



Michigan Department of Environmental Quality  
<http://www.deq.state.mi.us>

## **Small Chemical Manufacturers Pollution Prevention Initiative**

### **Pollution Prevention Technology Demonstration Project**

**Request for Grant Proposal**  
December 3, 2001 – February 4, 2002

John Engler, Governor  
Russell Harding, Director

# Pollution Prevention Technology Demonstration Project

## Grant Description

A total of \$50,000 dollars in funding is available for the implementation of pollution prevention technology within a chemical manufacturing operation. The Department of Environmental Quality (DEQ) will provide a matching grant to a qualifying small chemical manufacturing business to fund a pollution prevention demonstration project that achieves measurable reductions in waste generation, enhances process efficiency, and improves overall business profitability. The technology must be transferable and will serve as showcase to be shared with other businesses or industries.

The following definitions apply:

**Pollution Prevention:** The term “Pollution Prevention” is defined as the practice of minimizing the generation of waste at the source and, when wastes can not be prevented, utilizing environmentally sound on-site or off-site recycling or reuse. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA) 1994 PA 451, as amended.

**RETAP:** The term RETAP means the Retired Engineer Technical Assistance Program, which provides confidential, on-site pollution prevention assessments for Michigan businesses, free of charge. Any business with fewer than 500 employees within the State of Michigan meets the eligibility requirements for a RETAP waste assessment.

## Eligible Applicants

Any business in Michigan may submit an application provided (a) the primary business operations at the facility are classified within the “Chemicals and Allied Products” Standard Industrial Classification Code, and (b) the facility meets the eligibility requirements for a RETAP waste assessment.

## Eligible Projects

Eligible pollution prevention projects must achieve measurable reductions in waste generation, enhance process efficiency, improve overall business profitability, and involve (a) applicant’s chemical manufacturing operations, (b) technologies transferable within the chemical manufacturing industry, and (c) \$100,000 or more in proposed expenditures.

## Ineligible Projects

1. Waste treatment, control, management, and disposal activities.
2. Maintenance of existing pollution prevention projects (see Non-Duplicative Projects below).
3. Projects having a primary purpose of increasing process output or production.
4. Projects involving capital investments and administrative costs (e.g. insurance, administrative staff) that are not exclusive to the proposed pollution prevention effort.
5. Projects/activities deemed inappropriate under contract management standards.

## **Non-Duplicative Projects**

Grant monies cannot be used to replace existing federal, state, or local regulatory requirements or financial commitments. Projects must demonstrate their unique contribution and assure that they do not duplicate other state, regional or federal efforts.

## **Eligible Applications**

Applicants must use the Small Chemical Manufacturers Pollution Prevention Initiative, Pollution Prevention Technology Demonstration Project application form in applying for the grant funds. The form is designed to assist applicants in providing needed contact and project information, while minimizing errors that may delay or disqualify potentially fundable projects. Proposed projects must include a work plan, timeline, budget, an estimate of expected waste reduction benefits and cost savings, how such benefits and cost savings will be measured, and project deliverables to the DEQ.

All applicants must additionally include with their application, a letter from a certified public accountant documenting that the organization has undergone a successful financial audit within the last 24 months. The letter must include the dates and scope of the successful financial audit. This information is necessary to assure that the applicant has in place a financial accounting system that operates in accordance with generally accepted accounting principles.

## **Matching Fund Requirements**

Applicant must provide a match to state funding of at least 100 percent. Note: Applicant may use "expenditures in-kind" or third part contributions for meeting their matching obligations under the program.

## **Minimum Requirements for a Successful Proposal**

The minimum requirements for a successful proposal are outlined by the following conditions:

1. Applicant's primary business operations are classified within the "Chemicals and Allied Products" Standard Industrial Classification Code.
2. Applicant meets the eligibility requirements for a RETAP waste assessment.
3. The project will achieve measurable reductions in waste generation, enhance process efficiency, and improve overall business profitability.
4. The project includes measurement and evaluation components, including how "success" is defined and how it will be determined. Note: Applicant must track waste, energy, and cost reductions associated with the project.
5. Applicant is committed to providing a quarterly summary of project activities, and a final report discussing the project's degree of success.
6. The total project cost is at least \$100,000 (state match + applicant match).
7. There is a match to state funding of at least 100 percent.
8. The project will expend grant funding by September 30, 2002.
9. Applicant is willing to share nonproprietary information on the project with the public in the form of a case study and workshop that demonstrates the technology.
10. Applicant has the ability to enter a contract with the DEQ.
11. Applicant will obtain all the necessary construction permits and abide by all applicable laws and regulations relevant to the project.

## **Project Clarifications/Revisions**

During the grant review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project activities, timetables, and budgeted costs. The DEQ reserves the right to award the grant for an amount other than that requested and/or request changes to, or clarification of, the proposed project. Information essential for case study development must be included in project reports.

## **Acceptance of Proposal Content**

The successful applicant will be required to enter into a "Memorandum of Understanding" (MOU) with the DEQ within 90 days of the grant award. A MOU consists of standard "boilerplate" language, applicant's work plan, timetable, and budget information, and a compensation clause. Part III of the application outlines some of these contractual requirements. Failure of the successful candidate to accept these obligations may result in cancellation of the grant. The DEQ reserves the right to offer partial funding for any approved proposal.

## **Contract Reimbursement for Project Expenditures**

Project contracts cannot exceed one year and will be invoiced by September 30, 2002 on a cost-reimbursement basis. Grantees will be expected to make their own payments for materials, equipment, supplies, personnel, or other project expenditures and, subsequently, provide to the DEQ detailed requests for reimbursement. These requests will document expenditures made, equipment purchased, and other eligible expenses incurred. Ten percent of the grant will be held back pending acceptance of a final project report by the DEQ.

## **Confidentiality**

All information provided in pursuit of, and resulting from, grant funding is open to the public.

## **Timeframe for Submitting Applications**

December 3, 2001 through February 4, 2002. Applications will be accepted starting December 3, 2001 but must be received no later than 4 p.m. on February 4, 2002 at the address listed below. Faxes and electronic submissions will not be accepted.

## **Judging Applications**

Applications will be reviewed by the DEQ. Final decisions will be made by the DEQ.

## **Selection Criteria by which a Proposal will be Evaluated**

Proposals will be evaluated using the following primary criteria:

1. The grant proposal is complete, meets the "Minimum Requirements for a Successful Proposal," and is reasonable.
2. Applicant's ability to meet the technological and financial requirements of a project, including installing the equipment, supporting the selected technology, and completing identified tasks.
3. The magnitude of expected pollution prevention and cost saving benefits.
4. The degree of transferability to other businesses, industries, or institutions.

5. The likelihood of resulting in long-term improvement or protection in the health and safety of employees, the surrounding community, and the environment.

**Please mail two (2) copies of your completed application to:**

Mailing Address:

Attn: Robert Jackson  
Michigan Department of Environmental Quality  
Environmental Assistance Division  
P.O. Box 30457  
Lansing, Michigan 48909-7957

Overnight Delivery Address:

Attn: Robert Jackson  
Michigan Department of Environmental Quality  
Environmental Assistance Division  
525 W. Allegan  
1 North  
Lansing, Michigan 48913

*Faxes and electronic submissions will not be accepted.*

*Be sure your proposal has been received at the office listed below by 4 p.m., February 4,, 2002.*

*All other information--including binders, extraneous reports, etc.--will not be considered, reviewed or returned.*

**For Additional Information or Assistance**

Contact Mr. David Herb of the Environmental Assistance Division at 800-662-9278 or herbdw@state.mi.us.