**Kentucky Energy and Environment Cabinet**

**Office of Energy Policy**

**Academic Institution Microgrid Resilience Program Funding**

**Application Instruction Manual:**

**OVERVIEW**

The Kentucky Energy and Environment Cabinet (EEC), Office of Energy Policy (OEP) is seeking applications for the Kentucky Resilient Microgrid Project. All applications must be submitted electronically and received by 5:30 p.m. **EDT** **October 31, 2025**.

The Kentucky Resilient Microgrid Program is designed to support two-to-four-year public universities and non-profit colleges in improving the resilience, reliability, and sustainability of their electric grids through microgrid development. This initiative aims to:

* Enhance Energy Resilience: Reduce reliance on the main grid by enabling campuses to maintain power during outages and disruptions.
* Lower Energy Costs: Optimize energy efficiency and reduce operational costs through innovative microgrid solutions.

The program adopts a **phased approach**, allowing institutions to progress from feasibility studies to full implementation with funding eligibility at each stage.

This microgrid project will fund an academic institution up to 2,000,000 in federal award.

**ELIGIBILITY AND KEY CONSIDERATIONS:**

**Eligible Applicants**

Public universities and non-profit colleges within the Commonwealth of Kentucky**.**

**Eligible Project Elements**

Projects selected for funded should ensure that the scope of work includes the following elements.

* Microgrid feasibility study –Assessing energy needs, infrastructure, and potential for microgrid deployment.
* Design & engineering analysis– Developing system architecture, technical design, and regulatory compliance assessment.
* Microgrid construction & deployment – Implementing and integrating microgrid components.
* Integration of battery storage for resilience – Supporting backup power and energy management.
* Fossil and Renewable energy generation (solar, wind) within microgrid design – Enhancing sustainability and energy security.
* Infrastructure upgrades for microgrid operation – Ensuring compatibility with existing systems.

**Grant Program Funding**

This funding is made available by the Department of Energy (DOE), State Energy Program, Infrastructure and Investments Act (SEP IIJA). The grant is worth $2,000,000 in federal award.

This is a 100% reimbursable program. No funding shall be advanced ahead of approval of eligible expenditures. There is no cost share to the applicant.

The Commonwealth of Kentucky will only award funding to those entities with projects that include eligible activities as listed under Eligible Projects.

All applications must include the Detailed Budget Workbook, or it will not be deemed a complete application and therefore not reviewed.

The Cabinet reserves the right to award an applicant a lesser amount than the application request.

Project funded will be subject to flow down requirements from the U.S. Department of Energy associated with this award.

**Grant Application Process and Timeline**

The Office of Energy Policy, (OEP), will schedule and hold a webinar on the microgrid application process prior to the application period opening.

Applicants should submit written questions to energy@ky.gov and amanda.lemaster@ky.gov. Oral questions will not be accepted.

The Application Manual, recorded webinar, Detailed Budget Workbook, Q&A compilation and additional resources to assist with preparing the application will be posted to the Energy and Environment Cabinet’s [website.](https://eec.ky.gov/Energy/Programs/Pages/Academic-Institution-Micro-Grid-Program.aspx)

Only complete application will be scored. A complete submittal will consist of the signed, application form, completed budget workbook and documentation requested in the application.

Any application submitted after the below deadline will be considered non-responsive and will not be scored or considered for funding.

**Where to submit**: Applications and documentation must be submitted via the [Submittable](https://kentuckyofficeofenergypolicy.submittable.com/submit/fc4dde7c-204d-47cd-97ae-e02a967fcbe8/kentucky-academic-institution-micro-grid-funding-application)Platform for Online Submission.

**Timeline**

Grant Application period will open on **September 15, 2025,** and are due to the Office of Energy Policy no later than 5:30 p.m. Eastern Daylight Time on **October 31, 2025.**

* Tentative Timeline:
	+ Information Webinar for Applicants: September 4, 2025
	+ Application Release Date: September 15, 2025
	+ Application Submission Deadline: October 31, 2025
	+ Review and Selection Period: November 2025
	+ Grant Award Announcement December 2025
	+ Project Implementation Start Date: April 2026

**Evaluation and Scoring of Applications**

OEP will establish the evaluation team to review and score the applications as follows:

Each member of the evaluation team will review and score each application individually. Once that process is complete – the evaluation committee will provide those scores to the program manager who will compile all scores and average the individual scores.

Using these project scores, funding will be awarded to the top-scoring application selected by the committee according to fund limitations and the merit of the applications.

The Cabinet will notify the highest-ranking application and begin preparing workplans and contracts with awarded applicants. Anticipating announcement by December 2025.

The Cabinet will conduct a comprehensive, fair, and impartial evaluation of all applications and score the applications based on the following factors:

* Qualifications and Capabilities (50 Points)
	+ Relevant experience with technology and process.
	+ Strength of team assembled for project.
	+ Ability of team to manage federal grants and state compliance obligations.
	+ Support or alignment with Kentucky Energy Security Plan, Ky State Emergency Operations Plan and the KY Microgrid deployment assessment
* Technical and financial feasibility (50 Points)
	+ Realistic project scope and funding plan is cost effective.
	+ Adopts a phased approach.
	+ Schedule, milestones, deliverables of project.
* University Benefits and Impact (50 Points)
	+ Contributions to resilience, sustainability, cost savings and student safety.
	+ Support from university leadership and partnerships with industry experts.
	+ Cybersecurity considerations.
	+ Includes metrics for tracking project success and benefits.
* Community Benefits (50 Points)
	+ Improved community resilience HUB. (Resilience Hubs are community-serving facilities augmented to support residents, coordinate communication, distribute resources, and reduce carbon pollution while enhancing quality of life.?
	+ Opportunities for increased environmental education and engagement.
	+ Support for vulnerable or federally designated disadvantaged populations.
	+ Community engagement plan and strategy.
* Hazard Risks (50 Points)
	+ Reduce impact from future disasters.
	+ Coordination with local electric utility.
	+ Impacted by disasters over last 5 years.
* Budget and Leveraged funding (50 Points)
	+ Justification for each expense category shall be provided in the Detail Budget Narrative. Project budget will be evaluated and scored for reasonableness by comparing cost vs. benefits of the overall application.
	+ Funding leveraged to secure additional funding to complete the project.

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| **EVALUATION CRITERIA** | **POINTS POSSIBLE** |
| Qualifications and Capabilities | 50 Points |
| Technical and financial feasibility | 50 Points |
| University Benefits and Impact | 50 Points |
| Community Benefits | 50 points |
| Hazard Risks | 50 Points |
| Budget and Leveraged Funding | 50 Points |
| **TOTAL POINTS**  | **300 POINTS** |

**APPLICATON REQUIREMENTS:**

By applying for the IIJA Microgrid Funding Application, the applicant is agreeing to provide supporting documentation as detailed below.

* Detailed Project Budget – Provide a detailed cost breakdown of the entire project. Download our budget sheet [here](https://www.dropbox.com/scl/fi/cbwz88hoj7okjl5ca47fd/Blank-Budget-Justification.xlsm?rlkey=v2fkalfj8eyj5r67hmv2mxyaf&e=1&st=g4q3n8mm&dl=0). Applications that fail to include a detailed project budget will be deemed incomplete and will not be considered. The budget should include the following information:
	+ Personnel – List any personnel and titles of personnel working on the project for which reimbursement will be requested.
	+ Fringe – Provide the fringe rate associated with employees of the local government and explain what the fringe rate includes.
	+ Travel -- Provide any travel that will be incurred and charged toward the grant project, the purpose of the travel and if your agency uses a federal, state, or local travel rate.
	+ Equipment – Under 2 CFR 200, “equipment” is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. List any equipment and purpose in the project. [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200)
	+ Supplies – Supplies are generally defined as an item with an acquisition cost of $5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project period of performance. [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200)
	+ Contractual – List any vendors, contractors, or consultants supplying commercial supplies or services used to support this project.
	+ Construction – Any construction work that is performed by a vendor or subrecipient to the grant awardee should be entered under Contractual.
	+ Other – Other direct costs include the cost of items required by the project which do not fit clearly into other categories and are not included in the indirect pool if indirect cost rates are being applied. Example would include meeting costs, printing costs, etc.
	+ Indirect – Indirect costs are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. If a federally approved indirect rate has been negotiated the entity may use that rate. A copy of the indirect rate shall be submitted with the application. If not, a rate of 10% should be used.
* Each applicant is responsible for submitting all relevant, factual, and correct information with the application to enable the evaluators to afford each applicant the maximum score based on the available data submitted by the applicant.

**ADDITONAL CONSIDERATIONS:**

Each approved application award (contract) will include ***Federal DOE Flow Down Requirements*** as requiredby U.S. Department of Energy. These requirements shall include but not be limited to:

* Davis-Bacon Act (DBA) prevailing wage laws **–** Davis-Bacon 101: An Overview of the Davis-Bacon Act (ky.gov)
* Build America/Buy America (BABA) requirements – DOE's Implementation of the Buy America Requirements for Infrastructure Projects
* National Environment Policy Act (NEPA) provisions – NEPA

State Historic Preservation Office (SHPO) provisions – Section 106 Submission Form

Each awarded applicant will submit monthly reports of progress, comply with grant management procedures, and use the state designated system and procedures for reimbursement requests and reporting.

Each applicant with an approved application award (contract) will be required to track metrics of performance and document progress and success.

The Cabinet may request additional information about any aspect of an application post the applicant announcement and before contracting to better evaluate the project. This information request may take the form of a meeting. Any discussions of an applicant’s project will pertain only to that application and not include information from or about any other application.

The EEC-OEP shall not disclose any portions of the proposals prior to contract award to anyone outside the EEC-OEP, representatives of the agency for whose benefit the contract is proposed, representatives of the federal government, if required, and the members of the evaluation committee. After a contract is awarded in whole or in part, the Commonwealth shall have the right to duplicate, use, or disclose all proposal data submitted by applicants in response to this request as a matter of public record.

All documents submitted by an applicant in response to the solicitation shall be available for public inspection after contract award pursuant to the Kentucky Open Records Act, KRS 61.870 to 61.884 (“the Act”). When responding to a request to inspect records submitted in response to this solicitation, the Commonwealth will not redact or withhold any information or documents unless the records sought are exempt from disclosure pursuant to KRS 61.878 or other applicable law. Similarly, no such documents shall be exempt from public disclosure, regardless of the applicant’s designation of the information contained therein as “proprietary,” “confidential,” or otherwise, except in cases where the requested documents (or information contained therein) would be excluded from application of the Act under KRS 61.878(1)(c).

By signing the Application Form, the Applicant certifies that he/she, along with any other officers, directors, owners, partners, employees, or agents is (are) not presently debarred, suspended, proposed for debarment, or declared ineligible for an award by any state or federal agency. This is in accordance with Federal Acquisition regulation 52.209-5.

The Cabinet may terminate and cancel this Grant Program at any time. In such a case, the Cabinet will give the Applicant 30 days’ written notice of termination.

If for any reason the funds from the DOE become unavailable, the Cabinet may cancel the Contract and not be obliged to make any payments under the Contract after the termination date. The Cabinet will provide 30 days’ notice of any such termination.

All costs of the project are to be included in the Budget and the Detailed Budget Workbook and described in the Narrative section of the Application. After the Contract is executed, no additional expenses may be reimbursed. These include expenses for the applicant’s fees, travel, and miscellaneous expenditures. All expense charges under the Contract must be invoiced on the Cabinet’s form and must be supported by documentation and receipts. Costs may not exceed the project budget. Any re-allocation of costs within the budget must receive prior written approval from the Cabinet.

**Additional Terms**

**The Cabinet is not liable for social security contributions under 42 US Code, Section 418, regarding compensation of any second party to the Grant Agreement.**

The Applicant (Awardee) must maintain continuous compliance with the provisions of those statutes which apply to the Applicant’s operations. If the applicant fails to reveal a final determination as described above or fails to comply with the above statutes for the duration of the Contract, the Cabinet may cancel the grant.

**Discrimination (because of race, religion, color, national origin, sex, age, or disability) is prohibited.**

Applications for the grants are limited to new projects.

Projects may be multi-year in duration if there are annual milestones and deliverables specified within each year.

Additional terms and conditions may apply to awarded grants and will be set forth specifically in the Memorandum of Agreement between the OEP and the grant recipient.