NIICE FOA Pre-Application Webinar Script

Slide 1

Good afternoon everyone and welcome to our webinar. Thank you for your interest in the U.S. Department of Energy's efforts in energy efficiency and renewable energy. You are joining us for the Second Informational Webinar for applicants and others interested in the National Incubator Initiative for Clean Energy Funding Opportunity Announcement, or FOA, which was issued on January 6, 2014.

My name is Jennifer Garson and I am a Technology-to-Market Analyst in the Technology-to-Market Sub-Program in Strategic Programs within DOE's Office of Energy Efficiency and Renewable Energy. We hope to cover the basic aspects of the full application period for this Funding Opportunity Announcement during this webinar.

Before we begin, I'd like to draw your attention to the email address on the left hand side of this cover page. This is the official mailbox to direct all of your questions during the entire FOA process. All questions received through this mailbox are posted publicly - and anonymously - in the FAQ section of the FOA page on EERE Exchange, EERE's online application portal.

The official answers to your questions will typically be posted within 3 business days. Please be careful not to submit any language that might be business sensitive, proprietary, or confidential.

We will not be answering questions live during this webinar, but we will be posting them within the next few days on the FOA's FAQ section on EERE Exchange. Please type in your questions as they come up.

Again, please be careful not to submit any language that might be business sensitive, proprietary, or confidential. Once again, we will be posting all questions and answers to EERE Exchange on the FOA 's FAQ page.

Also, just to be clear, there are no advantages or disadvantages to the application evaluation process with respect to participating in the webinar today. Your participation is completely voluntary.

So, let's get started!

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The agenda for this presentation is as follows:

1. Award Information

2. FOA Description

3. Topic Areas/Technical Areas of Interest

4. Statement of Substantial Involvement

5. Cost Sharing

6. Full Applications

7. Merit Review and Selection Process

8. Pre-Selection Interviews

9. Selection and Program Policy Factors

10. Registration Requirements

We encourage you to have a copy of the FOA in front of you for reference as we go through the presentation.

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All applicants are strongly encouraged to carefully read the Funding Opportunity Announcement and to adhere to the stated submission requirements.

This presentation summarizes the contents of the FOA. If there are any inconsistencies between the FOA and this presentation or statements from DOE personnel, the FOA is the controlling document and applicants should rely on the FOA language and seek clarification from EERE.

If you believe there is an inconsistency, please contact
NIICEFOA@go.doe.gov.

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As I mentioned earlier, should you have questions, please email
NIICEFOA@go.doe.gov.

All Q&As about this FOA will be posted on EERE Exchange.

If you have problems logging into EERE Exchange or uploading and
submitting application documents with EERE Exchange, please email
EERE- ExchangeSupport@hq.doe.gov. And include the FOA name and
number in subject line.

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This slide shows the anticipated schedule for the FOA. The FOA has
already been posted, and we are conducting the Second Informational
Webinar now. Please note that there are a few requirements that are
different than for past FOAs, which we will go over in the presentation.
In addition, there are changes to the FOA process, such as Replies to
Reviewer Comments. We will cover the process and requirements for
this FOA later in the presentation.

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EERE expects to make available approximately $3 million of Federal funding for new awards under this FOA, subject to the availability of appropriated funds. The average award amount is anticipated to range from $500,000 to $1 million under Topic 1 and $400,000 to $765,000 under Topic 2.

EERE intends to fund cooperative agreements under this FOA.

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The U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) Technology-to-Market Sub-Program is funding a new venture, the National Incubator Initiative for Clean Energy (NIICE). NIICE seeks to advance three goals:

- Improve the performance of existing and new clean energy business incubators across the country by setting high performance standards, fostering best practices, and improving coordination among the incubator community;

- Strengthen support for early-stage companies that are developing high risk technologies and scaling from prototype to domestically-based production; and

- Catalyze investment in early-stage clean energy businesses by improving information regarding capital access for incubators, including disseminating analysis and materials on philanthropic funds, corporate venture, and other innovative financing mechanisms.

To accomplish these goals, NIICE will (1) fund a national organization to serve as a coordinating body for clean energy incubators and a central source of information for clean energy stakeholders; and (2) set a benchmark to develop top-performing, clean energy-focused incubators by funding three to five incubators across the United States.

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The first Topic we are funding under NIICE is the National Organization. We anticipate making 1 award.

Industry feedback, supported by empirical research, has pointed to a need for a central platform and organization to disseminate information in a streamlined format about incubators, as well as to connect entrepreneurs and industry.

There is also a need for a "one stop shop" for technical due diligence, and for a broader set of experts and mentors to be available to technology developers and investors.

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NIICE will support a national organization to provide a centralized platform for multiple services, including: aggregating information about incubators; identifying sources of and information about capital, such as VC, grants and foundations; performing technical analysis; assisting with mentoring services; and disseminating information about prototyping capabilities and other manufacturing services provided by incubators.

A centralized coordinating body will enable start-ups, entrepreneurs, and industry to more easily navigate the incubator and innovation space. This national organization will enable better connections between incubators, and connect industry stakeholders with incubators for greater access to innovative technology being developed across the country.

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The Second Topic we are funding under NIICE are the Individual Incubators. We anticipate making up to 5 awards.

NIICE will fund incubators to develop and enhance programs that set a benchmark for top-performance in the sector. Through research, experiential analysis, and communication with stakeholders, EERE identified a key set of characteristics and services associated with high-

performing incubators. For purposes of this funding opportunity, these characteristics and services should be viewed as guidelines; it is not required that potential applicants possess all of these characteristics and services at the time of submission.

Characteristics

Clean Energy Focus

- An incubator must have a concentration, either in full or in part, on EERE's technology portfolio.

Nonprofit Organization

- Empirical research has shown that top performers, including those funded by DOE, have been nonprofit incubators.

Strong and Committed Board of Advisors

- A Board of Advisors must be established, rather than proposed.

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Corporate and Investor Relationships

- Either directly through the incubator or through relationships with local economic development organizations, strong evidence of corporate and investor relationships is critical.

Strong Commitment to Data Collection

- Incubators should collect metrics on start-ups and ventures served, as well as services provided. This includes a plan for a long-term commitment to data collection.

Emphasis on Hardware

- While more "Web- heavy" companies still receive support from VCs, there remains a need for an emphasis on high-tech clean energy hardware development.

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Services Provided

Strong Mentorship Program

- A mentorship program can include Entrepreneurs-in-Residence programs and mentorship networks that are both strong and constantly refreshed.

Entrepreneurial Training

- Most incubators focus on training start-ups to build revenue and businesses. These training programs emphasize skills and abilities needed to successfully create and run small businesses, and can include financial planning, marketing, accounting, hiring,

computing and other basic business functions. This can potentially include integrating Lean Startup principles.

Techno-Economic Analysis

- Providing robust due diligence on the technology, the applications and markets, and the potential technical and market competition can support technology start-ups as they build their company and seek investment.

Access to Capital and Strategic Partners

- Incubators should assist early-stage companies in identifying potential investors and strategic partners, facilitating connections, and securing capital.

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Access to Prototyping and Demo Facilities

- Incubators should provide in-house, or in partnership with local providers (i.e. labs/universities/organizations), demonstration or prototyping capabilities and equipment. A partnership could be based on minimal fees, reduced fees, or free access to facilities.

Long-Term Structured Program for Start-ups

- Incubators should have a long-term structured program for start-ups. Rather than a short timeline (6-12 weeks), incubators should provide support for start-ups as they develop their business and technology plans.

Physical Site

- A physical site can provide entrepreneurs space in which to operate their businesses, although the focus of the program should remain on the business assistance services provided to the start-ups.

Connection to DOE SBIR/STTR

- Incubators should be connected with the DOE SBIR/STTR programs, both to allow start-ups the opportunities to apply to grants, and to serve as a point of connection for companies previously funded through SBIR/STTR as a next step for further developing their small businesses.

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There will be substantial involvement between EERE and the Prime Recipient during the performance of a resultant cooperative agreement.

Substantial involvement includes, but is not limited to, the following:

- EERE shares responsibility with the Prime Recipient for the management, control, direction, and performance of work under this award;

- EERE reviews and approves in a timely manner project plans, including project management, testing and technology transfer plans, and recommends alternate approaches if the plans do not address the critical programmatic issues;

- EERE participates in project management planning activities, including risk analysis, to ensure EERE Technology Office requirements or limitations are considered in performance of the work elements;

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EERE has the right to intervene in the conduct or performance of project activities for programmatic reasons.

Intervention includes the interruption or modification of the conduct or performance of project activities. EERE does not limit its involvement to the administrative requirements of this Award. Instead, EERE has

substantial involvement in the direction and redirection of the technical aspects of the project as a whole. More information on Substantial Involvement can be found in Section VI.C.8 of the FOA

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The cost share must be at least 50% of the total allowable costs for projects funded under this FOA and must come from non-Federal sources, unless otherwise allowed by law.

To assist Applicants in calculating proper cost share amounts, EERE has included a cost share information sheet and sample cost share calculation in Appendices B and C in the FOA. As an example, a 50% cost share means that if an applicant is awarded $500,000, the cost share for the applicant must be at least $500,000.

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Cost Share must be allowable and must be verifiable upon submission of the Full Application.

Refer to the table in this slide for applicable Federal cost principles.

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Cash Contributions may be provided by the Prime Recipient, Subrecipients, or a Third Party.

In-kind contributions can include donation of personnel time, equipment, facilities, or other items that an organization will contribute to the project. This can take many forms, each of which must be assigned a dollar value to be included in the budget. Some examples are donation of work hours, facility use, or equipment use.

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The Prime Recipient may not use the following sources to meet its cost share obligations including, but not limited to:

- Revenues or royalties from the prospective operation of an activity beyond the project period;
- Proceeds from the prospective sale of an asset of an activity;
- Federal funding or property;
- Expenditures reimbursed under a separate Federal Technology Office;
- Independent research and development (IR&D) funds; and
- The same cash or in-kind contributions for more than one project or program.

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Contributions must be specified in the project budget, verifiable from the Prime Recipient's records, and necessary and reasonable for proper and efficient accomplishment of the project.

Every cost share contribution during the award period must be reviewed and approved in advance by the Contracting Officer and incorporated into the project budget before the expenditures are incurred.

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Prime Recipients must provide documentation of the cost share contribution, incrementally over the life of the award.

The cumulative cost share percentage provided on each invoice must reflect, at a minimum, the cost sharing percentage negotiated.

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In limited circumstances, the Prime Recipient may submit a waiver request to meet its cost share requirements on a less frequent basis, such as monthly or quarterly. These waiver requests must be sent by email to the Contracting Officer during award negotiations. The waiver requests must include:

- A detailed justification for the request;

- A proposed schedule of payments, including amounts and dates;

- A written commitment to meet that schedule; and

- Such evidence as necessary to demonstrate that the Prime Recipient has complied with its cost share obligations to-date.

The Contracting Officer must approve all such requests before they may go into effect.

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This slide details our anticipated schedule for the FOA. All applications must be submitted by March 21. Between the submission deadline, through near the selection, EERE may choose to conduct Pre-Selection Clarification and Interviews. I will detail this process in later slides.

On April 2nd, all applicants will receive comments from the merit reviewers, and you will have time to submit a reply to these comments.

Currently EERE anticipates notifying applicants about whether they have been selected on May 29th.

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As we previously pointed out, applicants must submit full applications by March 21st , 2014 at 5:00pm ET. EERE will conduct an eligibility review, and full applications will be deemed eligible if:

- The Applicant is an eligible entity per Section III.A of FOA;
- The Applicant submitted an eligible Concept Paper;
- The Cost Share requirement is satisfied per Section III.B of FOA;
- The Full Application is compliant with Section III.C of FOA; and
- The proposed project is responsive to Section III.D of FOA
- The Full Application meets any other eligibility requirements listed in Section III of the FOA.

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So who is eligible to apply?

Eligible applicants for this FOA include:

1) Individuals

2) Domestic Entities

3) Foreign Entities

4) Incorporated Consortia

5) Unincorporated Consortia

For more detail about eligible applicants, please see Section III.A of the FOA.

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Applicants may apply to both topic areas, however Applicants must have submitted one Concept Paper for each topic and submit a Full Application for each topic area of this FOA.

This limitation does not prohibit an Applicant from collaborating on other applications (e.g., as a potential Subrecipient or partner) so long as the entity is only listed as the Prime Applicant on one Full Application submitted under this FOA.

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Applicants may only submit one Full Application for each topic area of this FOA.

If an Applicant submits more than one Full Application, EERE will only consider the last timely submission for evaluation.

Any other submissions received listing the same Applicant will be considered non-compliant and not eligible for further consideration.

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The Full Application includes:

Technical Volume: The key technical submission. Applicants submit information pertaining to the technical content, project team members, etc.

SF-424 Application for Federal Assistance: The formal application signed by the authorized representative of the applicant. Includes cost share amounts and Federal certifications and assurances.

SF-424A Budget & Budget Justification: Documents that ask applicants to submit a detailed budget and spend plan for the project.

Summary for Public Release: Applicants must provide a 1-page summary of their project appropriate for public release.

Summary Slide: PowerPoint slide that provides facts about the project. Slide content requirements are provided in the FOA.

Administrative Documents: This includes FFRDC Authorization (if applicable), and Disclosure of Lobbying Activities.

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The key technical component of the Full Application is the Technical Volume, which helps applicants frame the technical information that the application will be evaluated on. The Technical Volume provides

information regarding what the project is, how the project tasks will be accomplished, and the project timetable.

The Technical Volume is comprised of a cover page; project overview; program description; innovation and impact; workplan; technical qualifications and resources. Please note that the percentages listed here are suggested and are not mandatory.

The Cover Page is one page, and provides basic information on the project, such as title, topic area, points of contact.

The Project Overview constitutes approximately 10% of the Technical Volume and provides information on project background, goals, impact of EERE funding.

The Technical Description, Innovation and Impact section is approximately 25% of the Technical Volume. It provides information on project relevance and outcomes, feasibility, and innovation and impacts. This ultimately provides the justification as to why EERE should fund the project.

The Workplan is the key element to the Technical Volume, and constitutes approximately 50% of it. It details the proposed milestones and project schedule. If selected for award negotiations, the Workplan

serves as the starting point when negotiating the Statement of Project Objectives.

The Technical Qualifications and Resources section is approximately 15% of the Technical Volume. It provides applicants an opportunity to give information about the proposed project team and demonstrate how the applicant will facilitate the successful completion of the proposed project.

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The Merit Review process consists of multiple phases that each include an initial eligibility review and a thorough technical review.

Rigorous technical reviews are conducted by reviewers that are experts in the subject matter of the FOA.

Ultimately, the Selection Official considers the recommendations of the reviewers, along with considerations such as program policy factors, to make the selection decisions.

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Applications will be evaluated against the following merit review criteria:

Criterion 1 will be weighted 40%. This includes Technical Merit and Innovation, and the Impact of Advancement.

Technical Merit and Innovation includes:

The extent to which the program or process is innovative and has the potential to advance the state of the sector;

The extent to which the application specifically and convincingly demonstrates how the applicant will advance performance and best practices; and

The sufficiency of technical detail in the application to assess whether the proposed work is meritorious and revolutionary, including relevant data, discussion of prior work, literature review, and analysis that supports the viability of the proposed work.

Impact of Advancement includes:

How the project supports the topic area objectives and target specifications and metrics; and

The potential impact of the project on advancing sector best practices and increasing market acceleration.

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Criterion 2 will also be weighted 40%. The criterion includes Research Approach and Workplan, Identification of Programmatic Risks, Baseline Metrics and Deliverables and Market Transformation Plan.

Research Approach and Workplan includes:

The degree to which the approach and critical path have been clearly described and thoughtfully considered; and

The degree to which the task descriptions are clear, detailed, timely, and reasonable, resulting in a high likelihood that the proposed workplan will succeed in meeting the project goals.

Identification of Programmatic Risks includes:

The discussion and demonstrated understanding of the key risk areas involved in the proposed work, and the quality of the mitigation strategies to address them.

Baseline, Metrics, and Deliverables includes:

The level of clarity in the definition of the baseline, metrics, and milestones; and

Relative to a clearly defined baseline, the strength of the quantifiable metrics, milestones, and mid-point deliverables defined in the application, such that meaningful interim progress will be made.

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Market Transformation Plan includes:

The identification of target market, competitors, and distribution channels for proposed program along with known or perceived barriers to market penetration, including mitigation plan;

The comprehensiveness of sustainability plan including but not limited to product development and/or service plan, financing, product marketing, legal/regulatory considerations including intellectual property, infrastructure requirements, data dissemination, and product distribution;

And the strength of a plan that promotes sustained movement of clean energy technologies into the marketplace beyond the award period.

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The last criterion will be weighted 20% and is based on the Team and Resources.

This includes:

The capability of the Principal Investigator(s) and the proposed team to address all aspects of the proposed work with a good chance of success. The qualifications, relevant expertise, and time commitment of the individuals on the team;

The sufficiency of the facilities to support the work;

The degree to which the proposed consortia/team demonstrates the ability to facilitate and expedite further development and commercial deployment of the clean energy technologies;

The level of participation by project participants as evidenced by letter(s) of commitment and how well they are integrated into the workplan; and

The reasonableness of budget and spend plan for proposed project and objectives.

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The Full Application are reviewed by experts in the FOA topic areas. After those experts review the applications, EERE will provide the reviewer comments to the applicants, and provide the applicants with a brief opportunity to respond.

This a **customer centric** process that provides applicants with a unique opportunity to correct misunderstandings and misinterpretations, and to provide additional data that might influence the selection process in their favor. The Replies are considered by the reviewers and the selection official.

Comments will be provided to applicants in Exchange following the evaluation of eligible full applications. Applicants will then be able to respond to the comments through the Reply to Reviewer Comments process. Applicants will have at least 3 business days to respond.

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 As part of the evaluation and selection process, EERE may invite one or more applicants to participate in Pre-Selection Interviews. Pre-Selection Interviews are distinct from and more formal than pre-selection clarifications (See Section V.D.3 of the FOA). The invited applicant(s) will meet with EERE representatives to provide clarification on the contents of the Full Applications and to provide EERE an opportunity to ask questions regarding the proposed project.

EERE may invite certain applicants to participate in a one-on-one conference with EERE via webinar, videoconference, or conference call.

EERE will not reimburse applicants for travel and other expenses relating to the Pre-Selection Interviews, nor will these costs be eligible for reimbursement as pre-award costs.

EERE may obtain additional information through Pre-Selection Interviews that will be used to make a final selection determination. EERE may select applications for funding and make awards without Pre-Selection Interviews. Participation in Pre-Selection Interviews with EERE does not signify that applicants have been selected for award negotiations.

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The Selection Official may consider the merit review recommendation, program policy factors, and the amount of funds available in arriving at selections for this FOA.

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After the Merit Review process, the Selection Official may consider program policy factors to come to a final selection decision.

The Selection Official may consider the following program policy factors in making selection decisions:

- The degree to which the proposed project, including proposed cost share, optimizes the use of available EERE funding to achieve programmatic objectives
- The level of industry involvement and demonstrated ability to commercialize energy or related technologies
- Technical, market, organizational, and environmental risks associated with the project
- Whether the proposed project is likely to lead to increased employment and manufacturing in the United States
- Whether the proposed project will accelerate transformational technological advances in areas that industry by itself is not likely to undertake because of technical and financial uncertainty
- The degree to which the proposed project addresses EERE's statutory mission and strategic goals

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There are several one-time actions before submitting an application in response to this FOA, and it is vital that applicants address these items as soon as possible. Some may take several weeks, and failure to complete them could interfere with an applicant's ability to apply to this FOA, or meet the negotiation deadlines and receive an award if the application is selected.

DUNS Number

Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number.

System for Award Management

Register with the System for Award Management (SAM). Designating an Electronic Business Point of Contact (EBiz POC) and obtaining a special password called an MPIN are important steps in SAM registration. Please update your SAM registration annually.

FedConnect

Register in FedConnect. To create an account, your organization's SAM MPIN is required. For more information about the SAM MPIN or other registration requirements, review the FedConnect Ready, Set, Go! Guide at https://www.fedconnect.net/FedConnect/PublicPages/FedConnect_Ready_Set_Go.pdf.

Grants.gov

Register in Grants.gov to receive automatic updates when Amendments to this FOA are posted. However, please note that Concept Papers and Full Applications are not accepted through Grants.gov.

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All required submissions must come through EERE Exchange. EERE will not review or consider applications submitted through any other means.

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Please make sure that you check your entries in EERE Exchange when you are submitting your full applications.

Submissions could be deemed ineligible due to an incorrect entry .

EERE strongly encourages Applicants to submit 1-2 days prior to the deadline to allow for full upload of application documents and to avoid any potential technical glitches with EERE Exchange.

Make sure you hit the submit button.

Any changes made after you hit submit will un-submit your application and you will need to hit the submit button again.

For your records, print out the EERE Exchange Confirmation page at each step, which contains the application's Control Number. This is the same control number that you were assigned for your Concept Paper submissions.

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Applicants must designate primary and backup points-of-contact in EERE Exchange with whom EERE will communicate to conduct award negotiations.

It is imperative that the Applicant/Selectee be responsive during award negotiations and meet negotiation deadlines. Failure to do so may result in cancellation of further award negotiations and rescission of the Selection.

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As we stated earlier, any questions asked during this webinar will be posted on Exchange. Thank you for attending today's webinar.