Fiscal Year 2019 Wood Innovations Funding Opportunity Frequently Asked Questions and Definitions of Terms

A. Questions

1. Are basic or fundamental research proposals acceptable under this funding opportunity?

No. See **Definition of Terms** for basic and applied research.

2. What is considered a "cluster" for this opportunity?

A cluster for the purpose of this funding opportunity is two or more woody biomass energy systems (or two or more facilities that produce woody biomass fuel products) that are designed and eventually installed in multiple buildings at a single location or at multiple locations in an attempt to further expand the use of commercially available technology and/ or expand wood fuel markets to increase the use of woody biomass as an energy source in a market area. A grant provided under this opportunity would support final engineering of the multiple wood energy systems or production facilities prior to construction.

- 3. Which States are eligible to apply for Statewide Wood Energy Teamfunding? All States except AK, AZ, CA, CO, ID, KY, MA, ME, MI, MN, MT, NE, NH, NM, NY, OR, PA, VA, VT, WA, WI, and WV. See this <u>map</u> for current Statewide Wood Energy Teams.
- 4. Which States are eligible to apply for Statewide Wood Utilization Team funding? All States except for AL, AR, HI, MI, MN, MT, OR, SC, VA and WI. See this <u>map</u> for current Statewide Utilization Energy Teams.
- 5. How many statewide wood energy teams or statewide wood utilization teams could be funded per State?

Only one team per State will be funded for each specific team type. Regional coordination across State lines can make a team more effective. Teams should cover the entire State unless there is adequate justification for a geographic location smaller than an entire State (e.g., specific fire-prone region within a State).

6. Are multistate proposals eligible?

Yes, multistate proposals will be considered. An applicant can submit individual proposals for multiple States but must have letters of support from officials in each State.

- 7. Can Federal funds from this funding opportunity be used to provide technical assistance to private enterprises? Yes.
- **8.** Can applicants submit more than one application under this RFP in Fiscal Year 2019? Yes. An applicant can submit multiple applications.
- **9.** Are equipment purchases allowed through this grant opportunity? Only stationary wood energy equipment is allowable, specifically for new wood energy systems or to expand/modify existing wood energy systems.

10. Can Forest Service funds be used for construction?

No.

11. Can equipment be used as match?

Equipment is allowable as a match as long as the regulations for <u>2 CFR 200.306</u> are followed. If the value of a piece of equipment is used as match, then that piece of equipment has all of the regulations in 2 CFR 200 attached, just as it would if it were purchased with Federal funds. While it still belongs to the recipient, it must only be used for the grant-funded purposes and cannot be disposed of without consent of the Federal awarding agency.

A better solution might be to use the actual allowable costs of operating the equipment as match (salary, fringe, fuel, maintenance, etc.).

12. Can unrecovered indirect cost be used as match?

Yes.

13. Can Federal funds be used for infrastructure improvement costs such as site preparation or road improvements?

Yes, IF the infrastructure work does not significantly increase the value of the real property. For example, road grading or site preparation may be temporary in nature and those costs are allowable. Site preparation in advance of construction may also be allowed because it would not in and of itself improve the value of the real property.

Infrastructure improvements that are permanent and increase the value of real property will not be funded or used as match under these awards.

B. Definition of Terms

Applied Research

Applied research is a form of <u>systematic inquiry</u> involving the practical application of <u>science</u>. It accesses and uses some part of the research communities' (the <u>academia</u>'s) accumulated theories, knowledge, methods, and techniques, for a specific, often <u>state-</u>, <u>business-</u>, or <u>client-driven</u> purpose. Applied research is contrasted with <u>pure research</u> (basic research) in discussion about research ideals, methodologies, programs, and projects.^[1] Applied research deals with solving practical problems^[2] and generally employs <u>empirical</u> methodologies. Because applied research resides in the messy real world, strict research protocols may need to be relaxed. (<u>Wikipedia</u>)

Basic Research

Basic research, also called **pure research** or **fundamental research**, is scientific research aimed to improve scientific theories for improved understanding or prediction of natural or other phenomena.^[1] <u>Applied research</u>, in turn, uses scientific theories to develop technology or techniques to intervene and *alter* natural or other phenomena. Though often driven by curiosity,^[2] basic research fuels applied science's innovations.^[3] The two aims are often coordinated in <u>research and development</u>. (Wikipedia)

Another definition for basic research is, "Fundamental research means experimental or theoretical work under taken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct practical application or use in view." (<u>Community Framework for</u> <u>State Aid for Research and Development and Innovation</u> (2006/C 323/01))

Budget Information (SF-424A)

Overall project costs, including summary of matching funds, in-kind contributions, Federal share, and project expenditures over the life of the grant.

Commercially Available (Proven) System

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. (Code of Federal Regulations, Title 7 – Agriculture, Regulations of the Department of Agriculture)

Computer Numerical Control (CNC) Machines

Machines whose movements are controlled by computers and digital circuitry. Machine movements that are controlled by cams, gears, levers, or screws in conventional machines are directed by computers and digital circuitry in computer numerical control (CNC) machines. (<u>The Free Dictionary</u>)

Construction Costs

Costs associated with construction of buildings, roads, and infrastructure that are permanent are **not allowed to receive Federal funds** under this funding opportunity; however, construction funds can be part of the non-Federal cost share.

Cost Principles for Federal Awards

PART 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards.

Cross-Laminated Timber (CLT)

CLT is a wood panel typically consisting of three, five, or seven layers of dimension lumber oriented at right angles to one another and then glued to form structural panels with exceptional strength, dimensional stability, and rigidity. CLT can be manufactured to customized dimensions, and panel sizes vary by manufacturer while length is usually limited by transportation restrictions. (Think Wood)

Direct/Indirect Costs

Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. For additional information see Cost Principle information beginning on page 133 of <u>PART 200—Uniform Administrative Requirements, Cost</u> <u>Principles, and Audit Requirements For Federal Awards</u>.

Environmental Product Declaration

An Environmental Product Declaration, EPD®, is a verified document that reports environmental data of products based on life cycle assessment (LCA) and other relevant information and in accordance with the international standard ISO 14025 (Type III Environmental Declarations). (EPD International AB)

Equipment

Equipment is defined as tangible personal property with a useful life of more than one year with an acquisition cost of \$5,000 or more.

Feasibility Study

An analysis of the economic, market, technical, financial, and management feasibility of a proposed project.

Glue Laminated Timber (Glulam)

Glulam is composed of individual wood laminations (dimension lumber), specifically selected and positioned based on their performance characteristics, and then bonded together with durable, moisture-resistant adhesives. The grain of all laminations runs parallel with the length of the member. (Think Wood)

Green Building

Green building is the practice of creating structures and using processes that are environmentally responsible and resource efficient throughout a building's life cycle from siting to design, construction, operation, maintenance, renovation, and deconstruction. This practice expands and complements the classical building design concerns of economy, utility, durability, and comfort. Green building is also known as a sustainable or high-performance building. (EPA Green Building)

Hourly Wages or Salary

Only the actual cost of wages paid to the employee and the associated benefits may be charged to the grant or used as match. Recipients are not allowed to include profit in a federal award, no matter how it might be captured. Only reimbursement for actual costs incurred and documented expenses will be paid.

Indirect or Intangible Benefits

Indirect or intangible benefits can include job creation; improved air quality (reduced air emissions from point and non-point sources); enhanced water quality; improved fire regime condition class; and reduced wildfire risk to homes, watersheds, and wildlife habitat.

In-Kind Contributions

In-kind contributions are property or services that benefit a federally assisted project or program and are contributed by non-Federal grantees and their partners without charge to the grantee, or a cost-type contractor under the grant agreement.

Life Cycle Assessment

Life cycle assessment (LCA) is a systems-based approach to quantifying the human health and environmental impacts associated with a product's life from "cradle to grave." A full LCA addresses all stages of the product life cycle and should take into account alternative uses as well as associated waste streams, raw material extraction, material transport and processing, product manufacturing, distribution and use, repair and maintenance, and wastes or emissions associated with a product, process, or service as well as end-of-life disposal, reuse, or recycling. (EPA Sustainability)

Mass Timber Processing

Mass timber processing is the manufacturing of large panelized timber products that include crosslaminated timber products and glue-laminated timbers used in building framing and flooring. (<u>Think</u><u>Wood</u>)

Matching Funds

Applicants must contribute at least 50% of the Forest Service requested funds. For every \$2 of Federal funding requested, applicants must provide at least \$1 in match. For example, if the requested Federal amount is \$250,000, the applicant match must be at least \$125,000. The applicant's match must come from non-Federal sources. The match may include cash or in-kind contributions. All matching funds must be directly related to the proposed project. Applicants must submit letters of support from third-party organizations confirming the amount of cash or in-kind services to be provided, up to the minimum required match.

National Forest

Lands managed by the USDA Forest Service under the National Forest System, which represents 193 million acres of National Forests and Grasslands.

Non-merchantable

The portion of the byproducts of preventive forest treatments that would not otherwise be used for higher product values.

Project Costs

Project costs are all allowable costs, as set forth in the applicable Federal cost principles, that are incurred by a recipient and the value of the contributions made by third parties in accomplishing the objectives of the award during the project period. (<u>PART 200—Uniform Administrative</u> Requirements, Cost Principles, and Audit Requirements For Federal Awards)

Public Utility District

Municipal corporations organized to provide electric service to both incorporated cities and towns and unincorporated rural areas. (U.S. Energy Information Administration)

Renewable Energy

Energy derived from a wind, solar, biomass, or geothermal source. For this grant program, only projects using woody biomass are considered.

Wildland Fire

Any nonstructure fire, other than prescribed fire, that occurs in the wildland. (<u>Glacier National Park</u> <u>Flathead National Forest Fire Information</u> – include other fire terminology)

Woody Biomass

The trees and woody plants, including limbs, tops, needles, leaves, and other woody parts, grown in a forest, woodland, or rangeland environment, that are the by-products of forest management (<u>USFS</u> <u>Woody Biomass Utilization</u>). In addition, woody biomass also includes woody waste materials generated from manufacturing processes.

Woody Biomass Utilization

The harvest, sale, offer, trade, and/or utilization of woody biomass to produce the full range of wood products, including timber, engineered lumber, paper and pulp, furniture and value-added commodities, and bioenergy and/or biobased products such as plastics, ethanol, and diesel.

Wood Energy Project

A renewable energy system that produces fuel, thermal energy, cooling, or electric power from woody biomass.