



Issue Date: March 25, 2016
Deadline for Questions: April 1, 2016 – 12pm Eastern Standard Time
Closing Date: April 22, 2016 – 12pm Eastern Standard Time

Subject: Notice of Funding Opportunity Number - RFA-OAA-16-000012

Program Title: Energy Regulatory Partnership Program(ERRP)

Dear Potential Recipients:

The United States Agency for International Development (USAID) is seeking applications for a Cooperative Agreement from qualified U.S. and non-U.S. organizations to fund a program entitled Energy Regulatory Partnership Program (ERPP). Please review Section C of this notice of funding opportunity (NFO) for eligibility requirements.

Subject to the availability of funds an award will be made to that responsible applicant(s) whose application(s) best meets the objectives of this funding opportunity and the selection criteria contained herein. While one award is anticipated as a result of this NFO, USAID reserves the right to fund any or none of the applications submitted.

For the purposes of this NFO the term "Grant" is synonymous with "Cooperative Agreement"; "Grantee" is synonymous with "Recipient"; and "Grant Officer" is synonymous with "Agreement Officer". Eligible organizations interested in submitting an application are encouraged to read this NFO thoroughly to understand the type of program sought, application submission requirements and evaluation process. The successful Applicant will be responsible for ensuring the achievement of the program objectives.

To be eligible for award, the applicant must provide all information as required in this NFO and meet eligibility standards in Section C of this NFO. This funding opportunity is posted on www.grants.gov, and may be amended. Potential applicants should regularly check the website to ensure they have the latest information pertaining to this notice of funding opportunity. Applicants will need to have available or download Adobe program to their computers in order to view and save the Adobe forms properly. It is the responsibility of the applicant to ensure that the entire NFO has been received from the internet in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion process. If you have difficulty registering on www.grants.gov or accessing the NFO, please contact the Grants.gov Helpdesk at 1-800-518-4726 or via email at support@grants.gov for technical assistance.

Notice of Funding Opportunity No. RFA-OAA-16-000012
Energy Regulatory Partnership Program

Please send any questions to the point(s) of contact identified on the cover page and in Section D. The deadline for questions is shown above. Responses to questions received prior to the deadline will be furnished to all potential applicants through an amendment to this notice posted to www.grants.gov.

Issuance of this notice of funding opportunity does not constitute an award commitment on the part of the Government nor does it commit the Government to pay for any costs incurred in preparation or submission of comments/suggestions or an application. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

Thank you for your interest in USAID programs.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kevin Sampson', is written over the printed name.

Kevin Sampson
Agreement Officer

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ABBREVIATIONS AND ACRONYMS USED IN THIS NFO

ERPP - Energy Regulatory Partnership Program
USAID – United States Agency for International Development
NFO – Notice of Funding Opportunity
PURC - Public Utility Research Center
NARUC – National Association Regulatory Utility Commissioners
CPU - Center for Public Utilities
DSM - Demand-side management

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SECTION A: PROGRAM DESCRIPTION

This activity is authorized in accordance with the Foreign Assistance Act of 1961, as amended. The resulting award will be subject to 2 CFR 700 and 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

I. Background

A strong energy regulatory authority is crucial to protecting consumer interests, particularly where there are monopoly energy suppliers and distributors, and to promoting private investment through reducing investor risks. Energy regulators play a central role in tariff design, licensing, cross border trade, new technology deployment, and promoting universal service, renewable energy and energy efficiency. A strong regulatory authority can help prevent market abuse, keep prices down, establish cost-recovery tariffs and a financially healthy utility, reduce greenhouse gas emissions, and ensure access to and security of energy supply. To effectively discharge its mandate, regulatory bodies must strive towards transparency and independence, particularly of political interference. Transparency and independence can help attract investment by building confidence in the government and regulator's commitment to setting fair policies and regulations, which give impartial treatment to investors and other sector players.

With Government policies mandating increased renewable energy supplies, regulatory rules can set the economic/ business incentives for renewables through regulatory mechanisms such as tax structures, asset depreciation rates, and tariffs and rates. These can create or inhibit market opportunities. Integrating renewable resources creates regulatory complexities that can be challenging to address. Even sophisticated authorities are struggling to address the associated complexities, including ensuring grid stability, establishing equitable interconnection rules, and supporting effective utility business models. Clean energy regulation requires good economic regulation that, for example, can deal with capacity factor variations, spinning reserve, transmission access and pricing, and cost allocation associated with informatics and metering needed to cope with intermittency. Energy efficiency regulation and demand-side management (DSM) also require specialized regulatory skills and capacity.

Increasing distributed renewable energy generation on the grid is creating a unique set of regulatory challenges for allocating costs and benefits. As utility sales decrease with increasing distributed generation, how can fixed costs be recovered? What rate design avoids cross-subsidies and allows for fair compensation for distributed generation resources? New utility business models may be required with the evolution away from centralized supplies and the role of the utility as a natural monopoly.

Around the world, regulatory capacity varies tremendously. In some countries, particularly in Africa, country and regional regulatory authorities have only been recently established and still lack capacity for executing basic regulatory functions. Systems are less mature with low electrification rates and the sector may still be struggling to recover costs and reduce losses while expanding service. In others, regulators may be focused on more advanced regulatory functions associated with increased integration of renewable supplies, both distributed and large scale. Regulatory models may also differ. Some regulatory bodies may enjoy a larger degree of autonomy while others share regulatory functions with Government ministries and departments.

In October 2008, NARUC submitted an unsolicited proposal to USAID/E3 and in July 2009, USAID entered into a three-year cooperative agreement with NARUC to establish the Enhancing Sustainable Utility Regulation Cooperative Agreement (ENSURE). The ENSURE Agreement enables USAID to develop peer-to-peer exchange programs for infrastructure (energy, water, telecommunications) regulators and associations of regulators from developing countries to discuss challenges and share best practices with their counterparts from the U.S. and other regions of the world. The Agreement provided for two-way learning experiences, linking a specific U.S. commission with an international regulatory counterpart to develop and bolster its institutional capacity and practices in market-based energy regulation and promotion of clean energy.

ERPP will be a follow-on award to ENSURE, filling the need for a regulatory partnership program in E3's clean energy portfolio. Annual reports and other project documents for the ENSURE agreement can be found on the website for USAID's Development Experience Clearinghouse.

II. Objective

The purpose of the Energy Regulatory Partnership Program is to strengthen the capacity of regulatory authorities in USAID-assisted countries so that they are able to effectively discharge their mandates and attract investment while protecting consumer's interests. Capacity building under ERPP will work towards ensuring that regulatory authorities have the trained staff, funding, tools and resources necessary to provide effective, transparent and independent sector oversight. Special attention will be paid to developing regulatory capacity and incentives for investment in clean energy, including renewable energy and demand side management.

III. Illustrative Activities

The regulatory solution for each country will depend on the regulatory model in place and the country's unique set of energy sector conditions, such as the maturity of the system, level of private participation, and degree of competition. Understanding this, prior to undertaking any of the activities below, ERPP will assess sector conditions and define country- and region- specific objectives and activities that best respond to the characteristics and needs in the country/ region. Bilateral or regional ERPP programs may encompass one or more of the following:

(1) Bilateral regulatory partnerships

Objective: Bilateral regulatory partnerships are intended to facilitate the exchange of experience and information between regulatory agencies/ministries in USAID-assisted countries and more advanced authorities from the U.S., Europe, and less developed countries. These partnerships enable the development of long-term relationships between the foreign and developing country regulators and the sharing of hands-on experience. The foreign regulator is considered a long-term resource for its counterpart in the developing country.

Illustrative Activities: Peer exchanges are the core activities of bilateral regulatory partnerships and include visits of at least one week by a delegation of developing country regulatory staff to the offices of the partnering foreign regulator(s) and vice versa. Peer exchanges may include site visits, training exercises, presentations, and individual and group discussions. To maximize

results and enable achievement of a specific result or deliverable, exchanges shall be focused as possible. During an exchange, foreign regulatory staff may be required to review a specific law/regulation, program, procedure, or process. Exchanges could possibly lead to further technical assistance as described in (3) below. In between peer exchanges, partnerships can be continued remotely through telephone, e-mail and other forms of communication.

(2) Regional regulatory partnerships

Objective: Cross border trade is increasing as countries seek to pool energy resources to increase access to electricity services and enable resources to be used more efficiently. ERRP will build regional regulatory capacity for facilitating cross-border trade and strengthening power pools. ERRP assistance may support regional and bilateral regulators and regional associations to, for example, develop Power Purchase Agreements, strengthen power pool governance and operations, establish transmission and wheeling tariffs, set reliability standards and harmonized grid codes, and develop common Uniform System of Accounts.

Illustrative Activities: Similar to bilateral regulatory partnership activities described above, ERRP may facilitate the exchange of experience and information between regional regulatory agencies/ministries in USAID-assisted countries and more advanced authorities from the U.S., Europe, and less developed countries. Activities may encompass peer exchanges, site visits, training exercises, presentations, and individual and group discussions. Additional technical assistance or advisory services may be required for defined activities that will result in strengthened regulatory monitoring and oversight of regional trade and/ or power pool operations. Regional partnership activities should coordinate with and build off bilateral partnership activities, where applicable.

(3) Technical assistance

Objective: To provide technical assistance to regulatory authorities in developing countries that require technical expertise either as a complement to regulatory partnerships or as stand-alone targeted assistance to help the developing country regulator with meeting a regulatory objective, program goal and/or build local capacity.

Illustrative Activity: Technical assistance may take different forms, including but not limited to placement of embedded advisors; job shadowing; drafting or reviewing of policy, legislation, regulations, manuals, and/ or procedures; advising on international best practices; workshops; evaluating the impact of a regulatory instrument; and designing new regulatory approaches.

(4) Training

Objective: To build local regulatory capacity, ERRP includes training for energy regulatory staff in USAID-assisted countries. This may include in-country training or support for attendance at training programs in the U.S, Europe, and other countries. Example courses include the Public Utility Research Center (PURC)/World Bank International Training Program on Utility Regulation & Strategy program at the University of Florida, Camp NARUC at the Michigan State University, Center for Public Utilities (CPU) courses at the New Mexico State University, and the NARUC Utility Rate School. In addition to in-person training, ERPP shall support

participation by developing country regulatory staff in webinars and other on-line training, as appropriate.

Illustrative Activities: ERPP may develop new innovative training tools, such as computer-based simulation games, to encourage interactive learning and enhanced collaboration between sector stakeholders. ERPP may also develop new mechanisms for building consensus between sector players and assisting them to reach agreement on regulatory solutions. Tools developed under ERPP shall be developed such that they can be tailored to different country conditions and audiences.

(5) Knowledge management

Objective: ERRP may capture, develop and share regulatory learning that is key to building the capacity of regulatory authorities so that they can effectively execute their regulatory functions. This may include such activities as original research, preparation of model documents, and compilation of best practices.

Illustrative Activity: ERRP may develop digital and other media to share knowledge management products effectively with developing country audiences. As needed, ERRP may provide this in a format that can be used by beneficiaries without robust internet connectivity. To disseminate regulatory learning, ERRP may host events and forums to exchange ideas, information, best practices, and experiences that will enable regulatory authorities to have the knowledge and capacity to meet their energy sector regulatory challenges.

IV. Required Key Personnel include:

Director: The Director will have overall responsibility for the award, including administration, management, monitoring and evaluation, reporting and program development. The Director position requires a bachelor's degree in international development, international relations, or another related discipline. S/he must demonstrate ten years of professional expertise managing or implementing energy regulation programs. The Director must have a demonstrated expertise with managing large and complex programs and activities and working with civil society, governments, and international donors. The Director should also have experience prioritizing gender considerations in assistance programs.

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SECTION B: FEDERAL AWARD INFORMATION

1. Estimate of Funds Available and Number of Awards Contemplated

The ceiling for this program is \$24.3 million over a five year period. Actual funding amounts are subject to availability of funds.

USAID intends to award one Cooperative Agreement pursuant to this notice of funding opportunity.

USAID reserves the right to fund any one or none of the applications submitted.

2. Start Date and Period of Performance for Federal Awards

The period of performance anticipated herein is five years. The estimated start date will be upon the signature of the award, on or about.

3. Substantial Involvement

USAID intends to award a Cooperative Agreement to the applicant whose application, conforming to this NFO, offers the greatest value in furthering the goals of the program described in Section A of this NFO. A Cooperative Agreement is distinguished from a grant by virtue of USAID having substantial involvement in the implementation of the program.

USAID will be substantially involved in the implementation of the program described in Section A of this NFO in accordance with ADS 303.3.11. Substantial involvement will include the following:

- (i) Approval of the recipient's implementation plans;
- (ii) Approval of specified key personal;
- (iii) Agency and recipient collaboration or joint participation including;
 - a. Collaborative involvement in selection of advisory committee members, if the program will establish an advisory committee that provides advice to the recipient. USAID may participate as a member of this committee as well. Advisory committees must only deal with programmatic or technical issues and not routine administrative matters.
 - b. Concurrence on the substantive provisions of sub-awards
 - c. Approval of the recipient's monitoring and evaluation plans.
 - d. Monitor to authorize specified kinds of direction or redirection because of interrelationships with other projects. All such activities must be included in the program description, negotiated in the budget, and made part of the award.

4. Title to Property

Property title under the resultant agreement shall vest with the recipient in accordance with the Requirements of USAID Standard Provisions for U.S. or Non-U.S. Non-Governmental Organizations, whichever applicable.

5. Authorized Geographic Code

The geographic code for this program is 937.

6. Purpose of the Award

The principal purpose of the relationship with the Recipient and under the subject program is to transfer funds to accomplish a public purpose of support or stimulation of the Energy Regulatory Partnership Program which is authorized by Federal statute.

The successful Recipient will be responsible for ensuring the achievement of the program objectives and the efficient and effective administration of the award through the application of sound management practices. The Recipient will assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award. The Recipient using its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the resulting award.

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SECTION C: ELIGIBILITY INFORMATION

1. Eligible Applicants

U.S. and non-US organizations may participate under this NFO. Non-US organization must comply with authorized source origin code 937.

USAID welcomes applications from organizations which have not previously received financial assistance from USAID.

Applicants must have established financial management, monitoring and evaluation processes, internal control systems, and policies and procedures that comply with established U.S. Government standards, laws, and regulations. The successful applicant(s) will be subject to a responsibility determination assessment (Pre-award Survey) by the Agreement Officer (AO).

The Recipient must be a responsible entity. The AO may determine a pre-award survey is required to conduct an examination that will determine whether the prospective recipient has the necessary organization, experience, accounting and operational controls, and technical skills – or ability to obtain them – in order to achieve the objectives of the program and comply with the terms and conditions of the award.

2. Cost Sharing or Matching

There is no mandatory level of cost-sharing (matching) for this program; however, USAID encourages cost-sharing to the maximum practicable extent, and any proposed cost-sharing will be assessed by USAID as part of determining which applications offer the greatest value.

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SECTION D: APPLICATION AND SUBMISSION INFORMATION

1. Agency Point of Contact

Name: Selam Demissie
Title: Agreement Specialist
Email: sdemissie@usaid.gov

Name: Kevin Sampson
Title: Agreement Officer
Email: ksampson@usaid.gov

Questions and Answers:

All questions regarding this NFO should be submitted in writing to Selam Demissie and Kevin Sampson to the e-mail address above.

Questions regarding this NFO should be submitted electronically to the email address above no later than the date listed in on the coversheet of this NFO to provide sufficient time to address the questions and incorporate the questions and answers as an amendment to this solicitation. Any information given to a prospective Applicant concerning this NFO will be furnished promptly to all other prospective Applicants as an amendment to this NFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective Applicant.

2. Content and Form of Application Submission

Applicants are expected to review, understand, and comply with all aspects of the NFO.

Preparation of Applications:

Each Applicant shall furnish the information required by this NFO. Applications shall be submitted in two separate parts: (a) Technical Application, and (b) Cost/Business Application. **Please note that USAID email server has a limitation of 25MB.**

Any erasures or other changes to the application must be initiated by the person signing the application. Applications signed by an agent on behalf of the Applicant shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purpose, should mark the title page with the following legend:

“This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this application. If, however, a grant is awarded to this Applicant as a result of – or in connection with – the submission of this data, the U.S. Government shall have the right to

duplicate, use, or disclose the data to the extent provided in the resulting grant. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets {insert sheet numbers} and, mark each sheet of data it wished to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."

Applicants should retain for their records one (1) copy of the application and all enclosures which accompany it.

3. Application Submission Procedures

It is the Applicant's responsibility to ensure that all necessary documentation is complete and received on time.

Electronic submission is required by USAID. Applications, application modifications, and revised applications/addenda must be submitted via email to the Agency Point of Contact for this NFO, Selam Demissie (sdemissie@usaid.gov) and Kevin Sampson (ksampson@usaid.gov).

Applicants may upload applications to <http://www.grants.gov>. USAID bears no responsibility for data errors resulting from transmission or conversion processes associated with electronic submissions.

For an application sent by multiple emails, please indicate in the subject line of the email whether the email relates to the technical or cost application, and the desired sequence of multiple emails (if more than one is sent) and of attachments (e.g. "No. 1 of 4", etc.). For example, if your cost application is being sent in two emails, the first email should have a subject line which says: "[organization name], Cost Application, Part 1 of 2".

Our preference is that the technical application and the cost application be submitted as single email attachments, e.g. that you consolidate the various parts of a technical application into a single document before sending them. If this is not possible, please provide instructions on how to collate the attachments. USAID will not be responsible for errors in compiling electronic applications if no instructions are provided or are unclear. All applications received by the submission deadline will be reviewed for responsiveness to the NFO and the application format. No addition or modifications will be accepted after the submission date.

After you have sent your applications electronically, immediately check your own email to confirm that the attachments you intended to send were indeed sent. If you discover an error in your transmission, please send the material again and note in the subject line of the email or indicate in the file name if submitted via grants.gov that it is a "corrected" submission. Do not send the same email more than once unless there has been a change, and if so, please note that it is a "corrected" email.

4. Technical Application Format

The technical application will be the most important factor for consideration in selection for award of the proposed Cooperative Agreement. The technical application should be specific, complete and presented concisely. The application should demonstrate the Applicant's capabilities and expertise with respect to achieving the goals of this program. The application should take into account the requirements of the program and evaluation criteria found in this NFO.

USAID requests that applications be kept as concise as possible. Detailed information should be presented only when required by specific NFO instructions. **The written Technical Application is limited to 50 pages inclusive of the elements identified in this section and all attachments (with several exceptions listed below).**

The Technical Application should be in English. Applicants shall use only 8.5 inch by 11 inch paper, single-spaced pages and number each page consecutively. Applicants must use Arial 11-point font or a similar typeset. Information submitted in the Technical Application over 50 pages **will not** be evaluated.

The Technical Application's 50-page limit does not include the following:

- Cover Page, which should include program title, NFO reference number, name of organization(s) applying for the agreement, any partnerships, and the primary contact person for the application (including title, email, phone and signature of that individual)
- Table of Contents
- Executive Summary

The Technical Application should include the following elements:

A. Technical Approach (15-pages maximum)

This section must demonstrate the Applicant's understanding of energy regulation issues and their relationship to development, as well as how the Applicant intends to use a variety of programmatic techniques to address the program objectives. The Technical Approach section must clearly describe:

- Best practices related to how development assistance can improve the regulatory and commercial environment surrounding electricity generation, transmission and distribution, including knowledge of fundamental principles, awareness of key issues, familiarity with current practices, and identification of emerging trends.
- Specific and appropriate illustrative partnership activities for achieving the program's objectives..
- An approach to gender that will inform programming in specific, context-appropriate ways.

B. Technical Capabilities (10-pages maximum)

The application must provide evidence of the applicant's capability to conduct the variety of activities described in the Program Description. The Technical Capabilities section must clearly describe:

- The applicant's ability to draw on present and former energy sector regulators in the U.S. or internationally, who have personal experience and technical expertise in issues faced by energy sector regulators in USAID-assisted countries, to participate in peer-to-peer exchanges and other partnership programs.
- An ability to design interventions in response to changing regulatory issues in the energy sector in USAID-assisted countries, and to implement such interventions using capable and credible partners.
- A rapid programmatic response capability for responding to unanticipated needs.
- An ability to build the capacity of regulators in USAID-assisted countries to better understand their roles in assessing environmental and social impacts and applying international best practice when addressing overall regulatory processes.

C. Management Structure (9-pages maximum)

The application must provide evidence of the applicant's ability to administer the award in an efficient and cost-effective manner. This section must address the applicant's proposed management structure and how it contribute to the achievement of program goals. The Management Structure section must clearly describe:

- The applicant's administrative arrangements for the overall implementation of the program, including organizational structure for technical and operational management, brief biographical information on key management and technical personnel, and the applicant's approach to program monitoring, data management and reporting.
- Plans to include local and regional stakeholder perspectives into planning, program implementation and monitoring activities.
- Approach to assessing and mitigating the risk of doing harm via assistance under this award.
- An illustrative monitoring and evaluation plan.

D. Personnel (8-pages maximum)

The application must provide evidence of the applicant's ability to recruit, employ and retain skilled individuals to successfully manage the Cooperative Agreement. This NFO identifies one Key Personnel position; however, the applicant may propose additional positions as Key Personnel or other personnel, as appropriate. The Personnel section must clearly include a summary of key personnel and other personnel (short bios) and how these individuals fit into the overall staffing/management plan.

In an annex, the applicant must provide the following information for all Key and other personnel: name, position title, a minimum of three references, and a signed letters of commitment.

E. Past Performance (8-pages maximum)

An applicant's history of performance can serve as an indicator of the quality of its future performance. Applicants shall describe their experience in successfully conducting energy regulation programs in an international context. Applicants must provide a list of all its cost-reimbursement contracts, grants, or cooperative agreements involving similar or related programs during the past three years. The reference information for these awards must include the performance location, award number (if available), a brief description of the work performed, and a point of contact list with current telephone numbers. The Past Performance section must clearly describe:

- The applicant's track record implementing similar programs.
- Specific examples of how the applicant has learned from previous failures.
- Examples of the applicant's ability to be effective working with local energy regulators in challenging environments.
- Examples of how the applicant has built successful partnerships between energy regulators in multiple countries.
- Examples of how the applicant has applied do no harm principles.

5. Cost Application Format

The Applicant must sign and submit the cost application standard form number SF-424 and SF-424A. Standard Forms can be accessed electronically at www.grants.gov.

The Cost or Business application is to be submitted under a separate cover from the Technical application. The Cost/Business application is also to be submitted electronically to the point of contacts and email address specified above. The on CD in Microsoft Excel 2000 or Excel 2003. The Applicant is requested to submit a budget broken down by program years with an accompanying detailed budget narrative (in Word 2000 or Word 2003 text accessible) which provides in detail the total costs for implementation of the program as further detailed below.

Certain documents are required to be submitted by an Applicant in order for the Agreement Officer to make a determination of responsibility. However, it is USAID policy not to burden Applicants with undue reporting requirements if that information is readily available through other sources. There is no page limit on the Cost Application. However, unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this NFO is not desired. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

If the Applicant has established a consortium or another legal relationship among its partners, the Cost/Business application must include a copy of the legal relationship between the parties. The agreement should include a full discussion of the relationship between the Applicant and Sub-Applicant(s) including identification of the Applicant with whom USAID will work with for purposes of Agreement administration, identity of the Applicant which will have accounting responsibility, how Agreement effort will be allocated and the express agreement of the

principals thereto to be held jointly and severally liable for the acts or omissions of the other.

The following sections describe the documentation that the Applicants must submit to USAID prior to award. While there is no page limit for this portion, Applicants are encouraged to be as concise as possible, but still provide the necessary details to address the following:

1. The budget must have an accompanying detailed budget narrative and justification that provides in detail the total program amount for implementation of the program your organization is proposing. The budget narrative should provide information regarding the basis of estimate for each line item, including reference to sources used to substantiate the cost estimate (e.g. organization's policy, payroll document, and vendor quotes, etc.).
2. A budget for each program year with an accompanying detailed budget narrative which provides in detail the total costs for implementation of the program. The budget must be submitted using Standard Form 424 which can be downloaded from the following web site at: <http://apply07.grants.gov/apply/FormLinks?family=15>
3. A breakdown of all costs associated with the program according to the costs of, if applicable, headquarters, regional and/or country offices.
4. Applicants who intend to utilize contractors or sub-awardees should indicate the extent intended and a complete cost breakdown. Extensive contracts/agreement financial plans should follow the same cost format as submitted by the primary Applicant. A breakdown of all costs according to each partner organization, contract or sub-awardee involved in the program should be provided.

Pursuant to 2 CFR 200 Contract means a legal instrument by which the Applicant purchases property or services needed to carry out the project or program under a resulting award. The term does not include a legal instrument when the substance of the transaction meets the definition of a Federal award or sub-award (see § 200.92 Sub-award), even if the Applicant considers it a contract. The Applicant must describe the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting proposed by the contractor, and the quality of its record of past performance for similar work. For-profit contract organizations that work under the award and do not meet the above definition of a sub-awardee are eligible for profit/fee.

The cost/business application should contain the budget categories as shown on the SF-424A.

The Applicant must submit a Negotiated Indirect Cost Rate Agreement (NICRA) if the organization has such an agreement with an agency or department of the U.S. Government. If the applicant does not have a NICRA, it should submit the following:

Reviewed Financial Statements Report: a report issued by a Certified Public Account (CPA) documenting the review of the financial statements was performed in accordance with

Statements on Standards for Accounting and Review Services; that management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework and for designing, implementing and maintaining internal control relevant to the preparation. The account must also state the he or she is not aware of any material modifications that should be made to the financial statements; or

Audited Financial Statements Report: An auditor issues a report documenting the audit was conducted in accordance with Generally Accepted Auditing Standards (GAAS), the financial statements are the responsibility of management, provides an opinion that the financial statements present fairly in all material respects the financial position of the company and the results of operations are in conformity with the applicable financial reporting framework (or issues a qualified opinion if the financial statements are not in conformity with the applicable financial reporting framework).

Cost sharing is suggested, but not required. If the applicant proposes cost sharing, the applicant should estimate the amount of cost-sharing resources to be mobilized over the life of the agreement and specify the sources of such resources, and the basis of calculation in the budget narrative. Applicants should also provide a breakdown of the cost share (financial and in-kind contributions) of all organizations involved in implementing the resulting Cooperative Agreement.

The business section of the cost/business application should include:

1. Required assurances, certifications and representations
2. Evidence of responsible the Agreement Officer can use to determine the Applicant
 - a. Has adequate financial resources or the ability to obtain such resources as require during the performance of the award;
 - b. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the Applicant;
 - c. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance;
 - d. Has a satisfactory record of integrity and business ethics; and
 - e. Is otherwise qualified and eligible to receive a Cooperative Agreement under applicable laws and regulations (e.g., EEO).
3. Certificate of Compliance: Please submit a copy of your Certificate of Compliance if your organization's systems have been certified by USAID/Washington's Office of Acquisition and Assistance (M/OAA).

4. Statutory and Regulation Certifications

The Applicant shall complete the certifications in Section IV, B. Required Certifications and sign and date in the signature space provided. The signed and dated printout must then be submitted with the application as an annex to the cost application. Original signed hardcopy of the

certifications will be requested from the successful applicant prior to the agreement award.

Potential Request for Additional Documentation

Upon consideration of award or during the negotiations leading to an award, Applicants may be required to submit additional documentation deemed necessary for the Agreement Officer to make an affirmative determination of responsibility. **Applicants should not submit the information below with their applications.** The information in this section is provided so that Applicants may become familiar with additional documentation that may be requested by the Agreement Officer:

The information submitted should substantiate:

1. Bylaws, constitution, and articles of incorporation, if applicable.
3. Whether the organizational travel, procurement, financial management, accounting manual and personnel policies and procedures, especially regarding salary, promotion, leave, differentials, etc., submitted under this section have been reviewed and approved by any agency of the Federal Government, and if so, provide the name, address, and phone number of the cognizant reviewing official. The Applicant should provide copies of the same

Required Certifications

The applicant must submit the application using the SF-424 series, which includes the:

- SF-424, Application for Federal Assistance;
- SF-424A, Budget Information – Non-construction programs, and
- SF-424B, Assurances – Non-construction programs.

In addition to the certifications that are included in the SF-424, additional certifications may be required during negotiation of the award.

Unique Entity Identifier and System for Award Management

Dun and Bradstreet and SAM.gov Requirements

USAID may not award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements. Each applicant is required to:

- (i) Be registered in SAM before submitting its application. SAM is streamlining processes, eliminating the need to enter the same data multiple times, and consolidating hosting to make the process of doing business with the government more efficient.;
- (ii) Provide a valid unique entity identifier in its application; and

(iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

It is the Applicant's responsibility to ensure that all necessary documentation is complete and received on time.

Branding Strategy and Marketing Plan

The applicant is required to comply (and ensure compliance by partners) with USAID's branding and marketing requirements set forth in 2 CFR 700.16.

These regulations and provisions include the requirement for the apparently successful applicant to submit a branding strategy and marketing plan for pre-award review, negotiation, and approval by the Agreement Officer. Under these regulations and provisions, the branding strategy and marketing plan does not need to be submitted until the applicant is notified by the Agreement Officer that it is the apparently successful applicant, and is requested to submit the branding strategy and marketing plan by a time specified by the Agreement Officer. Thus, the initial cost/business application is not required to include a branding strategy and marketing plan.

However, applicants are encouraged to submit their branding strategy and marketing plan with their initial cost/business applications. While this component is not required, and will not be evaluated competitively, waiting until the negotiation period for approval and negotiation of the apparently successful applicant's branding strategy and marketing plan may result in delay of the award. Additionally, failure to submit or negotiate a branding strategy within the time specified by the Agreement Officer will make the apparently successful applicant ineligible for the award.

Funding Restrictions

USAID policy is not to award profit under assistance instruments. However, all reasonable, allocable and allowable expenses, both direct and indirect, which are related to the agreement program and are in accordance with applicable cost principle under 2 CFR 200 Subpart E. of the Uniform Administrative Requirements may be paid under the anticipated award.

SECTION E: APPLICATION REVIEW INFORMATION

1. Review and Selection Process

Applications will be evaluated in accordance with the criteria set forth below. To facilitate the review of the applications, applicants should organize their narrative sections of the application in the same order as the evaluation criteria. After evaluation of the applications, either: (1) the award will be made without discussions/negotiations; or (2) if deemed necessary or desirable by USAID, written and/or verbal discussions/negotiations will be conducted with applicants that submit the most highly rated applications. USAID prefers to

evaluate applications and make an award without discussions with applicants (except clarifications, which are limited exchanges between USAID and applicants, such as the relevance of an applicant's past performance information and adverse past performance information to which the applicant has not previously had a chance to respond). Therefore, the applicant's initial application should contain the applicant's best terms.

If discussions are conducted with applicants, they will be conducted with all applicants that submitted the most highly rated applications. However, the Agreement Officer may limit the number of such applications to the greatest number that will permit an efficient competition among the most highly rated applications. Exchanges with applicants after receipt of an application do not constitute a rejection or counteroffer by USAID.

After the conclusion of any such discussions, applicants with whom discussions were conducted will, unless otherwise advised, be required to submit a revised application or addendum to the initial application, which will be re-evaluated against the criteria set forth below. It is expected that an award will ordinarily be made after the first round of any such discussions and revised applications/addenda; however, USAID reserves the right to conduct subsequent rounds of discussions and revised applications/addenda, and to further limit the number of applicants with which such subsequent discussions would be conducted and from which a subsequent round of revised applications/addenda would be requested.

USAID intends to make an award to the responsible applicant whose application, application modification, and/or revised application/addendum represents the greatest value to USAID based on the evaluation of applications in accordance with the evaluation criteria set forth below.

2. Criteria

A. Technical Evaluation

USAID will conduct a merit review all applications received that complies with the instructions in this NFO. Applications will be reviewed and evaluated in accordance with the following criteria shown in descending order of importance:

Technical Approach (40%)

The extent to which the proposed technical approach demonstrates a clear understanding of the objectives of the program and a convincing approach to achieve them. USAID will consider:

- Demonstration of understanding of best practices related to how development assistance can improve the regulatory and commercial environment surrounding electricity generation, transmission and distribution, including knowledge of fundamental principles, awareness of key issues, familiarity with current practices, and identification of emerging trends.
- Inclusion of specific and appropriate illustrative partnership activities for

achieving the program's objectives and anticipated results.

- Incorporation of an approach to gender that will inform programming in specific, context-appropriate ways.

Technical Capabilities (30%)

The extent to which the applicant's institutional and technical capabilities reflect the ability to effectively implement this program. USAID will consider:

- The extent to which the applicant has an ability to draw on present and former energy sector regulators in the U.S. or internationally, who have personal experience and technical expertise in issues faced by energy sector regulators in USAID-assisted countries, to participate in peer-to-peer exchanges and other partnership programs.
- Presentation of the applicant's ability to design interventions in response to changing regulatory issues in the energy sector in USAID-assisted countries, and to implement such interventions using capable and credible partners.
- Demonstration of a rapid programmatic response capability for responding to unanticipated needs.
- Demonstration of an ability to build the capacity of regulators in USAID-assisted countries to better understand their roles in assessing environmental and social impacts and applying international best practice when addressing overall regulatory processes.

Key Personnel (20%)

The extent to which the proposed Key Personnel and other non-key personnel convincingly demonstrate the ability to successfully and effectively implement the proposed program. USAID will consider:

- Appropriate qualifications and experience for any proposed personnel.

Management Structure (5%)

The extent to which the proposed management plan will contribute to successful implementation of the program. USAID will consider:

- Clarity of the applicant's administrative arrangements for the overall implementation of the program, including organizational structure for technical and operational management, brief biographical information on key management and technical personnel, and the applicant's approach to program monitoring, data management and reporting.
- Plans to include local and regional stakeholder perspectives into planning, program implementation and monitoring activities.

- Soundness of the applicant’s approach to assessing and mitigating the risk of doing harm via assistance under this award.
- Incorporation of an illustrative monitoring and evaluation plan.

Past Performance (5%)

The extent to which the applicant and its partners, if any, demonstrate successful past performance in achieving success with similar programs. USAID will consider:

- The applicant’s track record implementing similar programs.
- Specific examples of how the applicant has learned from previous failures.
- Examples of the applicant’s ability to be effective working with local energy regulators in challenging environments.
- Examples of how the applicant has built successful partnerships between energy regulators in multiple countries.
- Examples of how the applicant has applied do no harm principles.

B. Cost Evaluation

While Cost is less important than technical and is not weighted, the cost applications of the apparently successful technical applications will be evaluated for cost effectiveness including the level of proposed cost share, if any. Other considerations are the completeness of the application, adequacy of budget detail and consistency with elements of the technical application. In addition, the organization must demonstrate adequate financial management capability, to be measured for a responsibility determination.

The application with the lowest estimated cost may not be selected if award to a higher priced technical application offers a greater overall benefit for the program. All evaluation factors other than cost or price, when combined, are significantly more important than cost. However, estimated cost is an important factor and the estimated cost to the Government increases in importance as competing applications approach equivalence and may become the deciding factor when technical applications are approximately equivalent in merit.

Cost estimates will be analyzed as part of the application evaluation process. Proposed costs may be adjusted, for purposes of evaluation, based on results of the cost analysis and its assessment of reasonableness, completeness, and credibility.

SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

1. Federal Award Notices

Award of the agreement contemplated by this NFO cannot be made until funds have been appropriated, allocated and committed through internal USAID procedures. While USAID anticipates that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for the award. The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. No costs chargeable to the proposed Agreement may be incurred before receipt of either a fully executed Agreement or a specific, written authorization from the Agreement Officer.

2. Administrative & National Policy Requirements

For U.S. organizations, 2 CFR 700, 2 CFR 200, and ADS 303maa, Standard Provisions for U.S. Non-governmental Organizations are applicable.

For non-U.S. organizations, ADS 303mab, Standard Provisions for Non-U.S. Non-governmental Organizations will apply.

3. Reporting Requirements.

All written documentation must be submitted in professional-level English. Reports must be submitted to USAID in Arial size-11 font or larger, unless otherwise agreed or directed by USAID. The reports listed below are the initial reports required by the recipient. Based on the evolving nature of the agreement, USAID may provide modified reporting requirements.

A. Annual Work-Plan

The annual implementation plan shall describe all activities planned for the year and where they will be conducted; benchmarks/milestones and annual performance targets; the outputs/outcomes which the Recipient expects to achieve; and support planned to be provided by the Recipient, during the period covered. Included shall be an explanation of how those inputs are expected to achieve the outputs/outcomes and benchmarks/milestones.

The annual implementation plans will describe activities to be conducted at a greater level of detail than the Program Description of the award, but shall be cross-referenced with the applicable sections in the Program Description. All activities must be within the scope and objectives of the award. Implementation plans shall not change such scope and objectives or any other terms and conditions of the award in any way; such changes may only be approved by the Agreement Officer, in advance and in writing. Thereafter, if there are inconsistencies between the work-plan and the Program Description or other terms and conditions of the award, the latter will take precedence over the work-plan.

Within 30 days of the signing on the award for first year and 30 days before the beginning of each subsequent Agreement year, the Recipient will submit an annual implementation plan for approval by USAID. Within 15 calendar days of submission, USAID will approve the implementation plan or provide the Recipient with written comments. The Recipient will have 15 calendar days to revise the annual implementation plan. If necessary, USAID will have an additional 15 calendar days to provide a second round of comments. USAID may approve parts of the implementation while awaiting revision of the full implementation plan. The Recipient may request USAID approve modifications to the approved annual implementation plan if necessary at some point during the program year.

B. Performance Monitoring Plan

The Recipient will develop a cost-effective, results-oriented performance monitoring plan that will provide USAID with information to monitor performance and effectiveness as well as to inform planning and management decisions. The Performance Monitoring Plan should also demonstrate a gender-sensitive approach, with the data collected being disaggregated by gender, historically disenfranchised groups, and other relevant groups identified, as appropriate. The Recipient will be responsible for monitoring the program benchmarks, and final activity results. The Recipient will also be responsible for establishing a baseline which will be used for measuring program progress. The PMP must include geographic data collection, geographic analysis, and data submission methods as a separate section. The PMP will be submitted at the same time as the first annual work-plan discussed in the previous paragraphs. The PMP and significant revisions thereto are subject to USAID approval.

C. Program Reporting

The Recipient shall electronically submit all performance reports to the AOR in USAID/Washington. All country-level, regional-level and local-level activities shall be included in the annual report. Performance reports will consist of the following:

Quarterly Progress Reports:

The Recipient shall submit a performance report to the AOR on a quarterly basis due within 30 days following the end of each quarter corresponding to USAID's fiscal year (from October 1 through September 30). Quarterly progress reports shall be concise and present the following information: 1) Executive Summary; 2) Program Activities and Highlights; 3) Key Accomplishments; 4) Challenges and Problems Encountered (including financial and administrative concerns); and 5) Future Directions and Upcoming Activities. Quarterly progress reports will also include a section summarizing any ongoing rapid response activities. In addition, qualitative descriptions of success stories and achievements to illustrate impacts of the program must be included when possible. Updated PMP data should be included with submission of the quarterly progress reports. Quarterly reporting will also include a specific section that includes brief pipeline analysis of the status of funds available in the core leader agreement. The Recipient shall also submit an electronic copy of each quarterly progress report to the USAID Development Experience Clearinghouse.

Annual Performance Report:

The final performance report will replace the last quarterly progress report. The final report shall include an executive summary of the Recipient's accomplishments overall and by country, regional, or local program in achieving results and impact; conclusions about lessons learned; future challenges and opportunities; an overall description of the Recipient's activities and attainment of results by country or region; an assessment of progress made toward accomplishing the development impact objectives and expected results; significance of these activities including their sustainability; and comments and recommendations. The final report shall incorporate the findings and results that were included in previous reports, and is due no later than 90 days after the completion, expiration, or termination of the award. The Recipient shall also submit an electronic copy of each quarterly progress report to the USAID Development Experience Clearinghouse.

D. Financial Reporting

Financial reporting requirements will depend on the method of payment. Recipients will comply with the financial reporting requirements set forth in the USAID standard provisions. If advance payments are provided, reporting periods are calendar quarters or parts thereof. Quarterly financial reports are due not later than 30 days after the end of each calendar quarter. The final financial report is due not later than 90 days after the estimated completion date of the award. If payment is on a reimbursement basis, financial reports may be submitted monthly, but not less frequently than 30 days after the end of each calendar quarter. The final financial report is due not later than 90 days after the estimated completion date of the award. The Recipient shall also comply with the USAID standard provision entitled "Reporting Host Government Taxes." USAID requires Recipients to use the Standard Form 425 or Standard Form 425a, Federal Financial Report, or such other forms authorized for obtaining financial information as may be approved by OMB.

Quarterly Financial Reports:

Quarterly Financial Reports shall be due within 30 days following the end of each quarter corresponding to USAID's fiscal year from October 1 through September 30. This report shall include a statement of quarterly accruals. To allow USAID and the AOR to monitor the financial status of the project, accruals should include the (a) total amount obligated; (b) total amount invoiced for, (c) total amount of expended but not yet invoiced for, and (d) remaining unexpended funds.

Final Financial Report:

The Final Financial Report shall be due within 90 days following the expiration of the award. Financial Reports shall be in accordance with 2 CFR 700. USAID requires recipients to use the Standard Form 425 or Standard Form 425a, Federal Financial Report, or such other forms authorized for obtaining financial information as may be

approved by OMB. The Final Financial Report shall be due within 90 days following the expiration of the award. The reports may be submitted electronically.

Development Experience Clearinghouse Requirements:

USAID recipients must submit one electronic copy of development experience documentation to the Development Experience Clearinghouse. Development experience documentation may be submitted online: <http://dec.usaid.gov>. Or by mail (for pouch delivery): USAID Development Experience Clearinghouse M/CIO/ITSD/KM/DEC RRB M.01-010 Washington, DC 20523-6100 Phone: (202) 712-0579 Email: docsubmit@usaid.gov In addition, the recipient must submit one electronic copy of development experience documentation to the AOR for the Leader award.

Notifications:

The Recipient will be required to immediately notify the AOR and the Agreement Officer of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

Program Income

Any program income generated under the award(s) will be added to USAID funding (and any cost-sharing that may be provided) and used for program purposes. Program income will be subject to the USAID Standard Provisions for Non-U.S. Non-Governmental Organizations.

Environmental Compliance

(a) Section 117 of the Foreign Assistance Act of 1961, as amended, requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying-out its development programs, as codified in 22 CFR 216 and in USAID's Automated Directives System (ADS) 204, which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. The environmental compliance obligations of the Recipient of the award(s) resulting from this NFO under these regulations and procedures are specified in the following paragraphs.

(b) In addition, the Recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

(c) No activity funded under the award(s) resulting from this NFO may be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau

Environmental Officer (BEO). (Such documents are hereinafter described as “approved Regulation 216 environmental documentation.”)

(d) As part of its annual work-plans, the Recipient, in collaboration with the AOR and BEO, shall review all ongoing and planned activities under the award to determine if they are within the scope of the approved Regulation 216 environmental documentation.

If the Recipient plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it shall prepare an amendment to the documentation for USAID review and approval. No such new activities shall be undertaken prior to receiving written USAID approval of environmental documentation amendments. Any activities found to be outside the scope of the approved Regulation 216 environmental documentation shall be halted until an amendment to the documentation is submitted and written approval is received.

(e) The Recipient will be required to use an Environmental Review Form (ERF) or Environmental Review (ER) checklist using impact assessment tools to screen sub-award and contract proposals to ensure the funded proposals will result in no adverse environmental impact, to develop mitigation measures, as necessary, and to specify monitoring and reporting. Use of the ERF or ER checklist is required when the nature of the proposals to be funded is not well enough known to make an informed decision about their potential environmental impacts; yet, due to the type and extent of activities to be funded, any adverse impacts are expected to be easily mitigated. Implementation of these activities cannot proceed until the ERF or ER checklist is completed and approved by USAID. The Recipient is responsible for ensuring that mitigation measures specified by the ERF or ER checklist process are implemented. The Recipient will also be responsible for periodic reporting to the AOR, as specified in the award.

(f) The costs of environmental compliance will be reimbursable under the award(s) resulting from this NFO provided that they are otherwise in accordance with the terms and conditions of the award.

SECTION G: FEDERAL AWARDING AGENCY CONTACT(S)

The point of contact for this NFO and for any questions during the NFO process is:

Selam Demissie – sdemissie@usaid.gov

Kevin Sampson – ksampson@usaid.gov

SECTION H: OTHER INFORMATION

USAID reserves the right to fund any or none of the applications submitted.