



Department of Energy

Golden Field Office
15013 Denver West Parkway
Golden CO 80401

April 25, 2023

Mr. Stephen Sowell
City of Seward
410 ADAMS STREET
Seward, AK 99664
ssowel@cityofseward.net

SUBJECT: Selection of Application for Negotiation Under Funding Opportunity
Announcement Number DE-FOA-0002632, Community Geothermal Heating and
Cooling Design and Deployment

Dear Mr. Stephen Sowell:

We are pleased to provide this update on your application. The Geothermal Technologies Office within the Department of Energy (DOE) has completed its evaluation of your application submitted in response to the subject Funding Opportunity Announcement (FOA). The application below has been recommended by the Geothermal Technologies Office for negotiation of a financial award (**Note: This notification does not guarantee federal government funding, as funding will only be obligated upon completion of successful negotiations.**):

Application: City of Seward Heat Loop Project, 2632-1508, Award Number: DE-EE0010668

Receipt of this letter does not authorize the applicant to commence with performance of the project. DOE makes no commitment to issue an award and assumes no financial obligation with the issuance of this letter. Applicants do not receive an award until award negotiations are complete and the Contracting Officer executes the funding agreement. Only an award document signed by the Contracting Officer obligates DOE to support a project.

Due to the length of time that has elapsed since the applications were developed, all selectees will be requested to confirm within 30 days their continued commitment to the proposed scope of work and to inform the Geothermal Technologies Office of any anticipated changes to the key participants, schedule, or budget.

The award negotiation process may take up to 60 days. The applicant must be responsive during award negotiations (i.e., provide requested documentation) and meet the stated negotiation deadlines. Failure to submit the requested information and forms by the stated due date, or any failure to conduct award negotiations in a timely and responsive manner, may cause DOE to cancel award negotiations and rescind this selection. DOE reserves the right to terminate award negotiations at any time for any reason.

Please submit the information and forms listed below to the Grants Management Specialist, Steven Cross, at steven.cross@ee.doe.gov by May 5, 2023. Failure to submit the requested information and forms by the stated due date, or any failure to conduct award negotiations in a timely and responsive manner, may cause the Office of Energy Efficiency and Renewable Energy (EERE) to cancel award negotiations and rescind this selection.

Please complete each of the following required forms, which are available on the EERE Financial Opportunities Resources page at <https://energy.gov/eere/funding/eere-funding-application-and-management-forms>. All forms should include the award number in the header.

1. Pre-Award Information Sheet
2. Copy of your approved Indirect Rate Agreement or a Rate Proposal, following the guidelines in the Sample Indirect Rate Proposal – Pre-Award
3. Copy of the most recent independent Single Audit (for non-profits, states, local governments, and educational institutions) or independent Compliance Audit (applicable to for-profit entities)

Your organization must have an adequate accounting system in place prior to expenditure of any award funds. Please see Accounting System Requirements on the EERE Financial Opportunities Resources page at the link provided below.

For more information on the negotiation process and relevant regulations, please review the “Recipient’s Guide to Negotiating with EERE,” available on the EERE Financial Opportunities Resources page at <https://energy.gov/eere/funding/eere-funding-application-and-management-forms>.

Please note, EERE’s decision on whether and how to distribute federal funds is subject to the National Environmental Policy Act (NEPA) and EERE must conduct a NEPA review for all proposed project activities prior to authorizing the use of federal funds. Based on information available, EERE has not issued a final NEPA determination for this project. You should carefully consider and should seek legal counsel or other expert advice before taking any action related to the proposed project that would have an adverse effect on the environment or limit the choice of reasonable alternatives prior to EERE completing the NEPA review process.

You may not incur pre-award costs without prior approval of DOE. All pre-award costs are incurred at your risk (i.e., DOE is under no obligation to reimburse such costs if for any reason you do not receive an award or if the award is less than anticipated and inadequate to cover

such costs). All costs must be allowable, allocable, and reasonable in accordance with the applicable cost principles.

EERE does not guarantee or assume any obligation to reimburse costs where the costs were incurred prior to receiving written authorization from the Contracting Officer. If you elect to undertake activities that may have an adverse effect on the environment or limit the choice of reasonable alternatives prior to receiving such written authorization from the Contracting Officer, you are doing so at risk of not receiving federal funding and such costs may not be recognized as allowable cost share. Nothing contained in the pre-award cost reimbursement regulations or any pre-award costs approval letter from the Contracting Officer override the NEPA requirements to obtain the written authorization from the Contracting Officer prior to taking any action that may have an adverse effect on the environment or limit the choice of reasonable alternatives.

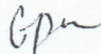
If you are unable to provide the information by the date requested or have any questions concerning the requested information, please contact the Grants Management Specialist listed above.

An informational webinar will be held on April 28, 2023 at 12PM MDT/2PM EDT. Please register at [DE-FOA-0002632 Webinar](#).

In addition to the informational webinar, either the FOA Manager, Arlene Anderson or a Geothermal Technologies Office Technical Project Officer will contact you within the next 3 business days to discuss the requested documentation and any additional clarification that the Geothermal Technologies Office may have regarding your application.

On behalf of EERE, I would like to congratulate you on your selection for award negotiations. I look forward to working with you to successfully complete award negotiations.

Sincerely,



Christina Dunn
Contracting Officer

cc: Mr. Andrew Baker, Recipient Principal Investigator
cc: Jeff Bowman, DOE Technical Project Officer
cc: Steven Cross, DOE Grants Management Specialist