



Orphaned Wells Program Formula Grant Technical Assistance: Application Documents Review and Frequently Asked Questions

Presented by DOI Interior Business Center & Orphaned Wells Program Office

August 15, 2023



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Welcome and Introductions

- Presenters: Kimbra Davis - DOI OWPO (Opening Remarks), Neil Ziemba – DOI OWPO, Peter Gallagher – DOI IOS, Eleni Sarris – DOI IBC, and Nancy Lewis – DOI SOL
- Reminder to mute microphones if not speaking
- Please use to raise hand/lower hand feature
- Use chat to type questions
- Hyperlinks in the presentation
- Please hold questions until the end of the presentation

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Purpose and Objective

- Purpose of the webinar is to provide a general overview of the Formula Grant Orphaned Well Program, share information to assist States with the application process, and answer frequently asked questions
- Webinar is **not** inclusive of all terms and conditions, policies, or procedures to receive and manage an award or remain in compliance

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Formula Grant – Phase 1

1. States will have the opportunity to apply annually for formula grants in up to six phases.
2. Phase 1 rolling application period until December 31, 2023.
3. See Formula Grant Guidance and FAQs for more information.



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Formula Grant Overview – Phase 1 Amounts

State	Phase One Eligibility	State	Phase One Eligibility
Alabama	\$1,681,430	Missouri	\$25,000,000
Alaska	\$25,000,000	Montana	\$5,139,423
Arizona	\$4,871,791	Nebraska	\$4,151,076
Arkansas	\$5,589,721	New Mexico	\$25,000,000
California	\$35,217,628	New York	\$25,000,000
Colorado	\$25,000,000	North Dakota	\$25,000,000
Illinois	\$25,000,000	Ohio	\$57,757,052
Indiana	\$14,076,668	Oklahoma	\$51,306,743
Kansas	\$25,000,000	Pennsylvania	\$76,406,474
Kentucky	\$25,000,000	Texas	\$79,673,757
Louisiana	\$25,000,000	Utah	\$5,229,389
Michigan	\$5,873,295	West Virginia	\$29,233,057
Mississippi	\$6,830,345	Wyoming	\$25,000,000

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Formula Grant Overview – Key Elements

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- **Methane Emissions:** States must screen for methane emissions from each well plugged with formula grant funds. If methane is detected above background levels, states must measure the rate of the leak before and after plugging the well.
 - July 2023 updated methane guidelines: <https://doi.gov/sites/doi.gov/files/orphaned-wells-methane-measurement-guidelines-july-2023-version.pdf>
- **Environmental Justice:** States must factor into their project prioritizations orphaned wells within 0.5 miles of communities of color, low-income communities, and Tribal and Indigenous communities.
- **Surface Water and Groundwater Contamination:** States must evaluate each well site for potential surface water and groundwater impacts.

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Formula Grant Overview – Data Reporting Template

- States must update the DOI Data Reporting Template in conjunction with quarterly and final reporting requirements.
- Updates to the Template to improve the ease of use by states are currently under internal review and will be shared with the IOGCC/GWPC Data Management Workgroup soon.

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Application Steps

- **Confirm your registration in GrantSolutions**
 - Call 866-577-0771 M-F from 7 a.m. to 8 p.m. ET. Closed Federal holidays
 - Email help@grantsolutions.gov
- Read [Program Guidance](#) for specific requirements
- Submit application prior no later than December 31, 2023
- Download forms and templates from www.Grantsolutions.gov or use online versions
- Grantsolutions.gov is your application portal

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ASAP.gov Enrollment and Verification

- DOI uses Treasury's Automated Standard Application for Payment (ASAP) to request reimbursements, track balances and monitor reimbursement requests
- Active/existing ASAP registration, initiate participation with DOI IBC **ALC Number: 14010001**
 - Ensure points of contact are correct
 - Log in within 90 days to remain active in the system
- [Requires Two-factor Authentication – starting September 16, 2023](#)

ASAP Helpdesk: 1-855-868-0151, (option 2, option 3)
<https://fiscal.treasury.gov/asap/caia.html>

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Reimbursement by ASAP.GOV

- Draw-down reimbursement through [Department of the Treasury, Automated Standard Application for Payment \(ASAP\) System](#)
- Limited to minimum amounts needed in accordance with actual, immediate cash requirements
- Timing and amount of cash advances shall be as close as administratively feasible to disbursement
- Drawdown constitutes acceptance of terms and conditions

ASAP Helpdesk: 1-855-868-0151, (option 2, option 3)
[ASAP Free Virtual Training](#)

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Periodic Transaction Testing

- Federal Awarding agency verification of drawdowns within ASAP to match approved expenses in budget in accordance with terms and conditions
- May be requested at any time as part of monitoring process to ensure Recipient compliance
- May be done via letter or email requesting backup documentation to support expenses drawn in Treasury's ASAP

[Refer to 2 CFR §200.337](#) and [200.339](#)



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SAM.gov

- Enrollment in System for Award Management (SAM)
- Verify Point of Contacts and registration are current
 - [Updating Entity Registration](#)
- UEI Number – Unique Entity Identifier
- DUNS Number phased out
 - [SAM.gov](#)
 - [Federal Service Desk](#)
 - Need help with your updating registration – [Contact free service from PTAC](#)

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GrantSolutions (GS)

- End-to-end grant management system
 - Apply for OWPO Formula Grant
 - Submit Amendment Requests
- Need User Account established - contact IBC
- May upload grant forms or use online versions
- [How to apply for a Directed Announcement in GS](#)
- [Video Instructions](#) on Submitting Applications

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GrantSolutions: Locating Opportunity Announcement

State Formula Grant - Orphaned Well Program Section 40601	D-AQD-FA-24-003-107445 / D-AQD-FA-24-003	15.018	07/10/2023	12/31/2023	Departmental Offices	Acquisition Services Directorate	Posted
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1. Log into www.grantsolutions.gov
2. Go to Funding Opportunity/Announcement
3. Locate the above Opportunity: State Formula Grant D-AQD-FA-24-003
4. Click "Apply" to begin the process
5. Review GS Handout, Application Kit and Program Guidance
6. Files may be uploaded – multiple files per item
7. May add Comments
8. Some forms completed directly online, including SF424, SF424A, and Project Abstract
9. Select "Final Submission"

[Instructions: Directed Announcement in GS](#)

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Application Kit Overview

Application Kit - View

Announcement	State Formula Grant - Orphaned Well Program Section 40601				
Application Kit	State Formula Grants - Phase 1				
Online Forms	Display on Public Announcement Page	Display on Application Checklist	Submission Check	Allow Comments	Allow Attachment
SF-424 Application for Federal Assistance (Version 4.0)	✓	✓	✓	✓	✓
SF-424A Budget Information - Non-Construction	✓	✓	✓	✓	✓
Key Personnel	✓	✓	✓	✓	✓
Project Abstract Summary (Version 2.0)	✓	✓	✓	✓	✓
SF-LLL Disclosure of Lobbying Activities (Version 2.0)	✓	✓	✓	✓	✓
Program Narrative	Display on Public Announcement Page	Display on Application Checklist	Submission Check	Allow Comments	Allow Attachment
Work Plan/Proposal	✓	✓	✓	✓	✓
Suggested Template for Proposal / Workplan	✓	✓	✓	✓	✓
Additional Information to be Submitted	Display on Public Announcement Page	Display on Application Checklist	Submission Check	Allow Comments	Allow Attachment
Detailed Budget Proposal/Justification	✓	✓	✓	✓	✓
Lobbying Certification OMB 4040-0013	✓	✓	✓	✓	✓
Negotiated Indirect Cost Rate Agreement (if applicable)	✓	✓	✓	✓	✓
Attachment A - State Certification	✓	✓	✓	✓	✓
Suggested Template for Budget Justification	✓	✓	✓	✓	✓

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Complete Application Package

Standard Forms (SF) and Documents Required

- [SF-424v4](#) Application for Federal Assistance
- [SF-424A](#) Budget Information for Non-Construction Programs
- [SF-LLL](#) Disclosure of Lobbying Activities
- [Certification of Lobbying Activities - OMB 4040-0013](#)
- [Key Contacts Form - OMB Form 4040-0010](#)
- [Project Abstract Summary - OMB Form 4040-0019](#)



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Complete Application Package (con't)

- Work Plan/Proposal - OMB Control No. 1093-0012**
 - Suggested Work Plan / Proposal Template is available**
- Detailed Budget Proposal/Justification that justifies costs in SF-424A**
 - Itemized budget breakdown with unit costs, including administrative costs clearly defined**
 - Suggested Budget Justification Template is available**
- Negotiated Indirect Cost Rate Agreement (NICRA) if applicable**
- Attachment A State Certification**



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Program Information for SF-424

Block 10

- Name of Federal Agency: Orphaned Well Program Office, U.S. Department of the Interior

Block 11

- [Assistance Listing: 15.018](#)
- Title: Orphaned Well Site Plugging and Remediation, Methane Reduction, and Infrastructure Grants and Assistance

Block 12

- Funding Opportunity: D-AQD-FA-24-003
- Title: Formula Orphaned Well Program Section 40601 (c) (4)

Auto-populates if using online version of forms in Grantsolutions

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Project Abstract – What to Include

Purpose is to inform the general public regarding program & award

- Orphaned Well Site Plugging and Remediation - See [Formula Guidance](#) and [SAM.gov Listing](#)
- Award Purpose
- Activities to be Performed
- Expected Deliverables or Outcomes
- Intended Beneficiaries
- Subrecipient Activities *if known*

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Complete Proposal/Work Plan

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- Explains project/program in detail, including activities, outcomes, and data collection methods
- Provides basis for technical approach
- Details goals and objectives
- Describes the public benefit & statement of need
- Describes how success will be measured/evaluated
- May include maps of project area(s) and list of wells
- Includes a timeline for completion and milestones
- Contains a monitoring plan for subrecipients & contractors
- Refer to [State Formula Grant Guidance](#) for details

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Using Optional Work Plan/Proposal Template

- Suggested Work Plan/Proposal template to help applicants organize information to meet requirements of State Formula Grant Guidance section IV.C.v. (Work Plan/Proposal) and Section V (Standards for Measurement, Plugging, Remediation, and Workforce)
- Template is organized into logical sections that fully incorporate all of the information requested in the State Formula Grant Guidance:
- **PROGRAM INFORMATION:**
 - General Orphaned Well Program Information-Definitions/Standards/Authority/Processes
 - Summary of Well Prioritization Process
 - Measurement of Emissions of Methane or Other Gases
 - Site Remediation & Restoration Program
 - Workforce Development and Related Activities
 - Federal and Tribal Coordination

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Using Optional Work Plan/Proposal Template

- **Key Section: WORK PLAN ACTIVITIES, MILESTONES & SCHEDULE:**
 - Description of tasks/activities to be conducted & preliminary work schedule
 - Identification of proposed performance goals including a schedule of milestones
- Estimate of Program Outcomes
 - Public benefits of program
 - Forecasted number of wells plugged, remediated, or restored and estimate of associated infrastructure that will be removed; If practical, identification of wells to be plugged
 - Projected cost of plugging, remediating or reclaiming orphaned wells, remediating/reclaiming adjacent lands, and decommissioning associated infrastructure
 - Estimated amount of cost offset by financial assurance instruments or other proceeds (e.g., salvage)
- Include Timeline for Projected Milestones/Outcomes for Measuring Performance
 - Provide in table or other graphical aids (e.g, Gantt chart, etc.)

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Using Optional Work Plan/Proposal Template

OTHER WORK PLAN/PROPOSAL SECTIONS:

- Project Monitoring and Evaluation Plan
 - How will you measure performance?
 - How will you evaluate subrecipients and contractor performance?
- Project Team Qualifications
 - List key personnel and responsibilities and describe experience/qualifications
 - List of contractors, sub-awards, or consultants, if known, and their qualifications
- Leveraging of Other State Resources (if applicable)
 - Describe plans, if any, for leveraging Formula Grant funds with other resources to carry out proposed program

Note: This is a suggested template, please modify and reorganize it as you deem appropriate, but the key is to ensure that all the requested elements identified in the State Formula Grant Guidance are addressed.

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Budget Narrative and Justification

Detailed Budget Proposal/Justification:

- Itemized Budget Breakdown of cost categories in SF-424A
- Budget Narrative provides descriptions of items connecting costs to proposed activities and provides justification statements
- Supports documentation, methodology, and basis of estimating to support the reasonableness of proposed costs
- Not included as a cost or used to meet cost sharing or matching requirements on another award
- Unduplicated costs
- Directly relate to the performance of the project/program
- **Includes detailed breakdown of administrative costs**

[Refer to 2 CFR – Cost Principles](#)

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Optional Budget Narrative Template

- **Suggested Budget Template** to present budget information by budget year, cost category, unit price, quantity, etc.
- Uses Federal Cost Categories/Object Class e.g. Personnel, Fringe, Travel, Supplies, etc.
- Allows space for detailed justification statements and added sheets/documents
- General instructions are included above each tab and cost category
- Instructions are not inclusive of all information needed to develop budget
- Administrative Costs Tab versus Project Costs to track costs separately
- May modify template as needed; Changes may alter auto-calculation features
- Review [Program Guidance](#), [Instructions for Completing the SF424A](#), and [Uniform Guidance Subpart E Cost Principles](#) for more information

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Unmanned Aircraft Systems (UAS)

DOI Secretarial Order 3379: certain models of UAS that are considered trusted and secure by the Department of Defense are authorized for use.

- List of approved unmanned aircraft and technology packages may be found here: <https://www.diu.mil/blue-uas>.
- Any equipment purchases related to UAS or technology-related items, must be approved in advance and comport with Secretarial Order 3379. This applies to drones acquired under contract or rented by a third party.
 - Employee or contractor time to fly unmanned aircraft that does not meet this requirement is not an allowable expense.
 - Approval is required!

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Administrative Costs - Limitations

- Not directly attributable to well plugging, remediation, and reclamation (i.e., site-specific work)
- May be general support, such as grants management or program administration
- May be direct and indirect costs
 - Examples may include preparing the SF425, requesting reimbursement, submitting amendment requests, and general accounting activities to support expenditures.
- Include a detailed breakdown of **all administrative costs** in SF424A and Budget Narrative

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Carbon Credits Disallowed

- States may not use wells plugged with federal formula grant funds to monetize, generate, or collect carbon credits or otherwise use the plugging of wells funded with federal funds to generate income of any type by offsetting another party's greenhouse gas emissions.
- Applies to Contractors/Subcontractors.

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Unobligated Funds

- “Unobligated amounts” covers any funding that is not subject to a definite commitment that creates a legal liability of the State for immediate or future payment for goods or services ordered or received, including by contract or sub-contract award.

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De-obligation of Unobligated Funds

Any “unobligated” funds remaining after 5 years from the effective date of the grant are to be returned via de-obligation.

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Award Terms and Conditions

- Construction Wage Rate (Davis-Bacon Act)
- Application of Buy America Preference (BABA)
- Administrative Cost Limitations (Implementation Grants)
- Reimbursement by ASAP.GOV
- Program Income (e.g., scrap metal) - Additive
- De-obligation of Unobligated Funds
- Sub-Awards to Sub-Recipients
- Contractors
- Pre-Award Costs

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Davis-Bacon Act – Attachment A

- **Work covered:** contractors and subcontractors performing construction, alteration, and repair, including painting and decorating.
- **Excess of \$2,000** must pay laborers and mechanics the prevailing wage and fringe benefits for location
- **Construction or renovation projects** funded by federal funds, in whole or in part, are subject to [Davis-Bacon Act](#) as amended [40 U.S.C. parts 276\(a\) through 276\(a5\)](#)
- **Required by law to furnish assurances** that all laborers and mechanics employed by contractors or subcontractors shall be paid prevailing wages based on locality: [Davis-Bacon Act, Section 3141 and 3142](#)

Department of Labor is the lead agency on Davis Bacon and Related Acts.

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Buy America Preference

- Buy America preference only applies to one of the three categories: (1) iron and steel, (2) manufactured products, or (3) a construction materials used for the infrastructure project under an award.
- A Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project.
 - Does **not** apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project.
 - Does **not** apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment.

When in doubt, ASK!

- [OMB Guidance](#)
- [DOI Guidance](#)
- [DOI Applicability Waivers](#)



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Program Income

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- Must report program income generated as a result of award (e.g., sale of scrap metal)
- Income generated may be added to the Federal award with **prior approval** of the Federal awarding agency
- Program income is additive to the project or program supported by award
- Treated as Federal cash
- [Cost Principles](#) apply to expenditures

Uniform Guidance [2 § 200.307](#) and [407](#)

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Sub-Recipients

- Require written approval from DOI in advance
- Must submit budget for each subrecipient
- Flowdown provisions required
- Recipient must monitor subrecipient
- Carries out portion of program
- Registered in SAM/Not suspended or debarred
- Advances objectives of award
- Must be reported in FSRG.GOV
- Sub-Recipients 200.330 (a)

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Contractors

- Providing goods and services to help in administration of award
- Entity does not participate in design of program
- Use procurement policies of recipient organization
- Registered in SAM: not suspended or debarred
- Recipient issues contract
- Flowdown requirements
- Definition from the Uniform Guidance Contractor 200.331 (b)

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Pre-Award Costs

- **No need to request advance approval**
- Pre-award costs for up to 90 days prior to effective start date are eligible for reimbursement if detailed in the application package
- Costs subject to [Uniform Guidance, Subpart E Cost Principles for](#) allowability, allocability, necessity, and reasonableness for the project
- Specific questions regarding eligibility of costs, please direct to IBC and OWPO staff.

[CFR :: 2 CFR 200.458 -- Pre-award costs](#)



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Reporting Requirements

- **Federal Financial Report**
 - Financial reports must be completed using Federal Financial Report or SF-425. Guidance shared previously.
- **Performance Report**
 - Required to report progress from guidance (VIII.A and D.) and utilize [Orphaned Wells Reporting Template](#)
- **Property Report**
 - Required to submit annual Tangible Personal Property Report (using form SF-428) *if grant funds are used to purchase equipment*

[Post Award Reporting Forms](#)

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Key Actions & Dates

1. **Application Request for Funding**
 - Grant application package submitted via [GrantSolutions.Gov](https://www.grantsolutions.gov) (GS)
 - Rolling Deadline until December 31, 2023.
 - Submission receipt and acceptance via GS
 - Eligibility & completeness review
 - Identification of questions or deficiencies
 - Applicant to provide response and/or missing documentation. ***Incomplete or inaccurate applications will delay award issuance***
2. **Application Complete**
 - OWPO/IBC prepare Funding Recommendation Memo

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Key Actions & Dates (continued)

3. **Award Date**
 - Notice of Award (NOA) signed by the Financial Assistance Officer
 - Terms and Conditions
 - Reporting Schedule
 - ✓ Financial & performance reports
 - ✓ Property reports, if applicable
4. **Effective Date**
 - Date awardees may begin drawdown as the period of performance is underway; may differ from Award Date

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Resources

Contact us:

OWPO: Orphanwells@ios.doi.gov

IBC: aqd-fa.states@ibc.doi.gov

Visit us:

[State Orphaned Wells Program](#)

[Interior Business Center](#)

[State Formula Grant Guidance](#)

[State Formula FAQs](#)

[GrantSolutions](#)



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Questions

Questions?

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