
- Provide all required reports as prescribed by MDA and allow those reports to be made public; and
- Protect whistleblowers and require prompt referral to an appropriate inspector general.