



**U.S. Department
of Transportation**

Pipeline and Hazardous
Materials Safety
Administration
(PHMSA)

Program Solicitation

State Damage Prevention (SDP) Grants

Calendar Year 2013

Closing Date: December 03, 2012

Closing Time: 12:00 Noon, Applicant's Local Time

Catalog of Federal Domestic Assistance Number (CFDA)

20.720 "State Damage Prevention Grants"

PHMSA Funding Opportunity Number

DTPH56-13-SN-000001

Table of Contents

Article I.	Program Summary	3
Article II.	Funding Opportunity Description	4
Section 2.01	Statement of Purpose	4
Section 2.02	Program Authority	4
Section 2.03	Background.....	4
Article III.	Award Information.....	4
Section 3.01	Funding.....	4
Section 3.02	Cost Sharing	4
Section 3.03	Period of Performance	4
Section 3.04	Type of Award.....	4
Article IV.	Eligibility Information	5
Section 4.01	Eligible Applicants	5
49 U.S.C. §60106	agreement in effect with PHMSA.....	5
Section 4.02	Effective Damage Prevention Program – The Nine Elements	5
Article V.	Registration and Application Submission Information.....	6
Section 5.00	Registration and Getting Started.....	6
Section 5.01	Application Content.....	6
Article VI.	Application Review information.....	8
Section 6.00	Evaluation Criteria.....	8
Section 6.01	Review and Selection Process	9
Article VII.	Award Administration Information	10
Section 7.00	General.....	10
Section 7.01	Award Notice.....	10
Section 7.02	Administrative and National Policy Requirements	11
Section 7.03	Expected Program Outputs and Reporting Requirements	11
Article VIII.	PHMSA’s Strategic Plan.....	11
Section 8.00	Mission and Vision.....	11
Section 8.01	Challenges and Strategies	12
Section 8.02	Areas of Focus	12
Article IX.	Agency Contact Information.....	12

Article I. Program Summary

Federal Agency Name: U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
(PHMSA)

Federal Agency Contact: PHMSA
Office of Acquisition Services
1200 New Jersey Avenue, SE, E22-301
Washington, D.C. 20590
Attn: Fazal Mirza

Funding Opportunity Title: “State Damage Prevention Grants”

Announcement Type: Initial announcement.

Funding Opportunity Number: DTPH56-13-SN-000001

CFDA Number: 20.720

Eligible Applicants: Any State authority designated by the Governor
(including a municipality with respect to intrastate gas
pipeline transportation) that is or will be responsible for
preventing damage to underground pipeline facilities is
eligible as long as the State participates in the oversight
of pipeline transportation pursuant to an annual 49
U.S.C. §60105 certification or 49 U.S.C. §60106
agreement in effect with PHMSA.

Dates: Solicitation Issue Date is October 16, 2012
Application Due Date is December 03, 2012, 12:00
Noon, Applicant’s Local Time.

Questions on how to apply: Carrie Winslow
(757) 689-3168
carrie.winslow@dot.gov

Grant Related Questions: Fazal Mirza
(202) 366-5180
fazal.mirza@dot.gov

Grants.gov Questions: Grants.gov Contact Center
(800) 518-4726
support@grants.gov

Article II. Funding Opportunity Description

Section 2.01 Statement of Purpose

The Pipeline and Hazardous Materials Safety Administration (PHMSA), through the U.S. Department of Transportation (DOT), hereby requests applications from eligible States (including municipalities with respect to intrastate gas pipeline transportation) that may result in the award of multiple grants under the State Damage Prevention program. These grants are intended for States to establish or improve the overall quality and effectiveness of their programs that are designed to prevent damage to underground pipeline facilities.

Section 2.02 Program Authority

Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006, Section 2 of Public Law 109-468 (December 29, 2006), codified at 49 U.S.C. §60134, State Damage Prevention Programs.

Section 2.03 Background

Section 2 of the PIPES Act added a new State Damage Prevention Grant program to the Federal Pipeline Safety Law at 49 U.S.C. §60134. The statute was amended by The Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Public Law 112-90 (January 3, 2012). The purpose of these grants is to establish or improve comprehensive State programs designed to prevent damage to underground pipelines. The Act statute sets forth nine elements of an effective State damage prevention program. Please see PHMSA's Damage Prevention Assistance Program (DPAP) guidance document for more information on the elements (<http://primis.phmsa.dot.gov/comm/DamagePrevention.htm>).

Article III. Award Information

Section 3.01 Funding

Contingent upon enactment of the FY 2013 budget appropriation and the availability of FY 2011 and 2012 carryover funds, PHMSA anticipates that approximately \$1.5 million will be available for support of this program. PHMSA anticipates this funding will be made available for awards based on a maximum of \$100,000 per award.

Any State that has applied for a One-Call grant may also apply for a grant under this program as long as the deliverables under each program are different. PHMSA will carefully coordinate the application review process for the State Damage Prevention Grants to ensure that applicants are not awarded funds for the same deliverable(s) under both grant programs. States may apply for grants under both programs for projects that are related, but cannot receive funding under both programs for projects that are identical in scope and deliverables.

Section 3.02 Cost Sharing

There are no cost-sharing requirements.

Section 3.03 Period of Performance

PHMSA anticipates the period of performance to be a 12-month period from the effective date of award for each grant. PHMSA anticipates awards will be made during the first quarter of calendar year 2013. When planning for the SDP grants projects, applicants should consider that awards may not be announced until the second quarter, calendar year 2013.

Section 3.04 Type of Award

PHMSA intends to award one or more State Damage Prevention grants as a result of this solicitation. Each grant may be for up to a maximum of \$100,000.

Article IV. Eligibility Information

Section 4.01 Eligible Applicants

Any State authority designated by the Governor (including municipalities with respect to intrastate gas pipeline transportation) that is or will be responsible for preventing damage to underground pipeline facilities is eligible as long as the State participates in the oversight of pipeline transportation pursuant to an annual 49 U.S.C. §60105 certification or 49 U.S.C. §60106 agreement in effect with PHMSA.

Section 4.02 Effective Damage Prevention Program – The Nine Elements

PHMSA may award a grant to an eligible State authority if the State has an effective damage prevention program or has made substantial progress toward establishing an effective program. An effective damage prevention program as stated in 49 U.S.C. §60134 (b) includes one or more of the nine (9) elements below. Grant funding is available to assist state in aligning with one or more of these nine elements:

- (1) Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.
- (2) A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.
- (3) A process for reviewing the adequacy of a pipeline operator's internal performance measures regarding persons performing locating services and quality assurance programs.
- (4) Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.
- (5) A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.
- (6) A process for resolving disputes that defines the State authority's role as a partner and facilitator to resolve issues.
- (7) Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.
- (8) A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering and analyzing information about the accuracy and effectiveness of locating programs.
- (9) A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews.

PHMSA, in consultation with stakeholder organizations, developed a Damage Prevention Assistance Program (DPAP) to provide guidance to stakeholders for strengthening state damage prevention programs. It draws on the definition of effective damage prevention programs found in 49 U.S.C. §60134. The purpose of this document is to assist stakeholders in building a new damage prevention program or strengthening an existing state program.

Link: <http://primis.phmsa.dot.gov/comm/DamagePrevention.htm>.

Article V. Registration and Application Submission Information

Section 5.00 Registration and Getting Started

PHMSA has developed a step-by-step online wizard in a web application called FedSTAR to guide applicants through the process of answering questions relevant to review criteria provided in this solicitation. FedSTAR will build the application package including all required forms for final submission through grants.gov. Therefore, every applicant must submit its application through FedSTAR.

To begin the process, an applicant must be registered at both FedSTAR and www.grants.gov to submit an application online as required. Failure to comply with the prescribed application requirements as described in this section will result in an application not being reviewed.

Accessing Grants.gov:

For new users, go to http://www.grants.gov/applicants/get_registered.jsp, or go to the main page at <http://www.grants.gov/> and click on “Get Registered.” **Please note that new user registrations for grants.gov can take up to two weeks to complete.** For additional questions on how to register, contact grants.gov support. Carrie Winslow may also be able to help answer questions on applying for grants.gov usernames/passwords as they specifically relate to the SDP Grants.

Accessing FedSTAR:

Using your web browser, go to <https://fedstar.phmsa.dot.gov>. For new users, or if you need assistance with your current username or password, please contact the technical support person listed below.

For Technical help or guidance with FedSTAR, please contact:
Carrie Winslow at (757) 689-3168 (carrie.winslow@dot.gov)

Additional instructions on completing the application wizard and submitting your application are provided later in this solicitation Section 5.02, Application Content.

Submission Dates and Times

Complete applications must be received electronically through FedSTAR by 12:00 noon applicant’s local time on December 03, 2012. Applicants will receive an automated receipt of the date and time of submission when the application is submitted. *PHMSA will only accept one (1) application from each State.*

Section 5.01 Application Content

Applicants must apply only for funding that can reasonably be spent during the 12-month period of performance. Applicants that have received a previous PHMSA State Damage Prevention Grant may apply for a 2013 grant. The performance period of a project may be 12 months or less. Applicants should not request funding in 2013 for a project(s) that was funded by a previous year’s grant.

Use of Funds

Prohibition: Funds provided under a grant award may not be used for lobbying or indirect support of litigation.

Educational items: Federal regulations (2 CFR 225/OMB Circular 87) prohibit the use of grant funding for promotional materials. However, funding may be provided for items that are educational in nature. When requesting funds for educational items, applicants should provide a general description of the items that will be purchased and plan for distribution of those items. It is important for applicants to also provide an explanation of how the proposal to purchase and distribute those items will help to improve the state damage prevention program with respect to the Nine Elements.

Meetings and conferences: Federal regulations also address the use of grant funding for meetings and conferences. Costs of meetings and conferences are allowable if the primary purpose is the dissemination of technical information. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. However, costs associated with entertainment, such as shows or sporting events, are not allowable, nor is the purchase of alcoholic beverages.

Miscellaneous: Funds should not be used to cover costs associated with the normal operations of the one call center. Funds may be requested to cover costs associated with equipment needed for a new project designed to align with one or more of the Nine Elements, as described above. Funds should not be used to cover costs associated with regulatory compliance programs for pipeline operators. Applicants who received funding previously for a project that is ongoing and are requesting grant funding for the continuation of that project should provide a summary of accomplishments and tasks completed during the previous grant period. The information provided should include measurable results and deliverables, and also include any information about tasks that were not completed or other challenges encountered during the grant period.

Each application must consist of the following:

- (a) As part of the FedSTAR wizard, applicants will be asked the following questions:
 - (i) Provide a brief project abstract/statement of objectives.
 - (ii) *For each of the nine elements*, describe *existing* initiatives within the State (not just within the applicant's organization) that support each of the elements.
 - (iii) *For each of the nine elements*, note whether the project or projects proposed in the grant application addresses the element.
 - (iv) *For each of the nine elements addressed by your application*, describe how the proposed project will enhance or continue implementation of the element.
 - (v) *For each element of the nine elements addressed by your application*, provide a separate budget and budget narrative.
 - (vi) Describe any legislative or regulatory actions (including legislative/regulatory studies or the establishment of committees or teams to develop a plan to improve the State damage prevention program) taken by the State within the past five (5) years pertaining to damage prevention program improvement, even if those actions were not completely successful (300 words or less).
- (b) A letter, signed by the Governor, designating the applicant as the State authority eligible to receive the grant. **An applicant who applied for a State Damage Prevention grant in the past needs a new letter signed for this application indicating the Governor authorizes the applicant to receive a State Damage Prevention grant in calendar year 2013.** This needs to be a separate letter submitted as an attachment with the other application materials. There is no strict guidance on content of the letter other than 1) it

must be addressed to Warren Osterberg at the following address: U.S. Department of Transportation; Pipeline and Hazardous Materials Safety Administration (PHMSA); ATTN: Office of Acquisition Services (PHA-30); 1200 New Jersey Avenue, SE, Room E22-317; Washington, DC 20590, 2) it must reference solicitation number DTPH56-13-SN-000001 (including calendar year), 3) the entity the Governor is designating must match the entity that is submitting the application, and 4) the letter must be signed by the Governor.

NOTE: Because applicants have indicated in previous years that it can take a long time to obtain the letter from the Governor, PHMSA recommends beginning this process as early as possible.

- (c) Additional information including the following:
- (i) Complete applicant information (i.e. legal name, Employer/Taxpayer Identification Number (EIN/TIN), DUNS number, address, etc.);
 - (ii) Any attachments that support the budget request, such as vendor quotes and past invoices (optional). Please note that PowerPoint presentations and copies of regulations or statutes are not needed and will not be reviewed; and
 - (iii) Certification regarding lobbying activities.

Each Applicant will be prompted to enter the information described above through the FedSTAR wizard. The FedSTAR wizard will automatically complete and submit the SF-424, SF-424A and the lobbying forms based on the applicant's responses.

Article VI. Application Review information

Section 6.00 Evaluation Criteria

The State Damage Prevention grant application process is competitive. Applications will be evaluated against the selection criteria listed below as well as against each other. Submission of an application is not a guarantee of award. PHMSA may award a grant based on an application in its entirety, award only portions of a grant application, or not award an application at all.

Each Application will be reviewed against the criteria listed below. The criteria are weighted as follows: Criterion 1 is most heavily weighted; criterion 2 is second most heavily weighted; criterion 3 is third most heavily weighted; criterion 4 is fourth most heavily weighted; criterion 5 is fifth most heavily weighted.

An effective damage prevention program as stated in 49 U.S.C. §60134 (b) includes one or more of the nine (9) elements below. Grant funding is available to assist state in aligning with one or more of these nine elements. The number of elements addressed in an application will *not* affect the evaluation of the application.

Criterion 1. Relevance to the Nine Elements

This criterion will be used to evaluate *proposed* work under each element addressed on the application. This criterion will be used to evaluate proposed projects that:

- Clearly link results to one or more of the nine elements.
- Have merit for advancing implementation or continued support of one or more of the nine elements within the state.
- Align with the meaning and intent of the nine elements as described in PHMSA's Damage Prevention Assistance Program (DPAP) Guide (available at

<http://primis.phmsa.dot.gov/comm/publications/DPAP-Guide-FirstEdition-20080911.pdf?nocache=6648>).

Proposed work under each element will be evaluated separately.

Criterion 2. Costs, Results, and Schedule

This criterion will be used to evaluate *proposed* work under each element addressed in the application. This criterion will be used to evaluate proposed projects that:

- Will produce tangible results within the proposed project period.
- Establish clear goals, objectives, milestones, and estimates of project costs.
- Have deliverables that do not overlap with the deliverables of any other PHMSA grant award.
- Use funds efficiently and effectively.

Proposed work under each element will be evaluated separately.

Criterion 3. State's Commitment to the Nine Elements

This criterion will be used to evaluate the applicant's description of existing damage prevention activities as they relate to the nine elements. This criterion will be used to evaluate applications that demonstrate the State has made substantial progress toward, or has clear and concrete plans for, implementing the nine elements.

Criterion 4. State's Commitment to Damage Prevention Program Effectiveness

This criterion will be used to evaluate the applicant's description of any legislative or regulatory actions (including studies, etc.) taken by the State within the past five (5) years pertaining to damage prevention program improvement. This criterion will be used to evaluate applications that demonstrate the State's commitment to ensuring lasting damage prevention program effectiveness and continuing improvement, including any legislative and/or regulatory actions taken within the past five years or other significant activities, such as efforts of study groups or task teams established to analyze the State's damage prevention program.

Criterion 5. Past Performance

This criterion will be used to evaluate past performance of applicants who have received a PHMSA State Damage Prevention grant in the past. Past performance includes fulfillment of grant agreements in a timely manner and compliance with grant terms and conditions.

Applicants who received funding previously for a project that is ongoing and are requesting grant funding for the continuation of that project should provide a summary of accomplishments and tasks completed during the previous grant period. The information provided should include measurable results and deliverables, and also include any information about tasks that were not completed or other challenges encountered during the grant period.

Evaluation of applications from applicants who have not received a PHMSA State Damage Prevention grant in the past will not be affected positively or negatively by this criterion.

Section 6.01 Review and Selection Process

PHMSA will conduct an initial administrative review of each completed application to determine if it is complete and meets the eligibility requirements. A team composed of representatives from damage prevention stakeholder groups will review and evaluate each completed application that meets the eligibility requirements.

In addition, PHMSA expects the proposed results of the projects to be factual, unbiased, verifiable, and repeatable to the extent practicable. For each of the above criteria, each member of the review team will score the application using the following guidelines:

Section 6.02 Scoring Guideline

Scoring Guideline
Exceptional - The application demonstrates that the requirements of the request for application (RFA) are very well understood and the approach will likely result in a very high quality performance. The application clearly addresses and exceeds requirements with no significant weaknesses. The application contains outstanding features that meet or exceed on multiple dimensions the expectations of the Government. The risk of poor performance is low.
Acceptable - The application demonstrates that the requirements of the request for application (RFA) are understood and the approach will likely result in satisfactory performance. The application addresses and meets most requirements with some minor but correctable weaknesses and/or deficiencies noted. The application demonstrates at least minimum requisite experience, qualifications, and performance capabilities. The risk of poor performance is no more than moderate.
Unacceptable - The application does not meet the requirements of the request for application (RFA). The application fails to address many requirements or, although it addresses and may partially satisfy some requirements; major weaknesses and/or deficiencies are noted. The application could not satisfy critical requirements without a major revision and/or a rewrite of the application or a major redirection effort. The risk of poor performance is high.

Article VII. Award Administration Information

Section 7.00 General

Within the limit of funds available for such purpose, the awarding official of PHMSA must make grants to those responsible, eligible applicants whose applications are judged most meritorious under the procedures set forth in this solicitation. All funds granted by PHMSA under this solicitation must be expended solely for the purpose for which the funds are granted in accordance with the approved application and budget, the regulations, the terms and conditions of the award, the applicable Federal cost principles, and the Department's assistance regulations.

Section 7.01 Award Notice

The award document will provide pertinent instructions and information including, at a minimum, the following:

- (1) The Legal name and address of performing organization or institution;
- (2) Title of project;
- (3) Name(s) of key personnel chosen to direct and control approved activities;
- (4) Identifying award number assigned by the Department;

- (5) Project period, specifying the amount of time the Department intends to support the project;
- (6) Total amount of Departmental financial assistance approved for the project period;
- (7) Legal authority(ies) under which the award is issued;
- (8) Appropriate Catalog of Federal Domestic Assistance (CFDA) number;
- (9) Applicable award terms and conditions;
- (10) Approved budget plan for categorizing allocable project funds to accomplish the stated purpose of the award; and
- (11) Other information or provisions deemed necessary by PHMSA to carry out its respective awarding activities or to accomplish the purpose of a particular award.

Section 7.02 Administrative and National Policy Requirements

Several Federal statutes and regulations apply to grant applications considered for review and grants awarded under this program. These include, but are not limited to:

- (1) 49 CFR 18, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments” (OMB Circular A-102).
- (2) 2 CFR 225, “Cost Principles for State, Local, and Indian Tribal Governments” (OMB Circular A-87).
- (3) OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”
- (4) 49 CFR 20, “New Restrictions on Lobbying.”
- (5) 49 CFR 21, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964.”
- (6) 49 CFR 32, “Governmentwide Requirements for Drug Free Workplace (Financial Assistance).
- (7) 2 CFR 1200, “Governmentwide Debarment and Suspension (Non-Procurement).”

Section 7.03 Expected Program Outputs and Reporting Requirements

Four (4) reports (a Progress Report, a Final Report, a Mid-term Financial Status Report and a Final Financial Status Report) on the deliverables funded by the grant will be required. The reports must include a description of how the funds were used to improve the State damage prevention program. The reports must also provide documentation of actual expenses. All reports must include a separate report summary not exceeding one page in length. All applications and reports will be made available to the public. PHMSA will also review the final reports to ensure the grant objectives were satisfactorily implemented.

Article VIII. PHMSA’s Strategic Plan

PHMSA recently released its Strategic Plan for 2012-2016 that outlines how it will achieve its mission in the coming years.

Section 8.00 Mission and Vision

Our mission is to protect people and the environment from the risks of hazardous materials transportation by pipeline and other modes of transportation. To accomplish this, we establish national policy, implement and enforce standards, educate, and conduct research to prevent incidents. We also support the efforts of the public and first responders to reduce consequences if an incident does occur.

Our vision is that no harm to people and communities results from hazardous materials transportation. We do not accept death as an inevitable consequence of transporting hazardous

materials, so we will work continuously to find innovative ways to reduce risk toward zero deaths, injuries, environmental and property damage, and transportation disruptions.

Section 8.01 Challenges and Strategies

Some of the key challenges we expect to address over the next 5-10 years include the following:

- Changes in risk exposure
- Excavation and other outside force damage to pipelines
- Human error and poor safety culture
- Understanding and targeting risk
- Mitigation and response
- Shared responsibility and collaboration with others
- Advances in technology
- Public perceptions of risk

Our general strategies include:

- Better understanding and targeting risks
- Strengthening our standards
- Strong enforcement
- Promoting strong safety culture and safety management systems
- Expanding public education/awareness
- Leveraging technology & research

Section 8.02 Areas of Focus

Enhance the “811 – Call Before You Dig” program: PHMSA addresses the prevention of pipeline damage from excavation at the State and local levels by encouraging everyone to call 811 before they dig. In order to make this a natural part of initiating a digging project, efforts will focus on increased visibility and public awareness, supporting states and the Common Ground Alliance through state grants, targeted promotion, and participation in committees to broaden awareness of 811.

Mitigation and response: We reduce risk by preventing failures wherever possible, and by reducing the consequences of failures that do occur. While our primary focus is prevention, we recognize that accidents can still occur. Critical factors to effectively mitigate the harm are improved measures to detect and control releases, and a strong and effective response capability.

Article IX. Agency Contact Information

How to Apply Questions

Carrie Winslow

Phone: (757) 689-3168

Email: carrie.winslow@dot.gov

Grant Related Questions

Primary Point of Contact:

Fazal Mirza, Grant Administrator

Office of Acquisition Services

Pipeline & Hazardous Materials Safety Administration

United States Department of Transportation

1200 New Jersey Avenue, SE, E22-301

Washington, D.C. 20590

Phone: (202) 366-5180

E-mail: fazal.mirza@dot.gov

Secondary Point of Contact:

Warren Osterberg, Grant Officer

Office of Acquisition Services

Pipeline & Hazardous Materials Safety Administration

United States Department of Transportation

1200 New Jersey Avenue, SE, E22-317

Washington, D.C. 20590

Phone: (202) 366-6942

E-mail: warren.osterberg@dot.gov

Grants.gov Questions

Grants.gov Contact Center

Phone: (800) 518-4726

E-mail: support@grants.gov