

*1) Is there an upper limit for the IUEP grant?*

Answer: There are no minimum or maximum award amounts. It is anticipated that each project award will be in the range of \$75,000 to \$200,000. With the 50% minimum cost-share requirement, the total project cost of qualifying individual projects is anticipated to be in the range of \$150,000 to \$400,000.

*2) I understand that IUEP requires a 50% cost-share. Is there any restriction on the type of private funding, i.e. debt or equity, form*

Answer: Debt or loans are generally allowable as long as the criteria listed in the OMB Circular A-110 are met. (OMB Circular A-110 is available at:

<http://www.whitehouse.gov/omb/circulars/a110/a110.html#23>)

*3) The RFP says that priority will be given to proposals that have an existing private financing component. Do you consider Export Import Bank as a private financing organization, or are you only considering private commercial banks?*

Answer: We would not necessarily favor private financing over Export Import Bank financing. That section should be read to place an emphasis on 'existing' (as in, ready to go) and private (having some private funding in addition to public funds).

*4) I have reviewed the RFP and would like to ask if there are any limitations on countries' eligibility as host countries or does any foreign country qualify?*

Answer: The Joint Implementation pilot phase program recognized projects built in developing countries. While projects in non-developing countries will not be categorically excluded, the program will maintain its focus on identifying projects in developing countries.

*5) Is there any geographic restriction, i.e. countries that would not qualify?*

Answer: The IUEP seeks international projects outside of the U.S. There are no other geographic restrictions. However, IUEP encourages projects from developing countries. Also, for methane-related projects, IUEP encourages projects from countries that have joined the US

EPA's Methane to Markets Partnership. The website at <http://www.iuep.org/RFP2005/> and the RFP provide more information on this.

*6) Does your financial support include the costs of CDM project preparation?*

Answer: In general, to meet our goal of getting projects up and running, IUEP will continue to support projects in the feasibility stage. IUEP will match funding for studies, testing, design and all manner of calculating and quantifying greenhouse gas benefits for a proposed project.

*7) What type of organization can apply for funding?*

Answer: In general, proposals can be submitted by individuals, corporations, and public or private partnerships. As with all proposals, costs will be reviewed with the goal of providing funding to the most attractive projects, including those with favorable cost/benefit analysis. IUEP will look at the experience and financial strength of the group making the proposal as an important consideration.

*8) What types of organizations are eligible for funding, e.g. profit, non-profit, public authorities etc.?*

Answer: See questions 7 and 12.

*9) Which countries outside the U.S. such organizations may apply?*

Answer: The Joint Implementation pilot phase program recognized projects built in developing countries. While projects in non-developing countries will not be categorically excluded, the program will maintain its focus on identifying projects in developing countries.

*10) Would you provide grants for not investment projects like: education, promotion, consultation benchmarking, good practice etc.?*

Answer: No. Funding is proposed for purposes identified in the RFP.

*11) Is it necessary to realize project with partner from donor state?*

Answer: Typically, a successful project will have both U.S. investors

and investors from the host country in which the project is located.

*12) Can proposals be submitted by municipality, company, foundation, or all?*

Answer: All.

*13) Is it mandatory a U.S. partner/company participation for the project to qualify?*

Answer: Although applications submitted from non-domestic organizations may be considered, IUEP anticipates selecting proposals submitted by a domestic organization or proposals that identify a U.S. partner.

*14) Is it a problem for qualifying, that neither Germany nor Ecuador (country residency of consortium companies) has signed the Methane to Market program?*

Answer: Proposals meeting the criteria for Methane to Markets will be given higher priority. The RFP Selection Panel will consider the location of the project and would not penalize a proposal submitted by a partner from a country that is not a member of the Methane to Markets initiative.

*15) Is it critical, that some testing activities already begun, even though we would like to apply for test funding?*

Answer: Proposals may include support for activities begun on or after January 1, 2005.

*16) Any restrictions for form of funding: Equity, CDM soft costs, testing costs, legal advice, etc.?*

Answer: The Selection Committee will adhere to the RFP's narrative during the selection process, including overall goals, greenhouse gas benefits, and cost/benefit analyses. Restrictions on use of funds can be found in OMB Circular A-110 at <http://www.whitehouse.gov/omb/circulars/a110/a110.html#23>.

*17) Concerning Question No. 1 above: (Total cost of project max. 400.000). Is that the maximum amount for grant application, or the*

*maximum investment amount of total project costs being considered by IUEP?*

Answer: The \$400,000 referred to a project for which IUEP would award a \$200,000 grant which would be matched by a MINIMUM of \$200,000 in order to meet the cost share requirement. IUEP expects many projects to exceed the cost-share requirement. There is no restriction regarding the maximum cost of the overall project.

*18) RFP grants are non-repayable subsidies?*

Answer: There is no requirement that grants are repaid. Any misuse of funds, including violation of provisions in OMB Circular A-110, may result in demand for repayment. See the OMB circular at <http://www.whitehouse.gov/omb/circulars/a110/a110.html#23>.

*19) Could the testing/verification, etc. of low-pressure natural gas adsorbent storage vessels qualify? The market is both stationary (for utilities to "hold" customers while regular main and/or service is being interrupted for maintenance or repairs. The largest potential market is that of the transportation sector.*

Answer: The RFP is neutral on which technologies achieve greenhouse gas reductions.

*20) I see the requirement to submit an electronic copy of the Executive Summary – including the Summary Form (Attachment C) and Project Description. Since Attachment C is part of a PDF file, can you create a downloadable Word Document for Attachment C?*

Answer: 09-May-2005. This has been done. We have now added a WORD version of the [Project Information Summary Form](#) (Attachment C of the RFP) to the "[Tools & Assistance](#)" page, in order to enable forms completion using a word processor.

*20) Do projects located in the United States qualify for sponsorship by IUEP?*

Answer: No, they would not qualify for funding. The project has to be developed overseas.

*21) Please confirm that the USD2million limit is for all projects funded this time and not for each project.*

Answer: IUEP expects to fund all projects within the \$2 million grant. There could be 8-10 projects selected and funds will be allocated among these projects.

*22) We contemplate to submit a project proposal to IUEP that reduces Methane emissions, provided we are free to trade Carbon credits derived from the project.*

Answer: IUEP makes grants to qualified projects, for specific activities identified by the applicants in response to a RFP. IUEP does not oversee or manage any other business decisions made by project management outside of the specific activity approved in the RFP submittal.

*23) We are representing the NGO/research institution from India. Are we eligible?*

Answer: Yes.

*24) If the IUEP is specifically for release mitigation, does the use of technology to discover methane for mitigation qualify under the goals of the RFP?*

Answer: Yes, locating and measuring methane is a necessary step in mitigation and is an allowable activity under the RFP.

*25) Would a proposal that has both detection and mitigation contained in it be seen as two fundable proposals or just one?*

Answer: The goal of the project should be to mitigate. In this example, detection and mitigation should be combined in the proposal.

*26) Would IUEP partner a methane mitigation technology with a methane detection technology if only the detection technology was a proposal?*

Answer: The mitigation activities should be identified and included in the proposal. Grants are intended to be awarded for complete projects.

*27) If our energy project was for example \$2 million, would a \$1 million grant be considered appropriate given the amount and size of projects you would like to see funded globally?*

Answer: It is anticipated that each project award will be in the range of \$75,000 to \$200,000. With the 50% minimum cost-share requirement, the total project cost of qualifying individual projects is anticipated to be in the range of \$150,000 to \$400,000. Larger projects are eligible; however, the IUEP-funded portion of any one project is not expected to exceed \$200,000. Therefore, a larger project would exceed the minimum 50% cost share requirement.

*28) Our operations are held in Bolivia, South America. Is this location applicable?*

Answer: Bolivia is an acceptable country.

*29) We have 3 small projects gathered for our proposal. (1) We had implemented a 1 MW natgas power plant configured by 2x0,3 and 2x0,2 Mw gensets. This plant generates power for an isolated system that used to generate with very old and inefficient diesel engines. We generate around 250 MWh per month at 2400 meters above sea level, where the efficiency for the engines is around 140000 btu per kwh. Old diesel engines used to consume around 0,08 diesel gal per Kwh, so we estimate our CO2 reductions around 75 CO2 eq tons per month. The project has started operations past may 2004, (2) Our second project is a substitution of old CAT natgas gensets for new GUASCOR units. We have lowered the natgas demand from 15,2 scf per Kwh down to 10,88 scf per kwh (1 scf equals 1045 btu) which is a 30% increase for thermal efficiency. We generate a mean of 650 Mwh per month. The project has started operations in April 2001, and (3) Our firm has implemented the first NGV station in Bolivia back in 1992. Ever since, other cities have emulated our project with important success. We intend to certify all the conversions done by our company since Jan 2001 in order to capture CO2 emissions reduced by those cars. About 500 cars that consume about 350 CFD of nat gas (eliminating a mean of 3,2 gasoline gallons per day per car demand) are accountable for this alternative.*

Answer: The 2005 RFP is intended to provide financial assistance to projects "in development." For a project "in operation" to qualify, the applicant needs to demonstrate an improvement, modification, or expansion of the existing project that will achieve the goals and

purposes of the IUEP. For example, if the applicant intends to study the feasibility of replacing old CAT diesel gen sets with new Guascor gen sets, that would qualify under the RFP. Similarly, if they intend to expand natural gas vehicle stations/infrastructure, etc., that too would qualify. Activities to certify or quantify emissions reductions from existing, operational projects do not qualify, unless these activities are related to reducing/capturing/managing methane emissions from existing landfills.

*30) I am interested, if Georgia (Eastern Europe) can apply for project support?*

Answer: Yes, Georgia is an acceptable country.

*31) Please explain: (a) IUEP Cost per Ton of CO2 Reduced and (b) IUEP US\$ 2005/tonnes CO2-equivalent?*

Answer: IUEP cost per ton is CO<sub>2</sub> reduced (Numerator) divided by IUEP requested grant (denominator). Thus 100 tons reduced through a \$100 grant will equal IUEP cost of \$1 per MTCO<sub>2</sub>E. Typically these projects result in a \$15- \$25 cost to IUEP per ton reduced. The second ratio is the reciprocal of the first – a different way to display the data.

*32) It appears that IUEP works primarily with large scale projects. I am wondering if you can give me any information about financing small scale international renewable energy projects.*

Answer: Small scale renewable energy projects qualify for funding under the IUEP 2005 RFP.

*33) The government of India will grant us thousands of acres of land to plant jatropha trees and I am wondering if our project would qualify for your RFP. We don't have the matching funds, but could match in kind via getting free land. Is this a project that could work for your funding?*

Answer: The bio-fuels projects qualify. However, we will need to review the concession agreement to make a determination of its applicability as a cost share item.

*34) Would a proposal which focused on improving public transport in Guangzhou, China, through the introduction of Bus Rapid Transit, be eligible to receive funding? The type of fuel used would probably be*

*LPG, though the emphasis is on achieving energy efficiency by improving the bus sector performance rather than on changing the fuel which is used by the buses.*

Answer: There is no preferred technology. Any proposals need to demonstrate GHG reductions and meet the criteria outlined in the RFP.