Fueling Aviation's Sustainable Transition Grant Program

Notice of Funding Opportunity Webinar



By: FAST Program Office

Date: October 2, 2023

Federal Aviation Administration

Agenda

- Program Description
- Federal Award Information
- Eligibility Information
- Application and Submission Information
- Application Review Information
- Federal Award Administration Information
- Other Information
- Closing & Questions

A. Program Description



The new **Fueling Aviation's Sustainable Transition (FAST)** discretionary grant program will make investments to accelerate production and use of **sustainable aviation fuels** and the development of **low-emission aviation technologies** to support the U.S. aviation climate goal to achieve net zero greenhouse gas emissions by 2050.

Grants will carry out projects located in the United States that:

- Produce, transport, blend or store sustainable aviation fuel (**FAST-SAF**) - $244,530,000
- Develop, demonstrate, and apply low-emission aviation technologies (**FAST-Tech**) - $46,530,000

Legislative Authority: Section 40007 of the Inflation Reduction Act of 2022

Sustainable Aviation Fuels Projects: *FAST-SAF*

IRA Section 40007 Direction
"Carry out projects located in the U.S. that produce, transport, blend, or store SAF"

SAF Definition
- Hydrocarbon fuels that meet ASTM requirements
- Are derived from biomass, waste streams, renewable energy, or gaseous carbon oxides; are not derived from palm fatty acid distillates
- Must achieve at least 50% lifecycle emissions reduction compared with petroleum jet fuel

Objective
Make investments to accelerate production and use of SAF, in line with SAF Grand Challenge, to meet U.S. aviation climate goals to reduce aviation carbon emissions

For reference:

SAF Grand Challenge - Sep. 2021	**U.S. Aviation Climate Action Plan - Nov. 2021**
- MOU with DOT, DOE, USDA - Goals for domestic SAF production: ▪ 2030 - 3 billion gallons, 2050 - 35 billion gallons	- Whole-of-government approach to put aviation sector on a path to net-zero emissions by 2050 - Highlights importance of scaling up SAF production and use

Types of FAST-SAF Projects:

- **Tier 1 grants**: Smaller grant awards focused on regional supply chains that could identify infrastructure and distribution needs of key proponents (e.g., airports).
- **Tier 2 grants**: Larger grant awards for infrastructure projects to facilitate and scale fuel production, transportation, blending, and storage.

- Relationship of Tier 1 and Tier 2 Projects
  - Tier 1 project results could support follow-on funding with Tier 2 grants, should a Phase 2 solicitation be pursued.
  - Applicants can directly propose Tier 2 projects without first doing Tier 1 work in cases where there are existing, high quality supply chain studies and/or the infrastructure needs are clearly understood.

Low-Emissions Technologies Projects: *FAST-Tech*

IRA Section 40007 Direction
"Carry out projects located in the U.S. that … develop, demonstrate, or apply low-emission aviation technologies"

Low-Emission Technology Definition
Technologies, produced in the U.S., that significantly--

a) improve aircraft fuel efficiency;
b) increase utilization of sustainable aviation fuel; or
c) reduce greenhouse gas emissions produced during operation of civil aircraft

Objective
Make investments to accelerate development and introduction of low-emission aviation technologies to meet U.S. aviation climate goals to reduce aviation carbon emissions

For reference:

U.S. Aviation Climate Action Plan - Nov. 2021
- Whole-of-government approach to put aviation sector on a path to net-zero emissions by 2050
- Highlights need to develop aircraft tech that significantly improve environmental performance

Types of FAST-Tech Projects

- **Category 1**: Designing, prototyping, and testing of discrete low-emission aviation technologies
  - Work under the project is intended to reduce technical risk and understand the emissions reductions benefits of these technologies.
  - Relatively near-term impact on emissions from future engine and aircraft designs.
  - Technologies might be limited vehicle types or specific company product lines.
- **Category 2**: Enhancing aircraft and engine technology testing and demonstration capabilities to accelerate development and demonstration of a broad range of low-emissions aviation technologies.
  - Work under the project is intended to develop testing facilities or assets in order to provide new test methods, capabilities to test technologies not previously possible, provide higher fidelity data and/or data not otherwise attainable with current facilities, methods or capabilities.
  - Longer-term impact on emissions from future engine and aircraft designs.
  - Support development of tech over broad range of vehicle types.
  - Impact of projects could endure for long time period and help entire industry.
  - Improve understanding of technologies to enable future benefits.

B. Federal Award Information

Estimated Funding:

- Up to $244.53M for FAST-SAF and $46.53M for FAST-Tech
- Anticipate approximately half of FAST-SAF funding and all of FAST-Tech funding will be awarded under Phase 1, though the FAA may elect to award all funding under Phase 1
- Any remaining FAST-SAF funding will be made available under Phase 2, which the FAA anticipates will be announced within two years of Phase 1 awards -- Phase 1 participation is not a prerequisite for Phase 2

Award Size:

- FAST-SAF - $100,000 to $300,000 for Tier 1; $500,000 to $20,000,000 for Tier 2
- FAST-Tech - $500,000 to $10,000,000
- Ranges are guidelines, not firm limits

Period of Performance:

- Minimum of 1 year and maximum of 5 years
- PoP must consist of approximately annual budget periods if Tier 2 or funding request > $2,500,000

Partial Awards

- FAA may select only a portion of a proposed activity, potentially at a reduced funding level
- Encourage identifying scaled funding options in proposals; or, indicate if proposal is non-separable package

C. Eligibility Information

Eligible Applicants:

- Includes state and local governments, airports, air carriers, academic and research institutions, other aviation industry, and nonprofits
- FFRDCs and foreign entities are eligible
- For team arrangements, one entity must be designated as prime recipient, with whom FAA will solely enter into a grant agreement

Cost Sharing:

- Federal cost-share is 75% of project cost (90% for small or non-hub airport awardees)

Project Eligibility:

- Projects must meet the definitions in NOFO Section A
- Projects must be located in the United States
- Ready to begin work by August 1, 2024 and complete work within a 5-year max period of performance
- See additional details in NOFO

D. Application and Submission Information

Cover Page

- Signed by prime recipient POC and financial officer
- List team member organizations
- Identify each project within a proposal as either:
  - FAST-SAF Tier 1
  - FAST-SAF Tier 2
  - FAST-Tech Category 1
  - FAST-Tech Category 2
- Include any statements regarding confidentiality
  - The FAA may share application information within the FAA or with other Federal agencies if the FAA determines that sharing is relevant to the respective program's objectives

D. Application and Submission Information

Vol. 1, Technical and Management Proposal

1) an organization chart for the project team;
2) a narrative describing the roles and responsibilities of key personnel including any partner organizations;
3) projected activities to be undertaken during project, including a clear description of which activities will be covered with FAA funds and which will be covered with applicant cost share;
4) a project schedule—divided into budget periods, as described in Section B.4–showing these activities on a timeline
5) potential risks to the success of the project and mitigation strategies
6) other items as appropriate

Narrative that explains how the proposed project activities address the criteria outlined in Section E.1, as applicable for the type of project proposed

D. Application and Submission Information

Vol. 2, Cost Proposal, Certifications, & Declarations

Form	OMB Form Number[1]
SF-424, Application for Federal Assistance	4040-0004
Key Contacts	4040-0010
SF-424A, Budget Information for Non-Construction Programs	4040-0006
SF-424C, Budget Information for Construction Programs (construction projects only)	4040-0008
SF-424B/D, Assurance for Non-Construction/Construction Programs (whichever is applicable)	4040-0007/0009
Budget Narrative[2]	N/A
Project/Performance Site Locations of Each Team Member	4040-0010
Indirect Cost Agreement[3]	N/A

1. Forms available on grants.gov
2. Include budget allocation across individual projects and, where applicable, indicate budget periods
3. See details in NOFO

D. Application and Submission Information

Addendum

Succinctly describe:

- Whether the Project Manager and Project Team have the skill and expertise needed to successfully execute the project plan
- Whether the applicant has prior experience which demonstrates an ability to perform tasks of similar risk and complexity
- Whether the applicant has worked together with its teaming partners on prior projects or programs
- Whether the applicant has adequate access to equipment and facilities necessary to accomplish the effort and/or clearly explain how it intends to obtain access to the necessary equipment and facilities

D. Application and Submission Information

Other Notes

- Applicants must have a Unique Entity Identifier provided by SAM.gov
- FAA will not reimburse pre-award costs or application preparation costs
- Applicants may be the prime recipient on only one application
  - Application can include multiple (clearly identified) projects
  - Applicant may collaborate on other applications so long as they are not the prime recipient on two different applications
- Applications due to grants.gov by 11:59 p.m. eastern time on November 27, 2023
  - Late submissions will not be accepted

E. Application Review Information

Technical Criteria

In descending order of importance:

Directly from IRA language

1. The capacity for eligible entity to increase the domestic production and deployment of sustainable aviation fuel or the use of low-emission aviation technologies among the United States commercial aviation and aerospace industry
2. The projected greenhouse gas emissions from such project, including emissions resulting from the development of the project, and the potential the project has to reduce or displace, on a lifecycle basis, United States greenhouse gas emissions associated with air travel;
3. For projects related to the production of sustainable aviation fuel, the projected lifecycle greenhouse gas emissions benefits from the proposed project, which shall include feedstock and fuel production and potential direct and indirect greenhouse gas emissions (including resulting from changes in land use) **(SAF production projects only)**
4. The capacity to create new jobs and develop supply chain partnerships in the United States
5. The soundness of the technical work plan

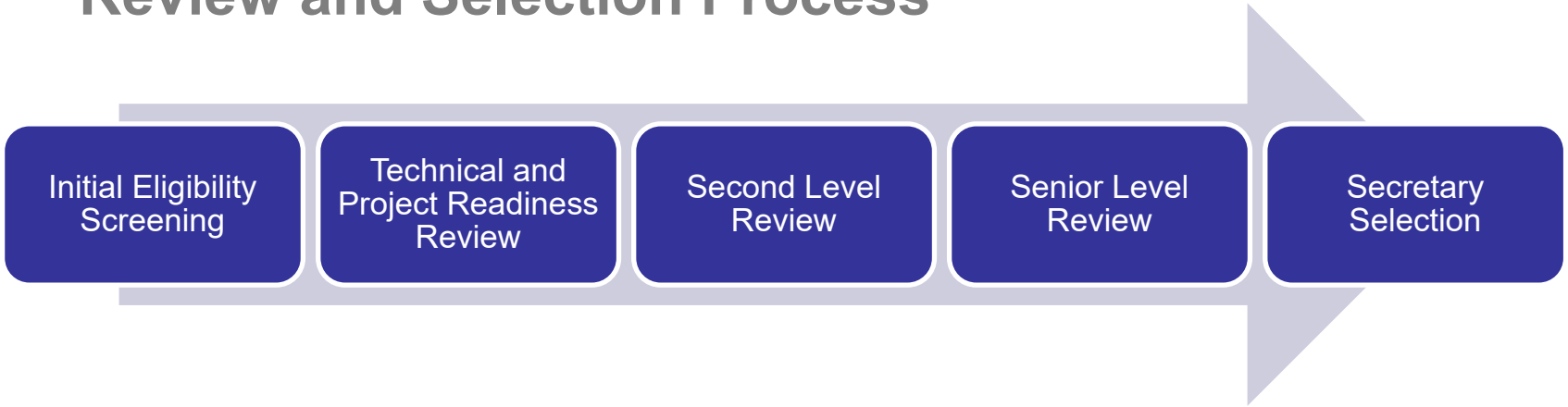
E. Application Review Information

Other Selection Factors

- Lower importance relative to Technical Criteria
- **Project Readiness Review:**
  - *Applicant Qualification Assessment*
    - Whether the applicant and its project management team possess the necessary education, experience, training, facilities, and administrative resources to support the proposed award
  - *Financial Completeness Assessment*
    - Availability of matching funds and whether the applicant presented a complete funding package
  - *Environmental Review and Permitting Assessment*
    - Project's environmental impacts and likelihood of success in acquiring the necessary approvals affecting project obligation (e.g., NEPA, permitting, etc.)
- **Second Level Review:**
  - *Factor A* – Ensuring a diversity of feedstocks for sustainable aviation fuel, including the use of waste carbon oxides and direct air capture (from IRA statute)
  - *Factor B* – Additional financial support for the project
  - *Factor C* – How the project will address equity and Justice40 considerations

E. Application Review Information

Review and Selection Process



- The FAST Program Office may contact applicants to discuss the submission, or to request further information to assist in assessing a proposal
- Otherwise, during the selection process, discussions regarding program requirements or the competitive process are not permitted between the proposing organizations, the sponsoring organization or others within the FAA or other government organizations who may be involved in or have knowledge of the application or evaluation process

F. Federal Award Administration Information

Notices

- Proposals determined to be ineligible will be returned to the applicant with explanation
- The FAA FAST Grants Officer will notify recipient's designated POC of award
  - Signed grant award, when executed, is the authorizing document that enables start of agreed upon activities
- Grants Officer will notify applicants that have not been selected as promptly as possible

F. Federal Award Administration Information

Administrative and National Policy Requirements

- As a condition for receiving Federal financial assistance from DOT/FAA, applicant must comply with:
  - Local, State and Federal laws and directives including National Policies identified in required form SF-424B/D, Assurances Non-Construction/Construction
  - 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
  - See full list in NOFO Section F.2

F. Federal Award Administration Information

Reporting

- Project team must maintain a close working relationship with the FAST Program Office
- Quarterly/Annual reports and semiannual project reviews required
- Subject to program evaluation undertaken by DOT or another agency or partner
- FAST-Tech projects will be required to share data to support technology benefit modeling and assessment

H. Other Information

1. **Treatment of Application Information**
   - In general, data/info will only be used for evaluation purposes
   - If application includes proprietary information, use appropriate markings
2. **Intellectual Property**
   - FAA plans to share details of work as required to advance program goals within the aerospace community, without disclosing proprietary design/performance information
   - Specific data rights to be discussed with grantees pre-award

Closing

Applications due electronically via grants.gov by 11:59 p.m. eastern November 27, 2023

For any questions, please write to fast-saftech@faa.gov

Questions & Answers